

Early review of **FAM concluded** with all passengers to benefit

## **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 2017, our services were again amongst the safest and most reliable in the world. We continue to gain a 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 railway industry skills and knowledge.

## **Our Challenges**

• Express Rail Link opening in the third quarter of 2018:

prepare for passenger service commissioning and provide efficient and reliable high-speed rail journeys to the public by the third quarter of 2018

 Managing major asset upgrades and replacements:

carry out required major asset upgrades and replacements without compromising our service performance or the customer experience

- Safety of project interfaces: ensure a smooth transition from project completion to operations in order to ensure the safety of all concerned
- Workforce transition and digitisation: deliver extensive training to our railway operations employees relevant to the innovative technologies we are introducing

## **Our Strategies**

- Safety First, Excellent Service: cultivate our robust "Safety First" culture. Equip staff with clear guidelines and sound training regarding operations and customers. Continue to raise customers' safety awareness
- 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 our stringent maintenance regime, investing significantly in renewing and upgrading our railway assets
- Customer Engagement and Experience: understand and deliver what matters most to our customers, enhancing the travelling experience and meeting the needs arising from an aging population and service digitisation
- Staff Development: treat people as our most valuable asset, be committed to inspire, engage and develop our employees while continuing to offer long-term, rewarding careers in various disciplines
  - MTR Academy: aim to become a globally recognised railway management and engineering centre of excellence providing programmes for our staff, Hong Kong and the global railway industry



EBIT HK\$1,656m J35.6%



#### FINANCIAL PERFORMANCE

	Year ended 3 <sup>°</sup>		
In HK\$ million	2017	2016	lnc./(Dec.) %
Hong Kong Transport Operations			
Total Revenue	18,201	17,655	3.1
Operating profit before depreciation, amortisation and variable annual payment ("EBITDA")	7,475	7,633	(2.1)
Operating profit before interest and finance charges and after variable annual payment ("EBIT")	1,656	2,572	(35.6)
EBITDA Margin (in %)	41.1%	43.2%	(2.1%) pts.
EBIT Margin (in %)	9.1%	14.6%	(5.5%) pts.

Total revenue of the Hong Kong transport operations rose by 3.1% to HK\$18,201 million in 2017, benefiting mainly from the growth in patronage. EBITDA decreased by 2.1% to HK\$7,475 million, mainly due to increases in staff costs, while fare adjustment for 2017/2018 was rolled over to 2018/2019. The opening of the two new lines, as previously highlighted, has increased the depreciation and amortisation charges significantly, resulting in EBIT decreasing by 35.6% to HK\$1,656 million.

#### SAFETY

Safety is an absolute priority for MTR and in 2017 there were 5.5% fewer reportable events on the Hong Kong heavy rail network and light rail network than in 2016, another excellent performance.

Our "safety first" culture was well demonstrated by our response to the arson attack on one of our trains on 10 February 2017. The Executive Review Panel we set up to investigate the incident concluded that its handling had been robust, orderly, speedy and effective. The panel's report was submitted to Government on 25 April 2017 and contained various initiatives to raise public awareness and enhance risk management. Several programmes to strengthen customers' awareness about fire safety and improve their knowledge of station evacuation procedures were launched in 2017. In addition, more portable fire extinguishers were installed in stations. Programmes to enhance safety on escalators continued, while a Platform Gap Special Task Force was formed to look into improving relevant safety

performance further. Trial of a new "Platform Gap" safety label commenced at Kwun Tong Station and was subsequently extended to Admiralty, Wan Chai and Causeway Bay stations.



#### PATRONAGE AND REVENUE

TIE

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

	Year ended 3		
In HK\$ million	2017	Inc./(Dec.) %	
Fare Revenue			
Domestic Service	12,840	12,395	3.6
Cross-boundary Service	3,277	3,252	0.8
Airport Express	1,076	998	7.8
Light Rail and Bus	707	707	-
Intercity	135	137	(1.5)
Total Fare Revenue	18,035	17,489	3.1

A MARINA MARINA

Our patronage benefited from the stronger economy and the opening in 2016 of the two new rail lines. Total patronage for all of our rail and bus passenger services increased by 2.6%, for the first time surpassing 2,000.0 million passenger trips per annum.

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 1,637.9 million, a 3.2% increase over 2016. The Cross-boundary Service to Lo Wu and Lok Ma Chau saw patronage decrease by 0.6% to 112.5 million, mainly as a result of continued strong competition from other modes of transport. Patronage on the Airport Express rose by 3.0% to 16.6 million, supported by an increase in air passenger traffic.

