



Joint MyHSR Corp – LTA Press Release

Date: 28 September 2017

Second Industry Briefing for Kuala Lumpur - Singapore High Speed Rail as the Project Gears Up for Year-End AssetsCo Tender Launch

1. MyHSR Corporation Sdn Bhd ('MyHSR Corp') of Malaysia and Land Transport Authority of Singapore ('LTA') successfully conducted a second Industry Briefing on 26 September 2017 to continue the market engagement process for the Kuala Lumpur – Singapore High Speed Rail ('HSR') project.
2. Similar to the first Industry Briefing, the second Industry Briefing provided further information and details on the Assets Company ('AssetsCo') tender, taking into account the key points arising from the first Industry Briefing and discussions with the relevant stakeholders.
3. The second Industry Briefing continues to receive strong support from industry players globally. This briefing was attended by over 200 participants from more than 110 international organisations which were envisioned to be directly participating in the AssetsCo tender, such as consortia, suppliers, financial institutions and investors. MyHSR Corp and LTA emphasised that the tender will be carried out in an open and fair manner. Every bid will be assessed on its own merits and there will not be any requirement for local partners.

4. MyHSR Corp Chief Executive Officer Dato' Mohd Nur Ismal Mohamed Kamal said, "Our first interaction with the industry was two months ago when we had the Industry Briefing in July. Since then, we have developed additional content and firmed up requirements leading to an effective AssetsCo tender. Additionally, we have successfully completed the submission of the Section 4 Land Acquisition Act and the Environmental and Social Impact Assessment studies. This reaffirms our commitment to ensure that the project runs progressively."

5. LTA Chief Executive Mr Ngien Hoon Ping said, "We are heartened by the response from the market for this second Industry Briefing. It gives us confidence that we will receive high-quality and competitive bids for the AssetsCo tender, which we will call by the end of the year. Both Governments are committed to making this project a success."

Enclosed:

Annex A - Highlights from the second Industry Briefing

Annex B - Snapshot of the International Entities' Profiles

Annex C - Photos from the second Industry Briefing

Annex D – Quotes from participants of the second Industry Briefing

About the Kuala Lumpur – Singapore HSR

The Kuala Lumpur – Singapore HSR is a strategic project between the Governments of Malaysia and Singapore that aims to facilitate seamless travel between Kuala Lumpur and Singapore, enhance business linkages and bring the peoples of both countries closer together. The Governments of both countries signed a Bilateral Agreement on 13 December 2016, which captured the key points of agreement on the project, including the technical parameters, commercial model, customs, immigration and quarantine clearance, safety and security matters, regulatory structure and project management approach.

The Kuala Lumpur – Singapore High Speed Rail (HSR) will open with eight stations: Bandar Malaysia, Bangi - Putrajaya, Seremban, Melaka, Muar, Batu Pahat and Iskandar Puteri stations in Malaysia and the Jurong East station in Singapore, with operations of the Express Service between Kuala Lumpur and Singapore targeted for commencement by 31 December 2026.

About MyHSR Corp

MyHSR Corp is a company incorporated in 2015, wholly owned by the Minister of Finance Incorporated. As the Government of Malaysia's project delivery vehicle for the Kuala Lumpur – Singapore HSR project, MyHSR Corp is responsible for the development and implementation of the project.

About LTA

The Land Transport Authority (LTA) is a statutory board under the Ministry of Transport of Singapore.

About SG HSR PTE. LTD.

SG HSR is Singapore's Infrastructure Company for the Kuala Lumpur – Singapore HSR Project, and is a wholly-owned subsidiary of the LTA. It will build, own, fund, operate and maintain the civil infrastructure in Singapore, and will also jointly appoint the Assets Company and the International Operator with MyHSR Corp, through fair, open and transparent international tenders. For more information, please visit www.sghsr.com.sg.

