

大老山隧道有限公司 Tate's Cairn Tunnel Co Ltd

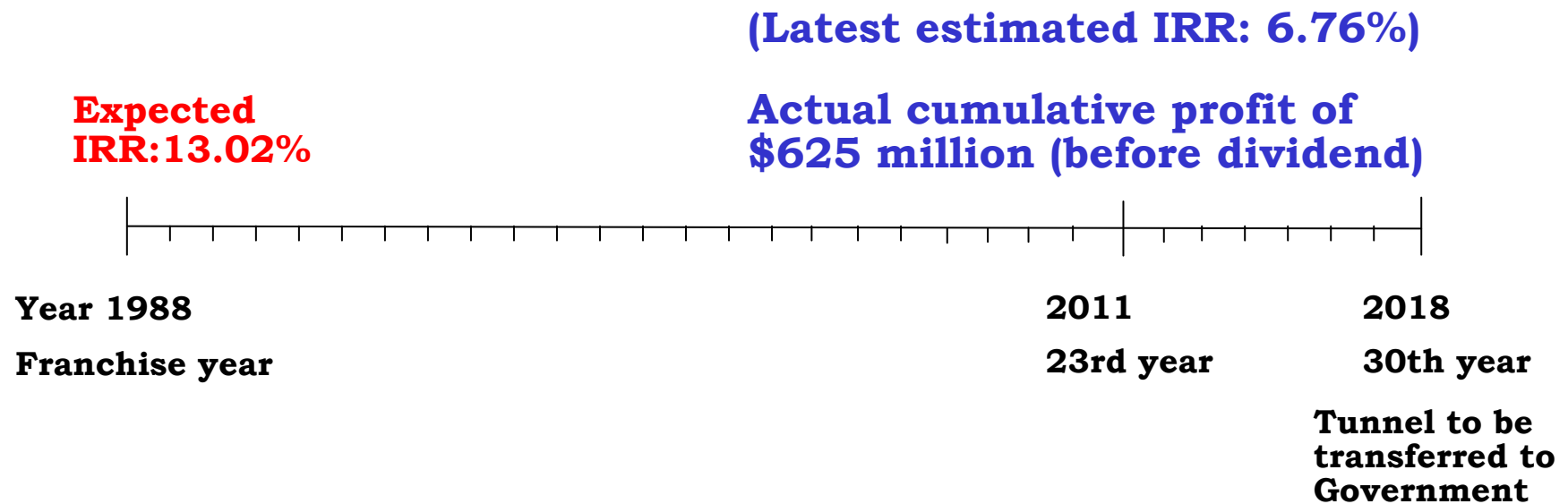
Meeting with the Legislative Council Panel on Transport



Contents

- **Justification for toll rise**
- **Reasons for financial underperformance**
- **Efforts to improve financial performance**
- **Proposed toll increase**
- **Service performance**

