Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

AMS PUBLIC TRANSPORT HOLDINGS LIMITED

進智公共交通控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 77)

2011 ANNUAL RESULTS ANNOUNCEMENT

The board of directors ("Board") of AMS Public Transport Holdings Limited ("Company") is pleased to announce the consolidated results of the Company and its subsidiaries (collectively "Group") for the year ended 31 March 2011, together with the comparative figures for the year ended 31 March 2010 as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2011

	Notes	**2011**	2010*
		HK$'000	HK$'000
CONTINUING OPERATION:			
Turnover	4	**305,225**	302,754
Direct costs		**(244,998)**	(234,265)
Gross profit		**60,227**	68,489
Other revenue	5	**5,612**	6,128
Other net income	5	**336**	1,006
Administrative expenses		**(28,995)**	(26,810)
Other operating expenses		**(1,060)**	(1,096)
Operating profit		**36,120**	47,717
Finance costs	6	**(618)**	(592)
Profit before income tax	7	**35,502**	47,125
Income tax expense	8	**(6,014)**	(7,683)
Profit for the year from continuing operation		**29,488**	39,442
DISCONTINUED OPERATION:			
Profit for the year from discontinued operation	9(a)	**2,854**	9,985
Profit for the year		**32,342**	49,427

CONSOLIDATED INCOME STATEMENT (Continued)

For the year ended 31 March 2011

	Notes	2011 HK$'000	2010* HK$'000
Attributable to :			
Equity holders of the Company			
- from continuing operation		**29,488**	39,442
- from discontinued operation		**2,348**	8,324
		31,836	47,766
Non-controlling interests			
- from discontinued operation		**506**	1,661
Profit for the year		**32,342**	49,427
Earnings per share for profit attributable to equity holders of the Company			
- Basic (in HK cents)			
- from continuing operation		**12.96**	17.34
- from discontinued operation		**1.03**	3.66
	10(a)	**13.99**	21.00
- Diluted (in HK cents)			
- from continuing operation		**12.95**	17.34
- from discontinued operation		**1.03**	3.66
	10(b)	**13.98**	21.00

*The figures have been reclassified to disclose the results of discontinued operation in a separate line.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2011

	2011 HK$'000	2010 HK$'000
Profit for the year	**32,342**	49,427
Other comprehensive income		
- Surplus on revaluation of PLB licences	**20,820**	17,010
- Exchange gain on translation of financial statements of foreign operations	**239**	-
Other comprehensive income for the year	**21,059**	17,010
Total comprehensive income for the year	**53,401**	66,437
Total comprehensive income attributable to:		
Equity holders of the Company	**52,717**	64,776
Non-controlling interests	**684**	1,661
	53,401	66,437

CONSOLIDATED BALANCE SHEET
As at 31 March 2011

	Notes	**As at 31 March 2011 HK$'000**	As at 31 March 2010 HK$'000 (Restated)	As at 1 April 2009 HK$'000 (Restated)
ASSETS AND LIABILITIES				
Non-current assets				
Property, plant and equipment		**15,653**	79,297	65,147
PLB licences		**163,900**	143,000	125,180
Goodwill		**9,118**	167,592	164,445
Interest in a jointly controlled entity		**-**	135	134
Deferred tax assets		**26**	107	85
		188,697	390,131	354,991
Current assets				
Trade and other receivables	11	**37,823**	24,477	19,210
Amount due from a jointly controlled entity		**-**	1,133	1,252
Tax recoverable		**934**	1,908	56
Bank balances and cash		**20,699**	38,252	38,524
		59,456	65,770	59,042
Assets held for sale	9(b)	**262,460**	-	-
		321,916	65,770	59,042
Current liabilities				
Borrowings		**3,062**	90,811	83,361
Trade and other payables	12	**17,167**	29,118	25,926
Deferred income		**-**	4,041	3,785
Other financial liability		**-**	2,190	4,650
Other current liability		**-**	-	9,000
Tax payable		**465**	3,934	5,452
		20,694	130,094	132,174
Liabilities directly associated with assets held for sale	9(c)	**112,526**	-	-
		133,220	130,094	132,174
Net current assets / (liabilities)		**188,696**	(64,324)	(73,132)
Total assets less current liabilities		**377,393**	325,807	281,859
Non-current liabilities				
Borrowings		**53,845**	24,623	25,644
Deferred tax liabilities		**130**	6,181	4,933
		53,975	30,804	30,577
Net assets		**323,418**	295,003	251,282
EQUITY				
Share capital		**22,750**	22,750	22,750
Reserves		**280,253**	252,522	210,462
Equity attributable to equity holders of the Company		**303,003**	275,272	233,212
Non-controlling interests		**20,415**	19,731	18,070
Total equity		**323,418**	295,003	251,282

1. BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards ("HKFRSs") which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The financial statements also include the applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The financial statements have been prepared on the historical cost basis except for public light bus ("PLB") licences and other financial liability which are stated at fair values.

2. ADOPTION OF NEW OR AMENDED HKFRSs

In the current year, the Group has applied for the first time the following new standards, amendments and interpretations (the "new HKFRSs") issued by the HKICPA, which are relevant to and effective for the Group's financial statements for the annual period beginning on 1 April 2010:

HKAS 27 (Revised)	Consolidated and Separate Financial Statements
HKFRS 3 (Revised)	Business Combinations
HKFRS 5 (Amendments)	Non-current Assets Held for Sale and Discontinued Operations
HK-Int 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
HKFRSs (Amendments)	Improvements to HKFRSs 2009

Other than as noted below, the adoption of the new HKFRSs had no material impact on how the results and financial position for the current and prior periods have been prepared and presented.

