

A dramatic photograph of a long, straight road stretching towards a bright sun on the horizon. The sun is low, creating a golden glow and long shadows. The road is flanked by dark, blurred areas, suggesting motion or a long perspective. The overall color palette is dominated by warm oranges, yellows, and dark blues.

BRAVE NEW DAWN

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VISION

Moving People, Enhancing Lives

MISSION

To be the customer's choice by providing a safe, reliable and friendly travel experience that is enhanced through convenient and innovative services

CORE VALUES

- Excellence
- Respect, Responsibility and Recognition
- Commitment to the Public, Shareholders and Employees

SMRT Corporation Ltd (SMRT) is a leading multi-modal public transport operator and a transport engineering and service solutions provider.

Established in 1987 and listed on the Singapore Exchange since 2000, SMRT has a market capitalisation of more than \$2.5 billion backed by total assets of \$1.4 billion. Our annual turnover stands at \$802.1 million.

In our core transport business in Singapore, our suite of train, bus and taxi services make a positive commuting experience for the public while lifestyle services within our stations bring convenience to our customers. Defining our non-fare business are our growing interests in the provision of taxi services, leasing of commercial spaces, advertising within our network, operations and maintenance services, project management and engineering consultancy.

A market leader, SMRT continues to distinguish itself through sound corporate governance and transparency practices. In managing its businesses and driving community initiatives, SMRT's focus is clearly on sustainable development.

Group Financial Highlights

FY2008 Financial Performance

REVENUE

7.9% increase from \$743.1m in FY2007

\$802.1m

\$149.9m

PATMI

10.7% increase from \$135.4m in FY2007

EPS

10.0% increase from 9.0 cents per share in FY2007

9.9¢

\$103.3m

EVA

33.3% increase from \$77.5m in FY2007

CASH AND CASH EQUIVALENTS

37.1% increase from \$169.6m in FY2007

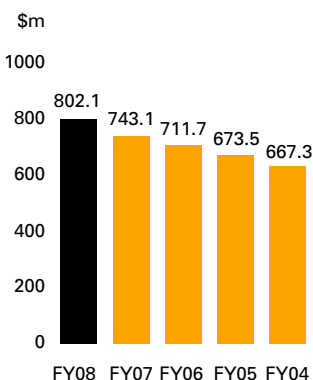
\$232.5m

NET DIVIDEND PER SHARE

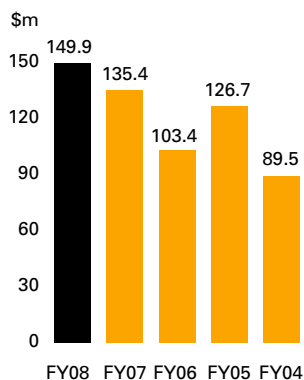
10.7% increase from 7.00 cents in FY2007

7.75¢

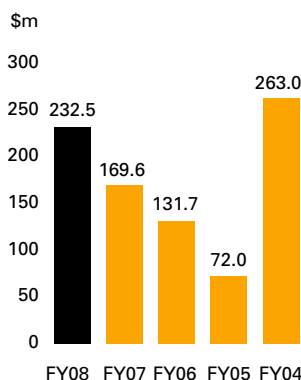
Revenue



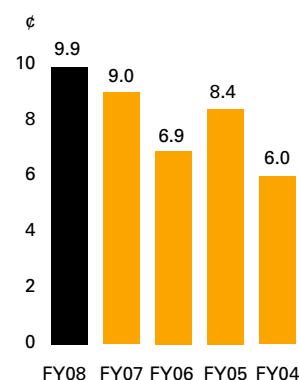
PATMI



Cash and Cash Equivalents



Basic EPS



FOR THE YEAR

\$m	FY2008	FY2007	FY2006	FY2005	FY2004
Revenue	802.1	743.1	711.7	673.5	667.3
Profit					
EBITDA ¹	284.1	255.0	247.2	230.0	225.5
Operating profit	178.0	145.3	138.8	92.8	99.3
Before tax	176.2	142.3	124.1	83.9	86.2
After tax	149.9	135.8	103.6	126.6	90.2
PATMI ²	149.9	135.4	103.4	126.7	89.5
Capital expenditure	118.3	107.9	89.9	138.6	33.4
Cash from operations	286.9	296.7	247.5	223.8	234.6
Free cash flow	51.5	110.3	60.0	1.5	157.1
Economic value added (EVA)	103.3	77.5	61.9	47.6	24.6
Financial ratios					
EBIT margin (%)	22.2	19.5	19.5	13.8	14.9
Net profit margin (%)	18.7	18.3	14.6	18.8	13.5
Interest cover (times)	35.4	25.7	25.6	16.5	14.3

AT YEAR-END

\$m	FY2008	FY2007	FY2006	FY2005	FY2004
Cash and cash equivalents	232.5	169.6	131.7	72.0	263.0
Short-term and long-term borrowings	250.0	250.0	300.0	300.0	500.0
Shareholders' funds	677.1	640.2	586.0	553.1	480.7
Net gearing (times) ³	0.03	0.13	0.29	0.41	0.49

PER SHARE

Cents	FY2008	FY2007	FY2006	FY2005	FY2004
Basic earnings per share (EPS)	9.9	9.0	6.9	8.4	6.0
Net asset value ⁴	44.7	42.3	38.8	36.8	32.0
Net tangible assets ⁵	41.9	39.6	36.1	34.0	27.8

SHAREHOLDERS' RETURN

	FY2008	FY2007	FY2006	FY2005	FY2004
Gross dividend (cents)	7.75	7.25	7.0	6.5	4.5
Net dividend (cents)	7.75	7.00	5.6	5.2	3.6
Share price at year-end (\$)	1.82	1.49	1.12	0.93	0.60
Total shareholder return (%) ⁶	26.6	39.1	26.9	63.6	23.0
Return on total assets (%)	10.6	9.8	7.5	8.6	5.6
Return on equity (%) ⁷	22.8	22.1	18.2	24.5	19.7

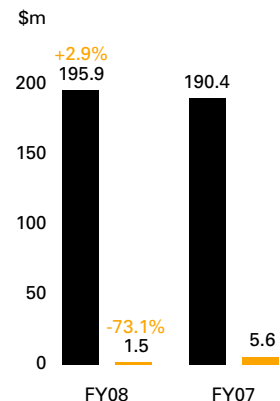
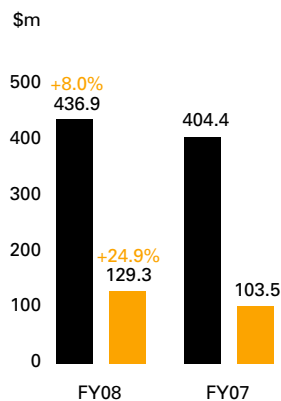
Notes:

- 1 EBITDA – Earnings before interest, tax, depreciation and amortisation
- 2 Profit after tax and minority interests
- 3 Net gearing = (total borrowings – cash and cash equivalents) / total equity
- 4 Net asset value per share excludes minority interests
- 5 Net tangible assets per share excludes goodwill on consolidation
- 6 Total shareholder return = capital gain % (based on end-of-year share price) + dividend yield
- 7 Return on equity = PATMI / average equity

At a Glance



	MRT	LRT	BUSES
Facts	<ul style="list-style-type: none"> Operates Singapore's first Mass Rapid Transit (MRT) system (North South and East West lines) which commenced in 1987 Runs and maintains 89.4 kilometres of double track along 51 stations 	<ul style="list-style-type: none"> Operates Singapore's first fully-automated Light Rapid Transit (LRT) system which commenced in 1999 Network comprises 7.8 kilometres of elevated guideways linking 14 stations in Bukit Panjang 	<ul style="list-style-type: none"> Operates a fleet of more than 860 buses from three leased depots and six interchanges Provides 83 bus services between the Western and North-Western areas and the rest of Singapore
Highlights in FY2008	<ul style="list-style-type: none"> Full-year FY2008 ridership grew 7.9% to 469.3 million from 434.9 million in FY2007 Received Best Passenger Experience Award at the international Metro Awards 2008 at MetroRail 2008 and Most Customer-Friendly Transport at the Land Transport Excellence Awards by Land Transport Authority 	<ul style="list-style-type: none"> Full-year FY2008 ridership increased 5.7% to 15.1 million from 14.3 million in FY2007 	<ul style="list-style-type: none"> Full-year FY2008 ridership increased 2.6% to 277.3 million from 270.3 million in FY2007 Fare increase of 1.8% approved by Public Transport Council Completed mid-life upgrade of 179 buses and purchased 67 new Euro V buses
Business Outlook for FY2009	<ul style="list-style-type: none"> Ridership is expected to grow Preparation for Boon Lay Extension revenue service in 2009 Increase in headcount to prepare for commencement of Circle Line Stage 3 revenue service in mid-2009 	<ul style="list-style-type: none"> Ridership is expected to grow 	<ul style="list-style-type: none"> Ridership is expected to increase Delivery of 67 new Euro V buses



■ Revenue (\$m)
 ■ Operating profit (\$m)



TAXIS

- Second largest taxi operator in Singapore with more than 16 years of experience
- Manages and leases a fleet of about 3,000 taxis, including MPVs, sedans and London cabs

- Revised taxi fare structure to better match supply and demand needs
- Successfully turned around taxi business
- Achieved 90.5% average hired-out rate from 79.1% in FY2007

- To continue to improve hired-out rate for taxis through strategic incentives to attract and retain hirers
- Expect to add 300 environmentally-friendly taxis to the fleet

RENTAL

- Leases approximately 27,862 square metres of commercial spaces, as at 31 March 2008, at 51 MRT and 13 LRT stations

- Refurbished commercial spaces at 10 stations, including three Xchanges
- Total lettable space increased by 20.3% in FY2008
- Achieved average occupancy rate of 98.1% in FY2008

- Rental revenue is expected to increase by more than \$10.0 million

ADVERTISING

- Provides a one-stop media buying service for spaces on SMRT trains, buses and taxis, as well as media spaces in the stations and interchanges

- Introduced Tunnel TV, a new advertising medium
- Launched several major advertising campaigns

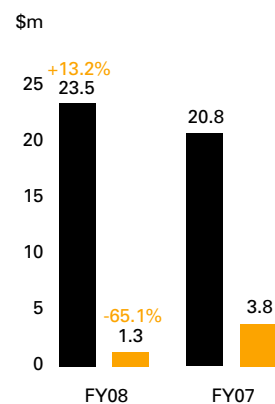
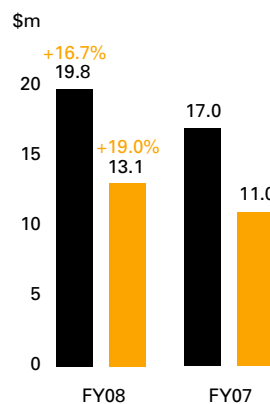
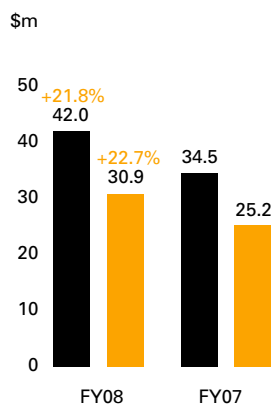
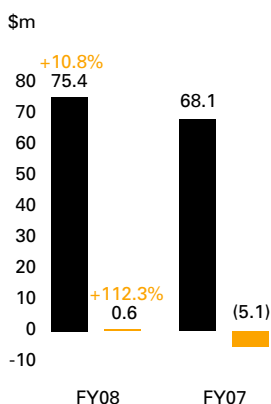
- Continue to identify and develop more advertising spaces and mediums

ENGINEERING AND OTHER SERVICES

- Provides rail and road transport-related engineering consultancy, project management, operations and maintenance services
- Provides repair and maintenance services for SMRT Buses and Taxis, and sale of diesel to taxi hirers
- Leases fibre-optic cables

- Secured first major overseas project to provide mobilisation consultancy for The Palm Jumeirah Monorail System

- Continue to pursue opportunities in land transport operations in Asia and Middle East





“ The Singapore Government has drawn up a comprehensive road map where public transportation will be the centrepiece of the nation’s land transport system. The initiatives announced open a whole new world of opportunities for SMRT. ”

Chairman's Message

STRONG PERFORMANCE

SMRT registered growth in revenue and profit in FY2008, despite rising energy and other operating costs. Our improved performance underscores the effectiveness of our strategies and initiatives which continue to grow our businesses and contain costs, thereby creating value for our shareholders.

