

# OPERATIONS REVIEW

## SINGAPORE



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

Revenue  
(S\$'mil)  
**2,229.8**

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

Total Operating  
Fleet Size  
**22,035**

Total Number  
of Employees  
**11,379**

## BUS

ComfortDelGro Corporation Limited is the undisputed 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 3,326 buses and 255 bus services comprising 201 basic services, 31 premium services and 23 niche bus services. During the year, ridership increased by 3.1% to 973.5 million passengers.

To cater to rising demand and to improve comfort levels of bus journeys, 403 new buses were rolled out during the year. With these, SBS Transit's entire fleet became fully air-conditioned in September 2013. With an expanded fleet, the Land Transport Authority (LTA) offered a temporary bus park in Changi which has a capacity for about 260 buses. Buses that serve the Tampines Bus Interchange are parked at this facility.

Buses rolled out under the Government's Bus Service Enhancement Programme (BSEP) were put into service on five new routes and on 39 heavily-utilised services. On its own, SBS Transit also added more buses and deployed

double deck buses to 45 services. It added 112 more peak hour trips per weekday to some of these services. In all, 80 services were improved.

SBS Transit's Intelligent Route Information System or *iris* app continued to rise in popularity. Besides making it available on 11 other smartphone apps, which were developed by private individuals and organisation, SBS Transit also broadened the app on new platforms such as the Blackberry 10 mobile device. During the year, the *iris* app and the other smartphone apps collectively received an average of five million queries a day for the next bus arrival timings – an increase of two million daily hits compared to 2012.

### PRIVATE BUS CHARTER

The Group owns Singapore's largest private bus chartering company, ComfortDelGro Bus Pte Ltd, which operates 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.

In September 2013, ComfortDelGro Bus became the first private bus operator to clinch the City Direct bus service licence to provide express bus service between Jurong

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West and the Central Business District (CBD) for two years under the LTA's BSEP. Two months later, it won a second tender to operate another City Direct bus service between Bukit Batok and Hillview to the CBD for two years, starting from January 2014. Both contracts are valued at a combined S\$1.96 million. ComfortDelGro Bus was awarded a third contract in the first quarter of 2014 to operate one of five Peak Period Short Services operating from Bedok MRT station to Chai Chee Drive for two years.

ComfortDelGro Bus also 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, as well as the Standard Chartered Marathon.

### TAXI

Our taxi companies in Singapore, Comfort Transportation Pte Ltd and CityCab Pte Ltd, continued to command the lion's share of the market with a combined fleet of about 16,600 taxis.

The ComfortDelGro Taxi Booking app, which is available on all smartphone devices, registered a total of 2.13 million downloads in 2013. Taxi bookings made via the app alone climbed to 13.3 million and accounted for about 41% of all taxi bookings. The SMS-A-Taxi booking service also recorded an increase in taxi bookings to 3.8 million. These, together with the other data channel bookings and Interactive Voice Response channels, translated into 88% of total taxi bookings. Total taxi bookings for 2013 hit a record 32.5 million, an 8.3% increase from 2012. The number of taxi commuters opting for cashless payments also increased with 15.7 million cashless transactions made – 18% more than the previous year.

In December 2013, ComfortDelGro Taxis began installing an extra "eye" in its taxis as an added safety and security measure. The in-vehicle camera is equipped with a 140° focus lens, a 2.7-inch LCD screen and special "low-lighting" recording functions. It serves to establish clearly the liability during accidents, which will, in turn, quicken claims processes. Installation is expected to complete across the entire fleet of taxis by early-2014.

ComfortDelGro Taxis remained committed to the preservation of the environment and continued to add newer and greener vehicles to its growing fleet. During the year, it rolled out 315 Euro 5 Hyundai i-40 taxis. With this addition, about 95% of its fleet are environmentally friendly.

Both taxi companies continued to do well to meet the LTA's Quality of Service standards, as well as the Taxi Availability standards.

### RAIL

Demand for our rail services continued to remain strong in 2013 with more than 204.8 million passenger trips made. This represented an increase of 6.9% over the previous year.

Average daily ridership on the North East Line (NEL) grew by 6.1% to 481,000 while that of the two Light Rail Transit (LRT) systems in Punggol and Sengkang increased by 11.5% to a daily average of 79,000.

