





SAFETY



PATRONAGE



MARKET SHARE



FARE REVENUE



SERVICE PERFORMANCE

# Hong Kong Transport Operations

# Our Aims and Achievements

We aim to be the best public transport service provider in Hong Kong, offering safe, reliable and caring service to our customers. At the same time we seek to generate sustainable returns, thereby enabling us to make the investments required to maintain high levels of service and meet customers' present and future needs. These involve replacing and upgrading our existing railway assets as well as investing in new railway lines. Together, they form "Rail Gen 2.0", a next generation rail that will support Hong Kong's development as an economy and as a society.

In 2016, our services were again amongst the safest and most reliable in the world. We continue to gain deeper understanding of our customers to allow us to plan ahead and devise enhancements to our services, as outlined in our 2030 Customer Experience Vision Blueprint. To support the "Belt and Road" Initiative, the MTR Academy shall play a strategic role in promoting the export of Hong Kong's professional railway industrial skills and knowledge.



## Our Strategies

- **Safety First, Excellent Service:** continue to cultivate our already strong "Safety First" culture. Equip staff with clear guidelines and sound training to respond to operational requirements and customer needs. Continue to raise customers' safety awareness through implementing safety initiatives and campaigns
- **Maintaining Very High Performance Standards:** maintain world-class levels of service performance that exceed the targets set out in the Operating Agreement and our own more demanding Customer Service Pledges. Continue implementing a very stringent maintenance regime, with significant investments in renewing and upgrading our existing railway assets
- **Customer Engagement and Experience:** understand and deliver what matters most to customers. Develop initiatives to enhance the travelling experience and meet evolving customers' needs arising from an aging population and service digitalisation
- **Staff Development:** recognising people as our most valuable asset, be committed to inspiring, engaging and developing our employees while continuing to offer long-term, rewarding careers in many disciplines
- **MTR Academy:** with the establishment of MTR Academy, aim to become a globally recognised railway management and engineering centre of excellence in providing programmes for staff, Hong Kong community and the railway industry in the Mainland of China and overseas

## Rail Gen 2.0

- 4 new rail lines with 2 opened
- New trains and light rail vehicles
- Replacement of signalling systems and chiller systems
- Major interfacing works with new rail projects