ACROSS-THE-BOARD GROWTH

In FY2008, SMRT Group revenue rose 7.9 per cent to \$802.1 million driven by strong train and bus ridership growth, higher average hired-out taxi fleet and growth in our rental and advertising businesses.

Total operating costs for the year increased 3.1 per cent to \$645.0 million. The higher cost is due mainly to increases in repair and maintenance expenditure, energy costs and other operating expenses.

On the back of the strong ridership growth coupled with revenue increases from our rental and advertising businesses, SMRT after-tax net profit climbed 10.4 per cent to \$149.9 million. This strong performance mitigated the cost increases we faced from a two percentage point rise in goods and services tax, a 1.5 percentage point increase in employers' Central Provident Fund contribution and higher electricity and diesel costs.

In FY2008, our basic earnings per share rose 10.0 per cent to 9.9 cents from 9.0 cents previously whilst Economic Value Added rose 33.3 per cent to \$103.3 million from the previous year's \$77.5 million.

RETURNING VALUE TO SHAREHOLDERS

In recognition of shareholders' loyalty, our Board is proposing to pay 78.3% of our FY2008 PATMI to shareholders.

SMRT is proposing a final dividend of 6.0 cents per share (tax exempt one-tier) to be paid on 4 August 2008, subject to shareholders' approval at the Ninth Annual General Meeting on 11 July 2008. Together with our interim dividend of 1.75 cents per share which was paid on 23 November 2007, the Company would have declared a total of 7.75 cents per share in dividends for FY2008. In all, shareholders will receive gross dividends totalling \$117.4 million.

We will endeavour to maintain or increase dividend payout each year in terms of cents per share, targeting a minimum payout ratio of 60 per cent of PATMI per year for the interim and final ordinary dividends. For the past five years from financial year 2004 to financial year 2008, we have consistently achieved a minimum dividend payout ratio of about 60 per cent of PATMI.

At the end of FY2008, our market capitalisation reached \$2.8 billion against \$2.3 billion at the close of FY2007. Our share price ended FY2008 at \$1.82. Taking into account the 22.2 per cent appreciation in our share price at the end of FY2008, our total shareholder value return was 26.6 per cent versus 39.1 per cent in FY2007.

Our balance sheet remained healthy as it continued to benefit from the strong operating cash flows generated by our growing businesses. We are therefore well-positioned to ride on new growth opportunities and return value to our shareholders.

MAJOR DEVELOPMENTS IN THE YEAR

SMRT's fare and non-fare businesses continued to power revenue growth in FY2008.

Ridership on both our bus and train services rose, buoyed by the robust Singapore economy which bolstered overall business activity and

employment. We grew our suite of bus and train services in tandem with this expanding demand. On a broader level, the enhancements reflect our commitment to provide convenient and affordable public transportation that is accessible to all.

While our train fares remained unchanged, SMRT adjusted bus fares by a modest 1.8 per cent. Even with the adjustment, bus fares remain affordable to the majority of Singaporeans. Still, we are aware that lower income groups may face difficulties in coping with the increasing costs of living and contributed \$100,000 worth of travel vouchers to the Public Transport Fund.

SMRT Trains

Our train business remained firmly on the growth track in FY2008. From February 2008, we added 83 more train trips per week during the morning and evening peak to shorten waiting time and offer passengers a more comfortable ride. From May 2008, we will add another 700 trips per week over both the peak and non-peak periods.

In addition to service enhancements, we continued to invest in our hardware. Our on-going train mid-life upgrade project is progressing well and scheduled for completion in FY2009.

SMRT Buses

Fleet enhancements are underway at SMRT Buses. We invested in 67 Euro V compliant, wheelchair accessible buses which will be delivered progressively from the first quarter of FY2009. In addition, our buses are undergoing mid-life upgrading, comprising both aesthetic and mechanical enhancements, to ensure our buses remain roadworthy and in prime condition.

Chairman's Message

In response to customer feedback and market demand, we introduced eight new bus services aimed at boosting our service levels and offering commuters a wider range of travel options.

SMRT Taxis

In FY2008, we achieved operating profits of \$0.6 million, delivering on our commitment to turnaround our taxi business. Despite the keen competition for taxi hirers, our average hired-out rate climbed to 93.7 per cent in the fourth quarter of FY2008, thanks to a host of innovative hirer-centric initiatives. In December 2007, we also adjusted our taxi fare structure to help boost the income of our hirers.

SMRT Investments

The transformation of our stations into vibrant retail hubs continued in FY2008. We completed the upgrading of retail spaces in 10 stations, increasing our total lettable space to 27,862 square metres.

We also launched a cutting-edge medium, Tunnel TV. This captivating medium, essentially a series of 360 LED panels installed in our train tunnel to create moving visuals, reinforces our appeal as a value-added advertising platform.

SMRT Engineering

FY2008 proved to be an eventful year for our engineering business, which clinched a major monorail consultancy project in Dubai. The Palm Jumeirah Rail Transit mobilisation contract is now well underway.

Drawn by the bright prospects of the dynamic Middle East market, SMRT has set up an office in Dubai which will be its launching pad to the region. Our engineering division also made inroads in India and Sri Lanka.

REACHING OUT TO THE COMMUNITY

In line with our unswerving commitment to serve the larger community, SMRT donated more than \$3.6 million in cash and in-kind sponsorship in FY2008. Our donations were spread across a range of charity and community projects.

While we believe charity is its own reward, I am gratified to note that our efforts have been recognised. In November 2007, the National Volunteer and Philanthropy Centre honoured us with the Most Outstanding Corporate Citizen Award for our philanthropic contributions and active volunteerism.

Investing in Our People

SMRT is fully committed to investing in our people. Among the host of programmes we introduced in FY2008 is the SMRT Leader Model. We also introduced a 360 Feedback programme to inculcate a culture of giving and receiving feedback.

In 2007, we celebrated our 20th Anniversary and took the opportunity to show our appreciation to staff for their commitment by presenting everyone with an anniversary gift package.

Recognition for Our Commitment

SMRT's efforts in providing customer-friendly services have gained recognition both at home and abroad. In February 2008, we won the Most Customer-Friendly Transport at the Land Transport Excellence Awards by the Land Transport Authority. Our customer-friendly approach also received kudos at the inaugural Metro Awards 2008 held in Denmark, where we received the Best Passenger Experience Award. These awards spur us to continue to hone our service levels and deliver to our passengers a travel experience that is second to none.

SMRT also fared favourably in a nationwide survey by the Institute of Service Excellence. The Institute was appointed by the Workforce Development Agency to implement an annual benchmark for Singapore's service-related industries. SMRT scored 69.9 on the Customer Satisfaction Index of Singapore, compared with the transport and logistics sector's average of 69.1 and the national average of 68.7. Among companies within the sector, SMRT Trains came out third after Singapore Airlines and Qantas. Overall, Singapore's residents gave the mass rapid transit system here a score of 69.0, while foreign visitors gave a score of 80.2.

For our initiatives towards good corporate governance, we won the Best Managed Board (Bronze) Award for companies with market capitalisation of \$500 million or more at the Singapore Corporate Awards 2008. At the Securities Investors Association (Singapore) (SIAS) Investors' Choice Awards, we received the Singapore Corporate Governance Award, Mainboard Category (Second), and was runner-up in the Most Transparent Company Award in the Transport/ Storage/ Communications Category.

CORPORATE GOVERNANCE

At SMRT, we are driven by the commitment of the Board of Directors and Management to build a culture of responsibility, accountability, transparency, excellence and trust in our people. A sound system of policies, practices and internal controls are necessary in sustaining the long-term growth of the Company's business and performance.

In the spirit of good corporate governance, the roles of the Chairman and President & CEO are always kept distinct within SMRT. For greater transparency, the Board has in place a Role Statement for the Chairman and CEO to make the division of responsibilities clearer. To enhance the assessment process of the Board's effectiveness, Directors' Peer Evaluation as well as Directors' Self Evaluation is conducted yearly.

In managing our business, we are guided by our commitment to good corporate governance and also have in place a whistle-blowing policy and available channels for reporting, in good faith, any suspected improper conduct.

Through the Enterprise Risk Management function, we further strengthened our risk management culture by enhancing our annual and half-year risk assessment process and leveraging available channels to raise awareness of risk management practices organisation-wide.

In FY2008, Management kept up with its regular meetings with the investment community, updating them on developments and seeking their views. Through our partnership with SIAS, we continued to engage our retail investors, providing them access to SIAS seminars, programmes and research so that they can be better informed investors.

BOARD AND MANAGEMENT DEVELOPMENTS

In FY2008, two new members joined the Board. Mdm Halimah Yacob and Mr Dilhan Pillay Sandrasegara, who also sits on the Audit Committee, became directors on 8 October 2007 and 15 April 2008, respectively. Together, Mdm Halimah and Mr Dilhan Pillay bring to SMRT a wealth of experience in labour

and trade union matters, law and corporate governance.

Ms Engelin Teh Guek Ngor and Mr Edmund Koh Kian Chew will step down from the Board at the forthcoming Ninth Annual General Meeting in accordance with the Company's Articles of Association on retirement of Directors by rotation. Ms Teh has served as a Director since 2001 while Mr Koh has served as Director since 2005.

The Board expresses its appreciation to Ms Teh and Mr Koh for their dedicated service and invaluable contributions. The Group has benefited from their wise counsel and guidance during their tenure as Directors.

OUTLOOK FOR THE YEAR AHEAD

The Singapore Government has drawn up a comprehensive road map where public transportation will be the centrepiece of the nation's land transport system. Among the initiatives announced is a doubling of the rail network and contestability in the rail and bus network in a bid to boost service levels.

These initiatives, which will intensify competition in the train and bus industries, open a whole new world of opportunities for SMRT. Leveraging our experience and expertise, we are poised to grow our rail network and bus services as added competition will spur us to further improve our service levels.

We will continue to invest in and drive growth in our fare and non-fare businesses. Initiatives to enhance services will continue unabated to meet the expected rise in bus and train ridership. We are also confident our upgraded trains and buses as well as new fleet of Euro V compliant buses will provide greater convenience and comfort for all our passengers.

In FY2009, we are adding 300 environmentally-friendly taxis to our fleet and positioning ourselves for better financial performance through continued focus on operational effectiveness and innovative initiatives to attract and retain taxi hirers.

We expect growth in our rental and advertising businesses through better rental yield and increased space in FY2009. Another seven MRT and LRT stations are currently under renovation.

Geographically, capitalising on our strong brand name overseas, we are pursuing overseas opportunities in public transport in regions such as Asia and the Middle East.

Operationally, we expect an increase in operating expenses. Key contributing factors include higher energy prices, and staff and related cost as headcount will be higher with increased preparation work for the opening of Circle Line Stage 3.

