

Beijing Beiqi Kowloon Taxi Company Limited Opening Ceremony

Today (Tuesday, 23 September), the establishment of Beijing Beiqi Kowloon Taxi Company Limited (BBKT), a joint venture involving The Kowloon Motor Bus Holdings Limited (Stock Code: 0062) (KMB), was announced in Beijing in the presence of officials including Mr Liu Zhihua, Vice Mayor of Beijing, and the management team led by Mr John C. C. Chan, KMB Managing Director. BBKT is the first equity joint venture company with shares in the taxi hire and car rental industry on the Mainland.

BBKT is a partnership between KMB (Beijing) Taxi Investment Limited (a wholly-owned subsidiary of KMB), Beijing Beiqi Taxi Group Company Limited, Beijing Bashi Company Limited, CITIC Automobile Company Limited, and Nanjing Zhongbei Group Company Limited, and is principally engaged in the taxi hire and car rental business.

Mr Ni Zhuanfa, Managing Director of BBKT, said at the Opening Ceremony at the Great Hall of the People, "In the first three years after its establishment, BBKT will continue to upgrade the standard of its vehicles, and further develop clean-fuel vehicles to enhance the environment and prepare for the Olympic Games. Meanwhile, BBKT will introduce the Global Positioning System and the Digital Map Operations System, as part of the establishment of a modern and intelligent operations centre."

Mr Zheng Shusen, General Manager of Beijing Public Transportation Corporation, the mother company of Beijing Beiqi Taxi Group Company Limited, which owns 60.52% of the equity interest of BBKT, said, "The establishment of BBKT is a step forward for Beijing Public Transportation Corporation to bring in local and foreign capital as well as advanced management experiences, and to establish a market competition system, in accordance with the requirements of a modern enterprise."

Mr John Chan said, "The present population of Beijing is around 11 million. With entry to the WTO and as the host city for the 2008 Olympic Games, Beijing will further speed up its economic development in the next five years. The growth of Beijing's mobile population will also bring business opportunities in the taxi hire and car rental market. I believe there is much room for further development in Beijing's taxi business."

Following the speech, an unveiling ceremony which symbolised the

opening of BBKT was officiated by Ms Zhao Wenzhi, Director of Beijing Municipal Committee of Communication, and Mr John Chan.

The total initial investment in BBKT is around RMB 250 million. It started operations on 1 April 2003, with a fleet of more than 4,500 taxis and rental vehicles and some 5,000 employees, and is expected to generate a reasonably good return. Initially, having invested RMB 80 million, representing 31.38% of the equity interest of BBKT, KMB is also involved in BBKT's management.

Beijing Beiqi Taxi Group Company Limited is a fine example of business in the capital, with 30 years' experience in the industry and a group of professional and experienced management staff. With more than 4,000 buses operating on around 400 bus routes in the Hong Kong Special Administrative Region, the Kowloon Motor Bus (1933) Company Limited, which is the flagship of The Kowloon Motor Bus Holdings Limited, has 70 years of history in public bus operations.

KMB's business operations on the Mainland date back to March 1997 when it established a joint venture with a Shenzhen-based company to provide a cross-boundary shuttle bus service between Lok Ma Chau and Huanggang. In August 1997 and January 2001, two co-operative joint ventures were established to operate bus services in Dalian and Tianjin respectively.



The unveiling ceremony which symbolised the opening of Beijing Beiqi Kowloon Taxi Company Limited was held at the Great Hall of the People, Beijing, today.



The ceremony was officiated by Mr Liu Zhihua, Vice Mayor of Beijing (second left), Ms Zhao Wenzhi, Director of Beijing Municipal Committee of Communication (third left), and Mr John C. C. Chan, KMB Managing Director (first left), along with Ms Winnie Ng, KMB Executive Director (fourth left), and Mr Edmond Ho, KMB Deputy Managing Director (fifth left).



Mr John C. C. Chan, KMB Managing Director said, "There is much room for further development in Beijing's taxi business."



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Mr Liu Zihua, Vice Mayor of Beijing (right) with Mr John C. C. Chan, KMB Managing Director (left) before the ceremony.