



SMRT Corporation Ltd 4Q and FY2009 Financial Results

**Analysts and Media Briefing
24 April 2009**

Group Highlights FY09

Group revenue	\$879.0m	9.6%
Operating profit	\$188.7m	6.0%
Profit after tax	\$162.7m	8.5%
EVA	\$111.1m	7.6%
Basic EPS	10.7 cents	8.5%
Dividend per share (total)	7.75 cents	



Business Update



- FY09 MRT ridership increased 8.7% to 510.2m
- Won “Best Metro”, “Best Metro-Asia Pacific”, “Most Energy-efficient”
- Stage 3 of Circle Line to commence in May 09
- Fare reduction package for fare business amounts to \$37.3m



- Full year ridership growth of 3.9% to 288m
- Upgraded 280 buses and introduced 67 new buses
- To purchase another 66 buses in FY2010



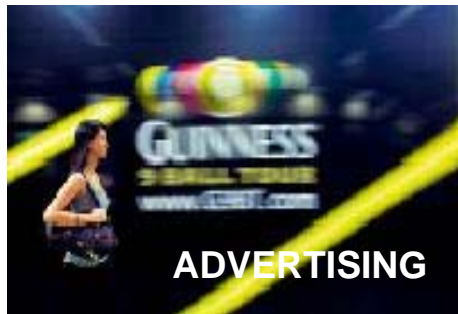
- FY09 operating loss due mainly to higher loss on disposal of taxis
- Better hired-out rate and operating performance expected in FY10



Business Update



- Achieved \$57.5m revenue in FY2009
- Total of 28 stations refurbished to-date
- 27,303 sqm total lettable space as at year end
- Expect marginal rental revenue increase in FY2010



- Won 10-year contract to manage transit advertising for Dubai Metro as part of consortium
- Operating environment expected to be challenging



- Awarded six-year O&M contract for Palm Jumeirah project in Dubai
- Continue to leverage on our core competencies and invest overseas



Financial Performance

(\$m)	FY09	FY08	% chg	Comments
Revenue	879.0	802.1	↑ 9.6	Higher ridership, rental and ad revenue, local and overseas projects
Other op. income	26.7	20.9	↑ 27.8	Income from local projects undertaken in the year
EBITDA	299.0	284.1	↑ 5.3	
EBIT	188.7	178.0	↑ 6.0	Higher revenue partially offset by higher opex
PAT	162.7	149.9	↑ 8.5	Higher due to higher EBIT and Budget measures
Basic EPS (cents)	10.7	9.9	↑ 8.5	

In FY09, higher PAT was achieved due mainly to higher operating profits and Government Budget measures



Operating Expenses Breakdown

(\$m)	FY09	FY08	% chg	Comments
Staff & related	277.4	263.5	↑ 5.3	Increased headcount, salary, CPF
Depreciation net Amort.	110.4	106.1	↑ 4.0	Higher capex
Repairs & maintenance	66.3	63.2	↑ 5.0	More R&M expenses
Energy	118.8	89.7	↑ 32.4	Higher prices and consumption
• Electricity	65.9	47.5	↑ 38.8	
• Diesel	52.9	42.2	↑ 25.3	
Other opex	144.1	122.5	↑ 17.6	Loss on taxis, op fees and diesel cost
Total opex	716.9	645.0	↑ 11.2	

In FY09, higher operating expenses was due to increased staff, energy and other operating costs



Key Financial Indicators

	FY09	FY08
EBITDA margin (%)	34.0	35.4
EBIT margin (%)	21.5	22.2
PAT margin (%)	18.5	18.7
Interest cover (times)	40.5	35.4
ROE (annualised %)	23.3	22.8
As at	31-Mar-09	31-Mar-08
NAV/share (cents)	47.6	44.7
NTA/share (cents)*	44.9	41.9
Net gearing	0.01	0.03

