

# Operations Review

## Singapore

### Bus

ComfortDelGro Corporation Limited is the market leader in both the public scheduled bus and private coach service sectors in Singapore.

### Public Scheduled Bus

Our public-listed scheduled bus subsidiary, SBS Transit Ltd, operates a fleet of 3,448 buses and 255 bus routes comprising 207 basic bus services, 25 premium bus services and 23 niche bus services. During the year, ridership grew by 3.2% to a daily average of 2.75 million passenger trips. Significantly, the total ridership for 2014 surpassed the one-billionth mark.

In 2014, SBS Transit took delivery of 465 new buses, representing a growth of 3.7% over the previous year. Of its total fleet, 41.5% are double deck buses and 84.7% are wheelchair accessible. The average age of its fully air-conditioned fleet is now 5.7 years, which is 1.1 years younger compared to a year ago. In July 2014, it placed a S\$311 million order for 665 new buses, comprising 415 double deck buses and 250 single deck ones, all of which are wheelchair accessible. When delivery is completed by 2017, SBS Transit's fleet will

be 98% wheelchair-friendly. With more wheelchair-friendly buses joining the fleet, it rolled out 20 more wheelchair-accessible bus (WAB) services during the year, bringing the total number of WAB services to 182.

A total of 371 buses under the Government's Bus Service Enhancement Programme (BSEP) were also rolled out as at 31 December 2014 – two years ahead of schedule. Following the completion of BSEP 1, the Government has announced that it will add another 296 buses to SBS Transit's fleet under BSEP 2, which runs from 2015 to 2017.

The most significant development in the Singapore public scheduled bus industry in 2014 was the Government's move towards a new contracting system. Under the new Bus Contracting Model, operators are invited to bid for routes through a competitive tender process. Successful bidders will then be contracted and paid to operate public bus services.

Under the new operating model, the Government will own all infrastructure and operating assets including buses. It will, in turn, collect all fare revenue.

The first tender, known as the "Bulim Bus Package", was called in October 2014. It drew strong interest with a total of 11 bids, including SBS Transit's. The results of the tender are expected in the second quarter of 2015.

The Authorities will be inviting tenders for two other bus packages with details yet to be released. As for the other nine bus packages, which comprise 80% of the public bus fleet in Singapore, they will continue to be operated by the incumbent bus operators. This means that when SBS Transit's Bus Service Operating Licence expires on 31 August next year, it will negotiate with the Land Transport Authority (LTA) to continue to operate these routes under the contracting model for about five years. Thereafter, when these negotiated contracts expire, these routes will gradually be tendered out.

SBS Transit's popular Intelligent Route Information System or *iris* app was given a facelift in July 2014 to enhance user experience. To-date, this free app has been downloaded more than 1.9 million times.



Bus • Taxi • Rail • Automotive Engineering Services • Inspection & Testing Services • Driving Centre  
Car Rental & Leasing • Insurance Broking Services • Outdoor Advertising

**Private Bus Charter**

The Group's wholly-owned subsidiary, ComfortDelGro Bus Pte Ltd, is Singapore's largest private bus chartering company with a fleet of 350 buses, including buses belonging to sub-contractors. It offers a wide range of bus charter services, including employee and school bus services. It also offers overland bus services to West Malaysia, and operates premium bus services, complementing those offered by SBS Transit.

ComfortDelGro Bus did well during the year, increasing its revenue by 9.1% to S\$22.7 million due to an increase in the number of corporate contracts and scheduled bus routes. In April 2014, it began a new Peak Period Short Service from Bedok MRT Station to Chai Chee Drive, its third scheduled bus route under BSEP.

ComfortDelGro Bus remained the preferred bus chartering provider for the National Day Parade, Singapore Armed Forces Day, the Army Open House, the Singapore F1 Grand Prix night races, Chingay Parade as well as the Standard Chartered Marathon. It also won the contract to provide bus chartering services for the 28th Southeast Asian Games that will be held in Singapore in June 2015.

During the year, ComfortDelGro Bus acquired 49% of the issued shares of Phillip Boyle & Associates Pty Ltd, a niche bus planning and scheduling consultancy firm based in Melbourne, for a consideration of about S\$0.5 million.

**Taxi**

ComfortDelGro Taxis continued to command the lion's share of the market with a combined fleet of 16,855 Comfort and CityCab taxis.

Despite growing competition from independent third party booking apps, our taxi companies catered a record 35.6 million booking jobs in 2014 – 10% more than 2013. About half of these bookings were conducted through the ComfortDelGro taxi booking app, which has been downloaded 2.6 million times since it was launched in 2010.

The number of cashless payments also increased to 18.8 million in 2014. In March 2014, ComfortDelGro Taxis introduced the "CabRewards Programme" for the first time to reward our passengers with points for every cashless payment they make on board our taxis. Passengers can use these points to redeem goodies such as taxi vouchers or free transfers to the airport. A total of 36,000 passengers have signed up for the programme since it was launched.

