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**GROWING A  
SUSTAINABLE  
LEGACY**



SMRT CORPORATION LTD SUMMARY REPORT 2012

## **Mission**

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To be the customer's choice by providing a safe, reliable and friendly travel experience that is enhanced through convenient and innovative services

## **Vision**

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**MOVING PEOPLE,  
ENHANCING LIVES**

## **Core Values**

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Excellence, Respect, Responsibility and Recognition, Commitment to the public, shareholders and employees



## **Corporate Profile**

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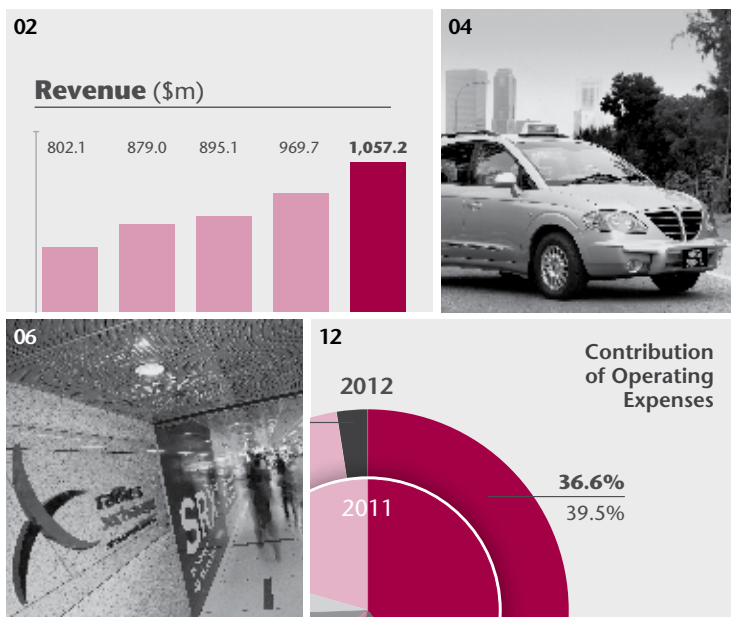
SMRT Corporation Ltd (SMRT) is a leading multi-modal public transport operator. In Singapore, SMRT offers a comprehensive suite of rail, bus and taxi services that are designed to interconnect seamlessly to make Singapore's public transport system one of the best in the world.

SMRT has interests in operations and maintenance services, engineering consultancy and project management, as well as the marketing and leasing of commercial and media spaces within our transport network.

We have established a strong reputation as a reliable, progressive organisation, distinguished by our sound corporate governance, commitment to sustainable development and corporate social responsibility.

SMRT was established in 1987 and was listed on the Singapore Exchange in July 2000. As of 31 March 2012, we had a market capitalisation of approximately \$2.64 billion. We have an annual turnover of \$1,057.2 million and a net profit after tax of \$119.9 million.

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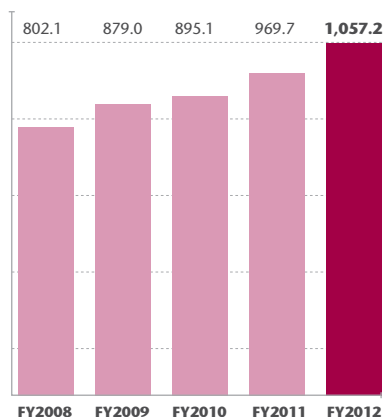
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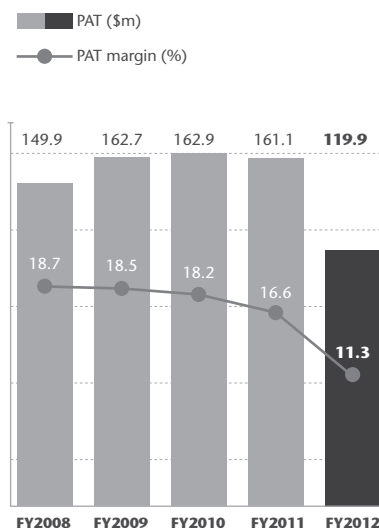
# Group Financial Highlights

## FY2012 Financial Performance

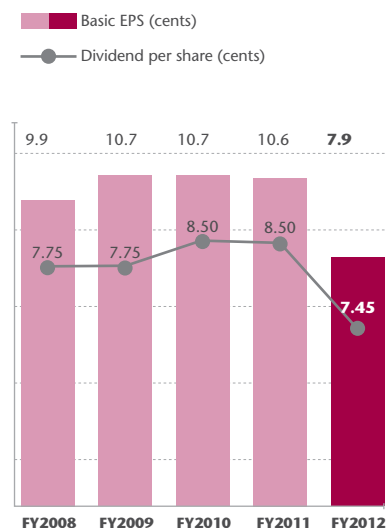
### Revenue (\$m)



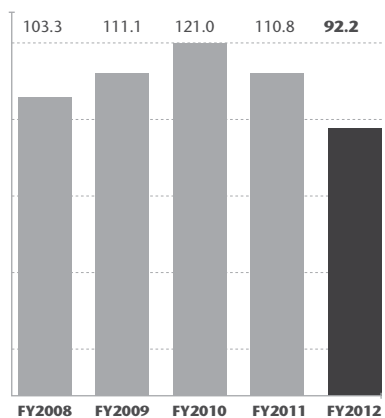
### Profit After Tax (\$m)



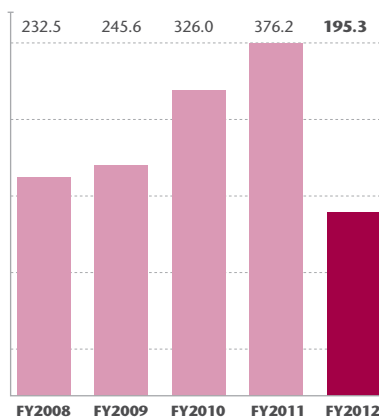
### Gross Dividend Per Share (cents)



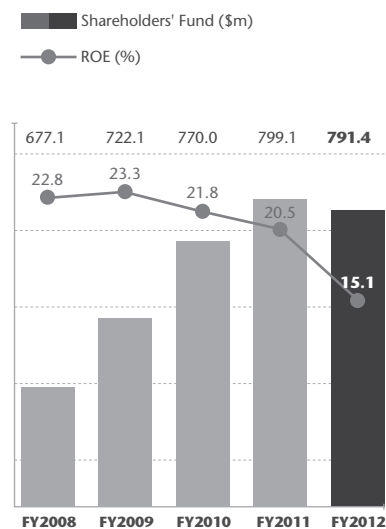
### EVA (\$m)



### Cash and Cash Equivalents (\$m)



### Return on Equity (%)



## For The Year

\$m	FY2008	FY2009	FY2010	FY2011	FY2012
Revenue	802.1	879.0	895.1	969.7	<b>1,057.2</b>
Other operating income	20.9	26.7	43.2	20.2	<b>22.0</b>
Profit					
EBITDA <sup>1</sup>	284.1	299.0	320.9	314.9	<b>300.0</b>
Operating profit	178.0	188.7	197.2	195.6	<b>148.7</b>
Before tax	176.2	185.8	191.7	191.7	<b>146.9</b>
Profit after tax (PAT)	149.9	162.7	162.9	161.1	<b>119.9</b>
Capital expenditure (CAPEX) <sup>2</sup>	118.3	190.4	114.8	100.8	<b>496.1</b>
Operating cash flow	261.6	280.8	326.6	283.3	<b>282.1</b>
Free cash flow <sup>3</sup>	165.1	142.3	239.7	176.5	<b>47.8</b>
Economic value added (EVA)	103.3	111.1	121.0	110.8	<b>92.2</b>
Financial ratios					
EBIT margin (%)	22.2	21.5	22.0	20.2	<b>14.1</b>
PAT margin (%)	18.7	18.5	18.2	16.6	<b>11.3</b>
Interest cover (times)	35.4	40.5	40.6	44.2	<b>48.6</b>

## At Year-End

\$m	FY2008	FY2009	FY2010	FY2011	FY2012
Cash and cash equivalents	232.5	245.6	326.0	376.2	<b>195.3</b>
Total assets	1,437.6	1,501.5	1,583.2	1,606.6	<b>1,755.9</b>
Short-term and long-term borrowings (total borrowings)	250.0	250.0	250.0	250.0	<b>150.0</b>
Shareholders' funds	677.1	722.1	770.0	799.1	<b>791.4</b>
Net gearing (times) <sup>4</sup>	0.03	0.01	Net Cash	Net Cash	<b>Net Cash</b>

## Per Share

cents	FY2008	FY2009	FY2010	FY2011	FY2012
Basic earnings per share (EPS)	9.9	10.7	10.7	10.6	<b>7.9</b>
Net asset value per share (NAV)	44.7	47.6	50.7	52.6	<b>52.1</b>
Net tangible asset per share (NTA) <sup>5</sup>	41.9	44.9	48.4	50.3	<b>51.2</b>

## Shareholders' Return

	FY2008	FY2009	FY2010	FY2011	FY2012
Gross dividend (cents)	7.75	7.75	8.50	8.50	<b>7.45</b>
Share price at end of year (\$)	1.820	1.530	2.040	1.890	<b>1.735</b>
Average share price (\$)	1.764	1.735	1.747	2.081	<b>1.814</b>
Dividend yield (%) <sup>6</sup>	4.4	4.5	4.9	4.1	<b>4.1</b>
Total shareholder return (%) <sup>7</sup>	26.6	(11.5)	38.2	(3.3)	<b>(4.1)</b>
Return on total assets (%) <sup>8</sup>	10.6	11.1	10.6	10.1	<b>7.1</b>
Return on equity (%) <sup>9</sup>	22.8	23.3	21.8	20.5	<b>15.1</b>

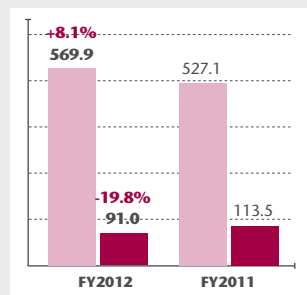
### Notes:

- Earnings before interest, tax, depreciation and amortisation. Excludes impairment of goodwill
- Capital expenditure refers to the total cost incurred during the year to acquire assets that are expected to be used for more than one year
- Free cash flow = cash flow from operating activities – purchase of property, plant and equipment + proceeds from disposal of property, plant and equipment
- Net gearing = (total borrowings – cash and cash equivalents) / shareholders' funds
- Net tangible asset per share excludes intangible asset
- Dividend yield = total gross dividend / average share price in the year
- Total shareholder return = capital gain % (based on end-of-year share prices) + dividend yield
- Return on total assets = PAT / average of total assets as at end FY2011 and FY2012
- Return on equity = PAT / average of equity as at end FY2011 and FY2012

# At a Glance

## Trains

Full-year ridership grew 8.3% to 654.4 million in FY2012



### FACTS

- Operating and maintaining Singapore's first Mass Rapid Transit (MRT) system since 1987
- Network comprises North-South Line, East-West line and Circle Line with a total route length of 128.6 km

### HIGHLIGHTS IN FY2012

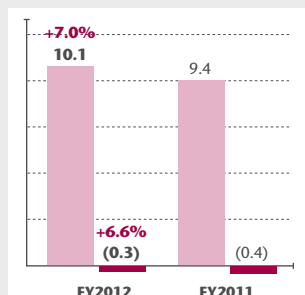
- The new platform at Jurong East station was put into use. This allowed additional trains to be deployed on the North-South and East-West lines to increase capacity
- Circle Line Stage 4 and 5 and Extension commenced operations. The full opening of the Circle Line provided passengers with more travel options

### STRATEGIC DIRECTION & OUTLOOK FOR FY2013

- Revenue is expected to grow with contribution from the full operation of Circle Line and higher MRT ridership
- Greater focus on service reliability and customer experience
- More investments towards acquisition of operating assets and assets renewal which may have an impact on the business

## LRT

Continued to engage neighbourhoods and communities it serves



### FACTS

- Singapore's first fully-automated Light Rapid Transit (LRT) system commenced operations in 1999
- Network comprises 7.8km of elevated guideways linking 14 stations in Bukit Panjang

### HIGHLIGHTS IN FY2012

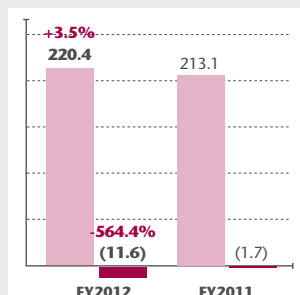
- Full year LRT ridership increased 6.7% to 18.9 million from 17.7 million in FY2011

### STRATEGIC DIRECTION & OUTLOOK FOR FY2013

- Revenue is expected to grow with higher ridership
- To improve system reliability and reduce the number of delays

## Buses

Fleet expansion and renewal to more than 1,050 buses to meet growing demand



Revenue (\$m) EBIT (\$m)

### FACTS

- Provides 94 bus services connecting the Western and North-Western areas to the rest of Singapore
- Operates premium and chartered bus services

