Business Review



Hong Kong Franchised Public Bus Operations

Franchised public bus operations are at the core of the Group's business. The Kowloon Motor Bus Company (1933) Limited and Long Win Bus Company Limited provide passengers with world-class, innovative and value-for-money bus services covering Kowloon, the New Territories and Hong Kong Island, while pioneering technological advances in bus design and environmental protection.

THE KOWLOON MOTOR BUS COMPANY (1933) LIMITED ("KMB")

Celebrating its 80th anniversary in 2013, TIH's wholly-owned subsidiary KMB has a proud history as one of Hong Kong's leading transport service providers, contributing significantly to the growth of Hong Kong. KMB currently employs around 12,000 staff, including around 8,400 bus captains, and owns a modern bus fleet of more than 3,800 buses running on some 390 routes serving approximately 2.6 million passengers trips each day. For eight decades KMB has shown unwavering dedication to offering the very best in service provision.



OPERATIONAL EXCELLENCE

A leader in the bus industry since its foundation, KMB's contribution to the development of public transport in Hong Kong is seen in the following milestones which testify to its dedication and commitment.

1933

With a fleet of 106 small single-deck buses, KMB commenced franchised public bus operations in Kowloon and the New Territories.

1949

KMB became the first bus company in Hong Kong to introduce double-deck buses with the arrival of 20 Daimler A buses from England.

1950s and 1960s

KMB's bus network widened extensively to meet the influx of immigrants from China Mainland and the construction of public housing estates in Kowloon.

1972

KMB extended its network onto Hong Kong Island with the opening of the Hung Hom Cross-Harbour Tunnel.

1980s

KMB reorganised its routing structure and introduced feeder bus routes to connect up with the Kowloon-Canton Railway and the Mass Transit Railway.

1988

KMB introduced air-conditioned double-deck buses to its fleet.

1992

KMB installed environment-friendly Euro I engines on its buses, the first of a series of upgrades to meet or exceed the most stringent emission standards.

1997

KMB introduced the world's first super-low floor doubledeck buses, providing easier access for the young and the elderly as well as offering wheelchair access for the disabled. This bus type has been adopted as a global standard for public bus services.

1998

KMB launched the On-board Electronic Bus Stop Announcement System to give the name of the next bus stop via a voice announcement and a light emitting diode display.

2000

KMB equipped all its buses with the convenient Octopus Smart Card System for fare payment. It also introduced Hong Kong's first "Multi-media On-board" buses offering infotainment to passengers.

2001

KMB's first Euro III environment-friendly double-deck bus went into service, the first of its kind in Hong Kong.

2003

KMB pioneered the introduction of a new generation of buses offering a wider bus saloon and entrance, a revolutionary straight staircase design and a new air-conditioning system with enhanced circulation inside the bus compartment.

2006

KMB took the lead in the industry by bringing Euro IV environment-friendly double-deck buses to Hong Kong. It also pioneered the launch of the "Digital Map Passenger Enquiry System" in multi-media kiosks at its customer service centres, providing a convenient way for passengers to search for bus service information.

2007

KMB launched Route B1, a boundary service running between Yuen Long Railway Station and Lok Ma Chau. This route serves the growing demand for transport between Hong Kong and Shenzhen.

2008

KMB's bus fleet started adopting the more environmentfriendly Near Zero Sulphur Diesel.

2009

KMB introduced Asia's first Euro V air-conditioned doubledeck bus, when legislation, which is still effective today, required only that newly-registered diesel vehicles meet Euro IV emission standards. In addition, KMB's pioneering luminous crystal bus stop poles, illuminated by LED lighting, were launched.

2010

KMB led Hong Kong's public transport industry into a new era by trialling Hong Kong's first zero-emission supercapacitor bus (the "gBus").

2011

As a first mover, KMB launched its free smartphone app, offering "point-to-point", "route number" and "nearby bus stop searches", as well as the "alight reminder" function.

2012

KMB rolled out the Tuen Mun Road Bus-Bus Interchange Scheme providing Tuen Mun residents with time- and money-saving services. The interchange features the pioneering Estimated Time of Arrival System, which notifies passengers of the next bus arrival time. KMB and a British bus manufacturer co-developed the new generation E500 Euro V air-conditioned double-deck bus, which can further reduce carbon emissions and is compatible with future Euro VI engine development and hybrid technology.