(i) The Improvements to HKFRS 2009 consist of amendments to various existing standards, including an amendment to HKAS 17 "Leases". The amendment to HKAS 17 removes the specific guidance which stated that land should be classified as under operating lease when the title to that land is not expected to pass to the Group at the end of the lease term, so as to eliminate inconsistency with the general guidance on lease classification. As a result, leases of land should be classified as either finance or operating lease using the general principles of HKAS 17, i.e. whether the lease transfer substantially all the risks and rewards of ownership of an asset to the lessee.

The amendment to HKAS 17 has been applied retrospectively for annual periods beginning on 1 April 2010. The Group has reassessed the classification of unexpired leases of land as at 1 April 2010 on the basis of information existing at the inception of those leases and recognised the leasehold land in Hong Kong as finance lease retrospectively. As a result of the reassessment, the Group has reclassified the leasehold land from operating lease to finance lease.

2. ADOPTION OF NEW OR AMENDED HKFRSs (Continued)

(i) (Continued)

The effect of the adoption of the amendment to HKAS 17 is summarised below:

Consolidated balance sheet

	As at 31 March 2011 HK$'000	As at 31 March 2010 HK$'000	As at 1 April 2009 HK$'000
Increase in property, plant and equipment	**5,904**	6,057	6,210
Decrease in leasehold land	**(5,904)**	(6,057)	(6,210)

(ii) The HK-Int 5 "Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause" clarifies that term loans that include a clause that gives the lender the unconditional right to call the loans at any time ("repayment on demand clause") should be classified by the borrower as current liabilities. The Group has applied HK-Int 5 for the first time in the current year. The interpretation requires retrospective application.

In order to comply with the requirements set out in HK-Int 5, the Group has changed its accounting policy on classification of term loans with a repayment on demand clause. In the past, the classification of such term loans were determined based on the agreed scheduled repayment dates set out in the loan agreements. Under HK-Int 5, term loans with a repayment on demand clause are classified as current liabilities.

The effect of the adoption of the HK-Int 5 is summarised below.

Consolidated balance sheet

	As at 31 March 2011 HK$'000	As at 31 March 2010 HK$'000	As at 1 April 2009 HK$'000
Current liabilities			
Increase in borrowings	**-**	62,119	55,099
Non-current liabilities			
Decrease in borrowings	**-**	(62,119)	(55,099)

The adoption of the amendment to HKAS 17 and HK-Int 5 had no effect on the consolidated income statement for the current and prior years.

At the date of authorisation of the financial statements, certain new and amended HKFRSs have been published but are not yet effective, and have not been adopted early by the Group.

The directors anticipate that all of the new or amended HKFRSs will be adopted in the Group's accounting policy for the first period beginning after the effective date of the new or amended HKFRSs but are not expected to have a material impact on the Group's financial statements.

3. SEGMENT INFORMATION

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors are determined following the Group's major service lines.

The Group has identified two reportable segments: a) Franchised PLB services; and b) Cross-boundary public bus services.

2011

	Continuing operation Franchised PLB services HK$'000	Discontinued operation Cross-boundary public bus services HK$'000	Group HK$'000
Reportable segment revenue (note (i))	305,225	149,932	455,157
Reportable segment profit	36,120	6,360	42,480
Finance costs			(2,870)
Share of results of a jointly controlled entity			1
Profit before income tax			39,611
Income tax expense			(7,269)
Profit for the year			32,342
Reportable segment assets	247,193	261,496	508,689
Interest in a jointly controlled entity			136
Deferred tax assets			84
Tax recoverable			1,704
Group assets			510,613
Reportable segment liabilities	17,167	20,442	37,609
Tax payable			1,151
Deferred tax liabilities			7,058
Other corporate liabilities			141,377
Group liabilities			187,195
Other information			
Additions to non-current segment assets	755	24,128	24,883
Depreciation	1,592	12,064	13,656
Interest income	(13)	(18)	(31)
Reversal of deficit on revaluation of a PLB licence	(80)	-	(80)

3. SEGMENT INFORMATION (Continued)

2010 (Restated)

	Continuing operation Franchised PLB services HK$'000	Discontinued operation Cross-boundary public bus services HK$'000	Group HK$'000
Reportable segment revenue (note (i))	302,754	136,458	439,212
Reportable segment profit	47,717	12,075	59,792
Unallocated corporate income			2,460
Finance costs			(2,416)
Share of results of a jointly controlled entity			1
Profit before income tax			59,837
Income tax expense			(10,410)
Profit for the year			49,427
Reportable segment assets	202,667	251,084	453,751
Interest in a jointly controlled entity			135
Deferred tax assets			107
Tax recoverable			1,908
Group assets			455,901
Reportable segment liabilities	14,405	18,754	33,159
Tax payable			3,934
Deferred tax liabilities			6,181
Other corporate liabilities			117,624
Group liabilities			160,898
<u>Other information</u>			
Additions to non-current segment assets	312	28,815	29,127
Depreciation	1,875	9,942	11,817
Interest income	-	(40)	(40)
Reversal of deficit on revaluation of a PLB licence	(810)	-	(810)

Note

(i) All of the reportable segment revenue is from external customers.

