

SMRT CORPORATION LTD

(Company Registration No: 200001855H)

Results for the Fourth Quarter and Year Ended 31 March 2009

The Directors of SMRT Corporation Ltd wish to announce the unaudited results of the Group for the fourth quarter ended 31 March 2009 ("4Q FY2009") and for the audited results for the full year ended 31 March 2009 ("FY2009").

1(a)(i) CONSOLIDATED INCOME STATEMENTS

	The Group					
	Jan - Mar 2009	Jan - Mar 2008	Increase/ (Decrease)	Apr 2008 - Mar 2009	Apr 2007 - Mar 2008	Increase/ (Decrease)
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue	216,946	208,480	4.1	878,951	802,124	9.6
Other operating income	8,095	9,109	(11.1)	26,668	20,869	27.8
	<u>225,041</u>	<u>217,589</u>	3.4	<u>905,619</u>	<u>822,993</u>	10.0
Staff and related costs	(70,872)	(73,064)	(3.0)	(277,384)	(263,461)	5.3
Depreciation of property, plant and equipment	(31,375)	(32,036)	(2.1)	(128,957)	(127,366)	1.2
Amortisation of asset-related grant	4,035	5,006	(19.4)	18,597	21,289	(12.6)
Repairs and maintenance costs	(19,008)	(18,077)	5.2	(66,291)	(63,161)	5.0
Electricity and diesel costs	(29,636)	(23,227)	27.6	(118,783)	(89,704)	32.4
Other operating expenses	(40,799)	(37,436)	9.0	(144,121)	(122,547)	17.6
	<u>(187,655)</u>	<u>(178,834)</u>	4.9	<u>(716,939)</u>	<u>(644,950)</u>	11.2
Profit from operations	37,386	38,755	(3.5)	188,680	178,043	6.0
Finance costs	(1,826)	(1,931)	(5.4)	(7,376)	(8,028)	(8.1)
Interest and investment income	420	807	(48.0)	4,144	5,805	(28.6)
Share of results of an associate (net of tax)	169	195	(13.3)	331	342	(3.2)
	<u>36,149</u>	<u>37,826</u>	(4.4)	<u>185,779</u>	<u>176,162</u>	5.5
Profit before income tax	36,149	37,826	(4.4)	185,779	176,162	5.5
Income tax expense	2,511	(3,654)	(168.7)	(23,048)	(26,223)	(12.1)
	<u>38,660</u>	<u>34,172</u>	13.1	<u>162,731</u>	<u>149,939</u>	8.5
Profit for the period attributable to equity holders of SMRT	<u>38,660</u>	<u>34,172</u>	13.1	<u>162,731</u>	<u>149,939</u>	8.5

	The Group					
	Jan - Mar 2009	Jan - Mar 2008	Increase/ (Decrease)	Apr 2008 - Mar 2009	Apr 2007 - Mar 2008	Increase/ (Decrease)
			%			%
EBITDA (\$'000)	64,726	65,785	(1.6)	299,040	284,120	5.3
EBITDA margin	29.8%	31.6%	(1.8)	34.0%	35.4%	(1.4)
EBIT margin	17.2%	18.6%	(1.4)	21.5%	22.2%	(0.7)
PAT margin	17.8%	16.4%	1.4	18.5%	18.7%	(0.2)
Interest coverage (x)	35.4	34.1	4.0	40.5	35.4	14.6
Earnings Per Share (EPS) (cents)						
- basic	2.5	2.3	13.1	10.7	9.9	8.5
- diluted	2.5	2.2	13.1	10.7	9.9	8.5
Economic Value Added (EVA) (\$'000)	20,627	19,974	3.3	111,140	103,308	7.6
Return On Equity (ROE) (annualised)				23.3%	22.8%	0.5

1(a)(ii) Included in the determination of net profit are the following items:-

	The Group			
	Jan - Mar 2009	Jan - Mar 2008	Apr 2008 - Mar 2009	Apr 2007 - Mar 2008
	\$'000	\$'000	\$'000	\$'000
<i>After Charging / (Crediting) :-</i>				
- Impairment loss/(Reversal of impairment loss) for trade receivables	43	43	181	(416)
- Allowance for obsolete inventories	435	609	2,254	1,964
- Impairment loss on other investments	70	-	70	-
- Inventory written off	2	26	36	71
- Foreign exchange (gain)/loss	(1,462)	(37)	(2,217)	(235)
- Loss/(Gain) on disposal of property, plant and equipment	4,431	(63)	6,089	478
- Gain on disposal of other investments	-	-	(888)	(13)
- Property, plant and equipment written off	142	536	208	1,380
- Under/(over)provision of current tax in respect of prior years	(865)	(2,475)	(865)	(2,445)
- Under/(over)provision of deferred tax in respect of prior years	2,891	(5)	2,746	13
- Effect of reduction in tax rate to prior year deferred tax	(7,412)	-	(7,412)	-