The state of the state

Average weekday patronage for all of our rail and bus passenger services in Hong Kong in 2017 rose by 3.0% to 5.76 million. The Domestic Service, which accounts for the majority of this patronage, reported a 3.6% increase to 4.77 million.



#### **MARKET SHARE**

The Company's overall share of the franchised public transport market in Hong Kong in 2017 was 49.1%, compared to 48.4% in 2016. Within this total, the share of cross-harbour traffic was 69.6%, compared to 68.6% in 2016.

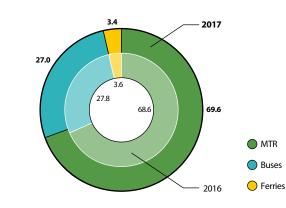
Competition from other modes of transport reduced our share of the Cross-boundary business from 51.2% to 50.8%. Our market share to and from the airport increased marginally from 21.4% to 21.5%.

# Market Share of Major Transport Operators in Hong Kong (Percentage)

#### **10.2 10.2 10.3 10.4 13.9 10.7 13.9 10.7 13.9 10.7 13.9 10.7 13.9 10.7 13.9 10.7 13.9 10.7 13.9 10.7 13.9 10.7 13.9 10.7 13.9 10.7 13.9 10.7**

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

(Percentage)



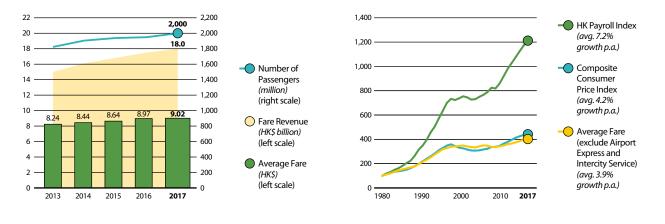
# Financials and Other Information Corporate Governance

Overview



**Passengers and Fares** 

 $\mathbf{O}$ 



**Fare Trend** 

## FARE ADJUSTMENTS, PROMOTIONS AND CONCESSIONS

Our fares are governed by the Fare Adjustment Mechanism ("FAM"), which is subject to regular review. On 21 March 2017, we announced that the early review of the FAM, conducted jointly with Government, had concluded, resulting in revised arrangements designed to benefit all passengers, whilst ensuring the financial sustainability of the Company. During the review process, we listened to the opinions of different stakeholders, including passengers and shareholders. Two important pillars of the FAM remain unchanged, namely the FAM formula itself and the "direct-drive" nature of the formula's application. However, two key new features have been introduced that benefit passengers directly:

- Special adjustment for six years. The calculated fare adjustment rate is being reduced by 0.6 percentage point each year from 2017/2018 to 2022/2023 through a special annual adjustment outside of the FAM formula. For 2017/2018, the overall fare adjustment rate has been further reduced by 10%
- Rebate linked directly to business profit. A 3% rebate is being offered for each Octopus trip for at least six months each year from 2017/2018 to 2022/2023. This will be done by topping up where necessary the concession amount set aside in accordance with an enhanced Profitability-Linked Arrangement and Service Performance-Linked Arrangement. The rebate for 2017/2018 ended on 17 December 2017

In addition to the above two new features, a new discount of HK\$0.3 for interchange between MTR and 500-plus GMB routes will be offered to Octopus users starting from the second guarter of 2018.

The next scheduled review of the FAM will be in 2022/2023, with its application starting in mid-2023.

After applying the FAM formula, the special annual adjustment of 0.6 percentage point and the one-off 10% discount, the calculated Overall Fare Adjustment Rate for 2017/2018 came to +1.49%. This is within the range of  $\pm$ 1.5%, under which, according to the FAM, the adjustment rate has been rolled over to the following year (2018/2019). Hence, there was no adjustment of MTR fares in 2017/2018.



Frequent MTR travellers commuting on medium to long distance journeys to the urban area and across the harbour can continue to enjoy fare savings by using five types of "Monthly Pass Extra" and MTR City Saver. Furthermore, the validity of the MTR City Saver sold from 1 July 2017 onwards has been extended from 30 days to 40 days, counting from the day of first use. The "Early Bird Discount Promotion" Programme has also been extended for one year up to 31 May 2018.

These saving schemes are in addition to our ongoing fare concessions and promotions, which amounted to over HK\$2.6 billion in 2017 and target eligible passengers such as students

and the elderly. MTR is currently the only major transport operator in Hong Kong to provide discounts to students on every trip.

