


**COMFORTDELGRO CORPORATION LIMITED**

Company Registration Number : 200300002K

**Third Quarter 2014 Financial Statements Announcement**

The Board of Directors announces the unaudited results of the Group for the Third Quarter and 9 months to 30 September 2014.

**1 GROUP INCOME STATEMENT**

	<b>Group</b>					
	3rd Qtr 2014	3rd Qtr 2013	Incr / (Decr)	9 months to 30 Sep 2014	9 months to 30 Sep 2013	Incr / (Decr)
	\$'m	\$'m	%	\$'m	\$'m	%
Revenue	1,037.3	978.4	6.0	3,004.4	2,757.6	9.0
Staff costs	345.3	321.8	7.3	990.8	882.1	12.3
Contract services	141.5	127.4	11.1	404.8	369.1	9.7
Depreciation and amortisation	89.9	84.3	6.6	262.6	251.2	4.5
Fuel and electricity costs	84.0	74.6	12.6	247.5	206.8	19.7
Materials and consumables	60.5	62.9	(3.8)	183.0	185.8	(1.5)
Repairs and maintenance	62.1	60.4	2.8	180.8	172.3	4.9
Road tax	33.5	30.4	10.2	96.7	93.8	3.1
Insurance premiums and accident claims	28.6	29.5	(3.1)	93.4	89.4	4.5
Premises costs	20.6	18.8	9.6	60.3	51.4	17.3
Taxi drivers' benefits	13.5	13.9	(2.9)	42.4	39.8	6.5
Utilities and communication costs	5.7	5.9	(3.4)	17.3	17.4	(0.6)
Vehicle leasing charges	5.7	5.7	-	16.9	8.4	N.M.
Advertising production and promotion costs	4.2	3.4	23.5	10.7	10.1	5.9
Other operating expenses	18.3	17.0	7.6	51.9	49.1	5.7
<b>Total operating expenses</b>	<b>913.4</b>	<b>856.0</b>	<b>6.7</b>	<b>2,659.1</b>	<b>2,426.7</b>	<b>9.6</b>
<b>Operating profit</b>	<b>123.9</b>	<b>122.4</b>	<b>1.2</b>	<b>345.3</b>	<b>330.9</b>	<b>4.4</b>
Net income from investments	3.9	4.1	(4.9)	9.0	8.9	1.1
Finance costs	(5.6)	(7.0)	(20.0)	(17.4)	(21.1)	(17.5)
Share of profit in associates	0.3	0.2	50.0	2.1	2.0	5.0
<b>Profit before taxation</b>	<b>122.5</b>	<b>119.7</b>	<b>2.3</b>	<b>339.0</b>	<b>320.7</b>	<b>5.7</b>
Taxation	(25.1)	(24.8)	1.2	(72.5)	(68.5)	5.8
<b>Profit after taxation</b>	<b>97.4</b>	<b>94.9</b>	<b>2.6</b>	<b>266.5</b>	<b>252.2</b>	<b>5.7</b>
Attributable to :						
<b>Shareholders of the Company</b>	<b>80.8</b>	<b>76.7</b>	<b>5.3</b>	<b>219.8</b>	<b>203.3</b>	<b>8.1</b>
Non-controlling interests	16.6	18.2	(8.8)	46.7	48.9	(4.5)
	<b>97.4</b>	<b>94.9</b>	<b>2.6</b>	<b>266.5</b>	<b>252.2</b>	<b>5.7</b>