1(b) EARNINGS PER ORDINARY SHARE

	The Group					
	Jan - Mar 2009	Jan - Mar 2008	Increase/ (Decrease)	Apr 2008 - Mar 2009	Apr 2007 - Mar 2008	Increase/ (Decrease)
			%			%
<i>Earnings per ordinary share (cents)*:-</i>						
(a) Basic	2.5	2.3	13.1	10.7	9.9	8.5
- Weighted average number of shares for basic EPS ('000)	1,516,182	1,515,129		1,515,739	1,514,672	
(b) Fully Diluted	2.5	2.2	13.1	10.7	9.9	8.5
- Weighted average number of shares for diluted EPS ('000)	1,519,755	1,519,111		1,518,970	1,518,107	

* To the nearest 0.1 cent

1(c)(i) BALANCE SHEETS

Notes	The Group		The Company	
	As at	As at	As at	As at
	31 Mar 2009	31 Mar 2008	31 Mar 2009	31 Mar 2008
	\$'000	\$'000	\$'000	\$'000
Non-current assets				
Property, plant and equipment	1,061,540	1,032,789	6,118	6,473
Intangible asset	41,932	41,932	-	-
Investments in subsidiaries	-	-	329,891	329,891
Interest in an associate	1,437	1,106	-	-
Other investments	4,231	6,388	-	-
	<u>1,109,140</u>	<u>1,082,215</u>	<u>336,009</u>	<u>336,364</u>
Current assets				
Inventories	30,917	31,872	-	-
Trade and other receivables	71,548	60,717	362,446	261,003
Other investments	33,276	15,000	23,192	15,000
Tax recoverable	10,977	15,253	10,578	11,049
Fixed deposits with banks and financial institutions	224,419	216,051	9,000	20,000
Cash at banks and in hand	21,180	16,493	3,608	4,038
	<u>392,317</u>	<u>355,386</u>	<u>408,824</u>	<u>311,090</u>
Total assets	(a) <u>1,501,457</u>	<u>1,437,601</u>	<u>744,833</u>	<u>647,454</u>
Equity attributable to equity holders of SMRT				
Share capital	161,774	160,812	161,774	160,812
Reserves	2,764	4,070	2,149	1,564
Accumulated profits	557,540	512,259	215,418	131,592
	<u>722,078</u>	<u>677,141</u>	<u>379,341</u>	<u>293,968</u>
Non-current liabilities				
Interest-bearing borrowings	100,000	250,000	100,000	250,000
Provisions	3,557	3,215	35	35
Deferred tax liabilities	132,304	131,470	873	889
Fuel equalisation account	19,112	19,112	-	-
Deferred grant	108,141	126,760	-	-
	<u>363,114</u>	<u>530,557</u>	<u>100,908</u>	<u>250,924</u>
Current liabilities				
Interest-bearing borrowings	(b) 150,000	-	150,000	-
Trade and other payables	222,548	171,371	114,379	102,390
Provisions	21,488	18,167	205	172
Current tax payable	22,229	40,365	-	-
	<u>416,265</u>	<u>229,903</u>	<u>264,584</u>	<u>102,562</u>
Total liabilities	(c) <u>779,379</u>	<u>760,460</u>	<u>365,492</u>	<u>353,486</u>
Total equity and liabilities	<u>1,501,457</u>	<u>1,437,601</u>	<u>744,833</u>	<u>647,454</u>

Notes to Balance Sheets:

- (a) Total assets increased by \$63.9 million (4.4%) due mainly to higher property, plant and equipment of \$28.8 million, higher other investments of \$16.1 million, higher trade and other receivables of \$10.8 million and higher cash and cash equivalents of \$13.1 million.

The increase in property, plant and equipment was due mainly to the mid-life upgrade of trains and the redevelopment of commercial spaces.

Other investments classified as current as at 31 March 2009 relate to promissory notes of \$23.2 million and fixed rate bonds of \$10.1 million. The \$15.0 million variable rate notes as at 31 March 2008 were redeemed by the issuer during 2Q FY2009.

- (b) Interest-bearing borrowings of \$100.0 million and \$50.0 million as at 31 March 2009 are required to be repaid in December 2009 and January 2010 respectively.
- (c) Total liabilities increased by \$18.9 million (2.5%) due mainly to higher trade and other payables of \$51.2 million as a result of higher payables for the midlife upgrade of trains, partially offset by lower deferred grant of \$18.6 million and current tax payable of \$18.1 million.

