

# GLOSSARY

<b>Airport Express</b>	Train service provided between AsiaWorld-Expo Station and Hong Kong Station
<b>Appointed Day or Merger Date</b>	2 December 2007 when the Rail Merger was completed
<b>Articles of Association</b>	The articles of association of the Company
<b>Board</b>	The board of directors of the Company
<b>Bus</b>	Feeder bus services operated in support of Tuen Ma Line, East Rail Line and Light Rail
<b>Company or MTR Corporation</b>	MTR Corporation Limited, a company which was incorporated in Hong Kong under the Companies Ordinance on 26 April 2000
<b>Companies Ordinance</b>	The Companies Ordinance (Chapter 622 of the Laws of Hong Kong or the predecessor Companies Ordinance Chapter 32 of the Laws of Hong Kong (as the case may be))
<b>Computershare</b>	Computershare Hong Kong Investor Services Limited, the share registrar of the Company
<b>Cross-boundary Service or Cross-boundary</b>	Journeys with the destination to/commencing from Lo Wu and Lok Ma Chau stations
<b>Customer Service Pledge</b>	Annually published performance targets in accordance with the Operating Agreement
<b>Director or Member of the Board</b>	A member of the Board
<b>Domestic Service</b>	Collective name for Kwun Tong, Tsuen Wan, Island, South Island, Tung Chung, Tseung Kwan O, Disneyland Resort, East Rail (excluding Cross-boundary Service) and Tuen Ma lines
<b>EBITDA</b>	Operating profit/loss before fair value measurement of investment properties, depreciation, amortisation, variable annual payment, share of profit or loss of associates and joint ventures, interests, finance charges and taxation
<b>EBITDA Margin</b>	EBITDA (excluding Hong Kong property development profit from share of surplus and interest in unsold properties) as a percentage of revenue
<b>EBIT</b>	Profit/loss before fair value measurement of investment properties, interest, finance charges and taxation and after variable annual payment
<b>EBIT Margin</b>	EBIT (excluding Hong Kong property development profit from share of surplus and interest in unsold properties, and share of profit of associates and joint ventures) as a percentage of revenue
<b>Express Rail Link or High Speed Rail or HSR</b>	Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link, also known as Guangzhou-Shenzhen-Hong Kong High Speed Rail (Hong Kong Section) after the commencement of passenger service on 23 September 2018
<b>Fare Index</b>	A measure of customer satisfaction for the fares charged for Domestic and Cross-boundary services, HSR, Airport Express, Light Rail and Bus based on satisfaction scores for different fare attributes weighted by the corresponding importance rating from the customer research
<b>FSI</b>	The Financial Secretary Incorporated, a corporation solely established under the Financial Secretary Incorporation Ordinance (Chapter 1015 of the Laws of Hong Kong)
<b>Government</b>	The Government of the Hong Kong SAR
<b>Group</b>	The Company and its subsidiaries
<b>HKSE or Stock Exchange</b>	The Stock Exchange of Hong Kong Limited
<b>Heavy Rail</b>	Collective name for Domestic Service, Cross-boundary Service and Airport Express

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<b>Hong Kong or Hong Kong SAR or HKSAR</b>	The Hong Kong Special Administrative Region of the People's Republic of China
<b>Intercity Service or Intercity</b>	Intercity through train services operated between Hong Kong and major cities in Mainland China such as Beijing, Shanghai and Guangzhou
<b>Interest Cover</b>	Operating profit before fair value measurement of investment properties, depreciation, amortisation, variable annual payment, share of profit or loss of associates and joint ventures, interests, finance charges and taxation divided by gross interest and finance charges before capitalisation, utilisation of government subsidy for Shenzhen Metro Line 4 operation and accreted interest on loan to a property developer
<b>KCRC</b>	Kowloon-Canton Railway Corporation
<b>KPMG</b>	KPMG, Certified Public Accountants, the independent auditor of the Company. KPMG is a Public Interest Entity Auditor registered in accordance with the Financial Reporting Council Ordinance
<b>Light Rail</b>	Light rail serving North West New Territories
<b>Listing Rules</b>	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
<b>MTR Ordinance</b>	The Mass Transit Railway Ordinance (Chapter 556 of the Laws of Hong Kong)
<b>Net Debt-to-equity Ratio</b>	Loans and other obligations, bank overdrafts, short-term loans, obligations under service concession and loans from holders of non-controlling interests net of cash, bank balances and deposits, and investment in bank medium-term notes in the consolidated statement of financial position as a percentage of the total equity
<b>Operating Agreement</b>	The agreement entered into by the Company and the Government on 30 June 2000 for the operation of our rail services before the Rail Merger and a new agreement entered on 9 August 2007 for the operation of all of our rail and bus passenger services after the Rail Merger
<b>Ordinary Shares</b>	Ordinary shares in the capital of the Company
<b>Rail Merger or Merger</b>	The merger of the rail operations of MTR Corporation and KCRC and the acquisition of certain property interests by MTR Corporation from KCRC, full details of which are set out in the Rail Merger Circular. The Rail Merger was completed on 2 December 2007
<b>Rail Merger Ordinance</b>	The Rail Merger Ordinance (Ordinance No.11 of 2007)
<b>Return on Average Equity Attributable to Shareholders of the Company arising from Underlying Businesses</b>	Profit attributable to shareholders of the Company arising from underlying businesses as a percentage of the average of the beginning and closing total equity attributable to shareholders of the Company of the period
<b>Service Concession</b>	A contract to provide services for a particular period which is awarded by a public sector entity to an operator; in the context of concession projects in Hong Kong, service concession refers to the concession granted or to be granted by KCRC and/or Government to the Company to operate, maintain and renew certain railway lines under the Service Concession Agreement or a Supplemental Service Concession Agreement, as more particularly described in the Rail Merger Circular; in the context of concession projects in Mainland China and Overseas, service concession refers to the concession granted by the government or relevant public sector entity to a subsidiary, associate or joint venture of the Company to provide certain specified services for a specified period under a negotiated concession agreement
<b>Service Quality Index</b>	A measure of customer satisfaction for the services provided by Domestic and Cross-boundary services, HSR, Airport Express, Light Rail and Bus based on satisfaction scores for different service attributes (excluding fares) weighted by the corresponding importance rating from the customer research