In June 2014, ComfortDelGro Taxis partnered the Health Promotion Board to conduct a 10-month health screening and intervention programme for taxi drivers. A special health check centre was set up at the Loyang workshop so that drivers can undergo health screening and health coaching sessions while they wait for their taxis to be serviced. Over 2,000 taxi drivers have since participated in the programme. As part of the healthy lifestyle campaign, drivers have also been given free access on Wednesdays to

ActiveSG facilities such as gymnasiums and swimming pools.

In August 2014, ComfortDelGro Taxis trialled an in-vehicle smart camera – the "Mobileye" – in 30 taxis. The "Mobileye" detects, analyses and monitors different road conditions while the taxi is in motion and provides real-time audio-visual warnings via a display unit to taxi drivers.

With the remaining Toyota Crown taxis scrapped by September 2014, ComfortDelGro Taxis' entire fleet is now Euro 4-compliant or higher.

In terms of regulatory standards which require that 80% of an operator's fleet be on the roads for a minimum of 250km daily, ComfortDelGro Taxis met all requirements and consequently became the only operator allowed to increase its fleet size by 2% in 2015.

**Rail**

Demand for our rail services remained strong in 2014 with close to 241.5 million passenger trips made. This is an increase of 17.9% over 2013.

Average daily ridership on the North East Line (NEL) grew by 6.7% to 513,266. The Light Rail Transit (LRT) systems in Punggol and Sengkang also experienced strong growth during the year as the estates matured. A record 31.7 million passenger trips were recorded on the LRTs in 2014, representing an increase of 10.5% over the previous year. In its first full year of service in 2014, the six-station Downtown

Revenue  
(S\$'mil)  
**2,399.6**

Total  
Investment (S\$'mil)  
**388.5**

Total Operating  
Fleet Size  
**22,369**

Total Number  
of Employees  
**11,825**

# Operations Review

## Singapore

Line 1 (DTL 1) drew an average daily ridership of 61,503.

During the year, the first pair of 18 new trains built by French manufacturer, Alstom, was delivered to SBS Transit for testing and commissioning. These are expected to be put into service in August 2015 while 10 more trains are scheduled for delivery within the year.

In the last quarter of 2014, SBS Transit also commenced planning for a mid-life refurbishment of 25 NEL trains. The programme, conducted in close consultation with the manufacturer, will involve upgrading or replacing ageing as well as obsolete equipment. It is expected to improve train reliability when it is completed by 2018.

Concurrently, SBS Transit continued to work with LTA to enhance the signaling and platform stopping control systems at the LRT station in preparation for the two-car operation that is scheduled for implementation in 2016. During the year, four of the 16 modified Light Rail Vehicles were handed over to SBS Transit, while the remaining 12 will be completed in 2015.

In June 2014, the Punggol West LRT Loop began revenue service on three stations – Nibong, Sumang and Soo Teck – to cater to the travel needs of commuters moving into the new residential developments there.

### Automotive Engineering Services

To cope with the continuous increase in the number of taxis passing through its service lanes and to cut down on taxi drivers' waiting time, ComfortDelGro Engineering Pte Ltd increased the number of repair bays for Hyundai Sonata and i-40 taxis by 14 to 282.

To enhance service levels, a job assignment and tracking system was implemented at all five workshops to

track the status of repairs and assign queuing jobs to available technicians. This system not only keeps drivers abreast of the status of the preventive maintenance checks in real-time, but it also enables the workshop managers and supervisors to better manage resources. Part of the Sin Ming workshop was also converted into a maintenance area as well as an exclusive reception area cum waiting lounge for our limousine taxi fleet and drivers.

ComfortDelGro Engineering increased its tow truck fleet from 21 to 34 to further improve its response time. These tow trucks now come equipped with Mobile Data Terminals, similar to those used in ComfortDelGro taxis, which enable jobs to be despatched automatically via the system. This has improved response times significantly, with 97% of all jobs attended to within an hour.

ComfortDelGro Engineering successfully secured 13 new corporate contracts during the year. This included a three-year contract with the Singapore Airlines Engineering Company to maintain its fleet of airport vehicles.

Several marketing initiatives were carried out throughout the year to retain and attract customers. For example, the SPARK™ Kakis Annual Servicing Programme, which was re-packaged to include three services, attracted 2,000 new customers. Its referral programme, SPARK Web, also saw 600 new customers sign up. Further tweaks were made to the referral programme to incentivise ComfortDelGro taxi drivers to introduce their relatives and friends to the service.

ComfortDelGro Engineering's crash repair unit is also the accident reporting centre for 18 insurance companies. Its vehicle assembly unit delivered a total of 231 buses to SBS Transit, and was awarded a two-year contract to assemble another

415 buses. Its component reconditioning unit replaced the manual washing of automotive parts with a customised automated parts washing machine, increasing productivity and throughput significantly.

### Inspection & Testing Services

Demand for VICOM Ltd's inspection and testing services remained strong in 2014, thanks to increased marketing efforts and persistently high Certificate of Entitlement premiums and car prices. In all, about 520,000 vehicles passed through its inspection lanes during the year. Significantly, VICOM celebrated its 8,888,888th vehicle inspection on 26 March 2014 by presenting to the lucky vehicle owner a lifetime's worth of vehicle inspection services.