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

N.M. Not meaningful

## 2 STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	30 Sep 2014	31 Dec 2013	30 Sep 2014	31 Dec 2013
	\$'m	\$'m	\$'m	\$'m
<b>ASSETS</b>				
<b>Current assets</b>				
Short-term deposits and bank balances	748.8	830.6	335.5	402.0
Available-for-sale investments	-	5.0	-	-
Trade receivables	151.5	111.3	-	-
Other receivables and prepayments	188.5	191.8	4.2	1.9
Grant receivables	23.4	22.1	-	-
Due from subsidiaries	-	-	4.7	6.5
Finance lease receivables	4.0	8.3	-	-
Inventories	74.6	70.6	-	-
<b>Total current assets</b>	<b>1,190.8</b>	<b>1,239.7</b>	<b>344.4</b>	<b>410.4</b>
<b>Non-current assets</b>				
Subsidiaries	-	-	1,121.5	1,037.5
Associates	5.8	6.2	0.1	0.1
Available-for-sale investments	87.4	64.3	60.4	46.1
Other receivables and prepayments	43.3	27.9	-	-
Grant receivables	266.1	269.3	-	-
Due from subsidiaries	-	-	21.1	21.4
Finance lease receivables	1.6	4.4	-	-
Vehicles, premises and equipment	2,877.9	2,777.4	11.4	12.7
Taxi licences and bus operating rights	410.1	413.3	-	-
Goodwill	271.4	273.8	-	-
Deferred tax assets	12.3	8.4	-	-
<b>Total non-current assets</b>	<b>3,975.9</b>	<b>3,845.0</b>	<b>1,214.5</b>	<b>1,117.8</b>
<b>Total assets</b>	<b>5,166.7</b>	<b>5,084.7</b>	<b>1,558.9</b>	<b>1,528.2</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities</b>				
Borrowings	195.5	218.4	-	-
Trade and other payables	728.2	649.3	51.0	37.7
Trade payables for buses	16.2	15.7	-	-
Deferred grants	17.3	17.7	-	-
Due to subsidiaries	-	-	451.0	476.3
Fuel price equalisation account	20.0	20.0	-	-
Insurance premiums payable and provision for accident claims	80.1	84.5	-	-
Income tax payable	59.0	56.9	1.8	1.4
<b>Total current liabilities</b>	<b>1,116.3</b>	<b>1,062.5</b>	<b>503.8</b>	<b>515.4</b>
<b>Non-current liabilities</b>				
Borrowings	537.9	589.5	-	-
Deferred grants	291.3	288.5	-	-
Other liabilities	121.9	125.6	0.1	0.1
Fuel price equalisation account	20.0	20.0	-	-
Deferred tax liabilities	207.7	204.1	2.8	2.8
<b>Total non-current liabilities</b>	<b>1,178.8</b>	<b>1,227.7</b>	<b>2.9</b>	<b>2.9</b>
<b>Total liabilities</b>	<b>2,295.1</b>	<b>2,290.2</b>	<b>506.7</b>	<b>518.3</b>
<b>Capital, reserves and non-controlling interests</b>				
Share capital	645.2	622.7	645.2	622.7
Other reserves	10.3	10.5	8.0	(4.2)
Foreign currency translation reserve	(45.7)	(35.3)	-	-
Accumulated profits	1,610.2	1,556.8	399.0	391.4
<b>Equity attributable to shareholders of the Company</b>	<b>2,220.0</b>	<b>2,154.7</b>	<b>1,052.2</b>	<b>1,009.9</b>
Non-controlling interests	651.6	639.8	-	-
<b>Total equity</b>	<b>2,871.6</b>	<b>2,794.5</b>	<b>1,052.2</b>	<b>1,009.9</b>
<b>Total liabilities and equity</b>	<b>5,166.7</b>	<b>5,084.7</b>	<b>1,558.9</b>	<b>1,528.2</b>

**3 AGGREGATE AMOUNT OF GROUP'S BORROWINGS**

	<b><u>30 Sep 2014</u></b>	<b><u>31 Dec 2013</u></b>
	<b>\$ 'm</b>	<b>\$ 'm</b>
<b>Secured</b>		
Amount repayable in one year or less, or on demand	111.8	68.2
Amount repayable after one year	264.9	318.0
	<u>376.7</u>	<u>386.2</u>
<b>Unsecured</b>		
Amount repayable in one year or less, or on demand	83.7	150.2
Amount repayable after one year	273.0	271.5
	<u>356.7</u>	<u>421.7</u>
<b>Total</b>		
Amount repayable in one year or less, or on demand	195.5	218.4
Amount repayable after one year	537.9	589.5
	<u>733.4</u>	<u>807.9</u>

**Details of any collateral**

Details of the total secured borrowings of \$376.7m are as follows:

- a \$144.2m relates to financing of vehicles under hire purchase arrangements; and
- b \$232.5m relates to borrowings of subsidiaries secured by vehicles.