The Group's revenues from external customers and its non-current assets (other than deferred tax assets) are divided into the following geographical areas:

Hong Kong	Operation in Hong Kong
PRC - Hong Kong	Cross-boundary operation between Hong Kong and the People’s Republic of China (the “PRC”)
Others	Other operations in Macau and the PRC

3. **SEGMENT INFORMATION (Continued)**

	Revenue from external customers		Non-current assets	
	2011	2010	**2011**	2010
	HK$'000	HK$'000	**HK$'000**	HK$'000
Continuing operation:				
Hong Kong (domicile)	**305,225**	302,754	**188,671**	168,608
Discontinued operation:				
PRC – Hong Kong	**149,757**	136,235	**230,989**	219,346
Others	**175**	223	**1,418**	2,070
	149,932	136,458	**232,407**	221,416
	455,157	439,212	**421,078**	390,024

The geographical location of customers is based on the location at which the services were provided. The geographical location of non-current assets (other than deferred tax assets) is based on the physical location of the assets.

4. **TURNOVER**

	2011	2010
	HK$'000	HK$'000
Franchised PLB services income	**305,225**	302,754

5. **OTHER REVENUE AND OTHER NET INCOME**

	2011	2010
	HK$'000	HK$'000
Other revenue		
Agency fee income	**2,519**	2,504
Advertising income	**1,069**	1,773
Repair and maintenance service income	**1,413**	1,092
Management fee income	**598**	759
Interest income	**13**	-
	5,612	6,128
Other net income		
Reversal of deficit on revaluation of a PLB licence credited to income statement	**80**	810
Net exchange gain	**35**	-
Net loss on disposal of property, plant and equipment	**-**	(13)
Sundry income	**221**	209
	336	1,006
	5,948	7,134

6. FINANCE COSTS

	2011 HK$'000	2010 HK$'000
Interest on bank loans and overdrafts:		
- wholly repayable within five years	**3**	-
- not wholly repayable within five years	**615**	592
	618	592

7. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging/(crediting):

	2011 HK$'000	2010 HK$'000
Fuel cost	**57,414**	49,676
Employee benefit expense (including directors' emoluments)	**118,204**	113,903
Operating lease rental in respect of		
- land and buildings	**7**	7
- PLBs	**59,338**	60,544
Depreciation of property, plant and equipment	**1,592**	1,875
Provision for impairment of trade receivables	**4**	7
Net loss on disposal of property, plant and equipment	**-**	13
Net exchange gain	**(35)**	-
Reversal of deficit on revaluation of a PLB licence credited to income statement	**(80)**	(810)
Auditors' remuneration	**380**	540

8. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2010: 16.5%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the respective jurisdictions in which the Group operates.

	2011 HK$'000	2010 HK$'000
Current tax		
- Hong Kong		
Current year	**5,872**	7,745
Under/(Over) provision in prior years	**13**	(7)
	5,885	7,738
Deferred tax		
Current year	**129**	(55)
Total income tax expense	**6,014**	7,683

9. DISCONTINUED OPERATION AND ASSETS HELD FOR SALE

On 27 April 2011, the Company entered into an agreement with Trans-Island Limousine Service Limited ("TILS") to sell its entire interest in Elegant Sun Group Limited ("Elegant Sun"), a wholly owned subsidiary of the Company, to TILS at a consideration of HK$300,000,000. As at the reporting date, the directors considered the carrying amount of Elegant Sun and its subsidiaries is to be recovered through a sale transaction and the sale is considered highly probable. As a result, the cross-boundary public bus operation has been categorised under "discontinued operation" in the consolidated income statement and the assets and liabilities to be disposed are classified as "assets held for sale" and "liabilities directly associated with assets held for sale" respectively in the consolidated balance sheet.

The results and assets and liabilities of the disposal group are presented below:

(a) Discontinued operation

	2011	2010
	HK$'000	HK$'000
Results		
Turnover	**149,932**	136,458
Direct costs	**(110,556)**	(91,634)
Gross profit	**39,376**	44,824
Other revenue	**2,331**	2,780
Other net income	**43**	2,963
Administrative expenses	**(34,674)**	(35,063)
Other operating expenses	**(716)**	(969)
Operating profit	**6,360**	14,535
Finance costs	**(2,252)**	(1,824)
Share of results of a jointly controlled entity	**1**	1
Profit before income tax	**4,109**	12,712
Income tax expense	**(1,255)**	(2,727)
Profit for the year from discontinued operation	**2,854**	9,985

9. DISCONTINUED OPERATION AND ASSETS HELD FOR SALE (Continued)

(b) Assets held for sale

	As at 31 March 2011 HK$'000
ASSETS	
Non-current assets	
Property, plant and equipment	**68,601**
Public bus licences	**5,196**
Goodwill	**158,474**
Interest in a jointly controlled entity	**136**
Deferred tax assets	**58**
	232,465
Current assets	
Trade and other receivables	**19,268**
Amount due from a jointly controlled entity	**1,065**
Tax recoverable	**770**
Bank balances and cash	**8,892**
	29,995
Total assets	**262,460**

(c) Liabilities directly associated with assets held for sale

	As at 31 March 2011 HK$'000
LIABILITIES	
Non-current liabilities	
Deferred tax liabilities	**6,928**
Current liabilities	
Borrowings	**82,280**
Trade and other payables	**15,074**
Deferred income	**5,368**
Other financial liability	**2,190**
Tax payable	**686**
	105,598
Total liabilities	**112,526**

10. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity holders of the Company 1) from continuing operation of HK$29,488,000 (2010: HK$39,442,000) and 2) from discontinued operation of HK$2,348,000 (2010: HK$8,324,000) and on the weighted average number of 227,500,000 (2010: 227,500,000) ordinary shares in issue during the year.

