

SMRT CORPORATION LTD
(Company Registration No: 200001855H)

**CONTRACT BETWEEN SMRT ENGINEERING (MIDDLE EAST) FZE AND
NAKHEEL PJSC FOR OPERATION OF PALM MONORAIL, DUBAI**

SMRT Corporation Ltd wishes to announce that Nakheel PJSC ("Nakheel") has today exercised its contractual right of early termination and issued a notice of termination to SMRT Engineering (Middle East) FZE ("SMRTE FZE"), a wholly-owned subsidiary of SMRT Corporation Ltd, to terminate the contract for the operation and maintenance of Palm Monorail development in Dubai (the "Contract"). The termination will take effect on 5 August 2010.

Nakheel has stated in the notice that the termination is in line with the ongoing restructuring of its business.

The termination of this Contract is not expected to have any material impact on the consolidated net tangible assets per share and earnings per share of SMRT Corporation Ltd for the current financial year.

Submitted by S. Prema, Company Secretary, on 08/07/2010 to the SGX