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KOWLOON-CANTON RAILWAY CORPORATION
(a statutory corporation incorporated in Hong Kong)

Kowloon-Canton Railway Corporation commences consent solicitation related to its 8% Notes due 2010
(Stock code in Hong Kong: 2547)

September 10, 2007 — Kowloon-Canton Railway Corporation (“**KCRC**”) announced today that it has commenced a consent solicitation (the “**Consent Solicitation**”) relating to its US\$1,000,000,000 8% Notes Due 2010, CUSIP No. 500748AA6, ISIN No. US500748AA61 and Common Code No. 010926084 (the “**Notes**”).

The primary purpose of the Consent Solicitation is to obtain consents from holders of the Notes (the “**Holders**”) to amend certain provisions (the “**Proposed Amendments**”) of the indenture dated March 16, 2000 (the “**Indenture**”) in connection with the proposed rail merger between MTR Corporation Limited and KCRC. The Proposed Amendments are set out in the Consent Solicitation Statement dated September 10, 2007 (the “**Consent Solicitation Statement**”).

Following the passage of the Rail Merger Bill, which sets out the terms and conditions of the proposed rail merger, by the Legislative Council of the Government of the Hong Kong Special Administrative Region, each of Moody’s Investors Service and Standard & Poor’s Ratings Services reaffirmed its ratings of KCRC and of the Notes as “Aa3” and “AA” on July 16, 2007.

The consent solicitation with respect to the Notes commenced today and expires at 5:00 P.M., New York City time, on September 28, 2007, unless otherwise extended by KCRC (the “**Expiration Time**”), and is being made upon the terms and is subject to the conditions set forth in the Consent Solicitation Statement. Consents are being

sought from all Holders of record at 5:00 P.M., New York City time, on September 7, 2007, in accordance with the terms of the Indenture. A copy of the Consent Solicitation Statement can be obtained upon request, free of charge, from HSBC Securities (USA) Inc. and/or Lucid Issuer Services.

Approval of the Proposed Amendments requires the receipt of consents from the Holders of not less than 66 $\frac{2}{3}$ % in aggregate principal amount of the Notes outstanding (the “**Requisite Consents**”).

KCRC is offering to pay, upon the terms and conditions of the Consent Solicitation Statement, a consent fee of US\$2.50 (the “**Consent Fee**”) per US\$1,000 principal amount of the Notes to the Holders that consent to the Proposed Amendments if the Requisite Consents are received prior to the Expiration Time and not subsequently revoked. The Consent Fee will be paid as promptly as practicable after the satisfaction of the Conditions.

HSBC Securities (USA) Inc. is acting as the solicitation agent for the Consent Solicitation. Questions with respect to the terms of the Consent Solicitation should be directed to the solicitation agent at +1 888 HSBC 4LM (472 2456) in the U.S. or +1 212 525 5552 (international) (collect).

Lucid Issuer Services is the information and tabulation agent for the Consent Solicitation. Requests for assistance or additional sets of the Consent Solicitation materials should be directed to Lucid Issuer Services at + 852 2526 5406 or kcrcinfo@lucid-is.com.hk.

Concurrently with the Consent Solicitation, KCRC is also soliciting consents from holders of the notes issued under its medium term note program and its Hong Kong dollar retail notes in connection with the proposed rail merger.

This notice is not a consent solicitation, which shall be made solely by the Consent Solicitation Statement and related documents, and those documents should be consulted for additional information regarding consent procedures and the conditions for the Consent Solicitation. This notice is not an offering of securities in the United States or any other jurisdiction.

KCRC is a statutory corporation, wholly owned by the Financial Secretary Incorporated on behalf of the Government of the Hong Kong Special Administrative Region. KCRC operates, extends and improves its railways in the Hong Kong Special Administrative Region.

Forward-looking Information

Certain statements contained in this notice may be viewed as “forward-looking statements” within the meaning of Section 21E of the U.S. Securities Exchange Act of 1934, as amended. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual performance, financial condition or results of operations of KCRC to be materially different from any future performance, financial condition or results of operations implied by such forward-looking statements. Further information regarding these risks, uncertainties and other factors is included in the Annual Report on Form 20-F for the year ended December 31, 2006, filed with the U.S. Securities and Exchange Commission (the “SEC”) and in KCRC’s other filings with the SEC.