Complementing the innovations introduced by KMB over the years is the commitment to establishing the highest standards in its operations. The accreditation which the bus company has obtained for the various aspects of its operations, including management, environmental, and occupational health and safety, testifies to this lifelong dedication.

In 1999, KMB was the first public bus company and the fourth organisation in Hong Kong to obtain ISO 9001:1994 certification on a corporate-wide basis for its quality management systems. In 2002, the excellence of KMB's management systems was further recognised by its successful upgrading to ISO 9001:2000 certification. In 2003, KMB's Lai Chi Kok and Sha Tin Depots were awarded ISO 14001:1996 certification for their environmental management systems, making KMB the only franchised bus company in Hong Kong with both ISO 9001 and ISO 14001 accreditation. In the following two years, KMB's Lai Chi Kok and Sha Tin Depots were further upgraded to ISO 14001:2004 certification. In 2007, KMB's four main operating depots at Lai Chi Kok, Sha Tin, Kowloon Bay and Tuen Mun were certified by the Q-Mark Council of the Federation of Hong Kong Industries as having met the Green Mark Standard in the Hong Kong Green Mark Certification Scheme. In 2009, KMB obtained the latest ISO 9001:2008 certificates from the Hong Kong Quality Assurance Agency ("HKQAA") on completion of upgrading audits in its four certification areas: KMB Headquarters; Traffic Department and the four main operating depots; the Overhaul Centre; and the Unit Overhaul Depot.



KMB brings you to the heart of the city

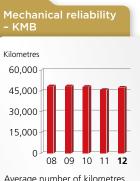
In addition, in 2012, KMB's Operations Division was awarded Occupational Health and Safety Assessment Series (OHSAS) 18001 certification by the HKQAA. The accreditation recognised KMB's implementation of effective risk management systems in its bus operations and maintenance activities. KMB is the first franchised bus company in Hong Kong to achieve this certification. In 2012, KMB's Operations Division was awarded Occupational Health and Safety Assessment Series (OHSAS) 18001 certification by the HKQAA.

PERFORMANCE PLEDGE

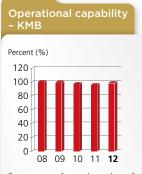
We aim to provide our customers with the most secure and efficient bus services of the highest quality. The operational performance of our public bus services is measured according to two key performance indicators, namely, mechanical reliability and operational capability.

Mechanical reliability refers to the average number of kilometres a bus operates before it experiences one mechanical breakdown on the road with passengers on board. In 2012, the mechanical reliability of KMB's fleet was 47,427 km : 1 against a target of 45,000 km : 1.

Operational capability refers to the ratio of actual to scheduled departures in the peak direction during the peak operational hours of 7:00 a.m. to 9:00 a.m. across the entire bus network. In 2012, the operational capability achieved was 98.6% against a target of 100%.



Average number of kilometres operated before a bus has one mechanical breakdown while passengers are on board

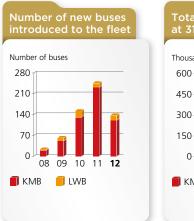


Percentage of actual number of bus departures to scheduled number of bus departures during morning peak hours (7am-9am) in the peak direction

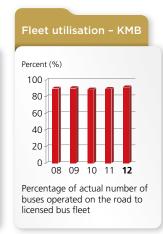


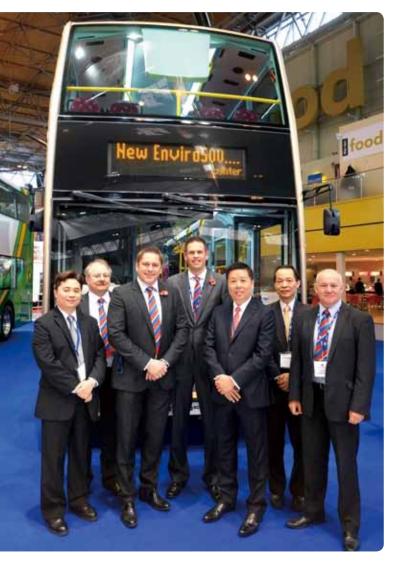
KMB's bus terminus at Hung Hom Ferry Concourse





Total fleet capacity at 31 December
Thousand of passengers
600
450-450-6-6-6-6-6-6-6-6-6-6-6-6-6-6-6-6-6-6-6
300
150
0 08 09 10 11 12
KMB 🚺 LWB





The state-of-the-art E500 Euro V air-conditioned double-deck bus will come into service in Hong Kong in 2013

BUS FLEET AND FLEET UPGRADE

Bus fleet modernisation in collaboration with our bus suppliers is one of KMB's ongoing operational priorities. We have made continuous investment in new environmentfriendly buses featuring the latest designs and safety measures since the introduction to Hong Kong of the world's first super-low floor, wheelchair accessible doubledecker in 1997.

