

**Six Months of 3% Rebate from 30 June 2018 when New MTR Fares Take Effect
No Actual Fare Increase for Octopus Passengers in 2018**

The MTR Corporation announced its 2018/19 fare promotions package today (28 May 2018) when it published the new MTR fares for 2018/19. On top of on-going fare concessions, the new promotions package will bring fare savings of over \$500 million to customers including:

- six months of the “3% Rebate for Every Octopus Trip” from 30 June 2018 to 1 January 2019 funded by the concession amount set aside under the “Profitability-Linked Arrangement” and “Service Performance-Linked Arrangement” with top up by the Corporation;
- no price adjustment of “MTR City Saver”, “Monthly Pass Extra” and “Tuen Mun-Nam Cheong Day Pass” in the calendar year of 2018, with the price revision deferred by 6 months;
- a new discount* of \$0.3 for interchange between MTR and over 500 Green Minibus (GMB) routes to be offered to Octopus passengers with effect from 3 June 2018; and
- the extension of the “Early Bird Discount Promotion” programme for one year to 31 May 2019.

(See more details in Appendix 1)

“In putting together the fare promotions, we have listened very closely to the views of different stakeholders. The overall package is carefully designed to be attractive and effective, benefitting various groups of customers directly on every trip while ensuring the financial sustainability of the Corporation. With the 3% rebate and the price freeze for MTR City Saver, Monthly Pass Extra and Day Pass, Octopus passengers and frequent travellers will experience no actual fare increase in the 2018 calendar year,” said Ms Jeny Yeung, Commercial Director of MTR Corporation.

Together with \$2.6 billion of on-going fare concessions that MTR has been offering to benefit different sectors of the community, including the elderly, children, eligible students and persons with disabilities, as well as other interchange discounts, the Corporation will be providing customers with over \$3 billion worth of fare concessions in the coming 12 months.

In addition to fare promotions, the Corporation has made a long-term commitment to customers to continuously enhance services and upgrade its railway assets under the Rail Gen 2.0 programme. It spent more than \$8.6 billion on maintaining, replacing and upgrading the existing network in 2017. A number of initiatives, including the progressive replacement of signalling systems for six urban railway lines and the Airport Express, the procurement of 93 new 8-car trains, 40 Light Rail vehicles, as well as the replacement of station chillers at 37 stations, are all in full swing. The Corporation will continue to invest in service and facility enhancements and this spending is expected to increase significantly over time as the network is entering a mature phase.

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In accordance with the Fare Adjustment Mechanism (FAM), individual MTR, Light Rail and MTR Bus fares will be adjusted from Saturday, 30 June 2018 with the weighted average adjustment of all fares combined equalling the overall fare adjustment rate of +3.14%. This year, 69% of fares will have an adjustment of 30 cents or less, amongst which 1% will remain unchanged. The adjustment of all domestic trips is within 50 cents. With the implementation of the 3% rebate, there is no actual fare increase for Octopus passengers in the 2018 calendar year.

Since the Rail Merger, from 2008 to 2017, the average year-on-year inflation in Hong Kong of 3.2% and the average annual increase in the Hong Kong Payroll Index of 4.4% are both well above the average annual increase of 2.5% in MTR fares. Besides, this year's overall fare adjustment rate of +3.14%, which includes the roll-over adjustment rate of +1.49% from last year, is also significantly lower than the cumulative increase of 11.89% in Median Monthly Household Income over the last two years.

New fare charts are now available at Customer Service Centres of all MTR stations and can also be downloaded from the MTR website at www.mtr.com.hk.

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About MTR Corporation

MTR Corporation is regarded as one of the world's leading railway operators for safety, reliability, customer service and cost efficiency. In its home base of Hong Kong, the Corporation operates ten commuter railway lines, a Light Rail network and a high-speed Airport Express link on which about 5.8 million passenger trips are made on a normal week day. Another 6.5 million passenger trips are made on the rail services it operates outside Hong Kong in the Mainland of China, the United Kingdom, Sweden and Australia. In addition, the Corporation is involved in a range of railway construction projects as well as railway consultancy and contracting services around the world. Leveraging on its railway expertise, the Corporation is involved in the development of transit-related residential and commercial property projects, property management, shopping malls leasing and management, advertising media and telecommunication services.

For more information about MTR Corporation, please visit www.mtr.com.hk.

Photo Caption:

Ms Jeny Yeung, Commercial Director (middle), Ms Linda So, Corporate Affairs Director (left) and Mr Raymond Yuen, General Manager-Marketing & Planning (right) of MTR Corporation announce the 2018/19 fare promotions package.