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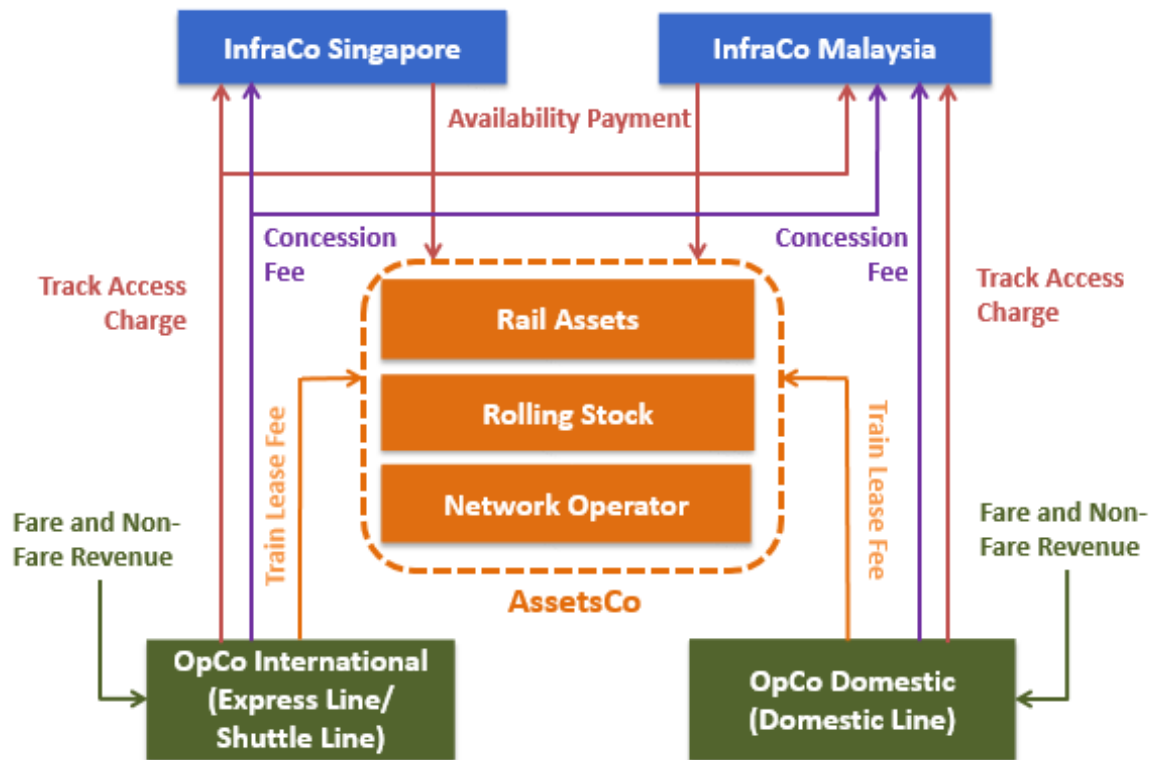
Land Transport Authority of Singapore

Highlights from the second Industry Briefing

1	Malaysia and Singapore have appointed Infrastructure Companies (InfraCos) to design, build, finance and maintain the civil infrastructure and operate the HSR stations within their respective territories (i.e. MyHSR Corp in the case of Malaysia and SG HSR in the case of Singapore).
2	A new double-track line is to be constructed between Kuala Lumpur and Singapore, designed to accommodate all types of conventional high-speed rail trains and technology available in the market with a design speed of 350 km/h.
3	<p>The AssetsCo, a privately-financed Assets Company, is responsible for designing, building, financing and maintaining all rolling stock, as well as designing, building, financing, operating and maintaining all rail assets (e.g. track-work, power, signalling and telecommunications).</p> <p>The AssetsCo will also coordinate the system's network capacity for operations and maintenance needs.</p>
4	The InfraCos shall pay AssetsCo an Availability Payment, which covers the capital expenditure, and the costs of operations, maintenance and renewal of HSR Assets, excluding rolling stock and equipment in the depot and stabling facilities, in return for AssetsCo making the HSR Assets available for the Operators (OpCos) to operate the Express, Domestic and Shuttle Services.
5	The OpCos shall pay AssetsCo Train Lease Fees, which cover AssetsCo's train-related costs, as well as the operations, maintenance and renewal costs of the equipment in the depot and in the stabling facilities, in return for AssetsCo making the trains available for OpCo International to operate the Express and Shuttle Services, and OpCo Domestic to operate the Domestic Service.
6	<p>The AssetsCo will be jointly procured by both InfraCos, in an open, fair and transparent manner.</p> <p>The AssetsCo tender will be called by the end of the year.</p>
7	<p>The AssetsCo tender will have the following procurement objectives, in order of priority:</p> <ul style="list-style-type: none"> a) Safety and Security – a strong commitment to delivering a safe and secure HSR system; b) Availability and Reliability – the ability to deliver a rail system to meet expected levels of availability and reliability; c) Proven Technology – the ability to provide proven solutions that are tailored to meet the HSR Project's needs; d) Operations Flexibility – is able to provide sufficient operational flexibility to accommodate future operators' requirements; e) Customer-centric Design – a design that is inclusive and customer-centric, taking into account comfort, inclusivity and accessibility;