VICOM continued to build up the resilience of its inspection systems and spruce up its inspection centres. It added motorcycle test lanes to its Sin Ming, Bukit Batok and Changi inspection centres, increasing their capacity to inspect more motorcycles. JIC Ang Mo Kio inspection centre was given a new coat of paint and had two of its inspection lanes replaced.

On top of vehicle inspection services, the centres also offer ancillary services such as motor insurance, road tax renewal, in-vehicle unit (IU) maintenance, car evaluation, accident vehicle assessment and vehicle emission certification. In all, 15,207 accident reports were filed and 1,496 motorists had their vehicles repaired at approved workshops. VICOM also carried out 3,699 surveys on accident vehicles making accident claims. Plans are already in the pipeline to convert an area of its Sin Ming office into a one-stop centre for ancillary services, so that customers are served more quickly and efficiently.

To further ease the queues at its cashier counters, VICOM, put on trial, two

Automated Payment Machines (APMs) that accept both cash and cashless payments at the Sin Ming inspection centre. With the APMs, payments are transacted faster. More APMs will be implemented across the inspection centres in 2015. In May, VICOM started a new road tax express service in the form of a deposit box at Sin Ming, Kaki Bukit and Bukit Batok inspection centres so that motorists who are unable to process their road tax fees during office hours, can still transact their road tax fee simply by dropping a form and the cheque payment into the box.

The VICOM Emission Test Laboratory continued to work towards ensuring all newly-registered diesel vehicles comply with the Euro 5 emission standard, as well as the Japanese emission standards (JPN 2009) that are acceptable in Singapore. To drum up demand for VICOM FIT™, VICOM took up extensive advertisements on popular car re-sale portals. Plans are in the pipeline to roll out a web-based booking system in 2015 to make appointment booking that much easier.

In line with the Government's push to enhance the skills of workers and increase productivity, vehicle inspectors were put through a cross-training programme that enabled them to take on multiple roles and expand their job scope. They also kept abreast of industry developments by undergoing the Technical Knowledge Examination and training courses.

VICOM's wholly-owned subsidiary, Setsco Services Pte Ltd (SETSCO), performed well in 2014 on the back of strong demand in the oil and gas, petrochemical, marine and offshore as well as construction industries.

To-date, it has completed a number of non-destructive testing jobs for offshore oil platforms as well as phase

one of a sustainable water solution contract involving project management, groundwater drilling and water quality monitoring. SETSCO also rolled out Singapore's first automated cube testing system – where robots are used to carry out the testing of concrete cubes, and added a new CNC vision machine that could handle complex calibrations and greater accuracy. Its clinical laboratory, which was registered with the Health Promotion Board to provide health screening services in June 2014, expanded its services to include testing of heavy metals and organics in blood and urine.

Across the Causeway, SETSCO provided surface friction testing services for a helicopter landing deck located at Johor Port in Pasir Gudang, and was appointed to set up and manage a laboratory that monitors the quality of concrete materials used for the construction of the Penang Second Bridge, the longest bridge in Southeast Asia. Further afield, SETSCO conducted an optic scan of approximately 128,000 sq m of glass surfaces for the 39-storey Flame Towers, the tallest skyscraper in Baku, Azerbaijan.

### Driving Centre

Enrolment at our driving centre, ComfortDelGro Driving Centre Pte Ltd, hit 35,000 in 2014, representing a 9% increase over the previous year.

The Centre took a deliberate approach to renew its fleet, resulting in a younger fleet with a good mix of manual and auto-transmission models to meet market demand. A total of 42 manual training cars and 66 motorcycles were replaced with newer models during the year.

ComfortDelGro Driving Centre continued to offer non-licensing services such as defensive driving or riding courses to hospitals, nursing homes, insurance, logistics companies, as well as

pre-employment competency driving assessments for companies in the construction as well as oil and gas industries. This area of business, which accounts for about 10% of the overall revenue, experienced growth during the year.

Apart from supporting the Singapore Road Safety Council's Road Safety Public Awareness Campaign, the Centre also collaborated with the Traffic Police to develop and launch a new Driver Improvement Point System training in January 2014.

### Car Rental & Leasing

Our car rental and leasing subsidiary, ComfortDelGro Rent-A-Car Pte Ltd, with its fleet of 1,115 vehicles, maintained its position as one of Singapore's largest car rental and leasing companies.

Car loan restrictions and the high cost of vehicle ownership have resulted in an increase in demand for short-term rentals ranging from six months to a year. A car rental tie-up with Groupon Singapore from August to October 2014 also yielded a total sale of 106 vouchers. A second tie-up with ExxonMobil offered corporate clients petrol discounts via the fleet card.

During the year, ComfortDelGro Rent-A-Car placed an order for about 140 cars in anticipation of rising car prices and increased demand for car rental services.

### Insurance Broking Services

ComfortDelGro Insurance Brokers Pte Ltd, our in-house insurance broking associate, continued to perform well. Revenue grew by 3.9%.

