

MOVING TO THE NEXT LEVEL

SMRT CORPORATION LTD

SUMMARY FINANCIAL STATEMENT 2002



REGISTERED OFFICE

251 North Bridge Rd
Singapore 179102
Telephone: 65 63311000
Facsimile: 65 63341407
www.smrtcorp.com

PLACE OF INCORPORATION

Singapore

DATE OF INCORPORATION

6 March 2000

BOARD OF DIRECTORS

Chew Choon Seng, Chairman
Boey Tak Hap, President & CEO
Cheah Kean Huat, Director
Daniel Ee Hock Huat, Director
Koh Kheng Siong, Director
Victor Loh Kwok Hoong, Director
Lye Fei, Director
Ng Ser Miang, Director
Jimmy Phoon Siew Heng, Director
Tan Yong Soon, Director
Engelin Teh Guek Ngor, Director

COMPANY SECRETARIES

Catherine Kuan-Lee Yee Fong, CPA
Jessica Ho Mui Kheng, CPA

AUDIT COMMITTEE

Daniel Ee Hock Huat, Chairman
Victor Loh Kwok Hoong
Lye Fei
Koh Kheng Siong
Engelin Teh Guek Ngor

EXECUTIVE COMMITTEE

Chew Choon Seng, Chairman
Boey Tak Hap
Koh Kheng Siong
Ng Ser Miang
Jimmy Phoon Siew Heng

REMUNERATION COMMITTEE

Chew Choon Seng, Chairman
Cheah Kean Huat
Koh Kheng Siong

NOMINATING COMMITTEE

Engelin Teh Guek Ngor, Chairman
Chew Choon Seng
Jimmy Phoon Siew Heng

AUDITORS

KPMG
Audit Partner: Soo Nam Chow
16 Raffles Quay
#22-00 Hong Leong Building
Singapore 048581

PRINCIPAL BANKERS

The Development Bank Of Singapore Ltd
Overseas-Chinese Banking
Corporation Limited
United Overseas Bank Limited

SHARE REGISTRAR

Lim Associates (Pte) Ltd
10 Collyer Quay
#19-08 Ocean Building
Singapore 049315

FINANCIAL YEAR ENDED 31 MARCH 2002

24 May 2002
Announcement of FY 2002 Results

20 June 2002
Issue of Annual Report 2002

17 July 2002
Annual General Meeting

24 – 25 July 2002 (Both Dates Inclusive)
Book Closure Dates

5 August 2002
Proposed Payment of Final Dividend

FINANCIAL YEAR ENDING 31 MARCH 2003

24 October 2002
Proposed Announcement of Halfyear Results

11 – 12 November 2002 (Both Dates Inclusive)
Proposed Book Closure Dates

21 November 2002
Proposed Payment of Interim Dividend

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CHAIRMAN'S MESSAGE

The year in review was indeed eventful for the Corporation. We announced the plan for a merger with TIBS Holdings (owner of the No. 2 bus operator and the No. 3 taxi operator in Singapore) in July 2001, won the award to operate the new MRT Circle Line in August 2001, became a component of the Morgan Stanley Composite Index for Singapore stocks in November 2001, and successfully issued S\$500 million worth of bonds in December 2001. In addition, two new stations were commissioned, Dover in October 2001 and Changi Airport in February 2002.

Amid all these milestone events, we were mindful of our core business of providing public transport services. This has a direct linkage to the country's economy, and our financial performance in the reporting year reflected the general slowdown of the Singapore economy. The number of passengers on the MRT system grew only 0.6 per cent over the preceding year, and actually declined in the second half of the year. Ridership on the LRT was up 1.3 per cent. In the absence of approval for any fare increase, the corresponding passenger revenue from MRT and LRT operations increased just 0.9 per cent for the year. On the other hand, costs of operating the MRT and the LRT rose 3.1 per cent, which was attributable to increases in costs related to staff and to electricity.

With the inclusion of results from the companies of TIBS Holdings for the four months from December 2001 to March 2002, the total revenue for the SMRT Group for the year came to S\$500 million, producing S\$92.3 million in profit before interest and taxation, just 3 per cent short of that in the preceding year. As highlighted previously and therefore not surprising, income from interest-bearing deposits and from investments fell sharply as they were liquidated and used to make the final payments to the Land Transport Authority for the purchase of operating assets for the MRT system. Consequently, net profit attributable to shareholders fell 44.7 per cent to S\$56.8 million.

The Board of Directors is staying true to the policy of paying approximately half of the net profit as dividends to shareholders and is proposing a final gross dividend of 1.5 cents per share. Together with the interim gross dividend of 1.3 cents per share, this will bring the total gross dividend for the year to 2.8 cents per share, close to the ordinary gross dividend of 3 cents per share for FY 2001. Net of tax, the total amount paid as dividends will be S\$32.3 million.

The MRT operations continue to be highly rated for safety and for reliability, providing efficient, comfortable and affordable transportation for over a million commuters, every day, seven days a week. At the same time, there is always room for improvement and we welcome feedback from customers to help us. We continue to inculcate in our staff the importance of the human aspects of customer service. And, as always, safety of operations, and its connotations of proper maintenance and operating procedures, is paramount.

The LRT operations improved and attained high levels of service availability for most of the year, but had its record marred by several disruptions of service in the later part. These have been thoroughly investigated, expert consultants have been appointed to provide advice, and refinements in operating procedures, maintenance and trouble shooting are being implemented. We should see improvements in reliability and in service recovery.

Following approval of a scheme of arrangement by the High Court, the merger of the Corporation with TIBS Holdings took effect on 11 December 2001, and TIBS Holdings subsequently was delisted from the Singapore Exchange. The merger brought together 2,987 staff from the companies in the TIBS Group and the 3,115 staff in the SMRT Group, for a total strength of 6,102 people who account for about half of the land transport sector in Singapore. By the same token, the combination of TIBS' 790 buses and 2,000 taxis with SMRT's 106 MRT trains and 19 LRT trains makes the Corporation the first and largest multi-modal land transport provider in the country.

However, neither being the first nor being the largest is of any importance. In fact, neither was a consideration for the merger. In truth, the focus of the merger is the melding of the road operations and the rail operations to achieve better connectivity, shorten door-to-door travelling time, and thereby enhance the appeal of the integrated system to commuters.

It was decided from the outset that there would not be any sweeping changes overnight to the way the two groups were managed. Given their complementary nature and their different requirements, redundancies arising from duplication of activities are marginal. The merger is not driven by the ability to wring out economies of scale from two disparate organisations, and involuntary retrenchments will not be necessary.

The brand identities of the companies in the TIBS Group will be retained, in recognition of the customer goodwill they have earned. Likewise, the SMRT brand will be kept. Behind the scenes, teams comprising members from both organisations have been working on the integration processes, drawing on the strengths of each side.

The successful bid to be the operator of the new Circle Line underpins the Corporation's future growth, even if the inauguration is still some years away. When completed, it will add 34 km of track to the current network length of 89 km. A team of experienced SMRT engineers has been formed to work with the Land Transport Authority on the development of the new line.

For the current financial year starting April 2002, the Corporation's business prospects hinge on the direction that the Singapore economy takes. At this point, the chances for some modest growth look good. On a positive note, the reduction in corporate tax rate to 22 per cent with effect from year of assessment 2003 will reduce the Group's deferred tax charge and liability by S\$16.1 million.

During the course of the year in review, there were two departures from and three additions to the Board of Directors. Mr Ho Tian Yee, who had served on the Board, and its predecessor board, for over six years, stepped down in September 2001, at his own request because of other demands on his time. On behalf of fellow directors, I thank Mr Ho for his valuable contributions and inputs to SMRT during his membership. At the end of December 2001, Mr Kwek Siew Jin stood down as a director, consequent to his resignation from office as President of the Corporation. On behalf of the Board, I express appreciation of and gratitude to Mr Kwek for his dedicated and capable leadership of the Corporation, and in particular for his enthusiastic and unstinting presentations of the company to potential investors in the run up to its successful listing on the Singapore Exchange. We wish both Mr Ho and Mr Kwek the best in their future endeavors.