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to equity holders of the Company and the weighted average number of ordinary shares in issue during the year after adjusting for the effects of all dilutive potential ordinary shares.

Details of calculation of diluted earnings per share for the year ended 31 March 2011 are shown as follows:

	2011
Profit attributable to equity holders of the Company for the year (in HK$'000)	
- From continuing operation	29,488
- From discontinued operation	2,348
	31,836
Weighted average number of ordinary shares in issue during the year (in thousands)	227,500
Effect of dilutive potential shares on exercise of share options (in thousands)	183
Weighted average number of ordinary shares used in calculating diluted earnings per share (in thousands)	227,683
Diluted earnings per share (in HK cents)	
- From continuing operation	12.95
- From discontinued operation	1.03
	13.98

Diluted earnings per share for the year ended 31 March 2010 equals to the basic earnings per share as the potential ordinary shares of share options were not included in the calculation of diluted earnings per share because they are anti-dilutive.

11. TRADE AND OTHER RECEIVABLES

	As at 31 March 2011 HK$'000	As at 31 March 2010 HK$'000
Trade receivables – gross	**1,332**	7,484
Less: provision for impairment	**-**	-
Trade receivables – net	**1,332**	7,484
Deposits, prepayments and other receivables	**4,491**	16,993
Deposit for acquisition of a subsidiary	**32,000**	-
	37,823	24,477

Majority of the Group's turnover is attributable to the franchised PLB services which is received in cash or collected by Octopus Cards Limited and remitted to the Group on the next business day of the service rendered. The Group normally grants a credit term ranging from 0 to 30 days to other trade debtors.

The ageing analysis of trade receivables (net of provision for impairment), prepared in accordance with the invoice dates, is as follows:

	As at 31 March 2011 HK$'000	As at 31 March 2010 HK$'000
0 to 30 days	**956**	4,909
31 to 60 days	**194**	2,376
61 to 90 days	**35**	60
Over 90 days	**147**	139
	1,332	7,484

12. TRADE AND OTHER PAYABLES

	As at 31 March 2011 HK$'000	As at 31 March 2010 HK$'000
Trade payables	**6,893**	10,630
Other payables and accruals	**10,274**	18,488
	17,167	29,118

The Group was granted by its suppliers credit periods ranging from 0 to 30 days. Based on the invoice dates, the ageing analysis of trade payables is as follows:

	As at 31 March 2011 HK$'000	As at 31 March 2010 HK$'000
0 to 30 days	**6,893**	8,543
31 to 60 days	**-**	1,302
61 to 90 days	**-**	358
Over 90 days	**-**	427
	6,893	10,630

13. **COMPARATIVE FIGURES**

As a result of the application of HKAS 17 (amendment) "Leases" and HK-Int 5 "Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause", certain comparative figures have been adjusted and reclassified.

DIVIDENDS ATTRIBUTABLE TO THE YEAR

The Board recommended the payment of a final dividend of HK12.0 cents (2010: HK11.0 cents) per ordinary share for the year ended 31 March 2011 totaling HK$27,300,000 (2010: HK$25,025,000) to the shareholders registered in the Company's register of members as at the close of business on 19 September 2011. Subject to the approval of shareholders at the forthcoming annual general meeting of the Company ("AGM") to be held on 7 September 2011, the final dividend will be payable on 20 September 2011.

BONUS ISSUE OF SHARES

The Board proposes the issue of bonus shares on the basis of one new share for every ten existing ordinary shares ("Bonus Issue") held by shareholders whose names appear on the Company's register of members on 19 September 2011. The bonus shares will be issued and credited as fully paid upon issue and will rank pari passu in all respects with the existing ordinary shares with effect from the date of issue. The necessary resolution will be proposed at the AGM. A circular containing further details of the Bonus Issue will be dispatched together with annual report 2011.

The Bonus Issue is conditional on the shareholders' approval at the AGM and the grant of listing approval by The Stock Exchange of Hong Kong Limited ("Stock Exchange"). If all conditions are satisfied, it is expected that the certificates for the bonus shares will be posted on 20 September 2011. The Board believes that the Bonus Issue will enhance the liquidity of the shares in the Company in the market, thereby enlarging the shareholder base.

CLOSURE OF REGISTER OF MEMBERS

In order to attend and vote at the AGM, all duly completed transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar and transfer office, Union Registrars Limited, at 18th Floor, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong, for registration not later than 4:00 p.m. on 6 September 2011.

For determining the entitlements to the proposed final dividend and Bonus Issue, the register of members of the Company will be closed from 14 September 2011 to 19 September 2011 (both days inclusive). In order to qualify for the proposed final dividends and Bonus Issue, all share certificates accompanied by the duly completed transfer documents must be lodged with Union Registrars Limited not later than 4:00p.m. on 12 September 2011.