5.59 million  
 average weekday  
 patronage in Hong Kong

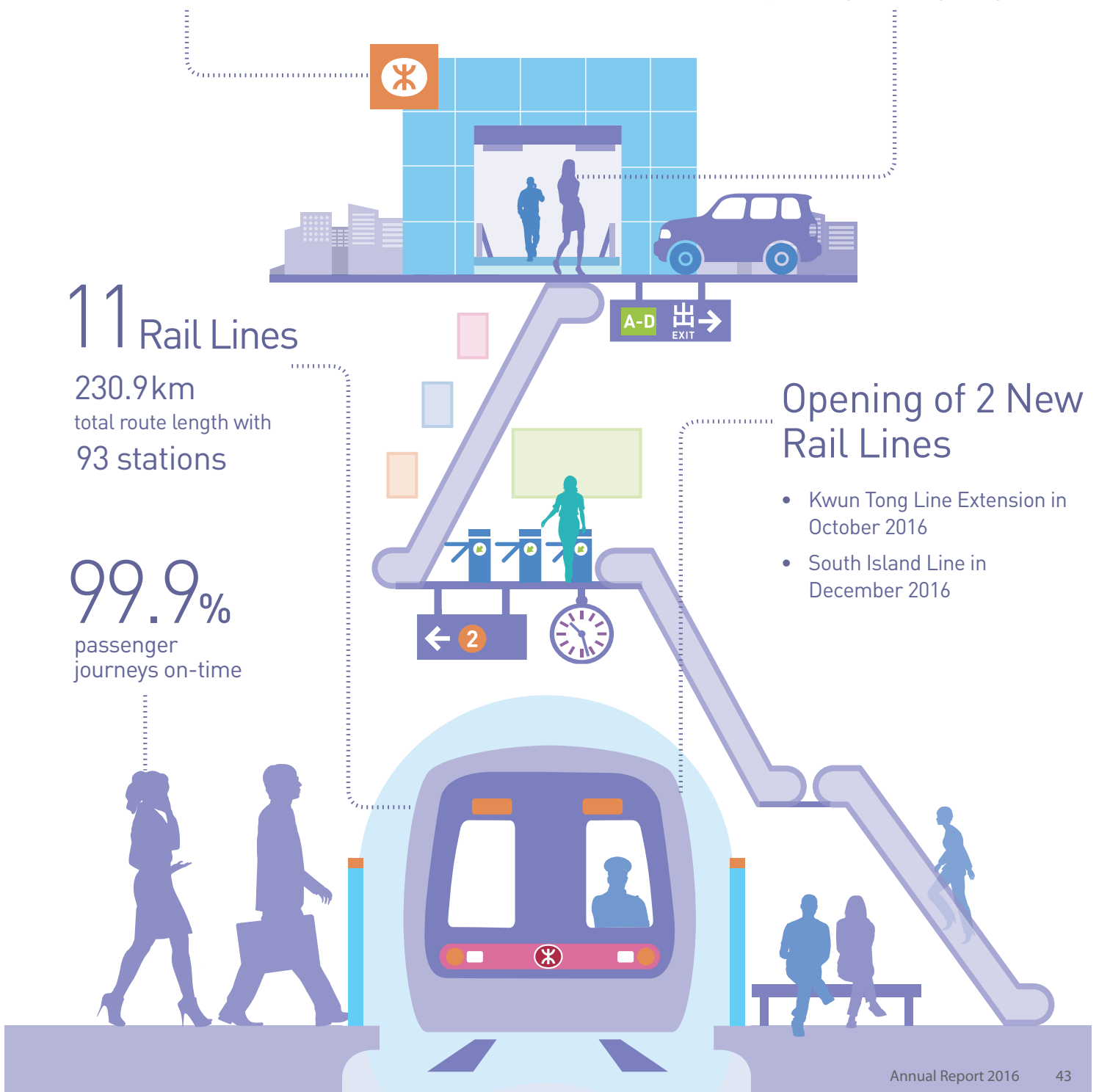
11 Rail Lines

230.9km  
 total route length with  
 93 stations

99.9%  
 passenger  
 journeys on-time

### Opening of 2 New Rail Lines

- Kwun Tong Line Extension in October 2016
- South Island Line in December 2016



## Financial Performance

The financial performance of the Hong Kong transport operations is summarised as follows:

| In HK\$ million   | Year ended 31 December |        | Inc./[Dec.] % |
|---|------------------------|--------|---------------|
|   | 2016                   | 2015   |               |
| <b>Hong Kong Transport Operations</b>   |                        |        |               |
| Total Revenue   | <b>17,655</b>          | 16,916 | 4.4           |
| Operating profit before depreciation, amortisation and variable annual payment ("EBITDA")       | <b>7,633</b>           | 7,214  | 5.8           |
| Operating profit before interest and finance charges and after variable annual payment ("EBIT") | <b>2,572</b>           | 2,493  | 3.2           |
| EBITDA Margin (in %)  | <b>43.2%</b>           | 42.6%  | 0.6% pt.      |
| EBIT Margin (in %)  | <b>14.6%</b>           | 14.7%  | (0.1)% pt.    |

## Safety

Safety, as always, is our top priority, and during 2016 our performance in this area remained world class. There were 9.1% fewer reportable events on the Hong Kong heavy rail network in 2016 when compared to the already world-leading safety standard achieved in 2015.

The results of our "safety first" culture were well demonstrated by our response to an arson attack on one of our trains on 10 February 2017. Investigation revealed that an individual ignited flammable liquid and set fire in the compartment of a Tsuen Wan Line train travelling from Admiralty Station to Tsim Sha Tsui Station during the Friday evening peak hour. The train captain calmly brought the train to Tsim Sha Tsui Station having forewarned colleagues at our Operation Control Centre who had in turn alerted staff in the station. On arrival the train was evacuated and the injured attended to. The station was also quickly and orderly evacuated, all within a few minutes. Our colleagues responded robustly, professionally and speedily, working in partnership with the

Police and Fire Services Department, enabling injuries and damages to be minimised. Unfortunately, 19 passengers were injured in the incident, including the suspect. We convey our sympathy to those injured and wish them a speedy recovery. Our staff's response was the result of safety training provided by the Company, including the provision of clear safety guidelines, regular exercises and drills. In addition, the fire-resistant train car interior minimises the potential damage of incidents of this nature. We salute the professionalism of our MTR colleagues and Hong Kong emergency services personnel and thank our passengers for their assistance and calm and orderly response in the incident.

During the year numerous initiatives were implemented to promote safety in our heavy rail network with an emphasis on the safe use of escalators. Safety initiatives were also implemented in our light rail systems, focusing on improving awareness at road junctions. Further details can be found under the section headed "Corporate Responsibility".









## Patronage

The impact on patronage of the slowdown in economic growth in Hong Kong was partially offset by the opening of two new rail lines in Hong Kong, leading to total patronage of all our rail and bus passenger services increasing by 0.5% to 1,948.8 million in 2016.