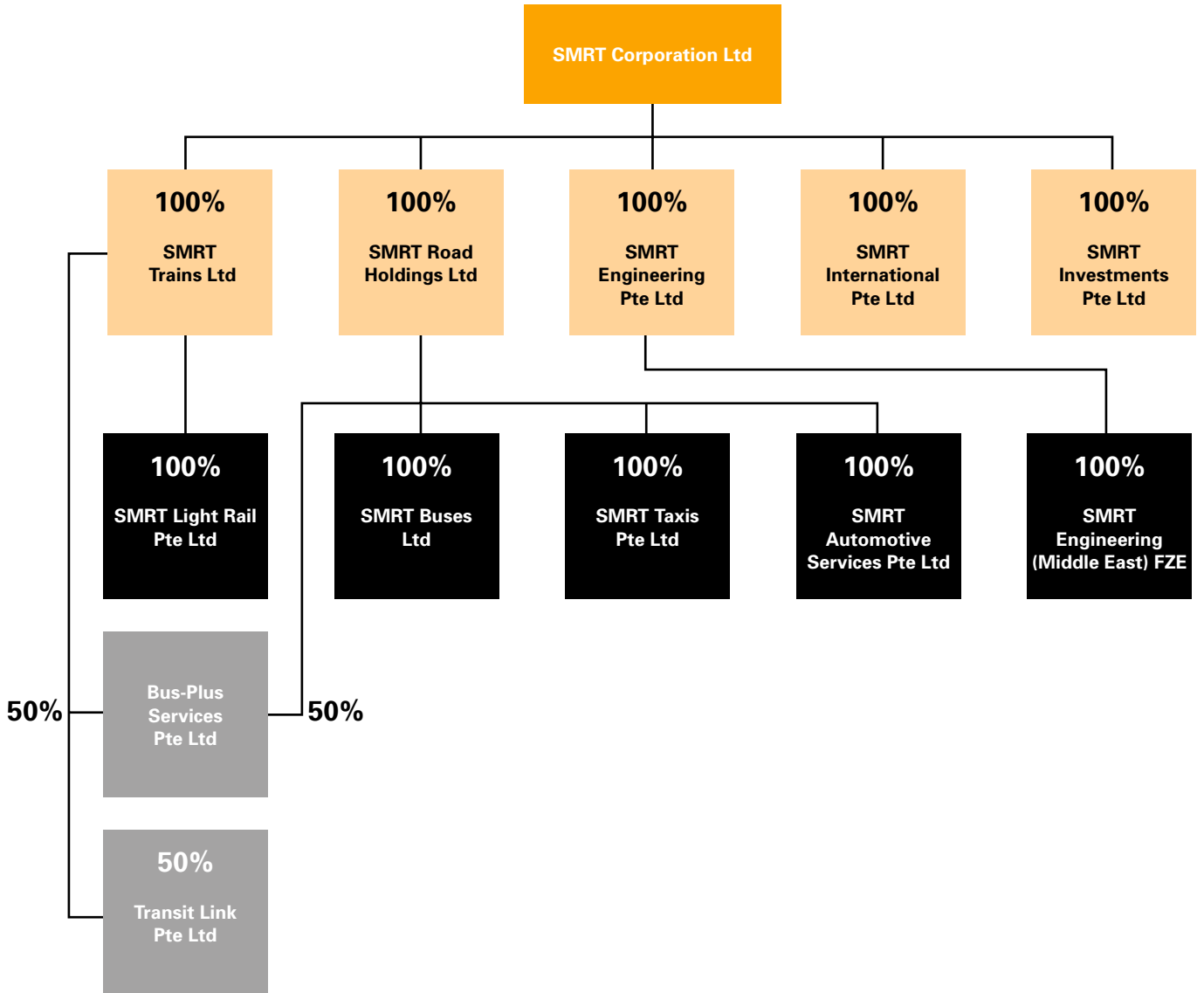
The exceptional performance of the Management and staff at SMRT in the past year has shown that through investing in and continuously challenging our people, we will continue to do right by ourselves and bring value to our stakeholders.

I wish to take this opportunity to thank the Board for their wise counsel, the Management and staff of SMRT for their commitment and dedication, and our stakeholders for their continued support.



Choo Chiau Beng
Chairman

Group Structure



Corporate Information

REGISTERED OFFICE

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Singapore 179102
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Facsimile: (65) 6334 0247
Website: www.smrt.com.sg

PLACE OF INCORPORATION

Singapore

COMPANY REGISTRATION NUMBER

200001855H

DATE OF INCORPORATION

6 March 2000

BOARD OF DIRECTORS

Choo Chiau Beng, Chairman
Saw Phaik Hwa, President & CEO
Dilhan Pillay Sandrasegara
(Appointed on 15 April 2008)
Halimah Yacob
(Appointed on 8 October 2007)
Edmund Koh Kian Chew
Koh Yong Guan
Paul Ma Kah Woh
Ong Ye Kung
Bob Tan Beng Hai
Engelin Teh Guek Ngor

COMPANY SECRETARY

S. Prema

AUDIT COMMITTEE

Paul Ma Kah Woh, Chairman
Dilhan Pillay Sandrasegara
(Appointed on 15 April 2008)
Bob Tan Beng Hai
Engelin Teh Guek Ngor

REMUNERATION COMMITTEE

Choo Chiau Beng, Chairman
Edmund Koh Kian Chew
Koh Yong Guan
(Appointed on 12 July 2007)
Bob Tan Beng Hai
(Appointed on 1 August 2007)

NOMINATING COMMITTEE

Engelin Teh Guek Ngor, Chairman
Choo Chiau Beng
Paul Ma Kah Woh
Ong Ye Kung

AUDITORS

KPMG
16 Raffles Quay
#22-00 Hong Leong Building
Singapore 048581

Audit Partner-in-charge:
Yap Chee Meng
(Appointed in FY2004)

PRINCIPAL BANKERS

DBS Bank Ltd
Oversea-Chinese Banking
Corporation Limited
The Hongkong and Shanghai Banking
Corporation Limited
United Overseas Bank Limited

SHARE REGISTRAR

Boardroom Corporate &
Advisory Services Pte Ltd
3 Church Street #08-01
Samsung Hub
Singapore 049483

INVESTOR RELATIONS

Elizabeth Loo Suet Quan
Tel: (65) 6331 1219
Fax: (65) 6334 1407
Email: Investors_R@smrt.com.sg

Financial Review

In FY2008, SMRT achieved another year of strong performance. Revenue for the year was \$802.1m, up 7.9% from FY2007, underpinned by increased train and bus ridership, higher taxi average hired-out fleet and growth in rental and advertising businesses.

Other operating income was lower at \$20.9m in FY2008 compared to \$27.8m in FY2007 due mainly to the de-consolidation of Transit Link since 4QFY07 and the final contribution from expired farecards in 3QFY07.

Total operating expenses for the year increased 3.1% to \$645.0m due mainly to increases in repair and maintenance, energy costs and other operating expenses.

The below table provides a breakdown of the operating expenditure.

On the back of higher revenue, EBIT was 22.6% higher at \$178.0m. Finance costs were lower at \$8.0m due to lower interest cost on borrowings. The lower interest and investment income was due mainly to lower investment income and gain on disposal of available-for-sale financial assets, partially offset by loss on disposal of a subsidiary in FY2007.

The income tax expense for FY2008 was higher at \$26.2m as compared to \$6.5m in FY2007 as there was no reduction in income tax rate as compared to 4QFY07 when there was a reduction in income tax rate by 2%.

Compared to FY2007, Group PATMI in FY2008 increased 10.7% to \$149.9m.

Cash and cash equivalents at end of FY2008 increased from \$169.6m to \$232.5m as a result of lower investing and financing cash outflows, partially offset by lower cash inflow from operating activities.

Total assets of the Group as at 31 March 2008 amounted to \$1.4b, 4.3% higher than the previous year due mainly to higher cash and cash equivalents of \$62.9m and higher trade and other receivables of \$12.2m partially offset by lower property, plant and equipment of \$13.4m.

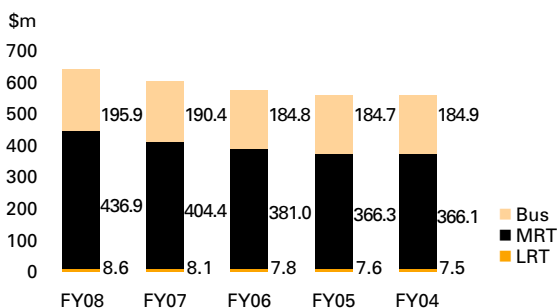
Total liabilities increased by \$21.7m or 2.9% to \$760.5m as a result of higher trade and other payables of \$28.2m and current tax payable of \$23.2m partially offset by lower deferred grant of \$21.4m and deferred tax liabilities of \$9.5m. Our total debt remained at \$250.0m.

GROUP PERFORMANCE OVERVIEW

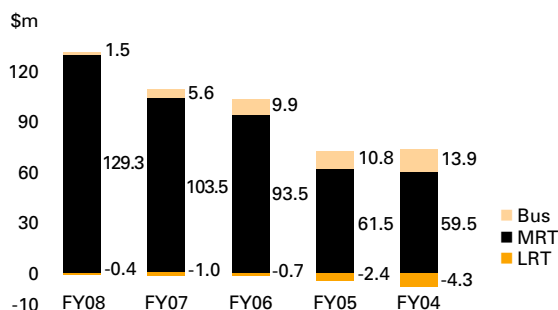
	FY2008 (\$m)	FY2007 (\$m)	Increase/Decrease		Explanatory Notes
			\$m	%	
Staff and related costs	263.5	263.1	0.4	0.1	Increased headcount, salary adjustments and higher employers' CPF contribution partially offset by the de-consolidation of Transit Link
Depreciation and impairment losses of property, plant and equipment net amortisation of asset-related grant	106.1	109.7	(3.6)	3.3	Increase in fully depreciated assets and the de-consolidation of Transit Link
Repairs and maintenance costs	63.2	60.5	2.7	4.4	More scheduled repairs and maintenance for Train and Bus and a larger average hired out fleet for Taxi
Energy costs	89.7	75.9	13.8	18.1	Higher electricity and diesel prices, and higher consumption
– Electricity costs	47.5	39.8	7.7	19.4	
– Diesel costs	42.2	36.2	6.0	16.7	
Other operating expenses	122.5	116.4	6.2	5.3	Higher cost of diesel sold to taxi hirers, increased project expenses and an increase in road tax and other costs associated with a larger average taxi fleet
Total operating expenses	645.0	625.6	19.3	3.1	

SEGMENTAL PERFORMANCE

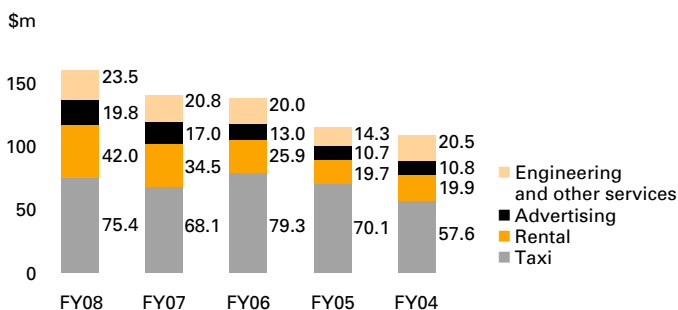
Fare Revenue



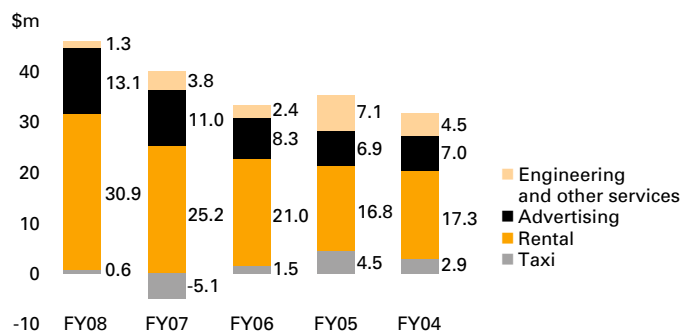
EBIT from Fare Operations



Non-Fare Revenue



EBIT from Non-Fare Operations



Revenue from **MRT operations** in FY2008 increased 8.0% or \$32.5m to \$436.9m and accounted for 54.5% of FY2008 Group revenue. The increase was driven mainly by the 7.6% growth in average daily ridership. EBIT contribution from MRT in FY2008 grew 24.9% to \$129.3m as a result of strong ridership growth, partially offset by higher electricity costs. MRT operating profits accounted for 72.6% of group EBIT.

Revenue from **LRT operations** in FY2008 grew 6.6% to \$8.6m on the back of increased average daily ridership of 5.4% as compared to FY2007. Operating loss for FY2008 was more than halved at \$0.4m as a result of higher average daily ridership.

Bus operations contributed \$195.9m to the Group's FY2008 revenue, 2.9% or \$5.5m higher than FY2007 mainly on account of 2.3% increase in average

daily ridership. On account of higher staff and related costs, diesel expenses and absence of other income from final contribution from expired farecards in 3QFY07, operating profits from Bus declined from \$5.6m to \$1.5m.

Revenue from **fare business** (comprising of revenue from MRT, LRT and Bus operations) contributed 80.0% of FY2008 total revenue (FY2007: 81.1%) and 73.2% of FY2008 EBIT (FY2007: 74.4%).

Taxi operations in FY2008 achieved revenue of \$75.4m, 10.8% or \$7.3m over FY2007. As a result, Taxis achieved operating profits of \$0.6m as compared to an operating loss of \$5.1m in FY2007.

During the year, 10 more MRT stations were refurbished. On account of an increase in lettable space combined with better rental yield, **rental revenue**

rose 21.8% to \$42.0m in FY2008. EBIT from rental was up 22.7% to \$30.9m as compared to FY2007.

Advertising revenue grew 16.7% to \$19.8m as a result of increased advertising on trains, stations and buses. EBIT from advertising grew 19.0% to \$13.1m on the back of higher advertising revenue.

