

FINANCIAL STATEMENTS

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DIRECTORS' STATEMENT

The Directors present their statement together with the audited Consolidated Financial Statements of the Group for the financial year ended 31 December 2016 and the Statement of Financial Position and Statement of Changes in Equity of the Company as at 31 December 2016.

In the opinion of the Directors, the Consolidated Financial Statements of the Group and the Statement of Financial Position and Statement of Changes in Equity of the Company as set out on pages 94 to 169 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2016, and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

1 DIRECTORS

The Directors of the Company in office at the date of this statement are:

Lim Jit Poh (Chairman)
Kua Hong Pak (Managing Director/Group Chief Executive Officer)
Ong Ah Heng
Oo Soon Hee
Sum Wai Fun, Adeline
Tow Heng Tan
Wang Kai Yuen
Wong Chin Huat, David

2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the Directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate, except for the options mentioned in paragraphs 3 and 4 of the Directors' Statement.

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The Directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the Company and its related corporations as recorded in the register of Directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act, Cap. 50, except as follows:

	At 1 January 2016	At 31 December 2016	At 21 January 2017
Interest in the Company			
(a) Ordinary shares			
Lim Jit Poh	4,425	244,425	244,425
Kua Hong Pak	1,524,530	3,924,530	3,924,530
Ong Ah Heng	635,558	635,558	635,558
Oo Soon Hee	775,000	925,000	925,000
Sum Wai Fun, Adeline	240,000	240,000	240,000
Tow Heng Tan	730,000	850,000	850,000
Wang Kai Yuen	52,500	52,500	52,500
Wong Chin Huat, David	380,000	620,000	620,000

DIRECTORS' STATEMENT

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (cont'd)

	At 1 January 2016	At 31 December 2016	At 21 January 2017
Interest in the Company (cont'd)			
(b) Options to subscribe for ordinary shares			
Lim Jit Poh	240,000	–	–
Kua Hong Pak	6,000,000	3,600,000	3,600,000
Ong Ah Heng	120,000	120,000	120,000
Oo Soon Hee	300,000	150,000	150,000
Tow Heng Tan	120,000	–	–
Wong Chin Huat, David	240,000	–	–
Interest in subsidiary, SBS Transit Ltd			
(a) Ordinary shares			
Kua Hong Pak	90,000	90,000	90,000
Wong Chin Huat, David	215,000	215,000	215,000
Interest in subsidiary, VICOM Ltd			
(a) Ordinary shares			
Lim Jit Poh	190,000	190,000	190,000
Kua Hong Pak	54,000	54,000	54,000

4 SHARE OPTIONS

(A) Share options of the Company

- (i) The ComfortDelGro Employees' Share Option Scheme (the "CDG ESOS") for a period of 10 years was approved by the shareholders of the Company on 18 February 2003. It expired on 17 February 2013 and hence no option has been granted since then. The existing options granted will continue to vest according to the terms and conditions of the CDG ESOS. The CDG ESOS is administered by the Remuneration Committee (the "Committee") comprising Messrs Wang Kai Yuen (Appointed as Chairman on 1 January 2017), Lim Jit Poh, Tow Heng Tan and Wong Chin Huat, David.
- (ii) Under the CDG ESOS, an option entitles the option holder to subscribe for a specific number of new ordinary shares at a subscription price determined with reference to the market price of the shares at the time of grant of the option. The subscription price does not include any discount feature. The consideration for the grant of an option is \$1.00. The option may be exercised at any time after the first anniversary of the date of grant but before the tenth anniversary (fifth anniversary for non-executive Directors) of the date of grant of that option or such shorter period as determined by the Committee. The option may be exercised in whole or in part on the payment of the relevant subscription price. The participants to whom the options have been granted shall be eligible to participate in other share option schemes implemented by the Company and/or its subsidiaries. Options granted will lapse when the option holder ceases to be a full-time employee or Director of the Company or any company of the Group, subject to certain exceptions at the discretion of the Committee administering the CDG ESOS.