In turn, Ms Engelin Teh Guek Ngor was appointed as an independent non-executive director in August 2001, and Mr Ng Ser Miang, formerly Managing Director of TIBS Holdings, was appointed also as an independent non-executive director in December 2001. Mr Boey Tak Hap was appointed as President & CEO of the Corporation with effect from 1 January 2002, and appointed as a director at the same time. On behalf of the Board, I welcome Ms Teh, Mr Ng and Mr Boey, and look forward to working with them in lifting the Corporation to higher achievements.

In closing, I must thank all our staff for their diligence and attention to duty, our customers for choosing to travel with SMRT, TIBS and our associate companies, and our shareholders for their trust in the Corporation.



CHEW CHOON SENG
CHAIRMAN

FINANCIAL REVIEW

IMPORTANT NOTE

The summary financial statement as set out on pages 22 to 30 does not contain sufficient information to allow for a full understanding of the results and state of affairs of the Company or of the Group. For further information, the full annual financial statements, the auditors' report on those financial statements, and the directors' report should be consulted. Shareholders may request a copy of the full annual report at no cost from the Share Registrars. Please use the Request Slip at the end of this Summary Financial Statement.

RESULTS FOR FY 2002

In December 2001, the Company completed its acquisition of TIBS Holdings Ltd ("TIBS"). Accordingly, the audited accounts of the Group now include the results of TIBS for the period from December 2001 to March 2002.

Group revenue grew 21.1% to \$500.0 million. SMRT Group excluding TIBS registered a turnover of \$416.8 million, a marginal increase of 0.9%. Revenue for the first half of the financial year under review stood at \$208.4 million, an increase of 2.6% over the preceding year. Profit after taxation decreased 53.8% to \$29.4 million in the first half. Revenue for the second half increased 39% to \$291.5 million as a result of the consolidation of TIBS' results for four months. However, after-tax profits declined 30.2% to \$27.4 million due to lower interest and investment income, higher depreciation and interest expenses on the \$500 million bonds.

Excluding TIBS' four-month performance and financial impact of the acquisition (i.e. interest cost on borrowing of \$200 million and amortisation of goodwill), revenue for the second half year would be \$208.4 million, a decline of 0.7% and profit after taxation would be \$22.3 million, 43.2% lower than the second half year in FY 2001.

REVENUE

Fare revenue on the MRT system grew 0.7% to \$375.0 million. Average daily MRT ridership for FY 2002 was 1,067,600, representing an increase of 0.6% over FY 2001.

Fare revenue on the LRT system grew 9.5% to \$8.4 million. Average daily LRT ridership increased 1.3% to 40,100.

Rental and advertising revenue increased marginally on account of higher rental income and advertising revenue of \$0.8 million from TIBS. Advertising revenue on the MRT system declined \$1.3 million because of stiffer competition and reduced spending by advertisers.

Engineering and other services, excluding related contributions from TIBS, increased \$0.9 million to \$1.5 million from the leasing of fibre optics cables to telecommunication services companies.

OPERATING EXPENSES

Operating expenses increased 27.9% or \$92.1 million compared to the previous financial year. The inclusion of costs from TIBS for the first time contributed to the increase. Excluding TIBS, operating expenses (net of depreciation and asset-related grant) increased 3.1% or \$7.8 million due to the following:

STAFF AND RELATED COSTS

Staff and related costs increased 3.8% to \$149.9 million. The restoration of the employer CPF contribution rate from 12% to 16% in January 2001 increased salary costs by 2.2%. The outstanding cost increases are attributable to the additional staffing required for Changi Airport MRT Extension and Dover Station.

REPAIRS AND MAINTENANCE COSTS

Repairs and maintenance costs declined 1.5% or \$0.5 million. The reduction in repairs and maintenance costs for the rail system was attributable to the completion of several major maintenance projects last year.

ELECTRICITY COSTS

Electricity costs increased 0.5% due to the operation of the Changi Airport MRT Extension and Dover Station and increased train runs. The reduction in electricity tariffs of approximately 5.8% mitigated against these cost increases.

OTHER OPERATING EXPENSES

The increase in other operating expenses stood at 6.5% or \$2.6 million. This was attributed mainly to an increase in SMRT's share of TransitLink expenses for the first eight months (\$1.2 million), costs related to the \$500 million bond issue, the merger with TIBS and SMRT's tender for the Circle Line.

DEPRECIATION

Depreciation increased \$27.5 million to \$149.7 million. Excluding TIBS, depreciation increased 9.4% or \$11.4 million to \$133.7 million, due mainly to the full-year depreciation of 16 new trains and adjustments to the useful lives of certain assets.

AMORTISATION OF ASSET-RELATED GRANT

The increase in amortisation of asset-related grant corresponds to the increase in depreciation arising from adjustments to the useful lives of certain assets.

INTEREST AND INVESTMENT INCOME

Interest and investment income fell 94.9% from \$49.2 million to \$2.5 million in FY 2002. This was because the fourth annual instalment payment to LTA and capital expenditure reduced the Group's investment funds.

SHARE OF RESULTS OF ASSOCIATES

Losses from associates in FY 2002 amounted to \$6.3 million. Of this amount, the share of losses in MediaCorp Press accounted for \$5.6 million.

PROFIT AFTER TAXATION

The Group achieved a net profit of \$56.8 million for FY 2002, a decline of 44.7% compared to the previous year. This was due to significantly reduced interest and investment income and lower operating profit.

DIVIDENDS

The Board of Directors has proposed a final gross dividend of 1.5 cents per share, less tax of 22 per cent. Combined with the interim gross dividend of 1.3 cents per share, less tax of 24.5 per cent, the total gross dividends for the full year amount to 2.8 cents per share.

The Company intends to continue paying an ordinary dividend of approximately 50% of the consolidated net profit from operations for each financial year, subject to capital expenditure and other investment plans.

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2002

On behalf of all the directors of the Company, we are pleased to submit this report to the members together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2002.

DIRECTORS

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

Chew Choon Seng	Chairman
Boey Tak Hap	(Appointed on 1 January 2002)
Lye Fei	
Koh Kheng Siong	
BG (NS) Tan Yong Soon	
Daniel Ee Hock Huat	
Victor Loh Kwok Hoong	
Cheah Kean Huat	
Jimmy Phoon Siew Heng	(Appointed on 2 May 2001)
Engelin Teh Guek Ngor	(Appointed on 1 August 2001)
Ng Ser Miang	(Appointed on 13 December 2001)

PRINCIPAL ACTIVITIES

The principal activities of the Company are those relating to investment holding and provision of engineering consultancy and other engineering services and management services to group companies.

The subsidiaries are involved in five key businesses as follows:

(I) RAIL OPERATIONS

Its principal activities are to provide transport-related business in Singapore. It operates both the Mass Rapid Transit System ("MRT") and Bukit Panjang Light Rapid Transit System ("LRT").

(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 and provision of taxi services.

(IV) RENTAL AND ADVERTISING

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

PRINCIPAL ACTIVITIES (CONT'D)

(V) ENGINEERING SERVICES AND OTHER SERVICES

The business provides consultancy, project management services, lease of fibre optic cable, rental of motor vehicles and repair and maintenance services.

Except for the acquisition of TIBS Holdings Ltd and its subsidiaries whose principal activities are those relating to the provision of bus and taxis services, there have been no significant changes in activities of the Group or of the Company during the financial year.

ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

The following acquisition of subsidiary was made during the financial year:

NAME OF SUBSIDIARY	EFFECTIVE	GROUP'S	CONSIDERATION
	EQUITY INTEREST	SHARE OF NET	
	ACQUIRED	TANGIBLE ASSETS	
	%	\$'000	\$'000
ACQUIRED BY THE COMPANY			
TIBS Holdings Ltd	100	129,477	198,637

On 9 July 2001, the Company and TIBS Holdings Ltd ("TIBS") entered into a Merger Agreement for the merger of the Company and TIBS pursuant to a scheme of arrangement under Section 210 of the Companies Act (the "Scheme"). Under the Scheme:

- 138,616,272 shares of TIBS held by shareholders as at the Relevant Date on 10 December 2001, being one business day before the Scheme effective date of 11 December 2001, were cancelled in exchange for the Scheme price of \$1.405 in cash per share paid by the Company; and
- 138,616,272 shares of TIBS, being equal in number to the cancelled shares, were issued to the Company and credited as fully paid-up.
- 3,242,011 employee shares option of TIBS were cancelled in exchange for cash for the difference between the Scheme price of \$1.405 per share and the subscription prices of the options.