For the Domestic Service (comprising the Kwun Tong, Tsuen Wan, Island, Tung Chung, Tseung Kwan O, Disneyland Resort, East Rail (excluding the Cross-boundary Service), West Rail, Ma On Shan and South Island lines), total patronage reached 1,586.5 million, a 0.6% increase for the year. The Cross-

boundary Service to Lo Wu and Lok Ma Chau recorded a 0.8% decrease in patronage to 113.3 million following a fall in Mainland of China visitors. Patronage on the Airport Express increased by 2.6% to 16.1 million, supported by a moderate increase in air passenger traffic.

Average weekday patronage for all of our rail and bus passenger services in Hong Kong for the year increased by 0.6% to 5.59 million. The Domestic Service, which accounts for the majority of this patronage, saw a 0.7% rise to 4.61 million.

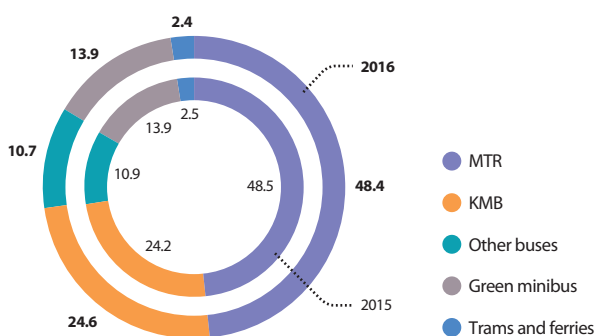
## Market Share

The Company's overall share of the franchised public transport market in Hong Kong in 2016 was 48.4%, compared to 48.5% in 2015. Within this total, our share of cross-harbour traffic was 68.6%, compared to 68.8% in 2015.

Competition from other modes of transport saw our share of the Cross-boundary business for the year decrease marginally from 51.3% to 51.2%, and our market share to and from the airport also reduced marginally from 21.5% to 21.4%.

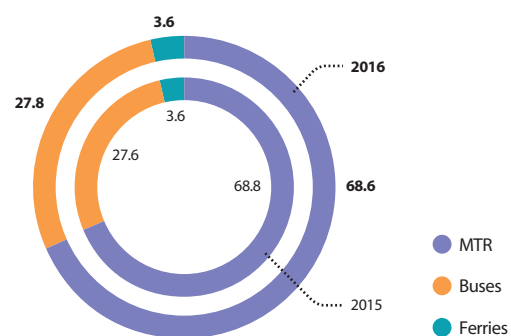
### Market Share of Major Transport Operators in Hong Kong

(Percentage)



### Market Share of Major Transport Operators Crossing the Harbour

(Percentage)





## Fare Revenue, Promotions and Concessions

Fare revenue from our Hong Kong transport operations are as follows:

| In HK\$ million           | Year ended 31 December |        | Inc./[Dec.] % |
|---------------------------|------------------------|--------|---------------|
|                           | 2016                   | 2015   |               |
| <b>Fare Revenue</b>       |                        |        |               |
| Domestic Service          | <b>12,395</b>          | 11,819 | 4.9           |
| Cross-boundary Service    | <b>3,252</b>           | 3,172  | 2.5           |
| Airport Express           | <b>998</b>             | 950    | 5.1           |
| Light Rail and Bus        | <b>707</b>             | 671    | 5.4           |
| Intercity                 | <b>137</b>             | 142    | (3.5)         |
| <b>Total Fare Revenue</b> | <b>17,489</b>          | 16,754 | 4.4           |

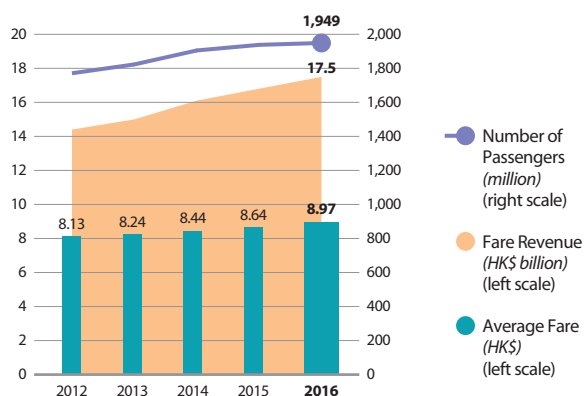
Changes to our fares are in accordance with the Fare Adjustment Mechanism ("FAM") and an overall 2.65% adjustment was made to applicable fares on 26 June 2016. At the same time we announced our 2016/2017 fare promotions package, bringing further savings of more than HK\$500 million to customers between June 2016 and June 2017. This is in addition to our ongoing fare concessions and promotions such as those offered to the elderly and students, which during 2016 amounted to approximately HK\$2,536 million. Some of the promotions launched in 2016 include:

| Name of promotion                     | Period offered                                  |
|---------------------------------------|---|
| Designated Saturday Offer             | November 2016 to March 2017                     |
| MTR Fare Savers                       | Standardised at HK\$2 starting from 1 July 2016 |
| 10% Same-Day Second-Trip Discount     | 26 June to 31 October 2016                      |
| Early Bird Discount                   | Extended to 31 May 2017                         |
| MTR City Saver and Monthly Pass Extra | Extended to 30 June 2017                        |

