

大老山隧道有限公司  
Tate's Cairn Tunnel Co Ltd

CB(1)693/09-10(01)

## Meeting with the Legislative Council Panel on Transport



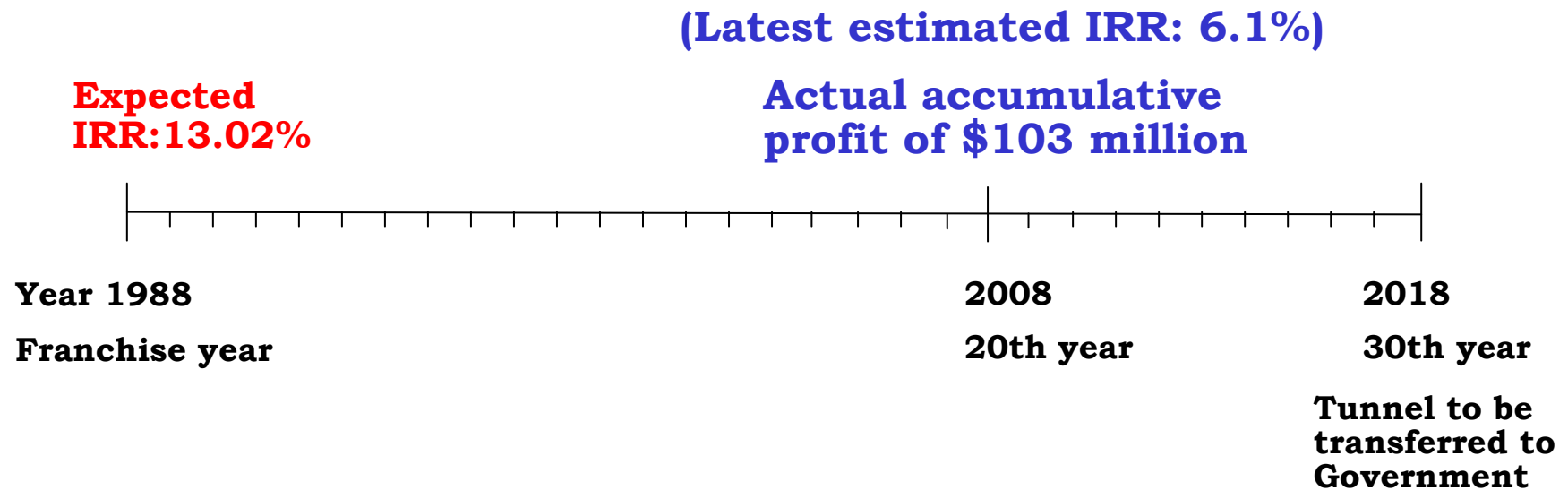
# Contents

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

## Justification for toll rise

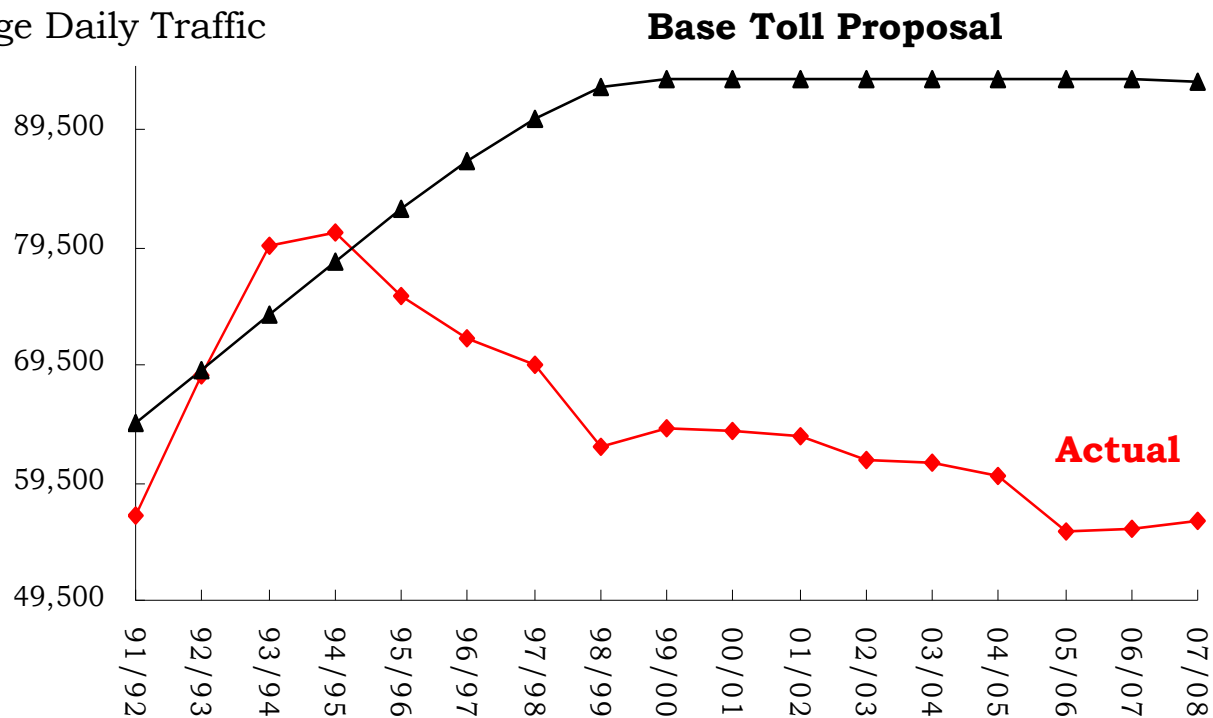
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- **Shortfall of \$2,633 million** when compared to the accumulative profit of \$2,736 million in the 20th franchise year under the Base Toll Proposal