Revenue from **engineering and other services** was 13.2% higher at \$23.5m in FY2008 due to higher sale of diesel and consultancy revenue from the Palm Jumeirah Project in Dubai, partially offset by the de-consolidation of Transit Link's revenue since 4QFY07. EBIT from engineering and other services in FY2008 was lower at \$1.3m from \$3.8m a year ago due to higher project expenses.

Financial Review

DIVIDEND POLICY

Our formalised dividend policy approved by the Board of Directors was announced on 29 April 2008 during the 4QFY08 results announcement.

We will endeavour to maintain or increase dividend payout each year in terms of cents per share, targeting a minimum payout ratio of 60% of PATMI per year for the interim and final ordinary dividend. For the past five years from FY2004 to FY2008, we have consistently achieved a minimum dividend payout ratio of about 60% of PATMI.

In any particular year, we may also propose a special dividend to provide the investors with greater returns and yield.

The dividend policy takes into account our long term objective of maximising shareholder value, the availability of cash and retained earnings, our expected financial performance and projected capex and other investment plans.

SHAREHOLDER RETURNS

The Group's basic and diluted EPS for FY2008 were 9.9 cents (FY2007: 9.0 cents and 8.9 cents respectively). Return on equity (ROE) was 22.8%, as compared to 22.1% in FY2007. The higher EPS and ROE were a result of better financial performance. Economic Value Added was \$103.3m, 33.3% higher than \$77.5m in FY2007.

To reward our shareholders, a final dividend of 6.00 cents per share, tax exempt one-tier amounting to about \$90.9m for FY2008 has been recommended by the Directors at the Ninth Annual General Meeting. This, if approved, will bring the total gross dividend for FY2008 to 7.75 cents per share or \$117.4m. This represents 78.3% of Group PATMI in FY2008.

In FY2008, SMRT shares generated a total shareholder return of 26.6% for its shareholders, compared to 39.1% generated in FY2007. The 26.6% shareholder return comprised 4.4% of dividend yield and 22.2% of capital gain for FY2008, compared to 6.1% of dividend yield and 33.0% of capital gain for FY2007.

INVESTOR RELATIONS AND FINANCIAL CALENDAR

FY2008 (1 April 2007 to 31 March 2008)

24 April	Webcast of Media and Analyst Briefing on Full-Year FY2007 results
22-23 May	CLSA Corporate Access Forum (Singapore)
18 June	Release of Annual Report FY2007
12 July	Eighth Annual General Meeting
19-20 July	Books Closure Dates for FY2007 Final Dividend
1 August	Payment of FY2007 Final Dividend
27 July	Media and Analysts Teleconference on 1QFY2008 Results
2 August	Post Results Investors' Lunch
26 October	Webcast of Media and Analyst Briefing on 2QFY2008 results
30 October	Post Results Investors' Lunch
15-16 November	Books Closure Dates for FY2008 Interim Dividend
23 November	Payment of FY2008 Interim Dividend
25 January	Media and Analysts Teleconference on 3QFY2008 Results
31 January	Annual New Year Lunch with Analysts

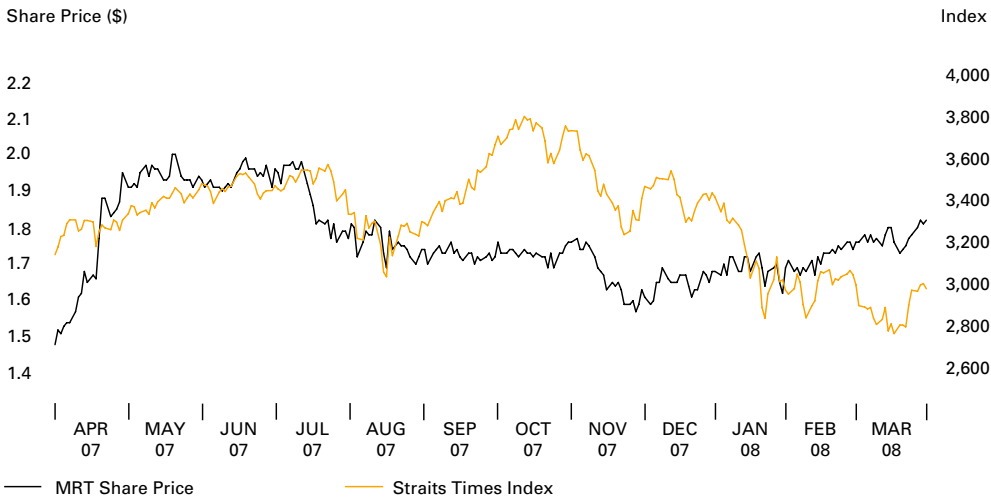
FY2009 (1 April 2008 to 31 March 2009)

29 April	Webcast of Media and Analyst Briefing on Full-Year FY2008 results
5 May	Post Results Investors' Lunch
21 May	CLSA Corporate Access Forum (Singapore)
17 June	Release of Annual Report FY2008
11 July	Ninth Annual General Meeting
21-22 July	Books Closure Dates for FY2008 Final Dividend
25 July	Media and Analysts Teleconference on 1QFY2009 Results *
4 August	Payment of FY2008 Final Dividend
31 October	Webcast of Media and Analyst Briefing on 2QFY2009 results *
30 January	Media and Analysts Teleconference on 3QFY2009 Results *

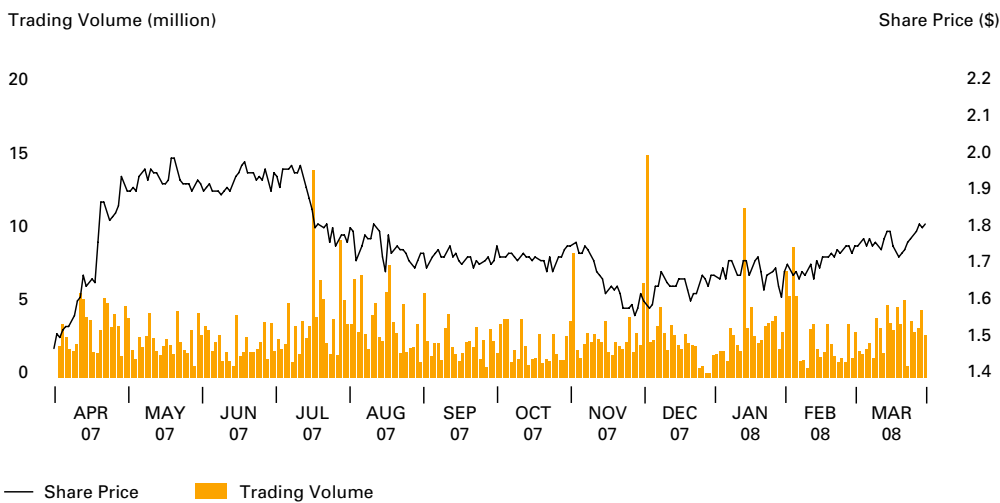
* The dates are indicative and subject to change. Please check for updates on the financial calendar at http://www.smrt.com.sg/investors/financial_Calendar

Share Price Performance

SMRT Share Price Compared to Straits Times Index in FY2008



SMRT Share Price and Trading Volume in FY2008



Summary Financial Statement

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29	Income Statements
30	Consolidated Statement of Changes in Equity
31	Statement of Changes in Equity
32	Consolidated Cash Flow Statement
34	Notes to the Summary Financial Statement

Summary Directors' Report

Year ended 31 March 2008

IMPORTANT NOTE

The Summary Financial Statement as set out on pages 17 to 35 contains only a summary of the information in the directors' report and a summary of the full financial statements. It also includes the information provided in compliance with the requirements of Section 203A of the Companies Act, Chapter 50 and regulations made thereunder, applicable to the Summary Financial Statement. It does not contain sufficient information to allow for a full understanding of the results and the state of affairs of the Group and of the Company.

For further information, the full financial statements, the auditors' report on those financial statements and the directors' report in the Annual Report should be consulted. Shareholders may request for a copy of the Annual Report at no cost by notifying the Company by 24 June 2008.

DIRECTORS

The directors in office at the date of this report are as follows:

Choo Chiau Beng	Chairman
Saw Phaik Hwa	
Dilhan Pillay Sandrasegara	(Appointed on 15 April 2008)
Halimah Yacob	(Appointed on 8 October 2007)
Edmund Koh Kian Chew	
Koh Yong Guan	
Paul Ma Kah Woh	
Ong Ye Kung	
Bob Tan Beng Hai	
Engelin Teh Guek Ngor	

PRINCIPAL ACTIVITIES

The principal activities of the Company are those relating to investment holding and provision of management services to group companies. The subsidiaries are involved in seven key businesses as follows:

i. Rail operations

Its principal activities are to provide transport-related businesses in Singapore. It operates the East-West and North-South lines of the Mass Rapid Transit System (the "MRT System") and the Bukit Panjang Light Rapid Transit System (the "LRT System").

ii. Bus operations

Its principal activities are to provide bus services and charter hire services.

iii. Taxi operations

Its principal activities are to provide rental of taxis and provision of taxi services.

iv. Rental

Its principal activities are the leasing of commercial space and kiosks.

v. Advertising

Its principal activities are the leasing of advertising space at the MRT and LRT stations as well as in trains, and on buses and taxis.

vi. Engineering and other services

The business provides consultancy, project management services, leasing of fibre optic cables, repair and maintenance services and sales of diesel to taxi hirers.

vii. Investment holding

Its principal activities are the provision of management services to Group companies and investment holding.

Summary Directors' Report

Year ended 31 March 2008

DIRECTORS' INTERESTS

According to the register kept by the Company for the purposes of Section 164 of the Companies Act, Chapter 50 (the "Act"), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and infant children) in shares, debentures and share options in the Company and in related corporations (other than wholly-owned subsidiaries) are as follows:

Name of Director and Corporation in which interests are held	Holdings in the name of the Director, Spouse or Infant children	
	At beginning of the year/date of appointment	At end of the year
Choo Chiau Beng		
SMRT Corporation Ltd		
– ordinary shares	100,000	100,000
Neptune Orient Lines Limited		
– ordinary shares	100,000	–
Singapore Airlines Limited		
– ordinary shares	6,000	–
Singapore Computer Systems Limited		
– ordinary shares	200,000	–
Singapore Food Industries Limited		
– ordinary shares	20,000	20,000
Singapore Telecommunications Limited		
– ordinary shares	1,680	1,680
Saw Phaik Hwa		
SMRT Corporation Ltd		
– ordinary shares	240,000	274,700
Edmund Koh Kian Chew		
SNP Corporation Ltd		
– ordinary shares	10,000	60,000
– options to subscribe for ordinary shares at:		
– \$0.59 between 15/4/2004 to 14/4/2008	25,000	–
– \$1.19 between 21/4/2005 to 20/4/2009	25,000	25,000
– \$0.90 between 19/4/2006 to 18/4/2010	27,500	27,500
– \$1.02 between 25/4/2007 to 24/4/2011	27,500	27,500
– \$1.07 between 24/4/2008 to 23/4/2012	–	27,500
Koh Yong Guan		
SMRT Corporation Ltd		
– ordinary shares	70,000	70,000
Chartered Semiconductor Manufacturing Ltd		
– ordinary shares	2,000	2,000

Name of Director and Corporation in which interests are held	Holdings in the name of the Director, Spouse or Infant children	
	At beginning of the year/date of appointment	At end of the year
Koh Yong Guan (<i>cont'd</i>)		
Mapletree Logistics Trust Management Ltd		
– units in Mapletree Logistics Trust	5,000	5,000
Singapore Airlines Limited		
– ordinary shares	5,000	4,800
Singapore Computer Systems Limited		
– ordinary shares	10,000	10,000
Singapore Food Industries Limited		
– ordinary shares	17,000	17,000
Singapore Telecommunications Limited		
– ordinary shares	19,090	19,090
Singapore Technologies Engineering Ltd		
– ordinary shares	23,108	23,108
SP AusNet		
– stapled securities	96,000	96,000
Paul Ma Kah Woh		
Singapore Telecommunications Limited		
– ordinary shares	380	380
StarHub Ltd		
– ordinary shares	85,720	78,580
Ong Ye Kung		
Singapore Telecommunications Limited		
– ordinary shares	1,800	1,800
Engelin Teh Guek Ngor		
SMRT Corporation Ltd		
– ordinary shares	150,000	150,000
Singapore Computer Systems Limited		
– ordinary shares	100,000	100,000
Singapore Telecommunications Limited		
– ordinary shares	1,360	1,360
SP AusNet		
– stapled securities	31,000	31,000

Summary Directors' Report

Year ended 31 March 2008

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company or of related corporations either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

The interest of Mr Dilhan Pillay Sandrasegara in shares, debentures and share options in the Company and in related corporations (other than wholly-owned subsidiaries) as at the date of his appointment on 15 April 2008 (being a date after the financial year end) is as follows:

Name of Director and Corporation in which interests are held	Holdings in the name of the Director, Spouse or Infant children at date of appointment
Dilhan Pillay Sandrasegara	
Singapore Airlines Limited	
– ordinary shares	2,000
Singapore Telecommunications Limited	
– ordinary shares	936
SP AusNet	
– stapled securities	50,000

There were no changes in any of the abovementioned interests in the Company or in related corporations between the end of the financial year and 21 April 2008.