The Scheme was sanctioned by the High Court of Singapore on 21 November 2001 and took effect on 11 December 2001.

Upon the effective date of the Scheme, TIBS became a wholly-owned subsidiary of the Company and its shares were withdrawn from the Official List of the Singapore Exchange Securities Trading Limited.

DIRECTORS' REPORT (CONT'D)

FOR THE YEAR ENDED 31 MARCH 2002

ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (CONT'D)

As a result of the acquisition, the following companies, which was previously accounted as associates of the Group, became subsidiaries:

	EFFECTIVE EQUITY INTEREST HELD	
	BEFORE THE SCHEME	AFTER THE SCHEME
	Bus-Plus Services Pte Ltd	50.0%
Transit Link Pte Ltd	33.3%	66.7%
EZCard Pte Ltd	40.0%	55.0%

There were no other acquisitions and disposals of subsidiaries during the financial year.

FINANCIAL RESULTS

The results of the Group and of the Company for the financial year are as follows:

	THE GROUP \$'000	THE COMPANY \$'000
Profit after taxation	56,797	44,872
Retained profits brought forward, as previously reported	188,842	86,073
Effects of adopting accounting standards:		
– SAS 10 (Proposed dividend income)	–	(38,237)
– SAS 10 (Proposed dividend payable)	35,674	35,674
– SAS 17 (Employee benefits)	(4,560)	(177)
– SAS 31 (Provisions)	13,475	–
– SAS 34 (Intangibles)	(1,996)	–
Retained profits brought forward, as restated	231,435	83,333
	288,232	128,205
Dividends:		
Final dividends paid:		
– Ordinary dividend of 15% less tax of 24.5% in respect of year 2001	(16,988)	(16,988)
– Special dividend of 16.5% less tax of 24.5% in respect of year 2001	(18,686)	(18,686)
Interim ordinary dividend of 13% less tax of 24.5% in respect of year 2002	(14,723)	(14,723)
	(50,397)	(50,397)
Retained profits carried forward	237,835	77,808

TRANSFERS TO AND FROM RESERVES AND PROVISIONS

There were no material transfers to or from reserves during the financial year. Material movements in provisions (including allowance, impairment and depreciation) are as set out in the notes to the financial statements in the full annual report.

ISSUE OF SHARES OR DEBENTURES

During the financial year, there were the following issues of shares:

BY THE SUBSIDIARIES

NAME OF SUBSIDIARIES	DESCRIPTION OF SHARES ISSUED	PURPOSES OF ISSUE
Singapore LRT Pte Ltd	1,500,000 ordinary shares of \$1 each fully paid at par for cash	To provide additional working capital
RFP Investments Pte Ltd	7,876,000 ordinary shares of \$1 each fully paid at par for cash	To provide additional working capital

Except for the above, there was no other issue of shares or debentures during the financial year.

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Except as disclosed under the "Share Options" 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.

DIRECTORS' REPORT (CONT'D)

FOR THE YEAR ENDED 31 MARCH 2002

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the register kept by the Company for the purposes of Section 164 of the Companies Act, Chapter 50 (the "Act"), particulars of interests of directors who held office at the end of the financial year in shares and debentures in the Company and in related corporations are as follows:

	HELD BY DIRECTOR		OTHER HOLDINGS IN WHICH THE DIRECTOR IS DEEMED TO HAVE AN INTEREST	
	AS AT 1/4/2001 OR DATE OF APPOINTMENT	AS AT 31/3/2002	AS AT 1/4/2001 OR DATE OF APPOINTMENT	AS AT 31/3/2002
	THE COMPANY			
ORDINARY SHARES OF \$0.10 EACH FULLY PAID				
Chew Choon Seng	50,000	50,000	-	-
Daniel Ee Hock Huat	50,000	50,000	5,000	5,000
Victor Loh Kwok Hoong	50,000	50,000	1,000	1,000
Cheah Kean Huat	30,000	30,000	-	-
2.87% BONDS MATURING IN 2004				
Boey Tak Hap	\$250,000	\$250,000	-	-
RELATED CORPORATIONS				
CAPITALAND LIMITED				
ORDINARY SHARES OF \$1.00 EACH FULLY PAID				
Koh Kheng Siong	25,000	25,000	-	-
BG (NS) Tan Yong Soon	-	-	2,500	2,500
Victor Loh Kwok Hoong	-	-	1,000	1,000
FINLAYSON GLOBAL CORPORATION LTD				
0% BONDS MATURING IN 2004				
Engelin Teh Guek Ngor	\$10,000	\$10,000	-	-
RAFFLES HOLDINGS LIMITED				
ORDINARY SHARES OF \$0.50 EACH FULLY PAID				
Chew Choon Seng	12,000	12,000	-	-
Lye Fei	3,000	3,000	-	-

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES (CONT'D)

	HELD BY DIRECTOR		OTHER HOLDINGS IN WHICH THE DIRECTOR IS DEEMED TO HAVE AN INTEREST	
	AS AT 1/4/2001 OR DATE OF APPOINTMENT	AS AT 31/3/2002	AS AT 1/4/2001 OR DATE OF APPOINTMENT	AS AT 31/3/2002
	SEMBCORP INDUSTRIES LTD			
ORDINARY SHARES OF \$0.25 EACH FULLY PAID				
Koh Kheng Siong	20,000	20,000	-	-
Daniel Ee Hock Huat	3,709	3,709	-	-
Ng Ser Miang	50,000	25,000	-	-

OPTIONS TO SUBSCRIBE FOR ORDINARY SHARES OF \$0.25 EACH

	EXERCISE PRICE	EXERCISE PERIOD				
	Lye Fei	\$2.26				
	\$1.99	27/6/2001 to 26/6/2010	140,000	140,000	-	-
	\$1.55	20/4/2002 to 19/4/2011	-	250,000	-	-

CONDITIONAL AWARD OF PERFORMANCE SHARES TO BE DELIVERED AFTER 2003

Lye Fei	-	Up to 100,000 (note 1)
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Note 1: The actual number delivered will depend on the achievement of set targets over a 3 year period from 2001 to 2003. Achievement of targets below 80% level will mean no performance shares will be delivered, while achievement up to 200% will mean up to twice the number of conditional performance shares awarded could be delivered.

SEMBCORP LOGISTICS LTD

ORDINARY SHARES OF \$0.25* EACH FULLY PAID

Koh Kheng Siong	24,000*	24,000	-	-
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OPTIONS TO SUBSCRIBE FOR ORDINARY SHARES OF \$0.25* EACH

	EXERCISE PRICE	EXERCISE PERIOD				
	Lye Fei	\$2.5038*				
	\$1.8375*	16/5/2002 to 15/5/2011	120,000*	120,000	-	-

* The number of shares and the share price have been adjusted for the effect of 1 for 4 share split during the financial year.

DIRECTORS' REPORT (CONT'D)

FOR THE YEAR ENDED 31 MARCH 2002

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES (CONT'D)

	HELD BY DIRECTOR		OTHER HOLDINGS IN WHICH THE DIRECTOR IS DEEMED TO HAVE AN INTEREST	
	AS AT 1/4/2001 OR DATE OF APPOINTMENT	AS AT 31/3/2002	AS AT 1/4/2001 OR DATE OF APPOINTMENT	AS AT 31/3/2002
SIA ENGINEERING COMPANY LIMITED				
ORDINARY SHARES OF \$0.10 EACH FULLY PAID				
Chew Choon Seng	20,000	20,000	-	-
Koh Kheng Siong	2,000	2,000	-	-
Lye Fei	-	-	1,000	1,000
SINGAPORE AIRLINES LIMITED				
ORDINARY SHARES OF \$0.50 EACH FULLY PAID				
Chew Choon Seng	214,000	214,000	-	-
Koh Kheng Siong	15,000	15,000	-	-
Daniel Ee Hock Huat	2,000	-	-	-
Engelin Teh Guek Ngor	5,000	5,000	-	-
OPTIONS TO SUBSCRIBE FOR ORDINARY SHARES OF \$0.50 EACH				
	EXERCISE PRICE	EXERCISE PERIOD		
Chew Choon Seng	\$15.34*	28/3/2000 to 27/3/2010	60,000	60,000
	\$16.65*	3/7/2000 to 2/7/2010	90,000	90,000
	\$11.96*	2/7/2001 to 1/7/2011	-	152,000