# Reasons for financial underperformance

Average Daily Traffic

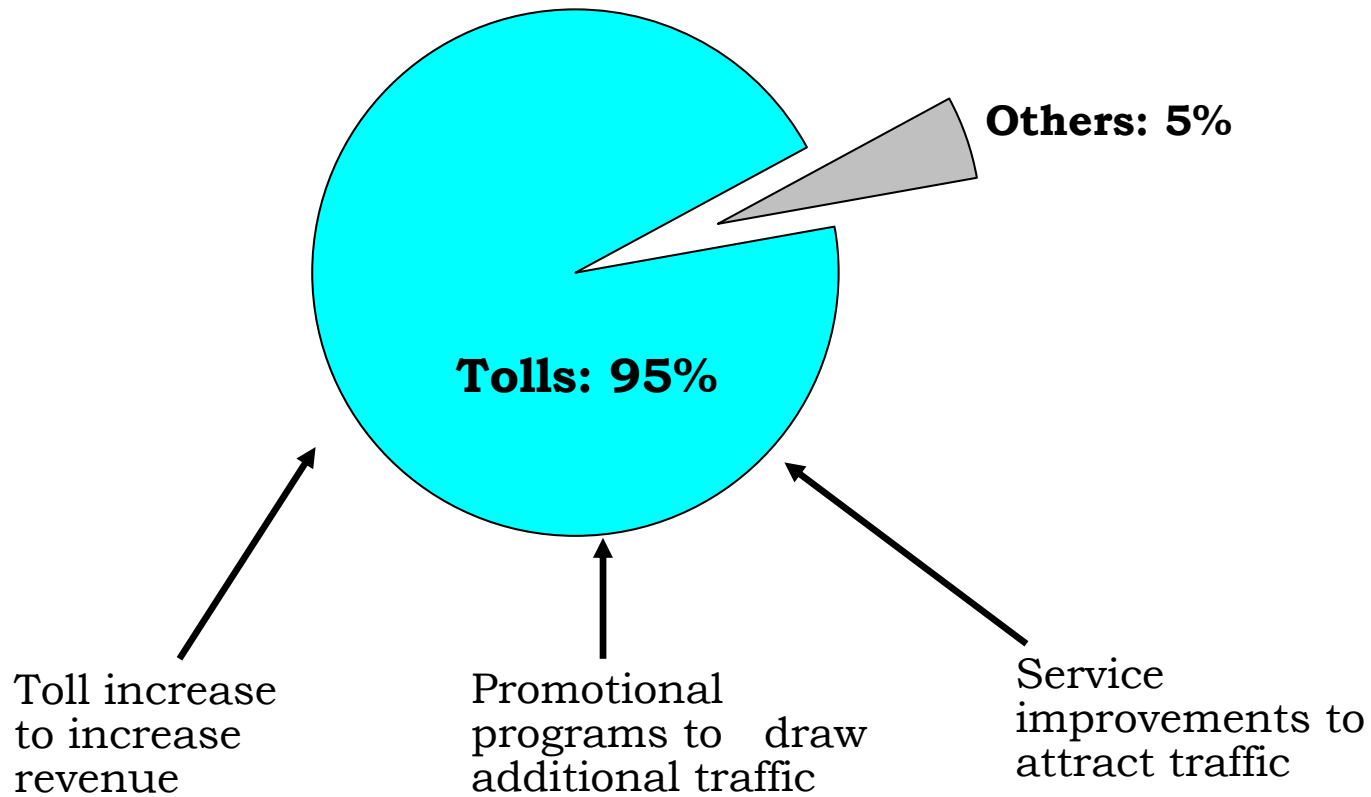


- Increasing toll disparity between LRT and TCT
- relocation of industrial activities to PRC
- relocation of the airport and undecided development of the ex-airport area