Except as disclosed under the "Share Options and Share Plans" section of this report, neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Except as disclosed in this report and in note 4 of the summary financial statement, since the end of the last financial year, no director has received or become entitled to receive, a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which he is a member or with a company in which he has a substantial financial interest.

UNUSUAL ITEMS

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen during the financial year or in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made, or render any items in the financial statements of the Group or of the Company for the current financial year misleading, and/or affect the ability of the Group or of the Company in meeting the obligations as and when they fall due.

SHARE OPTIONS AND SHARE PLANS

The SMRT Corporation Employee Share Option Plan ("SMRT ESOP") of the Company was approved and adopted by its members at an Extraordinary General Meeting held on 15 July 2000. The SMRT ESOP comprises two distinct schemes:

- i. Management Scheme – Scheme designed for management staff in the positions of Deputy Director and above of the Group.
- ii. Employee Scheme – Scheme designed for all other employees of the Group.

The SMRT Corporation Restricted Share Plan ("SMRT RSP") and the SMRT Corporation Performance Share Plan ("SMRT PSP") of the Company was approved and adopted by its members at an Extraordinary General Meeting held on 15 July 2004.

The SMRT ESOP, SMRT RSP and SMRT PSP are administered by the Remuneration Committee (the "Committee"), comprising Mr Choo Chiau Beng, Chairman of the Committee, Mr Edmund Koh Kian Chew, Mr Koh Yong Guan and Mr Bob Tan Beng Hai.

In exercising its discretion, the Committee must act in accordance with any guidelines that may be provided by the Board of Directors. The Committee shall refer any matter not falling within the scope of its terms of reference to the Board. The Committee shall have the power, from time to time, to make and vary such regulations for the implementation and administration of the SMRT ESOP, SMRT RSP and SMRT PSP as it thinks fit.

The salient features of the SMRT ESOP, SMRT RSP and SMRT PSP are as follows:

SMRT ESOP

i. Eligible participants

At the absolute discretion of the Committee, all confirmed employees of the Group (including any director of the Group who performs an executive function) who are not less than 21 years old and have been in the service of the Group for at least one year prior to the date of which an option is granted ("Grant Date") are eligible to participate in the SMRT ESOP.

ii. Maximum allowable allotment

The total number of shares which may be issued under the SMRT ESOP ("ESOP Shares") when added to the number of shares which may be issued pursuant to awards granted under the SMRT RSP and SMRT PSP shall not exceed fifteen percent of the issued share capital of the Company on the Grant Date.

The number of ESOP Shares to be offered to a participant shall be determined by the Committee at its absolute discretion after taking into account the length of service and performance of the participant and such other general criteria as the Committee may consider appropriate.

iii. Subscription price

The subscription price for each share in respect of which an option is exercisable shall be the average of the last dealt prices of the shares as published by the Singapore Exchange Securities Trading Limited ("SGX-ST") for the five consecutive market days immediately preceding the Grant Date.

iv. Option period

The options granted under the Management Scheme will be vested over a 3-year period (that is 33% in the first year, 66% in the second year and 100% in the third year) and may be exercised during the period commencing after the vesting date but before the tenth anniversary of the Grant Date.

The options granted under the Employee Scheme may be exercised during the period commencing after the second anniversary of the Grant Date but before the tenth anniversary of the Grant Date. The right of the participants to exercise their options is in all cases subject to such vesting schedule (if any) stipulated by the Committee and any other conditions which may be imposed by the Committee from time to time in its absolute discretion.

At the end of the financial year, details of the options granted under the SMRT ESOP on the unissued ordinary shares of the Company are as follows:

Date of grant of options	Exercise price per share	Options outstanding at 1 April 2007	Options exercised	Options forfeited/expired	Options outstanding at 31 March 2008	Number of option holders at 31 March 2008	Exercise period
16/7/2001	\$0.816	2,335,500	931,500	22,000	1,382,000	598	16/7/2002 to 15/7/2011
22/7/2002	\$0.676	1,495,400	717,700	28,100	749,600	618	22/7/2003 to 21/7/2012
22/7/2003	\$0.623	1,723,850	863,300	21,100	839,450	614	22/7/2004 to 21/7/2013
		5,554,750	2,512,500	71,200	2,971,050		

Except as disclosed above, there were no unissued shares of the Company or its subsidiaries under options granted by the Company or its subsidiaries as at the end of the financial year.

Summary Directors' Report

Year ended 31 March 2008

No director has been granted options under the SMRT ESOP except for Saw Phaik Hwa. Saw Phaik Hwa was granted the option to subscribe for 160,000 ordinary shares of the Company and she had since exercised these options. As at 31 March 2008, there are no outstanding options granted to directors under the SMRT ESOP.

Since the commencement of the SMRT ESOP, no options have been granted to the controlling shareholders of the Company or their associates and no participant under the SMRT ESOP has been granted 5% or more of the total options available under the SMRT ESOP.

Since the commencement of the SMRT ESOP, no options have been granted to the employees of the holding company or its related corporations under the SMRT ESOP.

The options granted by the Company do not entitle the holders of the option, by virtue of such holdings, to any rights to participate in any share issue of any other company.

During the financial year, no options have been granted.

SMRT RSP and SMRT PSP (collectively "The Plans")

The SMRT RSP is intended to enhance the Group's overall compensation packages and strengthen the Group's ability to attract and retain high performing talent.

The SMRT PSP is targeted at senior management in key positions who are able to drive the growth of the Company through innovation, creativity and superior performance.

i. Eligible participants

- Group employees who have attained the age of 21 years and hold such rank as may be designated by the Committee from time to time; and
- Associated company employees who have attained the age of 21 years and hold such rank as may be designated by the Committee from time to time and who, in the opinion of the Committee, have contributed or will contribute to the success of the Group.

The selection of employees and the number of shares which are the subject of each award to be granted to employees in accordance with the Plans shall be determined at the absolute discretion of the Committee, which shall take into account criteria such as rank, job performance, creativity, innovativeness, entrepreneurship, years of service and potential for future development, contribution to the success and development of the Group and the extent of effort and resourcefulness required to achieve the performance target(s) within the performance period.

ii. Awards

Awards represent the right of an employee to receive fully paid shares, their equivalent cash value or combination thereof, free of charge, provided that certain prescribed performance targets are met and upon expiry of the prescribed vesting period.

It is the intention of SMRT to award performance-based restricted awards to ensure that the earnings of shares under the SMRT RSP is aligned with pay-for-performance principle.

Awards granted under the SMRT PSP are performance-based and the targets set under the plan are intended to be based on long-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth.

An individual employee who is a key management staff may be granted an award under the SMRT PSP, as well as the SMRT RSP although differing performance targets are likely to be set for each award.

Non-executive directors of the Group, the holding company and associated companies will not be eligible to participate in the Plans.

iii. Size and duration

The total number of new shares which may be issued pursuant to awards granted under the Plans, when added to the number of options granted under SMRT ESOP shall not exceed fifteen percent of the issued share capital of the Company on the day preceding the relevant date of award.

The number of existing shares purchased from the market which may be delivered pursuant to awards under the Plans, and the amount of cash which may be paid upon the release of such awards in lieu of shares, will not be subject to any limit as such methods will not involve the issuance of any new shares.

The Plans shall continue in force at the discretion of the Committee, subject to a maximum period of 10 years commencing from 15 July 2004, provided always that the Plans may continue beyond the 10-year period with the approval of the shareholders in general meeting and of any relevant authorities which may then be required. Notwithstanding the expiry or termination of the Plans, any awards made to employees prior to such expiry or termination will continue to remain valid.

iv. Events prior to vesting

Special provisions for vesting and lapsing of awards apply such as the termination of the employment, misconduct, retirement and any other events approved by the Committee. Upon occurrence of any of the events, the Committee will consider, at its discretion, whether or not to release any award, and will take into account circumstances on a case-by-case basis, including (but not limited to) the contributions made by the employee.

During the financial year, the conditional shares awarded under the SMRT PSP and RSP to the senior management staff are described below:

	SMRT PSP	SMRT RSP
Plan description	Award of fully-paid ordinary shares of SMRT, conditional on performance targets set at the start of a three-year performance period based on stretched long-term corporate objectives.	Award of fully-paid ordinary shares of SMRT, conditional on performance targets set at the start of a two-year performance period based on medium-term corporate and business unit objectives with some degree of stretch.
Date of grant	12 November 2007	12 November 2007
Performance period	1 April 2007 to 31 March 2010	1 April 2007 to 31 March 2009
Vesting condition	Vesting based on meeting stated performance conditions over a three-year performance period.	Based on meeting stated performance conditions over a two-year performance period, 1/3 of award will vest. Balance will vest equally over the subsequent two years with fulfilment of service requirements.
Payout	0% – 125% depending on the achievement of pre-set performance targets over the performance period.	0% – 121% depending on the achievement of pre-set performance targets over the performance period.

Summary Directors' Report

Year ended 31 March 2008

The details of shares awarded, cancelled and released during the year pursuant to the Plans were as follows:

SMRT PSP

Grant date	Balance as at 1 April 2007	Shares granted during financial year	Shares cancelled during financial year	Shares released during financial year	Adjustment due to performance modifier effect	Balance as at 31 March 2008
1 March 2006						
- For senior management	40,000	-	-	-	-	40,000
- For executive director (Saw Phaik Hwa)	100,000	-	-	-	-	100,000
19 March 2007						
- For senior management	63,500	-	-	-	-	63,500
- For executive director (Saw Phaik Hwa)	100,000	-	-	-	-	100,000
12 November 2007						
- For senior management	-	98,000	-	-	-	98,000
- For executive director (Saw Phaik Hwa)	-	85,000	-	-	-	85,000
Total	303,500	183,000	-	-	-	486,500

SMRT RSP

Grant date	Balance as at 1 April 2007	Shares granted during financial year	Shares cancelled during financial year	Shares released during financial year	Adjustment due to performance modifier effect	Balance as at 31 March 2008
1 March 2006						
- For senior management	473,000	-	(10,300)	(161,000)	10,600	312,300
- For executive director (Saw Phaik Hwa)	100,000	-	-	(34,700)	4,000	69,300
19 March 2007						
- For senior management	581,200	-	(38,500)	-	-	542,700
- For executive director (Saw Phaik Hwa)	100,000	-	-	-	-	100,000
12 November 2007						
- For senior management	-	672,400	(7,500)	-	-	664,900
- For executive director (Saw Phaik Hwa)	-	85,000	-	-	-	85,000
Total	1,254,200	757,400	(56,300)	(195,700)	14,600	1,774,200

Under the Plans, eligible key executives are required to hold a portion of the shares released to them under a share ownership guideline which requires them to maintain a beneficial ownership stake in SMRT, thus further aligning their interests with shareholders.

The number of contingent shares granted but not released as at 31 March 2008 were 486,500 and 1,774,200 (2007: 303,500 and 1,254,200) for SMRT PSP and SMRT RSP respectively. Based on the multiplying factor, the actual release of the awards could range from zero to a maximum of 608,200 and 2,117,600 (2007: 379,400 and 1,410,200) fully-paid SMRT shares, for SMRT PSP and SMRT RSP respectively.