MANAGEMENT DISCUSSION AND ANALYSIS

RESULTS FOR THE YEAR

During the year under review, profit for the year from continuing franchised PLB operation dropped by 25.2% to HK$29,488,000 (2010: HK$39,442,000) and profit for the year (after non-controlling interests) from discontinued cross-boundary public bus operation dropped by 71.8% to HK$2,348,000 (2010: HK$8,324,000). The overall profit attributable to equity holders of the Company was HK$31,836,000 (2010: HK$47,766,000). Basic earnings per share was HK13.99 cents as compared with HK21.00 cents last year.

	2011	2010
	HK$'000	HK$'000
CONTINUING OPERATION:		
Turnover	**305,225**	302,754
Operating profit	**36,120**	47,717
Finance costs	**(618)**	(592)
Profit before income tax	**35,502**	47,125
Income tax expense	**(6,014)**	(7,683)
Profit for the year from continuing operation	**29,488**	39,442
DISCONTINUED OPERATION:		
Profit for the year from discontinued operation	**2,854**	9,985
Less: Non-controlling interests	**(506)**	(1,661)
	2,348	8,324
Profit for the year attributable to equity holders of the Company	**31,836**	47,766

REVIEW OF OPERATIONS

Continuing operation - franchised PLB operation

The number of passengers carried in the local Green Minibus ("GMB") sector grew by 2.9% during the year ended 31 March 2011. As a transportation necessity to the general public, the demand for franchised PLB services was stable over the years, no matter it was economic upturn or downturn. The number of routes operated by the Group remained at 50 (2010: 50) as at 31 March 2011. The fleet size was enlarged to 309 GMBs (2010: 307 GMBs) as at 31 March 2011 in response to the natural growth in particular routes. The patronage of the franchised PLB operation slightly grew by 0.5% to 55.7 million (2010 restated: 55.4 million) whilst the total traveled mileage increased to around 39.7 million kilometers (2010: 39.5 million kilometers). As a result, the turnover of the franchised PLB operation grew by 0.8% or HK$2,471,000 to HK$305,225,000 (2010: HK$302,754,000). The Group has not raised any minibus fares since November 2008. Although a number of fare increment applications have been made to the Transport Department since last year, they are still being considered by the Transport Department and none of them has been approved yet.

On 18 February 2011, the Group entered into a sale and purchase agreement with Mr. Ma Kiu Sang, Mr. Ma Kiu Mo and Mr. Ma Kiu Man, Vince to acquire a 100% equity interest and the shareholders' loan in Hong Kong Maxicab Limited ("HKM") at a consideration of HK$32,000,000. The Group completed the acquisition of HKM on 1 April 2011. Since then, the fleet size of the Group has expanded to 342 GMBs. HKM operates four GMB routes running between Central/Causeway Bay and the Southern District. As the dominant GMB operator in the Southern District of Hong Kong, the acquisition of HKM will enable the Group to further expand its local franchised minibus network, thereby maximizing the synergy effect to the operation. We believe that the extensive network will help the Group leverage its strengths to provide more feeder services and point-to-point services that supplement the railway services, thereby growing in line with the development of the transportation network in Hong Kong.

The Group has put great efforts to enhance the service quality and efficiency in the franchised PLB operation. As a leading GMB route operator, the Group is committed to rendering safe and comfortable transport services to our passengers. As at 31 March 2011, 201 long-wheeled minibuses were in service, offering extra space to passengers. These long-wheeled minibuses were equipped with state-of-the-art facilities, such as LED destination displays, speed display units, high-back seats, stop signal bells, luggage racks and skidproof floors.

The average fleet age increased to 7.7 years as at 31 March 2011 (2010: 6.9 years). The replacement plan of aged minibuses has been suspended because the management is of the opinion that there is no fit model of minibuses on the market at the moment.

During the financial year under review, although the turnover of the franchised PLB operation grew by 0.8% or HK$2,471,000 to HK$305,225,000 (2010: HK$302,754,000), the operating profit fell by HK$11,597,000 or 24.3% to HK$36,120,000 (2010: HK$47,717,000). It was mainly attributable to the surge of fuel costs by HK$7,738,000 or 15.6% to HK$57,414,000 (2010: HK$49,676,000) and the increase in drivers' wages by HK$2,324,000 to HK$87,348,000 (2010: HK$85,024,000) during the year. The average diesel unit price rose by 13% and the average LPG unit price even soared by 25%. Apart from fuel costs and drivers' wages, other escalating operating expenses such as administrative staff costs and repair and maintenance expenses also accounted for the reduced operating profit margin.

Finance costs for the continuing operation were HK$618,000 (2010: HK$592,000), which maintained at a similar level as in 2010 in a sustained low interest rate environment.

Income tax expenses for the continuing operation dropped to HK$6,014,000 (2010: HK$7,683,000). The effective tax rate for the year was 16.9% (2010: 16.3%).

