

Press Announcement

17 March 2015

**Press Announcement of KCRC's Audited Results  
for the Year Ended 31 December 2014**

KCRC's Chief Officer, Edmund KH Leung, today announced the financial results of the Kowloon-Canton Railway Corporation for the year ending 31 December 2014.

Mr. Leung noted that the total fixed and variable payment made by the MTR Corporation Limited under the Service Concession Agreement for 2014 amounted to \$2,222 million, an increase of 11% from the \$1,997 million received for 2013. This reflected the continuing strong growth in domestic and cross-boundary rail patronage.

Operating profit for 2014 before depreciation, amortisation and impairment was \$2,610 million, an increase of \$244 million from the \$2,366 million recorded in 2013. However, due mainly to non-cash depreciation charges, the Corporation's accounts for 2014 showed a net loss for the year of \$615 million, representing a significant improvement on the loss of \$990 million recorded in 2013.

Mr Leung commented that the annual accounting loss had been decreasing gradually each year since the rail merger in 2007. He was confident that within a few short years the Corporation should be able to return to long-term accounting profitability, thereby enabling dividend payments to once again resume to the Government as the Corporation's sole shareholder.

KCRC's Annual Report for 2014 will be available on the website [www.kcrc.com](http://www.kcrc.com) after formal tabling by the Financial Secretary in the Legislative Council, which is expected in the second quarter of 2015.