Phase One of the Downtown Line (DTL), Singapore's fifth MRT line with 34 stations, opened for revenue service in December 2013. The fully automated, underground rail system operated by SBS Transit recorded a ridership of 674,000 in the first 10 days of its service. By the end of January 2014, a daily average of 52,000 commuter rides was registered.

The first of the 18 new trains ordered for the NEL by the LTA in 2012 is expected to be delivered in the second quarter of 2014, while delivery for the remaining trains is scheduled over the next two years. The new trains will have a more customer-centric interior and a better detainment door design. In preparation for the arrival of the new trains, the NEL depot at Sengkang has upgraded its various systems including signalling and communications. Expansion of tracks to house these additional trains was completed earlier.

Concurrently, the Sengkang and Punggol LRT systems are being upgraded to prepare for a two-car operation that is scheduled for implementation in 2016. All 16 cars will be modified by August 2015, with another 16 new cars ordered. In all, the LRT fleet will increase to 57. We expect to take delivery of the first car in March 2016.

SBS Transit is also working with the LTA to enhance the signalling and the platform stopping control systems to accommodate the two-car operation. Works are expected to be completed by August 2016.

### AUTOMOTIVE ENGINEERING SERVICES

Our automotive engineering services subsidiary, ComfortDelGro Engineering Pte Ltd, experienced an overall 2% growth, thanks to higher revenue from its engineering business, namely taxi maintenance, crash repair business, parts sales as well as bus assembly.

To cope with the increase in the number of taxis passing through its servicing lanes, ComfortDelGro Engineering reorganised its Loyang workshop and converted one of its car care centres in Senoko into a taxi workshop. Together, these resulted in a 11% increase in the number of work bays. This immediately reduced the amount of wait-time for drivers by more than an hour.

ComfortDelGro Engineering successfully secured 12 new corporate contracts during the year, bringing the total number of external corporate accounts to 81. In addition to servicing external accounts, ComfortDelGro Engineering started providing maintenance for the vehicle fleet belonging to VICOM Ltd and its subsidiary, Setsco Services Pte Ltd.

Several marketing and customer engagement events organised during the year, including vehicle maintenance talks and roadshows, defensive driving courses and short overseas driving trips.

ComfortDelGro Engineering's crash repair unit, which is also the accident reporting centre for 20 insurance companies, repaired 93 more accident vehicles in 2013 after introducing a new programme to include the referral of accident vehicles.

Its vehicle assembly unit also delivered a total of 223 buses to SBS Transit and completed the installation of ticketing and bus location equipment, hand straps, interior and exterior stickers, as well as livery work on 200 Mercedes Benz Euro 5 Citaro buses.

With business volumes going up, ComfortDelGro Engineering moved up the technology ladder with a new bar coding system for its taxi parts warehousing, enabling storekeepers to locate the items simply by scanning the barcode using a wireless handheld device.

## INSPECTION & TESTING SERVICES

Our inspection and testing subsidiary, VICOM, benefitted from an increase in the number of car buyers opting for cheaper second-hand cars as new car prices hit record highs amid rising Certificate of Entitlement (COE) premiums. Its inspection centres experienced brisk business with close to 520,000 passing through its inspection lanes – 2.7% more than 2012. Contributing also to the increase in demand was the Light and Heavy goods vehicle segment that has been the focus of marketing efforts in 2013.

With the increase in demand, new inspection lines were added to both Kaki Bukit vehicle inspection centre and JIC Pioneer inspection centre. Two old inspection lines at the Ang Mo Kio vehicle inspection centre will also be replaced by the first quarter of 2014. Image-capturing devices that complement the vehicle inspection system were also introduced during the year. To further enhance the customer experience, inspection centres were spruced up with bright colours. Informative stickers were also utilised to make the inspection process more inviting and engaging. Vehicle inspectors and cashiers were outfitted with new uniforms and all vehicle inspectors also underwent the Technical Knowledge Evaluation for the ninth time to ensure they kept abreast of industry developments.

Motor insurance and road tax renewal, in-vehicle unit (IU) maintenance, car evaluation, vehicle emission certification, enforcement inspection, and accident vehicle assessment are some of the other services available to motorists who call at its inspection centres. In all, 18,296 accident reports were filed and 1,898 motorists had their vehicles repaired at approved workshops. VICOM also carried out 3,967 surveys on accident vehicles making insurance claims, and entered into arrangements with NTUC Income and ComfortDelGro's Group Claims Unit for claims matters relating to ComfortDelGro taxis and SBS Transit buses. An IU management system, which removes the need for vehicle inspectors to manually fill up multiple forms, was also rolled out during the year, resulting in a shorter turnaround for IU services.