Discontinued operation - cross-boundary public bus operation

	2011 **HK$'000**	2010 HK$'000
DISCONTINUED OPERATION		
Turnover	**149,932**	136,458
Operating profit	**6,360**	14,535
Finance costs	**(2,252)**	(1,824)
Share of results of a jointly controlled entity	**1**	1
Profit before income tax	**4,109**	12,712
Income tax expense	**(1,255)**	(2,727)
Profit for the year from discontinued operation	**2,854**	9,985
Less: Non-controlling interests	**(506)**	(1,661)
Profit for the year attributable to equity holders of the Company	**2,348**	8,324

Unlike the stable franchised PLB business, competition in the cross-boundary public bus industry is very intense. The patronage of the Tsuen Wan-Huanggang (of Shenzhen) 24-hour cross-boundary shuttle services ("Tsuen Wan Line") continued to fall owing to the direct competition with the MTR Lok Ma Chau spur line. For the long haul routes and the shuttle routes running between the Shenzhen International Airport, Baoan district of Shenzhen and Hong Kong via the Shenzhen Bay control point ("Shenzhen

Shuttle Routes"), the Chinalink Group (as defined below) expanded its capacity by enlarging the fleet size (excluding the public buses deployed for the Tsuen Wan Line) by 12.3% to 73 public buses (2010: 65 public buses) and increasing the number of trips (excluding the trips ran by the Tsuen Wan Line) by 19.7% to 52,222 (2010: 43,627) during the year under review, in order to provide fast, convenient and comfortable services to compete with fellow operators.

Despite the increase in the number of journeys, which boosted the total revenue of the cross-boundary public bus operation by HK$13,474,000 or 9.9% to HK$149,932,000 (2010: HK$136,458,000), the total operating profit fell by HK$8,175,000 or 56.2% to HK$6,360,000 (2010: HK$14,535,000). One of the main reasons for the drop in operating profit margin was that the income from the increased ridership was not enough to cover the surging operating costs resulting from the increase of frequency for the long haul routes and Shenzhen Shuttle Routes. The decline in patronage of the Tsuen Wan Line and the increase in average fuel unit price (applicable to the cross-boundary public bus operation) by 10.0% compared with last year also accounted for the narrowed operating profit margin.

Finance costs of the discontinued operation went up by HK$428,000 or 23.5% to HK$2,252,000 (2010: HK$1,824,000) owing to the increase in average interest rate from 2.10% to 2.49% compared with last year.

The disposal of the cross-boundary public bus operation
On 27 April 2011, the Company entered into a sale and purchase agreement ("Agreement") with TILS, a wholly-owned subsidiary of Kwoon Chung Bus Holdings Limited, whereby TILS agreed to acquire and the Company agreed to sell its 100% shareholding interest in Elegant Sun, a wholly-owned subsidiary of the Company, at a consideration of HK$300,000,000 (subject to adjustment) upon and subject to the terms and conditions of the Agreement ("Disposal"). Elegant Sun holds an 80% shareholding interest in Chinalink Express Holdings Limited and Chinalink Transport Group Limited (together with their subsidiaries, collectively "Chinalink Group"). After the completion of the Disposal, Elegant Sun will become wholly-owned by TILS and will cease to be a subsidiary of the Company thenceforth.

We believe that the Disposal represented an attractive opportunity for the Group to realise a material capital gain. Financially, the net profits of Chinalink Group have dropped in recent years due to inflationary surge in operating costs (including without limitation fuel price, labour costs, rentals and cost of repairs) coupled with decrease in the revenue of the Tsuen Wan Line since the opening of the MTR's Lok Ma Chau spur line in August 2007. The business outlook of Chinalink Group is further overshadowed by the rapid growth of the competing MTR Lok Ma Chau spur line and the simultaneous expansion of Shenzhen Metro network, as well as fierce fare competition in the industry. In addition, due to the surge in the market price of public bus licences in recent years, the costs of leasing and/or purchasing cross-boundary coaches have increased significantly. The higher deployment costs not only limit Chinalink Group's expansion of fleet size and extension of routes, but also present considerable difficulty to it in competing successfully in the fiercely competitive industry.

In view of the poor business outlook of Chinalink Group, strategy-wise, the management considers this a timely opportunity for the Group to capitalise Chinalink Group at a reasonable price to avoid any adversity that may result in any potential losses to the Group.

It is estimated that the Disposal will contribute a book gain of approximately HK$133,745,000 to the Group. Considering the potential benefits the Disposal are likely to yield to the Group, the Board believes that it is in the best interests of the Company and its shareholders as a whole.

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

Liquidity and financial resources

The Group's operations were mainly financed by proceeds from its operations.

The current ratio (current assets/current liabilities) surged to 2.42 at year end (2010 restated: 0.51) mainly due to reclassification of the non-current assets of the discontinued operation amounting to HK$232,465,000 into current assets. The gearing ratio (total liabilities/shareholders' equity) slightly increased to 61.8% (2010: 58.5%), which was mainly attributable to the increased level of borrowings at year end.

As at 31 March 2011, the Group had bank facilities totaling HK$192,996,000 (2010: HK$146,101,000), of which HK$139,017,000 (2010: HK$113,301,000) were utilised.

Borrowings

As at 31 March 2011, the total borrowings balance was HK$56,907,000 (2010: HK$115,434,000). The significant drop in the borrowings balance was mainly attributable to the reclassification of the borrowings of the discontinued operation amounting to HK$82,280,000 to liabilities directly associated with assets held for sale as at 31 March 2011.

Bank balances and cash

As at 31 March 2011, the Group had bank balances and cash amounted to HK$20,699,000 (2010: HK$38,252,000). 82.7% (2010: 91.4%) of the bank balances and cash as at 31 March 2011 was denominated in Hong Kong dollars and the remaining bank balances and cash were denominated in Renminbi.