### HIGHLIGHTS IN FY2012

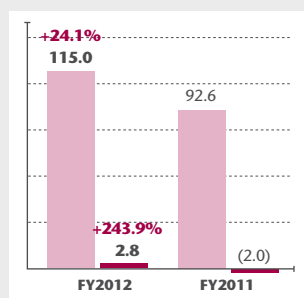
- Fleet expansion and renewal with the addition of 200 MAN A22 buses and 40 Mercedes-Benz Citaro O530
- Focused on meeting increasingly stringent Quality of Service standards

### STRATEGIC DIRECTION & OUTLOOK FOR FY2013

- Energy costs is expected to remain high, and staff and related costs to increase, with insufficient offset from fare adjustments
- Exploring vehicles using alternative energy such as electric buses which are more environmentally friendly and energy efficient
- Support the implementation of Bus Services Enhancement Programme (BSEP) in 2012

## Taxis

Taxi business continued to expand and renew its fleet to cater to increasing demand for taxis



### FACTS

- A leading taxi operator in Singapore with more than 20 years of experience
- Manages and lease a fleet of more than 3,000 taxis, including sedans, limousines, MPVs and CNG vehicles

### HIGHLIGHTS IN FY2012

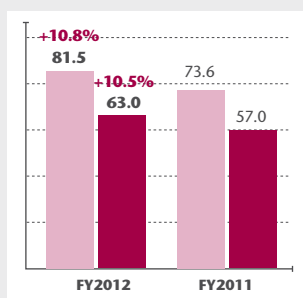
- Taxi business turned profitable on higher rental revenue from larger average hired out fleet
- Newly introduced fleet of Chevrolet Epica taxis was well received by customers and drivers

### STRATEGIC DIRECTION & OUTLOOK FOR FY2013

- Renew fleet with more Chevrolet Epica taxis to enhance passengers' travel experience
- Tap on technology to improve operational efficiencies and effectiveness
- Higher COE prices may impact rate of growth

## Rental

Refurbished 43 MRT stations, bringing convenience to commuters, on top of revenue and space growth



### FACTS

- Leases approximately 34,400 sqm of commercial space within train network
- Average occupancy rate in FY2012 remains high at 98%

### HIGHLIGHTS IN FY2012

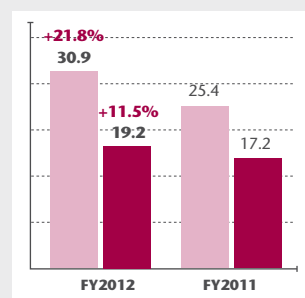
- Orchard Xchange was officially launched in June 2011. More than 2,000 sqm of retail space was refurbished
- 23 shops along CCL 4 & 5 stations were launched in October 2011, adding more than 850 sqm of retail space

### STRATEGIC DIRECTION & OUTLOOK FOR FY2013

- Expect rental revenue growth with increased rental space
- Refurbishment of Woodlands station and development of Marina Bay and Bayfront stations
- Enhance our retail spaces to offer more lifestyle conveniences, services and facilities

## Advertising

Married out-of-home platforms with new media and mobile technology to generate more innovative, interactive and effective advertising campaigns



### FACTS

- Provides a one-stop media solution for advertisers by offering a variety of media platforms to create impactful advertising campaigns

### HIGHLIGHTS IN FY2012

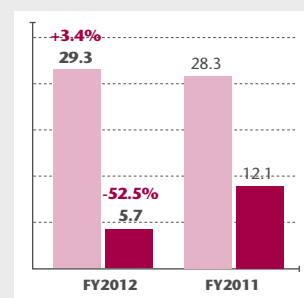
- Launched two new digital infrastructures – Projection Screen @ Orchard and Digital Screen @ Raffles that enable advertisers to create impressive campaigns
- Introduced iMobSMRT, a digital lifestyle space powered by mobile technology where commuters can enjoy great deals, shop and pay on-the-go
- Introduced Shop&Pay On-The-Go in stations providing commuters with instant shopping experience and immediate returns to advertisers

### STRATEGIC DIRECTION & OUTLOOK FOR FY2013

- Continue to leverage latest technology to introduce more digital out-of-home elements into our system
- Introduce new media formats and ideas to enhance advertisers' return on investments

## Engineering & Other Services

Continue to pursue international opportunities



### FACTS

- Provides rail and road transport-related engineering consultancy, project management, operations and maintenance (O&M) services both locally and overseas
- Provides repair and maintenance services for SMRT buses and taxis as well as to external local clients
- Leases fibre-optic cables

### HIGHLIGHTS IN FY2012

- Increased revenue from external fleet maintenance
- Completed O&M project management advisory work for Shinbundang Line in Seoul, South Korea
- Contract renewal for the operations of automated Personal Rapid Transit (PRT) vehicles in Masdar City, Abu Dhabi
- Received local engineering projects from LTA and other customers, such as the renewal of maintenance contract for Sentosa monorail

### STRATEGIC DIRECTION & OUTLOOK FOR FY2013

- Pursuit of opportunities relating to O&M franchises, consultancy and training, focusing on the Middle East and Asia Pacific markets



**Koh Yong Guan**

CHAIRMAN  
SMRT Corporation Ltd



# Chairman's Message

## Revenue:

**+ 9.0%**

in group revenue attributed to higher demand for public transport and contributions from non-fare businesses

## Operating Profit:

**\$148.7m**

## Dividend:

**7.45 cents**  
per share

## Leveraging Our Core Business

The disruptions in our train service on 15 and 17 December last year were of an unprecedented scale and posed tremendous challenges for the company and our staff, many of whom had to make huge personal sacrifices. We thank and commend them.

In the five months since, we have had to face other challenges. While we await the findings of the Committee of Inquiry, our resolve to learn from the incidents, and to work harder to continue to deliver a reliable service and to regain the confidence of the public, remains unabated.

We will continue to centre our core business on the running of a safe and reliable Mass Rapid Transit (MRT) system, in line with our vision, "Moving People, Enhancing Lives". We will continue to build upon the strong engineering and operational capabilities, and the rigorous and comprehensive maintenance regimes that were developed over the last 25 years to deliver on our commitment. We will spare no efforts in this commitment going forward, and will work closely with the Land Transport Authority to address the challenges arising from the ageing infrastructure, rising ridership and increasing cost.

This strength in our core business and the public confidence and trust in us will give us the competitive edge to further grow our train business in Singapore as more lines are added to our network. The regulatory environment will evolve, but this should not fundamentally affect the nature and prospects of our core business. We will leverage this strength to seek further growth in areas connected to our core business, such as retail and advertising in train stations, and accretive growth in overseas markets.

## Registering a Creditable Performance

SMRT posted positive results for FY2012, crossing the billion dollar revenue mark. We recorded a 9.0% increase in group revenue from the previous year, to \$1.06 billion. This increase in revenue was attributed to higher MRT and bus ridership, contribution from the Circle Line, higher taxi rental income, an increase in external fleet maintenance revenue and higher rental and advertising revenue.

However, group operating profit dropped 24.0% to \$148.7 million over the same period, due mainly to higher operating expenses and impairment of goodwill on bus operations. Net profit decreased correspondingly by 25.6% to \$119.9 million.

Revenue from rail operations increased by 8.1% to \$580.0 million due mainly to higher ridership. However, higher staff, energy and other costs eroded operating profit, resulting in a decline of 19.9% to \$90.7 million.

Bus operations saw a 3.5% rise in revenue to \$220.4 million, thanks to higher ridership. However, a significant operating loss of \$11.6 million was recorded due to higher diesel costs and staff expenses.

# Chairman's Message

Revenue from taxi operations increased by 24.1% to \$115.0 million. This increase was attributed to higher rental revenue from a larger average hired out fleet. Our taxi operations turned around from an operating loss in the previous year to an operating profit of \$2.8 million in FY2012.

Rental revenue increased by 10.8% to \$81.5 million, mainly due to increased lettable areas from the redevelopment of commercial spaces at various MRT stations. Advertising revenue followed the same trend, rising by 21.8% to \$30.9 million.

## Delivering Sustainable Returns

The Board has proposed a final ordinary dividend of 5.70 cents per share subject to shareholders' approval at the 13th Annual General Meeting on 12 July 2012. If approved, the dividend will be paid on 3 August 2012. Together with the interim dividend of 1.75 cents, this will bring total dividend for FY2012 to 7.45 cents per share, totaling \$113.3 million.

## Managing Risks

In order to protect and create value for our shareholders, greater emphasis has been placed on managing risks in the organisation.

Based on recommendations from the independent high level review conducted by PricewaterhouseCoopers in FY2011, SMRT adopted a consistent and systematic risk management framework that is aligned to best international practices. Business units and the Risk Management Committee, comprising senior management, meet regularly to review the top risks and robustness of our mitigation plans.

In addition, an 'early warning system' in the form of key risk indicators has been put in place to provide management with useful and timely insights on key risk areas like safety and security.

## Reconstitution of SMRT Subsidiaries

In the past, the board composition of SMRT Trains, SMRT Road Holdings and SMRT Buses (together referred to as "SMRT Subsidiaries") was similar to that of SMRT Corporation's board composition. In FY2012, we re-constituted the board composition of SMRT Trains Ltd, SMRT Road Holdings Ltd and SMRT Buses Ltd to include external experts and management staff. This will allow us to pay closer attention to the technical aspects of our core business areas.

For continuity, a number of SMRT Corporation Directors will continue to serve as Directors in the re-constituted board of the SMRT Subsidiaries. The SMRT Corporation Board will retain its oversight responsibility and supervisory role over the SMRT Subsidiaries Board.

The new board of SMRT Trains Ltd comprises Koh Yong Guan, as Chairman of the Board, and the Directors of the Board are Tan Ek Kia, Ong Ye Kung, Low Tien Sio, and Khoo Hean Siang. Peter Tan Boon Heng is Chairman of the Board of SMRT Road Holdings Ltd and SMRT Buses Ltd. The Directors of these boards are Tan Ek Kia, Teo Chew Hoon, and Kang Huey Ling.

**"Rental revenue increased by 10.8% to \$81.5 million, mainly due to increased lettable areas from the redevelopment of commercial spaces at various MRT stations. Advertising revenue followed the same trend, rising by 21.8% to S\$30.9 million."**

## **Moving Forward**

FY2013 will be a challenging year given the increasing demands on Singapore's public transport system and ageing infrastructure.

Expected increase in MRT and bus ridership, additional advertising platforms in the form of new spaces and digital initiatives, and more lettable space will boost Group revenue in the new financial year. However, higher repairs and maintenance, energy, and staff and related costs will impact the profitability of the Group.

As infrastructural expenditures on public transportation are a key focus in several developing economies, we will concentrate on growth both locally and overseas, and to tap into emerging markets and offer our expertise. Market structural developments in developed economies will also present opportunities. Our focal markets will continue to be in the Asia Pacific and Middle East and only where we can see accretive growth opportunities

I would like to assure you that we are aligned with your interests as shareholders. Growing and protecting shareholder value is key in any of our decisions. The fundamentals of the company have not changed and we look forward to your continued support as we build our businesses to achieve sustainable growth while fulfilling our responsibility as a public transport operator.

In January 2012, Saw Phaik Hwa stepped down as the Executive Director and Chief Executive Officer of SMRT after having served nine years with the company and leading SMRT through considerable growth. We thank Ms Saw for her leadership and wish her well.

I would also like to thank the Board, the management and the staff of SMRT for their continued dedication and support. It is only with their commitment that we can overcome the challenges that we might face in the future, and be ready to seize new opportunities for SMRT.