* Prices adjusted for capital reduction

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES (CONT'D)

	HELD BY DIRECTOR		OTHER HOLDINGS IN WHICH THE DIRECTOR IS DEEMED TO HAVE AN INTEREST	
	AS AT 1/4/2001 OR DATE OF APPOINTMENT	AS AT 31/3/2002	AS AT 1/4/2001 OR DATE OF APPOINTMENT	AS AT 31/3/2002
	SINGAPORE AIRPORT TERMINAL SERVICES LIMITED			
ORDINARY SHARES OF \$0.10 EACH FULLY PAID				
Chew Choon Seng	10,000	10,000	-	-
Lye Fei	2,000	2,000	1,000	1,000
SINGAPORE FOOD INDUSTRIES LIMITED				
ORDINARY SHARES OF \$0.05 EACH FULLY PAID				
Lye Fei	18,000	18,000	2,000	2,000
Daniel Ee Hock Huat	50,000	60,000	-	-
SINGAPORE TECHNOLOGIES ENGINEERING LTD				
ORDINARY SHARES OF \$0.10 EACH FULLY PAID				
Koh Kheng Siong	34,361	34,361	-	-
Victor Loh Kwok Hoong	-	-	2,000	2,000
SINGAPORE TELECOMMUNICATIONS LIMITED				
ORDINARY SHARES OF \$0.15 EACH FULLY PAID				
Chew Choon Seng	11,820	11,820	-	-
Boey Tak Hap	1,820	1,820	1,690	1,690
Lye Fei	-	-	200	200
BG (NS) Tan Yong Soon	1,820	1,820	1,690	1,690
Koh Kheng Siong	11,820	11,820	3,230	3,230
Daniel Ee Hock Huat	1,950	1,950	1,690	1,690
Victor Loh Kwok Hoong	1,690	1,690	7,690	7,690
Jimmy Phoon Siew Heng	1,750	1,750	2,690	2,690
Engelin Teh Guek Ngor	1,490	1,490	-	-
Ng Ser Miang	51,620	101,620	1,440	1,440

DIRECTORS' REPORT (CONT'D)

FOR THE YEAR ENDED 31 MARCH 2002

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES (CONT'D)

	HELD BY DIRECTOR		OTHER HOLDINGS IN WHICH THE DIRECTOR IS DEEMED TO HAVE AN INTEREST	
	AS AT 1/4/2001 OR DATE OF APPOINTMENT	AS AT 31/3/2002	AS AT 1/4/2001 OR DATE OF APPOINTMENT	AS AT 31/3/2002
	ST ASSEMBLY TEST SERVICES LTD			
ORDINARY SHARES OF \$0.25 EACH FULLY PAID				
Koh Kheng Siong	1,000	1,000	-	-
Engelin Teh Guek Ngor	1,000	1,000	-	-
THE ASCOTT GROUP LIMITED				
ORDINARY SHARES OF \$0.20 EACH FULLY PAID				
Engelin Teh Guek Ngor	10,000	10,000	-	-
VERTEX VENTURE HOLDINGS LTD				
ORDINARY SHARES OF \$0.20 EACH FULLY PAID				
Daniel Ee Hock Huat	-	7,120	-	-

As at 21 April 2002 (being 21 days after the end of the financial year), the interests of directors who held office at the end of the financial year in shares in the Company and related corporations remained unchanged.

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares or debentures 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.

DIVIDENDS

Since the end of the last financial year, the Company paid a final net ordinary dividend of \$16,987,500 and a net special dividend of \$18,686,250 in respect of the previous financial year as proposed in the directors' report for that year. During the financial year, the Company declared an interim net ordinary dividend of \$14,722,500. The directors now recommend the payment of a final net ordinary dividend of \$17,550,000 in respect of the financial year under review.

BAD AND DOUBTFUL DEBTS

Before the profit and loss account and the balance sheet of the Company were made out, the directors took reasonable steps to ascertain what action had been taken in relation to writing off bad debts and providing for doubtful debts of the Company. The directors have satisfied themselves that all known bad debts have been written off and that adequate provision has been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances which would render any amounts written off for bad debts or provided for doubtful debts in the Group inadequate to any substantial extent.

CURRENT ASSETS

Before the profit and loss account and the balance sheet of the Company were made out, the directors took reasonable steps to ascertain that current assets of the Company which were unlikely to realise their book values in the ordinary course of business have been written down to their estimated realisable values and that adequate provision has been made for the diminution in value of such current assets.

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report which would render the values attributable to current assets in the Group misleading.

CHARGES AND CONTINGENT LIABILITIES

Since the end of the financial year:

- (i) no charge on the assets of the Group or of the Company has arisen which secures the liabilities of any other person; and
- (ii) no contingent liability of the Group or of the Company has arisen.

DIRECTORS' REPORT (CONT'D)

FOR THE YEAR ENDED 31 MARCH 2002

ABILITY TO MEET OBLIGATIONS

No contingent liability or other liability of the Group or of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

OTHER CIRCUMSTANCES AFFECTING THE FINANCIAL STATEMENTS

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Group or of the Company misleading.

UNUSUAL ITEMS

Except for the effect of changes in accounting policies as disclosed on pages 28 to 30, in the opinion of the directors, no item, transaction or event of a material and unusual nature has substantially affected the results of the operations of the Group or of the Company during the financial year.

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

DIRECTORS' INTERESTS IN CONTRACTS

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

The SMRT Corporation Employee Share Option Plan ("SMRTC ESOP") of the Company was approved and adopted by its members at an Extraordinary General Meeting held on 15 July 2000. The SMRTC ESOP was administered by the Remuneration Committee, comprising Mr Chew Choon Seng, Chairman of the Committee, Mr Cheah Kean Huat and Mr Koh Kheng Siong.

The SMRTC 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.

SHARE OPTIONS (CONT'D)

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 SMRTC ESOP as it thinks fit.

The salient features of the SMRTC ESOP are as follows:

(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 SMRTC ESOP.

(II) MAXIMUM ALLOWABLE ALLOTMENT

The aggregate number of shares issued under the SMRTC ESOP ("ESOP Shares") shall not exceed fifteen percent of the issued share capital of the Company on the Grant Date.

The number of ESOP Shares 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 for the five consecutive market days immediately preceding the Grant Date.

DIRECTORS' REPORT (CONT'D)

FOR THE YEAR ENDED 31 MARCH 2002

SHARE OPTIONS (CONT'D)

(IV) OPTION PERIOD

The Option for 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).

The Option for 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.

At the end of the financial year, details of the options granted under the SMRTC ESOP on the unissued ordinary shares of \$0.10 each of the Company are as follows:

DATE OF GRANT OF OPTIONS	EXERCISE PRICE PER SHARE	OPTIONS OUTSTANDING		OPTIONS GRANTED	OPTIONS EXERCISED	OPTIONS CANCELLED/ LAPSED	OPTIONS OUTSTANDING		NUMBER OF OPTION HOLDERS AT 31/3/2002	EXERCISE PERIOD
		AT 1/4/2001	AT 31/3/2002				AT 31/3/2002	AT 31/3/2002		
16/7/2001	\$0.816	-	7,309,500	-	-	-	7,309,500	2,494	16/7/2003 to 15/7/2011	

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.

AUDIT COMMITTEE

The Audit Committee (the "Committee") comprises five non-executive directors. The Committee's members are as follows:

Daniel Ee Hock Huat (Chairman)
Lye Fei
Koh Kheng Siong
Victor Loh Kwok Hoong
Engelin Teh Guek Ngor

The principal responsibility of the Committee is to assist the Board of Directors in the identification and monitoring of areas of significant business risks including the following:

- the effectiveness of the management of financial business risks and the reliability of management reporting;
- compliance with laws and regulations, particularly those of the Companies Act, Chapter 50 and the Singapore Exchange Listing Manual;
- the appropriateness of interim and full year announcements and reports;
- the effectiveness and efficiency of internal and external audits; and
- interested person transactions.

AUDIT COMMITTEE (CONT'D)

Specific functions of the Committee include reviewing the scope of work of the internal and external auditors and the assistance given by the Group's officers to the auditors, and receiving and considering the reports of the internal and the external auditors and their evaluation of the system of internal controls. The Committee also recommends the appointment of the external auditors.