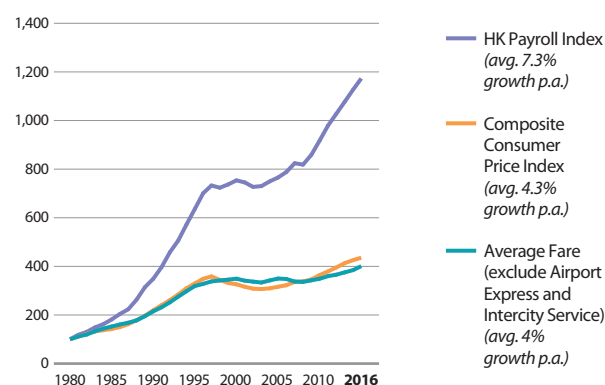
Maintaining the quality of our services and expanding the network to meet future demand requires heavy investment in our people, our existing lines and in new rail lines. In 2016 we spent more than HK\$8 billion on maintaining, replacing and upgrading our existing network. This annual spending will increase significantly over time.

We can only make these investments if we have a sustainable fare adjustment structure, which in MTR's case is the FAM. The mechanism, which is completely transparent, was agreed by Government and approved by the Legislative Council of the HKSAR at the time of our merger with Kowloon-Canton Railway Corporation ("KCRC") in 2007. By using objective criteria to calculate adjustments to fares, the FAM has provided MTR with capital for upgrades, replacement and investment, which allows us not only to provide world leading performance, but also to provide very affordable travel to our passengers when compared to leading metro companies around the world. Furthermore, under the FAM, between

### Passengers and Fares



### Fare Trend







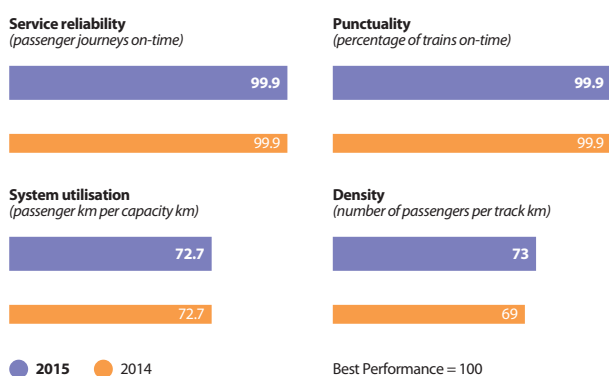


2008 (the commencement of FAM implementation) and 2016, our fares have increased at an average annual rate of 2.9%<sup>1</sup>, which is lower than both average annual consumer price inflation of 3.4% (as recorded by the Composite Consumer Price Index) and the average annual increase of 4.5% in salaries (as measured by the Hong Kong Payroll Index).

Under our Operating Agreement, the FAM is normally reviewed once every five years and the next scheduled review was originally due to take effect in June 2018. However, MTR and Government agreed in April 2016 to an early joint review, bringing it forward by one year. Discussions are on-going with Government regarding this review.

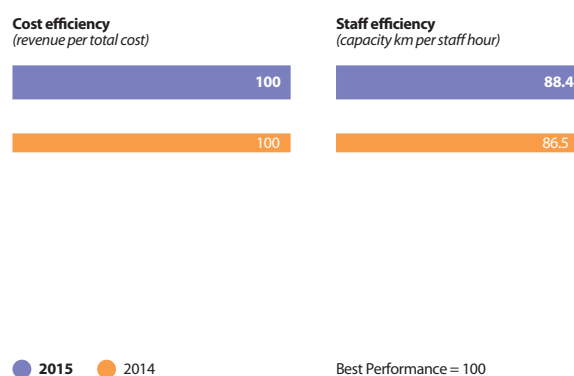
## Benchmarking Comparisons

### MTR Performance vs. Best Performance



## Cost and Staff Efficiency

### MTR Performance vs. Best Performance



## International Performance Comparisons: the 17-member Community of Metros (CoMET)

| Metro system network data (2015) | MTR*  | Metro A | Metro B | Metro C | Metro D | Metro E | Metro F | Metro G | Metro H | Metro I | Metro J | Metro K | Metro L | Metro M | Metro O | Metro P | Metro Q |
|----------------------------------|-------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Passenger journeys (million)     | 1,692 | 1,489   | 1,436   | 1,369   | 1,624   | 571     | 2,385   | 1,790   | 1,565   | 481     | 662     | 1,785   | 899     | 718     | 535     | 756     | 947     |
| Car kilometres (million)         | 284   | 434     | 247     | 572     | 365     | 171     | 794     | 556     | 261     | 109     | 138     | 439     | 114     | 127     | 124     | 131     | 178     |
| Route length (km)                | 177   | 460     | 260     | 427     | 226     | 286     | 329     | 531     | 206     | 115     | 104     | 588     | 69      | 131     | 146     | 130     | 187     |
| Number of stations               | 85    | 231     | 147     | 270     | 163     | 248     | 184     | 425     | 303     | 66      | 100     | 304     | 61      | 108     | 173     | 79      | 147     |