## 4 GROUP CASH FLOW STATEMENT

	Group		Group	
	3rd Qtr	3rd Qtr	9 Months to	9 Months to
	2014	2013	30 Sep 2014	30 Sep 2013
	\$'m	\$'m	\$'m	\$'m
<b>Operating activities:</b>				
Profit before taxation	122.5	119.7	339.0	320.7
Adjustments for:				
Depreciation and amortisation	89.9	84.3	262.6	251.2
Finance costs	5.6	7.0	17.4	21.1
Interest income	(2.5)	(2.2)	(7.6)	(6.9)
Dividend income	(1.3)	(1.6)	(3.3)	(4.3)
Share-based payment expense	-	-	-	0.6
Net gain on disposal of vehicles	(1.8)	(1.4)	(4.4)	(1.8)
Share of profit in associates	(0.3)	(0.2)	(2.1)	(2.0)
Others	0.6	1.3	3.9	6.7
Operating cash flows before movements in working capital	212.7	206.9	605.5	585.3
Changes in working capital	(21.6)	104.0	2.6	2.1
Cash generated from operations	191.1	310.9	608.1	587.4
Income tax paid	(22.2)	(25.2)	(68.3)	(68.3)
<b>Net cash from operating activities</b>	<b>168.9</b>	<b>285.7</b>	<b>539.8</b>	<b>519.1</b>
<b>Investing activities:</b>				
Purchases of vehicles, premises and equipment	(137.0)	(118.5)	(392.6)	(366.5)
Less: Proceeds from disposal of vehicles	7.8	6.6	23.2	18.3
Cash payment on purchases of vehicles, premises and equipment	(129.2)	(111.9)	(369.4)	(348.2)
Proceeds from disposal of available-for-sale investments	-	-	5.0	-
Payment for taxi licenses	(3.4)	(0.1)	(4.4)	(0.1)
Increase in available-for-sale investments	(4.9)	-	(4.9)	-
Increase in investment in a subsidiary	-	-	-	(1.4)
Acquisition of subsidiaries, net of cash [Note (a)]	-	(136.2)	-	(136.2)
Divestment of a subsidiary, net of cash [Note (b)]	-	-	3.5	-
Interest received	0.5	1.9	5.3	6.4
Dividend received from an associate	1.5	1.3	3.0	2.5
Dividend received from available-for-sale investments	1.3	1.6	3.3	4.3
<b>Net cash used in investing activities</b>	<b>(134.2)</b>	<b>(243.4)</b>	<b>(358.6)</b>	<b>(472.7)</b>
<b>Financing activities:</b>				
New loans raised	161.0	98.7	322.1	317.2
Repayment of borrowings	(110.4)	(88.8)	(394.9)	(139.1)
Dividends paid to shareholders of the Company	(80.1)	(63.7)	(165.4)	(137.8)
Dividends paid to non-controlling shareholders of subsidiaries	(5.4)	(8.3)	(28.9)	(24.8)
Proceeds from exercise of share options of the Company	6.8	7.5	20.5	32.9
Proceeds from exercise of share options of subsidiaries	0.1	-	1.0	0.6
Interest paid	(4.6)	(7.3)	(16.4)	(21.3)
Proceeds from unclaimed dividends	-	-	0.3	0.2
<b>Net cash (used in) from financing activities</b>	<b>(32.6)</b>	<b>(61.9)</b>	<b>(261.7)</b>	<b>27.9</b>
<b>Net effect of exchange rate changes in consolidating subsidiaries</b>	<b>2.6</b>	<b>2.3</b>	<b>(1.3)</b>	<b>1.2</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>4.7</b>	<b>(17.3)</b>	<b>(81.8)</b>	<b>75.5</b>
Cash and cash equivalents at beginning of period	744.1	787.4	830.6	694.6
<b>Cash and cash equivalents at end of period</b>	<b>748.8</b>	<b>770.1</b>	<b>748.8</b>	<b>770.1</b>