VICOM Emission Test Laboratory (VETL) experienced strong growth in the first half of the year as parallel importers rushed to have their vehicles tested and certified before the LTA's Carbon Emission-based Vehicle Scheme came into effect in July 2013. In all, VETL tested 294 vehicles in 2013, up from 91 previously. VICOM's revamped evaluation service, VICOM Fit™, saw demand increase by 84.3% in 2013, with a total of 3,418 cars evaluated compared to 1,855 cars in 2012.

VICOM's fully-owned subsidiary, Setsco Services Pte Ltd (SETSCO) experienced growth as it secured several major jobs in the oil and gas, marine and offshore, as well as construction sectors.

Demand for testing services in the construction sector was driven by the increase in the number of public housing developments such as Build-to-Order flats by the Housing Development Board as well as the development of the Singapore Sports Hub. Other large contracts included the provision of heat treatment services for the fabrication of the Jurong Aromatics Complex Plant and the provision of Continual Educational training for construction workers on behalf of the Building & Construction Authority.

Outside Singapore, SETSCO secured a structural monitoring project for Petronas Twin Towers in Kuala Lumpur. Under the contract, SETSCO deployed seismic sensors with the Global Positioning System to monitor both the static and dynamic characteristics of the Twin Towers remotely and in real time. This state-of-the-art technology is now being marketed to building owners as a monitoring device in structural integrity assessment.

## DRIVING CENTRE

Enrolment at our driving centre, ComfortDelGro Driving Centre Pte Ltd, hit 33,000 in 2013, representing a 3.1% increase. The Centre replaced 25 of its vehicles that had reached the

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statutory lifespan with the sportier Toyota Vios. Plans are in the pipeline to replace motorcycles that have reached the end of their statutory lifespan with newer models as well.

The Centre also successfully launched 20 training courses for the Singapore Police Force and the Singapore Civil Defence Force. Fifteen of these courses are new and involved specialised skid equipment and emergency vehicles such as fire engines, tracked-fire vehicles and ambulances. Over 50 instructors underwent more than 1,100 training hours to equip them with necessary skills for these new courses.

Apart from supporting the Singapore Road Safety Council's Road Safety Public Awareness Campaign by educating about 5,000 primary and secondary school children on road safety habits, the Centre also worked with the Traffic Police to educate 1,000 motorcycle enthusiasts on the importance of safe riding through 'live' demonstrations. In July, together with the Traffic Police, the Centre organised a media engagement programme to showcase the compulsory Expressway Familiarisation Riding course for Class 2B riders.

## CAR RENTAL & LEASING

Our car rental and leasing subsidiary in Singapore, ComfortDelGro Rent-A-Car Pte Ltd, with its fleet of 1,112 vehicles, maintained its position as the country's largest car rental and leasing operator for passenger vehicles.

In the third quarter of 2013, ComfortDelGro Rent-A-Car pre-booked a fleet of 55 Toyota and Mazda vehicles in anticipation of even higher COE premiums.

With the curbs imposed on car loans by the Monetary Authority of Singapore, ComfortDelGro Rent-A-Car saw demand for older vehicles increase. As such, it held onto older, roadworthy cars instead of selling them. It also tied up with motor distributor to provide car rental packages and successfully clinched contracts with new corporate clients. To build brand loyalty, ComfortDelGro Rent-A-Car continued to organise several activities for its customers throughout the year.

To improve efficiency and increase productivity, ComfortDelGro Rent-A-Car enhanced its backend system to track, analyse and improve the downtime for servicing and repair works of its fleet of vehicles by providing ComfortDelGro Engineering workshops, which service the vehicle fleet, Radio Frequency Identification Device cards that capture the time-in and time-out of vehicles.

Plans are also in the pipeline to introduce an accident module in its software to provide its departments and ComfortDelGro Engineering workshops a centralised

platform where they can access and update information directly for greater efficiency.

## INSURANCE BROKING SERVICES

ComfortDelGro Insurance Brokers Pte Ltd, our in-house insurance broking associate, conducted a comprehensive review of expiring insurance coverage against the Group's risk exposure. Concurrently, an extensive marketing exercise was conducted with several insurance companies to negotiate the best rates for the Group's general insurance programme, resulting in savings for premiums and enhancement in insurance coverage.