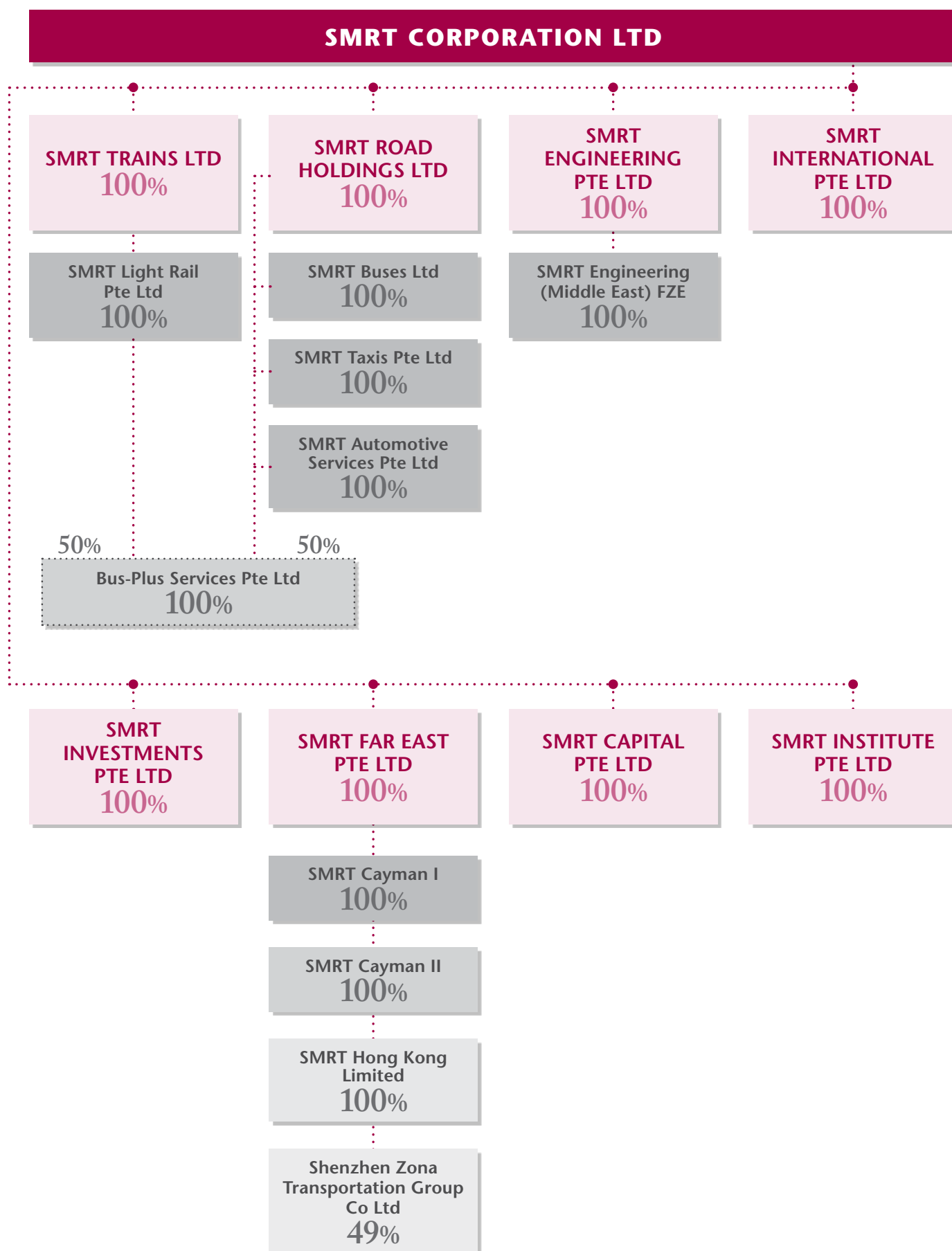


**Koh Yong Guan**

CHAIRMAN  
SMRT Corporation Ltd

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# Group Structure



# Corporate Information

## Registered Office

251 North Bridge Road  
Singapore 179102  
Telephone: (65) 6331 1000  
Facsimile: (65) 6334 0247  
Website: [www.smrt.com.sg](http://www.smrt.com.sg)

## Place of Incorporation

Singapore

## Company Registration Number

200001855H

## Date of Incorporation

6 March 2000

## Board of Directors

**Koh Yong Guan**, *Chairman*  
**Tan Ek Kia**, *Executive Director & Interim Chief Executive Officer*  
**Lee Seow Hiang**  
**Paul Ma Kah Woh**  
**Ong Ye Kung**  
**Bob Tan Beng Hai**  
**Peter Tan Boon Heng**  
**Yeo Wee Kiong**

## Company Secretary

**Winston Paul**  
**Wong Chi Huang**  
*(Appointed on 23 March 2012)*

## Audit Committee

**Paul Ma Kah Woh**, *Chairman*  
**Bob Tan Beng Hai**  
**Peter Tan Boon Heng**  
**Yeo Wee Kiong**

## Remuneration Committee

**Koh Yong Guan**, *Chairman*  
**Lee Seow Hiang**  
*(Appointed on 10 February 2012)*  
**Yeo Wee Kiong**

## Nominating Committee

**Ong Ye Kung**, *Chairman*  
**Koh Yong Guan**  
**Lee Seow Hiang**  
**Paul Ma Kah Woh**

## Board Risk Committee

**Bob Tan Beng Hai**, *Chairman*  
**Tan Ek Kia**  
**Peter Tan Boon Heng**

## Executive Committee

**Koh Yong Guan**, *Chairman*  
**Tan Ek Kia**  
**Paul Ma Kah Woh**  
**Ong Ye Kung**  
**Bob Tan Beng Hai**

## Auditors

**PricewaterhouseCoopers LLP**  
8 Cross Street  
#17-00 PwC Building  
Singapore 048424

## Audit Partner-in-charge:

**Choo Eng Beng**  
*(Appointed in FY2011)*

## Principal Bankers

DBS Bank Ltd  
Oversea-Chinese Banking  
Corporation Limited  
The Hongkong and Shanghai  
Banking Corporation Limited  
United Overseas Bank Limited

## Share Registrar

**Boardroom Corporate & Advisory Services Pte. Ltd.**  
50 Raffles Place #32-01  
Singapore Land Tower  
Singapore 048623

## Investor Relations

**Roger Ng Yang Kwang**  
Tel: (65) 6331 1211  
Fax: (65) 6334 1407  
Email: [investors\\_r@smrt.com.sg](mailto:investors_r@smrt.com.sg)

# Financial Review

## Overview

**Group revenue** increased 9.0% to \$1,057.2 million due mainly to higher MRT and bus ridership, contribution from Circle Line (CCL), higher taxi rental revenue, increase in external fleet maintenance revenue and higher rental and advertising revenue.

**Other operating income** rose 9.3% to \$22.0 million in the year due to higher other maintenance and related income from local projects undertaken in the year.

**Total operating expenses** were \$930.6 million, 17.2% higher as compared to FY2011. Chart on the right provides a breakdown of the operating expenses in FY2012 as compared to FY2011.

**Operating profits** were lower by \$46.9 million or 24.0% at \$148.7 million in FY2012 due mainly to higher operating expenses and impairment of goodwill on bus operations.

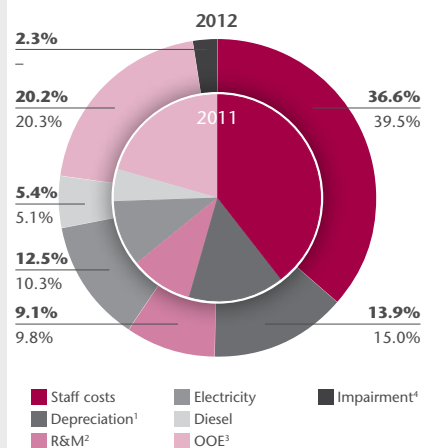
**Group net profit** was lower by \$41.2 million or 25.6% at \$119.9 million in FY2012 as a result of lower operating profits. Earnings per share of 7.9 cents in FY2012 were 25.6% lower than in FY2011. Return on equity (ROE) was lower at 15.1% as compared to 20.5% in FY2011. Economic value added was \$92.2 million, 16.8% lower than in FY2011.

**Cash and cash equivalents** at end of FY2012 were lower compared to FY2011 due mainly to higher net investing and financing cash outflow. Free cash flow decreased from \$176.5 million last year to \$47.8 million in FY2012. As at 31 March 2012, cash and cash equivalents stood at \$195.3 million as compared to \$376.2 million as at the end of FY2011.

**Total assets** increased by \$149.3 million or 9.3% due mainly to higher property, plant and equipment of \$348.0 million and higher interest in associate of \$4.1 million. This was partially offset by lower cash and fixed deposits of \$180.9 million and lower intangible assets of \$21.7 million. The increase in property, plant and equipment was due mainly to the addition of commercial spaces, trains, buses and taxis. The increase in interest in associate was due mainly to the 49% equity share of results and gains on translation of the financial statements of a foreign associate.

**Total liabilities** increased by \$157.0 million or 19.4% to \$964.5 million due mainly to increase in trade and other payables of \$277.1 million and higher provisions of \$9.2 million. The increase in trade and other payables was attributable to the accrual for the 17 new trains which will be financed through operating cash flow and/or borrowings. The higher provisions were mainly for taxi insurance and outstanding accident cases. The increase was partially offset by lower interest-bearing borrowings of \$100.0 million, lower deferred grant of \$12.1 million and lower tax liabilities of \$17.3 million.

## Contribution of Operating Expenses (%)



\$m	FY11	FY12	% change
Staff costs	313.6	340.1	8.5
Depreciation <sup>1</sup>	119.3	129.6	8.7
R&M <sup>2</sup>	78.0	84.8	8.7
Electricity	81.9	116.5	42.1
Diesel	40.4	49.9	23.4
OOE <sup>3</sup>	161.1	188.0	16.7
Impairment <sup>4</sup>	0.0	21.7	n.m.
Total	794.3	930.6	17.2

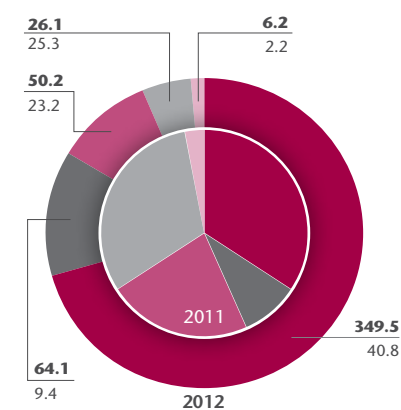
<sup>1</sup> Depreciation of property, plant and equipment net of amortisation of asset-related grant

<sup>2</sup> Repairs & maintenance costs

<sup>3</sup> Other operating expenses

<sup>4</sup> This relates to the impairment of goodwill on bus operations.

### CAPEX Breakdown (\$m)

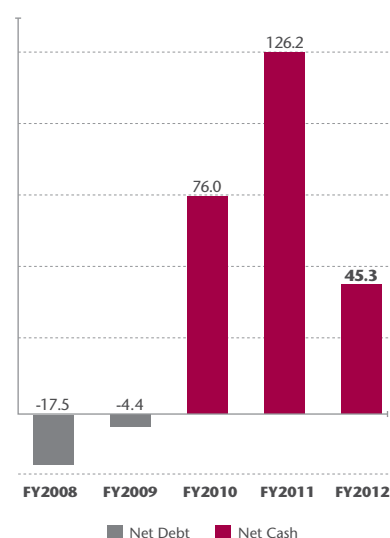


FY2012: \$496.1 million  
FY2011: \$100.8 million

Train Bus Taxi Commercial Others

\$m	FY11	FY12
Train	40.8	349.5
Bus	9.4	64.1
Taxi	23.2	50.2
Commercial	25.3	26.1
Others	2.2	6.2
Total	100.8	496.1

### Net Cash Position (\$m)



**CAPEX** of \$496.1 million incurred in FY2012 is an increase of \$395.3 million over FY2011. The graph shows the breakdown in CAPEX for FY2012 as compared to FY2011. CAPEX for train business was higher in FY2012 as compared to FY2011 due mainly to the purchase of 17 trains for \$305.9 million. CAPEX for both bus and taxi businesses was higher in FY2012 due to the expansion of bus and taxi fleet.

(see chart on left)

In any given year, if internal cash generated is insufficient to meet all the capital expenditure required for that year, the Group may tap the capital market funds through SMRT Capital's \$1.0 billion multicurrency guaranteed medium term note (MTN) programme. The MTN programme has been rated AAA by Standard and Poor's Rating Services.

The Group's total borrowings reduced from \$250.0 million as at 31 March 2011 to \$150.0 million as at 31 March 2012 due to the repayment of the \$100.0 million 3.27% per annum fixed rate notes in December 2011. The remaining \$150.0 million 2.42% fixed rate notes will be due in October 2014.

At the end of FY2012, the Group was at a net cash position of \$45.3 million as compared to \$126.2 million at the end of FY2011.

(see chart on bottom left)

## Segmental Performance

Fare business (comprising Train, LRT and Bus Operations) contributed 75.7% of the Group's revenue (FY2011: 77.3%) and 38.6% of its EBIT (FY2011: 56.9%) in FY2012. Non-fare business (comprising Taxi, Rental, Advertising, Engineering and other services) contributed 24.3% of the Group's revenue (FY2011: 22.7%) and 61.4% of the EBIT (FY2011: 43.1%) in FY2012.

### Fare Business

Revenue from **train operations** (comprising NSEWL\* and CCL) increased by 8.1% to \$569.9 million as a result of higher ridership. Operating profits decreased by 19.8% to \$91.0 million due mainly to higher energy costs, staff and related costs and depreciation. Staff and related costs were higher due mainly to increased headcount for the operation of CCL and increased train runs, impact of salary adjustments and higher CPF contributions.

Revenue from **LRT operations** was 7.0% higher at \$10.1 million due to higher ridership. Operating loss was 6.6% lower at \$0.3 million with higher revenue partially offset by higher repairs and maintenance and energy costs.

Revenue from **bus operations** was 3.5% higher at \$220.4 million as compared to FY2011 due mainly to higher ridership. However, operating loss was higher at \$11.6 million due mainly to increased diesel cost and staff and related costs, with insufficient offset from fare increase.

