

Panel on Economic Development

Follow-up Actions to the Meeting on 25 February 2013

Update on Hong Kong Disneyland

At the meeting of the Panel on Economic Development on the captioned subject held on 25 February 2013, Members requested the Administration and Hong Kong Disneyland (“HKD”) to provide supplementary information on the formula for calculation and the amount of management fee payable to the Walt Disney Company (“TWDC”) since the opening of HKD and whether HKD would consider arranging and/or providing shuttle bus service between the Park and Tung Chung. The supplementary information is provided as follows:-

The formula for calculation and the amount of management fee payable since the opening of HKD

HKD is managed and operated by the Hong Kong Disneyland Management Limited (“HKDML”). Under the agreement reached between the Government and TWDC, the formula for calculation of management fee payable to HKDML is performance-based. In 2009, to encourage the management to deliver results, the Government obtained TWDC’s agreement to revise the formula for calculating the base management fee, i.e. to replace the old formula of 2% of gross revenues by 6.5% of the earnings before interest, taxes, depreciation and amortization. The amount of management fee payable to HKDML since the opening of HKD, being a piece of commercially sensitive information, cannot be disclosed under the agreement between the Government and TWDC.

Whether HKD would consider arranging and/or providing shuttle bus service between the Park and Tung Chung

Attached herewith the supplementary information provided by HKD on the provision of shuttle bus service between HKD and Tung Chung for Members’ perusal.

Tourism Commission
August 2013

**Supplementary information on the provision of shuttle bus service
between Hong Kong Disneyland and Tung Chung
as provided by Hong Kong Disneyland**

Hong Kong Disneyland (“HKD”)’s statistics indicates that 6.6% of HKD’s staff lives in Tung Chung, and the Mass Transit Railway (“MTR”) is their main mode of transportation to travel between HKD and Tung Chung. At present, all HKD staff may purchase a monthly MTR pass at a cost of HK\$520 and enjoy a HK\$2 discount provided by HKD on a return trip with the MTR. HKD will continue to improve transportation arrangements for their staff and does not plan to arrange shuttle bus service between the Park and Tung Chung at the moment.