

**Project Agreements and Entrustment Agreement Signed for  
MTR South Island Line (East) and the Kwun Tong Line Extension**

The MTR Corporation announced today that it has entered into Project Agreements with the HKSAR Government for the design, construction, operation and the financing of the South Island Line (East) (SIL(E)) and Kwun Tong Line Extension (KTE) Projects respectively.

“The signing of the Project Agreements signifies a key milestone for the two railway projects. Construction works will commence immediately with a view to extending our railway service to the southern part of Hong Kong Island as well as Ho Man Tin, Hung Hom in Kowloon in 2015,” said Mr C K Chow, the Chief Executive Officer of MTR Corporation.

The 7km South Island Line (East) will extend MTR services from Admiralty to the Southern District. The railway line runs from South Horizons, via Lei Tung, Wong Chuk Hang, Ocean Park to the existing Admiralty Station. A train depot will be located in Wong Chuk Hang.

The 2.6km Kwun Tong Line Extension will extend the existing MTR Kwun Tong Line from Yau Ma Tei Station to Whampoa via Ho Man Tin. It will provide efficient rail services to the areas of Ho Man Tin and Whampoa which are currently only served by road transportation.

Both of these two railway schemes were authorized under the Railways Ordinance in November 2010 by the Chief Executive in Council. The estimated construction costs for SIL(E) and KTE are HK\$12.4 billion and HK\$5.3 billion respectively (in December 2009 prices).

Both of the two railway projects will be funded by the Rail-and-Property Model with proposed property developments to support the construction costs. Property development rights relating to an approximately 7-hectare site in Wong Chuk Hang and an approximately 2.6-hectare site in the former Valley Road Estate in Ho Man Tin will be granted to MTR as part of the two railway projects. Under the Rail-and-Property Model, to develop these sites, the Corporation is required to pay land premiums.

At the same time, an Entrustment Agreement for the design and construction for the Advance Works of the Shatin to Central Link (SCL) project was also signed. The works include related construction for the expanded Admiralty Station and the new Ho Man Tin Station, the re-provisioning of the International Mail Centre from Hung Hom to Kowloon Bay and other ancillary works. Those facilities are shared between SCL and, respectively, SIL(E) and KTE, then will be constructed concurrently in order to shorten the overall construction time and minimise disturbance to the community, environment and road traffic.

The Corporation is also entrusted to construct the associated essential public infrastructure works (EPIW) for SIL(E) and KTE. The EPIW for SIL(E) comprise a Public Transport Interchange (PTI) at the Wong Chuk Hang Station area, improvements of the existing road network in the vicinity of the Ocean Park Station, Wong Chuk Hang Station and Lei Tung area, pedestrian facilities including footbridges in Wong Chuk Hang and South Horizons, plus a pedestrian link to the Aberdeen Channel Promenade. The entrusted EPIW for KTE will include pedestrian facilities comprising subway links, lifts, footbridges, escalators and covered walkways to provide a direct and convenient access to the future Ho Man Tin Station for commuters living in the housing estates of Ho Man Tin, such as Oi Man Estate and Ho Man Tin Estate.

At the peak of construction, it is anticipated that the two projects will create about 3,500 jobs. Upon completion, SIL(E) and KTE will create over 2,000 new employments opportunities for their future operations.

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