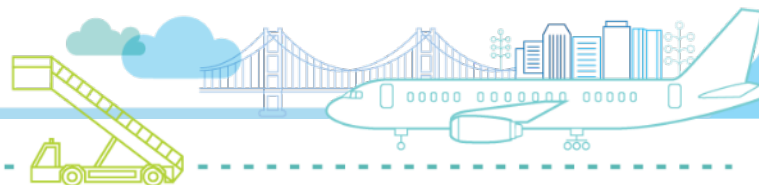


Legislative Council Panel on Economic Development

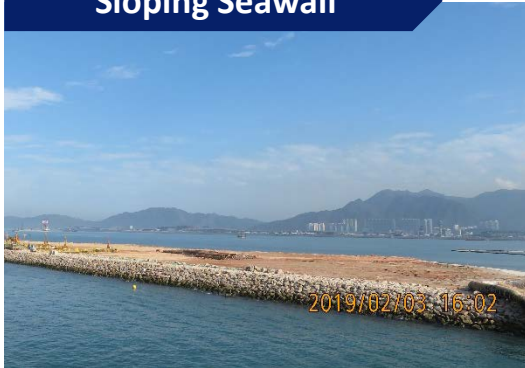
Update on the Development of the Three-Runway System at the Hong Kong International Airport

Airport Authority Hong Kong
29 April 2019

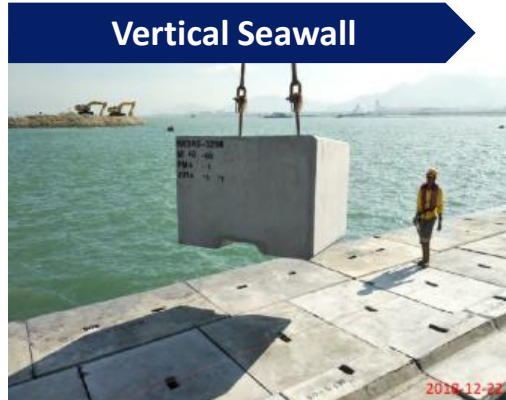


Reclamation Progress

Sloping Seawall



Vertical Seawall



Work	% Completion (as at end Feb 2019)
Deep Cement Mixing (DCM)	92%
Prefabricated Vert. Drain (PVD)	Substantially Completed
Seawall (up to +2.5mPD)*	46%

