



**SBS TRANSIT LTD**

Company Registration No.: 199206653M

---

**Full Year Financial Statements and Dividend Announcement**

---

The Board of Directors announces the audited results for the year ended 31 December 2017.

**1 GROUP INCOME STATEMENT**

	<b>Group</b>		
	<b>Full Year 2017</b>	<b>Full Year 2016</b>	<b>Incr/ (Decr)</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
<b>Revenue</b>	1,191,717	1,098,736	8.5
Staff costs	628,553	581,143	8.2
Repairs and maintenance costs	151,684	131,453	15.4
Fuel and electricity costs	131,076	127,082	3.1
Premises costs	57,128	51,959	9.9
Depreciation expense	96,925	81,660	18.7
Other operating costs	67,008	83,680	(19.9)
Total operating costs	<u>1,132,374</u>	<u>1,056,977</u>	7.1
<b>Operating profit</b>	59,343	41,759	42.1
Net income from investments	242	243	(0.4)
Finance costs	<u>(4,482)</u>	<u>(5,268)</u>	(14.9)
<b>Profit before taxation</b>	55,103	36,734	50.0
Taxation	<u>(7,975)</u>	<u>(5,384)</u>	48.1
<b>Profit attributable to shareholders</b>	<u><u>47,128</u></u>	<u><u>31,350</u></u>	50.3

2 STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	31 Dec	31 Dec	31 Dec	31 Dec
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and bank balances	5,275	4,254	4,028	3,446
Investments	5,134	-	5,134	-
Trade receivables	122,582	77,238	119,470	76,284
Other receivables and prepayments	31,701	19,274	199,599	128,408
Inventories	94,012	59,695	82,997	53,000
<b>Total current assets</b>	<b>258,704</b>	<b>160,461</b>	<b>411,228</b>	<b>261,138</b>
<b>Non-current assets</b>				
Subsidiary	-	-	5,000	5,000
Investments	-	5,268	-	5,268
Prepayments	2,537	2,527	2,506	2,519
Vehicles, premises and equipment	803,844	866,186	783,821	851,924
Deferred tax assets	22,737	20,354	-	-
<b>Total non-current assets</b>	<b>829,118</b>	<b>894,335</b>	<b>791,327</b>	<b>864,711</b>
<b>Total assets</b>	<b>1,087,822</b>	<b>1,054,796</b>	<b>1,202,555</b>	<b>1,125,849</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities</b>				
Borrowings	56,000	150,000	56,000	150,000
Trade and other payables	272,302	241,948	240,764	214,181
Deposits received	3,648	4,967	3,271	4,301
Insurance premiums payable and provision for accident claims	21,965	24,799	21,965	24,799
Fuel price equalisation account	19,992	19,992	19,992	19,992
Income tax payable	9,309	67	9,309	67
<b>Total current liabilities</b>	<b>383,216</b>	<b>441,773</b>	<b>351,301</b>	<b>413,340</b>
<b>Non-current liabilities</b>				
Borrowings	125,000	66,000	125,000	66,000
Deferred grants	6,958	7,709	6,958	7,709
Deposits received	5,600	4,802	4,390	3,908
Deferred tax liabilities	87,112	85,554	87,112	85,554
Provision for service benefits and long service awards	10,718	10,981	10,496	10,836
Fuel price equalisation account	19,992	19,992	19,992	19,992
<b>Total non-current liabilities</b>	<b>255,380</b>	<b>195,038</b>	<b>253,948</b>	<b>193,999</b>
<b>Total liabilities</b>	<b>638,596</b>	<b>636,811</b>	<b>605,249</b>	<b>607,339</b>
<b>Capital and reserves</b>				
Share capital	98,873	97,138	98,873	97,138
Other reserves	40,522	38,566	40,522	38,566
Accumulated profits	309,831	282,281	457,911	382,806
<b>Total equity</b>	<b>449,226</b>	<b>417,985</b>	<b>597,306</b>	<b>518,510</b>
<b>Total liabilities and equity</b>	<b>1,087,822</b>	<b>1,054,796</b>	<b>1,202,555</b>	<b>1,125,849</b>

**3 AGGREGATE AMOUNT OF GROUP'S BORROWINGS**

	<b>31 Dec 2017</b>	<b>31 Dec 2016</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Unsecured</b>		
Amount repayable in one year or less, or on demand	56,000	150,000
Amount repayable after one year	125,000	66,000
	<u>181,000</u>	<u>216,000</u>

**Details of any collateral**

Not applicable.