DIRECTORS' STATEMENT

4 SHARE OPTIONS (cont'd)

(A) Share options of the Company (cont'd)

- (iii) Particulars of unissued shares under options granted pursuant to the CDG ESOS, options exercised during the financial year and options outstanding as at 31 December 2016 were as follows:

Date of grant	Number of options to subscribe for ordinary shares			Subscription price per share	Expiry date
	Outstanding at 1 January 2016	Exercised	Outstanding at 31 December 2016		
13 July 2006	1,870,000	(1,870,000)	–	\$1.500	12 July 2016
22 June 2007	2,050,000	(830,000)	1,220,000	\$2.260	21 June 2017
25 June 2008	1,525,000	(190,000)	1,335,000	\$1.590	24 June 2018
25 June 2009	1,740,000	(140,000)	1,600,000	\$1.273	24 June 2019
2 July 2010	3,150,000	(1,855,000)	1,295,000	\$1.467	1 July 2020
23 June 2011	270,000	(270,000)	–	\$1.373	22 June 2016
23 June 2011	3,002,000	(432,000)	2,570,000	\$1.373	22 June 2021
20 June 2012	750,000	(480,000)	270,000	\$1.475	19 June 2017
20 June 2012	5,270,000	(520,000)	4,750,000	\$1.475	19 June 2022
Total	19,627,000	(6,587,000)	13,040,000		

The options outstanding as at 31 December 2016 include 730,000 options granted to a former employee of the Group who has been granted an extension from the date of retirement by the Remuneration Committee to exercise the outstanding options.

- (iv) Details of the options granted to Directors during the financial year and since the commencement of the CDG ESOS (including options granted under the Pre-Merger Option Scheme*) up to 31 December 2016 were as follows:

Director	Number of options to subscribe for ordinary shares			
	Aggregate options granted since the commencement to 31 December 2016	Aggregate options exercised since the commencement to 31 December 2016	Aggregate options lapsed/forfeited since the commencement to 31 December 2016	Aggregate options outstanding at 31 December 2016
Lim Jit Poh	2,773,577	2,273,577	500,000	–
Kua Hong Pak	12,300,000	6,300,000	2,400,000	3,600,000
Ong Ah Heng	1,517,540	1,047,540	350,000	120,000
Oo Soon Hee	1,650,000	1,125,000	375,000	150,000
Sum Wai Fun, Adeline	600,000	600,000	–	–
Tow Heng Tan	1,200,000	850,000	350,000	–
Wang Kai Yuen	1,998,672	1,873,672	125,000	–
Wong Chin Huat, David	1,200,000	850,000	350,000	–

- * Following the merger of Comfort Group Ltd and DelGro Corporation Limited, the outstanding options under the Comfort Executives' Share Option Scheme, the 2000 Comfort Share Option Scheme and the DelGro Executives' Share Option Scheme (collectively, the "Pre-Merger Option Scheme"), were exchanged for options under the CDG ESOS based on the then option exchange ratios.

The terms of the options granted to the Directors are disclosed in paragraph 4(A)(ii).

DIRECTORS' STATEMENT

4 SHARE OPTIONS (cont'd)

(A) Share options of the Company (cont'd)

- (v) None of the options granted under the CDG ESOS include a discount feature to the market price of the shares at the time of grant. No participants to the CDG ESOS are controlling shareholders of the Company and their associates.
- (vi) None of the Directors or employees of the Company and its subsidiaries received 5% or more of the total number of options available under the CDG ESOS for the financial year ended 31 December 2016.

(B) Share options of subsidiaries

(a) SBS Transit Ltd ("SBST")

- (i) At the end of the financial year, there were 3,085,000 unissued shares of SBS Transit Ltd under option relating to the SBS Transit Share Option Scheme (the "SSOS"). The SSOS expired on 8 June 2010 and hence no option has been granted since then. The existing options granted will continue to vest according to the terms and conditions of the SSOS and the respective grants. Details and terms of the share options and SSOS have been disclosed in the Directors' Statement of SBS Transit Ltd.
- (ii) There were no share options granted to Directors of the Company during the financial year. Details of the SSOS options since the commencement of the SSOS were as follows:

Director	Number of options to subscribe for ordinary shares			
	Aggregate options granted since the commencement to 31 December 2016	Aggregate options exercised since the commencement to 31 December 2016	Aggregate options lapsed since the commencement to 31 December 2016	Aggregate options outstanding at 31 December 2016
Lim Jit Poh	780,000	480,000	300,000	–
Kua Hong Pak	690,000	240,000	450,000	–
Wong Chin Huat, David	475,000	295,000	180,000	–

(b) VICOM Ltd ("VICOM")

- (i) At the end of the financial year, there was no unissued shares of VICOM Ltd under option relating to the 2001 VICOM Share Option Scheme (the "2001 VSOS"). The VSOS expired on 26 April 2011 and hence no option has been granted since then. The existing options granted will continue to vest according to the terms and conditions of the 2001 VSOS and the respective grants. Details and terms of the share options and the 2001 VSOS have been disclosed in the Directors' Statement of VICOM Ltd.
- (ii) There were no share options granted to the Directors of the Company during the financial year and no outstanding share options held by the Directors as at 31 December 2016 as the last grant of share options was issued to the Directors in 2005 and expired in 2010. Details of the options granted and exercised by the Directors since the commencement of the 2001 VSOS up to 31 December 2016 are not disclosed as there were no movements in options granted and exercised and such details had been disclosed in the prior years.

DIRECTORS' STATEMENT

5 AUDIT AND RISK COMMITTEE

At the date of this report, the Audit and Risk Committee comprises four non-executive and independent Directors as follows:

Sum Wai Fun, Adeline (Appointed as Chairman on 1 January 2017)
Ong Ah Heng
Oo Soon Hee
Wong Chin Huat, David

The Audit and Risk Committee carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act, Cap. 50 and the Code of Corporate Governance 2012.

In performing its functions, the Audit and Risk Committee reviewed the overall scope of both internal and external audits and the assistance given by the Company's officers to the auditors. It met with the Company's internal and external auditors four times during the year to discuss the scope and results of their respective audits, and at least once annually without the presence of Management. The Audit and Risk Committee has reviewed the independence of the external auditors, Messrs Deloitte & Touche LLP, including the scope of the non-audit services performed and confirmed that the auditors are independent.

In addition, the Audit and Risk Committee reviewed the Financial Statements of the Group before their submission to the Board of Directors of the Company and provided assurance to the Board on the adequacy of financial, operational, compliance and information technology controls.

The Audit and Risk Committee has recommended to the Board of Directors, the nomination of Deloitte & Touche LLP for re-appointment as auditors of the Group at the forthcoming Annual General Meeting of the Company.

6 AUDITORS

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

ON BEHALF OF THE DIRECTORS

Lim Jit Poh
Chairman

Kua Hong Pak
Managing Director/Group Chief Executive Officer

Singapore
10 February 2017

INDEPENDENT AUDITOR'S REPORT

To the Members of ComfortDelGro Corporation Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of ComfortDelGro Corporation Limited (the "Company") and its subsidiaries (the "Group") which comprise the Statements of Financial Position of the Group and the Company as at 31 December 2016, 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, as set out on pages 94 to 169.

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 2016 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.

Taxi licences and Goodwill impairment review

The Group reviews taxi licences with indefinite useful lives and goodwill for impairment annually or when there is an impairment indication. Management exercises significant judgements in the assumptions on inputs used in the discounted cash flow forecasts to determine the recoverable amounts. The taxi licences and goodwill are disclosed in Notes 14 and 15 to the Financial Statements.

Our audit procedures included critically challenging the key assumptions on growth rates and discount rates used by Management in the impairment review as disclosed in Note 3 to the Financial Statements. We also performed sensitivity analysis around the key inputs including growth rates and discount rates used in the cash flow forecasts. We compared the growth rates to recent business performance, trend analysis and the growth rate for the relevant country. For the discount rate, we compared it to the weighted average cost of capital. We found Management's key assumptions to be within the reasonable range of our expectations.

Valuation and completeness of provision for accident claims

The valuation and completeness of provisions for settlement of accident claims involves estimation uncertainty (Note 3). 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 disclosed in Note 21 to the Financial Statements.