In Singapore, ComfortDelGro Insurance Brokers successfully renewed the insurance policies of the Group's taxi and bus fleets with a wider coverage at lower premiums.

# Operations Review

## Singapore

In Australia, ComfortDelGro Insurance Brokers worked with its associate broker to introduce incentive schemes with lower premiums to taxi drivers of Swan Taxis Pty Ltd. A personal accident scheme that benefitted the taxi drivers was also launched.

In the United Kingdom, insurance coverage was also successfully renewed with savings of over 4%.

ComfortDelGro Insurance Brokers continued its good work with the insurance companies in Singapore and its overseas associates in providing proactive risk management and effective claims management for the Group.

### Outdoor Advertising

Our outdoor advertising subsidiary, Moove Media Pte Ltd, saw higher demand for rail advertising as a result of the opening of DTL 1.

During the year, Moove Media launched the Nielsen Singapore Outdoor Audience Research system with three other media owners. It is Singapore's first industry-wide outdoor media audience measurement system – enabling advertisers to know the extent of their advertising reach and impact on consumers.

Throughout the year, Moove Media carried out several interesting advertising campaigns that were well-received by consumers. One example was the campaign for Sentosa Development Corporation's latest night show "Wings of Time". Moove Media re-created the main characters of the show using three-dimensional fibre glass structures for display on taxi rooftops.

Another campaign was created for F&N Creameries (S) Pte Ltd's JWEL ice-cream. A wholly-wrapped SBS Transit single deck had its interior fully refurbished to resemble a royal grand hall. Not only do the seats come with digitally embroidered seat covers, but the walls, poles, railings, floor and ceiling were wrapped in teal and gold to create the look and feel of "royalty".

Needless to say, this campaign was also a hit with the crowds.

# Operations Review

## China

### Beijing, Chengdu, Chongqing, Guangzhou, Jilin City, Nanjing, Nanning, Shanghai, Shenyang, Suzhou, Tianjin

#### NORTH CHINA

##### Beijing

###### Taxi

With a fleet of 5,501 taxis, translating into a market share of 8.3%, Beijing Jin Jian Taxi Services Co., Ltd, remains the Capital City's third largest cab operator. During the year, a total of 1,104 taxis were replaced with new ones, resulting in a newer fleet. The demand for the Company's taxis remained strong with the entire fleet hired out.

###### Vehicle Testing Services

Our 80%-owned subsidiary, Beijing Tian Long Da Tian Vehicle Inspection Co., Ltd, provides vehicle safety and emission testing services in the Capital. As part of its efforts to improve customer experience, it introduced an app to allow customers to make appointments for inspections more conveniently. It also replaced one of its inspection lanes.

##### Jilin City, Jilin Province

###### Taxi

Jilin ComfortDelGro Taxi Co., Ltd, the City's largest taxi operator with a 14.2% share of the market, fully hired out its fleet of

729 taxis in 2014. A total of 105 taxis were replaced during the year. The Company also completed the construction of the Jilin Taxi Service Centre in July 2014.

Jilin ComfortDelGro Taxis, had, since 2012, been operating double-shift taxis. As such, not much of a transition was required when the Jilin City Taxi Management Office made it a regulatory requirement for all taxis to be operated by two taxi drivers instead of one. The Company also helped its taxi drivers with their social security contributions.

##### Shenyang, Liaoning Province

###### Taxi

Our two taxi companies – Shenyang ComfortDelGro Taxi Co., Ltd and CityCab (Shenyang) Co., Ltd – operated a total fleet of 1,335 taxis, making us the City's second largest taxi operator. The demand for these taxis remained strong with our taxis fully hired out.

The two companies replaced a total of 76 taxis during the year. To further strengthen the service level of its taxi drivers, Shenyang ComfortDelGro Taxi not only trained them in the areas of defensive driving, customer service and professional ethics, but also signed an agreement with its branches to improve road safety and the quality of services.

For their continued efforts, Shenyang ComfortDelGro Taxi and CityCab (Shenyang) were given a top grade of "AAA

Taxi Enterprise for Service Quality". A total of 455 Shenyang ComfortDelGro Taxi and CityCab (Shenyang) taxi drivers were also commended.

#### WEST CHINA

##### Chengdu, Sichuan Province

###### Taxi

With a fleet of 1,070 taxis, our wholly-owned subsidiary, Chengdu ComfortDelGro Taxi Co., Ltd, continued to rank as the City's second largest operator. The Government's efforts in attracting and training more drivers to the profession were supplemented by the Company's efforts in rewarding and retaining its taxi drivers with long-term incentives.

###### Car Rental & Leasing

ComfortDelGro Rent-A-Car (Chengdu) Co., Ltd, with its fleet of 135 vehicles, continued to maintain long-term leasing contracts with multi-national organisations. As the demand slowed during the year, the Company stepped up its marketing efforts by producing new brochures and providing value-added services to better serve its customers and attract new ones. Work processes were also streamlined to improve efficiency. As a result, it successfully clinched contracts with new clients such as Toyota Motor Corporation, ANA, IQAir Group, Apple China and Taiwan's Bureau of Foreign Trade.