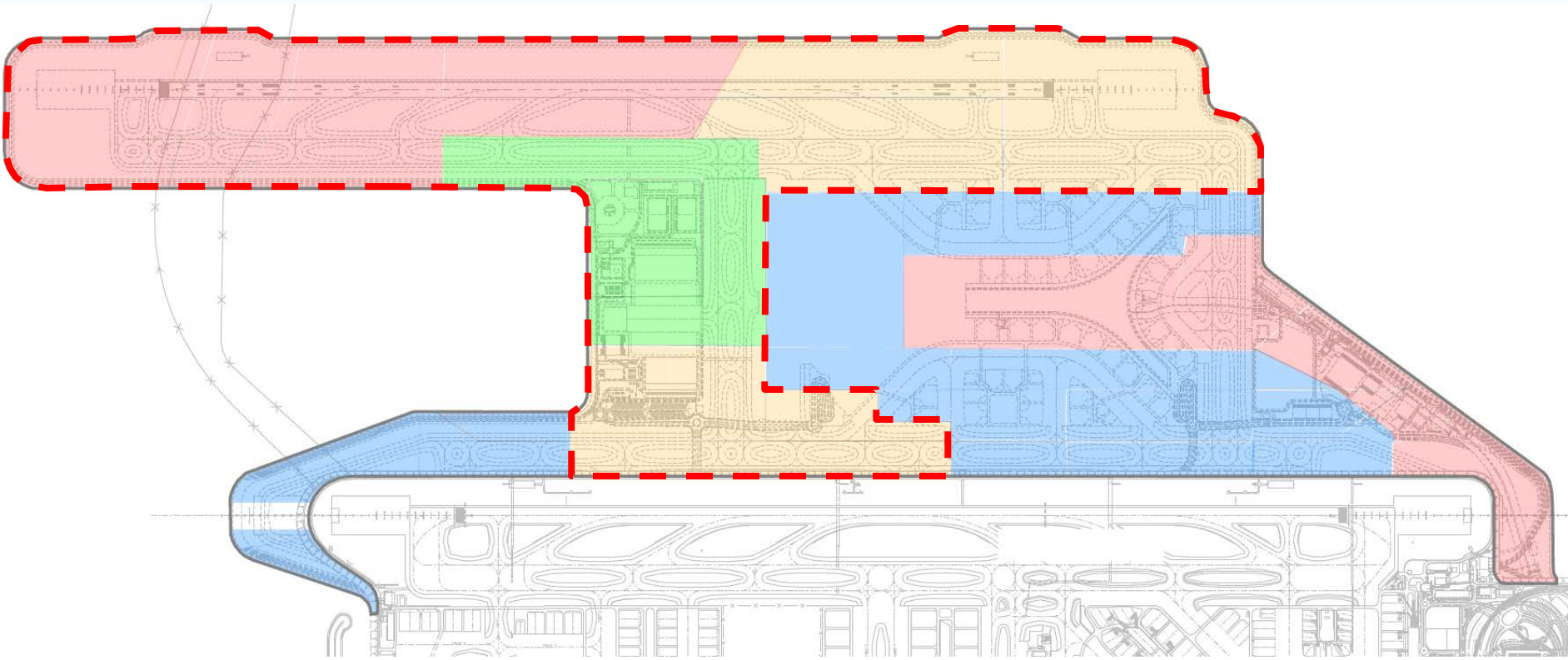
DCM Work




Reclamation Filling







Reclamation Phasing



 Area needed for operation of New North Runway in 2022

Target Completion Time of Reclamation

-  2019
-  End 2019 / Early 2020
-  Mid 2020
-  Late 2020 to Mid 2021



Reclamation Progress

28 March 2019



Reclamation Progress

28 March 2019



Reclamation Progress

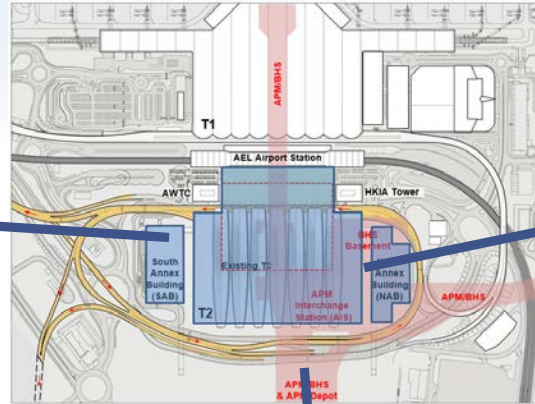
