



三號幹線(郊野公園段)有限公司
Route 3 (CPS) Company Limited

Our Ref. : R3/A220/003/VY/sk/L050627

16 June 2005

The Honourable Chairman and Panel Members
Panel on Transport, Legislative Council
c/o Legislative Council Secretariat

Dear Chairman and Panel members

Re: Route 3 Country Park Section Toll Adjustment

Following our meeting on 15 June 2005 and with reference to your letter to Ms. Annie Choi dated 15 June 2005, we enclose our financial information on the net revenue and financial position over the years as requested.

We would like to draw your attention that our interest expenses for the coming year will increase significantly in view of the fact that interest rate has risen in excess of 2% per annum as compared to the average interest rate in the past year.

We trust that you will keep the financial information strictly private and confidential.

Yours faithfully
ROUTE 3 (CPS) COMPANY LIMITED

Vincent Fong
General Manager

Encl

c.c. Ms. Annie Choi
Deputy Secretary for the
Environment, Transport and Works Bureau

Net Revenue (in \$million)			
Year*	Minimum Estimated Net Revenue (A)	Actual Net Revenue (B)	Shortfall (B-A)
1998/99	45	(271)	(316)
1999/00	101	(68)	(169)
2000/01**	149	55	(94)
2001/02	264	238	(26)
2002/03	479	286	(193)
2003/04	648	361	(287)

* The financial year is from 1 August to 31 July of the following year.

** Our toll increase which will take effect on 19 June 2005 is based on the result of 2000/01 financial year. The toll adjustment is deferred by three years. The increase is not across-the-board and is far below the maximum permitted levels. The concessionary tolls for medium and heavy goods vehicles and motorcycles remain unchanged.

Financial Position

Based on the audited accounts for the year ended 31 July 2004, the accumulated loss was HK\$400 million and the outstanding bank loan was HK\$3,700 million.