In addition, the Committee has, in accordance with Chapter 9A of the Singapore Exchange Listing Manual, reviewed the requirements for approval and disclosure of interested person transactions, reviewed the internal procedures set up by the Group to identify and report and where necessary, seek approval for interested person transactions and, with the assistance of the internal auditors, reviewed interested person transactions.

The Committee has recommended to the Board of Directors that the auditors, KPMG, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

AUDITORS

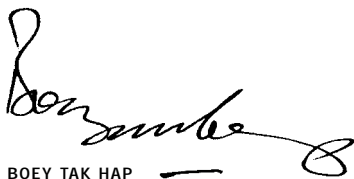
Our auditors, KPMG, have indicated their willingness to accept re-appointment.

The Summary Financial Statement set out on pages 22 to 30 was approved by the Board on 24 May 2002.

On behalf of the Board of Directors



CHEW CHOON SENG
DIRECTOR



BOEY TAK HAP
DIRECTOR

SINGAPORE
24 MAY 2002

AUDITORS' STATEMENT

AUDITORS' STATEMENT TO THE MEMBERS OF SMRT CORPORATION LTD

We have examined the Summary Financial Statement set out on pages 22 to 30 which have been prepared by the Directors of the Company.

In our opinion, the Summary Financial Statement is consistent with the full financial statements and directors' report of SMRT Corporation Ltd for the year ended 31 March 2002 and complies with the requirements of Section 203A of the Singapore Companies (Amendment) Act 1995, and regulations made thereunder, applicable to the Summary Financial Statement.

We have issued an unqualified audit report dated 24 May 2002 on the full financial statements of SMRT Corporation Ltd for the year ended 31 March 2002. The auditors' report is as follows:

REPORT OF THE AUDITORS TO THE MEMBERS OF SMRT CORPORATION LTD

We have audited the financial statements of SMRT Corporation Ltd and consolidated financial statements of the Group for the year ended 31 March 2002 as set out on pages 86 to 149. These financial statements are the responsibility of the Company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

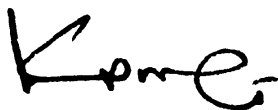
In our opinion:

- (a) the financial statements and consolidated financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Statements of Accounting Standard and so as to give a true and fair view of:
 - (i) the state of affairs of the Company and of the Group as at 31 March 2002 and of the results and changes in equity of the Company and of the Group and the cash flows of the Group for the year ended on that date; and
 - (ii) the other matters required by Section 201 of the Act to be dealt with in the financial statements and consolidated financial statements;

- (b) the accounting and other records, and the registers required by the Act to be kept by the Company and by the subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanation as required by us for those purposes.

The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification and did not include any comments made under Section 207 (3) of the Act."



KPMG
CERTIFIED PUBLIC ACCOUNTANTS

SINGAPORE
24 MAY 2002

BALANCE SHEETS

AS AT 31 MARCH 2002

	THE GROUP		THE COMPANY	
	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000
		(RESTATED)		(RESTATED)
NON-CURRENT ASSETS				
Property, plant and equipment	1,385,158	1,134,250	249	319
Interests in subsidiaries	-	-	357,133	152,695
Interests in associates	3,783	4,404	-	-
Finance lease receivables due after 12 months	573	-	-	-
Financial assets	8,534	-	-	-
Intangible asset	68,007	-	-	-
CURRENT ASSETS				
Inventories	42,249	21,601	-	-
Trade and other receivables	69,391	22,389	375,644	75,121
Financial assets	9,163	41,617	-	-
Fixed deposits with banks and financial institutions	305,198	239,664	-	6,000
Cash at banks and in hand	32,803	3,634	818	439
	458,804	328,905	376,462	81,560
CURRENT LIABILITIES				
Trade and other payables	177,839	87,222	5,883	1,064
Amount due to LTA due within one year	254,611	274,146	-	-
Current portion of interest-bearing loans and borrowings	96,647	-	-	-
Employee benefits	5,611	4,560	153	177
Provisions	8,684	-	-	-
Provision for taxation	4,009	2,024	-	-
	547,401	367,952	6,036	1,241
NET CURRENT (LIABILITIES)/ASSETS	(88,597)	(39,047)	370,426	80,319
NON-CURRENT LIABILITIES				
Amount due to LTA due after one year	-	(252,915)	-	-
Interest-bearing loans and borrowings	(512,519)	-	(500,000)	-
Employee benefits	(5,196)	-	-	-
Deferred taxation	(156,752)	(114,000)	-	-
Fuel equalisation account	(17,961)	(8,688)	-	-
	(692,428)	(375,603)	(500,000)	-
MINORITY INTERESTS	(1,318)	-	-	-
	683,712	724,004	227,808	233,333
SHARE CAPITAL	150,000	150,000	150,000	150,000
RESERVES	237,835	231,435	77,808	83,333
SHARE CAPITAL AND RESERVES	387,835	381,435	227,808	233,333
DEFERRED GRANT	295,877	342,569	-	-
	683,712	724,004	227,808	233,333

22.

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PROFIT AND LOSS ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2002

	THE GROUP		THE COMPANY	
	2002 \$'000	2001 \$'000	2002 \$'000	2001 \$'000
		(RESTATED)		(RESTATED)
Revenue	499,953	412,974	82,109	129,699
Other operating income	13,992	11,764	5	-
Staff and related costs	(183,981)	(144,392)	(7,131)	(3,489)
Depreciation of property, plant and equipment	(149,732)	(122,217)	(89)	(39)
Amortisation of asset-related grant	46,564	44,236	-	-
Repairs and maintenance costs	(37,964)	(31,609)	(31)	(13)
Electricity and diesel costs	(41,212)	(35,495)	-	-
Other operating expenses	(55,297)	(40,087)	(8,344)	(4,864)
Profit from operations	92,323	95,174	66,519	121,294
Finance costs	(6,280)	-	(4,301)	-
Interest and investment income	2,508	49,184	796	11
Share of results of associates	(6,282)	(3,450)	-	-
PROFIT FROM ORDINARY ACTIVITIES BEFORE TAXATION	82,269	140,908	63,014	121,305
Taxation	(25,490)	(38,111)	(18,142)	(21,140)
PROFIT FROM ORDINARY ACTIVITIES AFTER TAXATION	56,779	102,797	44,872	100,165
Minority interest	18	-	-	-
NET PROFIT FOR THE YEAR	56,797	102,797	44,872	100,165
	CENTS	CENTS		
Basic earnings per share	3.79	6.85		
Interim dividend	1.30	1.50		
Special dividend	-	1.65		
Final dividend	1.50*	1.50		
Gross dividend per share	2.80	4.65		

* Subject to shareholders' approval at the Annual General Meeting on 17 July 2002.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2002

	SHARE CAPITAL \$'000	RETAINED PROFITS \$'000	TOTAL \$'000
THE GROUP			
At 1 April 2000, as previously reported	150,000	136,638	286,638
Effects of adopting:			
– SAS 10 (proposed dividend payable)	–	90,000	90,000
– SAS 17 (employee benefits)	–	(3,979)	(3,979)
– SAS 31 (provisions)	–	16,000	16,000
– SAS 34 (intangibles)	–	(3,258)	(3,258)
At 1 April 2000, as restated	150,000	235,401	385,401
Profit for the year	–	102,797	102,797
Dividends	–	(106,763)	(106,763)
At 31 March 2001, as restated	150,000	231,435	381,435
At 1 April 2001, as previously reported	150,000	188,842	338,842
Effects of adopting:			
– SAS 10 (proposed dividend payable)	–	35,674	35,674
– SAS 17 (employee benefits)	–	(4,560)	(4,560)
– SAS 31 (provisions)	–	13,475	13,475
– SAS 34 (intangibles)	–	(1,996)	(1,996)
At 1 April 2001, as restated	150,000	231,435	381,435
Profit for the year	–	56,797	56,797
Dividends	–	(50,397)	(50,397)
At 31 March 2002	150,000	237,835	387,835

