



SBS TRANSIT LTD
(Company Reg. No. 199206653M)

SALE OF NEW BUSES AND NOVATION OF CONTRACTS TO LAND TRANSPORT AUTHORITY

1. SBS Transit Ltd (the 'Company') wishes to announce that it has signed a Letter Of Intent ('LOI') with the Land Transport Authority ('LTA') for the following:-
 - (i) Sale of 50 new buses ('Buses') purchased by the Company from June 2015 to December 2015 to LTA. The Buses comprise 12 Single Deck buses and 38 Double Deck buses. The purchase consideration for the Buses will be at their respective Net Book Value (NBV) as at 31 December 2015 ('Effective Date'). The total NBV of the Buses as at Effective Date amounts to approximately \$23 million, representing 6.8% of the consolidated Net Asset Value of \$338 million (as at 30 November 2015); and
 - (ii) Novation of procurement contracts ('Contracts') by the Company for purchase of new buses scheduled for delivery for 2016 and 2017 to LTA. The Contracts involve a total of 346 new buses comprising 100 Single Deck buses and 246 Double Deck buses with a contracted value of approximately \$164 million. Out of the 346 buses, 210 buses are scheduled for delivery in 2016 and the remaining 136 buses in 2017.
2. The Company will be signing the relevant agreements with LTA for the sale of the Buses referred to in 1(i) and the novation of Contracts referred to in 1(ii). Following this, the Company will lease the affected buses from LTA for its operation until such time that these buses are handed over to the operators of the tendered contracts under the Government Contracting Model for bus services.
3. The above does not have any impact on the net tangible assets per share and the earnings per share of the Company for the financial year ending 31 December 2015.
4. None of the Directors and controlling shareholders of the Company have an interest, direct or indirect, in the above.

BY ORDER OF THE BOARD

Chan Wan Tak, Wendy
Company Secretary

29 December 2015