- prolonged economic difficulties between 1998/99 – 2003/04
- diversion effect due to increasing transportation modes and road choice

## Efforts to improve financial performance

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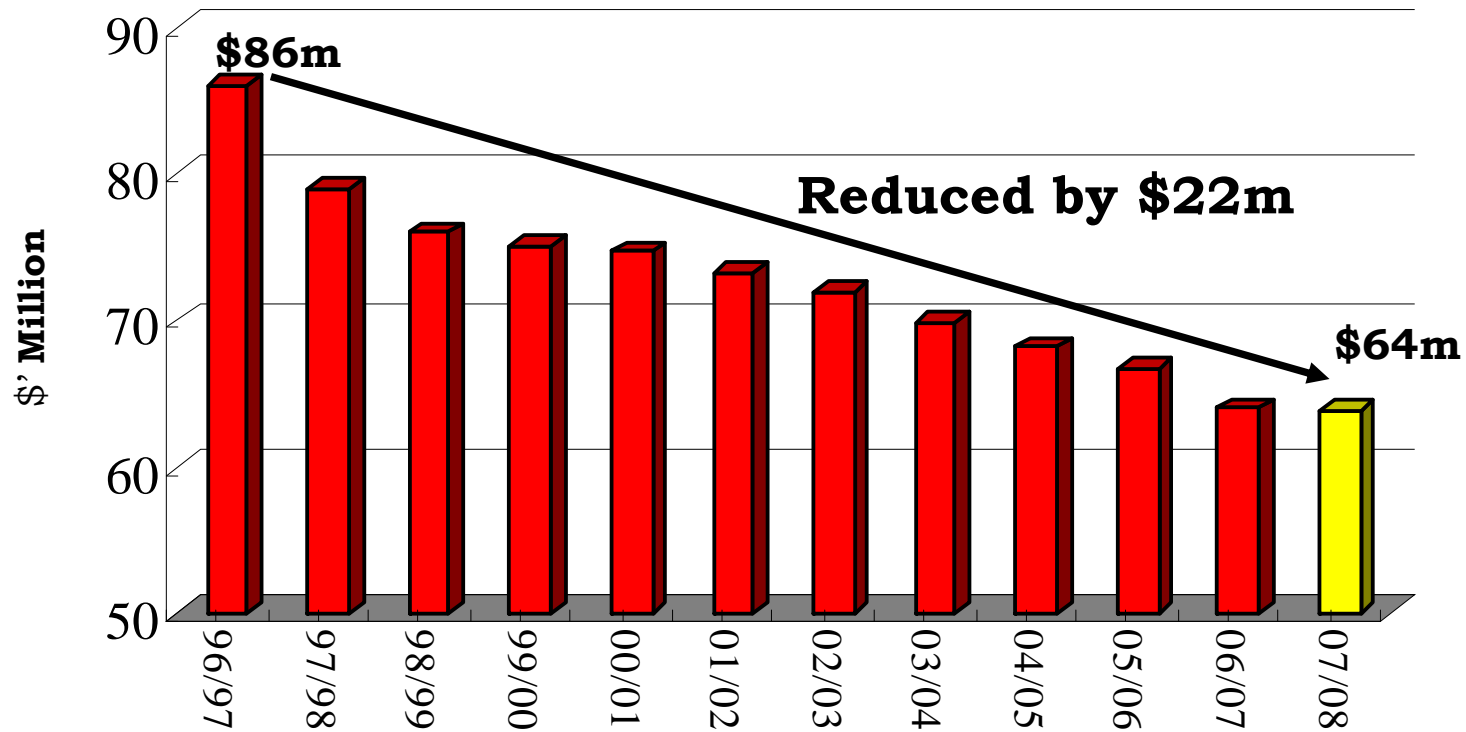
### 1. Revenue increase