# Operations Review

## China

### Vehicle Testing Services

Our 51%-owned subsidiary, Chengdu Jitong Integrated Vehicle Inspection Co., Ltd, inspected a total of 10,273 vehicles in 2014 – 4% more than 2013. During the year, it continued to attract new customers and improve its service standards.

### Driving Centre

Revenue for our 95%-owned driving subsidiary, Chengdu ComfortDelGro Qing Yang Driving School Co., Ltd, grew in 2014 amidst new regulatory standards that came into effect stipulating ratios between training stations and the number of training cars. About 680 students enrolled during the year, with close to 4,680 from affiliated instructors. To cater to growing demand, 18 training and test vehicles were added during the year, bringing its total fleet to 157. This included 110 “Gua Kao” vehicles.

### Chongqing

#### Driving Centre

In 2014, new regulatory standards came into effect in Chongqing City stipulating ratios between training stations and the number of training cars. Our 90%-owned subsidiary, Chongqing ComfortDelGro Driver Training Co., Ltd, worked towards meeting these new standards.

To distinguish itself from other driving schools, the Centre continued to improve its service levels by intensifying the training of its driving instructors.

During the year, Chongqing ComfortDelGro Driver Training had identified a 10,200 sq m area in the Shui Nian Area as the replacement test site for the existing one in the Jiu Long Bo District which will be acquired by the Government for residential and commercial development. The new site is located within the City Area and is easily accessible by public transportation. There are also

plans to revamp and upgrade the circuit at another of its test site within the Gao Xin Zone to focus solely on car training.

### EAST CHINA

#### Shanghai

##### Taxi

With a strong reputation as an ISO 9002 certified company, our 51%-owned subsidiary, Shanghai City Qi Ai Taxi Services Co., Ltd, continued to maintain its position as one of the premium operators in the City with a fleet of 492 taxis. The Company brought in Volkswagen Lavida taxis during the year to replace the Volkswagen Santana taxis which are no longer in production. This new taxi model has proven to be equally popular with taxi drivers and commuters given its wide and spacious interior.

#### Suzhou, Jiangsu Province

##### Taxi

Our 70%-owned taxi subsidiary, Suzhou Comfort Taxi Co., Ltd, expanded its fleet during the year having won 15 licences through an open tender. Its enlarged fleet of 165 taxis was fully hired out in 2014.

#### Nanjing, Jiangsu Province

##### Taxi

Nanjing ComfortDelGro Dajian Taxi Co., Ltd, our 70%-owned subsidiary, is the City's fourth largest taxi company with a total of 679 Compressed Natural Gas (CNG) taxis – including the 85 new taxi licences that were awarded to the Company in April 2014.

During the year, new Peugeot 508 CNG taxis were deployed – much to the delight of commuters who applauded the roomier interior and the smoother ride these new cars offered. The Company was also ranked top in the Jiangsu Province's “AAA rating” of taxi operators for service quality and trustworthiness.

### SOUTH CHINA

#### Guangzhou, Guangdong Province

##### Bus Station

Our 60%-owned Tianhe Bus Station in Guangzhou served a total of 13.7 million passengers in 2014, 1.2% more than the previous year as a result of an increase in traffic for the Huizhou, Shenzhen, Meizhou, Heyuan and Jiangmen City routes. Ticket revenue also grew as the sale of peak period tickets was extended to give passengers more time to purchase. Cargo demand stayed strong during the year.

As part of efforts to upkeep our 17-year-old bus station, the VIP area for passengers travelling the Huizhou route was upgraded to make it more comfortable. More space was also dedicated to this particular route's operating area. New TV monitors were also installed at ticket gates.

Efforts to rid the bus station of illegal buses and touts also continued with increased patrols conducted around the premises.

#### Nanning, Guangxi Province

##### Taxi

With an additional 50 taxi licences awarded during the year, our 80%-owned subsidiary, Nanning Comfort Transportation Co., Ltd, continued to be the largest taxi operator in Nanning with a fleet of 854 taxis, or a 17% market share. Nanning Comfort Transportation was also named the “Best Taxi Operator Unit” for the 11th consecutive year and 10 of its taxi drivers were named the best in the industry.

##### Car Rental & Leasing

Nanning ComfortDelGro Rent-A-Car Co., Ltd's fleet of 23 cars was fully leased out to multi-national companies in the City during the year.

Revenue  
(S\$'mil)

**212.9**

Total  
Investment (S\$'mil)

**248.0**

Total Operating  
Fleet Size

**11,322**

Total Number  
of Employees

**1,466**

# Operations Review

## Australia

**Ballarat, Blue Mountains, Canberra, Geelong, Lake Macquarie, Maitland, Melbourne, Newcastle, Parramatta, Perth, Queanbeyan, Sydney**

### Sydney, New South Wales

#### Bus

Fuelled by population growth and improvements to the on-time running performance of our bus services, bus ridership for our 51%-owned subsidiary, ComfortDelGro Cabcharge Pty Ltd, grew by about 3.5% in 2014.