28 March 2019



Terminal 2 Expansion

South Annex Building

March 2019



BHS / AIS Basement

March 2019



APM Depot Structure

April 2017

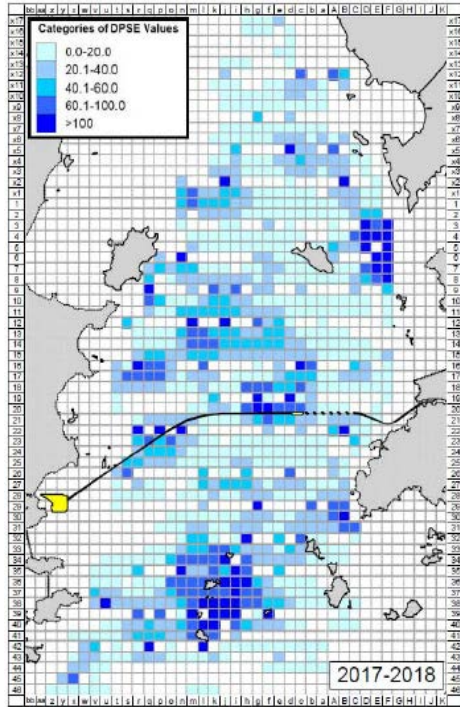


March 2019

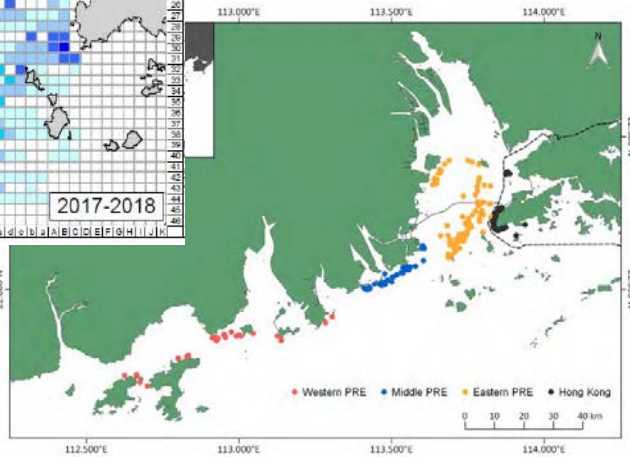


Marine Ecology Enhancement Fund & Fisheries Enhancement Fund

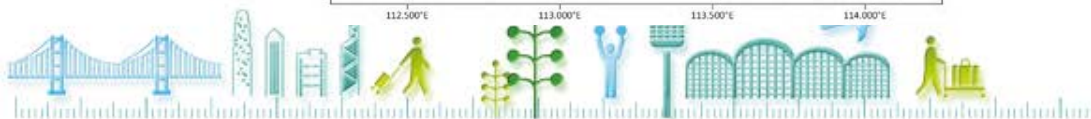
Over HKD18 million was granted to 16 projects for years 2017/18 & 2018/19



