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SPEECH[1] ON FOURTH QUARTER AND FY2009 FINANCIAL RESULTS ENDED 31 MARCH 2009 BY SAW PHAIK HWA, PRESIDENT AND CHIEF EXECUTIVE OFFICER, AND LIM CHENG CHENG, EXECUTIVE VICE PRESIDENT & CHIEF FINANCIAL OFFICER, ON 24 APRIL 2009, 5.45 PM

Good evening, ladies and gentlemen, members of the media, analysts and investors, and online participants who are listening in via our webcast.

Welcome to the results presentation for our fourth quarter and full financial year 2009.

GROUP HIGHLIGHTS [SLIDE 2]

For the full financial year 2009, the Group achieved net profit of 162.7 million dollars, an increase of 8.5 per cent as compared to the previous year.

The increase in net profit was on the back of higher revenue, other operating income, operating profits and Government Budget measures, partially offset by increased operating expenses. Our

[1] Speech is based on results presentation which was sent via SGXNet along with the media release and financial statements after 5:00pm on 24 April 2009. These are available online at www.smrt.com.sg. All figures are in Singapore dollars.

Group revenue rose 9.6 per cent or 76.8 million dollars to 879 million dollars mainly driven by increased train and bus ridership, growth from rental and advertising revenue, increased consultancy revenue and higher project management fees from the Palm Jumeirah Project in Dubai while operating profit gained 6 per cent to 188.7 million dollars, as compared to a year ago.

The Group also achieved an Economic Value Added of 111.1 million dollars in the financial year 2009, 7.6 per cent higher than last year.

I am pleased to announce our Board of Directors has declared a final dividend of 6 cents per share tax-exempt one-tier if approved at the Tenth Annual General Meeting. This will bring the total dividend for financial year 2009 to 7.75 cents per share or 117.5 million dollars. The dividend payout represents 72.2 per cent of financial year 2009 net profit, higher than the minimum 60 per cent payout as outlined in our dividend policy.

BUSINESS UPDATE [SLIDE 3]

In financial year 2009, we enjoyed a strong MRT total ridership growth of 8.7 per cent buoyed by the Government's drive to encourage public transport usage.

In addition, in recognition of SMRT's operational, environmental and customer service excellence, SMRT has been named the world's leading metro. SMRT clinched the "Best Metro", "Best Metro (Asia

Pacific)" and "Most Energy Efficient" awards at the second Metro Awards 2009, given out at the fifth annual MetroRail conference in London earlier in the month. This is the second time SMRT has won international rail awards.

In the financial year 2010, we will witness another milestone for SMRT - the opening of Circle Line stage 3 in May 2009. Since 4 March 2009, the Kim Chuan depot, together with 14 trains, was handed over to SMRT. We also recruited about 200 staff to run the Circle Line in financial year 2009. In financial year 2010, we will begin recruitment in preparation for the other stages of Circle Line.

We have earlier announced the reduction in fares for train, LRT and bus, effective from 1 April 2009, which together with the increase in transfer rebate and other payouts, would amount to 37.3 million dollars for 15 months. This amount would exceed the savings we receive from the Government Budget.

On Buses, total ridership grew 3.9 per cent to 288 million in the financial year 2009. During the year, we have upgraded 280 buses and a new fleet of 67 Euro V buses were put on revenue service. For financial year 2010, another 66 buses will be progressively introduced.

For financial year 2009, taxi rental business posted a loss of 6.3 million dollars due mainly to a higher loss from the disposal of taxis.

Both the average hired-out rate and operating performance are expected to be better in financial year 2010.

BUSINESS UPDATE [SLIDE 4]

In financial year 2009, we achieve rental revenue of 57.5 million dollars, an increase of 15.6 million dollars, exceeding the revenue target shared last year. Since 2005, 28 stations have been refurbished and a total of 27,303 sqm lettable space has been leased out. In financial year 2010, we will refurbish five more stations, which will be progressively completed within the year. We expect marginal increase in rental revenue for financial year 2010.

On advertising, we have leveraged on our advertising expertise to expand to the Middle East via a tie-up with two other Dubai based partners to manage the advertising spaces for Dubai Metro for ten years. Although the operating environment is expected to be challenging in the coming year, our creative team will continue to attract more customers with creative and exciting platforms within our network.

In February 2009, we announced the signing of a six-year contract to operate and maintain the Palm Jumeirah Monorail in Dubai. The estimated annual revenue from this project is 50 million Dirham, approximately 20 million Singapore dollars.

We will continue to leverage on our core competencies and invest overseas in passenger road transportation.

I will now hand over to Cheng Cheng who will take you through our financial performance and also present the business outlook.

P & L HIGHLIGHTS [SLIDE 5]

Thank you, Phaik Hwa. Good evening, ladies and gentlemen. I will now share with you further details on the full financial year 2009.

As Phaik Hwa mentioned, we have achieved a good set of results for financial year 2009. Besides the P&L financial highlights shared by Phaik Hwa, other operating income increased by 5.8 million dollars attributable mainly to income from local projects undertaken in the year.