**Note (a):****Summary of the effects of acquisition of subsidiaries:**

	Group		Group	
	3rd Qtr	3rd Qtr	9 Months to	9 Months to
	2014	2013	30 Sep 2014	30 Sep 2013
	\$'m	\$'m	\$'m	\$'m
Net (assets) liabilities acquired:				
Current assets	-	(2.6)	-	(2.6)
Non-current assets	-	(51.5)	-	(51.5)
Current liabilities	-	13.6	-	13.6
Non-current liabilities	-	19.4	-	19.4
Net assets acquired	-	(21.1)	-	(21.1)
Goodwill on acquisition	-	(115.1)	-	(115.1)
Total purchase consideration	-	(136.2)	-	(136.2)
Cash flow on acquisition, net of cash	-	(136.2)	-	(136.2)

**Note (b):****Summary of the effects of divestment of a subsidiary:**

	Group		Group	
	3rd Qtr	3rd Qtr	9 Months to	9 Months to
	2014	2013	30 Sep 2014	30 Sep 2013
	\$'m	\$'m	\$'m	\$'m
Net assets (liabilities) on divestment:				
Current assets	-	-	0.5	-
Non-current assets	-	-	4.4	-
Current liabilities	-	-	(0.3)	-
Net assets divested	-	-	4.6	-
Non-controlling interests	-	-	(0.6)	-
Proceeds from divestment	-	-	4.0	-
Less : cash on divestment of a subsidiary	-	-	(0.5)	-
Cash flow on divestment, net of cash	-	-	3.5	-

## 5 GROUP COMPREHENSIVE INCOME STATEMENT

	Group		Group	
	3rd Qtr 2014 \$'m	3rd Qtr 2013 \$'m	9 Months to 30 Sep 2014 \$'m	9 Months to 30 Sep 2013 \$'m
<b>Profit after taxation</b>	97.4	94.9	266.5	252.2
<i>Items that may be reclassified subsequently to profit and loss</i>				
Fair value adjustment on cash flow hedges	(14.5)	0.8	(18.9)	(2.4)
Fair value adjustment on available-for-sale investments	15.1	(3.8)	17.5	(13.2)
Exchange differences on translation of foreign operations	(25.2)	11.4	(14.4)	(19.1)
<b>Other comprehensive income for the period</b>	(24.6)	8.4	(15.8)	(34.7)
<b>Total comprehensive income for the period</b>	<u>72.8</u>	<u>103.3</u>	<u>250.7</u>	<u>217.5</u>
<b>Attributable to:</b>				
Shareholders of the Company	65.9	82.5	210.0	180.3
Non-controlling interests	6.9	20.8	40.7	37.2
	<u>72.8</u>	<u>103.3</u>	<u>250.7</u>	<u>217.5</u>

## 6 STATEMENTS OF CHANGES IN EQUITY

Consolidated Statement of Changes in Equity for the 3rd quarter and 9 months to 30 September 2014:

	<b>Group</b>						
	Attributable to shareholders of the Company				Non- controlling interests	Total equity	
	Share capital	Other reserves	Foreign currency translation reserve	Accumulated profits			Total
\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	
<b>Balance at 1 January 2014</b>	622.7	10.5	(35.3)	1,556.8	2,154.7	639.8	2,794.5
<b>Total comprehensive income for the period</b>							
Profit for the period	-	-	-	139.0	139.0	30.1	169.1
Other comprehensive income for the period	-	(1.5)	6.6	-	5.1	3.7	8.8
<b>Total</b>	-	(1.5)	6.6	139.0	144.1	33.8	177.9
<b>Transactions recognised directly in equity</b>							
Exercise of share options	15.0	(1.3)	-	-	13.7	-	13.7
Payment of dividends	-	-	-	(85.3)	(85.3)	-	(85.3)
Other reserves	-	1.1	-	(1.0)	0.1	(23.5)	(23.4)
<b>Total</b>	15.0	(0.2)	-	(86.3)	(71.5)	(23.5)	(95.0)
<b>Balance at 30 June 2014</b>	637.7	8.8	(28.7)	1,609.5	2,227.3	650.1	2,877.4
<b>Total comprehensive income for the period</b>							
Profit for the period	-	-	-	80.8	80.8	16.6	97.4
Other comprehensive income for the period	-	2.1	(17.0)	-	(14.9)	(9.7)	(24.6)
<b>Total</b>	-	2.1	(17.0)	80.8	65.9	6.9	72.8
<b>Transactions recognised directly in equity</b>							
Exercise of share options	7.5	(0.6)	-	-	6.9	-	6.9
Payment of dividends	-	-	-	(80.1)	(80.1)	-	(80.1)
Other reserves	-	-	-	-	-	(5.4)	(5.4)
<b>Total</b>	7.5	(0.6)	-	(80.1)	(73.2)	(5.4)	(78.6)
<b>Balance at 30 September 2014</b>	645.2	10.3	(45.7)	1,610.2	2,220.0	651.6	2,871.6