The design of today's double-deck bus models adopts an array of innovative features, including wider bodies, straight staircases for easier access to the upper deck, 2+2 seating, priority seats, a wheelchair space near the entrance or exit, brightly coloured handrails, easy-reach bell pushes, and air-conditioning systems with advanced temperature and humidity control and electrostatic air filtration. In 2009, KMB demonstrated its leadership in environment-friendly bus services by becoming the first public bus company in Asia to deploy the Euro V double-deck bus. To further improve its fleet's environmental performance, KMB has collaborated with the British bus manufacturer, Alexander Dennis Limited ("ADL"), to co-develop the new generation Euro V double-deck E500 bus for deployment in Hong Kong. As well as being equipped with a host of safety features, the new E500 bus, which features a new driveline technology and a more energy-efficient air-conditioning system, has a lighter build which reduces fuel consumption and results in 10% lower emissions. Furthermore, its chassis has been designed to accommodate future Euro VI engine development and even hybrid technology.

Another part of our fleet upgrade has been the continuous replacement of retiring single-deck buses with brand new wheelchair accessible super-low floor single-deck buses. These single-deckers combine stylish design with greater headroom to provide passengers with a comfortable ride.

In 2012, we continued to make substantial investments in new buses featuring the latest safety, environmental and design features. A total of 120 new super-low floor airconditioned buses, consisting of 92 Euro V double-deck buses and 28 Euro V single-deck buses, were added to KMB's fleet.

Following the retirement of the last batch of non airconditioned buses on 8 May 2012, the entire bus fleet of KMB is now air-conditioned. As at 31 December 2012, KMB operated a total of 3,820 air-conditioned buses, comprising 3,652 double-deck buses and 168 single-deck buses.

KMB's bus fleet	Air-conditioned double-deck buses		Non air-conditioned double-deck buses	Total number of buses
As at 1 Jan 2012	3,676	165	50	3,891
Additions during year	107	28	_	135
Disposals during year	(131)	(25)	(50)	(206)
As at 31 Dec 2012	3,652	168		3,820

At the end of 2012, KMB had on order 370 air-conditioned double-deck Euro V buses and 11 air-conditioned single-deck Euro V buses for delivery in 2013.

BUS SERVICE NETWORK

At the end of 2012, KMB operated a network of 394 bus routes covering Kowloon, the New Territories and Hong Kong Island. To improve the efficiency of its bus network, KMB continues to review the viability of bus routes that are no longer required as a result of railway expansion and to seek to reorganise routes with low passenger demand. The resources saved from such route reorganisation will be redeployed to areas where existing demand is high and to areas with increasing demand. This will not only benefit our passengers, but will also help relieve traffic congestion, thereby protecting the environment, and ease the pressure on fare adjustment. Strategic bus network reorganisation thus remains at the centre of KMB's response to the ongoing changes in market conditions.

In 2012, we submitted to the Government 40 route reorganisation proposals, two-thirds of which were put forward for consultation with District Councils. In addition, 63 proposals relating to service frequency were also submitted to the Government for consideration. While KMB proposed a reduction of 220 buses in total, since only two of the reorganisation proposals and 28 of the service frequency proposals were approved and implemented, the actual number of buses saved was 30.

A summary of the bus network reorganisation carried out in 2012 is tabulated below:

	Proposed		Implemented	
	Number of proposals	Number of buses to be saved	Number of proposals	Number of buses saved
Reorganisation	40	156	2	2 (1.3%)*
Frequency reduction	63	64	28	28 (43.8%)*
Total	103	220	30	30 (13.6%)*

* as percentage of proposed number of buses to be saved

To improve the efficiency of its bus network, KMB continues to review the viability of bus routes that are no longer required as a result of railway expansion and to seek to reorganise routes with low passenger demand.