Basic earnings per share in the year was 10.7 cents, up 8.5 per cent as compared to a year ago.

OPERATING EXPENSES [SLIDE 6]

Operating expenses totalled 716.9 million dollars in the financial year 2009, amounting to 11.2 per cent or 72 million dollars higher than financial year 2008. For the breakdown in operating expenses, staff and related costs were up by 13.9 million dollars due mainly to increased headcount, salary adjustments and higher employer’s CPF contribution partially offset by jobs credit. SMRT's headcount stood at 6,228 as at 31 March 2009 as compared to 5,555 as at 31 March 2008. The increase in headcount was due mainly to preparations for Circle Line Stage 3, increased train runs and increase in the number of bus service leaders.

Energy costs increased by 29.1 million dollars or 32.4 per cent to 118.8 million dollars due mainly to higher energy prices and electricity consumption.

Of the 118.8 million dollars, electricity costs accounted for 65.9 million dollars, 38.8 per cent or 18.4 million dollars higher than the same period last year. Diesel costs was 52.9 million dollars, 25.3 per cent or 10.7 million dollars higher as compared to last year.

Other operating expenses were higher by 21.6 million dollars or 17.6 per cent due mainly to higher cost of diesel sold, higher loss on disposal of taxis and higher operating fees associated with higher fare revenue.

FINANCIAL INDICATORS [SLIDE 7]

The financial indicators for the financial year 2009 were comparable as compared to the previous year.

BALANCE SHEET HIGHLIGHTS [SLIDE 8]

The total CAPEX incurred in financial year 2009 was 190.4 million dollars, higher than financial year 2008 due mainly to train mid-life upgrade and purchase of buses and taxis. The mid-life upgrade of 66 trains was completed as of end December 2008.

Total assets increased 63.9 million dollars due mainly to higher property, plant and equipment, other investments, trade and other receivables and cash and cash equivalents.

Total liabilities increased by 18.9 million dollars due mainly to higher trade and other payables for the mid-life upgrade of trains, partially offset by lower deferred grant and current tax payable.

CASH FLOW STATEMENT [SLIDE 9]

Comparing the financial year 2009 to financial year 2008, there was a higher net cash inflow from operating activities of 163.4 million dollars as compared to a net cash inflow of 148 million dollars. This was due mainly to higher cash generated from operations, partially offset by higher payments of income taxes and dividend.

Net cash outflow from investing activities of 150.8 million dollars was higher due mainly to higher payments for property, plant and equipment, the purchase of promissory notes and fixed rate bonds.

As a result, the net increase in cash and cash equivalents was lower than the year before.

Let us proceed to the segmental performance for financial year 2009 as compared to financial year 2008.

FARE BUSINESSES [SLIDE 10]

Revenue from MRT Operations grew 8.6 per cent or 37.4 million dollars to 474.3 million dollars driven by growth in average daily ridership. MRT recorded operating profits of 133.8 million dollars, partially offset by higher staff and electricity costs.

LRT operations posted a lower operating loss at 0.2 million dollars on account of higher average daily ridership growth.

Bus revenue improved 5.8 per cent to 207.2 million dollars led by higher average daily ridership growth. However, an operating loss of 4.5 million dollars was posted due mainly to an increase in diesel costs.

RENTAL AND ADVERTISING [SLIDE 11]

Rental revenue rose 37 per cent to 57.5 million dollars as a result of better yield and increased space. Rental operating profits grew 39.2 per cent to 43.1 million dollars.

Advertising revenue increased 13.8 per cent to 22.5 million dollars as a result of increased advertising on buses, taxis, trains and at MRT stations. This led to operating profits of 14.4 million dollars, 10 per cent higher than the same period last year.

ENGINEERING & OTHER SERVICES AND TAXI [SLIDE 12]

Operating profits for Engineering and Other Services improved five-fold to 6.5 million dollars due mainly to increased consultancy revenue and higher project management fees from the Palm Jumeirah Project in Dubai.

An operating loss for Taxis of 6.3 million dollars was posted due mainly to a higher loss on the disposal of taxis.

I will next present the business outlook comparing the first quarter of financial year 2010 to the same period last year.

BUSINESS OUTLOOK [SLIDE 13]

Revenue from Train and Bus operations is expected to be lower due to the fare reduction package comprising of fare reduction effective from 1 April 2009 for the next 15 months and increased transfer rebates.

Revenue from Rental is expected to be higher contributed mainly by increased lettable space following the redevelopment of various MRT stations. However, revenue from Advertising is expected to be lower.

BUSINESS OUTLOOK [SLIDE 14]

Group operating expenses are expected to be higher due mainly to more repair and maintenance and higher staff and related costs. Headcount is expected to be higher with the commencement of Circle Line Stage 3 in May 2009, increased train runs and recruitment of bus service leaders.

The outlook for Taxi for the next 12 months is expected to remain challenging. However, its operating performance is expected to be better in the first quarter of financial year 2010 as its performance in the fourth quarter of financial year 2009 was impacted by higher loss on the disposal of taxis.

This marks the end of my briefing. I would like to invite Phaik Hwa now to the Q&A panel.