#### 4 GROUP CASH FLOW STATEMENT

	Group	
	Full Year 2017 \$'000	Full Year 2016 \$'000
<b>Operating activities</b>		
Profit before taxation	55,103	36,734
Adjustments for:		
Depreciation expense	96,925	81,660
Finance costs	4,482	5,268
Net loss (gain) on disposal of vehicles and equipment	103	(723)
Interest income	(242)	(243)
Grant income	-	(69,521)
Provision for service benefits and long service awards	688	1,414
Insurance premiums payable and provision for accident claims	1,235	2,955
Operating cash flows before movements in working capital	158,294	57,544
Changes in working capital	(64,634)	7,389
Cash generated from operations	93,660	64,933
Income tax paid	(34)	(24)
Net cash from operating activities	93,626	64,909
<b>Investing activities</b>		
Interest received	242	243
Proceeds from disposal of vehicles and equipment	304	15,630
Purchase of vehicles, premises and equipment	(35,000)	(23,455)
Net cash used in investing activities	(34,454)	(7,582)
<b>Financing activities</b>		
New loans raised	764,100	437,300
Repayment of borrowings	(799,100)	(558,800)
Proceeds from share issue	1,640	2,236
Grants received	-	78,008
Interest paid	(5,077)	(5,691)
Dividends paid	(19,742)	(10,535)
Others	28	30
Net cash used in financing activities	(58,151)	(57,452)
Net increase (decrease) in cash and cash equivalents	1,021	(125)
Cash and cash equivalents at beginning of year	4,254	4,379
<b>Cash and cash equivalents at end of year</b>	<b>5,275</b>	<b>4,254</b>

5 GROUP COMPREHENSIVE INCOME STATEMENT

	<b>Group</b>	
	<b>Full Year 2017</b>	<b>Full Year 2016</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Profit attributable to shareholders</b>	47,128	31,350
<i>Item that will not be reclassified subsequently to profit or loss</i>		
Revaluation of premises	-	40,265
<i>Items that may be reclassified subsequently to profit or loss</i>		
Fair value adjustment on cash flow hedges	2,321	16,014
Fair value adjustment on investments	(134)	(69)
<b>Total comprehensive income attributable to shareholders</b>	<b>49,315</b>	<b>87,560</b>

## 6 STATEMENTS OF CHANGES IN EQUITY

Consolidated Statement of Changes in Equity for the year ended 31 December 2017:

	<b>Group</b>			
	<b>Attributable to shareholders of the Company</b>			
	<b>Share capital</b>	<b>Other reserves</b>	<b>Accumulated profits</b>	<b>Total equity</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Balance at 1 January 2016</b>	94,786	(17,492)	261,400	338,694
<b>Total comprehensive income for the year</b>				
Profit for the year	-	-	31,350	31,350
Other comprehensive income for the year	-	56,210	-	56,210
<b>Total</b>	<b>-</b>	<b>56,210</b>	<b>31,350</b>	<b>87,560</b>
<b>Transactions recognised directly in equity</b>				
Exercise of share options	2,352	(116)	-	2,236
Payment of dividends	-	-	(10,535)	(10,535)
Other reserves	-	(36)	66	30
<b>Total</b>	<b>2,352</b>	<b>(152)</b>	<b>(10,469)</b>	<b>(8,269)</b>
<b>Balance at 31 December 2016</b>	97,138	38,566	282,281	417,985
<b>Total comprehensive income for the year</b>				
Profit for the year	-	-	47,128	47,128
Other comprehensive income for the year	-	2,187	-	2,187
<b>Total</b>	<b>-</b>	<b>2,187</b>	<b>47,128</b>	<b>49,315</b>
<b>Transactions recognised directly in equity</b>				
Exercise of share options	1,735	(95)	-	1,640
Payment of dividends	-	-	(19,742)	(19,742)
Other reserves	-	(136)	164	28
<b>Total</b>	<b>1,735</b>	<b>(231)</b>	<b>(19,578)</b>	<b>(18,074)</b>
<b>Balance at 31 December 2017</b>	<b>98,873</b>	<b>40,522</b>	<b>309,831</b>	<b>449,226</b>