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2002

	SHARE CAPITAL \$'000	RETAINED PROFITS \$'000	TOTAL \$'000
THE COMPANY			
At 1 April 2000, as previously reported	150,000	89,931	239,931
Effects of adopting:			
– SAS 10 (proposed dividend income)	–	(90,000)	(90,000)
– SAS 10 (proposed dividend payable)	–	90,000	90,000
At 1 April 2000, as restated	150,000	89,931	239,931
Profit for the year	–	100,165	100,165
Dividends	–	(106,763)	(106,763)
At 31 March 2001, as restated	150,000	83,333	233,333
At 1 April 2001, as previously reported	150,000	86,073	236,073
Effects of adopting:			
– SAS 10 (proposed dividend income)	–	(38,237)	(38,237)
– SAS 10 (proposed dividend payable)	–	35,674	35,674
– SAS 17 (employee benefits)	–	(177)	(177)
At 1 April 2001, as restated	150,000	83,333	233,333
Profit for the year	–	44,872	44,872
Dividends	–	(50,397)	(50,397)
At 31 March 2002	150,000	77,808	227,808

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2002

	2002	2001
	\$'000	\$'000
		(RESTATED)
OPERATING ACTIVITIES		
Profit before taxation	82,269	140,908
Adjustments for items not involving outlay of funds:		
Accretion of discounts net of amortisation of premiums on investments	-	(199)
Allowance for inventory obsolescence	1,024	705
Amortisation of asset-related grant	(46,564)	(44,236)
Amortisation of goodwill	1,153	-
(Decreased)/Increased in employee benefits	(489)	581
Depreciation of property, plant and equipment	149,732	122,217
Dividend income	(8)	(730)
Grant released	(128)	-
Interest expense	6,280	-
Interest income	(1,823)	(13,767)
Profit from disposals of:		
– investments and bonds	(674)	(34,488)
– property, plant and equipment	(223)	(930)
Property, plant and equipment written off	568	910
Provisions made during the year	85	-
Share of results of associates	6,282	3,450
Operating profit before working capital changes	197,484	174,421
Changes in working capital:		
Inventories	(14,085)	193
Finance lease receivables	823	-
Trade and other receivables	2,386	10,460
Amounts due from associates and related companies	3,547	(943)
Trade balance due to LTA	(994)	522
Trade and other payables	(33,903)	(27,810)
	155,258	156,843
Income tax paid	(97)	(12,362)
Dividends paid	(50,397)	(586,763)
Interest paid	(1,980)	-
Cash flows from/(used in) operating activities	102,784	(442,282)

CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

FOR THE YEAR ENDED 31 MARCH 2002

	2002	2001
	\$'000	\$'000
		(RESTATED)
INVESTING ACTIVITIES		
Investments in associates	(8,219)	(5,125)
Dividends received	8	838
Interest received	3,408	22,340
Purchases of investments	-	(132,052)
Purchases of property, plant and equipment	(57,900)	(188,668)
Proceeds from disposals of investments	41,754	467,278
Proceeds from disposals of property, plant and equipment	3,073	1,028
Acquisition of subsidiaries, net of cash acquired	(193,960)	-
Cash flows (used in)/from investing activities	(211,836)	165,639
FINANCING ACTIVITIES		
Decrease in non-trade balance due to LTA	(271,456)	(256,694)
Proceeds from unsecured bonds	500,000	-
Repayment of bank loans	(50,365)	-
Cash flows from/(used in) financing activities	178,179	(256,694)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	69,127	(533,337)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	243,298	776,635
Adjustment due to business combination	25,576	-
CASH AND CASH EQUIVALENTS AT END OF YEAR	338,001	243,298

The attributable net assets of subsidiaries acquired during the year are as follows:

	2002
	\$'000
Acquisition:	
Property, plant and equipment	343,490
Investments	9,487
Other non-current assets	1,006
Current assets	40,578
Current liabilities	(144,732)
Non-current liabilities	(120,352)
Goodwill	69,160
Purchase consideration	198,637
Less:	
Net cash at bank of subsidiaries acquired	(4,677)
Cash outflow on acquisition	193,960

NOTES TO THE SUMMARY FINANCIAL STATEMENT

FOR THE YEAR ENDED 31 MARCH 2002

SIGNIFICANT RELATED PARTY TRANSACTIONS – THE GROUP

IDENTITY OF RELATED PARTIES

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, the Group had the following related party transactions on terms agreed between the parties:

	2002	2001
	\$'000	\$'000
Rental income received/receivable	1,998	3,691
Maintenance income received/receivable	475	–
Commission and distribution fee received/receivable	1,299	–
Purchases of goods and services	16,255	448

CHANGES IN ACCOUNTING POLICIES

(A) ADOPTION OF NEW/REVISED ACCOUNTING STANDARDS AND THEIR EFFECTS

In 2002, the Group and the Company adopted ten new/revised standards in the manner elaborated below:

SAS 10 (REVISED 2000) – EVENTS AFTER THE BALANCE SHEET DATE

The adoption of SAS 10 resulted in the Group and the Company reversing the liability for proposed final dividends. The new accounting policy is to recognise proposed final dividends only after they have been formally declared payable by shareholders (refer to Note 32 to the full financial statements). The change has been applied retrospectively by adjusting the opening balances of accumulated profits at 1 April 2000 and 2001; comparatives have been restated.

SAS 17 (2000) – EMPLOYEE BENEFITS

The adoption of SAS 17 resulted in the Group and the Company:

- (i) making provisions for the obligations in respect of short-term employee benefits in the form of accumulating compensated absences. These obligations are provided when the employees render services that increase their entitlement to annual leave (refer to Note 19 to the full financial statements).
- (ii) using the projected credit unit method to calculate the net obligation in respect of retirement benefits payable to certain employees when these employees retire on attaining the statutory retirement age of sixty-two years or above and on completion of at least five years of service.

The new accounting policies have been applied retrospectively by adjusting the opening balances of accumulated profits at 1 April 2000 and 2001; comparatives have been restated.

NOTES TO THE SUMMARY FINANCIAL STATEMENT

FOR THE YEAR ENDED 31 MARCH 2002

CHANGES IN ACCOUNTING POLICIES (CONT'D)

(A) ADOPTION OF NEW/REVISED ACCOUNTING STANDARDS AND THEIR EFFECTS (CONT'D)

SAS 22 (REVISED 2000) – BUSINESS COMBINATIONS

On adoption of SAS 22, the Group changed its accounting policy on the treatment of goodwill and negative goodwill arising on acquisition of businesses (refer to Note 3 to the full financial statements). The Group has adopted the transitional provision of not restating the goodwill (negative goodwill) that had previously been written off against revenue reserves, with the view of including the attributable goodwill (negative goodwill) in the determination of profit or loss when the businesses are disposed of or discontinued. The result of adopting this choice of transitional provision is that the adoption of SAS 22 has no effect on the comparatives or the opening balances of accumulated profits.

SAS 31 (2000) – PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The adoption of SAS 31 resulted in the Group and the Company reversing the provisions that do not meet the recognition criteria given in the standard. The reversal has been accounted for by adjusting the opening balance of accumulated profits at 1 April 2000 and 2001; comparatives have been restated.

SAS 34 (2000) – INTANGIBLE ASSETS

The adoption of SAS 34 resulted in pre-operating expenses being charged to the profit and loss account as and when incurred. The new accounting policy has been applied retrospectively, with the opening accumulated profits and the comparative information adjusted for the amount relating to prior years.

OTHER STANDARDS

The adoption of SAS 8 (revised 2000) – *Net Profit or Loss for the Period, Fundamental Errors and Changes in Accounting Policies*, SAS 12 (2001) – *Income Taxes*, SAS 32 (2000) – *Financial Instruments: Disclosure and Presentation*, SAS 35 (2000) – *Discontinuing Operations* and SAS 36 (2000) – *Impairment of Assets*, has not given rise to any adjustments to the opening balances of accumulated profits of the prior and current periods or to changes in comparatives.