\* The Lines included in the CoMET metro benchmarking programme are Kwun Tong Line, Tsuen Wan Line, Island Line, Tung Chung Line, Tseung Kwan O Line and Disneyland Resort Line, East Rail Line, Ma On Shan Line and West Rail Line. The Airport Express is excluded from the benchmarking.

Note: The other metros in the comparison are London Underground, New York City Transit, Sistema de Transporte Colectivo, Régie Autonome des Transports Parisiens Metro, Régie Autonome des Transports Parisiens Réseau Express Régional, Metropolitano de São Paulo, Moscow Metro, Metro de Madrid, Metro de Santiago, Berliner Verkehrsbetriebe, SMRT Corporation Limited, Delhi Metro Rail Corporation Limited, Shanghai Metro Operation Corporation, Beijing Mass Transit Railway Operation Corporation, Taipei Rapid Transit Corporation and Guangzhou Metro Corporation. The benchmarking agreement prohibits specifically identifying the data by metro system.

<sup>1</sup> Excluding concession and promotions. Including the various concessions and promotions which MTR offers, our fares over the same period would have increased at an annual rate of only 2.4%



## Service Performance

Service performance in 2016 remained at world-class levels and was MTR's best performance in terms of train service reliability since the merger with KCRC in 2007. Train service delivery and passenger journeys on-time in our heavy rail network remained at 99.9%, above the targets in our Operating Agreement as well as our own more demanding Customer Service Pledges.

During the year, more than 1.91 million train trips were made on our heavy rail network and more than 1.09 million train

trips were made on our light rail network. In the year there were only six delays on the heavy rail network and two delays on the light rail network each lasting 31 minutes or more which were caused by factors within our control.

Customer satisfaction regarding our services and fares is measured by regular surveys and research, and reflected in the Service Quality Index and Fare Index respectively. Based on these results, we continue to develop various initiatives to enhance travelling experience of our customers.

| Service Quality Index                | 2016      | 2015 |
|--------------------------------------|-----------|------|
| Domestic and Cross-boundary services | <b>69</b> | 71   |
| Airport Express                      | <b>83</b> | 82   |
| Light Rail                           | <b>69</b> | 74   |
| Bus                                  | <b>69</b> | 69   |

| Fare Index                           | 2016      | 2015 |
|--------------------------------------|-----------|------|
| Domestic and Cross-boundary services | <b>58</b> | 61   |
| Airport Express                      | <b>74</b> | 75   |
| Light Rail                           | <b>68</b> | 73   |
| Bus                                  | <b>66</b> | 68   |

## Recognition of our services

As in previous years, the MTR's high level of service was recognised by a number of awards and these are listed in the table below:

| Awards Received  | Organisation  |
|--|---|
| <b>Hong Kong Service Awards 2016</b> <ul style="list-style-type: none"> <li>Public Transportation Award</li> <li>Corporate Responsibility Award</li> </ul>   | East Week Magazine  |
| <b>Top Service Awards 2016</b> <ul style="list-style-type: none"> <li>Category Award of Public Transportation</li> </ul>   | Next Magazine   |
| <b>HKACE Customer Service Excellence Award 2016</b> <ul style="list-style-type: none"> <li>Service Appreciation Award – Gold Award</li> </ul>  | Hong Kong Association for Customer Service Excellence                               |
| <b>Sing Tao Service Awards 2015</b> <ul style="list-style-type: none"> <li>Public Transportation Award</li> </ul>  | Sing Tao Daily  |
| <b>Web Accessibility Recognition Scheme 2016</b> <p>MTR Mobile app</p> <ul style="list-style-type: none"> <li>Triple Gold Award (iOS)</li> <li>Triple Gold Award (Android)</li> <li>"Most Favorite Mobile Apps" Award</li> <li>"Easiest-to-use Mobile Apps" Award</li> </ul> <p>MTR Website</p> <ul style="list-style-type: none"> <li>Gold Award</li> </ul> | Office of the Government Chief Information Officer & Equal Opportunities Commission |