Statement of Changes in Equity of the Company for the year ended 31 December 2017:

	<b>Company</b>			
	<b>Share capital</b>	<b>Other reserves</b>	<b>Accumulated profits</b>	<b>Total equity</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Balance at 1 January 2016</b>	94,786	(17,017)	334,030	411,799
<b>Total comprehensive income for the year</b>				
Profit for the year	-	-	59,245	59,245
Other comprehensive income for the year	-	55,735	-	55,735
<b>Total</b>	-	55,735	59,245	114,980
<b>Transactions recognised directly in equity</b>				
Exercise of share options	2,352	(116)	-	2,236
Payment of dividends	-	-	(10,535)	(10,535)
Other reserves	-	(36)	66	30
<b>Total</b>	2,352	(152)	(10,469)	(8,269)
<b>Balance at 31 December 2016</b>	97,138	38,566	382,806	518,510
<b>Total comprehensive income for the year</b>				
Profit for the year	-	-	94,683	94,683
Other comprehensive income for the year	-	2,187	-	2,187
<b>Total</b>	-	2,187	94,683	96,870
<b>Transactions recognised directly in equity</b>				
Exercise of share options	1,735	(95)	-	1,640
Payment of dividends	-	-	(19,742)	(19,742)
Other reserves	-	(136)	164	28
<b>Total</b>	1,735	(231)	(19,578)	(18,074)
<b>Balance at 31 December 2017</b>	<u>98,873</u>	<u>40,522</u>	<u>457,911</u>	<u>597,306</u>

## 7 CHANGES IN COMPANY'S SHARE CAPITAL

### Share Capital

Since 30 September 2017, 70,000 new ordinary shares were issued by the Company upon the exercise of options granted under the SBS Transit Share Option Scheme.

As at 31 December 2017, the total number of issued shares was 311,084,766 (31 December 2016: 310,254,766).

### Outstanding Shares – SBS Transit Share Option Scheme

The SBS Transit Share Option Scheme was not renewed following its expiry on 8 June 2010.

As at 31 December 2017, there were unexercised options for 1,040,000 (31 December 2016: 3,085,000) of unissued ordinary shares under the SBS Transit Share Option Scheme.

As at 31 December 2017, the Company does not hold any treasury shares.

## 8 AUDITOR'S REPORT

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SBS TRANSIT LTD

#### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the Financial Statements of SBS Transit Ltd (the "Company") and its subsidiary (the "Group") which comprise the Statements of Financial Position of the Group and the Company as at 31 December 2017, and the Income Statement, Comprehensive Income Statement, Statement of Changes in Equity and Cash Flow Statement of the Group and Statement of Changes in Equity of the Company for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the Consolidated Financial Statements of the Group and the Statement of Financial Position and the Statement of Changes in Equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2017 and of the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year ended on that date.

#### *Basis for Opinion*

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the Financial Statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



### *Key Audit Matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current year. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### *Valuation and Completeness of Provision for Accident Claims*

The valuation and completeness of provisions for settlement of accident claims involves estimation uncertainty. Management considers the probability and amount of the expected settlement claims based on the number of claims lodged, recent settlements, third party settlement data and accident claims statistics in determining the provision for accident claims as at 31 December 2017.

