SMRT CORPORATION LTD
1Q FY2009 FINANCIAL RESULTS

Analysts and Media
Teleconference Briefing
25 July 2008

Group Highlights 1Q FY2009

Group revenue	$215.9m	↑ 11.2%
Operating profit	$48.2m	↑ 8.0%
Profit after tax	$40.3m	↑ 6.2%
EVA	$28.9 m	↑ 7.0%
Basic EPS	2.7 cents	↑ 6.1%




SMRT

P&L Highlights

($m)	1Q09	1Q08	% chg
Revenue	215.9	194.2	11.2
Other Op. Income	5.6	3.8	49.4
EBITDA	75.3	71.3	5.6
EBIT	48.2	44.6	8.0
PAT	40.3	37.9	6.2
EPS (cents)	2.7	2.5	6.1

In 1Q FY09, PAT was higher due mainly to higher operating profits, partially offset by higher income tax expenses and lower interest and investment income




Operating Expenses Breakdown

	1Q09	1Q08	% chg
Staff & related	67.2	62.4	7.8
Depreciation net Amort.	27.1	26.6	1.5
Repairs & maintenance	15.0	14.2	6.3
Energy	29.7	21.8	36.2
• Electricity	13.7	12.5	9.5
• Diesel	15.9	9.2	72.3
Other Opex	34.4	28.4	21.1
Total Opex	173.3	153.3	13.1

Higher opex in 1Q FY09 due mainly to increases in staff and related costs, energy costs and other operating expenses




Key Financial Indicators

	1Q09	1Q08
EBITDA margin (%)	34.9	36.7
EBIT margin (%)	22.3	23.0
PAT margin (%)	18.7	19.5
Interest cover (times)	40.8	34.2
ROE (%)	23.1	23.0
As at	30 Jun 08	31 Mar 08
NAV/share (cents)	47.4	44.7
NTA/share (cents)*	44.6	41.9
Net gearing	Net Cash	0.03

** Excludes goodwill on consolidation*

Higher EPS & NTA but lower operating & net profit margins




Balance Sheet Highlights

$m as at	30-Jun-08	31-Mar-08
Total Assets	1,473.3	1,437.6
Property, Plant & Equipment	1,036.8	1,032.8
Trade & Other Receivables	64.7	60.7
Cash & Fixed Deposits	257.6	232.5
Total Borrowings (ST & LT)	250.0	250.0
Current Liabilities (less borrowings)	230.0	229.9
Non-current Liabilities (less borrowings)	275.3	280.6
Shareholders' Equity	718.0	677.1

- **Increase of CAPEX to $38.6m from $30.3m**
- **Higher cash and cash equivalents, trade and other receivables, inventories and PPE**
- **Lower liabilities due to lower deferred grant**




Cash Flow Statement

	1Q09	1Q08
Cash flow from:		
Operating activities	61.0	52.8
Investing activities	(36.1)	(43.6)
Financing activities	0.2	1.2
Free cash flow	23.2	18.7
Net (decrease)/increase in cash & cash equivalents	25.1	10.4
Cash & cash equivalents at end period	257.6	180.1

Higher net increase in cash and cash equivalents in 1QFY09 due to higher cash inflow from operating activities and lower investing cash outflows

MRT

	1Q09	1Q08	% chg
Avg. Daily Ridership ('000)	1,366	1,232	10.9
Revenue ($m)	115.6	106.8	8.2
EBIT ($m)	34.9	32.0	9.1
EBIT margin (%)	30.2	29.9	0.2 pts

- **8.2% increase in revenue due to 10.9% increase in average daily ridership**
- **Ridership growth, partially offset by higher staff and electricity costs, led to 9.1% increase in operating profits**

1QFY09 operating profit for MRT rose 9.1% to $34.9m

LRT

	1Q09	1Q08	% chg
Avg. Daily Ridership ('000)	43.1	40.2	7.5
Revenue ($m)	2.2	2.1	4.3
EBIT ($m)	(0.1)	(0.1)	18.8

- **Revenue grew 4.3% due to 7.5% growth in average daily ridership**
- **Operating loss was lower at $0.1 million due to higher revenue, partially offset by higher cost of electricity**