## Operations Performance in 2016

| Service performance item  | Performance Requirement | Customer Service Pledge Target | Actual Performance |
|---|-------------------------|--------------------------------|--------------------|
| <b>Train service delivery</b>   |                         |                                |                    |
| – Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island Line, Tung Chung Line, Disneyland Resort Line and Airport Express   | 98.5%                   | 99.5%                          | <b>99.9%</b>       |
| – East Rail Line (including Ma On Shan Line)  | 98.5%                   | 99.5%                          | <b>99.9%</b>       |
| – West Rail Line  | 98.5%                   | 99.5%                          | <b>99.9%</b>       |
| – Light Rail  | 98.5%                   | 99.5%                          | <b>99.9%</b>       |
| <b>Passenger journeys on-time</b>   |                         |                                |                    |
| – Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island Line, Tung Chung Line and Disneyland Resort Line  | 98.5%                   | 99.5%                          | <b>99.9%</b>       |
| – Airport Express   | 98.5%                   | 99.0%                          | <b>99.9%</b>       |
| – East Rail Line (including Ma On Shan Line)  | 98.5%                   | 99.0%                          | <b>99.9%</b>       |
| – West Rail Line  | 98.5%                   | 99.0%                          | <b>99.9%</b>       |
| <b>Train punctuality</b>  |                         |                                |                    |
| – Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island Line, Tung Chung Line and Disneyland Resort Line  | 98.0%                   | 99.0%                          | <b>99.7%</b>       |
| – Airport Express   | 98.0%                   | 99.0%                          | <b>99.9%</b>       |
| – East Rail Line (including Ma On Shan Line)  | 98.0%                   | 99.0%                          | <b>99.9%</b>       |
| – West Rail Line  | 98.0%                   | 99.0%                          | <b>99.9%</b>       |
| – Light Rail  | 98.0%                   | 99.0%                          | <b>99.9%</b>       |
| <b>Train reliability: train car-km per train failure causing delays ≥ 5 minutes</b>   |                         |                                |                    |
| – Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island Line, Tung Chung Line, Disneyland Resort Line and Airport Express   | N/A                     | 650,000                        | <b>3,964,527</b>   |
| – East Rail Line (including Ma On Shan Line) and West Rail Line   | N/A                     | 650,000                        | <b>7,327,371</b>   |
| <b>Ticket reliability: smart ticket transactions per ticket failure</b>   |                         |                                |                    |
| – Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island Line, Tung Chung Line, Disneyland Resort Line, Airport Express, East Rail Line (including Ma On Shan Line) and West Rail Line | N/A                     | 8,500                          | <b>72,775</b>      |
| <b>Add value machine reliability</b>  |                         |                                |                    |
| – Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island Line, Tung Chung Line, Disneyland Resort Line and Airport Express   | 98.0%                   | 99.0%                          | <b>99.8%</b>       |
| – East Rail Line (including Ma On Shan Line)  | 98.0%                   | 99.0%                          | <b>99.8%</b>       |
| – West Rail Line  | 98.0%                   | 99.0%                          | <b>99.7%</b>       |
| – Light Rail  | N/A                     | 99.0%                          | <b>99.7%</b>       |
| <b>Ticket machine reliability*</b>  |                         |                                |                    |
| – Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island Line, Tung Chung Line, Disneyland Resort Line and Airport Express   | 97.0%                   | 99.0%                          | <b>99.7%</b>       |
| – East Rail Line (including Ma On Shan Line)  | 97.0%                   | 99.0%                          | <b>99.7%</b>       |
| – West Rail Line  | 97.0%                   | 99.0%                          | <b>97.6%</b>       |
| <b>Ticket gate reliability</b>  |                         |                                |                    |
| – Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island Line, Tung Chung Line, Disneyland Resort Line and Airport Express   | 97.0%                   | 99.0%                          | <b>99.9%</b>       |
| – East Rail Line (including Ma On Shan Line)  | 97.0%                   | 99.0%                          | <b>99.9%</b>       |
| – West Rail Line  | 97.0%                   | 99.0%                          | <b>99.9%</b>       |
| <b>Light Rail platform Octopus processor reliability</b>  |                         |                                |                    |
|   | N/A                     | 99.0%                          | <b>99.9%</b>       |
| <b>Escalator reliability</b>  |                         |                                |                    |
| – Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island Line, Tung Chung Line, Disneyland Resort Line and Airport Express   | 98.0%                   | 99.0%                          | <b>99.9%</b>       |
| – East Rail Line (including Ma On Shan Line)  | 98.0%                   | 99.0%                          | <b>99.9%</b>       |
| – West Rail Line  | 98.0%                   | 99.0%                          | <b>99.9%</b>       |
| <b>Passenger lift reliability</b>   |                         |                                |                    |
| – Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island Line, Tung Chung Line, Disneyland Resort Line and Airport Express   | 98.5%                   | 99.5%                          | <b>99.7%</b>       |
| – East Rail Line (including Ma On Shan Line)  | 98.5%                   | 99.5%                          | <b>99.8%</b>       |
| – West Rail Line  | 98.5%                   | 99.5%                          | <b>99.8%</b>       |
| <b>Temperature and ventilation</b>  |                         |                                |                    |
| – Trains, except Light Rail: to maintain a cool, pleasant and comfortable train environment generally at or below 26°C  | N/A                     | 97.5%                          | <b>99.9%</b>       |
| – Light Rail: on-train air-conditioning failures per month  | N/A                     | <3                             | <b>0</b>           |
| – Stations: to maintain a cool, pleasant and comfortable environment generally at or below 27°C for platforms and 29°C for station concourses, except on very hot days  | N/A                     | 91.0%                          | <b>99.9%</b>       |
| <b>Cleanliness</b>  |                         |                                |                    |
| – Train compartment: cleaned daily  | N/A                     | 99.0%                          | <b>99.9%</b>       |
| – Train exterior: washed every 2 days (on average)  | N/A                     | 99.0%                          | <b>100.0%</b>      |
| <b>Northwest Transit Service Area Bus Service</b>   |                         |                                |                    |
| – Service Delivery  | N/A                     | 99.0%                          | <b>99.7%</b>       |
| – Cleanliness: washed daily   | N/A                     | 99.0%                          | <b>100.0%</b>      |
| <b>Passenger enquiry response time within 6 working days</b>  |                         |                                |                    |
|   | N/A                     | 99.0%                          | <b>100.0%</b>      |