Justification for toll rise

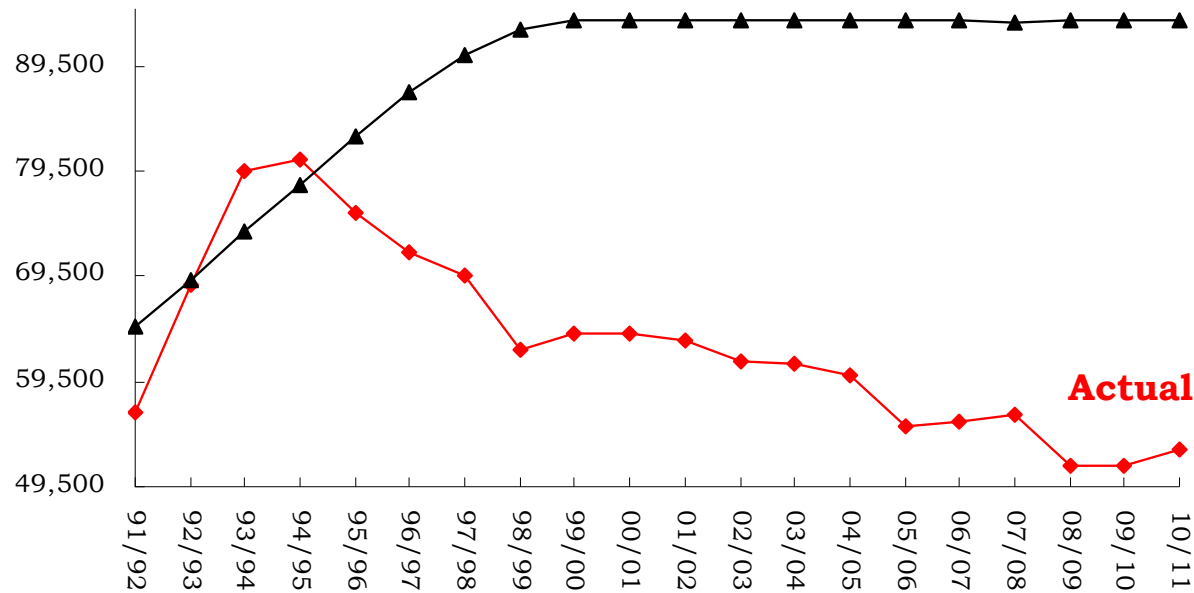


- **Shortfall of \$3,442 million** when compared to the cumulative profit of \$4,067 million in the 23rd franchise year under the Base Toll Proposal