\* North-South and East-West Lines



# Financial Review

## Non-Fare Business

**Taxi operations** achieved a 24.1% increase in revenue to \$115.0 million compared to FY2011 due mainly to higher rental revenue from a larger average hired out fleet. Taxi operations posted an operating profit of \$2.8 million from an operating loss of \$2.0 million in FY2011 due to the higher revenue partially offset by higher depreciation.

**Rental** revenue increased by 10.8% to \$81.5 million. This was due to the increase in lettable space following the redevelopment of commercial areas at various stations in the network. As a result, rental EBIT increased by 10.5% to \$63.0 million as compared to FY2011.

**Advertising** revenue increased by 21.8% to \$30.9 million due to increased advertising on trains and stations. EBIT increased by 11.5% to \$19.2 million. The higher revenue is partially offset by higher depreciation and other operating expenses.

**Engineering and other services** revenue increased by 3.4% to \$29.3 million due to higher revenue from external fleet maintenance partially offset by lower consultancy revenue and lower receipt from Nakheel. EBIT decreased 52.5% to \$5.7 million due mainly to lower write-back of allowance for doubtful trade receivables from Nakheel.

(see charts on right)

## Shareholder Returns

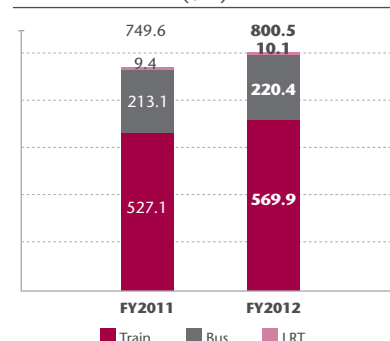
In FY2012, SMRT maintained its dividend policy despite a challenging operating environment. The Board has proposed a final ordinary dividend of 5.70 cents per share subject to shareholders' approval at the 13th Annual General Meeting on 12 July 2012. If approved, the dividend will be paid on 3 August 2012. Together with the interim dividend of 1.75 cents, this will bring total dividend for FY2012 to 7.45 cents per share, totaling \$113.3 million.

## DIVIDEND POLICY

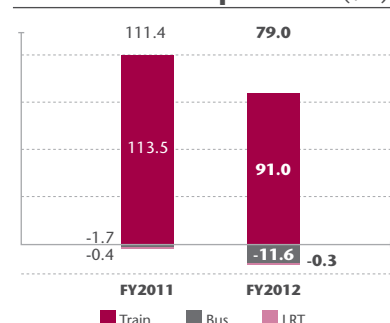
We will endeavour to maintain or increase dividend payout each year in terms of cents per share, targeting a minimum payout ratio of 60% of PATMI per year for the interim and final ordinary dividend. In any particular year, we may also propose a special dividend to provide investors with greater returns and yield.

The dividend policy takes into account our long term objective of maximising shareholder value, the availability of cash and retained earnings, our expected financial performance and projected capital expenditure and other investment plans.

### Fare Revenue (\$m)

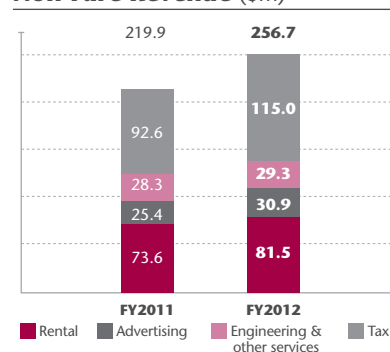


### EBIT from Fare Operations (\$m)

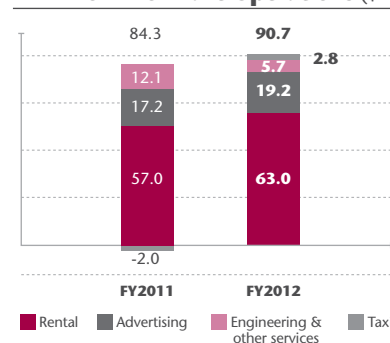


\* FY2011 comparatives have been restructured to reflect changes in business control and activities for bus and taxi operations, as well as engineering and other services.

### Non-Fare Revenue (\$m)



### EBIT from Non-Fare Operations (\$m)



\* FY2011 comparatives have been restructured to reflect changes in business control and activities for bus and taxi operations, as well as engineering and other services.



“We would have to look at diversifying our revenue base to continue delivering value to our shareholders.

One avenue is through SMRT Properties, where we have transformed MRT stations and bus interchanges into lifestyle hubs which contribute significantly to our overall revenue. We will also continue to explore opportunities beyond Singapore’s shores to offer our expertise in public transportation.”

**Tan Ek Kia**

EXECUTIVE DIRECTOR  
AND INTERIM CEO  
SMRT Corporation Ltd

### **Outlook for FY2013**

Group revenue is expected to be higher in FY2013 as ridership on trains and buses grows. With the completion and full opening of Circle Line (CCL) and CCL extension in FY2012, the average weekday ridership for the CCL has increased from 181,000 as at end FY2011 to about 350,000 as at end FY2012. We expect ridership on the CCL to continue on the uptrend.

Revenue for rental business is expected to grow as a result of increased rental space following the opening of more new and refurbished stations in the network. In the second half of FY2013, Woodlands Xchange will open its doors to commuters, adding another 50 shop units to our total offering of shop spaces. New shops will also open their doors in Marina Bay and Bayfront stations. With increased media spaces and digital platforms, advertising revenue is expected to rise.

The bus business is expected to remain difficult as energy costs are likely to remain high, while staff and related costs continue to increase, and with insufficient offset from the fare adjustments.

The Group remains committed to service delivery and will expand and renew the bus fleet to implement the Bus Services Enhancement Programme (BSEP) in 2012 with the support from the Government. There will also be more investments toward train operations, primarily from the acquisition of operating assets and renewal of assets, all of which will have an impact on the train business going forward.

The outlook for the taxi business remains positive as demand for taxi services is expected to remain healthy in FY2013. The Group will continue to assist hirers to increase their earnings while expanding and renewing its taxi fleet. However, higher COE prices may impact the business’ rate of growth.

The Group’s profitability will be impacted by higher repairs and maintenance, energy, and staff and related costs in FY2013. Staff and related costs will increase due mainly to higher headcounts, particularly in train and bus operations, salary adjustments and higher CPF rates.

The Government has implemented a new rail financing framework starting with the Downtown Line. As at the date of this report, the Group’s rail licences are under a different framework and we are in preliminary discussion with LTA on the relative merits of the two frameworks.

# Investor Relations & Financial Calendar for FY2012

## 1Q FY2012

29 April 2011	Webcast of analyst and media briefing on FY2011 results
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## 2Q FY2012

8 July 2011	12 <sup>th</sup> Annual General Meeting
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18 – 19 July 2011	Books closure dates for FY2011 final dividend
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27 July 2011	Teleconference on 1QFY2012 results
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29 July 2011	Payment of FY2011 final dividend
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15 September 2011	Participation at Deutsche Bank Access Malaysia & Singapore Corporate Day
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## 3Q FY2012

28 October 2011	Webcast of analyst and media briefing on 2QFY2012 results
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## 4Q FY2012

31 January 2012	Teleconference on 3QFY2012 results
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22 February 2012	Annual New Year lunch with analysts
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# Summary Financial Statements

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# Summary Directors' Report

Year ended 31 March 2012

## Important Note

The Summary Financial Statements as set out on pages 18 to 38 contains only a summary of the information in the directors' report and a summary of the full financial statements. It also includes the information provided in compliance with the requirements of Section 203A of the Companies Act, Chapter 50 and regulations made thereunder, applicable to the Summary Financial Statements. It does not contain sufficient information to allow for a full understanding of the results and the state of affairs of the Group and of the Company.

For further information, the full financial statements, the independent auditor's report on those financial statements and the directors' report in the Annual Report should be consulted. Shareholders may request for a copy of the Annual Report at no cost by notifying the Company by 2 July 2012.

## Directors

The directors in office at the date of this report are as follows:

Koh Yong Guan	Chairman
Tan Ek Kia	Executive Director & CEO
Lee Seow Hiang	
Paul Ma Kah Woh	
Ong Ye Kung	
Bob Tan Beng Hai	
Peter Tan Boon Heng	
Yeo Wee Kiong	

## Principal Activities

The principal activities of the Company are those relating to investment holding and provision of management services to Group companies. The subsidiaries are involved in seven key businesses as follows:

*(i) Rail operations*

Its principal activities are to provide transport-related businesses in Singapore. It operates the North-South-East-West and Circle lines of the Mass Rapid Transit System (the "MRT System") and the Bukit Panjang Light Rapid Transit System (the "LRT System").

*(ii) Bus operations*

Its principal activities are to provide bus services and charter hire services.

*(iii) Taxi operations*

Its principal activities are to provide rental of taxis, provision of taxi services and sale of diesel to taxi hirers.

*(iv) Rental*

Its principal activities are the leasing of commercial space and kiosks.

# Summary Directors' Report

Year ended 31 March 2012

## Principal Activities (cont'd)

### (v) Advertising

Its principal activities are the leasing of advertising space at the MRT and LRT stations as well as in trains, and on buses and taxis.

### (vi) Engineering and other services

The business provides consultancy, project management services, leasing of fibre optic cables and repair & maintenance services.

### (vii) Investment holding and support services

Its principal activities are the provision of management and other support services to Group companies and investment holding.

## Directors' Interests

According to the register kept by the Company for the purposes of Section 164 of the Singapore Companies Act, Chapter 50 (the "Act"), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and infant children) in shares, debentures and share options in the Company and in related corporations (other than wholly-owned subsidiaries) are as follows:

Name of Director and Corporation in which interests are held	Holdings in the name of the Director, Spouse or Infant children	
	At beginning of the year/date of appointment, if later	At end of the year
<b>Koh Yong Guan</b>		
SMRT Corporation Ltd		
– ordinary shares	70,000	70,000
Mapletree Logistics Trust Management Ltd		
– units in Mapletree Logistics Trust	16,000	16,000
Singapore Airlines Limited		
– ordinary shares	4,800	4,800
Singapore Telecommunications Limited		
– ordinary shares	19,090	19,090
Singapore Technologies Engineering Ltd		
– ordinary shares	23,108	23,108
SP AusNet		
– stapled securities	96,000	96,000

# Summary Directors' Report

Year ended 31 March 2012

## Directors' Interests (cont'd)

Name of Director and Corporation in which interests are held	Holdings in the name of the Director, Spouse or Infant children	
	At beginning of the year/date of appointment, if later	At end of the year
<b>Paul Ma Kah Woh</b>		
Mapletree Industrial Trust Management Ltd – units in Mapletree Industrial Trust	268,000	289,440
Mapletree Logistics Trust Management Ltd – units in Mapletree Logistics Trust	740,000	740,000
Mapletree Commercial Trust Management Ltd – units in Mapletree Commercial Trust	–	340,000
Singapore Telecommunications Limited – ordinary shares	380	380
StarHub Ltd – ordinary shares	78,580	78,580
<b>Ong Ye Kung</b>		
SMRT Corporation Ltd – ordinary shares	10,000	10,000
Singapore Telecommunications Limited – ordinary shares	42,240	45,460
Singapore Airlines Limited – ordinary shares	–	10,000
Neptune Orient Lines Limited – ordinary shares	20,000	20,000
<b>Peter Tan Boon Heng</b>		
Singapore Airlines Limited – ordinary shares	37,400	37,400
<b>Yeo Wee Kiong</b>		
Singapore Telecommunications Limited – ordinary shares	190	190
StarHub Ltd – ordinary shares	–	50,000

# Summary Directors' Report

Year ended 31 March 2012

## Directors' Interests (cont'd)

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company or of related corporations either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

There were no changes in any of the abovementioned interests in the Company or in related corporations between the end of the financial year and 21 April 2012.

Except as disclosed under the "Share Options and Share Plans" section of this report, neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Except as disclosed in this report, since the end of the last financial year, no director has received or become entitled to receive, a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which he is a member or with a company in which he has a substantial financial interest.

## Share Options and Share Plans

The SMRT Corporation Employee Share Option Plan ("SMRT ESOP") of the Company was approved and adopted by its members at an Extraordinary General Meeting held on 15 July 2000. The SMRT ESOP comprises two distinct schemes:

- (i) Management Scheme – Scheme designed for management staff in the positions of Deputy Director and above of the Group.
- (ii) Employee Scheme – Scheme designed for all other employees of the Group.

The SMRT Corporation Restricted Share Plan ("SMRT RSP") and the SMRT Corporation Performance Share Plan ("SMRT PSP") of the Company were approved and adopted by its members at an Extraordinary General Meeting held on 15 July 2004.

The SMRT ESOP, SMRT RSP and SMRT PSP are administered by the Remuneration Committee (the "Committee"), comprising Mr Koh Yong Guan, Chairman of the Committee, Mr Lee Seow Hiang and Mr Yeo Wee Kiong.

In exercising its discretion, the Committee must act in accordance with any guidelines that may be provided by the Board of Directors. The Committee shall refer any matter not falling within the scope of its terms of reference to the Board. The Committee shall have the power, from time to time, to make and vary such regulations for the implementation and administration of the SMRT ESOP, SMRT RSP and SMRT PSP as it thinks fit.