As part of its efforts to manage rising medical and motor claims in Singapore, ComfortDelGro Insurance Brokers continued to work with the Group, its clients and insurers to analyse claims data, identify loss trends, mitigate risks and to pro-actively manage claims.

In July 2013, a new Claims Recovery programme was implemented for the Group's operations in Australia, resulting in an increase in third party recoveries and substantial savings on costs. Taxi drivers of Swan Taxis Pty Ltd in Perth, Western Australia, also continued to enjoy savings and extensions of policy coverage.

In the United Kingdom, a Business Interruption Insurance Workshop was specially organised for senior management staff.

## OUTDOOR ADVERTISING

Our outdoor advertising subsidiary, Moove Media Pte Ltd, saw demand for advertising on rail and at the bus interchanges increase.

Several technological initiatives were introduced during the year, including augmented reality installations, multi-sensory videos and music travellers at SBS Transit's NEL train stations. Other innovations included Light Emitting Diodes (LEDs) on SBS Transit's double deck buses and electroluminescent light technology on ComfortDelGro taxis.

In May 2013, Moove Media launched the "Happy Cows, Happy Hearts" campaign in partnership with the National Parks Board to not only celebrate Singapore as a City in a Garden, but also to promote graciousness and kindness in the community. A total of 600 colourful Moove cows grazed 50 fields and parks all around the island. Together with 1,000 "red hearts" made of fibreglass, this campaign also included a charity element where cows were sold and proceeds went towards the ComfortDelGro/Lions Befrienders' Home Improvement Programme Fund.

# OPERATIONS REVIEW

## CHINA

Beijing . Chengdu . Chongqing . Guangzhou . Hengyang . Jilin City .  
Nanjing . Nanning . Shanghai . Shenyang . Suzhou . Yantai



Bus • Bus Station • Taxi • Car Rental & Leasing  
Vehicle Testing Services • Driving Centre

Revenue  
(S\$'mil)  
**220.1**

Total Investment  
(S\$'mil)  
**24.1**

Total Operating  
Fleet Size  
**11,321**

Total Number  
of Employees  
**1,498**

## NORTH CHINA

### BEIJING

#### Taxi

With a market share of 8.3%, Beijing Jin Jian Taxi Services Co., Ltd, the Capital City's third largest operator, operated a total fleet of 5,476 taxis, including 25 Gua Kao taxis that it took over in November 2013. Over 650 taxis were replaced with new ones during the year. Demand for its taxis remained strong with the entire fleet fully 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. In 2013, it inspected 75,000 vehicles, representing a 5% increase over the previous year. With more vehicles lining up to go through the inspection lines, the Company adjusted its inspection process to ensure that all inspection appointments that had been made in advance were completed within 45 minutes. It also updated its

operational software so that vehicle information and data could be inputted electronically. The new software also helped to reduce staff workload, improve business analysis and tighten internal controls.

### JILIN CITY, JILIN PROVINCE

#### Taxi

Jilin ComfortDelGro Taxi Co., Ltd, the City's largest taxi operator with a 14% share of the market, fully hired out its entire fleet of 729 taxis in 2013. A total of 105 taxis were also replaced during the year.

The Jilin Taxi Service Centre, which began construction during the year, will provide administrative management support, maintenance and repair, as well as inspection services to the Company's fleet of taxis when it is completed in mid-2014.

The Company also successfully obtained the licence to operate Jilin ComfortDelGro Driver Training Co., Ltd. It is expected to be completed in mid-2014.

# OPERATIONS REVIEW

## CHINA

### SHENYANG, LIAONING PROVINCE

#### Taxi

Our two taxi companies – Shenyang ComfortDelGro Taxi Co., Ltd and CityCab (Shenyang) Co., Ltd – operated a total fleet of 1,347 taxis, making us the City's third largest taxi operator. Demand for these taxis remained strong during the year with all taxis fully hired out.

Customer service and road safety training given to cabbies paid off as accidents during the year dropped significantly and taxi services improved. Apart from providing cabbies with training, management staff were also given training. For their continued efforts, Shenyang ComfortDelGro Taxi and CityCab (Shenyang) were graded "AAA Taxi Enterprise for Service Quality". A total of 65 Shenyang ComfortDelGro Taxi and CityCab (Shenyang) cabbies were commended.