1(c)(ii) **GROUP'S BORROWINGS**

Amounts repayable in one year or less, or on demand

	As at 31 March 2009 \$'000	As at 31 March 2008 \$'000
Unsecured quoted SGD fixed rate notes - at 3.30% per annum due December 2009	100,000	-
Unsecured quoted SGD floating rate notes due January 2010	50,000	-

Amounts repayable after one year

	As at 31 March 2009 \$'000	As at 31 March 2008 \$'000
Unsecured quoted SGD fixed rate notes - at 3.30% per annum due December 2009	-	100,000
Unsecured quoted SGD floating rate notes due January 2010	-	50,000
Unsecured quoted SGD fixed rate notes - at 3.27% per annum due December 2011	100,000	100,000

Details of any collaterals

Not applicable.

Net Gearing

	The Group	
	As at	As at
Note	31 Mar 2009	31 Mar 2008
Net gearing	(a) 0.01	0.03

- (a) Borrowings net of cash and cash equivalents decreased by \$13.1 million (74.8%) due mainly to higher cash and cash equivalents. As a result, net gearing has decreased from 0.03 as at 31 March 2008 to 0.01 as at 31 March 2009.

1(c)(iii). NET ASSET VALUE AND NET TANGIBLE ASSET PER ORDINARY SHARE

	The Group		The Company	
	As at	As at	As at	As at
	<u>31 Mar 2009</u>	<u>31 Mar 2008</u>	<u>31 Mar 2009</u>	<u>31 Mar 2008</u>
Net asset value per ordinary share (cents)	47.6	44.7	25.0	19.4
Net tangible asset per ordinary share ¹ (cents)	44.9	41.9	25.0	19.4
Number of shares at end of period (excluding treasury shares) ² ('000)	<u>1,516,195</u>	<u>1,515,158</u>	<u>1,516,195</u>	<u>1,515,158</u>

¹ Net tangible asset = net assets less goodwill on consolidation.

² Treasury shares - nil.

1(d) CONSOLIDATED CASH FLOW STATEMENTS

	The Group			
	Jan - Mar	Jan - Mar	Apr 2008 -	Apr 2007 -
	2009	2008	Mar 2009	Mar 2008
	\$'000	\$'000	\$'000	\$'000
Notes				
Operating activities				
Profit before income tax	36,149	37,826	185,779	176,162
Adjustments for items not involving outlay of funds:				
Amortisation of asset-related grant	(4,035)	(5,006)	(18,597)	(21,289)
Changes in fair value of financial derivative	1,800	-	3,140	-
Unrealised exchange gain	(1,583)	-	(2,715)	-
Depreciation of property, plant and equipment	31,375	32,036	128,957	127,366
Dividend income	-	-	(362)	(1,498)
Grant released upon disposal/write-off of property, plant and equipment	(7)	(25)	(22)	(87)
Impairment loss on other investments	70	-	70	-
Interest expense	1,826	1,931	7,376	8,028
Interest income	(420)	(807)	(2,894)	(4,294)
(Gain)/loss on disposal of:				
- property, plant and equipment	4,431	(63)	6,089	478
- other investments	-	-	(888)	(13)
Property, plant and equipment written off	142	536	208	1,380
Provisions made during the period	3,893	3,413	12,288	11,692
Share-based payment expenses	411	373	1,238	890
Share of results of an associate	(169)	(195)	(331)	(342)
	<u>73,883</u>	<u>70,019</u>	<u>319,336</u>	<u>298,473</u>
Changes in working capital:				
Inventories	1,048	1,577	955	2,768
Trade and other receivables	4,975	(10,201)	16,358	(10,765)
Amounts due to/from an associate	(817)	342	(2,055)	(3,875)
Trade, other payables and provisions	(10,741)	14,231	(10,268)	337
Cash generated from operations	<u>68,348</u>	<u>75,968</u>	<u>324,326</u>	<u>286,938</u>
Income taxes paid (net)	(9,506)	(3,606)	(36,074)	(17,175)
Dividends paid	-	-	(117,450)	(113,606)
Interest paid	(410)	(724)	(7,441)	(8,137)
Cash flows from operating activities	<u>(a) 58,432</u>	<u>71,638</u>	<u>163,361</u>	<u>148,020</u>

1(d) CONSOLIDATED CASH FLOW STATEMENTS (cont')

	The Group			
	Jan - Mar	Jan - Mar	Apr 2008 -	Apr 2007 -
	2009	2008	Mar 2009	Mar 2008
	\$'000	\$'000	\$'000	\$'000
Notes				
Investing activities				
Dividends received	-	-	362	1,498
Interest received	231	1,085	2,240	4,889
Purchase of property, plant and equipment	(51,772)	(11,603)	(139,458)	(97,070)
Purchase of other investments	-	-	(30,751)	(11,724)
Proceeds from disposal of:				
- property, plant and equipment	268	118	898	552
- other investments	-	11,000	15,888	15,013
Cash flows from investing activities	(b) (51,273)	600	(150,821)	(86,842)
Financing activities				
Proceeds from issue of shares under share option plan	18	77	309	1,783
Cash flows from financing activities	18	77	309	1,783
Net increase in cash and cash equivalents	(c) 7,177	72,315	12,849	62,961
Cash and cash equivalents at beginning of period	238,314	160,250	232,544	169,629
Effect of exchange rate fluctuations on cash held	108	(21)	206	(46)
Cash and cash equivalents at end of the period	<u>245,599</u>	<u>232,544</u>	<u>245,599</u>	<u>232,544</u>
<u>Cash and cash equivalents at end of the period comprise:</u>				
Fixed deposits with banks and financial institutions	224,419	216,051	224,419	216,051
Cash at banks and in hand	21,180	16,493	21,180	16,493
	<u>245,599</u>	<u>232,544</u>	<u>245,599</u>	<u>232,544</u>