Our audit procedures included understanding the process used to determine the provision for accident claims. We compared the number of claims and recent settlements to accident claims statistics report issued by insurers; and independently evaluate the reasonableness of the provision estimated by Management. Based on our procedures, we found Management's key assumptions to be within reasonable range of our expectations.

### *Information Other than the Financial Statements and Auditor's Report Thereon*

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the Financial Statements and our auditor's report thereon. The Directors' Statement was obtained prior to the date of this auditor's report and the remaining other information included in the annual report is expected to be made available to us after that date.

Our opinion on the Financial Statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other information included in the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

### *Responsibilities of Management and Directors for the Financial Statements*

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair Financial Statements and to maintain accountability of assets.

In preparing the Financial Statements, Management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Directors' responsibilities include overseeing the Group's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- (d) Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### *Report on Other Legal and Regulatory Requirements*

In our opinion, the accounting and other records required by the Act to be kept by the Company and by the subsidiary corporation incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Chua How Kiat.

Deloitte & Touche LLP  
Public Accountants and  
Chartered Accountants

Singapore  
12 February 2018

## **9 ACCOUNTING POLICIES**

The Group has applied accounting policies and methods of computation in the financial statements for the current reporting year consistent with those of the audited financial statements for the year ended 31 December 2016.

In the current financial year, the Group has adopted all the new and revised Financial Reporting Standards ("FRSs") that are relevant to its operations and effective for annual periods beginning on 1 January 2017.

The adoption of these new and revised FRSs has no material effect on the amounts reported for the current or prior years.

## **10 CHANGES IN ACCOUNTING POLICIES AND METHODS OF COMPUTATION**

Not applicable.

**11 GROUP EARNINGS PER ORDINARY SHARE AND EARNINGS BEFORE INTEREST, TAXATION, DEPRECIATION AND AMORTISATION (EBITDA)**

Earnings per ordinary share

	<b>Group</b>	
	<b>Full Year 2017</b>	<b>Full Year 2016</b>
Earnings per ordinary share for the year based on profit attributable to shareholders:-		
(i) Based on the weighted average number of ordinary shares in issue (cents)	15.17	10.12
(ii) On a fully diluted basis (cents)	15.15	10.12

EBITDA

	<b>Group</b>	
	<b>Full Year 2017</b>	<b>Full Year 2016</b>
(i) EBITDA (\$'000)	156,268	123,419
(ii) EBITDA margin (%)	13.1	11.2

**12 NET ASSET VALUE PER ORDINARY SHARE**

	<b>Group</b>		<b>Company</b>	
	<b>31 Dec 2017</b>	<b>31 Dec 2016</b>	<b>31 Dec 2017</b>	<b>31 Dec 2016</b>
Net asset value per ordinary share based on issued share capital at the end of the year (dollars)	1.44	1.35	1.90	1.67

## 13 REVIEW OF GROUP PERFORMANCE

### Performance Review

Group revenue of \$1,191.7m for 2017 increased by 8.5% or \$93.0m from \$1,098.7m for 2016 while Group operating costs of \$1,132.4m increased by 7.1% or \$75.4m from \$1,057.0m for 2016.

Group operating profit of \$59.3m for 2017 was 42.1% or \$17.5m higher than that of \$41.8m for 2016.

Net income from investments of \$0.2m for 2017 remained the same as 2016.

Finance costs of \$4.5m for 2017 were 14.9% or \$0.8m lower than that of \$5.3m for 2016.

Consequently, Group profit before taxation of \$55.1m for 2017 was 50.0% or \$18.4m higher than that of \$36.7m for 2016.

Taxation of \$8.0m for 2017 was higher than that of \$5.4m for 2016 by 48.1% or \$2.6m due to higher profits for 2017.

Group profit attributable to shareholders of the Company of \$47.1m for 2017 was 50.3% or \$15.7m higher than that of \$31.4m for 2016.

A segmental breakdown by business is provided under paragraph 17.