# Summary Directors' Report

Year ended 31 March 2012

## Share Options and Share Plans (cont'd)

The salient features of the SMRT ESOP, SMRT RSP and SMRT PSP are as follows:

### SMRT ESOP

(i) *Eligible participants*

At the absolute discretion of the Committee, all confirmed employees of the Group (including any director of the Group who performs an executive function) who are not less than 21 years old and have been in the service of the Group for at least one year prior to the date of which an option is granted ("Grant Date") are eligible to participate in the SMRT ESOP.

(ii) *Maximum allowable allotment*

The total number of shares which may be issued under the SMRT ESOP ("ESOP Shares") when added to the number of shares which may be issued pursuant to awards granted under the SMRT RSP and SMRT PSP shall not exceed fifteen percent of the issued share capital of the Company on the Grant Date.

The number of ESOP Shares to be offered to a participant shall be determined by the Committee at its absolute discretion after taking into account the length of service and performance of the participant and such other general criteria as the Committee may consider appropriate.

(iii) *Subscription price*

The subscription price for each share in respect of which an option is exercisable shall be the average of the last dealt prices of the shares as published by the Singapore Exchange Securities Trading Limited ("SGX-ST") for the five consecutive market days immediately preceding the Grant Date.

(iv) *Option period*

The options granted under the Management Scheme will be vested over a 3-year period (that is 33% in the first year, 66% in the second year and 100% in the third year) and may be exercised during the period commencing after the vesting date but before the tenth anniversary of the Grant Date.

The options granted under the Employee Scheme may be exercised during the period commencing after the second anniversary of the Grant Date but before the tenth anniversary of the Grant Date. The right of the participants to exercise their options is in all cases subject to such vesting schedule (if any) stipulated by the Committee and any other conditions which may be imposed by the Committee from time to time in its absolute discretion.



# Summary Directors' Report

Year ended 31 March 2012

## Share Options and Share Plans (cont'd)

### SMRT ESOP (cont'd)

At the end of the financial year, details of the options granted under the SMRT ESOP on the unissued ordinary shares of the Company are as follows:

Date of grant of options	Exercise price per option	Options outstanding and exercisable at 1 April 2011	Options exercised	Options forfeited/expired	Options outstanding at 31 March 2012	Number of option holders at 31 March 2012	Exercise period
16/7/2001	\$0.816	761,000	(372,000)	(389,000)	–	–	16/7/2002 to 15/7/2011
22/7/2002	\$0.676	428,200	(83,300)	(7,300)	337,600	323	22/7/2003 to 21/7/2012
22/7/2003	\$0.623	473,500	(75,000)	(6,000)	392,500	334	22/7/2004 to 21/7/2013
		<u>1,662,700</u>	<u>(530,300)</u>	<u>(402,300)</u>	<u>730,100</u>		

Except as disclosed above, there were no unissued shares of the Company or its subsidiaries under options granted by the Company or its subsidiaries as at the end of the financial year.

No director has been granted options under the SMRT ESOP during the financial year. As at 31 March 2012, there are no outstanding options granted to directors under the SMRT ESOP.

Since the commencement of the SMRT ESOP, no options have been granted to the controlling shareholders of the Company or their associates and no participant under the SMRT ESOP has been granted 5% or more of the total options available under the SMRT ESOP.

Since the commencement of the SMRT ESOP, no options have been granted to the employees of the holding company or its related corporations under the SMRT ESOP.

The options granted by the Company do not entitle the holders of the option, by virtue of such holdings, to any rights to participate in any share issue of any other company.

During the financial year, no options have been granted.

# Summary Directors' Report

Year ended 31 March 2012

## Share Options and Share Plans (cont'd)

### SMRT RSP and SMRT PSP (collectively "the Plans")

The SMRT RSP is intended to enhance the Group's overall compensation packages and strengthen the Group's ability to attract and retain high performing talent.

The SMRT PSP is targeted at senior management in key positions who are able to drive the growth of the Company through innovation, creativity and superior performance.

#### (i) *Eligible participants*

- Group employees who have attained the age of 21 years and hold such rank as may be designated by the Committee from time to time; and
- Associated company employees who have attained the age of 21 years and hold such rank as may be designated by the Committee from time to time and who, in the opinion of the Committee, have contributed or will contribute to the success of the Group.

The selection of employees and the number of shares which are the subject of each award to be granted to employees in accordance with the Plans shall be determined at the absolute discretion of the Committee, which shall take into account criteria such as rank, job performance, creativity, innovativeness, entrepreneurship, years of service and potential for future development, contribution to the success and development of the Group and the extent of effort and resourcefulness required to achieve the performance target(s) within the performance period.

#### (ii) *Awards*

Awards represent the right of an employee to receive fully paid shares, their equivalent cash value or combination thereof, free of charge, provided that certain prescribed performance targets are met and upon expiry of the prescribed vesting period.

It is the intention of SMRT to award performance-based restricted awards to ensure that the earnings of shares under the SMRT RSP is aligned with pay-for-performance principle.

Awards granted under the SMRT PSP are performance-based and the targets set under the plan are intended to be based on long-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth.

An individual employee who is a key management staff may be granted an award under the SMRT PSP, as well as the SMRT RSP although differing performance targets are likely to be set for each award.

Non-executive directors of the Group, the holding company and associated companies will not be eligible to participate in the Plans.

# Summary Directors' Report

Year ended 31 March 2012

## Share Options and Share Plans (cont'd)

### SMRT RSP and SMRT PSP (collectively "the Plans") (cont'd)

#### (iii) *Size and duration*

The total number of new shares which may be issued pursuant to awards granted under the Plans, when added to the number of options granted under SMRT ESOP shall not exceed fifteen percent of the issued share capital of the Company on the day preceding the relevant date of award.

The number of existing shares purchased from the market which may be delivered pursuant to awards under the Plans, and the amount of cash which may be paid upon the release of such awards in lieu of shares, will not be subject to any limit as such methods will not involve the issuance of any new shares.

The Plans shall continue in force at the discretion of the Committee, subject to a maximum period of 10 years commencing from 15 July 2004, provided always that the Plans may continue beyond the 10-year period with the approval of the shareholders in general meeting and of any relevant authorities which may then be required. Notwithstanding the expiry or termination of the Plans, any awards made to employees prior to such expiry or termination will continue to remain valid.

#### (iv) *Events prior to vesting*

Special provisions for vesting and lapsing of awards apply such as the termination of the employment, misconduct, retirement and any other events approved by the Committee. Upon occurrence of any of the events, the Committee will consider, at its discretion, whether or not to release any award, and will take into account circumstances on a case-by-case basis, including (but not limited to) the contributions made by the employee.

During the financial year, the conditional shares awarded under the SMRT PSP and SMRT RSP to the senior management staff are described below:

	SMRT PSP	SMRT RSP
<b>Plan description</b>	Award of fully-paid ordinary shares of SMRT, conditional on performance targets set at the start of a three-year performance period based on stretched long-term corporate objectives.	Award of fully-paid ordinary shares of SMRT, conditional on performance targets set at the start of a two-year performance period based on medium-term corporate and business unit objectives with some degree of stretch.
<b>Date of grant</b>	30 March 2012	30 March 2012
<b>Performance period</b>	1 April 2011 to 31 March 2014	1 April 2011 to 31 March 2013
<b>Vesting condition</b>	Vesting based on meeting stated performance conditions over a three-year performance period.	Based on meeting stated performance conditions over a two-year performance period, 1/2 of award will vest. Balance will vest equally over the subsequent two years with fulfilment of service requirements.
<b>Payout</b>	0% - 150% depending on the achievement of pre-set performance targets over the performance period.	0% - 121% depending on the achievement of pre-set performance targets over the performance period.

# Summary Directors' Report

Year ended 31 March 2012

## Share Options and Share Plans (cont'd)

### SMRT RSP and SMRT PSP (collectively "the Plans") (cont'd)

The details of shares awarded, cancelled and released during the year pursuant to the Plans were as follows:

Grant date	Balance as at 1 April 2011	Shares granted during financial year	Shares forfeited during financial year	Shares issued during financial year	Adjustment due to performance modifier effect	Balance as at 31 March 2012 or as at date of resignation
<b>SMRT PSP</b>						
<b>9 February 2009</b>						
– For senior management	114,500	–	(93,500)	(18,100)	(2,900)	–
– For executive director (Saw Phaik Hwa) *	85,000	–	–	(73,100)	(11,900)	–
<b>28 August 2009</b>						
– For senior management	134,000	–	(110,000)	–	–	24,000
– For executive director (Saw Phaik Hwa) *	100,000	–	–	–	–	100,000
<b>23 August 2010</b>						
– For senior management	156,000	–	(120,000)	–	–	36,000
– For executive director (Saw Phaik Hwa) *	100,000	–	–	–	–	100,000
<b>30 March 2012</b>						
– For senior management	–	246,000	–	–	–	246,000
Total	689,500	246,000	(323,500)	(91,200)	(14,800)	506,000
<b>SMRT RSP</b>						
<b>12 November 2007</b>						
– For senior management	190,800	–	(42,500)	(148,300)	–	–
– For executive director (Saw Phaik Hwa) *	34,000	–	–	(34,000)	–	–
<b>9 February 2009</b>						
– For senior management	391,900	–	(99,100)	(174,900)	–	117,900
– For executive director (Saw Phaik Hwa) *	62,300	–	–	(31,200)	–	31,100
<b>28 August 2009</b>						
– For senior management	769,500	–	(186,200)	(318,000)	91,500	356,800
– For executive director (Saw Phaik Hwa) *	100,000	–	–	(38,300)	15,000	76,700
<b>23 August 2010</b>						
– For senior management	934,000	–	(232,000)	–	–	702,000
– For executive director (Saw Phaik Hwa) *	100,000	–	–	–	–	100,000
<b>30 March 2012</b>						
– For senior management	–	965,500	–	–	–	965,500
Total	2,582,500	965,500	(559,800)	(744,700)	106,500	2,350,000

\* Ms Saw Phaik Hwa resigned as director on 6 January 2012

# Summary Directors' Report

Year ended 31 March 2012

## Share Options and Share Plans (cont'd)

### SMRT RSP and SMRT PSP (collectively "the Plans") (cont'd)

Under the Plans, eligible key executives are required to hold a portion of the shares released to them under a share ownership guideline which requires them to maintain a beneficial ownership stake in SMRT, thus further aligning their interests with shareholders.

The number of contingent shares granted but not released as at 31 March 2012 were 506,000 and 2,350,000 (2011: 689,500 and 2,582,500) for SMRT PSP and SMRT RSP respectively. Based on the multiplying factor, the actual release of the awards could range from zero to a maximum of 694,000 and 2,721,300 (2011: 861,900 and 2,982,300) fully-paid SMRT shares, for SMRT PSP and SMRT RSP respectively.

## Audit Committee

The Audit Committee (the "Committee") comprises four non-executive independent directors. The Committee's members at the date of this report are as follows:

Paul Ma Kah Woh	Chairman
Bob Tan Beng Hai	
Peter Tan Boon Heng	
Yeo Wee Kiong	

The Summary Financial Statements were approved by the Board of Directors and signed on its behalf by:



**Koh Yong Guan**  
Director



**Tan Ek Kia**  
Director

30 April 2012

# Independent Auditor's Report on the Summary Financial Statements to the Members of SMRT Corporation Ltd

Year ended 31 March 2012

The accompanying summary financial statements of SMRT Corporation Ltd (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at 31 March 2012, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity of the Group, the statement of changes in equity of the Company and the consolidated statement of cash flows for the year then ended, and related notes, are derived from the audited financial statements of the Company and its subsidiaries for the year then ended. We expressed an unmodified audit opinion on those financial statements in our report dated 30 April 2012.

The summary financial statements do not contain all the disclosures required by the Singapore Financial Reporting Standards. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of the Company and its subsidiaries.

## Management's Responsibility for the Summary Financial Statements


Management is responsible for the preparation of a summary of the audited financial statements in accordance with Section 203A of the Singapore Companies Act, Chapter 50 (the "Act"). In preparing the summary financial statements, Section 203A of the Act requires that the summary financial statements be derived from the annual financial statements and the directors' report for the year ended 31 March 2012 and be in such form and contain such information as may be specified by regulations made thereunder applicable to summary financial statements.

## Auditor's Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with Singapore Standard on Auditing 810, Engagements to Report on Summary Financial Statements.

## Opinion

In our opinion, the summary financial statements of the Group and the balance sheet and statement of changes in equity of the Company are consistent, in all material respects, with the audited financial statements and the directors' report of the Company and its subsidiaries for the year ended 31 March 2012 from which they are derived and comply with the requirements of Section 203A of the Act and the regulations made thereunder applicable to summary financial statements.