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 the reasonable range of our expectations.

INDEPENDENT AUDITOR'S REPORT

To the Members of ComfortDelGro Corporation Limited

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:

- 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

INDEPENDENT AUDITOR'S REPORT

To the Members of ComfortDelGro Corporation Limited

Auditor's Responsibilities for the Audit of the Financial Statements (cont'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.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and 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 those subsidiary corporations 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. Philip Yuen Ewe Jin.

DELOITTE & TOUCHE LLP

Public Accountants and
Chartered Accountants
Singapore

10 February 2017

STATEMENTS OF FINANCIAL POSITION

31 December 2016

	Note	The Group		The Company	
		2016 \$'mil	2015 \$'mil	2016 \$'mil	2015 \$'mil
ASSETS					
Current assets					
Short-term deposits and bank balances	4	779.3	787.8	309.6	329.6
Trade receivables	5	237.4	192.9	–	–
Other receivables and prepayments	6	152.7	223.9	2.5	1.8
Due from subsidiaries	7	–	–	2.9	3.7
Inventories	8	81.7	75.1	–	–
Total current assets		1,251.1	1,279.7	315.0	335.1
Non-current assets					
Subsidiaries	9	–	–	1,121.5	1,121.5
Associates	10	11.2	10.2	0.3	0.1
Investments	11	62.9	51.6	41.7	33.0
Other receivables and prepayments	6	3.0	22.4	0.1	0.1
Grant receivables	12	237.6	245.3	–	–
Due from subsidiaries	7	–	–	19.8	19.5
Vehicles, premises and equipment	13	2,887.4	2,909.0	8.0	9.5
Taxi licences	14	217.7	230.5	–	–
Goodwill	15	427.5	442.6	–	–
Deferred tax assets	16	23.6	25.0	–	–
Total non-current assets		3,870.9	3,936.6	1,191.4	1,183.7
Total assets		5,122.0	5,216.3	1,506.4	1,518.8

See accompanying notes to the Financial Statements.

STATEMENTS OF FINANCIAL POSITION

31 December 2016

	Note	The Group		The Company	
		2016 \$'mil	2015 \$'mil	2016 \$'mil	2015 \$'mil
LIABILITIES AND EQUITY					
Current liabilities					
Borrowings	17	169.3	126.4	–	–
Trade and other payables	18	771.4	833.4	49.9	50.4
Deferred grants	19	17.9	17.3	–	–
Due to subsidiaries and associate	20	14.3	10.9	422.2	426.8
Fuel price equalisation account		20.0	20.0	–	–
Insurance premiums payable and provision for accident claims	21	70.2	79.8	–	–
Income tax payable		48.5	49.1	2.6	2.2
Total current liabilities		1,111.6	1,136.9	474.7	479.4
Non-current liabilities					
Borrowings	17	175.8	432.2	–	–
Deferred grants	19	279.6	279.2	–	–
Other liabilities	22	90.7	109.5	0.1	0.1
Fuel price equalisation account		20.0	20.0	–	–
Deferred tax liabilities	16	252.2	225.9	2.3	2.8
Total non-current liabilities		818.3	1,066.8	2.4	2.9
Total liabilities		1,929.9	2,203.7	477.1	482.3
Capital, reserves and non-controlling interests					
Share capital	23	676.9	665.5	676.9	665.5
Other reserves	24	23.4	(64.2)	(13.3)	(21.0)
Foreign currency translation reserve		(125.5)	(53.7)	–	–
Accumulated profits		1,900.7	1,787.5	365.7	392.0
Equity attributable to shareholders of the Company		2,475.5	2,335.1	1,029.3	1,036.5
Non-controlling interests		716.6	677.5	–	–
Total equity		3,192.1	3,012.6	1,029.3	1,036.5
Total liabilities and equity		5,122.0	5,216.3	1,506.4	1,518.8

Certain comparative figures have been reclassified to conform to current year's presentation.

See accompanying notes to the Financial Statements.