Notes to Consolidated Cash Flow Statements:

- (a) Net cash inflow from operating activities for 4Q FY2009 was lower at \$58.4 million compared to \$71.6 million in 4Q FY2008 due mainly to lower cash generated from operations and higher payment of income taxes. There was a net cash inflow from operating activities of \$163.4 million for FY2009 compared to a net cash inflow of \$148.0 million for FY2008 due mainly to higher cash generated from operations partially offset by higher payments of income taxes and dividend.
- (b) Net cash outflow from investing activities in 4Q FY2009 was higher by \$51.9 million compared to 4Q FY2008 due mainly to higher payments for property, plant and equipment. There was also a higher net cash outflow of \$150.8 million for FY2009 as compared to \$86.8 million for FY2008 due mainly to higher payments for property, plant and equipment, the purchase of \$20.5 million promissory notes and fixed rate bonds of \$10.2 million. These were partially offset by the receipt of proceeds from the redemption of \$15.0 million variable rate notes by the issuer.
- (c) Net increase in cash and cash equivalents for 4Q FY2009 and FY2009 were lower than corresponding previous periods due mainly to higher investing cash outflows and higher payments of income taxes and dividend.

1(e)(i) STATEMENTS OF CHANGES IN EQUITY

The Group

	Share Capital \$'000	Foreign currency Translation Reserve \$'000	Fair Value Reserve \$'000	Share-based Payments Reserve \$'000	Accumulated Profits \$'000	Total Attributable Equity Holders of SMRT \$'000
At 1 April 2007	158,824	-	4,540	879	475,926	640,169
Net fair value changes on available-for-sale financial assets	-	-	(1,988)	-	-	(1,988)
Translation differences relating to financial statements of foreign subsidiary	-	(46)	-	-	-	(46)
Net gain/(loss) recognised directly in equity	-	(46)	(1,988)	-	-	(2,034)
Profit for the year	-	-	-	-	149,939	149,939
Total recognised income and expense for the year	-	(46)	(1,988)	-	149,939	147,905
Issue of shares under SMRT ESOP	1,783	-	-	-	-	1,783
Issue of performance shares	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	(46)	2,552	1,564	512,259	677,141

1(e)(i) STATEMENTS OF CHANGES IN EQUITY

The Group (cont'd)

	Share Capital	Foreign currency Translation Reserve	Fair Value Reserve	Hedge Reserve	Share-based Payments Reserve	Accumulated Profits	Total Attributable to Equity Holders of SMRT
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 April 2008	160,812	(46)	2,552	-	1,564	512,259	677,141
Net fair value changes on available-for-sale financial assets	-	-	(2,087)	-	-	-	(2,087)
Effective portion of changes in fair value of cash flow hedge, net of tax	-	-	-	(5,993)	-	-	(5,993)
Net change in fair value of cash flow hedge transferred to the income statement, net of tax	-	-	-	5,993	-	-	5,993
Translation differences relating to financial statements of foreign subsidiary	-	196	-	-	-	-	196
Net gain/(loss) recognised directly in equity	-	196	(2,087)	-	-	-	(1,891)
Profit for the year	-	-	-	-	-	162,731	162,731
Total recognised income and expense for the year	-	196	(2,087)	-	-	162,731	160,840
Issue of shares under SMRT ESOP	309	-	-	-	-	-	309
Issue of performance shares	653	-	-	-	(653)	-	-
Value of employee services received for share-based payment	-	-	-	-	1,238	-	1,238
Final dividend paid of 6.00 cents per share in respect of year 2008	-	-	-	-	-	(90,928)	(90,928)
Interim dividend paid of 1.75 cents per share in respect of year 2009	-	-	-	-	-	(26,522)	(26,522)
At 31 March 2009	161,774	150	465	-	2,149	557,540	722,078

1(e)(i) STATEMENTS OF CHANGES IN EQUITY (cont')

The Company

	Share Capital \$'000	Share-based Payments Reserve \$'000	Accumulated Profits \$'000	Total Equity \$'000
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 performance shares	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