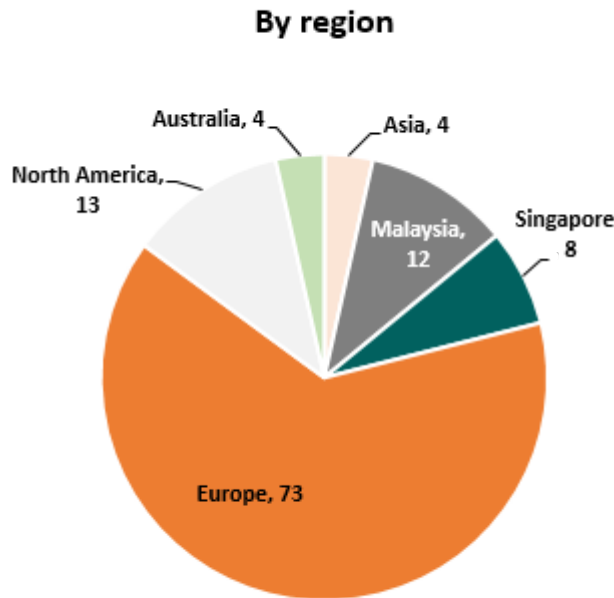
	<ul style="list-style-type: none"> f) Financially sustainable, value for money – a sustainable and robust PPP that can deliver a value-for-money solution based on whole-of-life considerations; and g) Project Implementation – a project partner that will support MyHSR and LTA in implementing the HSR Project collaboratively.
8	<p>The AssetsCo will develop and implement the Network Code, which shall apply to all persons and HSR Entities with a contractual right of access to the HSR Infrastructure and HSR Assets.</p> <p>The Network Code seeks to optimise the usage of HSR Infrastructure and Assets, and provide operational clarity and certainty for all HSR Entities in accordance to the principles as agreed in the Bilateral Agreement, e.g. scheduling and operational priority of HSR services operated by OpCo International. The Network Code will include details on :</p> <ul style="list-style-type: none"> a) Network Infrastructure; b) Access conditions c) Capacity allocation; d) Timetables; e) Network charges; f) Compensation provisions; and g) Dispute settlement process.
9	<p>The AssetsCo tender evaluation will prioritise and be weighted more heavily on the quality of the proposals (i.e. the Technical and Commercial envelopes).</p>
10	<p>The HSR will be regulated with a focus on safety and security, and will be in accordance with the applicable laws in force in each of the two nations. Both nations are working towards the harmonisation of their two regulatory frameworks. Each nation's regulator will enforce the regulations within its jurisdiction but in coordination with the other nation's regulator.</p> <p>For safety, the two nations have jointly developed a safety directive. For security, the two nations will jointly develop a set of harmonised security outcomes that will be implemented through the relevant national regulatory bodies and security authority as applicable. The Land Transport Authority of Singapore, and the Land Public Transport Commission of Malaysia (or Suruhanjaya Pengangkutan Awam Darat) will oversee compliance with the relevant legislation and regulatory requirements, issue relevant licences and enforce requirements when obligations are not met within their respective jurisdictions.</p>