\* The Light Rail ticket machine replacement works and testing are underway. Performance data will be available after completion of installation, testing and trial operations of the new ticket machines.



### Investing in Network Improvements

#### **Rail Gen 2.0**

At the beginning of 2016 we announced the launch of Rail Gen 2.0, a major programme to enhance travelling experience in the context of an extended “next generation” rail. Rail Gen 2.0 comprises four new rail projects and major upgrades to the existing rail network including new trains and Light Rail vehicles, replacement of signalling systems and chiller systems, and major interfacing works.

#### **New Railway Projects**

Our four new railway projects, the Kwun Tong Line Extension, South Island Line (East), Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link and Shatin to Central Link, will improve connectivity across Hong Kong when they are completed. Further information on the four new rail projects can be found under the section headed “Hong Kong Network Expansion”.

#### **Major Asset Replacements**

We are spending HK\$6 billion on 93 new, more comfortable 8-car trains to replace those on the Kwun Tong, Tsuen Wan, Island and Tseung Kwan O lines. The car body production started in February 2017 and the trains will be delivered between 2018 and 2023.

The existing signalling systems on the Island, Kwun Tong, Tsuen Wan, Tseung Kwan O, Tung Chung and Disneyland Resort lines as well as the Airport Express are being replaced at a total cost of HK\$3.3 billion. This will increase these lines’ carrying capacity by about 10%. The Tsuen Wan Line will be re-signalled first, targeted to complete by the end of 2018, and work is well underway. For the Island, Kwun Tong and Tseung Kwan O lines, site surveys began earlier in 2016.

Rail Gen 2.0 also covers the replacement of 30 Light Rail vehicles, together with ten additional vehicles to meet increasing demand. The HK\$745 million procurement contract in respect of the 40 vehicles was awarded in July 2016. The first batch of new vehicles is expected to be ready for passenger service in 2019.

The installation of new chillers at Wan Chai Station began in November 2016 and is targeted to complete in 2017. This will be followed by the replacement of 160 chillers in our other stations and depots between 2017 and 2023. We are carrying out this work during the winter months for the comfort of passengers.

#### **Major Interfacing Works**

Under the Shatin to Central Link project, the existing 28 7-car trains on the West Rail Line are being converted to 8-car trains to enhance existing train services and to serve the future East West Corridor of the new line. By the end of 2016, 11 such trains had entered service. All the converted trains are targeted to be in service by 2018. All the extended station platforms on the Ma On Shan Line were commissioned and opened to public on 20 November 2016. The first 8-car train converted from the existing East Rail Line train was transferred to Tai Wai Depot in April 2016 for testing and commissioning. The existing 4-car trains on the Ma On Shan Line are being replaced by 8-car trains starting from January 2017.

Major modifications have taken place at Hung Hom station, which will serve as one of the interchange stations of the Shatin to Central Link. The southern and northern concourses at Hung Hom Station have now reopened.