To cater to the growing demand for its services, ComfortDelGro Cabcharge added 22 buses to its fleet during the year.

In August 2014, ComfortDelGro Cabcharge's Hillbus Co Pty Ltd commenced the Sydney Metropolitan Bus Services Contract to operate scheduled services within Region 4 through a competitive tender.

During the year, the Opal electronic ticketing system was introduced for use on all trains, ferries, buses and light rail in Sydney, Newcastle; and the Blue Mountains, Central Coast, Hunter Region and Illawarra. ComfortDelGro Cabcharge gave its full support during the switch to this new system by assisting the Transport for New South Wales (NSW) with the fit-outs of its buses and

ensuring that all bus drivers underwent a thorough familiarisation programme. The new system, has brought about greater convenience to commuters.

In October 2014, ComfortDelGro Cabcharge consolidated its Hillsbus resources by running all weekend services from two depots – instead of four previously. This resulted in a drop in the number of driving shifts, which in turn translated to manpower savings as well as increased efficiency.

#### Outdoor Advertising

Moove Media Pte Ltd's fully-owned subsidiary, Moove Media Australia Pty Ltd, produced new maps during the year to keep both clients and media agencies abreast of the new areas it reaches. It also made sure that clients were constantly updated with "progress reports" – making it one of the very few in the industry to do so.

### Blue Mountains and Hunter Valley, New South Wales

#### Bus

In August 2014, ComfortDelGro Cabcharge acquired Blue Mountains Bus Company, which operates an Outer Sydney Metropolitan Bus Services Contract in the tourist region, for S\$27.8 million. The Company, which owns a fleet of 101 buses and coaches as well as three depots located at Emu Plains, Leura and Valley Heights, was rebranded Blue Mountains Transit Pty Ltd in December 2014.

During the year, ComfortDelGro Cabcharge successfully re-negotiated and secured the region contracts for Hunter Valley bus operations for Outer Metropolitan Regions 2 and 4. A total of 12 buses were added to the fleet. The operations were also restructured to sync with the Sydney operations. In June 2014, a review of the timetable covering all Hunter Valley bus operations was conducted to integrate new buses and improve scheduling efficiencies.

### Queanbeyan, New South Wales

#### Bus

In regional NSW, ComfortDelGro Cabcharge offers two bus services – QCity Transit buses which serve the Greater Queanbeyan Area and Transborder buses which serve the Murrumbateman/Yass area. QCity Transit is the largest provider of passenger and school buses in Southern NSW and operates a combined fleet of 120 modern city, school and charter buses and coaches, while Transborder Express runs passenger transport and school bus services in the Canberra Region as well as rail feeder coach services in Southern NSW.

During the year, QCity Transit secured three new rural school bus service contracts, the shuttle bus contract for the Department of Foreign Affairs and Trade, as well as the Roads Maritime Services Queanbeyan night bus contract.



# Operations Review

## Australia

Transborder Express also had a successful year with the retention of the NSW TrainLink coach service contract between Canberra and Eden/Bombala.

QCity Transit rolled out new bus services in Googong, Queanbeyan's newest suburb that is located about 10km south of the central business district in November 2014. The bus services for Googong are expected to expand further as the population continues to grow and a new school is set to open in 2015.

In December 2014, QCity Transit received four new Volvo buses equipped with seat belts as part of the Transport for NSW Fleet Replacement Programme for rural bus services.

### Melbourne, Victoria

#### Bus

ComfortDelGro Cabcharge in Victoria is one of the largest private bus operators in the region with a market share of 16%. Currently, 95% of its revenue is derived from Government contracts for metropolitan routes, regional routes and school services. School and private charters make up the remaining 5%.

During the year, as part of a rebranding exercise, three of its services were renamed CDC Melbourne, CDC Geelong and CDC Ballarat to reflect not only the communities they serve, but also to retain the heritage of parent companies – ComfortDelGro and Cabcharge. The holding company for these three operational entities was renamed CDC Victoria. In line with the rebranding, CDC Victoria and Public Transport Victoria accelerated the programme to adopt a new livery for the buses. By the end of 2014, about 150 buses or 40% of the contract fleet were donning the new orange livery.

The Company embarked on a range of technology-driven projects including a new digital two-way radio system from Motorola and the Hastus scheduling system. When completed in 2015, the new two-way radio system will enhance driver security and improve operational coordination. Hastus will enable CDC Victoria to better meet the growing demands of scheduling and roster management.

The Company further revamped its corporate website in line with the rebranding, and included more customer friendly features.

During the year, the operations of Driver Group Pty Ltd, which was acquired in May 2013, were fully integrated into a newly-developed bus depot located at North Road in Oakleigh. Timetable changes were also successfully implemented.

The charter market faced strong competition during the year. CDC Victoria therefore redeployed its resources from its tourism unit towards its bus charter services. All tour bus drivers were also redeployed to support bus charter services during the timetable change in July 2014. The Company plans to place stronger emphasis on promoting its bus charter services to the schools in the year ahead.