AUDIT COMMITTEE

The Audit Committee (the "Committee") comprises four non-executive independent directors. The Committee's members at the date of this report are as follows:

Paul Ma Kah Woh Chairman
Dilhan Pillay Sandrasegara (Appointed on 15 April 2008)
Bob Tan Beng Hai
Engelin Teh Guek Ngor

The Summary Financial Statement set out on pages 17 to 35 was approved by the Board of Directors and was signed on its behalf by:



Choo Chiau Beng
Director

29 April 2008



Saw Phaik Hwa
Director

Auditors' Statement

Year ended 31 March 2008

AUDITORS' STATEMENT TO THE MEMBERS OF SMRT CORPORATION LTD

We have examined the Summary Financial Statement set out on pages 17 to 35 which have been prepared by the directors of the Company. In our opinion, the Summary Financial Statement is consistent, in all material respects, with the full financial statements and directors' report of SMRT Corporation Ltd for the year ended 31 March 2008 and comply with the requirements of Section 203A of the Companies Act, Chapter 50 (the "Act"), and regulations made thereunder, applicable to the Summary Financial Statement.

We have issued an unqualified audit report dated 29 April 2008 on the full financial statements of SMRT Corporation Ltd for the year ended 31 March 2008. The auditors' report is as follows:

"Independent auditors' report"

Members of the Company
SMRT Corporation Ltd

We have audited the accompanying financial statements of SMRT Corporation Ltd (the Company) and its subsidiaries (the Group), which comprise the balance sheets of the Group and the Company as at 31 March 2008, the income statement, statement of changes in equity and cash flow statement of the Group and of the statement of changes in equity of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages # to #.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the Act) and Singapore Financial Reporting Standards. This responsibilities includes:

- a. devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets;
- b. selecting and applying appropriate accounting policies; and
- c. making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion:

- a. the consolidated financial statements of the Group and the balance sheet and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2008 and the results, changes in equity and cash flows of the Group and of the changes in equity of the Company for the year ended on that date; and
- b. the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.”

KPMG

KPMG

Public Accountants and
Certified Public Accountants

Singapore
29 April 2008

Note:

The page numbers are stated in the Auditors' Report dated 29 April 2008 included in SMRT Corporation Ltd's Annual Report for the financial year ended 31 March 2008.

Balance Sheets

As at 31 March 2008

	Group		Company	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Non-current assets				
Property, plant and equipment	1,032,789	1,046,217	6,473	5,610
Intangible asset	41,932	41,932	–	–
Investments in subsidiaries	–	–	329,891	329,891
Interest in an associate	1,106	764	–	–
Available-for-sale financial assets	6,388	7,652	–	–
	1,082,215	1,096,565	336,364	335,501
Current assets				
Inventories	31,872	34,640	–	–
Trade and other receivables	60,717	48,489	261,003	164,133
Available-for-sale financial assets	15,000	19,000	15,000	19,000
Tax recoverable	15,253	10,629	11,049	6,177
Fixed deposits with banks and financial institutions	216,051	132,380	20,000	119,400
Cash at banks and in hand	16,493	37,249	4,038	1,195
	355,386	282,387	311,090	309,905
Total assets	1,437,601	1,378,952	647,454	645,406
Equity attributable to equity holders of SMRT				
Share capital	160,812	158,824	160,812	158,824
Reserves	4,070	5,419	1,564	879
Accumulated profits	512,259	475,926	131,592	129,739
Total equity	677,141	640,169	293,968	289,442
Non-current liabilities				
Interest-bearing borrowings	250,000	250,000	250,000	250,000
Provisions	3,215	3,183	35	37
Deferred tax liabilities	131,470	140,979	889	772
Fuel equalisation account	19,112	19,112	–	–
Deferred grant	126,760	148,136	–	–
	530,557	561,410	250,924	250,809
Current liabilities				
Trade and other payables	171,371	143,212	102,390	104,985
Provisions	18,167	16,977	172	170
Current tax payable	40,365	17,184	–	–
	229,903	177,373	102,562	105,155
Total liabilities	760,460	738,783	353,486	355,964
Total equity and liabilities	1,437,601	1,378,952	647,454	645,406

Income Statements

Year ended 31 March 2008

	Group		Company	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Revenue	802,124	743,126	147,563	159,116
Other operating income	20,869	27,759	1,080	1,224
Staff and related costs	(263,461)	(263,104)	(24,158)	(26,155)
Depreciation and impairment losses of property, plant and equipment	(127,366)	(131,957)	(1,483)	(1,304)
Amortisation of asset-related grant	21,289	22,251	–	–
Repairs and maintenance costs	(63,161)	(60,483)	–	–
Electricity and diesel costs	(89,704)	(75,941)	–	–
Other operating expenses	(122,547)	(116,386)	(9,283)	(8,875)
Finance costs	(8,028)	(9,930)	(11,310)	(14,368)
Interest and investment income	5,805	6,909	8,978	9,791
Share of results of an associate (net of tax)	342	92	–	–
Profit before income tax	176,162	142,336	111,387	119,429
Income tax expense	(26,223)	(6,546)	4,072	(9,424)
Profit for the year	149,939	135,790	115,459	110,005
Attributable to:				
Equity holders of SMRT	149,939	135,407	115,459	110,005
Minority interests	–	383	–	–
Profit for the year	149,939	135,790	115,459	110,005
Earnings per share (in cents)				
Basic	9.9	9.0		
Diluted	9.9	8.9		

Consolidated Statement of Changes in Equity

Year ended 31 March 2008

Group	Share capital \$'000	Foreign currency translation reserve \$'000	Fair value reserve \$'000	Share-based payment reserve \$'000	Accumulated profits \$'000	Total attributable to equity holders of SMRT \$'000	Minority interest \$'000	Total equity \$'000
At 1 April 2006	156,493	–	3,120	518	425,898	586,029	2,364	588,393
Net fair value changes on available-for-sale financial assets	–	–	1,420	–	–	1,420	–	1,420
Net gain recognised directly in equity	–	–	1,420	–	–	1,420	–	1,420
Profit for the year	–	–	–	–	135,407	135,407	383	135,790
Total recognised income and expense for the year	–	–	1,420	–	135,407	136,827	383	137,210
Disposal of subsidiary	–	–	–	–	–	–	(2,747)	(2,747)
Issue of shares under SMRT ESOP	2,331	–	–	–	–	2,331	–	2,331
Value of employee services received for share-based payment	–	–	–	361	–	361	–	361
Final dividend paid of 5.50 cents per share less tax at 20% in respect of year 2006	–	–	–	–	(66,438)	(66,438)	–	(66,438)
Interim dividend paid of 1.23 cents per share less tax at 20% in respect of year 2007	–	–	–	–	(14,863)	(14,863)	–	(14,863)
Interim dividend paid of 0.27 cents per share in respect of year 2007	–	–	–	–	(4,078)	(4,078)	–	(4,078)
At 31 March 2007	158,824	–	4,540	879	475,926	640,169	–	640,169
At 1 April 2007	158,824	–	4,540	879	475,926	640,169	–	640,169
Net fair value changes on available-for-sale financial assets	–	–	(1,988)	–	–	(1,988)	–	(1,988)
Translation differences relating to financial statement of foreign subsidiary	–	(46)	–	–	–	(46)	–	(46)
Net gain/(loss) recognised directly in equity	–	(46)	(1,988)	–	–	(2,034)	–	(2,034)
Profit for the year	–	–	–	–	149,939	149,939	–	149,939
Total recognised income and expense for the year	–	(46)	(1,988)	–	149,939	147,905	–	147,905
Issue of shares under SMRT ESOP	1,783	–	–	–	–	1,783	–	1,783
Issue of shares under SMRT RSP	205	–	–	(205)	–	–	–	–
Value of employee services received for share-based payment	–	–	–	890	–	890	–	890
Final dividend paid of 5.75 cents per share in respect of year 2007	–	–	–	–	(87,094)	(87,094)	–	(87,094)
Interim dividend paid of 1.75 cents per share in respect of year 2008	–	–	–	–	(26,512)	(26,512)	–	(26,512)
At 31 March 2008	160,812	(46)	2,552	1,564	512,259	677,141	–	677,141

Statement of Changes in Equity

Year ended 31 March 2008

Company	Share capital \$'000	Share-based payment reserve \$'000	Accumulated profits \$'000	Total equity \$'000
At 1 April 2006	156,493	518	105,113	262,124
Profit for the year	–	–	110,005	110,005
Total recognised income and expense for the year	–	–	110,005	110,005
Issue of shares under SMRT ESOP	2,331	–	–	2,331
Value of employee services received for share-based payment	–	361	–	361
Final dividend paid of 5.50 cents per share less tax at 20% in respect of year 2006	–	–	(66,438)	(66,438)
Interim dividend paid of 1.23 cents per share less tax at 20% in respect of year 2007	–	–	(14,863)	(14,863)
Interim dividend paid of 0.27 cents per share in respect of year 2007	–	–	(4,078)	(4,078)
At 31 March 2007	158,824	879	129,739	289,442
At 1 April 2007	158,824	879	129,739	289,442
Profit for the year	–	–	115,459	115,459
Total recognised income and expense for the year	–	–	115,459	115,459
Issue of shares under SMRT ESOP	1,783	–	–	1,783
Issue of shares under SMRT RSP	205	(205)	–	–
Value of employee services received for share-based payment	–	890	–	890
Final dividend paid of 5.75 cents per share in respect of year 2007	–	–	(87,094)	(87,094)
Interim dividend paid of 1.75 cents per share in respect of year 2008	–	–	(26,512)	(26,512)
At 31 March 2008	160,812	1,564	131,592	293,968

Consolidated Cash Flow Statement

Year ended 31 March 2008

	2008 \$'000	2007 \$'000
Operating activities		
Profit before income tax	176,162	142,336
Adjustments for items not involving outlay of funds:		
Amortisation of asset-related grant	(21,289)	(22,251)
Depreciation and impairment losses of property, plant and equipment	127,366	131,957
Dividend and other income	(1,498)	(7,734)
Grant released upon disposal/write-off of property, plant and equipment	(87)	(173)
Interest expense	8,028	9,930
Interest income	(4,294)	(4,551)
(Gain)/loss on disposal of:		
– property, plant and equipment	478	1,477
– investment in subsidiaries	–	1,130
– available-for-sale financial assets	(13)	(3,133)
Property, plant and equipment written off	1,380	884
Provisions made during the year	11,692	11,457
Share-based payment expenses	890	361
Share of results of an associate	(342)	(92)
	298,473	261,598
Changes in working capital:		
Inventories	2,768	1,565
Trade and other receivables	(10,765)	10,367
Amounts due to/from an associate	(3,875)	583
Trade, other payables and provisions	337	22,587
Cash generated from operations	286,938	296,700
Income taxes paid (net)	(17,175)	(58)
Dividends paid	(113,606)	(85,379)
Interest paid	(8,137)	(10,335)
Cash flows from operating activities	148,020	200,928

	2008 \$'000	2007 \$'000
Investing activities		
Dividends received	1,498	3,803
Interest received	4,889	4,107
Purchase of property, plant and equipment	(97,070)	(91,059)
Purchase of available-for-sale financial assets	(11,724)	(19,000)
Disposal of subsidiary, net of cash	-	(17,383)
Proceeds from disposal of:		
– property, plant and equipment	552	394
– available-for-sale financial assets	15,013	3,774
Cash flows from investing activities	(86,842)	(115,364)
Financing activities		
Proceeds from issue of shares under share option plan	1,783	2,331
Proceeds from issue of unsecured quoted fixed rate notes	-	200,000
Redemption of unsecured quoted bonds	-	(250,000)
Cash flows from financing activities	1,783	(47,669)
Net increase in cash and cash equivalents	62,961	37,895
Cash and cash equivalents at beginning of the year	169,629	131,734
Effect of exchange rate fluctuations on cash held	(46)	-
Cash and cash equivalents at end of the year	232,544	169,629
Cash and cash equivalents at end of the year comprise:		
Fixed deposits with banks and financial institutions	216,051	132,380
Cash at banks and in hand	16,493	37,249
	232,544	169,629

Notes to the Summary Financial Statement

Year ended 31 March 2008

1 ACCOUNTING POLICIES

The financial statements are prepared in accordance with Singapore Financial Reporting Standards ("FRS").

The new or revised FRS and interpretations which became effective for the current financial year did not give rise to any significant financial impact.

The accounting policies have been applied consistently by the Group. The accounting policies used by the Group have been applied consistently to all periods presented in the financial statements.