Consolidated Statement of Changes in Equity for the 3rd quarter and 9 months to 30 September 2013:

	<b>Group</b>						
	Attributable to shareholders of the Company				Non-	Total	
	Share capital	Other reserves	Foreign currency translation reserve	Accumulated profits	controlling interests	equity	
\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	
<b>Balance at 1 January 2013</b>	585.1	14.1	(25.5)	1,434.5	2,008.2	628.8	2,637.0
<b>Total comprehensive income for the period</b>							
Profit for the period	-	-	-	126.6	126.6	30.7	157.3
Other comprehensive income for the period	-	(11.9)	(16.9)	-	(28.8)	(14.3)	(43.1)
<b>Total</b>	-	(11.9)	(16.9)	126.6	97.8	16.4	114.2
<b>Transactions recognised directly in equity</b>							
Recognition of share-based payments	-	0.6	-	-	0.6	-	0.6
Exercise of share options	28.0	(2.6)	-	-	25.4	-	25.4
Payment of dividends	-	-	-	(74.1)	(74.1)	-	(74.1)
Other reserves	-	0.4	-	(1.5)	(1.1)	(17.1)	(18.2)
<b>Total</b>	28.0	(1.6)	-	(75.6)	(49.2)	(17.1)	(66.3)
<b>Balance at 30 June 2013</b>	613.1	0.6	(42.4)	1,485.5	2,056.8	628.1	2,684.9
<b>Total comprehensive income for the period</b>							
Profit for the period	-	-	-	76.7	76.7	18.2	94.9
Other comprehensive income for the period	-	(3.2)	9.0	-	5.8	2.6	8.4
<b>Total</b>	-	(3.2)	9.0	76.7	82.5	20.8	103.3
<b>Transactions recognised directly in equity</b>							
Exercise of share options	7.9	(0.4)	-	-	7.5	-	7.5
Payment of dividends	-	-	-	(63.7)	(63.7)	-	(63.7)
Other reserves	-	-	-	-	-	(8.4)	(8.4)
<b>Total</b>	7.9	(0.4)	-	(63.7)	(56.2)	(8.4)	(64.6)
<b>Balance at 30 September 2013</b>	621.0	(3.0)	(33.4)	1,498.5	2,083.1	640.5	2,723.6



## Statement of Changes in Equity of the Company for the 3rd quarter and 9 months to 30 September 2014:

	<b>Company</b>			
	<b>Share capital</b>	<b>Other reserves</b>	<b>Accumulated profits</b>	<b>Total equity</b>
	\$'m	\$'m	\$'m	\$'m
<b>Balance at 1 January 2014</b>	622.7	(4.2)	391.4	1,009.9
<b>Total comprehensive income for the period</b>				
Profit for the period	-	-	131.8	131.8
Other comprehensive income for the period	-	2.3	-	2.3
<b>Total</b>	-	2.3	131.8	134.1
<b>Transactions recognised directly in equity</b>				
Exercise of share options	15.0	(1.3)	-	13.7
Payment of dividends	-	-	(85.3)	(85.3)
Other reserves	-	(0.2)	0.4	0.2
<b>Total</b>	15.0	(1.5)	(84.9)	(71.4)
<b>Balance at 30 June 2014</b>	637.7	(3.4)	438.3	1,072.6
<b>Total comprehensive income for the period</b>				
Profit for the period	-	-	40.8	40.8
Other comprehensive income for the period	-	12.0	-	12.0
<b>Total</b>	-	12.0	40.8	52.8
<b>Transactions recognised directly in equity</b>				
Exercise of share options	7.5	(0.6)	-	6.9
Payment of dividends	-	-	(80.1)	(80.1)
<b>Total</b>	7.5	(0.6)	(80.1)	(73.2)
<b>Balance at 30 September 2014</b>	645.2	8.0	399.0	1,052.2