To clamp down on fare evasion and other anti-social behaviour on board buses, CDC Victoria established a community engagement plan. The focus of the plan was to model right behaviours instead of enforcement. An example was its collaboration with Victoria Maori Wardens Inc in July 2014. Voluntary Maori wardens travelling on CDC Melbourne buses interacted with youths of Pacific Islander or Maori background. As these wardens are elders within their community, the youths responded well to them. As a

result, bus drivers reported a drop in the number of cases of fare evasion and violence on board buses. The use of sports as a medium to reach out to disaffected youth within the community is a central plank of the engagement plan and the journey commenced with the sponsorship of the Australian Football League team, Western Bulldogs.

### Perth, Western Australia

#### Taxi

Our fully-owned subsidiary Swan Taxis Pty Ltd is Perth's largest provider of taxi services with a market share of 93% comprising 2,025 taxis.

During the year, several marketing initiatives were rolled out to increase brand awareness. As a result, Swan Taxis despatched a total of 6.2 million booking jobs, with about 46% of these matched to taxis through automation. Of these, over 820,560 booking jobs were despatched via its taxi booking app. Its corporate business also grew by 14% as more corporate as well as Government and quasi-Government contracts were secured.

To further improve its service offerings to its taxi drivers, Swan Taxis used automation to reimburse drivers from dockets. The credits to their bank accounts not only resulted in faster reimbursements to drivers, but also less manual handling of cash. As at end of December 2014, the automation level stood at 21.7% – 10% higher than the previous year.

In the area of technological efficiency, Swan Taxis completed the migration of the SAN Storage System, which offers greater stability, better performance and a larger storage capacity. The Company also enhanced its network security

Revenue  
(S\$'mil)

**413.5**

Total  
Investment (S\$'mil)

**525.0**

Total Operating  
Fleet Size

**3,722**

Total Number  
of Employees

**2,305**

with the Intrusion Prevention Systems and replaced outdated systems with new ones. One of these included the replacement of its accounts system with one that allows for better user access controls and greater security. Another development server was added to allow for non-disruptive testing of enhancements and new features.

Where driver training is concerned, Swan Taxis successfully re-registered itself as a Registered Training Organisation during the year. Its training services were also certified by the Training Accreditation Council to have adhered to the Australian Quality Training Framework.

# Operations Review

## United Kingdom

### Aberdeen, Birmingham, Edinburgh, Glasgow, Liverpool, London

#### London, England

##### Bus

In 2014, Metroline Limited consolidated its position as the second largest operator in London with a fleet of 1,700 buses plying across North, West, Central London and Hertfordshire. This translated into a market share of over 18%.

Metroline's newest subsidiary, Metroline West Limited, made its maiden full-year contribution to revenue during the year. Its bus operations, which are located across five garages, are being integrated with that of Metroline Travel Limited. The various departments have had their procedures realigned, while managers have been transferred between Metroline Travel and Metroline West garages. The integration is expected to yield greater synergies across the Metroline Group.

Metroline took delivery of 61 new hybrid buses in 2014.

##### Coach

Westbus Coach Services Limited operates a diversified fleet of 39 coaches out of West London. It provides coach services that meet a broad spectrum of school,

commuter, tourist and corporate coach travel needs.

The Company achieved a record year in terms of demand, revenue and profitability, with an increase of 16% for turnover compared to 2013. This comes as a result of growth in all sectors, particularly the tourism market. School hires also increased as two new local school contracts were secured.

During the year, Westbus also reached out to more Chinese visitors travelling into the United Kingdom by providing them with tour services.

Westbus continued with its vehicle replacement programme during the year, adding to its already high quality, bespoke and younger coach fleet.

##### Taxi Radio Circuit

Our taxi subsidiary Computer Cab plc, maintained its pole position in London with a fleet of 2,042 taxis. Despite austerity measures taken by companies, Computer Cab was successful in securing several new corporate accounts during the year. A major boost came from winning a tender from a major international investment bank.

##### Private Car Hire

Flightlink International Limited provides hassle-free airport transfers, as well as

ground transportation for corporate entities and individuals who want a reliable and cost effective chauffeur-driven service under the "Comfort Executive" brand.

In keeping up with technology, the Company made a sizeable investment in the Freedom® System, a leading booking and despatch system that will increase its capacity to manage a larger executive car operation. This system, which includes mobile data solutions, "live" vehicle tracking and web interface is also integrated into the Advantage System that is used by its sister company, Computer Cab.

### Liverpool and Birmingham, England

#### Taxi Radio Circuit

Computer Cab (Liverpool) Limited is the City's largest taxi circuit operator with a fleet of 312 licensed taxis. Despite tough trading conditions and stiff competition from private hire car companies, Computer Cab (Liverpool) increased turnover by about 19% mainly due to strong demand from the shipping and logistics sectors. It has also been able to extend contracts from the public sector until 2017.

Although austerity measures had reduced job volumes, Computer Cab (Birmingham) Limited, which operates 102 taxis in its



# Operations Review

## United Kingdom

network, saw an increase in spending from existing corporate accounts. More corporate accounts were also signed on during the year and key accounts were retained.

