



SMRT Corporation Ltd 3Q and YTD FY2009 Financial Results

**Teleconference Briefing
23 January 2009**

Group Highlights YTD FY09

Group revenue

\$662.0m

11.5%

Operating expense

\$529.3m

13.6%

Operating profit

\$151.3m

8.6%

Profit after tax

\$124.1m

7.2%

EVA

\$90.5m

8.6%

Basic EPS

8.2 cents

7.1%



Financial Performance

(\$m)	3Q09	3Q08	% chg	YTD09	YTD08	% chg
Revenue	219.0	202.1	8.4	662.0	593.6	11.5
Other Op. Income	6.2	3.7	66.7	18.6	11.8	57.9
EBITDA	78.7	72.8	8.1	234.3	218.3	7.3
EBIT	50.5	46.7	8.1	151.3	139.3	8.6
PAT	41.2	38.3	7.6	124.1	115.8	7.2
Basic EPS (cents)	2.7	2.5	7.5	8.2	7.6	7.1

YTD09 PAT was higher due mainly to higher operating profits, partially offset by higher income tax expense



Operating Expenses Breakdown

(\$m)	3Q09	3Q08	% chg	YTD09	YTD08	% chg
Staff & related	67.5	64.8	4.2	206.5	190.4	8.5
Depreciation net Amort.	28.2	26.1	8.0	83.0	79.0	5.0
Repairs & maintenance	15.9	15.2	5.0	47.3	45.1	4.9
Energy	30.2	22.3	35.1	89.1	66.5	34.1
• Electricity	18.8	11.2	68.3	46.6	36.2	28.8
• Diesel	11.4	11.2	1.9	42.6	30.3	40.4
Other Opex	33.0	30.8	7.2	103.3	85.1	21.4
Total Opex	174.8	159.2	9.8	529.3	466.1	13.6

Higher YTD09 opex due to increases in staff, energy and other operating costs



Key Financial Indicators

	3Q09	3Q08	YTD09	YTD08
EBITDA margin (%)	35.9	36.0	35.4	36.8
EBIT margin (%)	23.0	23.1	22.9	23.5
PAT margin (%)	18.8	18.9	18.7	19.5
Interest cover (times)	42.6	37.0	42.2	35.8
ROE (annualised %)	-	-	24.4	24.1

As at	31-Dec-08	31-Mar-08
NAV/share (cents)	44.8	44.7
NTA/share (cents)*	42.1	41.9
Net gearing	0.02	0.03

* Excludes goodwill on consolidation

Financial margins were comparable year-on-year



Balance Sheet Highlights

\$m as at	31-Dec-08	31-Mar-08
Total Assets	1,472.6	1,437.6
Property, Plant & Equipment	1,056.9	1,032.8
Trade & Other Receivables	53.9	60.7
Cash & Fixed Deposits	238.3	232.5
Total Borrowings (ST & LT)	250.0	250.0
Current Liabilities (less ST borrowings)	280.5	229.9
Non-current Liabilities (less LT borrowings)	262.1	280.6
Shareholders' Equity	680.0	677.1

- CAPEX in YTD09: \$129.6m
- Increase in total assets due mainly to higher financial assets and PPE partially offset by lower trade and other receivables
- Increase in total liabilities due mainly to higher trade and other payables, partially offset by lower deferred grant



Cash Flow Statement

(\$m)	3Q09	3Q08	YTD09	YTD08
Cash flow from:				
Operating activities	64.6	45.7	104.9	76.4
Investing activities	(40.8)	(13.0)	(99.5)	(87.4)
Financing activities	0.0	0.1	0.3	1.7
Free cash flow	33.1	27.6	17.9	(8.7)
Net (decrease)/increase in cash & cash equivalents	23.8	32.8	5.7	(9.4)
Cash & cash equivalents at end period	238.3	160.3	238.3	160.3

- Lower net increase in cash and cash equivalents in 3Q09 due mainly to higher investing cash outflows, partly offset by higher cash inflow from operating activities



MRT

	3Q09	3Q08	% chg	YTD09	YTD08	% chg
Avg. Daily Ridership ('000)	1,410	1,301	8.4	1,404	1,268	10.8
Revenue (\$m)	119.7	109.7	9.1	358.1	324.6	10.3
EBIT (\$m)	35.1	33.0	6.3	107.1	98.6	8.6
EBIT margin (%)	29.3	30.1	(0.8)pts	29.9	30.4	(0.5) pts

- Higher operating profits for 3Q09 and YTD09 due mainly to higher ridership partially offset by increased electricity costs
- YTD09 operating profits also impacted by higher staff costs



LRT

	3Q09	3Q08	% chg	YTD09	YTD08	% chg
Avg. Daily Ridership ('000)	42.1	40.0	5.2	43.5	40.6	7.2
Revenue (\$m)	2.3	2.1	10.7	6.8	6.3	8.3
EBIT (\$m)	(0.1)	(0.0)	(154.1)	(0.0)	(0.3)	82.9

