Media Release

COMFORTDELGRO

COMFORTDELGRO'S RESULTS
FOR FIRST QUARTER ENDED 31 MARCH 2019

- ***Revenue increased by 7.8% to $947.3 million.***
  - ***Contributions from new acquisitions accounted for 79.9% or $54.7 million of the total increase of $68.5 million.***
- ***Operating profit increased by 12.2% to $107.4 million with new acquisitions accounting for 46.2% or $5.4 million of the total increase of $11.7 million.***
- ***Net profit attributable to shareholders grew by 6.2% to $70.4 million.***

Singapore, 14 May 2019 – ComfortDelGro today announced its unaudited results for the first quarter ended 31 March 2019.

Highlights:

	Q1 2019 ($m)	Q1 2018 ($m)	YOY % change
Revenue	947.3	878.8	7.8
Operating Profit	107.4	95.7	12.2
Net Profit Attributable to Shareholders	70.4	66.3	6.2
EBITDA	213.1	193.6	10.1
EPS (Based on existing share capital) - cents	3.25	3.06	6.2
Net Asset Value per ordinary share - cents	123.56	123.63	-0.06

Note: All figures are quoted in Singapore dollars

Group

ComfortDelGro Corporation's first quarter revenue increased by $68.5 million or 7.8% to $947.3 million on strong contributions from new acquisitions. New acquisitions in late 2017 and 2018 continued to help boost the topline, accounting for $54.7 million or close to 80% 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.

Operating costs increased by $56.8 million or 7.3% to $839.9 million for quarter. The bulk of the increase came from the new acquisitions with staff costs accounting for 65.7% of the rise.

Operating profit for the first quarter rose by $11.7 million or 12.2% to $107.4 million. Operating profit would have been $1.7 million higher if not for the negative impact of foreign currency translation resulting from the weaker Australian dollar, British pound and Chinese renminbi.

Net profit attributable to shareholders for the quarter increased by $4.1 million or 6.2% to $70.4 million.

ComfortDelGro Managing Director/Group CEO, Mr Yang Ban Seng, said: "The robust first quarter's results show growth from the new acquisitions as well as existing businesses. The acquisitions we made in the last year have started to reap returns and we expect that they will continue to do so. We will continue to grow our core businesses, look at investment opportunities and explore new areas for growth, particularly in those that leverage on technology and strengthen our core expertise."

Operations Review

- Public Transport Services

At Group level, revenue from the Public Transport Services business increased by 11.6% or $71.4 million to $684.9 million with 70.4% coming from new acquisitions – particularly those in Australia. Organic growth came from higher fees earned with an increase in mileage operated from bus services as well as higher ridership and average fare from rail services.

- Taxi

Revenue for the Taxi business fell by 3.8% or $6.7 million to $171.9 million – a significantly smaller drop compared to the same period last year. Booking volume for the Singapore Taxi business is holding steady. Conversion of older diesel taxis with high Certificate of Entitlement premiums to new hybrid taxis will continue and this will result in tax and depreciation savings. A voluntary profit-sharing scheme was implemented and a dynamic fare pricing scheme was launched to better match demand and supply. At a later stage, the despatch platform may be extended to private hire vehicles to achieve a higher catered rate for customers who book through the app. The overseas Taxi business remains challenging with keen competition and weaker currencies.

- Inspection and Testing Services

Revenue for the Inspection and Testing Services business increased by 0.4% or $100,000 to $25.5 million.

- Automotive Engineering Services

Revenue for the Automotive Engineering Services business increased by 4.0% or $2.5 million to $64.6 million.

Commentary

Revenue from the Public Transport Services business in Singapore is expected to grow. Bus service revenue is expected to be higher with the full-year contribution from the Seletar and Bukit Merah Bus Packages which commenced in March 2018 and November 2018 respectively. Rail service revenue is expected to be higher with an increase in ridership as well as the fare adjustment of 4.3% effective 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 with a full-year contribution from acquisitions made last year while revenue from the UK bus business is expected to be maintained.

Revenue from the Taxi business is expected to be lower amidst the continuing keen competition.

Revenue from the Automotive Engineering, Inspection and Testing as well as Driving Centre Services business is expected to be maintained.

Revenue from the Car Rental and Leasing business is expected to be lower.

The Group will continue to build capabilities in strengthening our core businesses, keep abreast of technological advancements in land transport, pursue growth through overseas acquisitions and continue with our transformational initiatives.

Background

ComfortDelGro is one of the world's largest land transport companies with a total fleet size of about 43,000 buses, taxis and rental vehicles. Headquartered in Singapore, the Group also has operations in China, the United Kingdom, Ireland, Australia, Vietnam and Malaysia.