PricewaterhouseCoopers LLP  
Public Accountants and Certified Public Accountants  
Singapore, 30 April 2012

# Balance Sheets

As at 31 March 2012

	<b>Group</b>		<b>Company</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Non-current assets</b>				
Property, plant and equipment	1,346,497	998,453	9,139	5,408
Intangible asset	13,614	35,288	–	–
Investments in subsidiaries	–	–	368,573	390,247
Interest in associate	67,887	63,757	–	–
Other investments	14,632	10,154	–	–
	1,442,630	1,107,652	377,712	395,655
<b>Current assets</b>				
Inventories	53,680	53,597	–	–
Trade and other receivables	64,256	64,608	92,017	164,969
Other investments	–	3,570	–	–
Tax recoverable	36	968	–	790
Fixed deposits with banks and financial institutions	157,687	350,424	–	–
Cash at banks and in hand	37,643	25,794	6,416	2,217
	313,302	498,961	98,433	167,976
<b>Total assets</b>	1,755,932	1,606,613	476,145	563,631
<b>Equity attributable to equity holders of SMRT</b>				
Share capital	166,462	164,811	166,462	164,811
Reserves	(755)	(692)	2,316	2,922
Accumulated profits	625,706	634,977	291,488	274,849
<b>Total equity</b>	791,413	799,096	460,266	442,582
<b>Non-current liabilities</b>				
Interest-bearing borrowings	150,000	150,000	–	–
Provisions	2,977	3,278	–	30
Deferred tax liabilities	124,208	118,242	1,337	721
Fuel equalisation account	20,312	20,312	–	–
Deferred grants	62,758	74,824	57	77
	360,255	366,656	1,394	828
<b>Current liabilities</b>				
Interest-bearing borrowings	–	100,000	–	100,000
Trade and other payables	546,156	269,012	14,218	19,966
Provisions	37,911	28,417	216	255
Current tax payable	20,197	43,432	51	–
	604,264	440,861	14,485	120,221
<b>Total liabilities</b>	964,519	807,517	15,879	121,049
<b>Total equity and liabilities</b>	1,755,932	1,606,613	476,145	563,631

# Consolidated Income Statement

Year ended 31 March 2012

	2012 \$'000	2011 \$'000
Revenue	1,057,229	969,692
Other operating income	22,023	20,154
Staff and related costs	(340,141)	(313,593)
Depreciation of property, plant and equipment	(141,044)	(135,259)
Amortisation of asset-related grants	11,426	15,979
Repairs and maintenance costs	(84,788)	(77,978)
Electricity and diesel costs	(166,366)	(122,357)
Impairment of goodwill	(21,674)	–
Other operating expenses	(188,001)	(161,051)
Finance costs	(6,169)	(7,127)
Interest and investment income	1,711	1,804
Share of results of associate (net of tax)	2,716	1,477
<b>Profit before income tax</b>	<b>146,922</b>	<b>191,741</b>
Income tax expense	(27,049)	(30,650)
<b>Profit for the year attributable to equity holders of SMRT</b>	<b>119,873</b>	<b>161,091</b>
<b>Earnings per share (in cents)</b>		
Basic	7.9	10.6
Diluted	7.9	10.6



# Consolidated Statement of Comprehensive Income

Year ended 31 March 2012

	2012 \$'000	2011 \$'000
<b>Profit for the year</b>	119,873	161,091
<b>Other comprehensive income/(loss)</b>		
Change in fair value of available-for-sale financial assets, net of tax	(876)	(469)
Fair value of available-for-sale financial assets realised & transferred to the income statement, net of tax	–	(4)
Effective portion of change in fair value of cash flow hedge, net of tax	830	–
Change in fair value of cash flow hedges transferred to the income statement, net of tax	(642)	189
Currency translation differences arising from consolidation	1,231	(4,696)
<b>Other comprehensive income/(loss) for the year, net of tax</b>	543	(4,980)
<b>Total comprehensive income for the year</b>	120,416	156,111

# Consolidated Statement of Changes in Equity

Year ended 31 March 2012

Group	Share capital \$'000	Foreign currency translation reserve \$'000	Fair value reserve \$'000	Hedge reserve \$'000	Share-based payment reserve \$'000	Accumulated profits \$'000	Total attributable to equity holders of SMRT \$'000
At 1 April 2010	163,078	297	1,917	(848)	2,674	602,898	770,016
Profit for the year	–	–	–	–	–	161,091	161,091
Other comprehensive income/(loss)	–	(4,696)	(473)	189	–	–	(4,980)
<b>Transactions with owners, recorded directly in equity:</b>							
Issue of shares under SMRT ESOP	341	–	–	–	–	–	341
Issue of performance shares	1,392	–	–	–	(1,392)	–	–
Value of employee services received for share-based payment	–	–	–	–	1,640	–	1,640
Final dividend paid of 6.75 cents per share in respect of year 2010	–	–	–	–	–	(102,436)	(102,436)
Interim dividend paid of 1.75 cents per share in respect of year 2011	–	–	–	–	–	(26,576)	(26,576)
Total transactions with owners	1,733	–	–	–	248	(129,012)	(127,031)
At 31 March 2011	164,811	(4,399)	1,444	(659)	2,922	634,977	799,096
At 1 April 2011	164,811	(4,399)	1,444	(659)	2,922	634,977	799,096
Profit for the year	–	–	–	–	–	119,873	119,873
Other comprehensive income/(loss)	–	1,231	(876)	188	–	–	543
<b>Transactions with owners, recorded directly in equity:</b>							
Issue of shares under SMRT ESOP	406	–	–	–	–	–	406
Issue of performance shares	1,245	–	–	–	(1,245)	–	–
Value of employee services received for share-based payment	–	–	–	–	639	–	639
Final dividend paid of 6.75 cents per share in respect of year 2011	–	–	–	–	–	(102,541)	(102,541)
Interim dividend paid of 1.75 cents per share in respect of year 2012	–	–	–	–	–	(26,603)	(26,603)
Total transactions with owners	1,651	–	–	–	(606)	(129,144)	(128,099)
At 31 March 2012	166,462	(3,168)	568	(471)	2,316	625,706	791,413

# Statement of Changes in Equity

Year ended 31 March 2012

Company	Share capital \$'000	Share-based payment reserve \$'000	Accumulated profits \$'000	Total equity \$'000
At 1 April 2010	163,078	2,674	242,154	407,906
Profit for the year	–	–	161,707	161,707
<b>Transactions with owners, recorded directly in equity:</b>				
Issue of shares under SMRT ESOP	341	–	–	341
Issue of performance shares	1,392	(1,392)	–	–
Value of employee services received for share-based payment	–	1,640	–	1,640
Final dividend paid of 6.75 cents per share in respect of year 2010	–	–	(102,436)	(102,436)
Interim dividend paid of 1.75 cents per share in respect of year 2011	–	–	(26,576)	(26,576)
Total transactions with owners	1,733	248	(129,012)	(127,031)
At 31 March 2011	164,811	2,922	274,849	442,582
At 1 April 2011	164,811	2,922	274,849	442,582
Profit for the year	–	–	145,783	145,783
<b>Transactions with owners, recorded directly in equity:</b>				
Issue of shares under SMRT ESOP	406	–	–	406
Issue of performance shares	1,245	(1,245)	–	–
Value of employee services received for share-based payment	–	639	–	639
Final dividend paid of 6.75 cents per share in respect of year 2011	–	–	(102,541)	(102,541)
Interim dividend paid of 1.75 cents per share in respect of year 2012	–	–	(26,603)	(26,603)
Total transactions with owners	1,651	(606)	(129,144)	(128,099)
At 31 March 2012	166,462	2,316	291,488	460,266

# Consolidated Statement of Cash Flows

Year ended 31 March 2012

	2012 \$'000	2011 \$'000
<b>Operating activities</b>		
Profit before income tax	146,922	191,741
<i>Adjustments for items not involving outlay of funds:</i>		
Amortisation of asset-related grants	(11,426)	(15,979)
Depreciation of property, plant and equipment	141,044	135,259
Dividend income	(155)	(141)
Grant released upon disposal/write-off of property, plant and equipment	(723)	(53)
Impairment of goodwill	21,674	–
Interest expense	6,169	7,127
Interest income	(1,321)	(1,657)
Loss/(Gain) on disposal of:		
– property, plant and equipment	365	478
– other investments	(235)	(6)
Property, plant and equipment written off	3,869	1,834
Provisions made during the year	17,762	17,615
Share-based payment expenses	639	1,640
Share of results of associate	(2,716)	(1,477)
	321,868	336,381
<i>Changes in working capital:</i>		
Inventories	(83)	(3,917)
Trade and other receivables	10,033	(6,309)
Trade and other payables	575	(3,944)
Cash generated from operations	332,393	322,211
Income taxes paid, net	(43,425)	(31,991)
Interest paid	(6,900)	(6,900)
<b>Cash flows from operating activities</b>	<b>282,068</b>	<b>283,320</b>

# Consolidated Statement of Cash Flows

Year ended 31 March 2012

	2012 \$'000	2011 \$'000
<b>Investing activities</b>		
Dividends received	155	141
Interest received	1,567	1,657
Purchase of property, plant and equipment	(234,575)	(106,964)
Purchase of other investments	(7,238)	(3,123)
Proceeds from disposal of:		
– property, plant and equipment	311	183
– associate	–	1,732
– other investments	5,519	2,084
<b>Cash flows from investing activities</b>	<b>(234,261)</b>	<b>(104,290)</b>
<b>Financing activities</b>		
Grant received	83	402
Proceeds from issue of shares under share option plan	406	341
Repayment of financial liabilities	(100,000)	–
Dividends paid	(129,144)	(129,012)
<b>Cash flows from financing activities</b>	<b>(228,655)</b>	<b>(128,269)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(180,848)</b>	<b>50,761</b>
Cash and cash equivalents at beginning of the year	376,218	326,011
Effect of exchange rate fluctuations on cash held	(40)	(554)
<b>Cash and cash equivalents at end of the year</b>	<b>195,330</b>	<b>376,218</b>
<b>Cash and cash equivalents at end of the year comprise:</b>		
Fixed deposits with banks and financial institutions	157,687	350,424
Cash at banks and in hand	37,643	25,794
	<b>195,330</b>	<b>376,218</b>

# Notes to the Summary Financial Statements

Year ended 31 March 2012

## 1 Accounting Policies

The summary financial statements are prepared in accordance with Singapore Financial Reporting Standards ("FRS").

On 1 April 2011, the Group adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application from that date. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Group's accounting policies or disclosures made in the financial statements and had no material effect on the amounts reported for the current or prior financial years.

## 2 New Accounting Standards and Interpretations Not Yet Adopted

The mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 April 2012 or later periods and which the Group has not early adopted are:

- Amendments to FRS 107 – Financial instruments: Disclosures – Transfers of financial assets (effective for annual periods beginning on or after 1 July 2011)
- Amendments to FRS 1 – Presentation of Items of Other Comprehensive Income (effective for annual periods commencing on or after 1 July 2012)
- FRS 19 (revised) – Employee Benefits (effective for annual periods commencing on or after 1 January 2013)
- FRS 27 (revised) – Separate Financial Statements (effective for annual periods commencing on or after 1 January 2013)
- FRS 28 (revised) – Investments in Associates and Joint Ventures (effective for annual periods commencing on or after 1 January 2013)
- FRS 110 – Consolidated Financial Statements (effective for annual periods commencing on or after 1 January 2013)
- FRS 111 – Joint Arrangements (effective for annual periods commencing on or after 1 January 2013)
- FRS 112 – Disclosure of Interests in Other Entities (effective for annual periods commencing on or after 1 January 2013)
- FRS 113 – Fair Value Measurements (effective for annual periods commencing on or after 1 January 2013)

Management anticipates that the adoption of the above INT FRS, amendments to FRS and amendments to INT FRS in the future periods will not have a material impact on the financial statements of the Group in the period of their initial adoption.

# Notes to the Summary Financial Statements

Year ended 31 March 2012

## 3 Share Capital

	Group and Company			
	2012		2011	
	No. of shares '000	\$'000	No. of shares '000	\$'000
<b>Fully-paid ordinary shares, with no par value</b>				
At 1 April	1,518,820	164,811	1,517,354	163,078
Issue of shares under SMRT ESOP	530	406	459	341
Issue of performance shares under SMRT RSP & SMRT PSP	836	1,245	1,007	1,392
At 31 March	1,520,186	166,462	1,518,820	164,811

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

Pursuant to the SMRT ESOP, 372,000, 83,300 and 75,000 (2011: 259,000, 96,000 and 104,300) new fully-paid ordinary shares were issued during the year for cash at \$0.816, \$0.676 and \$0.623 per share respectively by the Company.