- Revenue and operating profit growth for 3Q09 and YTD09 due mainly to 5.2% and 7.2% increase in average daily ridership respectively



Bus

	3Q09	3Q08	% chg	YTD09	YTD08	% chg
Avg. Daily Ridership ('000)	769.6	737.5	4.4	786.7	748.8	5.1
Revenue (\$m)	51.3	48.2	6.3	155.7	145.1	7.3
EBIT (\$m)	(1.2)	0.0	n.m.	(5.3)	1.3	(495.9)

- 3Q09 and YTD09 revenue grew due mainly to average daily ridership growth of 4.4% and 5.1% respectively
- 3Q09 operating loss due mainly to increase in staff and repair and maintenance costs
- Operating loss in YTD09 due mainly to higher diesel cost



Taxi

	3Q09	3Q08	% chg	YTD09	YTD08	% chg
Holding fleet (as at end quarter)	2,934	3,002	(2.3)	2,934	3,002	(2.3)
Revenue (\$m)	17.4	19.4	(10.3)	54.7	56.3	(2.9)
EBIT (\$m)	(0.2)	0.5	(149.7)	(2.0)	0.4	(630.0)

- Lower average hired-out fleets for 3Q09 and YTD09 compared to previous periods
- Operating loss in 3Q09 and YTD09 due mainly to lower hired-out fleets



Rental of Retail Space

	3Q09	3Q08	% chg	YTD09	YTD08	% chg
Total Let. Space (sqm)	26,674	25,010	6.7	26,674	25,010	6.7
Avg. Occupancy Rate (%)	99.1	99.1	-	99.2	98.4	0.8
Revenue (\$m)	14.5	10.8	34.6	42.6	30.0	41.8
EBIT (\$m)	10.8	8.0	36.0	31.8	22.4	41.8
EBIT margin (%)	74.5	73.7	0.8 pts	74.8	74.8	-

- For 3Q09, increased rental space and yield led to 34.6% growth in revenue and 36% growth in operating profits
- Achieved total revenue for YYTD09 of \$42.6m, \$12.6m higher than YTD08
- Total of 28 stations refurbished as at 3Q09 as compared to 22 as at 3Q08



Advertising

	3Q09	3Q08	% chg	YTD09	YTD08	% chg
Revenue (\$m)	5.9	5.2	13.8	17.5	15.3	14.5
EBIT (\$m)	4.0	3.6	12.2	11.4	9.9	14.8
EBIT margin (%)	67.7	68.7	(1.0) pts	65.1	64.9	0.2 pts

- Increased advertising on buses, taxis, trains and stations led to slightly higher advertising revenue and operating profits for 3Q09
- Announced ten-year advertising contract to manage transit advertising, as part of consortium, for Dubai Metro



Engineering & Other Services

	3Q09	3Q08	% chg	YTD09	YTD08	% chg
Revenue (\$m)	7.9	6.7	17.9	26.6	16.0	66.4
EBIT (\$m)	1.1	0.4	150.8	4.0	2.4	68.8

- 3Q09 revenue increased by 17.9% and operating profit more than doubled due mainly to higher contribution from Palm Jumeirah Project in Dubai
- Higher revenue for YTD09 due mainly to Palm Jumeirah Project consultancy revenue and higher sale of diesel to hirers



Business Outlook

- **Revenue in 4QFY09 as compared to 4QFY08:**
 - Revenue for Train and Bus operations is expected to be higher due mainly to ridership growth
 - However, the rate of ridership growth will be lower than the first three quarters
 - Revenue from Rental and Advertising is expected to be higher



Business Outlook

- Operating costs expected to be higher in 4QFY09 as compared to 4QFY08 due mainly to:
 - Higher electricity and diesel costs
 - Higher staff and related cost with increased headcount in preparation for Circle Line Stage 3 and increased train runs
- Arising from the Budget announced on 22 January 2009
 - The Group is expected to derive cost savings from the measures announced by the Government
 - We will be working closely with the Public Transport Council to pass on the savings from the Budget to commuters by reducing train and bus fares. SMRT will also pass on to our taxi hirers the savings from various rebates to be given to us by the Government, to help them lower operating costs and tide through this difficult time



Business Outlook

- With the global economic slowdown, the operating environment is expected to be difficult for the next 12 months. The outlook for Taxi is expected to remain challenging. Bus operations is expected to sustain operating losses for FY2009
- Revenue service for CCL Stage 3 expected to commence by mid 2009
- As the conditions precedent set out in the Sale & Purchase Agreement relating to the acquisition of 49% of the equity interest in Shenzhen Zona Transportation Group Co. Ltd dated 30 September 2008 (“SPA”) have not been met, the SPA has ceased



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