Relationship and payment flows between InfraCos, AssetsCo and OpCos



Snapshot of the International Entities' Profiles

SECOND INDUSTRY BRIEFING PARTICIPATION



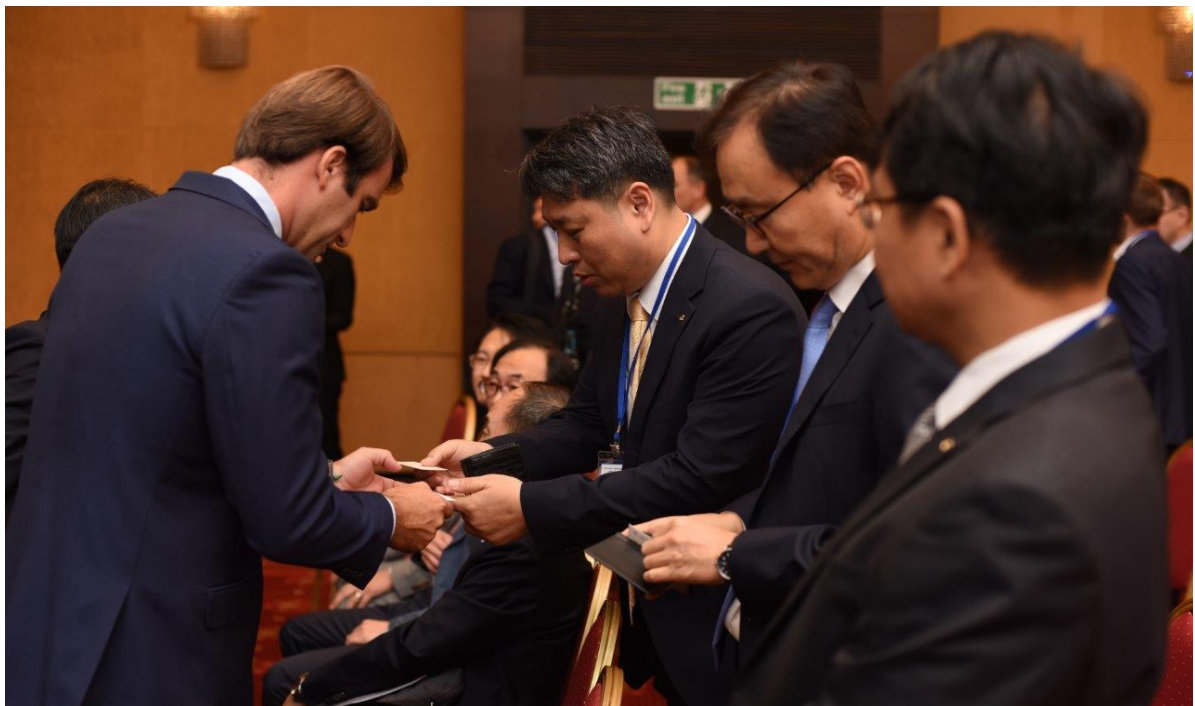
*Others: Aviation, manpower supply, elevator provider, procurement expertise, crowd modelling, and training

Participating Entities
Financial institution
Project management & other consultancy
Systems integrator
Systems provider
Legal
Network operator, train operator & system integrator
Consortium
Rolling stock & systems provider
Civil construction & investor
Government
Rolling stock & ticketing & fare collection
Civil construction
Certification/ ISA
Others*

Photos from the second Industry Briefing



The second Industry Briefing welcomed more than 110 international organisations such as consortia, suppliers, financial institutions and investors



Participants at the briefing exchanging views on the AssetsCo tender, expected to be launched by year end

Quotes from participants of the second Industry Briefing

“The second Industry Briefing was extremely useful to provide an update on the status of the project. It was very encouraging to see the development of the thoughts around the project structure since the last Industry Briefing and valuable to be able to discuss the project with the procurement team as well as the large number of international representatives present.”

James Cameron
Co-head Infrastructure and Real Estate, Asia Pacific
HSBC

“The second Industry Briefing was informative and helpful. It is clear that lots of work has been done to develop the structure and great effort has been taken to inform the market.”

Looi Chi Ling
Director, Asia Regional Representative
Plenary Group