Revenue from Public Transport Services of \$1,135.7m for 2017 was higher by 9.8% or \$100.9m compared to \$1,034.8m for 2016 due mainly to a full year contribution of revenue under the Bus Contracting Model (BCM) and higher ridership from rail services with the commencement of Downtown Line (DTL) 3 on 21 October 2017, offset by lower average rail fare from the fare reduction effective 30 December 2016 and lower other operating income. For 2017, average daily ridership for the DTL grew by 26.7% to 279k passenger trips. Average daily ridership for North-East Line grew by 2.0% to 576k passenger trips and that for the Light Rail Transit by 5.9% to 121k passenger trips as compared to that of 2016. Operating profit for 2017 at \$25.9m increased by \$23.2m compared to \$2.7m for 2016 due mainly to higher revenue and lower other operating costs, offset by higher staff costs, higher repairs and maintenance costs, higher depreciation and higher premises costs.

Revenue from Other Commercial Services of \$56.0m for 2017 was lower by 12.4% or \$8.0m compared to \$64.0m for 2016 due mainly to lower advertising and rental revenue from the loss of Bulim and Loyang Bus Packages. Consequently, operating profit for 2017 at \$33.4m decreased by 14.5% or \$5.7m compared to \$39.1m for 2016.

## **Statement of Financial Position**

As at 31 December 2017, total equity for the Group increased by 7.5% or \$31.2m to \$449.2m as compared to 31 December 2016 due mainly to profits generated from operations and increase in other reserves, partially offset by payment of dividends.

Group total assets increased by 3.1% or \$33.0m to \$1,087.8m due to an increase in current assets of \$98.2m, partially offset by a decrease in non-current assets of \$65.2m. The increase in current assets was due mainly to the increase in trade and other receivables and inventories. The decrease in non-current assets was due mainly to the decrease in vehicles, premises and equipment.

Group total liabilities increased by 0.3% or \$1.8m to \$638.6m due to an increase in non-current liabilities of \$60.3m, partially offset by a decrease in current liabilities of \$58.5m. The increase in non-current liabilities was due mainly to the refinancing of the second series of the Medium-Term-Notes (MTN), partially offset by the reclassification of long term loan due in October 2018 to current liabilities. The decrease in current liabilities was due mainly to the maturity of the second series of the MTN due in September 2017, partially offset by the reclassification of the long term loan due in October 2018 from non-current liabilities and the increase in trade and other payables.

## **Cash Flow**

The net cash inflow of \$1.0m for 2017 was mainly from new loans raised, net cash generated from operations and proceeds from share issue and disposal of vehicles and equipment, partially offset by the repayment of borrowings, purchase of vehicles, premises and equipment and payments of dividends and interest.

As at 31 December 2017, the Group had cash and bank balances of \$5.3m. After accounting for the borrowings of \$181.0m, the Group had a net debt position of \$175.7m and a net gearing ratio of 39.1% which was lower than that of 50.7% as at 31 December 2016. The Group's gross gearing ratio was 40.3% as at 31 December 2017 compared to 51.7% as at 31 December 2016.

### **14 ANY VARIANCE BETWEEN PROSPECT STATEMENT PREVIOUSLY DISCLOSED AND THE ACTUAL RESULTS**

No forecast or prospect statement has been previously disclosed.

### **15 GROUP OUTLOOK**

Revenue from Public Transport Services is expected to be higher. Bus service revenue is expected to be higher with the Seletar Bus Package which will commence operations on 11 March 2018. Rail service revenue is expected to be higher with a full year revenue contribution from the DTL 3 which opened on 21 October 2017. Rail fare revenue will be affected by the fare adjustment effective 29 December 2017.

Revenue from Other Commercial Services is expected to be maintained.

Operating costs will be higher with higher staff costs following the salary adjustments and increments. Repairs and maintenance are expected to be higher. Premises costs are expected to be higher with full year effect of DTL 3 stations and the handover of the Seletar Depot.