CWD Studies in Lingding Bay and across the Pearl River Estuary

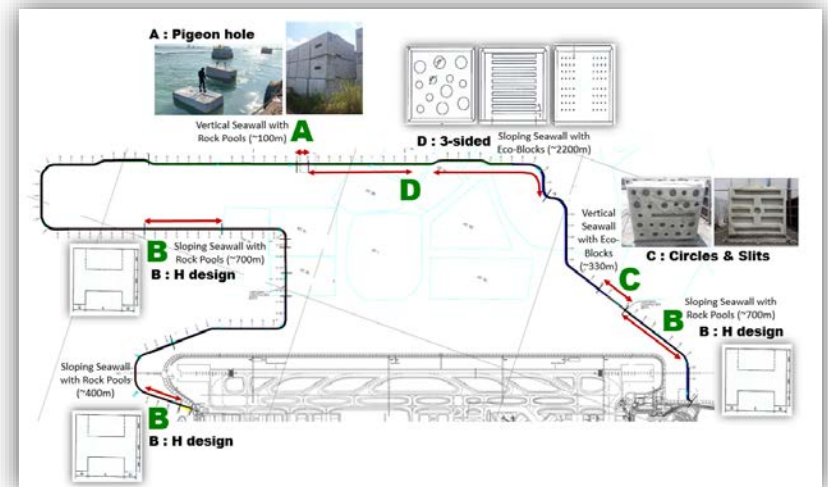


Pearl Farming Pilot Project



Enhancement Measures Funded and Managed by AAHK

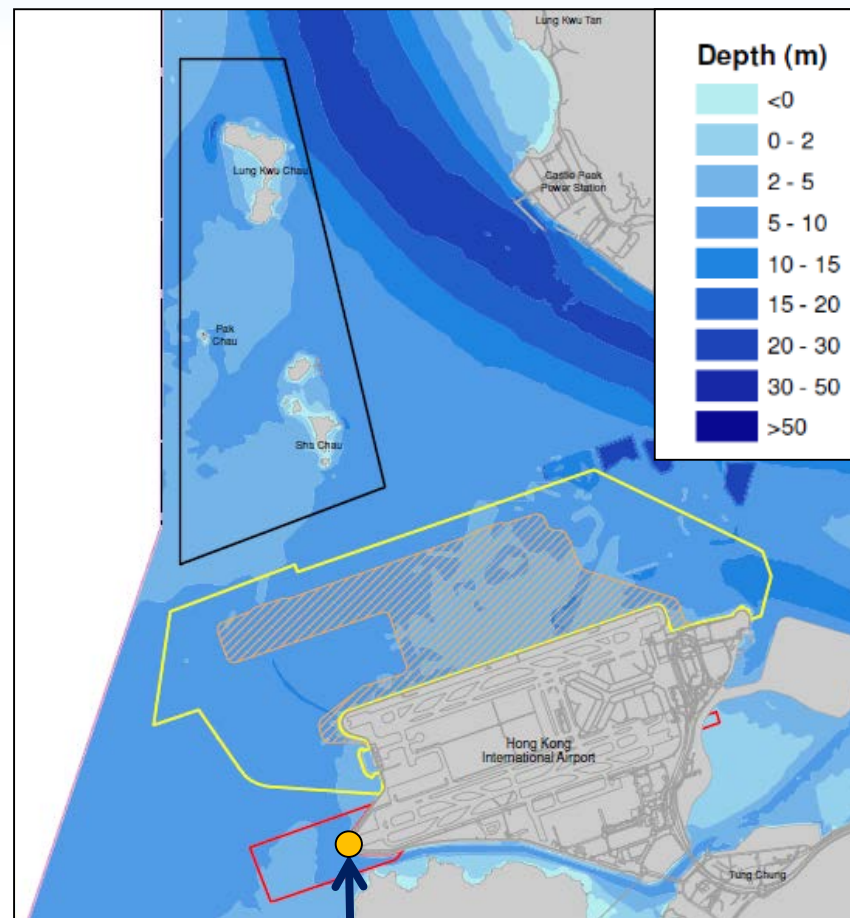
Eco-enhancement of Seawall Design



Enhancement Measures Funded and Managed by AAHK

Fish Restocking Pilot Test

- Planned 1st round release by May 2019
- Target species: Green Grouper, Yellowfin Seabream, Black Seabream
- Size: ~10-15 cm each
- Quantity: ~9,000-12,000 fingerlings
- Underwater release near the existing artificial seawall within HKIAAA