GROUP INCOME STATEMENT

Year Ended 31 December 2016

	Note	2016 \$'mil	2015 \$'mil
Revenue	25	4,059.5	4,111.5
Staff costs	26	(1,458.0)	(1,403.5)
Contract services		(560.9)	(566.0)
Depreciation and amortisation		(396.0)	(389.3)
Repairs and maintenance costs		(258.6)	(249.3)
Fuel and electricity costs		(231.7)	(301.7)
Materials and consumables costs		(154.0)	(210.9)
Road tax		(138.5)	(137.0)
Insurance premiums and accident claims		(125.8)	(125.1)
Premises costs		(91.4)	(86.6)
Taxi drivers' benefits		(55.6)	(59.6)
Advertising production and promotion costs		(21.7)	(20.1)
Utilities and communication costs		(19.7)	(21.1)
Vehicle leasing charges		(19.2)	(20.6)
Other operating costs		(66.2)	(70.0)
Total Operating Costs		(3,597.3)	(3,660.8)
Operating Profit		462.2	450.7
Net Income from Investments		13.9	15.0
Finance Costs	27	(14.4)	(18.4)
Share of Profit in Associate	10	4.9	4.9
Profit before Taxation		466.6	452.2
Taxation	28	(88.2)	(88.4)
Profit after Taxation	29	378.4	363.8
Attributable to:			
Shareholders of the Company		317.1	301.9
Non-Controlling Interests		61.3	61.9
		378.4	363.8
Earnings per share (in cents):			
Basic	30	14.72	14.07
Diluted	30	14.68	14.01

See accompanying notes to the Financial Statements.

GROUP COMPREHENSIVE INCOME STATEMENT

Year Ended 31 December 2016

	Note	2016 \$'mil	2015 \$'mil
Profit after Taxation	29	378.4	363.8
<i>Items that may be reclassified subsequently to profit or loss</i>			
Fair value adjustment on cash flow hedges		47.1	33.8
Fair value adjustment on bonds		(0.1)	(0.2)
Exchange differences on translation of foreign operations		(79.2)	(10.0)
		(32.2)	23.6
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Actuarial adjustment on defined benefit plans		0.9	3.3
Fair value adjustment on equity investments		10.5	(19.8)
Revaluation of premises ^(Note A)		40.2	–
		51.6	(16.5)
Other comprehensive income for the year		19.4	7.1
Total comprehensive income for the year		397.8	370.9
Attributable to:			
Shareholders of the Company		329.8	310.7
Non-Controlling Interests		68.0	60.2
		397.8	370.9

Note A

This arose due to revaluation of a leasehold property of a subsidiary.

See accompanying notes to the Financial Statements.

STATEMENTS OF CHANGES IN EQUITY

Year Ended 31 December 2016

	The Group						
	Attributable to shareholders of the Company						
	Share capital \$'mil	Other reserves \$'mil	Foreign currency translation reserve \$'mil	Accumulated profits \$'mil	Total \$'mil	Non-controlling interests \$'mil	Total equity \$'mil
Balance at 1 January 2015	646.4	(77.4)	(50.4)	1,671.3	2,189.9	648.9	2,838.8
Total comprehensive income for the year							
Profit for the year	–	–	–	301.9	301.9	61.9	363.8
Other comprehensive income for the year	–	12.1	(3.3)	–	8.8	(1.7)	7.1
Total	–	12.1	(3.3)	301.9	310.7	60.2	370.9
Transactions recognised directly in equity							
Exercise of share options (Notes 23 and 24)	19.1	(1.6)	–	–	17.5	–	17.5
Payment of dividends (Note 35)	–	–	–	(182.5)	(182.5)	–	(182.5)
Other reserves	–	2.7	–	(3.2)	(0.5)	(31.6)	(32.1)
Total	19.1	1.1	–	(185.7)	(165.5)	(31.6)	(197.1)
Balance at 31 December 2015	665.5	(64.2)	(53.7)	1,787.5	2,335.1	677.5	3,012.6
Total comprehensive income for the year							
Profit for the year	–	–	–	317.1	317.1	61.3	378.4
Other comprehensive income for the year	–	84.5	(71.8)	–	12.7	6.7	19.4
Total	–	84.5	(71.8)	317.1	329.8	68.0	397.8
Transactions recognised directly in equity							
Exercise of share options (Notes 23 and 24)	11.4	(1.1)	–	–	10.3	–	10.3
Payment of dividends (Note 35)	–	–	–	(199.4)	(199.4)	–	(199.4)
Other reserves	–	4.2	–	(4.5)	(0.3)	(28.9)	(29.2)
Total	11.4	3.1	–	(203.9)	(189.4)	(28.9)	(218.3)
Balance at 31 December 2016	676.9	23.4	(125.5)	1,900.7	2,475.5	716.6	3,192.1