Fares on the Airport Express were raised by an average of 9.6% from 18 June 2017. This is the first adjustment to fares for this service since its opening in 1998.

On 11 October 2017, the Chief Executive of the Hong Kong SAR in her inaugural Policy Address proposed a Public Transport Fare Subsidy Scheme. MTR welcomes the scheme and will fully support its implementation.

#### SERVICE PERFORMANCE

Train service delivery and passenger journeys on-time in our heavy rail network in 2017 remained at a world-class level of 99.9%. As a result, we exceeded both the targets in our Operating Agreement and our own more stringent, Customer Service Pledges. More than 2.11 million train trips were made on our heavy rail network and around 1.09 million trips were made on our light rail network during the year. In 2017 there were nine delays on the heavy rail network and one delay on the light rail network, each lasting 31 minutes or more which were caused by factors within our control. We continue to work diligently to reduce both the number of delays and the impact on passengers. On 5 August 2017, a signalling system problem occurred on the Kwun Tong Line that caused delays. We set up an Executive Review Panel to examine the cause of the incident and the handling procedures, and identify areas for improvement. The panel concluded that the incident was managed in a safe manner according to established procedures. The signalling fault was found to have resulted from intermittent data loss caused by the corrosion of electrical contacts in a junction box near Ngau Tau Kok Station. To reduce the risk of a similar signalling failure incident in future, the copper datalink system concerned was converted to a fibre optic system with a higher fault tolerance in October 2017. Other recommendations



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

Metro system network data (2016)	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)	1,700	1,593	553	1,008	1,543	1,399	1,663	581	2,367	1,785	1,552	489	672	768	1,970	888	740
Car kilometres (million)	288	455	128	199	251	585	383	180	821	559	262	110	135	135	487	115	127
Route length (km)	200	460	146	187	301	427	226	286	339	532	206	115	104	130	588	69	131
Number of stations	91	232	173	147	164	270	163	248	189	425	303	66	100	79	305	61	108

\* The Lines included in the CoMET metro benchmarking programme are Kwun Tong Line, Tsuen Wan Line, Island Line, South Island Line, Tung Chung Line, Tseung Kwan O Line, 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. by the panel are now being implemented. These include improving passenger communications and information dissemination during such atypical situations and enhancing the regular maintenance of data cables.

Service Quality Index	2017	2016
Domestic and Cross-boundary services	69	69
Airport Express	83	83
Light Rail	69	69
Bus	70	69

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:

Fare Index	2017	2016
Domestic and Cross-boundary services	58	58
Airport Express	73	74
Light Rail	68	68
Bus	66	66

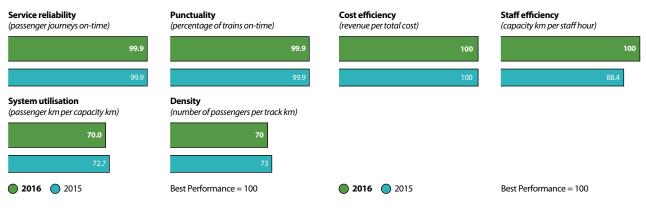
## **RECOGNITION OF OUR SERVICES**

MTR's high level of service was again recognised by a number of awards, some of which are listed in the table below:

Awards Received	Organisation
Hong Kong Service Awards 2017 <ul> <li>Public Transportation Category Award</li> <li>Corporate Responsibility Award</li> <li>Distinguished Achievement 10-year Award</li> </ul>	East Week Magazine
<ul> <li>Sing Tao Service Awards 2016</li> <li>Category Award of Public Transportation</li> <li>Category Award of Corporate Voluntary Team</li> </ul>	Sing Tao Daily
Top Service Awards 2017           • Category Award of Public Transportation           • Best Staff Award – Bronze Award	Next Magazine
<ul> <li>IDC Digital Transformation Awards 2017</li> <li>Hong Kong Digital Transformer of the Year</li> <li>Asia Pacific Digital Transformer of the Year</li> </ul>	International Data Corporation
Customer Service Excellence Award 2017  • Grand Award – Gold Award	Hong Kong Association for Customer Service Excellence
<ul> <li>Best .hk Website Awards 2016</li> <li>Commercial Category (Corporate Stream) – Gold Award</li> <li>Most Liked .hk Website Award</li> </ul>	Hong Kong Internet Registration Corporation Limited

