

新聞稿
Press release

Thursday, 29 April 2010

Announcement of KCRC's Audited Results
Year Ended 31 December 2009

KCRC's Chief Officer, James Blake, today announced the financial results of the Kowloon-Canton Railway Corporation for the year ended 31 December 2009. He noted that the Corporation's 10-year programme of major capital expenditure to expand its railway network had come to an end with the opening during the year of the Kowloon Southern Link (KSL), embracing Austin Station and the final section of the rail-related underground network for pedestrians throughout Tsim Sha Tsui.

Following the opening of this important rail link, patronage growth was observed on both West and East Rail within the merged network now operated by the MTR Corporation Limited (MTRCL) under the terms of the Service Concession Agreement signed in 2007.

The Corporation's revenues for year 2009 in the main came from the fixed annual payment by MTRCL of HK\$750 million, as the additional variable annual payments from MTRCL only first become due from 2 December 2010.

The Corporation successfully raised sufficient new funds to refinance the two US\$1 billion notes maturing in July 2009 and March 2010 respectively, these notes having been issued in 1999 and 2000 alongside injection of Government equity and other facilities to fund the expansion of the Corporation's railway network over the past 10 years. Some HK\$10 billion in notes and HK\$3.5 billion in new bank loans were secured during 2009, taking full advantage of lenders' appetite throughout the year for top-rated borrowers and the low interest rate environment. Repayment of the second US\$1 billion note in March 2010 and the new borrowings at a lower cost enables the Corporation to substantially reduce recurrent interest charges going forward.

Operating profit for the year amounted to HK\$828 million before depreciation, amortization and impairment. A bottom line net loss of

HK\$2.761 billion was due mainly to depreciation charges, arising in particular from the previous heavy capital expenditure on KCRC's new railway assets for its network expansion.

On a historic note he said that year 2010 could be seen as a milestone year for railways in Hong Kong, and their role alongside the Mainland railway network. 1 October 2010 in particular would be the 100-year anniversary of the inaugural train departing from Tsim Sha Tsui to Lo Wu, carrying the Acting Governor, Sir Henry May and other guests to mark the opening of the Hong Kong Section of the Kowloon-Canton Railway.

The audited financial statements together with the auditor's report will be included in the KCRC's Annual Report, which he expected would be tabled during May in the Legislative Council by the Financial Secretary.