See accompanying notes to the Financial Statements.

STATEMENTS OF CHANGES IN EQUITY

Year Ended 31 December 2016

	The Company			
	Share capital \$'mil	Other reserves \$'mil	Accumulated profits \$'mil	Total equity \$'mil
Balance at 1 January 2015	646.4	(2.5)	402.6	1,046.5
Total comprehensive income for the year				
Profit for the year	–	–	171.7	171.7
Other comprehensive income for the year	–	(16.9)	–	(16.9)
Total	–	(16.9)	171.7	154.8
Transactions recognised directly in equity				
Exercise of share options (Notes 23 and 24)	19.1	(1.6)	–	17.5
Payment of dividends (Note 35)	–	–	(182.5)	(182.5)
Other reserves	–	–	0.2	0.2
Total	19.1	(1.6)	(182.3)	(164.8)
Balance at 31 December 2015	665.5	(21.0)	392.0	1,036.5
Total comprehensive income for the year				
Profit for the year	–	–	173.0	173.0
Other comprehensive income for the year	–	8.8	–	8.8
Total	–	8.8	173.0	181.8
Transactions recognised directly in equity				
Exercise of share options (Notes 23 and 24)	11.4	(1.1)	–	10.3
Payment of dividends (Note 35)	–	–	(199.4)	(199.4)
Other reserves	–	–	0.1	0.1
Total	11.4	(1.1)	(199.3)	(189.0)
Balance at 31 December 2016	676.9	(13.3)	365.7	1,029.3

See accompanying notes to the Financial Statements.

GROUP CASH FLOW STATEMENT

Year Ended 31 December 2016

	2016 \$'mil	2015 \$'mil
Operating activities		
Profit before Taxation	466.6	452.2
Adjustments for:		
Depreciation and amortisation	396.0	389.3
Finance costs	14.4	18.4
Interest income	(11.6)	(12.2)
Dividend income	(2.5)	(2.6)
Grant income	(104.4)	(130.8)
Net gain on disposal of vehicles	(2.3)	(6.2)
Share of profit in associate	(4.9)	(4.9)
Others	6.1	2.2
Operating cash flows before movements in working capital	757.4	705.4
Inventories	(7.5)	(2.8)
Trade receivables	(104.7)	(36.0)
Other receivables and prepayments	121.4	(24.7)
Grant receivables, net of deferred grants	(0.7)	0.7
Trade and other payables	21.4	59.2
Other liabilities	(15.3)	(15.2)
Insurance premiums payable and provision for accident claims	(6.1)	(4.6)
Cash generated from operations	765.9	682.0
Income tax paid	(63.4)	(81.8)
Net cash from operating activities	702.5	600.2
Investing activities		
Purchases of vehicles, premises and equipment	(466.5)	(669.6)
Less: Vehicles purchased under finance lease arrangements	-	19.1
Less: Proceeds from disposal of vehicles	78.2	262.8
Cash payments on purchase of vehicles, premises and equipment	(388.3)	(387.7)
Payment for taxi licences	(0.5)	(1.5)
Investment made	(0.3)	-
Divestment of a subsidiary, net of cash [Note (a)]	-	0.2
Return of capital from an associate	0.6	-
Interest received	11.3	11.5
Dividend received from an associate	3.4	2.9
Dividend received from investments	2.5	2.6
Net cash used in investing activities	(371.3)	(372.0)

See accompanying notes to the Financial Statements.