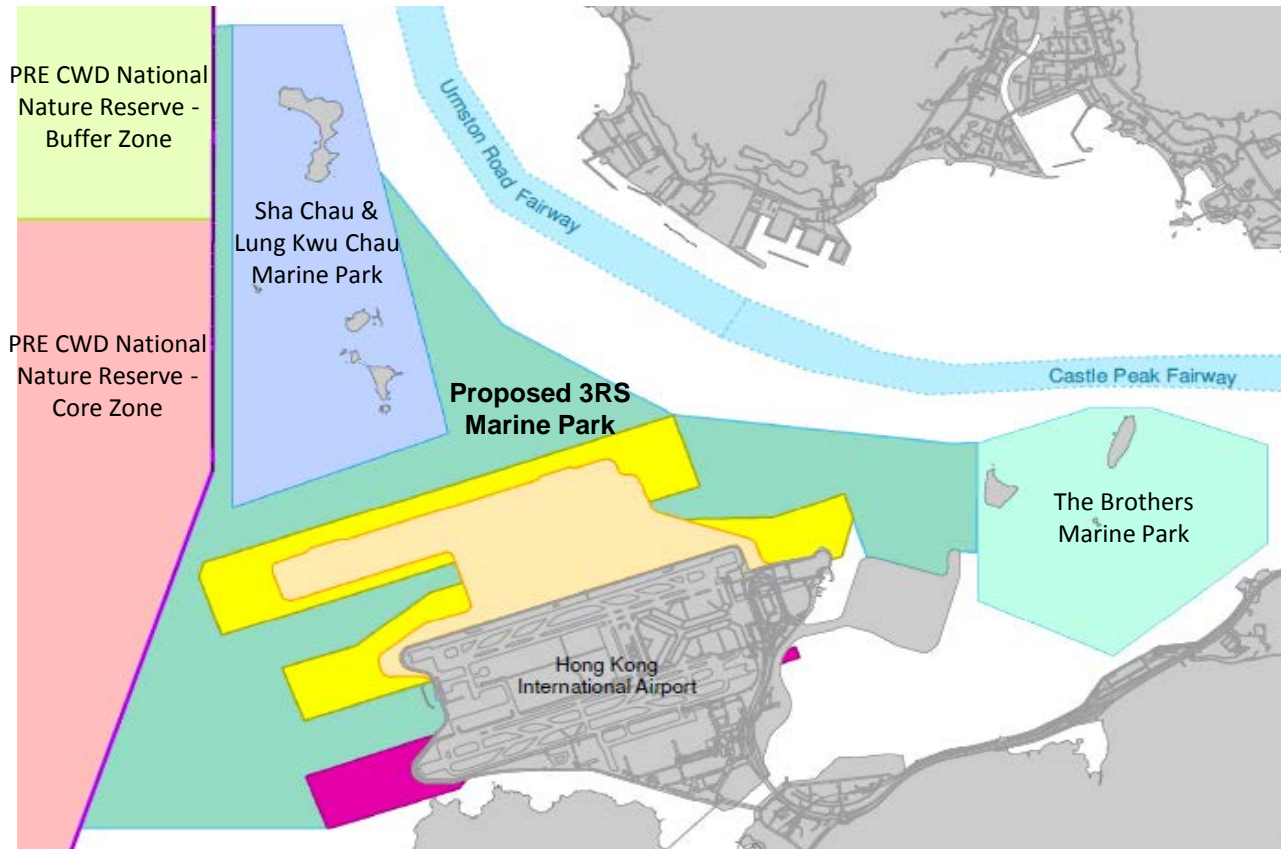


Fish Restocking at Artificial Seawall
(within HKIAAA)