2 NEW ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

The Group has not applied the following accounting standards and interpretations that have been issued as of balance sheet date but are not yet effective:

FRS 1 (revised 2008)	<i>Presentation of Financial Statements</i>
FRS 23 (revised)	<i>Borrowing Cost</i>
FRS 108	<i>Operating Segments</i>
INT FRS 113	<i>Customer Loyalty Programmes</i>
INT FRS 114	<i>FRS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction</i>

FRS 23 (revised) will become effective for financial statements for the year ending 31 March 2010. FRS 23 (revised) removes the option to expense borrowing costs and requires an entity to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The Group is currently reviewing the potential effect of FRS 23 (revised).

FRS 108 will become effective for the financial statements for the year ending 31 March 2010. FRS 108 which replaces FRS 14 *Segment Reporting*, requires identification and reporting of operating segments based on internal reports that are regularly reviewed by the Group's chief operating decision maker in order to allocate resources to the segment and to assess its performance. The Group is currently reviewing the presentation of segments for disclosure under FRS 108.

Other than the above, the initial application of these standards (and their consequential amendments) and interpretations is not expected to have any material impact on the Group's financial statements. The Group has not considered the impact of accounting standards issued after the balance sheet date.

3 SHARE CAPITAL

	2008		Company	
	No. of shares ('000)	\$'000	No. of shares ('000)	\$'000
Issued and fully-paid:				
Ordinary shares				
At 1 April	1,512,450	158,824	1,509,104	156,493
Issue of shares under SMRT ESOP	2,512	1,783	3,346	2,331
Issue of shares under SMRT RSP	196	205	–	–
At 31 March	1,515,158	160,812	1,512,450	158,824

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

Pursuant to the SMRT ESOP, an additional 931,500, 717,700 and 863,300 (2007: 1,051,500, 833,000 and 1,461,110) new fully-paid ordinary shares were issued during the year for cash at \$0.816, \$0.676 and \$0.623 per share respectively by the Company.

4 SIGNIFICANT RELATED PARTY TRANSACTIONS

For the purpose of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

During the financial year, the Group and the Company had the following related party transactions on terms agreed between the parties:

	Group		Company	
	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Subsidiaries				
Management fees received/receivable	–	–	35,543	37,423
Purchases of goods and services	–	–	–	2
Training income received/receivable	–	–	634	786
Dividend income	–	–	112,020	121,692
Interest income received/receivable	–	–	5,111	6,786
Interest expense paid/payable	–	–	3,282	4,439
Related corporations				
Maintenance income received/receivable	621	851	–	–
Charter hire income received/receivable	367	447	–	–
Service income received/receivable	555	–	–	–
Sales of other goods and services	819	855	1	2
Purchases of goods and services	66,540	54,325	584	299
Associate				
Maintenance income received/receivable	9,045	3,362	–	–
Purchases of goods and services	12,987	7,419	–	–
Directors of the Company:				
– fees	516	529	516	529
– remuneration	1,310	1,050	1,310	1,050
Senior management personnel of the Group:				
– short-term employee benefits	4,070	3,453	2,408	2,011
– post-employment benefits	113	76	71	45
– share-based payments	389	134	236	73

5 DIVIDENDS

After the balance sheet date, the directors proposed a one-tier tax exempt final dividend of 6.00 cents (2007: 5.75 cents) per share, amounting to a net dividend of \$90,909,483 (2007: \$86,965,866). The dividends have not been provided for.

Shareholding Statistics

As At 20 May 2008

SHARE CAPITAL

Number of shares issued : 1,515,253,746
 Issued and fully paid capital : S\$160,879,183.768
 Class of shares : ordinary shares
 Voting rights : one vote per share

DISTRIBUTION OF SHAREHOLDERS

Size of Holdings	No. of Shareholders	%	No. of Shares	%
1-999	82	0.19	38,002	0.00
1,000-10,000	39,001	92.28	100,228,211	6.62
10,001-1,000,000	3,157	7.47	145,967,950	9.63
1,000,001 and above	26	0.06	1,269,019,583	83.75
Total	42,266	100.00	1,515,253,746	100.00

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	Temasek Holdings (Private) Limited	824,400,030	54.41
2	DBS Nominees Pte Ltd	121,652,192	8.03
3	HSBC (Singapore) Nominees Pte Ltd	80,579,636	5.32
4	Citibank Nominees Singapore Pte Ltd	74,683,880	4.93
5	United Overseas Bank Nominees Pte Ltd	48,086,620	3.17
6	DBSN Services Pte Ltd	46,600,358	3.08
7	Raffles Nominees Pte Ltd	17,781,758	1.17
8	DB Nominees (S) Pte Ltd	9,736,692	0.64
9	Lee Pineapple Company Pte Ltd	5,000,000	0.33
10	Royal Bank of Canada (Asia) Ltd	4,953,000	0.33
11	OCBC Nominees Singapore Pte Ltd	4,716,899	0.31
12	Phillip Securities Pte Ltd	3,926,635	0.26
13	Kim Eng Securities Pte. Ltd.	3,686,000	0.24
14	Quah Wee Lai	3,000,000	0.20
15	Citibank Consumer Nominees Pte Ltd	2,718,000	0.18
16	Merrill Lynch (Singapore) Pte Ltd	2,424,000	0.16
17	Chong Kah Yung	2,200,000	0.15
18	Morgan Stanley Asia (S'pore) Securities Pte Ltd	1,958,042	0.13
19	Khoo Poh Koon	1,742,100	0.11
20	OCBC Securities Private Ltd	1,644,000	0.11
	Total	1,261,489,842	83.26

SUBSTANTIAL SHAREHOLDER

Name of Shareholder	Director Interest No of Shares	%	Deemed Interest No of Shares	%
Temasek Holdings (Private) Limited	824,400,030	54.41	13,367,000	0.88

Note:

Temasek Holdings (Private) Limited is deemed to be interested in the 13,367,000 shares in which Fullerton Fund Management Company Ltd and DBS Group Holdings Ltd are deemed to have an interest.

SHAREHOLDING HELD IN HANDS OF PUBLIC

Based on information available to the Company as at 20 May 2008, approximately 44.65 per cent of the issued ordinary shares of the Company is held by the public and therefore, Rule 723 of the Listing Manual issued by SGX-ST is complied with.

Notice of Annual General Meeting

SMRT Corporation Ltd
Incorporated in the Republic of Singapore
Company Registration Number: 200001855H

To: All Shareholders

NOTICE IS HEREBY GIVEN that the Ninth Annual General Meeting of the Company will be held at Raffles City Convention Centre, 4th Level, Stamford Ballroom, Fairmont Singapore, 80 Bras Basah Road, Singapore 189560, on Friday, 11 July 2008 at 2.30 p.m. to transact the following business:

AS ORDINARY BUSINESS:

1. To receive and adopt the Directors' Report and Audited Financial Statements for the financial year ended 31 March 2008 together with the Auditors' Report thereon.
2. To declare a Final (tax exempt one-tier) Dividend of 6.00 cents per share for the financial year ended 31 March 2008.
3. To approve the sum of \$515,530 as Directors' Fees for the financial year ended 31 March 2008 (FY2007: \$529,236).
- 4a. To re-elect Mr Paul Ma Kah Woh who is retiring in accordance with Article 94 of the Company's Articles of Association.
- 4b. To note the retirement of Mr Edmund Koh Kian Chew and Ms Engelin Teh Guek Ngor who are retiring in accordance with Article 94 of the Company's Articles of Association.
5. To re-elect the following Directors who are retiring in accordance with Article 100 of the Company's Articles of Association:
 - a. Mr Dilhan Pillay Sandrasegara
 - b. Mdm Halimah Jacob
6. To re-appoint Messrs KPMG as Auditors of the Company and to authorise the Directors to fix their remuneration.

AS SPECIAL BUSINESS:

7. To consider, and if thought fit, to pass, with or without modifications, the following resolutions as Ordinary Resolutions:

7.1 That authority be and is hereby given to the Directors to:

- a. i. allot and issue shares in the Company ("shares") whether by way of rights, bonus or otherwise; and/or
- ii. make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

- b. (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

- (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50 per cent of the total number of issued shares, excluding treasury shares, (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 10 per cent of the total number of issued shares excluding treasury shares of the Company (as calculated in accordance with sub-paragraph (2) below);

Notice of Annual General Meeting

AS SPECIAL BUSINESS *(cont'd)*:

- (2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited ("SGX-ST")) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares, excluding treasury shares, shall be based on the Company's total number of issued shares, excluding treasury shares, at the time this Resolution is passed, after adjusting for:
- i. new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and
 - ii. any subsequent bonus issue, consolidation or subdivision of shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and
- (4) (unless revoked or varied by the Company in General Meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

7.2 That authority be and is hereby given to the Directors to:

- a. grant awards in accordance with the provisions of the SMRT Corporation Restricted Share Plan ("SMRT RSP") and/or the SMRT Corporation Performance Share Plan ("SMRT PSP") (the SMRT RSP and SMRT PSP, together the "Share Plans"); and
- b. allot and issue from time to time such number of ordinary shares in the capital of the Company as may be required to be issued pursuant to the exercise of the options under the SMRT Corporation Employee Share Option Plan ("SMRT ESOP") and/or such number of fully paid ordinary shares as may be required to be issued pursuant to the vesting of awards under the SMRT RSP and/or SMRT PSP,

provided always that the aggregate number of ordinary shares to be issued pursuant to the Share Plans and the SMRT ESOP shall not exceed 15 per cent of the total number of issued shares, excluding treasury shares, of the Company from time to time.

8. To consider, and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

"That for the purpose of Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") ("Chapter 9"):

- a. approval be and is hereby given for the Company, its subsidiaries and associated companies that are entities at risk (as that term is used in Chapter 9), or any of them, to enter into any of the transactions falling within the types of interested person transactions, particulars of which are set out in Appendix A to the Notice of the Ninth Annual General Meeting ("Appendix A"), provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such interested person transactions;
- b. the approval given in paragraph (a) above (the "General Mandate") shall, unless revoked or varied by the Company in General Meeting, continue in force until the conclusion of the next Annual General Meeting of the Company; and
- c. the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the General Mandate and/or this Resolution."

AS SPECIAL BUSINESS (cont'd):

9. To consider, and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

“That:

a. for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50 of Singapore (“Companies Act”), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company (“Shares”) not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price or prices as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereinafter defined), whether by way of:

- i. on-market purchases (each an “On-Market Purchase”) on the Singapore Exchange Securities Trading Limited (“SGX-ST”); and/or
- ii. off-market purchases (each an “Off-Market Purchase”) effected otherwise than on the SGX-ST in accordance with any equal access scheme(s) as may be determined or formulated by the Directors of the Company as they may, in their absolute discretion, deem fit, which schemes shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws, regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (“Share Purchase Mandate”);

b. unless varied or revoked by the Company in General Meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of:

- i. the date on which the next Annual General Meeting of the Company is held; or
- ii. the date by which the next Annual General Meeting of the Company is required by law to be held;

c. in this Resolution:

“Prescribed Limit” means the number of issued Shares representing 10% of the total number of issued Shares as at the date of the passing of this Resolution (excluding any Shares which are held as treasury shares as at that date);

“Maximum Price” in relation to a Share to be purchased or acquired, means an amount (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) not exceeding:

- i. in the case of an On-Market Purchase, 105% of the Average Closing Price of the Shares; and
- ii. in the case of an Off-Market Purchase, 120% of the Average Closing Price of the Shares,

where:

“Average Closing Price” means the average of the closing market prices of a Share over the last five (5) market days on which transactions in the Shares on the SGX-ST were recorded immediately preceding the date of the On-Market Purchase by the Company or, as the case may be, the date of the making of the offer for an Off-Market Purchase, and deemed to be adjusted in accordance with the listing rules of the SGX-ST for any corporate actions occurring after the relevant 5-day period; and

“date of the making of the offer” means the date on which the Company announces its intention to make an offer for the Off-Market Purchase of Shares from shareholders, stating the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

d. the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution.”

Notice of Annual General Meeting

ANY OTHER BUSINESS:

10. To transact any other business that may be transacted at an Annual General Meeting.

By Order of the Board

S. Prema (Ms)
Company Secretary

Singapore
17 June 2008

NOTICE OF CLOSURE OF BOOKS

Notice is hereby given that the Transfer Books and the Register of Members of the Company will be closed from 21 July 2008 to 22 July 2008 (both dates inclusive) for the preparation of dividend warrants. The final dividend, if approved at the Ninth Annual General Meeting, will be paid on 4 August 2008 to members on the Register as at 18 July 2008. In respect of shares in securities accounts with The Central Depository (Pte) Limited ("CDP"), the said final dividend will be paid by the Company to CDP which will in turn distribute the dividend entitlements to holders of shares in accordance with its practice.