## 4 Significant Related Party Transactions

For the purpose of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

During the financial year, other than those disclosed elsewhere, the Group had the following significant related party transactions on terms agreed between the parties:

	Group	
	2012 \$'000	2011 \$'000
<b>Related corporations</b>		
Maintenance income received/receivable	1,809	565
Charter hire income received/receivable	76	68
Service income received/receivable	1,100	1,349
Sales of other goods and services	8,666	5,736
Purchases of goods and services	116,268	62,071

# Notes to the Summary Financial Statements

Year ended 31 March 2012

## 4 Significant Related Party Transactions (cont'd)

	<b>Group</b>	
	<b>2012</b>	<b>2011</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Directors of the Company:</b>		
– fees	775	727
– remuneration	1,955	1,848
<b>Senior management personnel of the Group:</b>		
– short-term employee benefits	6,073	5,552
– post-employment benefits	157	106
– share-based payments	727	538
	<b>9,687</b>	<b>8,771</b>

The Group has the following commitments with related corporations:

	<b>Group</b>	
	<b>2012</b>	<b>2011</b>
	<b>\$'000</b>	<b>\$'000</b>
Capital expenditure commitments contracted but not provided for	29,663	9,664
Non-cancellable operating leases receivable	1,773	932

## 5 Dividends

After the balance sheet date, the directors proposed a one-tier tax exempt final dividend of 5.70 cents (2011: 6.75 cents) per share, amounting to a net dividend of \$86,650,625 (2011: \$102,520,363). These financial statements do not reflect this dividend, which will be accounted for in shareholders' equity as an appropriation of accumulated profits in the financial year ending 31 March 2013.



# Shareholding Statistics

As at 28 May 2012

## Share Capital

Number of shares issued:	1,520,217,046
Issued and fully paid capital:	S\$166,482,485.748
Class of shares:	ordinary shares
Voting rights:	one vote per share

## Distribution Of Shareholdings

Size of Holdings	No. of Shareholders	%	No. of Shares	%
1 – 999	105	0.20	44,197	0.00
1,000 – 10,000	46,123	88.09	144,207,550	9.49
10,001 – 1,000,000	6,101	11.65	245,185,170	16.13
1,000,001 and above	30	0.06	1,130,780,129	74.38
Total	52,359	100.00	1,520,217,046	100.00

## Twenty Largest Shareholders

No.	Name	No. of Shares	%
1	Temasek Holdings (Private) Limited	824,400,030	54.23
2	DBSN Services Pte Ltd	75,503,496	4.97
3	DBS Nominees Pte Ltd	56,201,396	3.70
4	Citibank Nominees Singapore Pte Ltd	54,083,539	3.56
5	HSBC (Singapore) Nominees Pte Ltd	33,091,982	2.18
6	United Overseas Bank Nominees Pte Ltd	17,370,143	1.14
7	Raffles Nominees (Pte) Ltd	12,385,418	0.81
8	OCBC Nominees Singapore Pte Ltd	6,926,927	0.46
9	CIMB Securities (Singapore) Pte. Ltd.	6,303,000	0.41
10	Bank of Singapore Nominees Pte Ltd	4,525,000	0.30
11	DBS Vickers Securities (S) Pte Ltd	4,122,000	0.27
12	Merrill Lynch (Singapore) Pte Ltd	3,793,276	0.25
13	Quah Wee Lai	3,380,000	0.22
14	Tan Nak Yong	2,500,000	0.16
15	HL Bank Nominees (S) Pte Ltd	2,362,000	0.16
16	Yim Chee Chong	2,300,000	0.15
17	Morgan Stanley Asia (Singapore) Securities Pte Ltd	2,283,116	0.15
18	Sing Chung Hui @ Sing Chung Sui	2,082,000	0.14
19	Phillip Securities Pte Ltd	2,062,600	0.14
20	Tan Chong & Sons Motor Company (Singapore) Private Limited	2,000,000	0.13
Total		1,117,675,923	73.53

# Shareholding Statistics

As at 28 May 2012

## Substantial Shareholder

Name of Shareholder	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
Temasek Holdings (Private) Limited	824,400,030	54.23	1,725,164	0.11

Note: Temasek Holdings (Private) Limited is deemed to be interested in the 1,725,164 shares in which its subsidiary, ST Asset Management Ltd, and its associated company, DBS Group Holdings Limited, are deemed to have an interest.

## Shareholding Held in Hands of Public

Based on information available to the Company as at 28 May 2012, approximately 45.61% of the issued ordinary shares of the Company is held by the public and therefore, Rule 723 of the Listing Manual issued by SGX-ST is complied with.

# Notice of Annual General Meeting

## SMRT Corporation Ltd

(Incorporated in the Republic of Singapore)

(Company Registration Number: 200001855H)

To: All Shareholders

**NOTICE IS HEREBY GIVEN** that the Thirteenth Annual General Meeting of the Company will be held at Marina Mandarin Ballroom, Level 1, Marina Mandarin Singapore, 6 Raffles Boulevard, Marina Square, Singapore 039594, on Thursday, 12 July 2012 at 2.30 p.m. to transact the following business:

### As Ordinary Business:

1. To receive and adopt the Directors' Report and Audited Financial Statements for the financial year ended 31 March 2012 together with the Auditors' Report thereon.
2. To declare a Final (tax exempt one-tier) Dividend of 5.7 cents per share for the financial year ended 31 March 2012.
3. To approve the sum of \$728,397 as Directors' Fees for the financial year ended 31 March 2012 (FY 2011: \$726,635).
4. To re-elect the following Directors who are retiring in accordance with Article 94 of the Company's Articles of Association:-
  - (i) Mr Koh Yong Guan;
  - (ii) Mr Paul Ma Kah Woh; and
  - (iii) Mr Peter Tan Boon Heng.
5. To re-appoint Messrs PricewaterhouseCoopers LLP as the Auditors of the Company and to authorise the Directors to fix their remuneration.

### As Special Business:

6. To consider, and if thought fit, to pass, with or without modifications, the following resolutions as Ordinary Resolutions:
  - 6.1 That authority be and is hereby given to the Directors to:
    - (a) (i) allot and issue shares in the Company ("shares") whether by way of rights, bonus or otherwise; and/or
    - (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and
  - (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

# Notice of Annual General Meeting

provided that:

- (1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments made or granted pursuant to this Resolution) shall not exceed 50 per cent of the total number of issued shares (excluding treasury shares), (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to existing shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 5 per cent of the total number of issued shares (excluding treasury shares) (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited ("SGX-ST")) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued shares (excluding treasury shares) shall be based on the Company's total number of issued shares (excluding treasury shares) at the time this Resolution is passed, after adjusting for:
  - (i) new shares arising from the conversion or exercise of convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed, provided the share options or share awards were granted in compliance with the rules of the Listing Manual of the SGX-ST; and
  - (ii) any subsequent bonus issue, consolidation or subdivision of shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association of the Company for the time being in force; and
- (4) (unless revoked or varied by the Company in General Meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

6.2 That authority be and is hereby given to the Directors to:

- (a) grant awards in accordance with the provisions of the SMRT Corporation Restricted Share Plan ("SMRT RSP") and/or the SMRT Corporation Performance Share Plan ("SMRT PSP") (the SMRT RSP and SMRT PSP shall collectively be referred to as the "Share Plans"); and
- (b) allot and issue from time to time such number of shares as may be required to be issued pursuant to the exercise of the options under the SMRT Corporation Employee Share Option Plan ("SMRT ESOP") and/or such number of fully paid shares as may be required to be issued pursuant to the vesting of awards under the SMRT RSP and/or the SMRT PSP,

# Notice of Annual General Meeting

provided always that:-

- (i) the aggregate number of shares to be issued pursuant to the Share Plans and the SMRT ESOP shall not exceed 15 per cent of the total number of issued shares (excluding treasury shares) from time to time; and
  - (ii) the aggregate number of shares to be issued pursuant to the Share Plans and the SMRT ESOP during the period commencing from the date of this Resolution and ending on the date of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier, shall not exceed 2 per cent of the total number of issued shares (excluding treasury shares) from time to time.
- 7. To consider, and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

“That for the purpose of Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“Chapter 9”):

  - (a) approval be and is hereby given for the Company, its subsidiaries and associated companies that are entities at risk (as that term is used in Chapter 9), or any of them, to enter into any of the transactions falling within the types of interested person transactions, particulars of which are set out in Appendix A to the Notice of the Annual General Meeting, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such interested person transactions;
  - (b) the approval given in paragraph (a) above (the “General Mandate”) shall, unless revoked or varied by the Company in General Meeting, continue in force until the conclusion of the next Annual General Meeting of the Company; and
  - (c) the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the General Mandate and/or this Resolution.”
- 8. To consider, and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

“That:

  - (a) for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50 of Singapore (“Companies Act”), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company (“Shares”) not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price or prices as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereinafter defined), whether by way of:
    - (i) on-market purchases (each an “On-Market Purchase”) on the Singapore Exchange Securities Trading Limited (“SGX-ST”); and/or
    - (ii) off-market purchases (each an “Off-Market Purchase”) effected otherwise than on the SGX-ST in accordance with any equal access scheme(s) as may be determined or formulated by the Directors of the Company as they may, in their absolute discretion, deem fit, which schemes shall satisfy all the conditions prescribed by the Companies Act,

# Notice of Annual General Meeting

and otherwise in accordance with all other laws, regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (“Share Purchase Mandate”);

- (b) unless varied or revoked by the Company in General Meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of:
  - (i) the date on which the next Annual General Meeting of the Company is held or required by law to be held; or
  - (ii) the date on which the authority conferred by the Share Purchase Mandate is varied or revoked in General Meeting; or
  - (iii) the date on which the share purchases have been carried out to the full extent mandated.
- (c) in this Resolution:

“Prescribed Limit” means the number of issued Shares representing 5% of the total number of issued Shares as at the date of the passing of this Resolution (excluding any Shares which are held as treasury shares as at that date);

“Maximum Price” in relation to a Share to be purchased or acquired, means an amount (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) not exceeding:

- (i) in the case of an On-Market Purchase, 105% of the Average Closing Price of the Shares; and
- (ii) in the case of an Off-Market Purchase, 120% of the Average Closing Price of the Shares,

where:

“Average Closing Price” means the average of the closing market prices of a Share over the last five (5) market days on which transactions in the Shares on the SGX-ST were recorded immediately preceding the date of the On-Market Purchase by the Company or, as the case may be, the date of the making of the offer for an Off-Market Purchase, and in the case of an On-Market Purchase, deemed to be adjusted in accordance with the listing rules of the SGX-ST for any corporate actions occurring after the relevant 5-day period; and

“date of the making of the offer” means the date on which the Company announces its intention to make an offer for the Off-Market Purchase of Shares from shareholders, stating the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

- (d) the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution.”

# Notice of Annual General Meeting

## Any Other Business

9. To transact any other business that may be transacted at an Annual General Meeting.

By Order of the Board  
Winston Paul Wong Chi Huang  
Company Secretary

Singapore  
25 June 2012

## Notice of Closure of Books

**Notice is hereby given** that the Transfer Books and the Register of Members of the Company will be closed from 23 July 2012 to 24 July 2012 (both dates inclusive) for the preparation of dividend warrants. The final dividend, if approved at the Thirteenth Annual General Meeting, will be paid on 3 August 2012 to members on the Register as at 20 July 2012. In respect of shares in securities accounts with The Central Depository (Pte) Limited ("CDP"), the said final dividend will be paid by the Company to CDP, which will in turn distribute the final dividend entitlements to CDP account holders in accordance with its normal practice.

Duly completed transfers received by the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, Singapore Land Tower #32-01, Singapore 048623 up to 5.00 p.m. on 20 July 2012 will be registered to determine shareholders' entitlement to the final dividend.

# Notice of Annual General Meeting

## Explanatory notes on Ordinary Business to be transacted:

Resolution 3      The increase in the aggregate amount of Directors' fees payable for the financial year ended 31 March 2012 is due mainly to the movement of directors. A review by the Remuneration Committee taking into account industry benchmark and the public nature of the business of the Group was conducted during the year. There is no change in the Directors' fee structure (per annum) as appended below:-

### **Board of Directors**

Chairman's Basic Fee	\$85,000
Board Member's Basic Fee	\$45,000

### **Audit Committee**

Chairman's Allowance	\$35,000
Member's Allowance	\$25,000

### **Remuneration Committee/ Board Risk Committee**

Chairman's Allowance	\$22,000
Member's Allowance	\$11,000

### **Nominating Committee**

Chairman's Allowance	\$18,000
Member's Allowance	\$ 9,000

### **Executive Committee**

Chairman's Allowance	\$24,000
Member's Allowance	\$12,000

Resolution 4(i)      Mr Koh Yong Guan will, upon re-election as a Director of the Company, continue to serve as Chairman of the Board, Chairman of the Remuneration Committee, Chairman of the Executive Committee and Member of the Nominating Committee. Mr Koh Yong Guan is an independent director.

Resolution 4(ii)      Mr Paul Ma Kah Woh, upon re-election as a Director of the Company, continue to serve as Chairman of the Audit Committee, Member of the Nominating Committee and Member of the Executive Committee. Mr Paul Ma Kah Woh is considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.