### YANTAI, SHANDONG PROVINCE

#### Taxi

Yantai ComfortDelGro Automobile Services Co., Ltd operates 20 taxis in our 76%-owned subsidiary within the Yantai Economic Development Zone.

### 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. To attract more drivers to the profession, the Government provided training specifically to drivers who did not already have certificates, to drive in Chengdu. The Company supplement these efforts by rewarding its drivers with long-term incentives. During the year, a total of 30 taxis were replaced and another 20 new licences were awarded to the Company by the Municipal Government.

#### Car Rental & Leasing

ComfortDelGro Rent-A-Car (Chengdu) Co., Ltd, with its fleet of close to 150 vehicles, continued to maintain long-term leasing contracts with existing multi-national organisations such as Smith Drilling, ServTech, CBRE and Cisco as demand for such services in general slowed. It also clinched contracts with new clients such as OCBC, Turner & Townsend, Sepam and Bank of Thailand.

The Company also stepped up marketing efforts during the year, producing new brochures and targeting large corporations. Work processes were streamlined to improve efficiency and a new fuel card administrative system was introduced so that fuel consumption could be better managed.

#### Vehicle Testing Services

Our 51%-owned subsidiary, Chengdu Jitong Integrated Vehicle Inspection Co., Ltd, which inspected 9,875 vehicles in 2013, continued to attract new customers and improve its service standards.

#### Driving Centre

Our 95%-owned driving subsidiary, Chengdu ComfortDelGro Qing Yang Driving School Co., Ltd, continued to experience strong demand as an appointed testing centre. Over 840 students enrolled during the year, with another 2,210 from affiliated driving centres coming over to utilise the testing circuits.

### CHONGQING

#### Driving Centre

Our 90%-owned subsidiary, Chongqing ComfortDelGro Driver Training Co., Ltd, upped the service quotient by intensifying training for both its frontline staff and driving instructors. As a result, our Driving Centre obtained a four-star rating from the Chongqing Administration for Road and Transport, the highest accolade to be given in the District during the year.

### 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 485 taxis. In 2013, it replaced more old taxis with new Santana Vista taxis, which have proven to be very popular with taxi drivers and commuters given their ergonomic design and spacious interior.

## SUZHOU, JIANGSU PROVINCE

### Taxi

Our 70%-owned taxi subsidiary, Suzhou Comfort Taxi Co., Ltd, enjoyed a 100% hired-out rate for its 150 taxis during the year.

## NANJING, JIANGSU PROVINCE

### Taxi

Nanjing ComfortDelGro Dajian Taxi Co., Ltd, our 70%-owned subsidiary, is the City's third largest taxi company with a total of 642 Compressed Natural Gas (CNG) taxis, including 82 additional licences that it was awarded during the year. A total of 34 high-end 2,000 cc Nissan Teana CNG taxis were deployed as part of the expanded fleet. 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 13.5 million passengers in 2013 – 3.4% higher than the previous year – as more services were added. The new services to Yun Fu City, Yang Jiang City and Jiangmen City proved very popular amongst travellers, with more calling at the Station. It also worked closely with the Guangdong Provincial Transport Group to consolidate the Heyuan and Shantou routes further.

Better crowd control measures during peak periods, a separate disembarkation point outside the station and a new section set aside for Shenzhen routes have helped improve efficiency and the overall travel experience.

Cargo revenue also registered a 3.9% increase as more cargo pieces were handled during the year.

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

## NANNING, GUANGXI PROVINCE

### Taxi

Our 80%-owned subsidiary, Nanning Comfort Transportation Co., Ltd, continued to be the largest taxi operator in Nanning with a fleet of 804 taxis or a 17% market share. In addition to the 29 licences, which were awarded during the year, another 30 were awarded in January 2014. This brings the total fleet as at January 2014 to 834 taxis. Nanning Comfort Transportation was also named the "Best Taxi Operator Unit" for the ninth 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 26 cars was fully leased out to multi-national companies in the City during the year.

## HENGYANG, HUNAN PROVINCE

### Bus

Hengyang CityCab Bus Services Co., Ltd, in which the Group holds a 25% stake, operates 98 buses in the second largest city in Hunan Province.