Reasons for financial underperformance

Average Daily Traffic

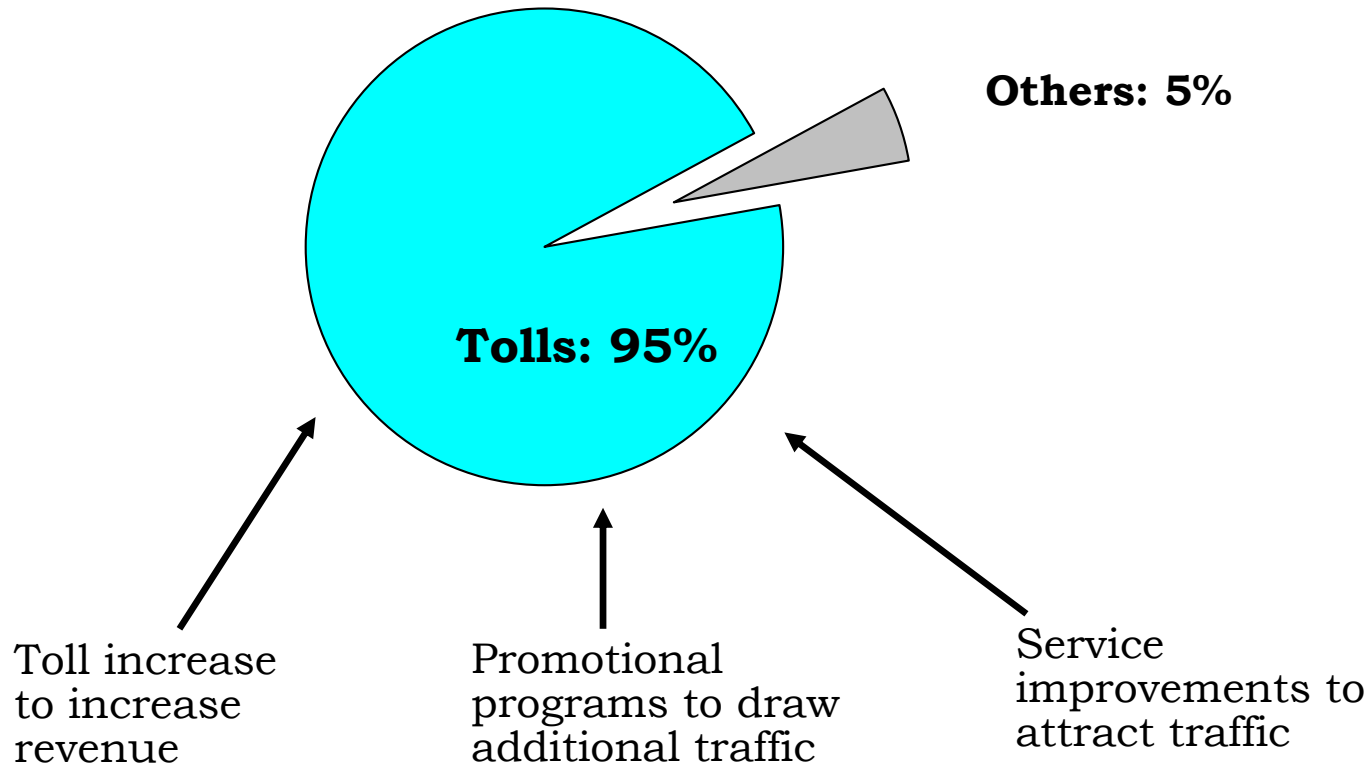
Base Toll Proposal



- Increasing toll disparity between LRT and TCT
- Relocation of industrial activities to PRC
- Relocation of the airport and long-delayed development of Kai Tak area
- Diversion effect due to increasing transportation modes and road choice

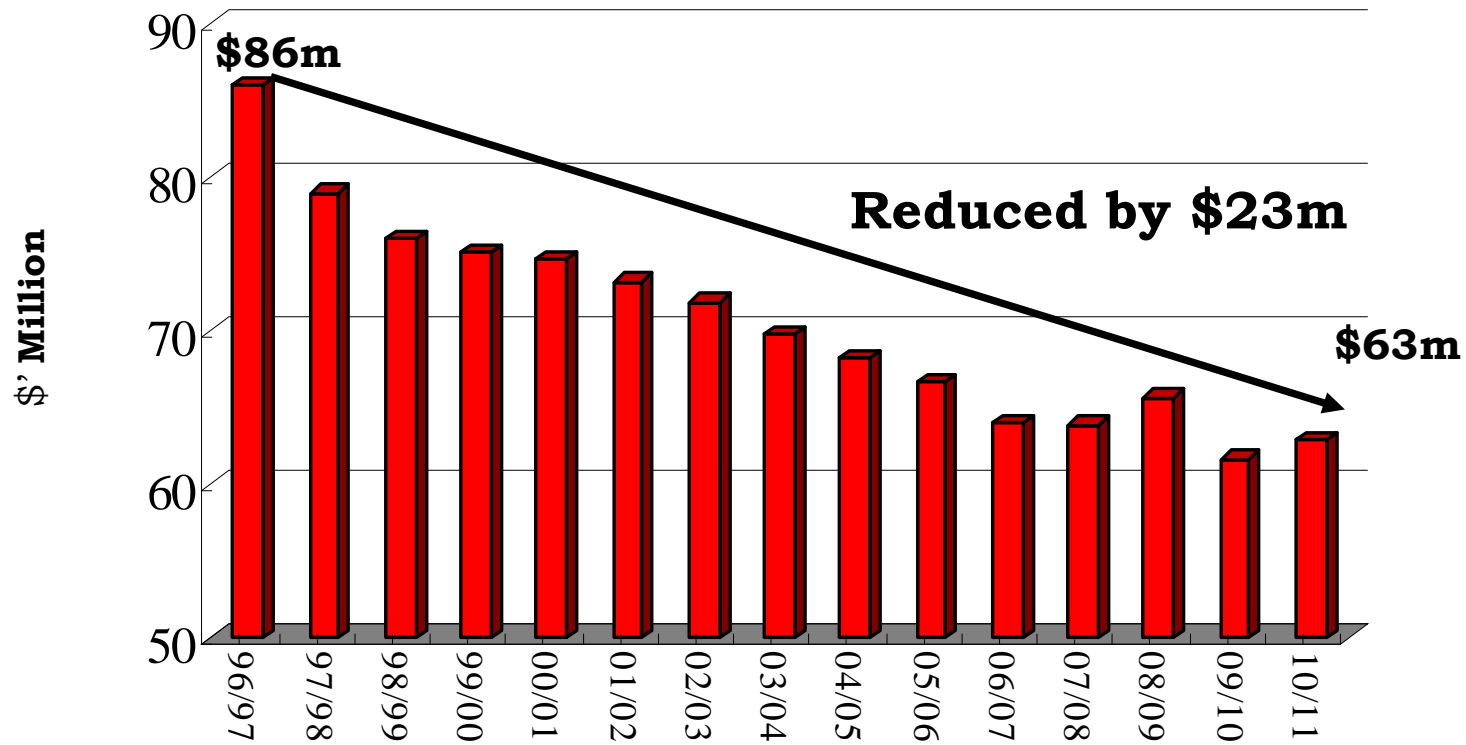
Efforts to improve financial performance