#### Benchmarking Comparisons

#### MTR Performance vs. Best Performance



Cost and Staff Efficiency

**MTR Performance vs. Best Performance** 

## Operations Performance in 2017

		Customer	
Service performance item	Performance Requirement	Service Pledge Target	Actual Performance
Train service delivery			
<ul> <li>Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line,</li> </ul>			
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%	99.9%
<ul> <li>Light Rail</li> <li>Passenger journeys on-time</li> </ul>	98.5%	99.5%	<b>99.9</b> %
<ul> <li>Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line,</li> </ul>			
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> %
<ul> <li>East Rail Line (including Ma On Shan Line)</li> </ul>	98.5%	99.0%	<b>99.9</b> %
– West Rail Line	98.5%	99.0%	<b>99.9</b> %
Train punctuality <ul> <li>Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line,</li> </ul>			
South Island Line, Tung Chung Line and Disneyland Resort Line	98.0%	99.0%	99.7%
- Airport Express	98.0%	99.0%	99.9%
<ul> <li>East Rail Line (including Ma On Shan Line)</li> </ul>	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> %
Train reliability: train car-km per train failure causing delays ≥ 5 minutes – Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line,			
South Island Line, Tsuen Wan Line, Island Line, Island Resort Line and Airport Express	N/A	650,000	5,202,676
<ul> <li>East Rail Line (including Ma On Shan Line) and West Rail Line</li> </ul>	N/A	650,000	8,158,284
Ticket reliability: smart ticket transactions per ticket failure			
<ul> <li>Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line, South Island</li> </ul>			
Line, Tung Chung Line, Disneyland Resort Line, Airport Express, East Rail Line			
(including Ma On Shan Line) and West Rail Line	N/A	9,500	68,442
Add value machine reliability			
<ul> <li>Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line,</li> <li>South Island Line, Tung Chung Line, Disneyland Resort Line and Airport Express</li> </ul>	98.0%	99.0%	<b>99.8</b> %
<ul> <li>East Rail Line (including Ma On Shan Line)</li> </ul>	98.0%	99.0%	<u>99.8%</u>
- West Rail Line	98.0%	99.0%	99.8%
– Light Rail	N/A	99.0%	<b>99.7</b> %
Ticket machine reliability*			
<ul> <li>Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line,</li> </ul>			
South Island Line, Tung Chung Line, Disneyland Resort Line and Airport Express	97.0%	99.0%	99.7%
<ul> <li>East Rail Line (including Ma On Shan Line)</li> <li>West Rail Line</li> </ul>	97.0% 97.0%	<u> </u>	99.8% 99.5%
Ticket gate reliability	57.070		55.570
<ul> <li>Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line,</li> </ul>			
South Island Line, Tung Chung Line, Disneyland Resort Line and Airport Express	97.0%	99.0%	<b>99.9</b> %
<ul> <li>East Rail Line (including Ma On Shan Line)</li> </ul>	97.0%	99.0%	99.9%
- West Rail Line	97.0%	99.0%	99.9%
Light Rail platform Octopus processor reliability Escalator reliability	N/A	99.0%	<b>99.9</b> %
<ul> <li>Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line,</li> </ul>			
South Island Line, Tung Chung Line, Disneyland Resort Line and Airport Express	98.0%	99.0%	<b>99.9</b> %
<ul> <li>East Rail Line (including Ma On Shan Line)</li> </ul>	98.0%	99.0%	99.9%
– West Rail Line	98.0%	99.0%	<b>99.9</b> %
Passenger lift reliability			
- Kwun Tong Line, Tsuen Wan Line, Island Line, Tseung Kwan O Line,		<b>66 5 6</b>	
South Island Line, Tung Chung Line, Disneyland Resort Line and Airport Express – East Rail Line (including Ma On Shan Line)	<u>98.5%</u> 98.5%	<u> </u>	99.7%
– East Rail Line (including Ma On Shan Line)	98.5%	99.5%	99.8% 99.7%
Temperature and ventilation	20.370		
- 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	0
<ul> <li>Stations: to maintain a cool, pleasant and comfortable environment generally at or below</li> <li>27% for pleasant and 20% for station consortion proves that does</li> </ul>		00.00/	00.000
27°C for platforms and 29°C for station concourses, except on very hot days	N/A	92.0%	99.8%
Cleanliness – Train compartment: cleaned daily	N/A	99.0%	<b>99.9</b> %
<ul> <li>Train compartment: cleaned daily</li> <li>Train exterior: washed every 2 days (on average)</li> </ul>	N/A N/A	99.0%	100.0%
Northwest Transit Service Area Bus Service			
<ul> <li>Service Delivery</li> </ul>	N/A	99.0%	<b>99.6</b> %
- Cleanliness: washed daily	N/A	99.0%	100.0%
Passenger enquiry response time within six working days	N/A	99.0%	100.0%

\* Performance data for Light Rail will be available after completion of installation, testing and trial operations of the new ticket machines.