Resolution 4(iii)      Mr Peter Tan Boon Heng will, upon re-election as a Director of the Company, continue to serve as Member of the Audit Committee and Member of the Board Risk Committee. Mr Peter Tan Boon Heng is considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.



# Notice of Annual General Meeting

## Explanatory notes on Special Business to be transacted:

- Resolution 6.1      Is to empower the Directors to issue shares and to make or grant instruments (such as warrants or debentures) convertible into shares, and to issue shares in pursuance of such instruments, up to an amount not exceeding in total fifty per cent (50%) of the total number of issued shares (excluding treasury shares), of which up to five per cent (5%) may be issued other than on a pro-rata basis to existing shareholders of the Company. For the purpose of determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares) will be calculated based on the Company's total number of issued shares (excluding treasury shares) at the time that Resolution 6.1 is passed, after adjusting for new shares arising from the conversion or exercise of convertible securities or share options or the vesting of share awards which are outstanding or subsisting at the time Resolution 6.1 is passed, and any subsequent bonus issue, consolidation or subdivision of shares.
- Resolution 6.2      Is to authorise the Directors to:
- (a)      grant awards in accordance with the SMRT RSP and/or the SMRT PSP; and
  - (b)      allot and issue from time to time such number of shares as may be required to be issued pursuant to the exercise of the options under the SMRT ESOP and/or such number of fully paid shares as may be required to be issued pursuant to the vesting of awards under the SMRT RSP and/or the SMRT PSP.
- Resolution 7      Is to propose a new General Mandate to authorise the Company, its subsidiaries and associated companies or any of them to enter into any of the mandated transactions with parties who are considered "interested persons" (as defined in Chapter 9 of the Listing Manual). The new General Mandate which is sought to be approved includes clarification to the existing categories and addition of new categories of interested person transactions to the existing General Mandate which was granted by the shareholders at the Twelfth Annual General Meeting of the Company and expiring at the conclusion of this Thirteenth Annual General Meeting. More information regarding the proposed new General Mandate is set out in Appendix A to this Notice of Annual General Meeting.
- Resolution 8      Is to renew for another year, the mandate for share purchases as described in Appendix B to this Notice of Annual General Meeting, which will, unless revoked or varied by the Company at a General Meeting, continue in force until the next Annual General Meeting of the Company. This ordinary resolution, if passed, will authorise the Directors of the Company to make purchases or otherwise acquire issued ordinary shares in the capital of the Company subject to and in accordance with the guidelines set out in Appendix B to this Notice of Annual General Meeting.

# Notice of Annual General Meeting

## Notes

1. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies to attend and to vote in his stead. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a member of the Company.
2. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 251 North Bridge Road, Singapore 179102, at least 48 hours before the time appointed for the Thirteenth Annual General Meeting.

# Proxy Form

## Annual General Meeting

### SMRT CORPORATION LTD

(Incorporated in the Republic of Singapore)  
(Company Registration No: 200001855H)

#### Important:

- For investors who have used their CPF monies to buy SMRT Corporation Ltd shares, the Report is forwarded to them at the request of their CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
- This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
- CPF investors who wish to attend the Annual General Meeting as observers must submit their requests through their respective CPF Approved Nominees so that their CPF Approved Nominees may register, within the time frame specified, with the Company's Share Registrar. (CPF Approved Nominees: Please refer to Note No. 8 on the reverse side of this form on the required details).
- CPF Investors who wish to vote must submit their voting instructions to their CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

I/We \_\_\_\_\_ NRIC/Passport No. \_\_\_\_\_ of \_\_\_\_\_ being a member/members of SMRT Corporation Ltd (the "Company") hereby appoint

Name	Address	NRIC/Passport No.	Proportion of Shareholdings (Number of Shares)

and/or (delete as appropriate)

Name	Address	NRIC/Passport No.	Proportion of Shareholdings (Number of Shares)

or failing him/her, the Chairman of the Meeting, as my/our proxy/proxies to vote for me/us and on my/our behalf at the Thirteenth Annual General Meeting of the Company, to be held at Marina Mandarin Ballroom, Level 1, Marina Mandarin Singapore, 6 Raffles Boulevard, Marina Square, Singapore 039594, on Thursday, 12 July 2012 at 2.30 p.m. and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the Meeting as indicated hereunder. If no specific directions as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Meeting and at any adjournment thereof.

	Resolutions	Indicate your vote For or Against with a tick	
No.	Ordinary Business	For	Against
1	Adoption of Directors' Report, Audited Financial Statements and Auditors' Report		
2	Declaration of a Final (tax exempt one-tier) Dividend		
3	Approval of Directors' Fees		
4(i)	Re-election of Mr Koh Yong Guan as Director		
4(ii)	Re-election of Mr Paul Ma Kah Woh as Director		
4(iii)	Re-election of Mr Peter Tan Boon Heng as Director		
5	Appointment of Messrs PricewaterhouseCoopers LLP as Auditors of the Company and to authorise the Directors to fix their remuneration		
	Special Business		
6.1	Authority for Directors to issue shares		
6.2	Authority for Directors to grant awards and issue and allot shares, pursuant to the SMRT Corporation Employee Share Option Plan, SMRT Corporation Restricted Share Plan and SMRT Corporation Performance Share Plan		
7	Renewal of the General Mandate for Interested Person Transactions		
8	Renewal of the Share Purchase Mandate		
9	Any Other Business		

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2012 Total Number of Shares Held: \_\_\_\_\_

\_\_\_\_\_  
Signature(s) of Member(s) or Common Seal

IMPORTANT: PLEASE READ NOTES ON THE REVERSE

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Please Affix  
Postage  
Stamp

**The Company Secretary**  
**SMRT CORPORATION LTD**  
251 North Bridge Road  
Singapore 179102

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**Notes To Proxy Form:**

1. A member entitled to attend and vote at the Thirteenth Annual General Meeting of the Company is entitled to appoint one or two proxies to attend and vote in his stead. Such proxy need not be a member of the Company.
2. Where a member appoints two proxies, the appointment shall be invalid unless he specifies the proportion of his holding (expressed as the number of shares) to be represented by each proxy.
3. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing or, where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.
4. A corporation which is a member may authorise by a resolution of its directors or other governing body an authorised representative or representatives in accordance with its Articles of Association and Section 179 of the Companies Act, Chapter 50 of Singapore, to attend and vote on its behalf.
5. The instrument appointing a proxy or proxies (together with the power of attorney, if any, under which it is signed or a certified copy thereof), must be deposited at the registered office of the Company at 251 North Bridge Road, Singapore 179102, at least 48 hours before the time appointed for the Thirteenth Annual General Meeting.
6. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in the Depository Register as well as shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of shares. If no number is inserted, the instrument appointing a proxy or proxies will be deemed to relate to all the shares held by the member.
7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company shall be entitled to reject any instrument appointing a proxy or proxies if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Thirteenth Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.
8. CPF Approved Nominees acting on the request of the CPF investors who wish to attend the Annual General Meeting as observers are requested to submit in writing, a list with details of the CPF investors' names, NRIC/Passport numbers, addresses and number of Shares held. The list, signed by an authorised signatory of the CPF Approved Nominee, should reach the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 50 Raffles Place, Singapore Land Tower #32-01, Singapore 048623, at least 48 hours before the time fixed for the Annual General Meeting.

**Future shareholder communications and proxy cards**

The Company may in future propose to communicate with members via electronic means through The Central Depository (Pte) Limited ("CDP"). A member who wishes and intends to receive future shareholder communications and proxy cards electronically for all his shares in the Depository Register with CDP may do so by providing an e-mail address, his NRIC number and a PIN number. Please go directly to <https://enroll.icsdelivery.com/SGX> and enter the NRIC number and a PIN number, where requested.

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(Incorporated in the Republic of Singapore)  
(Company Registration Number: 200001855H)

Dear Shareholder

Winston Paul Wong Chi Huang  
Company Secretary

Name(s) of Shareholder(s):	NRIC/Passport No(s):
The shares are held by me/us under or through:	
<input type="checkbox"/> CDP Securities Account Number <div style="border: 1px solid black; height: 20px; width: 100%; position: relative;"> <span style="position: absolute; left: 10px; top: 5px;"> </span><span style="position: absolute; left: 25px; top: 5px;"> </span><span style="position: absolute; left: 40px; top: 5px;"> </span><span style="position: absolute; left: 55px; top: 5px;">-</span><span style="position: absolute; left: 70px; top: 5px;"> </span><span style="position: absolute; left: 85px; top: 5px;"> </span><span style="position: absolute; left: 100px; top: 5px;">-</span><span style="position: absolute; left: 115px; top: 5px;"> </span><span style="position: absolute; left: 130px; top: 5px;"> </span><span style="position: absolute; left: 145px; top: 5px;"> </span> </div>	<input type="checkbox"/> CPFIS Account <input type="checkbox"/> Physical Scrips
Address:	Signature(s):  <div style="text-align: right; margin-top: 20px;">_____</div>

\* Please note that this option is not available if your shares are deposited in a CPFIS Account.

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**BUSINESS REPLY SERVICE  
PERMIT NO. 07076**



**SMRT CORPORATION LTD**  
c/o Boardroom Corporate & Advisory Services Pte. Ltd.  
50 Raffles Place  
Singapore Land Tower #32-01  
Singapore 048623

Postage Will  
Be Paid  
By Addressee  
For Posting  
In Singapore  
Only

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# Corporate Directory

## Subsidiaries

### SINGAPORE

#### SMRT Trains Ltd

#### SMRT Investments Pte Ltd

#### SMRT Capital Pte Ltd

#### SMRT Far East Pte Ltd

251 North Bridge Road

Singapore 179102

Telephone: (65) 6331 1000

Facsimile: (65) 6334 0247

[www.smrt.com.sg](http://www.smrt.com.sg)

#### SMRT Engineering Pte Ltd

#### SMRT International Pte Ltd

300 Bishan Road

Singapore 579828

Telephone: (65) 6554 8535

Facsimile: (65) 6453 7645

[www.smrt.com.sg](http://www.smrt.com.sg)

#### SMRT Light Rail Pte Ltd

1 Woodlands Road

#03-01 Junction 10

Singapore 677899

Telephone: (65) 6893 6456

Facsimile: (65) 6762 6732

[www.smrt.com.sg](http://www.smrt.com.sg)

#### SMRT Road Holdings Ltd

#### SMRT Buses Ltd

6 Ang Mo Kio Street 62

Singapore 569140

Telephone: (65) 6482 3888

Facsimile: (65) 6482 3842

[www.smrt.com.sg](http://www.smrt.com.sg)

#### SMRT Taxis Pte Ltd

60 Woodlands Industrial Park E4

Singapore 757705

Telephone: (65) 6369 0111

Facsimile: (65) 6369 3639

[www.smrt.com.sg](http://www.smrt.com.sg)

## SMRT Automotive Services Pte Ltd

6 Ang Mo Kio Street 62

Singapore 569140

Telephone: (65) 6556 3479

Facsimile: (65) 6481 9221

[www.smrt.com.sg](http://www.smrt.com.sg)

## Bus-Plus Services Pte Ltd

6 Ang Mo Kio Street 62

Singapore 569140

Telephone: (65) 6481 0166

Facsimile: (65) 6484 0129

[www.smrt.com.sg](http://www.smrt.com.sg)

## SMRT Institute Pte Ltd

300 Bishan Road

Singapore 579828

Telephone: (65) 6554 8110

Facsimile: (65) 6552 8974

[www.smrtinstitute.com.sg](http://www.smrtinstitute.com.sg)

## CAYMAN ISLANDS

### SMRT Cayman I

### SMRT Cayman II

C/o 251 North Bridge Road

Singapore 179102

Telephone: (65) 6331 1000

Facsimile: (65) 6334 0247

[www.smrt.com.sg](http://www.smrt.com.sg)

## HONG KONG

### SMRT Hong Kong Limited

C/o 251 North Bridge Road

Singapore 179102

Telephone: (65) 6331 1000

Facsimile: (65) 6334 0247

[www.smrt.com.sg](http://www.smrt.com.sg)

## MIDDLE EAST

### SMRT Engineering

### (Middle East) FZE

Office 310, 3rd Floor

Building LB17, JAFZA

P.O. Box 126370

Dubai, United Arab Emirates

[www.smrt.com.sg](http://www.smrt.com.sg)

## Associated Company

### CHINA

#### Shenzhen Zona

#### Transportation Group Co Ltd

19 Floor, Tongye Building,

Xiameilin,

Futian District, Shenzhen,

People's Republic of China,

PC 518049

Telephone: (0086-755) 8393 8342

Facsimile: (0086-755) 8351 2347

[www.zona.com.cn](http://www.zona.com.cn)

## Branch Office

### MIDDLE EAST

#### SMRT International Pte Ltd

#### - Abu Dhabi

Floor 01, Hamdan Al Falahy

Building

Hamdan Street

P.O. Box 45565

Abu Dhabi, United Arab Emirates

Telephone: (9712) 6777 424

Facsimile: (9712) 6780 044

[www.smrt.com.sg](http://www.smrt.com.sg)



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