Percentage of actual number of buses operated on the road to scheduled bus allocation

10

11 12

08 09

0



Route B1 serves the growing demand for transport between Hong Kong and Shenzhen

Since piecemeal route-level service reorganisation has had minimal effect on reshaping the bus network, we plan to adopt an 'area approach' for reviewing and revamping bus services on a district basis. By considering the demand for bus services across an entire area, rather than focusing on individual route evaluation on a stand-alone basis, it is expected that changes can be made more speedily and effectively. Pilot plans would be communicated to the District Councils concerned for consultation from early 2013.

The main objective of the 'area approach' network reorganisation is to make the bus network more responsive to the needs of passengers by moving bus resources from low demand routes to high demand routes or new routes. To this end, we will engage local communities and work closely with them to identify their needs. It is expected that the public will lend their support to an approach that meets their expectations by providing more direct and speedy bus routes, as unpopular circuitous routes are dropped. Part of the approach will also see the better use of Hong Kong's new highway infrastructure, as more express routes are introduced. A publicity programme will help ensure that an area's simplified and enhanced route network is promoted and local passengers made aware of how to reap the benefits of the new arrangements.

BUS ROUTE PROMOTION

An extensive route promotion programme was launched in 2012 to publicise a total of 39 bus routes. Besides the use of bus-stop poles, mega panels at bus shelters, the KMB smartphone app and the KMB website, promotional flyers were distributed to local communities and leaflets were mailed to residents of targeted districts.

In addition to the bus route promotion programme, KMB has continued to participate in joint promotion campaigns with numerous shopping malls.

	Promotion schemes	Routes involved
1	Promotional stickers for boundary service	B1
2	Recreational routes for Lei Yue Mun	14, 14C
3	Recreational routes for Sha Tau Kok	78K, 270A, 277X, 278X, 279X
4	Commuting to Kowloon Bay commercial area	11X, 13X, 98D, 215X, 219X, 296D, 297
5	Recreational services for Clear Water Bay	91
6	New Bus-Bus Interchange Scheme for Tuen Mun residents	960, 961, 968
7	New service for Tai Wai	286X
8	Overnight bus service to Yuen Long	N368
9	Public Transport Fare Concession Scheme for Elderly and Eligible Persons with Disabilities	1, 2B, 11C, 11K, 103
10	Opening of Tuen Mun Road Bus-Bus Interchange	58M, 59M, 60M, 60X, 61M, 61X, 66M/P, 67M, 68A, 259D, 260X, 263

DEPOTS

Depot facilities are constantly upgraded to help improve the productivity and service quality of our bus operations. Besides the four major depots at Kowloon Bay, Sha Tin, Lai Chi Kok and Tuen Mun, which provide routine maintenance and repair services for our entire bus fleet, KMB has ten other smaller depots that provide parking and minor maintenance services, while major bus overhaul services are undertaken at the KMB Overhaul Centre.

Major Depots Serving KMB and LWB Buses					
Depot	Areas served/ main purpose of depot	Gross floor area (square feet)	Number of buses served as at 31 December 2012	Year in which operations commenced	Remarks
KMB depots:					
Kowloon Bay Depot	East Kowloon	768,038	1,028	1990	The depot land was acquired at market price from the Government in 1986 under Private Treaty Grant
Sha Tin Depot	North and East New Territories	720,005	1,102	1988	The depot land was acquired at public auction in 1984
Lai Chi Kok Depot	South and West Kowloon	648,946	839	2002	The depot land has been leased from the Government through short term tenancy [#]
Tuen Mun Depot	West New Territories	148,961	851	1979	The depot land was acquired at public auction in 1974
KMB Overhaul Centre	Bus overhaul	380,915	N/A	1983	The depot land was acquired at market price from the Government in 1979 under Private Treaty Grant
LWB depot:					
Siu Ho Wan Depot	Lantau Island	82,422	165	1998	The depot land has been leased from the Government through short term tenancy [#]
Total		2,749,287	3,985		

[#] Under the short term tenancy, rentals at market rates are payable to the HKSAR Government.