Cashflow

	2011 **HK$'000**	2010 HK$'000 (Restated)
Net cash from operating activities	**47,723**	57,956
Net cash used in investing activities	**(52,432)**	(37,542)
Net cash used in financing activities	**(4,111)**	(20,043)
Net (decrease)/increase in cash and cash equivalents	**(8,820)**	371

A net outflow of HK$8,820,000 was recorded during the year compared with a net inflow of HK$371,000 in 2010. The net cash from operating activities was HK$47,723,000, representing a drop of HK$10,233,000 or 17.7%, resulted from the reduction in operating profits caused by the surging fuel price and other operating costs. The net cash outflow in investing activities of HK$52,432,000 mainly represented the cash payment for the purchase of public buses and their licences amounting to HK$19,026,000 during the year and a deposit amounting to HK$32,000,000 paid for acquiring HKM.

The net cash used in financing activities dropped by HK$15,932,000 because new bank borrowings drawn down during the year increased by HK$26,409,000 compared with last year.

Credit risk management

The income of the franchised PLB operation of the Group is either received in cash or collected by Octopus Cards Limited and remitted to the Group on the next business day. Thus, the operation does not have any significant credit risk.

For the cross-boundary public bus operation, the income is mainly collected on a credit basis. The Group normally grants credit periods ranging from 0 to 30 days to customers and the debt collection progress is monitored on an ongoing basis. Since the Group has implemented a stringent credit control policy and the customer base is rather diverse, there is no significant concentration of credit risk.

Foreign currency risk management

The Group is exposed to foreign exchange risk arising mainly from conversion of Renminbi. Nevertheless, it is not significant since the majority of the Group's income and expenditures are denominated in Hong Kong dollars.

Although conversion of Renminbi into foreign currencies is subject to the foreign exchange rules and regulations of the PRC, the management considers that the Group's overall exposure to foreign exchange risk is minimal. Nevertheless, the Group collected part of the cross-boundary public bus income in Renminbi to cover the operating expenses in Renminbi so as to minimise the foreign exchange risk through natural hedging.

Interest rate risk management

As for financing activities, all borrowings for the financial year ended 31 March 2011 were denominated in Hong Kong dollars and the majority of them were on a floating interest rate basis. The practice effectively eliminated the currency risk and the management is of the view that the Group is not subject to significant interest rate risk.

Pledge of assets

The pledged assets are as follows:

	As at 31 March 2011 HK$'000	As at 31 March 2010 HK$'000 (Restated)
PLB licences	**104,300**	52,000
Property, plant and equipment	**4,591**	32,807
Trade and other receivables	**-**	14,227
Bank balances and cash	**-**	7,110
Other assets	**-**	2,515
Assets held for sale	**65,677**	-

Capital expenditure and commitment

During the year, the total capital expenditure was HK$24,883,000 (2010: HK$25,980,000), mainly for the purchase of 11 public buses (2010: 15 public buses) at the sum of HK$14,876,000 (2010: HK$24,653,000) and 6 limousines at the sum of HK$3,193,000 (2010: Nil). As at 31 March 2011, the capital commitment contracted and not provided for was HK$9,384,000 (2010: HK$28,944,000), which was mainly for the purchase of 3 public buses and 1 motor vehicle.

Employees and remuneration policies
Since the minibus industry is labour intensive in nature, staff costs accounted for a substantial part of the total operating costs of the Group. Employee benefit expenses of the franchised PLB operation incurred for the year were HK$118,204,000 (2010: HK$113,903,000), representing 42.0% (2010: 42.1%) of the total costs. Apart from the basic remuneration, double pay and/or a discretionary bonus were granted to eligible employees in accordance with the Group's performance and individual's contribution. Other benefits included share option scheme, retirement plan and training schemes were also provided to the staff members.

The headcounts of the Group are as follows:

	As at 31 March 2011			As at 31 March 2010		
	Continuing operation	**Discontinued operation**	**Total**	Continuing operation	Discontinued operation	Total
Captains	**920**	**118**	**1,038**	928	108	1,036
Administrative staff	**85**	**199**	**284**	86	192	278
Technicians	**42**	**17**	**59**	40	20	60
Total	**1,047**	**334**	**1,381**	1,054	320	1,374

Acquisition of HKM
On 18 February 2011, the Group entered into a sale and purchase agreement with Mr. Ma Kiu Sang, Mr. Ma Kiu Mo and Mr. Ma Kiu Man, Vince to acquire a 100% equity interest and the shareholders' loan in HKM at a consideration of HK$32,000,000. The acquisition was completed on 1 April 2011. The principal business of HKM is the provision of franchised PLB service in Central/Causeway Bay and the Southern District.

Very substantial disposal after the balance sheet date
On 27 April 2011, the Company entered into the Agreement with TILS, whereby TILS agreed to acquire and the Company agreed to sell its 100% shareholding interest in Elegant Sun at a consideration of HK$300,000,000 (subject to adjustment) upon and subject to the terms and conditions of the Agreement. After completion of the Disposal, Elegant Sun will become wholly-owned by TILS and will cease to be a subsidiary of the Company thenceforth. Elegant Sun holds an 80% shareholding interest in the Chinalink Group. The Disposal is expected to be completed on or before 31 July 2011. The Company will discontinue all its operations in the cross-boundary public bus industry after the completion of the Disposal.