### Glasgow, Scotland

#### Coach

The Group's partnership with Stagecoach plc, Scottish Citylink Coaches Limited, carries some five million passengers annually on 33 routes that criss-cross Scotland.

Scottish Citylink increased the number of services for many of its routes during the year. Improvements were also made by adding two extra stops in both directions for Citylink Air, the only direct link between Edinburgh Airport and Glasgow city centre. Additional peak services for the route between Inverness and Ullapool were also introduced to cater to growing demand. Scottish Citylink also provided transportation with dedicated services to and from the various venues for the 2014 Ryder Cup.

### Aberdeen and Edinburgh, Scotland

#### Taxi Radio Circuit

Our network of 467 taxis and private hire vehicles in Aberdeen and Edinburgh serves both corporate and individual clientele.

Recognising the need for a solid and sophisticated information technology infrastructure, Computer Cab (Aberdeen) Limited and Computer Cab (Edinburgh) Limited implemented a leading booking and despatch system and installed the latest in-vehicle devices throughout its fleet. The new system, MTData, allows online booking, app booking and enhanced features for improved customer and driver experience. The new system can also be integrated with various other platforms in the Group, such as Advantage and Freedom.

Revenue  
(S\$'mil)

**998.4**

Total  
Investment (S\$'mil)

**417.2**

Total Operating  
Fleet Size

**8,035**

Total Number  
of Employees

**5,797**

# Operations Review

## Ireland

### Cork, Dublin, Galway

#### Inter-City Express Coach

Irish Citylink ComfortDelGro Limited, or ICCL, is our fully-owned express coach subsidiary in Ireland. It runs a network of inter-city routes linking cities such as Cork, Dublin and Galway.

Demand for ICCL's services grew during the year on the back of an economic revival in Ireland. The 'eireagle.com' direct express service between Dublin Airport and Galway, in particular, did well and experienced growth due to increased tourist traffic.

To complement the Dublin Express and eireagle.com services, four extra daily journeys were introduced in April 2014. With this addition, ICCL now offers the greatest number of daily departures between Galway and Dublin Airport.

In May 2014, ICCL also launched a new express service between Galway and Killarney. This non-stop express service operates two daily departures in each direction throughout the peak summer period. To better cater to passengers, a dedicated ticket office and passenger waiting facility was opened in Dublin City.



#### Inter-City Express Coach

Revenue  
(S\$'mil)  
**15.7**

Total  
Investment (S\$'mil)  
**3.1**

Total Operating  
Fleet Size  
**22**

Total Number  
of Employees  
**12**

# Operations Review

## Vietnam

### Ho Chi Minh City

#### Taxi

Our two Vietnam taxi companies – Vietnam Taxi Co., Ltd (Vinataxi) and ComfortDelGro Savico Taxi Company – continued to look at ways to strengthen their operations amid a slowing economy and falling tourist arrivals.

New pick-up points were established to reach out to more customers. ComfortDelGro Savico Taxi, for example, secured three pick-up points – the Western Bus Terminal at Binh Tan District, the Lang Nuong Nam Bo Restaurant at District 10, and Melissa Centre at the Tan Phu District – a move which generated more than 2,500 trips per month for its taxi drivers. Vinataxi, on the other hand, secured pick-up points at the same Bus Terminal as well as nine pick-up points in Phu My Hung ward at District 7, which generated more than 6,000 trips per month.

Both companies consolidated their taxi fleets during the year. ComfortDelGro Savico Taxi extended the contracts of 10 taxis for another six to 12 months, while Vinataxi replaced 75 of its taxis.

In a move which resulted in monthly rental savings of S\$5,000, ComfortDelGro Savico Taxi relocated its operations to a new premise which now houses its office, workshop and call centre under one roof.

To ensure service levels are kept at a consistently high standard, both companies sent their drivers for courses and talks about safety and customer service. These efforts paid off. In 2014, Vinataxi was named one of the top 50 well-known trademarks in the country.



#### Taxi

Revenue  
(S\$'mil)

**7.1**

Total  
Investment (S\$'mil)

**8.5**

Total Operating  
Fleet Size

**608**

Total Number  
of Employees

**199**

# Operations Review

## Malaysia

### Kuala Lumpur

#### Auto Leasing

Our subsidiary, CityLimo Leasing (M) Sdn Bhd offers auto leasing services in Malaysia through a fleet of 225 vehicles. Utilisation of our vehicles remains high.

The Company also provides round-the-clock nationwide technical and roadside emergency assistance to customers.

#### Inspection & Testing Services

Setsco Services Pte Ltd's wholly-owned subsidiary, Setsco Services (M) Sdn Bhd, which was set up in 1995, provides civil engineering and non-destructive testing services. During the year, it was appointed to set up and manage a laboratory that monitors the quality of concrete materials used for the construction of the Penang Second Bridge, which at 24km in length, is the longest bridge in Southeast Asia.



### Auto Leasing • Inspection & Testing Services

Revenue (S\$'mil)

**4.1**

Total Investment (S\$'mil)

**3.8**

Total Operating Fleet Size

**225**

Total Number of Employees

**42**