Kowloon

Tsai Park 九龍仔公園

太子道西

Ma Tau Wai

KI FOO B/T LAI CHI KOK B/T STAILFERRY B/T MELFOO W/T San F

啓德隊嶺

'an

Kong



KMB SMARTPHONE APP

Shek

Kip Mei

Yau Tsim Mong

215x express to Kwun Tong

<details>

2 & 6 go to Apliu Stre

Austin F

Taim Oha Taul

Alight Reminde

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*

5

TO STAR FERRY

CAMINON ROAD

(1) STAR FERRY

00

ARDDUE ROAD TEM SHA TEU

CENTRE

Point To Point

Search

999

Star Promotion

(B)

Start Point

Destination

YAU TSIM MONG TSIM SHA TSUI/STAR

00

SHAM SHUI PO MEI FOO

> In September 2012, KMB and LWB launched their free Smartphone App Version 2 (the "App"), which had been downloaded by more than 1.2 million iPhone, iPad, iPod Touch, Android and Windows phone users by the end of the year. The App allows users to access real-time special traffic information and conduct route searches directly on the map, while giving information on the lowest fare to the destination of a passenger's choice and suggestions on bus routes with the fewest en-route stops. It also offers users a variety of ways to search for a bus route, while providing route maps, timetables and photos of every bus stop. The App's powerful "Nearby Bus Stop" function uses global positioning technology to automatically identify the location of the user and list all bus routes within a 200-metre radius together with the location of their corresponding bus stops. The App also features the pioneering "Alight Reminder" function, which emits an alert sound (or vibration) two bus stops before the selected destination is reached. The App comes in traditional Chinese, simplified Chinese and English versions.







Windows Version

The adoption of advanced information technology allows KMB to monitor the performance of its daily operations and improve internal and external communications, while enhancing productivity.

INFORMATION TECHNOLOGY





Bus Estimated Time of Arrival Display

Developed in-house, the Bus Estimated Time of Arrival ("ETA") display installed at the Tuen Mun Road Bus-Bus Interchange is the first system of its kind in Hong Kong. With the help of global positioning technology, the ETA system calculates the arrival time of buses travelling via the interchange. Under a pilot scheme, the system currently displays this information for the five KMB long-haul routes using the interchange.

Electronic Bus Stop Announcement System

KMB's entire fleet is equipped with the On-Board Electronic Bus Stop Announcement System, which broadcasts voice announcements in Cantonese, English and Putonghua and shows the name of the next bus stop on light emitting diode ("LED") displays, providing passengers with details of the next stop in advance. The system also broadcasts safety reminders and bus service messages.

Integrated Bus Service Information Display System

KMB's major bus termini feature the Integrated Bus Service Information Display System ("IBSID"), which displays information on bus route destinations, departure times and fares as well as major traffic disruptions on large LED display panels. IBSID also relays pictures of the traffic and operating conditions in the area surrounding the termini at headquarters and at the termini themselves via closed circuit television. At the end of 2012, IBSID had been installed in 28 bus termini.

Lost Property Management System

The Lost Property Management System ("LPM"), which keeps track of lost items from initial recovery to reclaim by passengers or eventual disposal, enables lost property claims and inquiries to be handled efficiently. Besides improving the handling of passenger inquiries, LPM allows our staff to keep accurate track of the status of lost property. In 2012, the system processed an average of around 2,100 lost property cases a month, representing approximately 5,700 lost property items. OPERATION

Bus Onboard Monitoring System

The Bus Onboard Monitoring System ("BOM") generates reports on the driving performance of bus captains for analysis by the depots and relevant departments, raising training standards in respect of driving safety and passenger comfort to new levels.

Terminus Management System

By automatically displaying the next departure time and special instructions upon bus captains presenting their personalised Octopus cards to report their arrival at bus termini, KMB's Terminus Management System ("TER") eases daily bus operations management at 163 termini. Bus arrival and departure data are recorded and made available to headquarters, depots and relevant departments so that any necessary service adjustments can be made in a timely manner. KMB started using computers in the 1970s for inventory control and wages calculation purposes. Over the years, our information systems have been expanded significantly and now cover all areas of our daily operations. As an industry leader, we have developed innovative information systems that help improve efficiency and streamline workflows. Information technology is used extensively for performance monitoring, internal and external communications and productivity enhancement. At the end of 2012, a total of 1,895 personal computers were installed across our facilities, interlinked via highspeed communication lines to 113 computer servers located at our headquarters. This sophisticated data network fully integrates the operations of our headquarters, bus depots, bus termini and Customer Service Centres. Some 38 software applications, including in-house developed programs and proprietary software, are used for day-to-day operational purposes and financial management. By constantly upgrading our information technology systems, we can improve our customer service through enhanced fleet and depot operations, human resources management and cost control.

