

## Press Release

### **SBS TRANSIT'S RESULTS** **FOR HALF-YEAR ENDED 30 JUNE 2021**

- **Revenue for the first six months increased by 6.2% to \$640.8 million as a result of higher rail ridership and higher service fees.**
- **Group operating costs increased by 5.5% to \$602.6 million due to lower COVID-19 Government Reliefs and higher fuel and electricity costs.**
- **Group operating profit rose by 18.5% to \$38.2 million. Without the Government Reliefs of \$34.6 million mainly through the Job Support Scheme, operating profit for the Group would have stood at \$3.6 million, as compared to an operating loss of \$29.4 million in the corresponding period last year.**
- **Net profit attributable to Shareholders increased by 11.9% to \$36.5 million.**

12 August 2021 – SBS Transit today announced its unaudited results for the half year ended 30 June 2021.

Highlights:

	1H2021 (\$'000)	1H2020 (\$'000)	% change
Revenue	640,818	603,225	6.2
Operating Profit	38,179	32,212	18.5
Profit Attributable to Shareholders	36,475	32,582	11.9
EPS (Based on existing share capital) - cents	11.70	10.45	12.0

#### Group

Group revenue for the first six months of 2021 increased by 6.2% or \$37.6 million to \$640.8 million when compared to the corresponding period in 2020 when the Circuit Breaker was imposed.

Group operating costs increased by 5.5% or \$31.6 million to \$602.6 million mainly due to lower COVID-19 Government reliefs and higher fuel and electricity costs.

Group operating profit increased by 18.5% or \$6.0 million to \$38.2 million. Without the Government Reliefs of \$34.6 million mainly from the Job Support Scheme, operating profit would have stood at just \$3.6 million for the half-year just ended as compared to the operating loss of \$29.4 million for the corresponding period last year. The Government Reliefs, although significantly lower by 43.8% than the corresponding period last year, helped to partially cushion the adverse financial impact caused by the COVID-19 pandemic which saw reduced ridership compared to pre-COVID levels, support for our tenants through rental rebates and reduced advertising income.

For the half-year ended 30 June 2021, the Group recorded a net profit attributable to Shareholders of \$36.5 million, which was 11.9% or \$3.9 million higher than the corresponding period last year.

SBS Transit CEO, Mr Cheng Siak Kian, said: “As a public transport operator, the safety and well-being of our commuters and staff is paramount. Since the start of the pandemic, we have not wavered in our intensive cleaning and disinfecting schedules. We have also actively encouraged our staff to get themselves vaccinated and as at 7 Aug 2021, about 94% of them have gotten at least one jab.

“As we enter the second half-year, there are still many uncertainties with regard to the trajectory of the virus which is compounded by the emergence of more contagious Delta variant. This may delay the pace of recovery of the economy and the ridership on our trains. In view of this, we maintain a cautious outlook for the rest of the financial year,” he said.

## Operations Review

- Public Transport Services

Revenue from the Public Transport Services Business, which comprises bus and rail services, increased by 5.9% or \$34.6 million to \$621.4 million, mainly contributed by higher rail ridership. Demand for rail services increased in the first half with the easing of the COVID-19 curbs as compared to the corresponding period in 2020 when the Circuit Breaker was imposed.

- Other Commercial Services

Revenue from Other Commercial Services increased by 18.1% or \$3.0 million to \$19.4 million for the first half-year due to higher advertising revenue and lower rental rebates given to tenants as compared to the lower activities conducted during the Circuit Breaker in the corresponding period last year.

## Dividend

A tax-exempt one-tier interim dividend of 5.75 cents per ordinary share has been declared, representing a payout ratio of 49.2%.

## Commentary

With the easing of Heightened Alert Phase 2 from 10 August 2021 and with the Government's continued push for vaccination, where about 70% of residents are already fully vaccinated, Singapore is looking towards a careful re-opening of its economy.

Revenue from Public Transport Services is expected to be higher as compared to last year as ridership is expected to improve as up to 50% of employees can return back to their offices, dining out is allowed and entertainment venues resume operations. However, rail ridership is unlikely to recover to pre-COVID level in the near future.

Revenue from Other Commercial Services is expected to improve in line with steady ridership recovery. However, the overall growth is dependent on market sentiments and the economy's rate of recovery.

The Group continues to face rising costs from operations. Manpower cost is expected to increase as part of our hiring and retention efforts as well as the tapering of Government Reliefs from the Job Support Scheme. We continue to spend in areas such as repairs and maintenance to provide safe and reliable public transport services. The rising energy prices will increase the overall fuel and electricity spend. Meanwhile, the Group also continues to step up the frequency of its cleaning and disinfection schedules on its premises and in its buses and trains to keep passengers and employees safe while the number of staff undergoing random testing to check for the presence of the COVID-19 virus will increase as part of our workplace protection measures.

The global COVID-19 situation remains uncertain with the emergence of the new COVID Delta variant. As it is known to be more contagious, it may have an impact on the gradual planned resumption of the economy. Hence the Group continues to maintain a cautious outlook for the rest of the financial year.

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## **Background**

SBS Transit is a multi-modal public transport operator in Singapore. It runs the North East Line, which is the world's first automated, underground heavy metro system, and also the Downtown Line, which is currently the longest underground MRT line in Singapore. In total, it operates 78 stations with 192 trains running on 83 track-km, including the Sengkang-Punggol Light Rail Transit Systems. An established public bus operator, it is also the biggest and most experienced with a fleet of more than 3,000 buses running some 220 bus routes. It is a member of the ComfortDelGro Group, which is one of the world's leading land transport companies. For more information, please visit [www.sbstransit.com.sg](http://www.sbstransit.com.sg).

For further clarification, please call:

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