Duly completed transfers received by the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 3 Church Street #08-01, Samsung Hub, Singapore 049483 up to 5.00 p.m. on 18 July 2008 will be registered to determine shareholders' entitlements to the final dividend.

Explanatory notes on Ordinary Business to be transacted:

Resolution 3. Directors will be paid a basic fee and will get additional allowances for their services in other Board Committees. The proposed scale of Directors' fees (per annum) set out below is the same as per last year:

Board of Directors

Chairman's Allowance	\$35,000
Basic Fee	\$40,000

Audit Committee

Chairman's Allowance	\$30,000
Member's Allowance	\$20,000

Remuneration Committee/Nominating Committee

Chairman's Allowance	\$15,000
Member's Allowance	\$8,000

Resolution 4a. Mr Paul Ma Kah Woh will, upon re-election as a Director of the Company, continue to serve as Chairman and Member of the Audit Committee. Mr Paul Ma is considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.

Resolution 5a. Mr Dilhan Pillay Sandrasegara will, upon re-election as a Director of the Company, continue to serve as a Member of the Audit Committee. Mr Dilhan Pillay is considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.

Explanatory notes on Special Business to be transacted:

- Resolution 7.1 Is to empower the Directors to issue shares in the Company and to make or grant instruments (such as warrants or debentures) convertible into shares, and to issue shares in pursuance of such instruments, up to an amount not exceeding in total fifty per cent (50%) of the total number of issued shares excluding treasury shares of the Company with a sub-limit of ten per cent (10%) for issues other than on a pro-rata basis to shareholders. For the purpose of determining the aggregate number of shares that may be issued, the total number of issued shares excluding treasury shares will be calculated based on the Company's total number of issued shares excluding treasury shares at the time that Resolution 7.1 is passed, after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time Resolution 7.1 is passed, and any subsequent bonus issue, consolidation or subdivision of shares.
- Resolution 7.2 Is to authorise the Directors to:
- a. grant awards in accordance with the SMRT Corporation Restricted Share Plan ("SMRT RSP") and/or the SMRT Corporation Performance Share Plan ("SMRT PSP") both of which were approved at the Extraordinary General Meeting on 15 July 2004; and
 - b. allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of the options under the SMRT Corporation Employee Share Option Plan and/or such number of shares to be issued pursuant to the vesting of awards under the SMRT RSP and/or the SMRT PSP.
- Resolution 8. Is to renew the General Mandate granted by the Shareholders during the Eighth Annual General Meeting of the Company ("8th AGM") to authorise the Company, its subsidiaries and associated companies or any of them to enter into any of the mandated transactions with parties who are considered "Interested Persons" (as defined in Chapter 9). The nature of the interested person transactions and the classes of interested persons in respect of which the General Mandate is sought to be renewed remains unchanged.
- Resolution 9. Is to renew for another year, the mandate for share purchases as described in Appendix B to this Notice of Annual General Meeting, which will, unless revoked or varied by the Company at a General Meeting, continue in force until the next Annual General Meeting of the Company. This ordinary resolution, if passed, will authorise the Directors of the Company to make purchases or otherwise acquire issued ordinary shares in the capital of the Company subject to and in accordance with the guidelines set out in Appendix B to this Notice of Annual General Meeting.

Notes:

1. *A member of the Company entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies to attend and to vote in his stead. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a member of the Company.*
2. *The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 251 North Bridge Road, Singapore 179102, at least 48 hours before the time appointed for the Ninth Annual General Meeting.*

Notes

A series of horizontal dotted lines for taking notes.

Proxy Form

Annual General Meeting

SMRT Corporation Ltd

Incorporated in the Republic of Singapore
Company Registration Number: 200001855H

IMPORTANT:

- For investors who have used their CPF monies to buy SMRT Corporation Ltd shares, the Report is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
- This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We _____ NRIC/Passport No. _____ of

being a member/members of SMRT Corporation Ltd (the "Company") hereby appoint

Name	Address	NRIC/Passport No.	Proportion of Shareholdings (Number of Shares)

and/or (delete as appropriate)

Name	Address	NRIC/Passport No.	Proportion of Shareholdings (Number of Shares)

or failing him/her, the Chairman of the Meeting, as my/our proxy/proxies to vote for me/us and on my/our behalf at the Ninth Annual General Meeting of the Company, to be held at Raffles City Convention Centre, 4th Level, Stamford Ballroom, Fairmont Singapore, 80 Bras Basah Road, Singapore 189560, on Friday, 11 July 2008 at 2.30 p.m. and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the Meeting as indicated hereunder. If no specific directions as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Meeting and at any adjournment thereof.

No.	Resolutions	Indicate your vote For or Against with a tick	
		For	Against
	Ordinary Business		
1.	Adoption of Directors' Report, Audited Financial Statements and Auditors' Report		
2.	Declaration of a Final (tax exempt one-tier) Dividend		
3.	Approval of Directors' Fees		
4a.	Re-election of Mr Paul Ma Kah Woh as Director		
5a.	Re-election of Mr Dilhan Pillay Sandrasegara as Director		
5b.	Re-election of Mdm Halimah Yacob as Director		
6.	Re-appointment of KPMG as Auditors of the Company and to authorise the Directors to fix their remuneration		
	Special Business		
7.1	Authority for Directors to issue shares		
7.2	Authority for Directors to grant awards and issue and allot shares, pursuant to the SMRT Corporation Employee Share Option Plan, SMRT Corporation Restricted Share Plan and SMRT Corporation Performance Share Plan		
8.	Renewal of the General Mandate for Interested Person Transactions		
9.	Renewal of the Share Purchase Mandate		
10.	Any Other Business		

Dated this _____ day of _____ 2008

Total Number of Shares Held:

Signature(s) of Member(s) or Common Seal

IMPORTANT: PLEASE READ NOTES ON THE REVERSE



NOTES TO PROXY FORM:

1. A member entitled to attend and vote at the Ninth Annual General Meeting of the Company is entitled to appoint one or two proxies to attend and vote in his stead. Such proxy need not be a member of the Company.
2. Where a member appoints two proxies, the appointment shall be invalid unless he specifies the proportion of his holding (expressed as the number of shares) to be represented by each proxy.
3. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing or, where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.
4. A corporation which is a member may authorise by a resolution of its directors or other governing body an authorised representative or representatives in accordance with its Articles of Association and Section 179 of the Companies Act, Chapter 50 of Singapore, to attend and vote on its behalf.
5. The instrument appointing a proxy or proxies (together with the power of attorney, if any, under which it is signed or a certified copy thereof), must be deposited at the registered office of the Company at 251 North Bridge Road, Singapore 179102, at least 48 hours before the time appointed for the Ninth Annual General Meeting.
6. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in the Depository Register as well as shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of shares. If no number is inserted, the instrument appointing a proxy or proxies will be deemed to relate to all the shares held by the member.
7. The Company shall be entitled to reject the instrument appointing proxy or proxies if it is incomplete, or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company shall be entitled to reject any instrument appointing a proxy or proxies if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Ninth Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

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PLEASE
AFFIX
POSTAGE
STAMP

The Company Secretary
SMRT CORPORATION LTD
251 North Bridge Road
Singapore 179102

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Request Slip

SMRT Corporation Ltd

Incorporated in the Republic of Singapore
Company Registration Number: 200001855H

17 June 2008

Dear Shareholder

This notice accompanies a copy of the Summary Report ("SR") of SMRT Corporation Ltd ("SMRT") for the financial year ended 31 March 2008 ("FY2008"). The SR contains a review of SMRT and its group of companies ("Group") for FY2008. It also contains a summary of the audited financial statements of SMRT and the Group for FY2008.

The Directors' Report and the full financial statements of SMRT and of the Group for FY2008 are set out in a separate report called Annual Report ("AR") 2008. This report is available to all registered SMRT shareholders at no cost upon request.

We will continue to send you a copy of the SR for so long as you are a SMRT shareholder unless you indicate to us otherwise.

For SMRT shareholders who wish to receive a copy of the AR for FY2008, please complete the request form below accordingly, and return it to us, not later than **24 June 2008**.

For SMRT shareholders who are receiving this SR for the first time, or who did not respond previously, if you wish to receive a copy of the AR for FY2008 and for future financial years for as long as you are a shareholder, please complete the request form below by ticking the appropriate box and returning it to us by **24 June 2008**. If we do not receive your request form, it would indicate that you do not wish to receive copies of the AR for FY2008 and for future financial years.

For SMRT shareholders who have indicated to us previously that you wish to receive the AR for as long as you are a shareholder, you may change your instructions to us by ticking the relevant box in the request form below and returning it to us by **24 June 2008**. If we do not receive your request form, it would indicate that there is no change to your instructions.

Your latest request will supersede the earlier requests received by us.

Please note that the AR for FY2008 will also be available on SMRT's website at www.smrt.com.sg.

Yours faithfully

For and on behalf of SMRT CORPORATION LTD

S. Prema (Ms)
Company Secretary

Request Form

To: SMRT Corporation Ltd

N.B. Please tick one box only. Incomplete or incorrectly completed forms will not be processed.

- I/We wish to receive the Annual Report for FY2008.
- * I/We do not wish to receive the Annual Report for FY2008, and the Summary Report and Annual Report for future financial years for as long as I am/we are a shareholder(s) of SMRT Corporation Ltd.
- * I/We wish to receive the Annual Report for FY2008, and the Summary Report and Annual Report for future financial years for as long as I am/we are a shareholder(s) of SMRT Corporation Ltd.

Name of Shareholder(s): _____

NRIC/Passport Number: _____

The shares are held by me under or through:

- CDP Securities Account No: _____
- CPFIS Account
- Physical Scrips

Address: _____

Signature(s)

Date

* Please note that this option is not available if your shares are deposited in a CPFIS Account.



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SMRT CORPORATION LTD

c/o Boardroom Corporate & Advisory Services Pte. Ltd.
3 Church Street #08-01
Samsung Hub
Singapore 049483

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Directory of Subsidiaries and Associated Companies

SUBSIDIARIES

SINGAPORE

SMRT Trains Ltd

SMRT Investments Pte Ltd

SMRT International Pte Ltd

251 North Bridge Road

Singapore 179102

Telephone: (65) 6331 1000

Facsimile: (65) 6334 0247

www.smrt.com.sg

SMRT Engineering Pte Ltd

300 Bishan Road

Singapore 579828

Telephone: (65) 6554 8535

Facsimile: (65) 6453 7645

www.smrt.com.sg

SMRT Light Rail Pte Ltd

1 Woodlands Road

#03-01 Ten Mile Junction

Singapore 677899

Telephone: (65) 6893 6456

Facsimile: (65) 6762 6732

www.smrt.com.sg

SMRT Road Holdings Ltd

SMRT Buses Ltd

6 Ang Mo Kio Street 62

Singapore 569140

Telephone: (65) 6482 3888

Facsimile: (65) 6482 3842

www.smrt.com.sg

SMRT Taxis Pte Ltd

60 Woodlands Industrial Park E4

Singapore 757705

Telephone: (65) 6369 0111

Facsimile: (65) 6369 3639

www.smrt.com.sg

SMRT Automotive Services Pte Ltd

60 Woodlands Industrial Park E4

Singapore 757705

Telephone: (65) 6866 2697

Facsimile: (65) 6368 7421

www.smrt.com.sg

Bus-Plus Services Pte Ltd

6 Ang Mo Kio Street 62

Singapore 569140

Telephone: (65) 6481 0166

Facsimile: (65) 6484 0129

www.smrt.com.sg

MIDDLE EAST

SMRT Engineering (Middle East) FZE

P. O. Box 126370

Dubai, United Arab Emirates

Telephone: (971) 4 361 2592

www.smrt.com.sg

ASSOCIATED COMPANY

Transit Link Pte Ltd

9 Maxwell Road #03-02 Annexe A

MND Complex

Singapore 069112

Telephone: (65) 6236 6666

Facsimile: (65) 6222 0220

www.transitlink.com.sg



SMRT CORPORATION LTD

251 North Bridge Road Singapore 179102

Tel: 65 6331 1000 Fax: 65 6334 0247

www.smrt.com.sg

Company Registration No.: 200001855H