# OPERATIONS REVIEW

## AUSTRALIA

Canberra . Melbourne . Perth . Queanbeyan . Sydney



### Bus • Taxi • Outdoor Advertising

Revenue  
(S\$'mil)

485.0

Total Investment  
(S\$'mil)

496.7

Total Operating  
Fleet Size

3,723

Total Number  
of Employees

2,102

## SYDNEY, NEW SOUTH WALES

### Bus

The bus operations under our 51%-owned subsidiary, ComfortDelGro Cabcharge Pty Ltd, successfully tendered for a further five years of operation in Region 4 during the year. Operated by Hillsbus, the contract covers Blacktown, Rouse Hill, Castle Hill, Dural and Parramatta. A total of 27 buses were added during the year, and another 22 buses were rolled out in January 2014 to cater to an increase in passenger demand.

Hillsbus also implemented an Operations and Customer Centre and a Global Positioning tracking system on all its buses, significantly lifting the On Time Running performance of its fleet.

The M2 motorway corridor upgrade, which was 2½ years in the making, was completed in August 2013, allowing for shorter journey times.

In October 2013, the City celebrated the International Navy Fleet Review, marking the centenary since the Royal Australian Navy Fleet first entered Sydney Harbour. As many as one million spectators attended the day of

celebration on 5 October. To cater to the surge in demand, Hillsbus deployed more than 800 additional services with 40 support staff over the six-day period.

ComfortDelGro Cabcharge's outer metro Hunter Valley Buses continued to build on the integrated network changes from previous years. Significant upgrades in the fleet were made with older buses replaced by newer wheelchair-accessible and air-conditioned buses. Hunter Valley buses also successfully implemented a timetable review to coincide with the State Government's railway timetable changes in October. New three-year contracts for these services were successfully negotiated and will commence from mid-2014.

In July 2013, ComfortDelGro Cabcharge renamed Deane's Bus Lines Pty Ltd's brand name to Qcity Transit. This rebranding was well-received by drivers, customers and other local stakeholders.

### Outdoor Advertising

Moove Media Pte Ltd's fully-owned subsidiary, Moove Media Australia Pty Ltd, continued to look at ways to increase its market presence in Canberra, Newcastle as well as Brisbane and Melbourne through its representative

offices. During the year, it clinched several contracts from corporations like Ferrero Rocher, Renault and Mambo for fully-wrapped bus formats.

## MELBOURNE, VICTORIA

### Bus

ComfortDelGro Cabcharge Pty Ltd in Victoria is one of the largest private bus operators in the region with a market share of 16%. Currently, 90% of its revenue is derived from Government contracts for metropolitan routes, regional routes and school services. Private charters and tours make up the remaining 10%.

In May 2013, the Group announced the acquisition of 100% of the issued shares of Driver Group Pty Ltd in Melbourne for S\$26.2 million. The acquisition of its five metropolitan bus routes which cover the inner suburban area – from St Kilda to Glen Waverly, Box Hill and Kew to Bentleigh, and its fleet of 42 vehicles, was completed in July 2013.

In all, ComfortDelGro Cabcharge now operates 443 buses serving 80 routes in Victoria.

In April 2013, new services in the suburb of Point Cook and Williams Landing commenced operations with 10 additional growth buses after the Public Transport Victoria (PTV) gave its nod of approval.

During the year, ComfortDelGro Cabcharge replaced its outdated software system with the General Ledger and Fixed Assets package under the Microsoft AX software system. Plans are in the pipeline to switch to a new system consisting of human resource, fleet maintenance and charter modules.

Despite strong competition in the charter market, ComfortDelGro Cabcharge successfully clinched the contract for the Victorian Scott Jamboree movement, which takes place once every three years. The next event to Sydney will take place only in 2016. Demand for school charter remained consistent during the year.

## 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 2,070 taxis. Over 30 taxi licence plates, mainly from competitors' network, joined Swan Taxis during the year. Its call centre also provided despatch services to 60 regional taxis across various towns.

Due to upgrades made to its smartphone application and a re-launch in September 2013, the number of automated jobs despatch increased by about 2%.

To improve service levels, Swan Taxis introduced a three-hour customer service training programme for all employees, equipping them with skills to provide better services to passengers and taxi drivers. This has resulted in fewer complaints.

To complement training efforts, a Customer Management System to better manage feedback and complaints was introduced – a move which has resulted in faster response times. A new payroll and rostering system and a new system where taxi vouchers are directly banked into the drivers' accounts, were introduced during the year. These allowed for better manpower management and service to drivers.