**16 DIVIDEND****(a) Current Financial Period Reported on**

The Directors are pleased to propose a tax-exempt one-tier final dividend of 3.95 cents (2016: 2.70 cents) per ordinary share.

Name of Dividend	Final
Dividend Type	Cash; Tax-exempt one-tier
Dividend Amount per ordinary share	3.95 cents
Tax Rate	Exempt one-tier

**(b) Corresponding Period of the Immediate Preceding Financial Year**

Name of Dividend	Final
Dividend Type	Cash; Tax-exempt one-tier
Dividend Amount per ordinary share	2.70 cents
Tax Rate	Exempt one-tier

**(c) Date Payable**

The proposed final dividend, if approved by the Shareholders at the Twenty-Fifth Annual General Meeting of the Company to be held on 25 April 2018, will be payable on 11 May 2018.

**(d) Books Closure Date**

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Members of the Company will be closed on 5 May 2018 for the purposes of determining Shareholders' entitlements to the proposed final dividend.

Duly completed and stamped transfers received by the Company's Share Registrar, B.A.C.S. Private Limited, 8 Robinson Road, #03-00 ASO building, Singapore 048544, up to 5.00 p.m. on 4 May 2018 will be registered to determine Shareholders' entitlements to the final dividend.

Shareholders (being depositors) whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on 4 May 2018 will be entitled to the proposed final dividend.

## 17 GROUP SEGMENTAL INFORMATION

By Business Activity

	<b>Public Transport Services</b>	<b>Other Commercial Services</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b><u>Full Year 2017</u></b>			
Revenue	1,135,690	56,027	1,191,717
<b><u>Results</u></b>			
Segment results	25,925	33,418	59,343
Net income from investments			242
Finance costs			(4,482)
Profit before taxation			<u>55,103</u>
Taxation			<u>(7,975)</u>
Profit after taxation			<u><u>47,128</u></u>
<b><u>Full Year 2016</u></b>			
Revenue	1,034,786	63,950	1,098,736
<b><u>Results</u></b>			
Segment results	2,656	39,103	41,759
Net income from investments			243
Finance costs			(5,268)
Profit before taxation			<u>36,734</u>
Taxation			<u>(5,384)</u>
Profit after taxation			<u><u>31,350</u></u>

## 18 BREAKDOWN OF REVENUE

	<b>Full Year 2017</b>	<b>Full Year 2016</b>	<b>Incr/ (Decr)</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
(a) Revenue reported for first half year	571,231	532,482	7.3
(b) Profit after taxation reported for first half year	22,942	15,332	49.6
(a) Revenue reported for second half year	620,486	566,254	9.6
(b) Profit after taxation reported for second half year	24,186	16,018	51.0



**19 BREAKDOWN OF TOTAL ANNUAL DIVIDEND (IN DOLLAR VALUE)**

	<b>Full Year 2017 \$'000</b>	<b>Full Year 2016 \$'000</b>
Ordinary shares (tax-exempt one-tier)		
- Interim	11,352	7,287
- Final (proposed)	12,288	8,390
<b>Total</b>	<b>23,640</b>	<b>15,677</b>

**20 INTERESTED PERSON TRANSACTIONS**

The Company does not have any shareholders' mandate for interested person transactions pursuant to Rule 920 of the Listing Manual.

**21 DISCLOSURE OF PERSONS OCCUPYING MANAGERIAL POSITIONS**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, we confirm that as at 31 December 2017, none of the persons occupying managerial positions in the Company or its subsidiary is a relative of a Director or Chief Executive Officer or Substantial Shareholder of the Company.

**22 CONFIRMATION PURSUANT TO RULE 720(1) OF THE LISTING MANUAL**

The Company confirms that it has procured the Undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 pursuant to Rule 720(1) of the Listing Manual.

**BY ORDER OF THE BOARD**

Chan Wan Tak, Wendy/Yeo Tee Yeok, Edwin  
Joint Company Secretaries

12 February 2018