## RAIL GEN 2.0

Rail Gen 2.0 encapsulates our near term rail business growth in Hong Kong, which in addition to the two new rail projects under construction, also covers major upgrades and replacements on the existing rail network, as well as initiatives to enhance customer experience through the use of technology. In 2017, more than HK\$8.6 billion was spent on maintaining, upgrading and renewing our Hong Kong railway assets.

#### New Railway Projects

The two remaining new railway projects under construction, namely the Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link and Shatin to Central Link, will improve connectivity across Hong Kong and with the Mainland of China when they are completed. Further information on these projects can be found under the section headed "Hong Kong Network Expansion".

# Major Asset Upgrades and Replacements on the Existing Network

#### **New Trains**

A total of HK\$6 billion is being spent on 93 new, more comfortable 8-car trains to replace those on the Kwun Tong, Tsuen Wan, Island and Tseung Kwan O lines. The first 8-car train was delivered to Hong Kong in January 2018, with the final batch of trains due to be delivered in 2023. The trains will undergo stringent testing and commissioning procedures in Hong Kong before they are put into service.

#### **New Light Rail Vehicles**

With demand for our light rail services increasing, we are replacing 30 light rail vehicles and purchasing ten additional vehicles, all at a cost of HK\$745 million. The first batch of light rail vehicles will be delivered to Hong Kong in 2018 and the vehicles will enter passenger service progressively between 2019 and 2023.

#### **Upgrade of Signalling System**

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 undergoing replacement at a total cost of HK\$3.3 billion. The Tsuen Wan Line is being re-signalled first, and installation of new signalling equipment along the trackside and in indoor areas has been substantially completed. Train testing during non-traffic hours is underway. The Tsuen Wan Line re-signalling is targeted for completion towards the end of 2018 or early 2019. It will be followed by other lines progressively. The overall completion is expected in 2026.

#### **Replacement of Chillers**

Contracts for the replacement of 160 chillers at 38 stations and four depots were awarded. Installation works for the replacement of the first 29 chillers in seven stations and two depots commenced in December 2017, with targeted completion in April 2018. These works will be followed by the replacement of chillers in our other stations and depots.

#### 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 31 December 2017, 24 of the converted 8-car trains had entered service on the West Rail Line and all are targeted to be in service by mid-2018. The existing 15 4-car trains on the Ma On Shan Line have also been replaced by 8-car trains. As of 31 December 2017, all new and converted 8-car trains had come into service. Our project to retrofit Automatic Platform Gates on the Ma On Shan Line was also completed in December 2017, one year earlier than the original target.

# Enhancing the Customer Experience through Technology

Under Rail Gen 2.0, in addition to new lines and major asset upgrades, we aim to enhance our passengers' journey experience through the application of new technology. We have launched a series of digital initiatives, including improvements to the MTR Mobile app, which leverage on innovative technology to provide more personalised services to customers while facilitating smoother railway operations.

The MTR Mobile app has over 1 million monthly active users and in September 2017, two new functions, "In-station Finder" and "Fast Exit" were launched. In-station Finder, for which Admiralty Station served as a pilot station, allows users to find their way to interchange platforms and station facilities more easily. Fast Exit, which applies to all railway stations, recommends to passengers the specific train car and door that will be nearest to their desired exit at their destination station. The enhanced Traffic News function now provides more timely operational and alternative transportation information to passengers in the event of extended train service delays. To help passengers



plan their journeys ahead even better, Green, Yellow and Red indicators have been introduced to represent the real-time status of each rail line in the MTR Mobile app and on the MTR website. A new "Ticket Suggestion" function was also launched on the MTR website and MTR Mobile app in June 2017. This new function helps passengers choose the ticket type with the lowest fare based on their travel patterns. In January 2018, a "Chatbot" function was launched for the MTR Mobile app that provides customers with information about their destination, as well as offering a more personalised experience.