Lower operating loss due to ridership growth

Bus

	1Q09	1Q08	% chg
Avg. Daily Ridership ('000)	781.9	744.7	5.0
Revenue ($m)	50.9	48.3	5.3
EBIT ($m)	(3.3)	0.5	(737.1)

- **Ridership growth of 5.0% in 1QFY09 led to 5.3% revenue increase**
- **Operating loss of $3.3 million in 1QFY09 due mainly to higher diesel costs**

Price of diesel continue to remain volatile in 2QFY09

Taxi

	1Q09	1Q08	% chg
Holding fleet (as of end qtr)	2,965	3,014	(1.6)
Revenue ($m)	18.9	17.9	5.6
EBIT ($m)	(1.3)	(0.3)	(346.8)

- **Revenue of $18.9m, 5.6% higher than 1QFY08**
- **Operating loss of $1.3m due to diesel subsidies and an increase in other operating expenses**

Continue to look for ways to reduce operating costs for hirers




Rental of Retail Space

	1Q09	1Q08	% chg
Total Let. Space (sqm)	26,264	23,088	13.8
Avg. Occupancy Rate (%)	99.1	98.4	0.6
Revenue ($m)	13.8	9.4	47.2
EBIT ($m)	10.3	6.8	51.4
EBIT margin (%)	74.6	72.6	2 pts

- **Increased space and better rental yield following redevelopment of station spaces led to 47.2% increase in revenue and 51.4% operating profit growth in 1QFY09**

Continue to redevelop station spaces to boost profits

Advertising

	1Q09	1Q08	% chg
Revenue ($m)	5.6	5.3	5.3
EBIT ($m)	3.7	3.3	12.9
EBIT margin (%)	65.7	61.2	4.5 pts

- **Advertising growth of 5.3% in 1QFY09**
- **Operating profits rose 12.9% to $3.7 million**
- **Higher sales and operating profit due to increased advertising on trains, stations and buses in the quarter**

Continue to explore opportunities for increased advertising space and new media

Engineering & Other Services

	1Q09	1Q08	% chg
Revenue ($m)	8.9	4.3	107.3
EBIT ($m)	2.0	1.0	95.6

- **Revenue doubled in 1QFY09 to $8.9 million**
- **1QFY09 operating profits almost doubled to $2.0 million**
- **Increase in revenue was due mainly to higher sale of diesel and consultancy revenue from the Palm Jumeirah Project in Dubai**

Continue to explore opportunities to grow engineering consultancy, project management, operations and maintenance services




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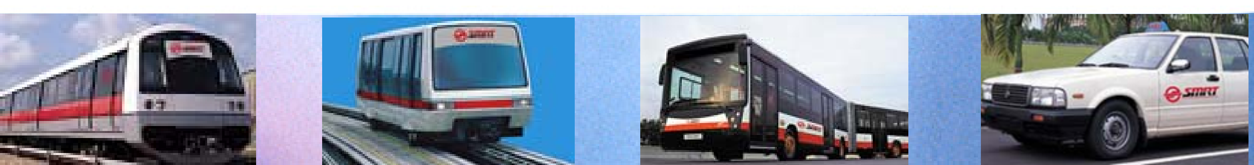
BUSINESS OUTLOOK

- **Revenue in 2QFY09 as compared to 2QFY08:**
  - Fare revenue for Train and Bus is expected to be higher due mainly to ridership growth
  - Revenue from Taxi is also expected to marginally increase due to a higher average hired-out fleet
  - Revenue from Rental and Advertising is expected to be higher



BUSINESS OUTLOOK

- **Operating costs expected to be higher in 2QFY09 as compared to 2QFY08 due mainly to:**
  - Higher electricity and diesel costs
  - Higher staff and related cost with increased headcount in preparation for Circle Line Stage 3
- **Operating environment expected to be challenging for next 12 months as cost of diesel and electricity is likely to remain high. If this persists, Bus operations will continue to operate at a loss.**
- **Revenue service for CCL Stage 3 expected to commence in mid 2009**

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