## Statement of Changes in Equity of the Company for the 3rd quarter and 9 months to 30 September 2013:

	<b>Company</b>			
	<b>Share capital</b>	<b>Other reserves</b>	<b>Accumulated profits</b>	<b>Total equity</b>
	\$'m	\$'m	\$'m	\$'m
<b>Balance at 1 January 2013</b>	585.1	8.5	377.2	970.8
<b>Total comprehensive income for the period</b>				
Profit for the period	-	-	92.4	92.4
Other comprehensive income for the period	-	(8.3)	-	(8.3)
<b>Total</b>	-	(8.3)	92.4	84.1
<b>Transactions recognised directly in equity</b>				
Recognition of share-based payments	-	0.6	-	0.6
Exercise of share options	28.0	(2.6)	-	25.4
Payment of dividends	-	-	(74.1)	(74.1)
Other reserves	-	(0.3)	0.4	0.1
<b>Total</b>	28.0	(2.3)	(73.7)	(48.0)
<b>Balance at 30 June 2013</b>	613.1	(2.1)	395.9	1,006.9
<b>Total comprehensive income for the period</b>				
Profit for the period	-	-	67.3	67.3
Other comprehensive income for the period	-	(3.0)	-	(3.0)
<b>Total</b>	-	(3.0)	67.3	64.3
<b>Transactions recognised directly in equity</b>				
Exercise of share options	7.9	(0.4)	-	7.5
Payment of dividends	-	-	(63.7)	(63.7)
<b>Total</b>	7.9	(0.4)	(63.7)	(56.2)
<b>Balance at 30 September 2013</b>	621.0	(5.5)	399.5	1,015.0

## **7 CHANGES IN COMPANY'S SHARE CAPITAL**

### Share Capital

During the 3rd quarter ended 30 September 2014, the Company issued 4,198,900 new ordinary shares following the exercise of share options under the ComfortDelGro Employees' Share Option Scheme (ComfortDelGro Scheme).

As at 30 September 2014, the total number of issued shares was 2,138,697,563 (31 December 2013: 2,125,506,663).

### Outstanding Shares – ComfortDelGro Employees' Share Option Scheme

The ComfortDelGro Scheme was not renewed following its expiry on 17 February 2013.

As at 30 September 2014, options to subscribe for 31.2 million ordinary shares (30 September 2013: 47.0 million ordinary shares) remained outstanding under the ComfortDelGro Scheme.

As at 30 September 2014, the Company does not hold any treasury shares.

## **8 AUDIT**

The financial statements have not been audited or reviewed.

## **9 AUDITORS' REPORT**

Not applicable.

## **10 ACCOUNTING POLICIES**

The Group has applied accounting policies and methods of computation in the financial statements for the current reporting period consistent with those of the audited financial statements for the year ended 31 December 2013.

In the current financial period, the Group has adopted all the new and revised Financial Reporting Standards ("FRSs") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2014. The adoption of these new/revised FRSs does not result in changes to the Group's accounting policies and has no material effect on the amounts reported for the current or prior years.

## **11 CHANGES IN ACCOUNTING POLICIES AND ESTIMATES**

Not applicable.