NOTES TO THE SUMMARY FINANCIAL STATEMENT

FOR THE YEAR ENDED 31 MARCH 2002

CHANGES IN ACCOUNTING POLICIES (CONT'D)

(B) EFFECTS OF CHANGES IN ACCOUNTING POLICIES

The changes in accounting policies, to the extent that they are applied retrospectively, have the following impact (net of tax):

	THE GROUP		THE COMPANY	
	2002	2001	2002	2001
	\$'000	\$'000	\$'000	\$'000
EFFECT OF CHANGES IN ACCOUNTING POLICIES ON ACCUMULATED PROFITS:				
Opening accumulated profits, as previously reported	188,842	136,638	86,073	89,931
SAS 10 (proposed dividend income)	-	-	(38,237)	(90,000)
SAS 10 (proposed dividend payable)	35,674	90,000	35,674	90,000
SAS 17 (employee benefits)	(4,560)	(3,979)	(177)	-
SAS 31 (provisions)	13,475	16,000	-	-
SAS 34 (intangibles)	(1,996)	(3,258)	-	-
Opening accumulated profits, as restated	231,435	235,401	83,333	89,931
EFFECT OF CHANGES IN ACCOUNTING POLICIES ON NET PROFIT FOR THE YEAR:				
Net profit before changes in accounting policies	56,470	104,641	44,848	48,579
SAS 10 (proposed dividend income)	-	-	-	51,763
SAS 17 (employee benefits)	327	(581)	24	(177)
SAS 31 (provisions)	-	(2,525)	-	-
SAS 34 (intangibles)	-	1,262	-	-
Net profit for the year	56,797	102,797	44,872	100,165

SHAREHOLDERS' INFORMATION

AS AT 24 MAY 2002

Authorised share capital: \$500,000,000
Issued and fully paid capital: \$150,000,003
Class of shares: ordinary shares of \$0.10 each
Voting rights: one vote per share

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF HOLDINGS	NO. OF		NO. OF SHARES	%
	SHAREHOLDERS	%		
1 – 1,000	27,080	47.20	27,078,280	1.81
1,001 – 10,000	26,825	46.76	102,372,000	6.82
10,001 – 1,000,000	3,447	6.01	139,827,005	9.32
1,000,001 and above	20	0.03	1,230,722,745	82.05
Total	57,372	100.00	1,500,000,030	100.00

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	Temasek Holdings (Private) Limited	934,400,030	62.29
2	Raffles Nominees Pte Ltd	67,317,681	4.49
3	DBS Nominees Pte Ltd	64,317,694	4.29
4	HSBC (Singapore) Nominees Pte Ltd	52,815,920	3.52
5	United Overseas Bank Nominees Pte Ltd	31,675,000	2.11
6	NTUC Income Insurance Co-operative Limited	28,150,000	1.88
7	Citibank Nominees Singapore Pte Ltd	17,294,000	1.15
8	TIBS Investment Pte Ltd	9,000,000	0.60
9	Oversea-Chinese Bank Nominees Pte Ltd	8,110,000	0.54
10	Overseas Union Bank Nominees Pte Ltd	2,768,000	0.18
11	Phillip Securities Pte Ltd	2,096,420	0.14
12	Choo Si Sen	2,000,000	0.13
13	OCBC Securities Private Ltd	2,000,000	0.13
14	The Asia Life Assurance Society Ltd - Singapore Life Fund	1,769,000	0.12
15	Ko Teck Siang	1,300,000	0.09
16	Meadowspring Pte Ltd	1,300,000	0.09
17	DB Nominees (S) Pte Ltd	1,187,000	0.08
18	Bank of East Asia Nominees Pte Ltd	1,128,000	0.08
19	UOB Kay Hian Pte Ltd	1,076,000	0.07
20	Leong Khuen Nyeon	1,018,000	0.07
Total		1,230,722,745	82.05

SHAREHOLDERS' INFORMATION (CONT'D)

AS AT 24 MAY 2002

SHAREHOLDERS LOCATION DISTRIBUTION AS AT 24 MAY 2002

LOCATION	NO. OF		NO. OF SHARES	%
	SHAREHOLDERS	%		
Singapore	56,850	99.09	1,491,183,030	99.41
Malaysia	366	0.64	6,858,000	0.46
Hong Kong	36	0.06	472,000	0.03
United States	14	0.02	130,000	0.01
United Kingdom	4	0.01	9,000	0.00
Australia/New Zealand	32	0.06	393,000	0.03
Others	70	0.12	955,000	0.06
Total	57,372	100.00	1,500,000,030	100.00

SUBSTANTIAL SHAREHOLDER	NO. OF SHARES	%
Temasek Holdings (Private) Limited	943,400,030*	62.89

* Includes shares in which the substantial shareholder is deemed to have an interest.

NOTICE OF ANNUAL GENERAL MEETING

SMRT CORPORATION LTD (INCORPORATED IN THE REPUBLIC OF SINGAPORE)

TO ALL SHAREHOLDERS

Notice is hereby given that the Third Annual General Meeting of the Company will be held at Empress Ballroom, 2nd Level, Carlton Hotel, 76 Bras Basah Road Singapore 189558, on Wednesday, 17 July 2002 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt the Directors' Report and Audited Financial Statements for the year ended 31 March 2002 and the Auditors' Report thereon.
2. To declare a Final Dividend of 1.5 cents per share, less income tax at 22 per cent for the year ended 31 March 2002.
3. To approve Directors' Fees of \$173,000 (FY 2001: \$162,000).
4. To re-elect the following Directors who are retiring in accordance with Article 94 of the Company's Articles of Association:
 - a. Mr Daniel Ee Hock Huat; and
 - b. Mr Victor Loh Kwok Hoong

[Note: (i) Mr Daniel Ee Hock Huat is considered an independent director and if re-elected will be appointed as Chairman of the Company's Audit Committee.

(ii) Mr Victor Loh Kwok Hoong is considered an independent director and if re-elected will be appointed to the Company's Audit Committee.]

To re-elect the following Directors who are retiring in accordance with Article 100 of the Company's Articles of Association:

- c. Ms Engelin Teh Guek Ngor; and
- d. Mr Ng Ser Miang

[Note: Ms Engelin Teh Guek Ngor is considered an independent director and if re-elected will be appointed to the Company's Audit Committee.]

To note that the following directors are retiring in accordance with Article 94 of the Company's Articles of Association:

- e. Mr Lye Fei; and
 - f. BG (NS) Tan Yong Soon
5. To re-appoint Messrs KPMG as Auditors of the Company and to authorise the Directors to fix their remuneration.

SPECIAL BUSINESS:

SPECIAL RESOLUTION

6. To amend the Articles of Association of the Company by altering Articles 87(B), 90 and 94 in the manner as set out in the Annexure 1 to this Notice of Annual General Meeting dated 20 June 2002.

ORDINARY RESOLUTIONS

7. To consider, and if thought fit, to pass, with or without modifications, the following resolutions:
 - 7.1 "That pursuant to Section 161 of the Companies Act, Chapter 50 and the listing rules of the Singapore Exchange Securities Trading Limited, authority be and is hereby given to the Directors to issue shares in the Company (whether by way of rights, bonus or otherwise) 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 **PROVIDED THAT** the aggregate number of shares to be issued pursuant to this Resolution does not exceed 50 per cent of the issued share capital of the Company for the time being, of which the aggregate number of shares that may be issued other than on a *pro-rata* basis to shareholders does not exceed 20 per cent of the issued share capital of the Company for the time being, and, unless revoked or varied by the Company in general meeting, such authority 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."

NOTICE OF ANNUAL GENERAL MEETING

SMRT CORPORATION LTD (INCORPORATED IN THE REPUBLIC OF SINGAPORE)

ORDINARY RESOLUTIONS (CONT'D)

- 7.2 "That authority be and is hereby given to the Directors to offer and grant options in accordance with the provisions of the SMRT Corporation Employee Share Option Plan ("SMRTC ESOP") and to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of the options under the SMRTC ESOP **PROVIDED ALWAYS THAT** the aggregate number of shares to be issued pursuant to the SMRTC ESOP shall not exceed 15 per cent of the issued share capital of the Company from time to time."
- 7.3 "That for the purposes of Chapter 9A of the Listing Manual of the Singapore Exchange Securities Trading Limited:
- 7.3.1 approval be and is hereby given for the renewal of the mandate for the Company, its subsidiaries and target associated companies 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 on pages 97 and 98 of the Company's Prospectus dated 17 July 2000 (the "Prospectus") with the Interested Persons described in the Prospectus, provided that such transactions are made at arm's length basis and on normal commercial terms (the "General Mandate"); and
- 7.3.2 such approval shall, unless revoked or varied by the Company in General Meeting, continue in force until the next Annual General Meeting of the Company."
- 7.4 "That for the purposes of Chapter 9A of the Listing Manual of the Singapore Exchange Securities Trading Limited:
- 7.4.1 approval be and is hereby given for the renewal of the mandate for the Company, its subsidiaries and target associated companies or any of them to enter into and/or participate in joint ventures and similar forms of mutual collaboration or participation (such as joint investments, co-operation arrangements and shareholders' agreement) (collectively, "joint ventures") with the Interested Persons described in the Prospectus, provided that such joint ventures are made at arm's length basis and on normal commercial terms and in accordance with the guidelines of the Company for such transactions (the "JV Mandate"); and
- 7.4.2 such approval shall, unless revoked or varied by the Company in General Meeting, continue in force until the next Annual General Meeting of the Company."