	Share Capital \$'000	Share-based Payments Reserve \$'000	Accumulated Profits \$'000	Total Equity \$'000
At 1 April 2008	160,812	1,564	131,592	293,968
Profit for the year	-	-	201,276	201,276
Total recognised income and expense for the year	-	-	201,276	201,276
Issue of shares under SMRT ESOP	309	-	-	309
Issue of performance shares	653	(653)	-	-
Value of employee services received for share-based payment	-	1,238	-	1,238
Final dividend paid of 6.00 cents per share in respect of year 2008	-	-	(90,928)	(90,928)
Interim dividend paid of 1.75 cents per share in respect of year 2009	-	-	(26,522)	(26,522)
At 31 March 2009	161,774	2,149	215,418	379,341

- 1(e)(ii)** The total number of issued shares of the Company as at 31 March 2009 and 31 March 2008 were 1,516,195,346 and 1,515,158,046 respectively.

The Company did not hold any treasury shares in 4Q FY2009 and as at 31 March 2009 (31 March 2008: Nil).

In 4Q FY2009, the Company issued and allotted 25,000 ordinary shares following the exercise of 25,000 share options under the SMRT Corporation Employee Share Option Plan (“SMRT ESOP”).

In FY2009, the Company issued and allotted 436,300 ordinary shares following the exercise of 436,300 share options under the SMRT Corporation Employee Share Option Plan (“SMRT ESOP”) and the release of 159,600 shares awarded under the SMRT Corporation Performance Share Plan (“SMRT PSP”) and 441,400 shares awarded under the SMRT Corporation Restricted Share Plan (“SMRT RSP”).

As at 31 March 2009, the number of outstanding share options under the SMRT ESOP was 2,468,450 (31 March 2008: 2,971,050). Details of the options granted under the SMRT ESOP on the un-issued ordinary shares of the Company are as follows:-

Date of grant of options	Exercise price per share	Options outstanding at 1/4/2008	Options exercised	Options cancelled	Options outstanding at 31/3/2009	Number of option holders at 31/3/2009	Exercise period
16/7/2001	\$0.816	1,382,000	162,000	27,000	1,193,000	538	16/7/2002 to 15/7/2011
22/7/2002	\$0.676	749,600	114,600	20,300	614,700	561	22/7/2003 to 21/7/2012
22/7/2003	\$0.623	839,450	159,700	19,000	660,750	545	22/7/2004 to 21/7/2013
	Total	2,971,050	436,300	66,300	2,468,450		

As at 31 March 2009, the number of outstanding conditional shares awarded under the SMRT RSP and SMRT PSP was 2,665,700 (31 March 2008: 2,260,700).

2. AUDIT

The figures for the quarters ended 31 March 2008 and 31 March 2009 have not been audited by our external auditors. The figures for the year ended 31 March 2009 have been audited by our auditors, KPMG LLP, in accordance with Singapore Standards on Auditing. Please refer to the Auditors’ Report below.

3. ACCOUNTING POLICIES

The Group has applied the same accounting policies and methods of computation in the financial statements for FY2009 compared with the audited financial statements as at 31 March 2008.

4. REVIEW OF 4Q FY2009 AND FY2009 PERFORMANCE AGAINST PREVIOUS CORRESPONDING PERIODS

Revenue improved by \$8.5 million (4.1%) in 4Q FY2009 and \$76.8 million (9.6%) in FY2009 compared to the previous corresponding periods due mainly to higher train and bus ridership, higher rental and advertising revenue, increased consultancy revenue and higher project management fees from the Palm Jumeirah Project in Dubai. In addition, revenue from diesel sold to taxi hirers was higher in FY2009.

Operating profits in 4Q FY2009 decreased by \$1.4 million (3.5%) compared to 4Q FY2008 due mainly to lower other operating income and higher operating cost partially offset by higher revenue. Operating profits increased by \$10.6 million (6.0%) in FY2009 due mainly to higher revenue and other operating income partially offset by higher operating cost.

Net profit was higher by \$4.5 million (13.1%) in 4Q FY2009 compared to 4Q FY2008 due mainly to Government Budget measures as announced in the Budget Speech 2009. Compared to FY2008, net profit for FY2009 improved by \$12.8 million (8.5%) on account of higher operating profits and Government Budget measures.

4.1 Revenue

	The Group					
	Jan - Mar 2009	Jan - Mar 2008	Increase/ (Decrease)	Apr 2008 - Mar 2009	Apr 2007 - Mar 2008	Increase/ (Decrease)
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue from:-						
- Train operations	116,154	112,296	3.4	474,250	436,856	8.6
- LRT operations	2,349	2,268	3.6	9,198	8,590	7.1
- Bus operations	51,576	50,794	1.5	207,229	195,923	5.8
- Taxi operations	17,032	19,099	(10.8)	71,738	75,427	(4.9)
- Rental	14,978	11,979	25.0	57,534	41,984	37.0
- Advertising	5,009	4,496	11.4	22,541	19,807	13.8
- Engineering and Other Services	9,848	7,548	30.5	36,461	23,537	54.9
Total revenue	216,946	208,480	4.1	878,951	802,124	9.6

Revenue from Train and Bus operations increased by \$4.6 million (2.8%) in 4Q FY2009 and \$48.7 million (7.7%) in FY2009 due mainly to the growth in average daily ridership.