1. Revenue increase



Efforts to improve financial performance

2. Cost control

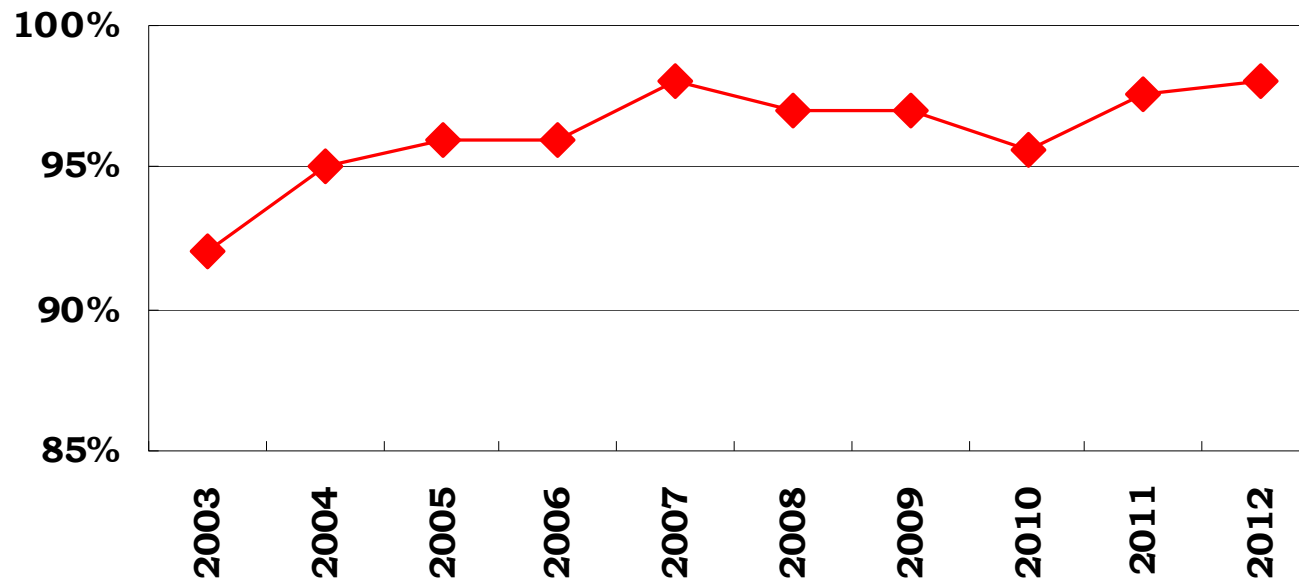


Proposed toll increase

Vehicle Category	Current Toll	Proposed Toll	Increase Amount
Motorcycle	\$12	\$13	\$1
Private car & taxi	\$15	\$17	\$2
Public light bus	\$21	\$23	\$2
Private light bus & light goods vehicle	\$22	\$24	\$2
Medium & heavy goods vehicle	\$26	\$28	\$2
Single-decker bus	\$29	\$31	\$2
Double-decker bus	\$32	\$34	\$2
Extra axle	\$19	\$21	\$2

Service performance

1. Customers' satisfaction rating



2. Capital expenditure

- In coming 6 years: invest more than \$14 million

Thank You