Continue with Preparation Work for Designation of Proposed 3RS Marine Park

Designation of Marine Park to tie in with 3RS Full Operation



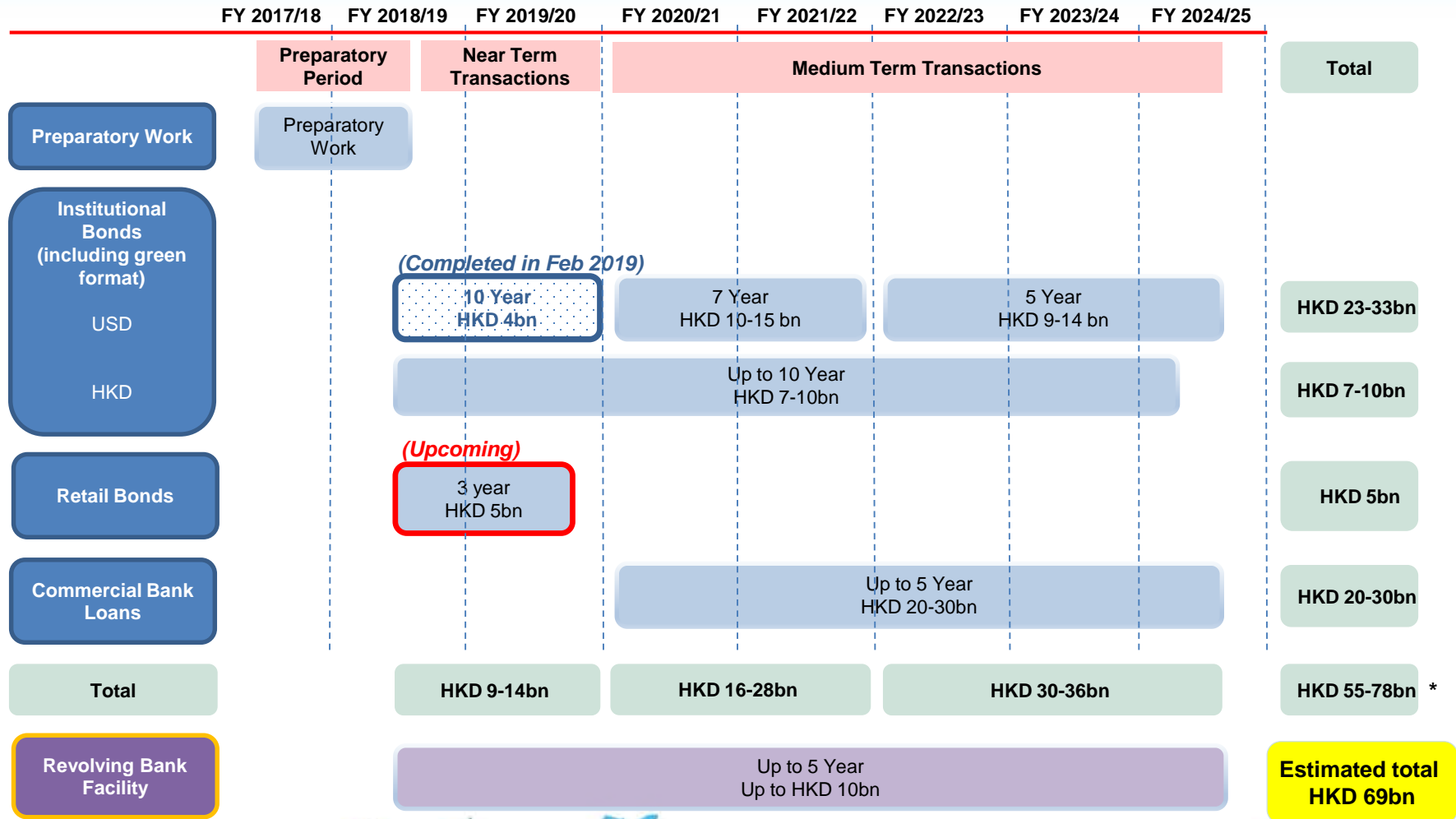
3RS Project (Time Lapse Movie)



Financial Arrangement Plan



Detailed funding plan and indicative implementation timeline



Source: AAHK, 3RS Consultancy Study: Detailed Funding Plan for Three-runway System (3RS) at HKIA – Financial Advisor Report, HSBC (2017)

* HKD 55 – 78 billion represents the summation of the lowest and highest range of each debt instrument type.

Successful Issuance of USD Bond in Feb 2019

- Capturing a favourable window amid strong investor demand after the Chinese New Year

Issue size	USD 500 million
Total demand	Over USD 3.6 billion
Over-subscription	7 times
Tenor	10-year (maturing Feb, 2029)
Coupon	3.45%
Format	Regulation S
Bond rating (by Standard & Poor's)	AA+

- The overwhelming response from the global financial community demonstrates the market's interest and confidence in both AAHK and the 3RS project



Proposed Retail Bond Issuance in 2019/20

- Facilitate public engagement & strengthen public support for 3RS
- Indicative terms of retail bond below:

Issuer (Issuer's rating by Standard & Poor's)	Airport Authority (Issuer rating: AA+)
Currency	HKD
Tenor	3-Year
Issuer Size	HKD 5 billion
Interest Rate	Fixed Rate
Target Investors	Retail investors (general public in Hong Kong)
Principal Application Amounts	HKD10,000 (minimum denomination and integral multiple amount)
Listing	Likely to be listed on Hong Kong Stock Exchange



Thank You