Traffic Operations Management System

KMB's Traffic Operations Management System ("TOM") facilitates bus captain duty assignment by means of handheld radio frequency identification ("RFID") readers which depot staff use to identify the parking location of buses for retrieval by bus captains at our duty dispatch offices. TOM also keeps management up to speed on duty dispatch matters, as well as prioritising the deployment of buses with lower emissions to run on busy corridors.

Operations Communications Management System

KMB's Operations Communications Management System ("OCM") improves the speed and accuracy of message dissemination to depots and relevant departments by streamlining the recording and distribution of real-time information on operational incidents such as traffic accidents, road congestion and adverse weather conditions logged by KMB's Radio Control Section.

Bus Maintenance Information System

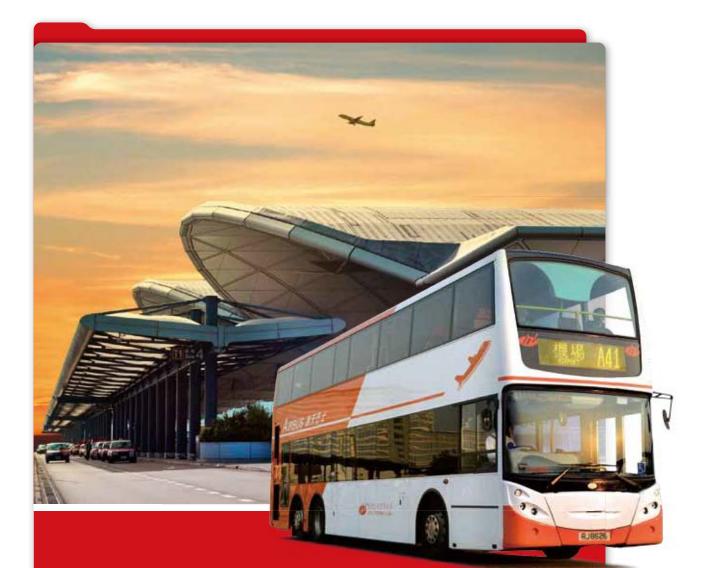
The Bus Maintenance Information System ("BMS") facilitates the assignment of jobs and the monitoring of maintenance costs by providing management with information such as bus type, repair and maintenance records, overhaul of major units and maintenance workers' work records. BMS also keep tracks of the performance and durability of retreaded tyres, optimising their use and ensuring safety and environmental protection.

Octopus Management System

Developed by our Information Technology Department, the Octopus Management System ("OMS") provides accurate reports on Octopus revenue reconciliation by retrieving detailed maintenance records of Octopus readers and tracing any card readers whose fare revenue record has not been downloaded or which lack the latest fare information. OMS, which came into operation in 2011, also enhances user interface and data analysis functions. HUMAN RESOURCES & FINANCIAL MANAGMENT

Advanced Finance and Administration Systems

KMB uses SAP ERP e-Business Software for financial and human resources management. Besides improving the overall quality of administration and planning, the proprietary software improves the efficiency of the financial planning, control and reporting systems. In tandem with an advanced electronic document management system, e-tendering, e-payslip, and companywide email, this software has seen a substantial reduction in paper use and an improvement in internal and external communications, document distribution, filing and retrieval. To enable even better cost control, KMB's Route Costing System was redeveloped and upgraded in 2012.



LWB began providing franchised public bus services linking the New Territories with Hong Kong International Airport and North Lantau on 1 June 1997. By continuously improving its coverage, the areas currently served by LWB's network include not just the Airport and Tung Chung, but also leisure and tourism developments such as Hong Kong Disneyland, the Ngong Ping 360 cable car and AsiaWorld-Expo.

LONG WIN BUS COMPANY LIMITED ("LWB")

Passenger demand for LWB's bus services continued to grow in 2012, led by Mainland travellers, new developments at the Airport and construction work in nearby areas. LWB was well placed to provide transport services to construction workers on the Hong Kong-Zhuhai-Macao Bridge and those working at the new air cargo terminal.