# OPERATIONS REVIEW

## UNITED KINGDOM

Aberdeen . Birmingham . Edinburgh . Glasgow . Liverpool . London



Bus • Coach • Taxi Radio Circuit • Private Car Hire

Revenue  
(S\$'mil)

788.1

Total Investment  
(S\$'mil)

417.2

Total Operating  
Fleet Size

8,151

Total Number  
of Employees

5,830

## LONDON, ENGLAND

### Bus

With the acquisition of the bulk of First Group plc's West London operations (subsequently renamed Metroline West Limited) in mid-2013, our wholly-owned subsidiary, Metroline Limited, became London's third largest scheduled bus operator with a market share of over 18% and a fleet of 1,700 buses plying across North, West, Central London and Hertfordshire.

With the maiden contribution from Metroline West, an increase in mileage operated and contract price adjustments, our bus business in the United Kingdom clocked a 27% increase in revenue to S\$585.4 million.

Metroline was also selected by Transport for London (TfL) to be the first operator to operate an entire route (Route 24) made up solely of New Bus for London (NBfL) vehicles. Modelled on the iconic Routemasters of old, the low-floor NBfL double decks, which have three doors and two internal staircases, are powered by hybrid technology, and provide passengers with the option of boarding and alighting via a rear door when a Customer Assistant is present. Metroline recruited and trained 70 Customer

Assistants for the 33 NBfLs that it launched in June 2013. In December 2013, a second Metroline-operated route (Route 390) was also converted by TfL to run entirely with NBfL vehicles, with Metroline becoming the largest operator of this new bus.

### Coach

Westbus Coach Services Limited operates a diversified fleet of 36 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 continued to grow in all sectors, including the tourism market, school hires and private charter work. As a result, it achieved a record year in terms of demand, revenue and profitability, with an increase of 8% for turnover compared to 2012. It also continued to upgrade its fleet and invest in new coaches to meet the expectation of its customers.

### Taxi Radio Circuit

Our taxi subsidiary Computer Cab plc, maintained its pole position in London with a fleet of 2,093 taxis in London.

Management also proactively reduced the cost of the London Taxicard scheme, which provides subsidised door-to-door transport services to passengers with

special mobility needs – a move which sustained demand despite austerity measures across the public sector. It also successfully opened over 400 new accounts across its taxi and executive car businesses, including JP Morgan, one of the largest corporate clients of ground transport in London.

Computer Cab's iPhone taxi booking application, which was launched in spring, grew in popularity as app downloads and taxi bookings increased.

Computer Cab also replaced its ageing IT infrastructure during the year. A new cashless payment system, which offers contactless card payment terminals, was rolled out to all its radio taxis in London as well as those in Aberdeen, Birmingham, Edinburgh and Liverpool. The same system was also installed in a third-party supplier, the largest taxi fleet in Manchester.

Plans are in the pipeline to upgrade and improve the telephony and Business Continuity systems.

### **Private Car Hire**

Flightlink International Limited provides hassle-free airport transfers, ground transportation for corporate entities and individuals who want a reliable and cost effective chauffeur-driven service under the "Comfort Executive" brand. To keep its competitive edge, the Company invested in a new state-of-the-art booking and despatch system.

## **LIVERPOOL AND BIRMINGHAM, ENGLAND**

### **Taxi Radio Circuit**

Computer Cab (Liverpool) Limited is the City's largest taxi circuit operator with a fleet of 339 licensed taxis. Despite tough trading conditions and stiff competition from private hire car companies, Computer Cab (Liverpool) increased turnover by 5% by clinching 41 new contracts. Other notable new business accounts included one with the Sefton Borough Council and a new trial contract with Fred Olsen Cruise Liners.

Computer Cab (Liverpool) also successfully increased its takings from credit card customers following the roll-out of card payment facilities in all of its taxis. It continued to enjoy diverse revenues with nearly half its demand coming from non-account consumers.

Computer Cab (Birmingham) Limited, which operates 114 taxis under its network, continued to improve, mainly as a result of concerted efforts to grow the top line from corporate and public sector customers. Turnover was up 17% as compared to 2012. In Birmingham, 59 new contracts were secured – the main ones being Birmingham City Council Education Department and the Priory Hospital.

