

**Panel on Economic Development**  
**Follow-up to the special meeting on 30 June 2009**

**"Update on proposed expansion of Hong Kong Disneyland"**

At the above meeting, Panel members requested the Administration to provide information on the following:

- (a) Comparison, using actual data of the past three years and the forecast data for the coming years, of the calculation of management fee paid to the Hong Kong Disneyland Management Limited under the current formula of 2% of gross revenue vis-à-vis the newly proposed performance-linked formula of 6.5% of earnings before interest, tax, depreciation and amortization;
- (b) Overall financial performance, i.e investment (including capital injection, land grant and other indirect costs such as the provision of the Disneyland Resort Line) and returns/losses made so far in the Hong Kong Disneyland (HKD) project;
- (c) The Administration's plan, if any, to convert the subordinated shares of the Hongkong International Theme Parks Limited (HKITP) accrued from the full land premium to ordinary shares, which could take place progressively during the life of the project; and
- (d) Estimated amount of capitalized and deferred interests pertaining to the outstanding balance of the Government loan provided to HKITP if the balance would not be converted to equity as proposed, and the estimated dividends for the equity after the proposed conversion.