

COMFORTDELGRO TURNS IN FULL-YEAR REVENUE OF \$3.8 BILLION

- **Buoyed by a strong acquisition trail in new and existing businesses and geographies, revenue increased by 6.4% to \$3.8 billion. New acquisitions in late 2017 and 2018 helped boost the topline, accounting for \$124.2 million, or 54.3%, of the revenue increase.**
- **Operating profit rose by 7.2% to \$438.8 million despite increased competition as new acquisitions boosted the operating line by \$20.7 million.**
- **Net profit attributable to shareholders increased by 0.6% to \$303.3 million despite the absence of the special dividend of \$10 million from Cabcharge Australia booked in 2017.**

Singapore, 13 February 2019 – ComfortDelGro today announced its audited results for the year ended 31 December 2018.

Highlights:

	Full Year 31 Dec 2018	Full Year 31 Dec 2017	Change
	\$m	\$m	%
Revenue ¹	3,805.2	3,576.4	6.4
Operating Profit	438.8	409.2	7.2
Net Profit Attributable to Shareholders	303.3	301.5	0.6
EBITDA	833.1	818.0	1.8
EPS – cents	14.01	13.95	0.4

Note: All figures denominated in Singapore dollars

Group

ComfortDelGro Corporation's full-year revenue grew by 6.4% or \$228.8 million to \$3.8 billion despite an increasingly competitive environment. The increase in revenue came mainly from the public transport services business offset by decreases in the taxi and automotive

¹ The Group adopted a new financial reporting framework, Singapore Financial Reporting Standards (International), on 1 January 2018 and has prepared this set of financial information accordingly.

engineering businesses. New acquisitions in late 2017 and 2018 helped boost the topline, accounting for \$124.2 million, or 54.3%, of the revenue increase. In 2018 alone, the Group invested close to \$0.5 billion in acquisitions, the most it has ever done so in a single year.

Group operating profit for the year ended 31 December 2018 increased by 7.2% or \$29.6 million to \$438.8 million from a stronger showing in the public transport services business and the inspection and testing business. The latter registered an increase during the year due to a one-off capital gain of \$7.7 million on the surrender of lease of VICOM's existing premises in Teban Gardens. Contributions from newly acquired businesses amounted to \$20.7 million for 2018 or two-thirds of the growth in operating profit.

Full-year net profit attributable to shareholders increased by 0.6% or \$1.8 million to \$303.3 million.

ComfortDelGro Managing Director/Group CEO, Mr Yang Ban Seng, said: "2018 was a watershed year for the Group, marked by our most aggressive expansion programme yet. We invested \$439.4 million overseas alone – the bulk of which was in Australia, where we also broadened our footprint to include Queensland and the Northern Territory. Our M&A activities have started to bear fruit, giving a much needed boost to our existing businesses. We will continue to look at investment opportunities and new technological initiatives which will further strengthen our foundation for growth.

Operations Review

- Public Transport Services

At Group level, full-year revenue from the public transport services business grew by 12.9% or \$310.0 million to \$2.71 billion, with \$96.1 million or 31.0% coming from new acquisitions. Higher fees earned from higher mileages operated following the commencement of the Seletar and Bukit Merah Bus Packages in March and November 2018 boosted the topline – as did higher rail ridership, with the full-year operation of Downtown Line 3.

- Taxi

At Group level, full-year revenue for the taxi business fell by 9.7% or \$78.2 million to \$726.5 million due to a reduction in operating fleet.

- Inspection and Testing Services

Revenue from the Group's inspection and testing services business increased by 6.3% or \$6.5 million to \$110.5 million due mainly to the net gain on the surrender of lease of property at Teban Gardens in Singapore.

Dividend

A final tax-exempt one-tier dividend of 6.15 cents per share has been proposed. Together with the interim tax-exempt one-tier dividend of 4.35 cents paid earlier, the total dividend for 2018 will be 10.5 cents per share or a payout ratio of 75.0% if the final dividend is approved by Shareholders at the Annual General Meeting on 26 April 2019.

Commentary

Revenue from the public transport services business in Singapore is expected to grow. Bus service revenue is expected to increase with the full-year contribution from the Seletar and Bukit Merah Bus Packages. Rail service revenue is expected to be higher with the fare adjustment of 4.3% which took effect on 29 December 2018. Notwithstanding this, the rail business will continue to face challenges from rising operating and maintenance costs.

Revenue from the Australia bus business is expected to be higher while revenue from the UK bus business is expected to be maintained. The acquisition of new businesses in Singapore, Australia and the UK will continue to contribute to overall revenue growth.

Revenue from the taxi business is expected to be maintained amidst the keener competitive environment. In Singapore, the Land Transport Authority has recently issued a public consultation paper on the proposed changes to regulations for the point-to-point transport sector. The Group has taken delivery of more than 900 new hybrid taxis with orders placed for another 600 new hybrids to be delivered this year. The new acquisitions in Australia, China and the UK will continue to contribute.

Revenue from the automotive engineering services business, inspection and testing services, and driving centre businesses is expected to be maintained.

Revenue from the car rental and leasing business is expected to be lower.

The operating environment is expected to remain challenging. The Group will continue to manage costs prudently and seek growth and acquisition opportunities.

Background

ComfortDelGro is one of the world's largest land transport companies with a total fleet size of over 43,300 buses, taxis and rental vehicles. We operate in seven countries – Singapore, Australia, China, the United Kingdom, Ireland, Vietnam and Malaysia.

Annex

No.	Acquisitions By Country	Investment Spend (SGD)
Australia		
1	Metro WA Taxi Management Pty Ltd	\$5.5 mil
2	National Patient Transport Pty Ltd	\$30.2 mil
3	Tullamarine Bus Lines Pty Ltd	\$32.7 mil
4	Remaining 49% stake in Western Sydney Repair Centre	\$0.9 mil
5	Coastal Liner Coaches	\$9.1 mil
6	FCL Holdings Pty Ltd and two Depots – Terrey Hills Depot and Toormina Depot	\$126.7 mil
7	Buslink Companies and 11 Depots	\$187.3 mil
Total for Australia		\$392.4 mil
Singapore		
8	51% stake in ComfortDelGro Insurance Brokers Pte Ltd	\$22.9 mil
9	AZ Bus Pte Ltd	\$10.25 mil
10	Ric-Tat Travel and Coach Services Pte Ltd	\$6.45 mil
Total for Singapore		\$39.6 mil
United Kingdom		
11	New Adventure Travel Ltd	\$25 mil
12	Dial-a-Cab Ltd	\$2.2 mil
Total for United Kingdom		\$27.2 mil
China		
13	Taxi licences and vehicles from Shenyang Tian Wen Taxi Co., Ltd	\$15.0 mil
14	Vehicle repair workshop in Jilin City	\$1.1 mil
15	Remaining 10% stake in Chongqing Driver Training Co., Ltd	\$1.0 mil
16	Formation of Nanjing ComfortDelGro Qixia Driver Training Co., Ltd	\$2.7 mil
Total for China		\$19.8 mil
Grand Total		\$479.0 mil