GROUP CASH FLOW STATEMENT

Year Ended 31 December 2016

	2016 \$'mil	2015 \$'mil
Financing activities		
New loans raised	437.5	472.5
Repayment of borrowings	(646.9)	(662.1)
Capital contribution from non-controlling shareholder of a subsidiary	0.5	–
Dividends paid to shareholders of the Company	(199.4)	(182.5)
Dividends paid to non-controlling shareholders of subsidiaries	(30.6)	(31.8)
Proceeds from exercise of share options of the Company	10.3	17.5
Proceeds from exercise of share options of subsidiaries	2.4	0.2
Grants received	120.2	135.2
Interest paid	(14.9)	(18.2)
Proceeds from unclaimed dividends	0.1	0.2
Net cash used in financing activities	(320.8)	(269.0)
Net effect of exchange rate changes in consolidating subsidiaries	(18.9)	2.8
Net decrease in cash and cash equivalents	(8.5)	(38.0)
Cash and cash equivalents at beginning of year	787.8	825.8
Cash and cash equivalents at end of year (Note 4)	779.3	787.8

Note (a):

Summary of the effects of divestment of a subsidiary:

	2016 \$'mil	2015 \$'mil
Net assets (liabilities) on divestment:		
Current assets	–	0.7
Non-current assets	–	0.5
Current liabilities	–	(0.1)
Net assets divested / Proceeds from divestment	–	1.1
Non-controlling interests	–	(0.2)
Less: Cash adjustment upon deconsolidation of a subsidiary	–	(0.7)
Cash flow from divestment, net of cash	–	0.2

Certain comparative figures have been reclassified to conform to current year's presentation.

See accompanying notes to the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2016

1 GENERAL

The Company (Registration No. 200300002K) is incorporated in the Republic of Singapore with its registered office and principal place of business at 205 Braddell Road, Singapore 579701. The Company is listed on the Singapore Exchange Securities Trading Limited.

The principal activities of the Company are those of investment holding and the provision of management services. The principal activities of the subsidiaries and associates are described in Note 38.

The Financial Statements are expressed in Singapore dollars and all values are rounded to the nearest million (\$'mil) except when otherwise indicated.

The Consolidated Financial Statements of the Group for the financial year ended 31 December 2016 and the Statement of Financial Position and Statement of Changes in Equity of the Company as at 31 December 2016 were authorised for issue by the Board of Directors on 10 February 2017.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING – The Financial Statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below and are drawn up in accordance with the provisions of the Singapore Companies Act, Cap. 50 and Singapore Financial Reporting Standards ("FRSs").

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these Consolidated Financial Statements is determined on such a basis, except for share-based payment transactions that are within the scope of FRS 102 *Share-based Payment*, leasing transactions that are within the scope of FRS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in FRS 2 *Inventories* or value in use in FRS 36 *Impairment of Assets*.

ADOPTION OF NEW AND REVISED FINANCIAL STANDARDS – In the current financial year, the Group has adopted all the new and revised FRSs that are relevant to its operations and effective for annual periods beginning on 1 January 2016.

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

NEW/REVISED STANDARDS AND IMPROVEMENTS TO THE STANDARDS NOT YET ADOPTED – The Group has not applied the following accounting standards that are relevant to the Group and have been issued as at the end of the reporting period but are not yet effective:

FRS 115	– <i>Revenue from Contracts with Customers (with classifications issued)</i> ²
FRS 116	– <i>Leases</i> ³
Amendments to FRS 7	– <i>Statement of Cash Flows: Disclosure Initiative</i> ¹
Amendments to FRS 12	– <i>Income Taxes: Recognition of Deferred Tax Assets for Unrealised Losses</i> ¹

¹ Applies to annual periods beginning on or after 1 January 2017, with early application permitted.

² Applies to annual periods beginning on or after 1 January 2018, with early application permitted.

³ Applies to annual periods beginning on or after 1 January 2019, with early application permitted, if FRS 115 is adopted.

These standards are not expected to have any material impact on the Group's Financial Statements when they are adopted, except for the additional disclosures in respect of the new standards and the effects of FRS 116 which may result in certain operating lease arrangements being recorded in the Statements of Financial Position.