Taxi rental revenue declined by \$2.1 million (10.8%) in 4Q FY2009 and \$3.7 million (4.9%) in FY2009 compared to the previous corresponding periods due to a lower average hired-out fleet.

Rental revenue from commercial spaces increased by \$3.0 million (25.0%) in 4Q FY2009 and \$15.6 million (37.0%) in FY2009 as a result of better yield and increased space following the redevelopment of commercial spaces at various MRT stations.

Advertising revenue increased by \$0.5 million (11.4%) in 4Q FY2009 and \$2.7 million (13.8%) in FY2009. The higher advertising revenue compared to the previous corresponding periods resulted from increased advertising on buses, taxis, trains and at MRT stations.

Revenue from Engineering and Other Services increased by \$2.3 million (30.5%) in 4Q FY2009 due mainly to increased consultancy revenue and higher project management fees from the Palm Jumeirah Project in Dubai. The increase of \$12.9 million (54.9%) in FY2009 was due mainly to

higher sale of diesel, increased consultancy revenue and project management fees from the Palm Jumeirah Project in Dubai.

4.2 Other operating income

Other operating income for 4Q FY2009, FY2009 and previous corresponding periods relates mainly to income from local projects undertaken in the year. Other operating income declined by \$1.0 million (11.1%) in 4Q FY2009. However there was an increase of \$5.8 million (27.8%) in FY2009.

4.3 Expenses

Staff and related costs were \$2.2 million (3.0%) lower in 4Q FY2009 due mainly to the impact of jobs credit. The increase of \$13.9 million (5.3%) in FY2009 was due mainly to increased headcount, salary adjustments and higher employer's CPF contribution partially offset by jobs credit. The higher headcount is mainly attributed to preparations for Circle Line Stage 3, increased train runs and increase in the number of bus service leaders.

Depreciation of property, plant and equipment net of amortisation of asset-related grant was higher by \$0.3 million (1.1%) in 4Q FY2009 as a result of lower credit from amortisation of asset-related grant. Depreciation of property, plant and equipment net of amortisation of asset-related grant increased by \$4.3 million (4.0%) in FY2009 due mainly to increased capitalisation following the midlife upgrade of trains and the redevelopment of commercial spaces.

Repairs and maintenance costs increased by \$0.9 million (5.2%) in 4Q FY2009 due mainly to higher maintenance expenses for Bus operations. Compared to FY2008, repair and maintenance costs are higher by \$3.1 million (5.0%) in FY2009 as a result of more repairs and maintenance for Train and Bus operations.

Electricity and diesel costs increased by \$6.4 million (27.6%) in 4Q FY2009 and \$29.1 million (32.4%) in FY2009. Electricity cost was \$19.3 million and \$65.9 million in 4Q FY2009 and FY2009, respectively, compared to \$11.3 million and \$47.5 million in 4Q FY2008 and FY2008, respectively. The increase in electricity cost was due mainly to higher electricity prices and higher consumption. Diesel cost was \$10.3 million and \$52.9 million in 4Q FY2009 and FY2009 respectively, compared to \$11.9 million and \$42.2 million in 4Q FY2008 and FY2008, respectively. The decrease in diesel cost of \$1.6 million in 4Q FY2009 was due mainly to lower diesel prices. The higher diesel cost in FY2009 was due mainly to higher diesel prices compared to the corresponding period last year.

Other operating expenses increased by \$3.4 million (9.0%) in 4Q FY2009 as a result of higher loss on disposal of property, plant and equipment. Other operating expenses for FY2009 was \$21.6 million (17.6%) higher due mainly to higher cost of diesel sold, higher loss on disposal of taxis and higher operating fees associated with higher fare revenue.

A segmental breakdown by business is provided under paragraph 10.

4.4 Finance costs

The lower finance costs for 4Q FY2009 and FY2009 were attributable to lower interest costs on borrowings.

4.5 Interest and investment income

Interest and investment income for 4Q FY2009 and FY2009 was lower compared to previous corresponding periods due mainly to lower interest rates for fixed deposits.