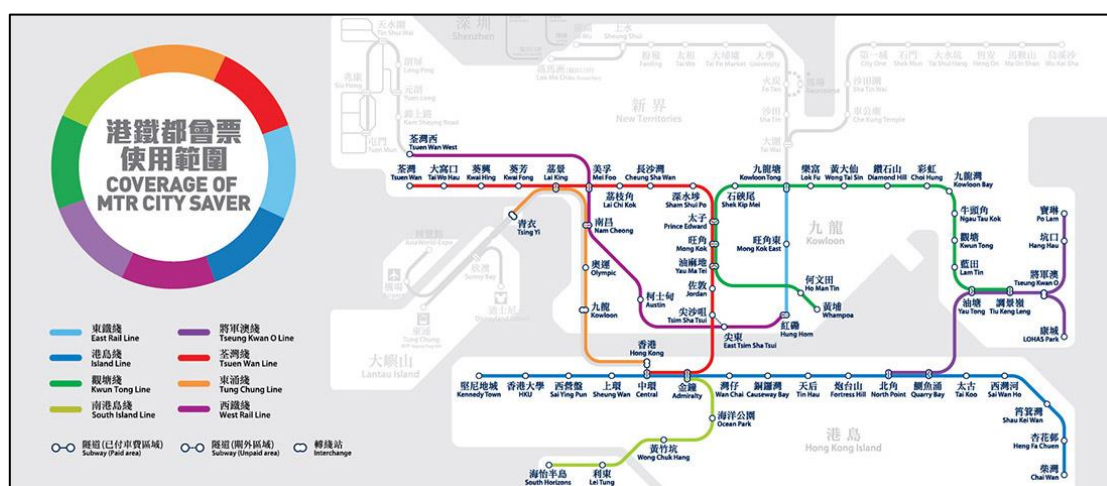
Over \$500-million of Fare Promotions for 2018/2019

Six Months of the “3% Rebate for Every Octopus Trip”

All Octopus passengers will receive a 3% rebate on each trip from 30 June 2018 to 1 January 2019. Besides funds set aside for concessions in accordance with the enhanced Profitability-Linked Arrangement and Service Performance-Linked Arrangement, the Corporation will top up the concession amount from its internal resources in order to offer the 3% rebate for a period of six months. With the “3% Rebate for Every Octopus Trip”, Octopus passengers will experience no actual fare increase in the 2018 calendar year.

Extension of “MTR City Saver” and no price adjustment in 2018

“MTR City Saver” launched in June 2014 has proven to be a popular ticket product for frequent travellers taking medium and long-distance cross-harbour journeys. There are currently about 120,000 daily passenger trips using “MTR City Saver” with 11% to 25% discounts on fares for typical journeys. Holders of “MTR City Saver” are entitled to 40 rides within 40 days from the day of first use between the 63 designated stations in the urban area. The “MTR City Saver” will be extended and the price will remain unchanged at \$425 until 1 January 2019, after which the price will be adjusted to \$435 from 2 January 2019.



The “MTR City Saver” is valid for use at all stations on the Tsuen Wan Line, Island Line, Kwun Tong Line, Tseung Kwan O Line and South Island Line, as well as stations in the urban area of the Tung Chung Line, East Rail Line and West Rail Line.

No price adjustment for "Monthly Pass Extra" in 2018

"Monthly Pass Extra" launched in 2013 has proven to be a popular ticket product, currently benefitting about 125,000 passengers per month. On top of the original unlimited rides between specified stations within the month purchased, "Monthly Pass Extra" offers a 25% discount for connecting domestic journeys beyond the specified stations. The prices of the scheme will remain unchanged in 2018, and new prices will take effect from January 2019. With the price freeze, "Monthly Pass Extra" users will not pay extra fares in the calendar year of 2018.

Pass	Prices remain unchanged in 2018	New prices from January 2019
Tung Chung – Hong Kong Monthly Pass Extra	\$620	\$635
Tung Chung – Nam Cheong Monthly Pass Extra	\$395	\$405
Sheung Shui – East Tsim Sha Tsui Monthly Pass Extra	\$475	\$485
Tuen Mun – Nam Cheong Monthly Pass Extra	\$500	\$515
Tuen Mun – Hung Hom Monthly Pass Extra	\$585	\$600

No Price Adjustment for "Day Pass" in 2018

The "Tuen Mun - Nam Cheong Day Pass" is valid for unlimited rides on the West Rail Line (between Tuen Mun and Nam Cheong stations), Light Rail and MTR Bus on the day of purchase. The promotion will be extended for one year to 30 June 2019 with its price remaining unchanged at \$27 in 2018. The price will be adjusted to \$28 starting from 2 January 2019.

MTR – Green Minibus (GMB) Interchange Discount*

Octopus passengers will be able to enjoy a new discount of \$0.3 for interchange between MTR and over 500 GMB routes, starting from 3 June 2018. Existing discounts on designated GMB routes will remain unchanged.

Extension of “Early Bird Discount Promotion” Programme

MTR launched the “Early Bird Discount Promotion” Programme in 2014 in an effort to address the relatively high train loading situation during the morning peak period. The programme aims to encourage passengers to use MTR outside the morning peak period with commuters holding Adult Octopus being able to enjoy a 25% fare discount when they exit from any of the 35 core urban stations between 7:15am and 8:15am from Mondays to Fridays (except Public Holidays). This promotion will be extended for one year from 1 June 2018 to 31 May 2019.



Remarks:

* According to the existing “Public Transport Fare Concession Scheme”, some elderly passengers or eligible Persons with Disabilities may not enjoy the full discount of \$0.3 on the GMB leg of their journey owing to the concession arrangement between the Government and the GMB operators.