## **GLASGOW, SCOTLAND**

### **Coach**

The Group's successful partnership with Stagecoach plc, Scottish Citylink Coaches Limited continued to increase in popularity in the inter-city coach market in Scotland in 2013. Despite poor weather conditions in the early part of the year, the Glasgow-London megabus route experienced significant growth during summer.

In July 2013, three new routes were added to its sleeper service. New vehicles which offer high-quality seated services during the day and lie-flat beds at night were also deployed on the expanded route network. These 54-seater vehicles, which come with luxury leather seats, power sockets, free Wi-Fi and a toilet, were deployed on an upgraded megabusGold branded service during the day. A new express service, Citylink Air, which provides a direct link between Edinburgh Airport and Glasgow City Centre, was also launched in the same month.

The Company's organisational structure was reviewed and streamlined following the appointment of a new Managing Director. Greater emphasis was also placed on delivery standards and yield management during the year. A new corporate website was also developed and launched.

## **ABERDEEN AND EDINBURGH, SCOTLAND**

### **Taxi Radio Circuit**

Our network of 510 taxis and private hire vehicles in Aberdeen and Edinburgh serves corporate and individual clientele. Demand remained strong during the year, Computer Cab (Aberdeen) Limited successfully won another three-year contract to operate transport at Aberdeen International Airport. It also clinched contracts for another 85 new accounts.

Computer Cab (Edinburgh) Limited secured additional work from Edinburgh City and the National Health Service, as well as new contracts with Air Canada and Latin Travel.

# OPERATIONS REVIEW

## IRELAND

Clifden . Cork . Dublin . Galway



### Inter-City Express Coach

Revenue  
(S\$'mil)

14.2

Total Investment  
(S\$'mil)

3.1

Total Operating  
Fleet Size

22

Total Number  
of Employees

12

## DUBLIN

### 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 Galway, Dublin, Cork and Clifden.

ICCL enjoyed good demand during the year on the back of a growth in tourist traffic.

In May 2013, ICCL introduced 'eireagle.com', a direct express service between Dublin Airport and Galway under a separate, distinctive livery signifying airport express. ICCL also successfully re-tendered for two high profile bus stops at Dublin Airport. It also launched a mobile version of its website and a dedicated application for smartphones.

# OPERATIONS REVIEW

VIETNAM

Ho Chi Minh City



## Taxi

Revenue  
(S\$'mil)

6.3

Total Investment  
(S\$'mil)

8.5

Total Operating  
Fleet Size

612

Total Number  
of Employees

171

## 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 despite stiff competition and increasing costs.

During the year, ComfortDelGro Savico Taxi successfully secured a new business contract with Viet Travel to provide taxi services for tourists from the airport to various destinations in the City and nearby provinces. This service, which is based on a fixed price, has been well-received by

tourists. Since the service began in July 2013, an average 850 taxi trips are made every month.

Both ComfortDelGro Savico Taxi and Vinataxi also continued with their fleet renewal programme. They also worked hard to ensure service levels are kept at a consistently high standard by being stringent in the selection of taxi drivers and putting them through safety and customer service talks and courses.

To cope with rising costs brought about by the introduction of road maintenance and vehicle usage fees, as well as a fuel price hike in July 2013, ComfortDelGro Savico Taxi adjusted its taxi fares in August 2013.

# OPERATIONS REVIEW

## MALAYSIA

Kuala Lumpur , Puchong



### Car Rental & Leasing • Inspection & Testing Services

Revenue  
(S\$'mil)

4.2

Total Investment  
(S\$'mil)

3.8

Total Operating  
Fleet Size

228

Total Number  
of Employees

50

## KUALA LUMPUR

### Car Rental & Leasing

Our subsidiary, CityLimo Leasing (M) Sdn Bhd offers car leasing and rental services in Malaysia through a fleet of 228 vehicles. Utilisation of our vehicles remains high. In addition to leasing, the Company also provides round-the-clock islandwide mobile back-up service that offers assistance to customers in the event of an emergency.

## PUCHONG

### Inspection and Testing Services

Setesco Services Pte Ltd's wholly-owned subsidiary, Setesco Services (M) Sdn Bhd, which was set up in 1995, provides civil engineering and Non-Destructive Testing services. One of its projects included providing civil engineering testing for the Penang Second Bridge, a 24km long bridge that links Penang Island to the mainland. The tests, which are conducted at an on-site laboratory in Penang, are slated for completion in early-2014. Besides the construction industry, SETSCO has also expanded its scope to other industries as well.