5. **BREAKDOWN OF REVENUE AND NET PROFIT**

	The Group		
	Apr 2008 - Mar 2009	Apr 2007 - Mar 2008	Increase/ (Decrease)
	\$'000	\$'000	%
Revenue reported for first half year	442,966	391,495	13.1
Profit after taxation reported for first half year	82,870	77,476	7.0
Revenue reported for second half year	435,985	410,629	6.2
Profit after taxation reported for second half year	79,861	72,463	10.2

Revenue reported for the first and second half year improved largely on account of higher ridership for Train and Bus operations, increase in lettable space, better rental yields, improved advertising revenue, increased consultancy revenue and higher project management fees from the Palm Jumeirah Project in Dubai.

Profit after tax reported for first half year was higher due mainly to higher profits from operations.

Profit after tax reported for second half year was higher due mainly to higher profits from operations and Government Budget measures as announced in the Budget Speech 2009.

6. **REVIEW OF PROSPECTS STATEMENT**

The results for 4Q FY2009 are consistent with the prospects statement issued during the announcement of the 3Q FY2009 results.

7. **SUBSEQUENT EVENTS**

In the opinion of the Directors, no item, transaction or event of a material and unusual nature has arisen since 1 April 2009 to the date of this announcement which is likely to affect materially the results of the Group for 4Q FY2009 and FY2009.

8. **PROSPECTS**

Revenue from Train and Bus operations is expected to be lower in 1Q FY2010 as compared to 1Q FY2009 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 in 1Q FY2010 as compared to 1Q FY2009. The higher revenue is expected to be contributed mainly by increased lettable space following the redevelopment of various stations. However revenue from Advertising is expected to be lower in 1Q FY2010 as compared to 1Q FY2009.

Group operating expenses for 1Q FY2010 are expected to be higher compared to 1Q FY2009 due mainly to more repair and maintenance and higher staff and related costs as 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 1Q FY2010 as its performance in 4Q FY2009 was impacted by higher loss on disposal of taxis.

9. DIVIDENDS

(a) Current Financial Period (FY 2009) Reported On

Name of dividend	Interim	Proposed Final
Dividend type	Cash	Cash
Dividend amount per share (in cents)	1.75 cents per ordinary share	6.00 cents per ordinary share
Tax rate	Tax exempt one-tier	Tax exempt one-tier

(b) Previous Corresponding Period (FY 2008) Reported

Name of dividend	Interim	Final
Dividend type	Cash	Cash
Dividend amount per share (in cents)	1.75 cents per ordinary share	6.00 cents per ordinary share
Tax rate	Tax exempt one-tier	Tax exempt one-tier

(c) Total Annual Dividend

	Year ended 31 March 2009 \$'000	Year ended 31 March 2008 \$'000
Interim Dividend	26,522	26,512
Final Dividend	90,972	90,928
Total Annual Dividend	117,494	117,440

(d) Date Payable

The Board of Directors has proposed a final ordinary dividend of 6.00 cents per share (tax exempt one-tier), totalling \$91.0 million. The final dividend, if approved at the Tenth Annual General Meeting, will be paid on 12 August 2009 to members on the Register as at 29 July 2009. In respect of shares in securities accounts with The Central Depository (Pte) Limited ("CDP"), the final dividend will be paid by the Company to CDP which will, in turn, distribute the entitlements to the final dividend to CDP account holders in accordance with its normal practice.

(e) Books Closure Date

Notice is hereby given that the Transfer Books and the Register of Members of the Company will be closed from 30 July 2009 to 31 July 2009 (both dates inclusive) for the preparation of dividend warrants.

Duly completed transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 3 Church Street #08-01, Samsung Hub, Singapore 049483 up to 5.00p.m. on 29 July 2009 will be registered to determine shareholders' entitlement to the final dividend.

10. SEGMENT INFORMATION

	-----Rail-----		Bus Operations \$'000	Taxi Operations \$'000	Rental \$'000	Advertising \$'000	Engineering and other services \$'000	Investment holding \$'000	Elimination \$'000	Total \$'000
	MRT \$'000	LRT \$'000								
Revenue and expenses										
4Q FY2009										
Revenue										
- external customers	116,154	2,349	51,576	17,032	14,978	5,009	9,848	-	-	216,946
- inter-segment	-	-	156	26	1	-	12,403	9,048	(21,634)	-
Operating expenses	(74,483)	(2,521)	(46,678)	(15,473)	(2,335)	(1,782)	(19,688)	(10,894)	21,634	(152,220)
Depreciation, impairment and amortisation	(14,980)	(6)	(4,254)	(5,876)	(1,396)	(214)	(132)	(482)	-	(27,340)
Operating profit/(loss)	<u>26,691</u>	<u>(178)</u>	<u>800</u>	<u>(4,291)</u>	<u>11,248</u>	<u>3,013</u>	<u>2,431</u>	<u>(2,328)</u>	<u>-</u>	<u>37,386</u>
Finance costs										(1,826)
Interest and investment income										420
Share of results of an associate										169
Income tax expense										2,511
Profit for the period attributable to equity holders of SMRT										<u>38,660</u>
4Q FY2008										
Revenue										
- external customers	112,296	2,268	50,794	19,099	11,979	4,496	7,548	-	-	208,480
- inter-segment	-	-	77	1	-	278	11,678	71,913	(83,947)	-
Operating expenses	(66,457)	(2,402)	(46,589)	(12,891)	(2,417)	(1,455)	(20,150)	(10,167)	19,833	(142,695)
Depreciation, impairment and amortisation	(15,220)	(7)	(4,118)	(5,957)	(1,059)	(142)	(141)	(386)	-	(27,030)
Operating profit/(loss)	<u>30,619</u>	<u>(141)</u>	<u>164</u>	<u>252</u>	<u>8,503</u>	<u>3,177</u>	<u>(1,065)</u>	<u>61,360</u>	<u>(64,114)</u>	<u>38,755</u>
Finance costs										(1,931)
Interest and investment income										807
Share of results of an associate										195
Income tax expense										(3,654)
Profit for the period attributable to equity holders of SMRT										<u>34,172</u>