#### **Other Network Improvements**

##### **Providing more frequent services**

- 140 additional weekly services were added on the Island, Tsuen Wan and Kwun Tong lines in 2016
- Five additional weekly services were added and more coupled sets Light Rail vehicles were deployed on Light Rail

##### **Enhancing station facilities**

- Six new external lifts at Lai King, Tsim Sha Tsui, Diamond Hill, Shau Kei Wan, Admiralty and Yau Ma Tei stations and six refurbished escalators at Sai Wan Ho, Sheung Wan, North Point, Quarry Bay, Fortress Hill and Lam Tin stations came into service in 2016
- New public toilets at Admiralty Station opened upon the service commencement of the South Island Line

##### **Improving passenger communications**

- New liquid-crystal passenger information display systems (“PIDS”) for station concourses and platforms are being installed on the Island, Kwun Tong, Tsuen Wan, West Rail and East Rail lines. By the end of 2016, the new PIDS had been installed at 39 stations

## Responding to Our Customers

The “Happy Birthday • Happy Journey” programme has brought much joy to passengers since its launch in April 2016. One day of each month is chosen by lucky draw and all Hong Kong Identity Card holders whose birthday falls on that day become eligible to redeem a Birthday Pack. A total of 67,249 packs were given out in 2016.

To communicate better with our customers, “Time to Next Train” information on gate-top PIDS was introduced at certain stations, and staff with portable devices are now helping to solve ticketing problems at gates during peak hours. We ran public announcements by celebrities during peak-hours at Admiralty Station to enliven customers’ travelling experience. Our MTR Mobile has also been enhanced with a better customer interface and tourist information. Considerable efforts were made to

ensure a good customer experience during the opening of the two new railway lines.

Planning ahead, our 2030 Customer Experience Vision Blueprint provides the framework for asset upgrades and other initiatives designed to improve travel experience over the coming years.

To remind passengers of the need for courteous behaviour, two rounds of the “Ride with manners” courtesy campaign were launched in March and August 2016 respectively, focusing on train boarding.

In January 2016, a Service Appreciation campaign was launched. Customers were invited to vote for their most liked MTR service team and share their related personal stories. More than 12,000 votes and 2,000 stories were received.

## System Information

| Railway operation data   | 2016                |                     | 2015                |                     |
|--|---------------------|---------------------|---------------------|---------------------|
| <b>Total route length (km)</b>   | <b>230.9</b>        |                     | 220.9               |                     |
| <b>Number of rail cars</b>   | <b>2,146</b>        |                     | 2,106               |                     |
| <b>Daily hours of operation</b><br>Island Line, Tsuen Wan Line, Kwun Tong Line, Tseung Kwan O Line, South Island Line, Tung Chung Line, Disneyland Resort Line, West Rail Line, Airport Express and Light Rail | <b>19.0</b>         |                     | 19.0                |                     |
| East Rail Line and Ma On Shan Line   | <b>19.5</b>         |                     | 19.5                |                     |
| <b>Minimum train headway (second)</b>  | <b>Morning Peak</b> | <b>Evening Peak</b> | <b>Morning Peak</b> | <b>Evening Peak</b> |
| – Tsuen Wan Line   | <b>120</b>          | <b>120</b>          | 120                 | 120                 |
| – Kwun Tong Line   | <b>126</b>          | <b>140</b>          | 126                 | 140                 |
| – Island Line  | <b>112</b>          | <b>124</b>          | 112                 | 124                 |
| – South Island Line  | <b>200</b>          | <b>200</b>          | –                   | –                   |
| – East Rail Line   |                     |                     |                     |                     |
| Hung Hom to Sheung Shui  | <b>212</b>          | <b>200</b>          | 212                 | 200                 |
| Hung Hom to Lo Wu  | <b>327</b>          | <b>327</b>          | 327                 | 327                 |
| Hung Hom to Lok Ma Chau  | <b>600</b>          | <b>600</b>          | 600                 | 600                 |
| – Ma On Shan Line  | <b>180</b>          | <b>240</b>          | 180                 | 240                 |
| – Tseung Kwan O Line   | <b>133</b>          | <b>133</b>          | 133                 | 133                 |
| – Tung Chung Line  |                     |                     |                     |                     |
| Hong Kong to Tung Chung  | <b>360</b>          | <b>360</b>          | 360                 | 360                 |
| Hong Kong to Tsing Yi  | <b>240</b>          | <b>240</b>          | 240                 | 240                 |
| – Airport Express  | <b>600</b>          | <b>600</b>          | 600                 | 600                 |
| – West Rail Line   | <b>171</b>          | <b>210</b>          | 171                 | 210                 |
| – Disneyland Resort Line   | <b>270</b>          | <b>270</b>          | 270                 | 270                 |
| – Light Rail   | <b>270</b>          | <b>300</b>          | 270                 | 300                 |