After the completion of the Disposal, the Company will receive an immediate cash of HK$300,000,000 (subject to adjustment). Having regard to the audited consolidated net asset value of Elegant Sun as at 31 March 2011 and the consideration for the Disposal, it is estimated that the Disposal will yield to the Group a book gain of approximately HK$133,745,000. The said estimation has been calculated with reference to the following items: (a) the net proceeds from the consideration being approximately HK$299,300,000 (net of transaction costs of the Disposal); (b) the consolidated net asset value of Elegant Sun of approximately HK$39,986,000 as at 31 March 2011, on the assumption that a financial liability amounting to HK$2,190,000 in the books of Elegant Sun had been reversed as at 31 March 2011 as a result of Mr. Chan Chung Yee, Alan's waiver of his right in exercising an option; (c) the Company's waiver of the balance of the shareholder's loan due to the Company by Elegant Sun amounting to approximately HK$89,888,000 as at 31 March 2011; (d) the repayment of a bank borrowing of Elegant Sun amounting to HK$36,400,000; and (e) reclassification adjustment of cumulative exchange gain on translation of financial statements of foreign operations of the disposal group of HK$719,000 as at 31 March 2011. However, it should be noted that the actual gain or loss to be derived from the Disposal will ultimately depend on the consolidated net asset value of Elegant Sun as at the date of completion and the adjustment to the consideration (if any).

Outlook

As the franchised PLB service is a kind of transportation necessity to the general public in Hong Kong, the Group remains confident in the passenger demand for its existing routes in the coming year. However, challenges and opportunities will emerge with the expansion of the railway network in Hong Kong. The MTR West Island Line and South Island Line are expected to be completed in 2014 and 2015 respectively. Though some of the Group's minibus service routes will inevitably compete against the railway, some of them will benefit from the provision of strengthened feeder services to and from MTR stations and the ease of traffic congestions in the Aberdeen Tunnel. We will respond to the challenge by improving the Group's cost efficiency, including proposing additional rationalization plans for less popular routes while strengthening the service for routes with growing demand and acquiring routes with synergy effect. The acquisition of HKM, which operates four GMB routes with 33 PLBs running between Central/Causeway Bay and the Southern District, completed on 1 April 2011 will lead to further expansion of the Group's local GMB network, in the Southern District in particular, thereby maximizing the synergy effect to the operation, and strengthening the Group's share in the market as a whole.

The pressure from climbing operational costs, especially brought by the rising fuel costs and staff costs, will pose another challenge to the Group in the coming year. We will, on one hand, continue to enhance fleet efficiency and implement cost saving plans, and on the other hand, continue to apply to the Transport Department for fare increment. Furthermore, we strongly support the proposal of increasing the number of seats on minibuses from 16 to 20 as advocated by the GMB Maxicab Operators General Association and the Hong Kong Scheduled (GMB) Licensee Association. With the operators' commitments to freezing fares for three years, offering concessionary fares to the elderly and deploying environmentally-friendly vehicles, we believe that increasing the number of seats on minibuses to 20 is in any way a win-win solution for both the operators and the general public as the former could increase revenue without transferring the costs to the public and affecting road conditions while the latter could ease their burden of transportation expenses under inflation. We hope that the Transport Department could consider the proposal and give positive feedback to the industry.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year ended 31 March 2011, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS ("Model Code")

The Company has adopted codes of conduct regarding securities transactions by its directors and relevant employees ("Securities Code") on terms no less exacting than the required standard set out in the Model Code contained in Appendix 10 of the Listing Rules throughout the year ended 31 March 2011. Having made specific enquiries, all directors have confirmed that they have met the required standard set out in the Securities Code and the Model Code throughout the financial year under review.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES ("Code")

The Company has complied throughout the year ended 31 March 2011 with the code provisions set out in the Code as contained in Appendix 14 of the Listing Rules.

REVIEW BY AUDIT COMMITTEE

The Company has an audit committee which was established in accordance with the requirements of the Code and "A Guide for The Formation of An Audit Committee" published by the HKICPA. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control system of the Group. The audit committee comprises 3 independent non-executive directors of the Company and one of them possesses appropriate accounting or financial management expertise. An audit committee meeting was held on 29 June 2011 to review the Group's annual financial statements and annual results announcement, and provide advice and recommendations to the Board.

REVIEW BY AUDITORS

The figures in respect of this preliminary announcement of the Group's results for the year ended 31 March 2011 have been agreed by the Group's auditors, Grant Thornton Jingdu Tianhua, as the figures set out in the Group's audited consolidated financial statements for the year. The work performed by Grant Thornton Jingdu Tianhua in this respect did not constitute an assurance engagement in accordance with "Hong Kong Standards on Auditing", "Hong Kong Standards on Review Engagements" or "Hong Kong Standards on Assurance Engagements" issued by the HKICPA, and consequently no assurance has been expressed by Grant Thornton Jingdu Tianhua on this preliminary announcement.

PUBLICATION OF DETAILED ANNUAL RESULTS AND ANNUAL REPORT

All the financial and other related information of the Company for the year ended 31 March 2011 as required to be disclosed by the Listing Rules will be published on Stock Exchange's website at www.hkex.com.hk and the Company's website at www.amspt.com in due course.

By Order of the Board
Wong Man Kit
Chairman

Hong Kong, 29 June 2011

Members of the Board as at the date of this announcement are as follows:

Executive Directors	*Independent Non-executive Directors*
Mr. Wong Man Kit (Chairman)	Dr. Lee Peng Fei, Allen
Ms. Ng Sui Chun	Dr. Chan Yuen Tak Fai, Dorothy
Mr. Wong Ling Sun, Vincent	Mr. Kwong Ki Chi
Mr. Chan Man Chun	