10. **SEGMENT INFORMATION (cont'd)**

	-----Rail-----		Bus	Taxi	Rental	Advertising	Engineering and other	Investment	Elimination	Total
	MRT	LRT	Operations	Operations	\$'000	\$'000	services	holding	\$'000	\$'000
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue and expenses										
FY2009										
Revenue										
- external customers	474,250	9,198	207,229	71,738	57,534	22,541	36,461	-	-	878,951
- inter-segment	-	-	395	44	1	-	48,991	239,671	(289,102)	-
Operating expenses	(277,844)	(9,395)	(196,270)	(54,309)	(9,312)	(7,363)	(78,463)	(36,557)	89,602	(579,911)
Depreciation, impairment and amortisation	(62,574)	(25)	(15,871)	(23,762)	(5,164)	(759)	(539)	(1,666)	-	(110,360)
Operating profit/(loss)	133,832	(222)	(4,517)	(6,289)	43,059	14,419	6,450	201,448	(199,500)	188,680
Finance costs										(7,376)
Interest and investment income										4,144
Share of results of an associate										331
Income tax expense										(23,048)
Profit for the period attributable to equity holders of SMRT										162,731
FY2008										
Revenue										
- external customers	436,856	8,590	195,923	75,427	41,984	19,807	23,537	-	-	802,124
- inter-segment	-	-	361	7	-	278	47,038	162,263	(209,947)	-
Operating expenses	(246,261)	(8,930)	(178,581)	(51,874)	(8,059)	(6,457)	(68,699)	(32,368)	83,225	(518,004)
Depreciation, impairment and amortisation	(61,339)	(59)	(16,196)	(22,931)	(2,993)	(516)	(560)	(1,483)	-	(106,077)
Operating profit/(loss)	129,256	(399)	1,507	629	30,932	13,112	1,316	128,412	(126,722)	178,043
Finance costs										(8,028)
Interest and investment income										5,805
Share of results of an associate										342
Income tax expense										(26,223)
Profit for the period attributable to equity holders of SMRT										149,939

11. INTERESTED PERSON TRANSACTIONS

The aggregate value of interested person transactions entered into during the following periods are as follows:-

Name of Interested Person	Aggregate value of all interested person transactions entered into under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)		Aggregate value of all interested person transactions entered into during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	
	4Q FY2009	FY2009	4Q FY2009	FY2009
	\$ '000	\$ '000	\$ '000	\$ '000
<u>Sale of Goods and Services</u>				
National University Hospital (Singapore) Pte Ltd	-	180	-	-
Planet Telecoms (S) Pte Ltd (1)	-	824	-	-
Singapore Telecommunications Limited (2)	-	1,656	-	-
Singapore Technologies Kinetics Pte Ltd (3)	-	-	787	787
<u>Purchases of Goods and Services</u>				
SembWaste Pte Ltd (4)	175	582	-	-
SembCorp Power Pte Ltd (4)	-	72,093	-	-
Singapore Computer Systems Ltd (2)	360	1,741	-	-
NCS Pte Ltd (2)	-	411	-	-
Singapore Technologies Kinetics Pte Ltd (3)	6,139	6,139	-	-
Singapore Technologies Electronics Ltd (3)	308	308	-	-
Nexwave Solutions Pte Ltd (1)	-	109	-	-
Power Automation Pte Ltd	-	254	-	-
Certis CISCO Security Pte Ltd	-	-	5,423	5,423
Total	6,982	84,297	6,210	6,210

(1) Part of Singapore Technologies Telemedia Group

(2) Part of Singapore Telecommunications Group

(3) Part of Singapore Technologies Engineering Group

(4) Part of SembCorp Industries Group

BY ORDER OF THE BOARD

Ms S. Prema
Company Secretary
SMRT Corporation Ltd

24 April 2009