## Efforts to improve financial performance

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### 2. Cost control



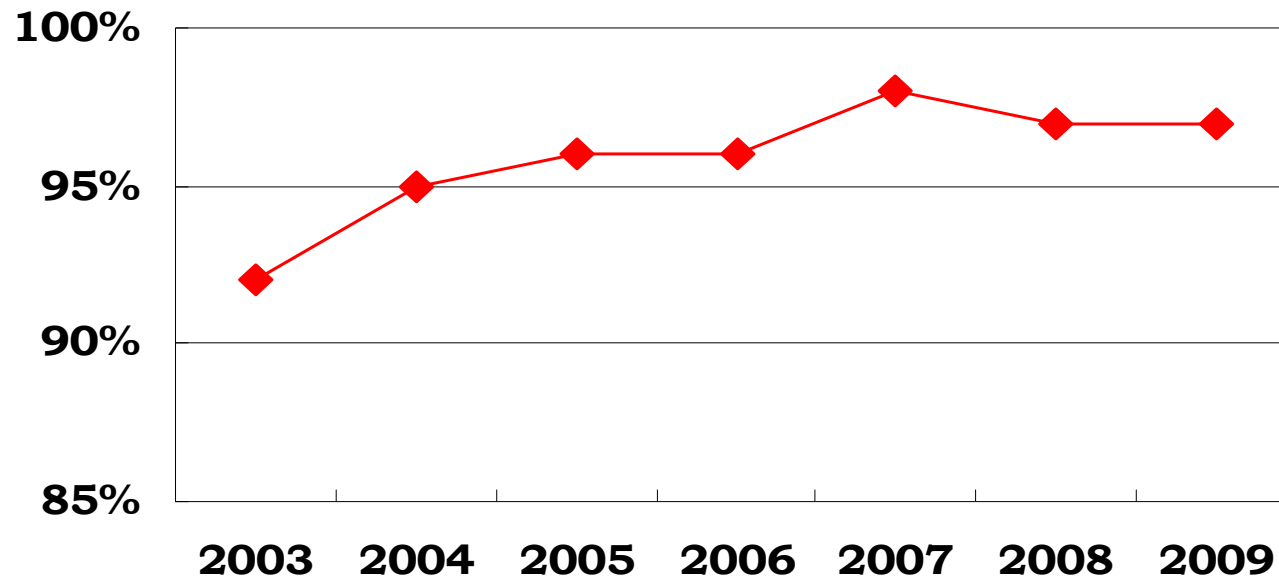
## Proposed toll increase

Vehicle Category	Current Toll	<b>Proposed Toll</b>	Increase Amount
Motorcycle	\$11	<b>\$12</b>	\$1
Private car & taxi	\$14	<b>\$15</b>	\$1
Light bus & light goods vehicle	\$21	<b>\$22</b>	\$1
Medium & heavy goods vehicle	\$25	<b>\$26</b>	\$1
Single-decker bus	\$28	<b>\$29</b>	\$1
Double-decker bus	\$31	<b>\$32</b>	\$1
Extra axle	\$18	<b>\$19</b>	\$1

## Service performance

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### 1. Customers' satisfaction rating



### 2. Capital expenditure

- In coming 9 years: invest more than \$40 million



**Thank You**