ANY OTHER BUSINESS

8. To transact any other business.

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 24 July 2002 to 25 July 2002 (both dates inclusive) for the preparation of dividend warrants. The final dividend, if approved at the Third Annual General Meeting, will be paid on 5 August 2002 to members on the Register as at 23 July 2002. 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 dividend entitlements to holders of shares in accordance with its practice.

Duly completed transfers received by the Share Registrar, Lim Associates (Pte) Ltd at 10 Collyer Quay #19-08 Ocean Building Singapore 049315 up to 5 p.m. on 23 July 2002 will be registered to determine shareholders' entitlements to the final dividend.

By order of the Board

Catherine Kuan-Lee Yee Fong

Jessica Ho Mui Kheng

Company Secretaries

20 June 2002

Singapore

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NOTICE OF ANNUAL GENERAL MEETING

SMRT CORPORATION LTD (INCORPORATED IN THE REPUBLIC OF SINGAPORE)

EXPLANATORY NOTES ON ORDINARY BUSINESS TO BE TRANSACTED:

Resolution 3 Directors will be paid a basic fee and will get additional allowances for their services in other Board Committees. The schedule of fees is the same as for the preceding year. Two additional non-executive directors were appointed and the Executive Committee was formed during the course of the year.

The proposed schedule of fees (per annum) is set out below

BOARD OF DIRECTORS

Chairman's Allowance \$12,000

Basic Fee \$12,000

AUDIT COMMITTEE/EXECUTIVE COMMITTEE

Chairman's Allowance \$10,000

Member's Allowance \$ 5,000

REMUNERATION COMMITTEE

Chairman's Allowance \$ 6,000

Member's Allowance \$ 3,000

EXPLANATORY NOTES ON SPECIAL BUSINESS TO BE TRANSACTED:

- i Resolution 6 is to subject all directors to retirement by rotation irrespective of whether they are the Managing Director or President. This will allow shareholders to have the ability to vote on the re-election of all directors, including the Managing Director and President, irrespective of any service agreements with Company.
- ii Resolution 7.1 is to allow the Directors to issue shares in the capital of the Company provided that the aggregate number of shares to be issued does not exceed 50 per cent of the Company's issued share capital, with an aggregate sub-limit of 20 per cent of the Company's issued share capital for issue of shares not made on a *pro-rata* basis to shareholders.
- iii Resolution 7.2 is to authorise the Directors to offer and grant options in accordance with the SMRT Corporation Employee Share Option Plan ("SMRTC ESOP") which was approved at the Extraordinary General Meeting of the Company on 15 July 2000 and to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of the options under the SMRTC ESOP.
- iv Resolutions 7.3 & 7.4 is to renew the General Mandate and JV Mandate to allow the Company, its subsidiaries and target 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 9A of the Listing Manual of the Singapore Exchange Securities Trading Limited).

Notes:

1. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy 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 Meeting.

**PROPOSED AMENDMENTS TO THE ARTICLES
OF ASSOCIATION OF THE COMPANY**

The text of the relevant Article, as modified and with modifications highlighted in bold, is set out in the proposed amendment below. Sections which have been deleted without substitution are italicised in the existing Article below:

EXISTING ARTICLE 87(B)

The appointment of any Director to the office of Chairman or Deputy Chairman or *Managing Director or Joint/Deputy/Assistant Managing Director or President or Joint/Deputy/Assistant President* shall automatically determine if he ceases to be a Director but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

PROPOSED AMENDMENT TO ARTICLE 87(B)

The appointment of any Director to the office of Chairman or Deputy Chairman shall automatically determine if he ceases to be a Director but without prejudice to any claim for damages for breach of any contract of service between him and the Company. **The appointment of any Director to the office of Managing Director or Joint/Deputy/Assistant Managing Director or President or Joint/Deputy/Assistant President shall not automatically determine by reason only of him ceasing to be a Director.**

EXISTING ARTICLE 90

A Managing Director or the President shall *not while he continues to hold that office be subject to retirement by rotation and he shall not be taken into account in determining the rotation of retirement of Directors but he shall*, subject to the provisions of any contract between him and the Company, be subject to the same provisions as to resignation and removal as the other Directors of the Company *and if he ceases to hold the office of Director from any cause he shall ipso facto and immediately cease to be a Managing Director or President (as the case may be).*

PROPOSED AMENDMENT TO ARTICLE 90

A Managing Director or the President shall, subject to the provisions of any contract between him and the Company, be subject to the same provisions as to resignation and removal as the other Directors of the Company.

EXISTING ARTICLE 94

At each Annual General Meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation, *Provided that no Director holding office as Managing or Joint Managing Director or President or Joint President shall be subject to retirement by rotation or be taken into account in determining the number of Directors to retire.*

PROPOSED AMENDMENT TO ARTICLE 94

At each Annual General Meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation.

**PROXY FORM
ANNUAL GENERAL MEETING**

SMRT CORPORATION LTD (INCORPORATED IN THE REPUBLIC OF SINGAPORE)

IMPORTANT:

1. 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.
2. 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.

I/We _____ NRIC/Passport No. _____ of _____ being a member/members of SMRT Corporation Ltd 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 Third Annual General Meeting of the Company, to be held on Wednesday, 17 July 2002 at 11.00 a.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		<i>Indicate your vote For or Against with a tick</i>	
NO.	ORDINARY BUSINESS	FOR	AGAINST
1)	Adoption of Directors' Report, Audited Financial Statements and Auditors' Report		
2)	Declaration of Final Dividend		
3)	Approval of Directors' Fees		
4)	a) Re-election of Mr Daniel Ee Hock Huat as Director		
	b) Re-election of Mr Victor Loh Kwok Hoong as Director		
	c) Re-election of Ms Engelin Teh Guek Ngor as Director		
	d) Re-election of Mr Ng Ser Miang as Director		
5)	Re-appointment of KPMG as Auditors of the Company and to authorise the Directors to fix their remuneration		
SPECIAL BUSINESS			
6)	Approval of the proposed amendments to the Articles of Association of the Company		
7.1)	Authorising Directors to issue and allot shares pursuant to general mandate from members under Section 161 of the Companies Act, Chapter 50		
7.2)	Authorising Directors to offer and grant options and issue shares pursuant to the SMRT Corporation Employee Share Option Plan		
7.3)	Renewal of the General Mandate for Interested Person Transactions		
7.4)	Renewal of the JV Mandate for Interested Person Transactions		
8)	ANY OTHER BUSINESS		

Dated this _____ day of _____ 2002

Total Number of Shares Held: _____

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

IMPORTANT: PLEASE READ NOTES ON THE REVERSE

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Notes:

1. *A member entitled to attend and vote at the Annual General Meeting 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 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 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 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 Meeting, as certified by The Central Depository (Pte) Limited to the Company.*

REQUEST SLIP



2 FOLD

SMRT Corporation Ltd (Incorporated in the Republic of Singapore)

20 June 2002

Dear Shareholder

In addition to this Summary Financial Statement 2002 that you have received, a comprehensive review of the Group's operations and performance and the audited financial statements for the financial year ended 31 March 2002, the auditors' report on those financial statements and the directors' report are included in the Annual Report 2002. Shareholders may request for a copy of the full annual report at no cost from the Share Registrars.

Yours faithfully

For and on behalf of SMRT Corporation Ltd

Catherine Kuan-Lee Yee Fong
Jessica Ho Mui Kheng
Company Secretaries

1 FOLD

REQUEST SLIP

TO SMRT CORPORATION LTD

Please send me a copy of the Annual Report for the financial year ended 31 March 2002.

Name(s) of Shareholder(s) _____

NRIC/Passport Number _____

Address _____

Signature _____ Date _____

PLEASE CUT ALONG THE DOTTED LINE THEN GLUE AND SEAL ALONG THE EDGE

PLEASE CUT ALONG THE DOTTED LINE THEN GLUE AND SEAL ALONG THE EDGE



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