## 12 GROUP EARNINGS PER ORDINARY SHARE AND GROUP EARNINGS BEFORE INTEREST, TAXATION, DEPRECIATION AND AMORTISATION (EBITDA)

### Earnings per ordinary share

		<b>Group</b>			
		<u>3rd Qtr</u> <u>2014</u>	<u>3rd Qtr</u> <u>2013</u>	<u>9 Months to</u> <u>30 Sep 2014</u>	<u>9 Months to</u> <u>30 Sep 2013</u>
(i)	Based on weighted average number of ordinary shares in issue - cents	3.78	3.61	10.31	9.62
(ii)	On a fully diluted basis (detailing any adjustments made to the earnings) - cents	3.76	3.60	10.26	9.57

### EBITDA

		<b>Group</b>			
		<u>3rd Qtr</u> <u>2014</u>	<u>3rd Qtr</u> <u>2013</u>	<u>9 Months to</u> <u>30 Sep 2014</u>	<u>9 Months to</u> <u>30 Sep 2013</u>
(i)	EBITDA (\$'m)	213.8	206.7	607.9	582.1
(ii)	EBITDA margin (%)	20.6	21.1	20.2	21.1

## 13 NET ASSET VALUE PER ORDINARY SHARE

	<b>Group</b>		<b>Company</b>	
	<u>30 Sep 2014</u>	<u>31 Dec 2013</u>	<u>30 Sep 2014</u>	<u>31 Dec 2013</u>
Net asset value per ordinary share based on issued share capital - cents	103.80	101.37	49.20	47.51

## 14 REVIEW OF GROUP PERFORMANCE

### Performance Review

Group Revenue of \$1,037.3m for 3Q14 was \$58.9m or 6.0% higher compared to the \$978.4m for 3Q13. The growth came from all business segments except the Bus Station Business. While actual revenue increased by \$44.6m, this was boosted by a positive foreign currency translation of \$14.3m to result in a total increase of \$58.9m.

Group Operating Expenses of \$913.4m for 3Q14 were \$57.4m or 6.7% higher compared to the \$856.0m for 3Q13. These were mainly from higher staff costs, higher payments for contract services, higher fuel and electricity costs, higher depreciation and higher road tax. While actual operating expenses increased by \$44.3m, the unfavourable foreign currency translation added another \$13.1m to bring the total increase to \$57.4m.

Consequently Group Operating Profit of \$123.9m for 3Q14 was \$1.5m or 1.2% higher compared to the \$122.4m for 3Q13.

Net income from investments of \$3.9m for 3Q14 was \$0.2m or 4.9% lower than the \$4.1m for 3Q13. Finance costs decreased by \$1.4m or 20.0% to \$5.6m for 3Q14 from \$7.0m for 3Q13 due to the decrease in interest expense in Australia and the UK with the partial repayment of borrowings.

Group Profit Before Tax of \$122.5m for 3Q14 was \$2.8m or 2.3% higher compared to the \$119.7m for 3Q13.

Taxation for the Group of \$25.1m for 3Q14 was \$0.3m or 1.2% higher than the \$24.8m for 3Q13.

Group Profit attributable to Shareholders of the Company of \$80.8m for 3Q14 increased by \$4.1m or 5.3% compared to the \$76.7m for 3Q13.

Group Profit attributable to non-controlling interests decreased by \$1.6m or 8.8% to \$16.6m for 3Q14 compared to the \$18.2m for 3Q13 due mainly to the decrease in profits from Australia.

Revenue from Overseas for 3Q14 was 40.3% of Group Revenue compared to 41.9% for 3Q13. Operating profit from Overseas for the quarter decreased to 46.4% of Group Operating Profit compared to 51.1% for 3Q13 due mainly to the decrease in profits from Australia.

Revenue from the Group's **Bus Business** of \$528.1m for 3Q14 was \$24.8m or 4.9% higher than the \$503.3m for 3Q13. The increase came from the UK Bus Business with \$24.8m and the Singapore Bus Business with \$21.0m offset by the decrease from the Australia Bus Business with \$21.0m.

Revenue from the Singapore Bus Business of \$203.5m for 3Q14 was \$21.0m or 11.5% higher than the \$182.5m for 3Q13 due to increases in average daily ridership, average fare and other operating income.

Revenue from the UK Bus Business of \$224.3m for 3Q14 was \$24.8m or 12.4% higher than the \$199.5m for 3Q13 due to the actual increase in revenue of \$10.7m and the favourable currency translation of \$14.1m from the stronger £.