With electronic payments becoming increasingly popular, in December 2017 we rolled out a trial scheme to accept Alipay and WeChat Pay at certain ticket machines at Lo Wu and Lok Ma Chau stations. The trial scheme will be gradually extended to Tsim Sha Tsui, East Tsim Sha Tsui and Causeway Bay stations by the first half of 2018.

#### OTHER NETWORK IMPROVEMENTS

#### Providing more frequent services

Further enhancements to train services during 2017 commenced in February, when 148 extra weekly train trips were added to the Kwun Tong, Tsuen Wan and Island lines, increasing frequency and convenience, especially on Fridays and at weekends.

#### Enhancing station facilities

The improvement works at Mong Kok Station were completed, with one new escalator installed in August 2017. One new lift was installed at Kowloon Tong Station in December 2017. Six hydraulic lifts at Kwun Tong, Quarry Bay, Causeway Bay, Kowloon Tong and Fanling stations were refurbished as traction lifts and opened for public use during the year. A new 300-metre long footbridge connecting Tsz Ching Estate and Tsz Wan Shan Shopping Centre was opened for public use on 19 October 2017. This is the last pedestrian facility built under the Shatin to Central Link project to improve the walking environment for pedestrians in the Tsz Wan Shan area. A new pedestrian subway and entrance at Wan Chai Station were opened in December 2017 to enhance connectivity.

#### **Responding to Changing Needs**

As outlined in our 2030 Customer Experience Vision Blueprint, we are gaining a deeper understanding of customers which enables us to respond to their needs. During 2017, service improvements were made in line with this vision, including free mobile device charging service at "iCentres" in 13 stations and additional "Free Wi-Fi" hotspots at Lo Wu and Lok Ma Chau stations. We have also responded to the growing needs for breastfeeding facilities in the community. With the understanding and joint efforts of our station colleagues, we have created breastfeeding space at the staff rest rooms located in 20 interchange stations since December 2017, providing passengers in need with a comfortable breastfeeding environment. We are also in the process of installing public toilets and baby care rooms at seven interchange stations alongside with their respective major renovation works.

To meet the needs of an ageing population, we have identified four key areas for improvement, namely accessibility, mobility, toilet provision and information provision. We are now developing the related age-friendly provisions which will be gradually rolled out starting from 2018. In September 2017, a trial scheme began offering free accessible-car service for wheelchair users to facilitate their use of the station's barrierfree Entrance D1 on Taikoo Shing Road. In October 2017, works to install public toilets at two interchange stations, namely Tiu Keng Leng and Yau Tong stations, commenced and are expected to be completed by the first half of 2019. A re-layout of male, female and accessible toilets and provision of a nursery room at Hung Hom Intercity Departure Hall was completed during 2017.

The popular 12-month long "Happy Birthday • Happy Journey" programme concluded on 31 March 2017. Hong Kong Identity Card holders whose birthday fell on the lucky day drawn each month were eligible to redeem a birthday pack containing a specially designed free one-day pass for unlimited domestic rides on MTR, a HK\$50 MTR Malls Gift Voucher and merchant coupons.

#### Improving passenger communications

As part of our continuing efforts to ensure timely and relevant information for passengers, roll out of the new generation of Passenger Information Displays in Kwun Tong, Tsuen Wan, Island and Tseung Kwan O lines had substantially been completed during 2017. Improvements were also made to onboard information on the Airport Express and buses.

#### System Information

Railway operation data		2017		2016
Total route length (km)		230.9		230.9
Number of rail cars				
		2,244		2,146
Daily hours of operation 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		19.0		19.0
East Rail Line and Ma On Shan Line		19.5		19.5
Minimum train headway (second)	Morning Peak	Evening Peak	Morning Peak	Evening Peak
– Tsuen Wan Line	120	120	120	120
- Kwun Tong Line	126	140	126	140
- Island Line	112	124	112	110
<ul> <li>South Island Line</li> </ul>	200	200	200	200
- East Rail Line			200	200
Hung Hom to Sheung Shui	212	200	212	200
Hung Hom to Lo Wu	327	327	327	327
Hung Hom to Lok Ma Chau	600	600	600	600
– Ma On Shan Line	180	240	180	240
– Tseung Kwan O Line	133	133	133	133
– Tung Chung Line				
Hong Kong to Tung Chung	360	360	360	360
Hong Kong to Tsing Yi	240	240	240	240
- Airport Express	600	600	600	600
– West Rail Line	171	210	171	210
<ul> <li>Disneyland Resort Line</li> </ul>	270	270	270	270
– Light Rail	270	300	270	300