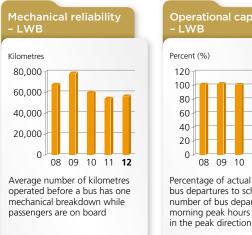
PERFORMANCE ASSURANCE

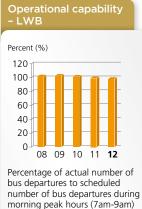
LWB maintains the highest levels of safety and efficiency by constantly reviewing its bus services. In doing so, LWB adopts two key performance indicators, namely, mechanical reliability and operational capability, to measure its operational performance. Mechanical reliability is defined as the average number of kilometres a bus operates before it experiences one mechanical breakdown on the road with passengers on board. Operational capability is the ratio of actual to scheduled departures in the peak direction during the peak morning hours of 7:00 a.m. to 9:00 a.m. across the whole bus network. In 2012, LWB's buses achieved 56,491 km : 1 in mechanical reliability and 98.1% in operational capability, against a target of 50,000 km : 1 and 100% respectively.

In pursuit of service excellence, LWB obtained ISO 9001:2008 guality management system certification in November 2012, a milestone for the company in its provision of high quality bus services.

BUS FLEET AND FLEET UPGRADE

To meet the demand for enhanced services and better environmental protection, LWB further modernised its fleet in 2012 by introducing 18 new Euro V super-low floor airconditioned double-deck buses to replace older buses. The new buses boast enhanced features that improve passenger safety and comfort.





As at 31 December 2012, LWB operated 165 airconditioned super-low floor double-deck buses, all offering wheelchair access as well as being equipped with the electronic bus stop announcement system and the electronic tachograph, which records vehicle speed and other operational information. CCTV systems were installed in bus cabins to monitor passengers' luggage and enhance security.

LWB's air-conditioned double-deck bus fleet	Total number of buses
As at 1 Jan 2012	164
Additions during year	18
Disposals during year	(17)
As at 31 Dec 2012	165

To meet the increasing passenger demand and improve its overall service, LWB had on order 22 Euro V super-low floor air-conditioned double-deck buses for delivery in 2013.

BUS SERVICE NETWORK

At the end of 2012, LWB had 19 routes in operation. For further service enhancement, LWB added two buses to Route E33/E33P in March 2012 and two buses to Route E34 in September 2012. Express services providing convenience to passengers were also provided on Routes X1, X33, X34 and X41 at the conclusion of events held at AsiaWorld-Expo. As a special service for passengers, combined tickets for entrance to Hong Kong Disneyland together with LWB Route R33, R42 or Route A41 were on sale at LWB's Airport Customer Service and Ticket Office.

LWB will continue to explore ways to support the growing passenger needs arising from burgeoning tourism and

leisure activities, while maintaining its high standards of network coverage and service for all its passenger groups. By continuing to provide efficient, direct and user-friendly bus services, LWB will meet both its mission and the needs and expectations of its customers.

DEPOT

LWB's depot at Siu Ho Wan provides daily bus maintenance, refuelling, bus washing and parking for its buses. A waste water treatment system is installed at the depot to ensure that the quality of waste water complies with statutory requirements before being discharged into the public drainage system.



LWB's bus termini on Lantau Island

SAFETY AND CUSTOMER SERVICE

LWB's buses are inspected under a stringent maintenance regime to ensure that the highest maintenance standards are adhered to, while the safe driving performance and customer service provision of bus captains are monitored by driving instructors. The holding of safety briefings and the circulation of safety reminders ensure that bus captains are kept apprised of the latest safety messages. Quality campaigns are also organised to reinforce good performance.

To provide passengers with convenient access to route information, the new LWB website www.lwb.hk was launched in 2012. LWB enhanced the route information displays at its en-route bus stops by providing the estimated arrival time for buses on some bus routes, and upgraded its smartphone app to facilitate customers retrieving bus information via their smartphones.

ENVIRONMENTAL PROTECTION

To reduce the emission of particulate matter, LWB has retrofitted Diesel Particulate Filters on all its Euro II and Euro III buses. The introduction of 18 new Euro V buses in 2012 (representing about 11% of the LWB fleet) has contributed to a cleaner environment by reducing nitrogen oxide emissions.

The air quality in LWB's bus compartments has been greatly improved by the electrostatic air filtration function in the air-conditioning system of its buses, and the Eco-driveline system has effectively reduced fuel consumption and exhaust emissions.



LWB's network provides efficient, direct and user-friendly bus services to Hong Kong International Airport