* Excludes goodwill on consolidation

Healthy financial performance despite rising operating costs



Balance Sheet Highlights

\$m as at	31-Mar-09	31-Mar-08	Comments
Total assets	1,501.5	1,437.6	
Property, plant & eqt	1,061.5	1,032.8	<i>Train mid-life upgrade and station refurbishments</i>
Trade & other receivables	71.5	60.7	
Cash & fixed deposits	245.6	232.5	
Total borrowings (ST & LT)	250.0	250.0	<i>\$150m to be repaid within a year</i>
Current liabilities (less ST borrowings)	266.3	229.9	<i>Higher trade and other payables</i>
Non-current liabilities (less LT borrowings)	263.1	280.6	
Shareholders' equity	722.1	677.1	



Cash Flow Statement

	FY09	FY08	Comments
Cash flow from:			
- Operating activities	163.4	148.0	<i>Higher cash from ops, partially offset by tax and div</i>
- Investing activities	(150.8)	(86.8)	<i>Higher PPE, notes and bonds</i>
- Financing activities	0.3	1.8	
Free cash flow	24.8	51.5	
Net (decrease)/increase in cash & cash equivalents	12.8	63.0	<i>Lower due to higher investing CF, tax and div</i>
Cash & cash equivalents at end period	245.6	232.5	

- Lower net increase in cash and cash equivalents in FY09 due mainly to higher investing cash outflows and higher payments of income taxes and dividend



Fare Businesses (MRT / LRT / BUS)

	MRT			LRT			BUS		
	FY09	FY08	% chg	FY09	FY08	% chg	FY09	FY08	% chg
Avg. Daily Ridership ('000)	1,398	1,282	↑ 9.0	43.7	41.4	↑ 5.7	789.0	757.7	↑ 4.1
Average Fare (cents)	93.0	93.1	↓ 0.2	57.6	56.6	↑ 1.8	69.5	68.8	↑ 1.1
Revenue (\$m)	474.3	436.9	↑ 8.6	9.2	8.6	↑ 7.1	207.2	195.9	↑ 5.8
EBIT (\$m)	133.8	129.3	↑ 3.5	(0.2)	(0.4)	↑ 44.4	(4.5)	1.5	n.m

- Increase in MRT profits due mainly to higher average daily ridership partially offset by higher staff and electricity cost
- Lower LRT operating loss due mainly to increase in average daily ridership
- Bus operating loss in FY09 due mainly to higher diesel cost



Rental and Advertising

	Rental			Advertising		
	FY09	FY08	% chg	FY09	FY08	% chg
Revenue (\$m)	57.5	42.0	37.0	22.5	19.8	13.8
EBIT (\$m)	43.1	30.9	39.2	14.4	13.1	10.0

- 27,303 sqm total lettable space as at end FY09 vs 27,862 sqm as at end FY08
- 39.2% increase in FY09 rental operating profits due to increased space and higher yields
- Advertising operating profits gained 10% due to increased advertising



Engineering and Other Services and Taxi

	Engineering & Other Services			Taxi		
	FY09	FY08	% chg	FY09	FY08	% chg
Revenue (\$m)	36.5	23.5	54.9	71.7	75.4	4.9
EBIT (\$m)	6.5	1.3	n.m	(6.3)	0.6	n.m

- Higher profit contribution to Engineering and Other Services due mainly to increased consultancy revenue and higher project management fees from the Palm Jumeirah Project in Dubai
- Taxi operating loss in FY09 due mainly to higher loss on disposal of taxis



Business Outlook

- **Revenue in 1QFY10 as compared to 1QFY09:**
 - Fare revenue for Train and Bus is expected to be lower due mainly to reduction in rail and bus fares
 - Revenue from Rental is expected to be higher due mainly to increased space following the redevelopment of various MRT stations
 - Advertising revenue is expected to be lower



Business Outlook

- Operating costs expected to be higher in 1QFY10 as compared to 1QFY09 due mainly to:
 - More R&M costs
 - Higher staff and related cost due to increased headcount with the commencement of Circle Line Stage 3, increased train runs and recruitment of bus service leaders
- Outlook for Taxi is expected to remain challenging for next 12 months. However, its operating performance is expected to be better in 1QFY10



THANK YOU

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