Revenue from the Australia Bus Business of \$100.3m for 3Q14 was \$21.0m or 17.3% lower compared to the \$121.3m for 3Q13. The decrease in revenue of \$21.0m was due to the loss of Regions 1 and 3 and the unfavourable currency translation of the weaker A\$ compensated by an increase in services in other Regions.

Revenue from the Overseas Bus Business for 3Q14 was 61.5% of Group Bus Revenue compared to 63.7% for 3Q13 while operating profit for 3Q14 was 86.8% of Group Bus Operating Profit compared to 88.6% for 3Q13.

Revenue from the Group's **Taxi Business** of \$327.1m for 3Q14 was \$24.0m or 7.9% higher compared to the \$303.1m for 3Q13.

Revenue from the Singapore Taxi Business of \$247.1m for 3Q14 was \$19.7m or 8.7% higher compared to the \$227.4m for 3Q13 due to higher rentals from the replacement of taxis, a larger operating fleet and a higher volume of cashless transactions.

Revenue from the UK Taxi Business of \$31.7m for 3Q14 was \$3.4m or 12.0% higher than the \$28.3m for 3Q13 due to higher taxi bookings and the favourable currency translation of the stronger £.

Revenue from the Australia Taxi Business of \$5.0m for 3Q14 was \$0.1m or 2.0% lower compared to the \$5.1m for 3Q13.

Revenue from the China Taxi Business of \$41.5m for 3Q14 was \$0.8m or 2.0% higher than the \$40.7m for 3Q13 coming mainly from higher rental rates following the replacement of taxis.

Revenue from the Vietnam Taxi Business of \$1.8m for 3Q14 was \$0.2m or 12.5% higher than the \$1.6m for 3Q13.

Revenue from the Overseas Taxi Business for 3Q14 was 24.5% of Group Taxi Revenue compared to 25.0% for 3Q13 while operating profit for 3Q14 was 33.5% of Group Taxi Operating Profit compared to 33.0% for 3Q13.

Revenue of \$7.9m from the **Bus Station Business** at Guangzhou for 3Q14 was \$0.2m or 2.5% lower than the \$8.1m for 3Q13 due to the unfavourable currency translation of the weaker RMB.

Revenue from the **Rail Business** for 3Q14 of \$51.0m was \$9.0m or 21.4% higher than the \$42.0m for 3Q13 due to the contribution from Downtown Line (DTL) 1 and increases in average daily ridership and average fare. Average daily ridership for the North-East Line grew by 7.1% to 527K passenger trips and that for the two Light Rail Transit systems rose by 9.5% to 89K passenger trips as compared to 3Q13. Average daily ridership for DTL1 was 68K passenger trips for 3Q14.

Revenue from the Group's **Automotive Engineering Services Business** of \$108.3m for 3Q14 was \$1.1m or 1.0% higher than the \$107.2m for 3Q13.

Revenue from the Group's **Inspection and Testing Services Business** of \$28.1m for 3Q14 was \$1.1m or 4.1% higher compared to the \$27.0m for 3Q13.

Revenue from the Group's **Driving Centre Business** of \$10.0m for 3Q14 was \$0.7m or 7.5% higher than the \$9.3m for 3Q13.

Revenue from the Group's **Car Rental and Leasing Business** of \$9.1m for 3Q14 was \$0.1m or 1.1% higher than the \$9.0m for 3Q13.

### Statement of Financial Position

The financial position of the Group as at 30 September 2014 remained strong. Total Equity increased by \$77.1m from \$2,794.5m as at 31 December 2013 to \$2,871.6m as at 30 September 2014 due to profits generated for the nine months ended 30 September 2014 offset by the payment of dividends.

Total Assets increased by \$82.0m from \$5,084.7m as at 31 December 2013 to \$5,166.7m as at 30 September 2014 due to an increase in non-current assets by \$130.9m offset by a decrease in current assets by \$48.9m. The increase in non-current assets was due mainly to the purchase of new buses and taxis. The decrease in current assets was due mainly to a decrease in short-term deposits and bank balances following the payment of dividends and partial repayment of borrowings offset by an increase in trade receivables from transport regulators.

Total Liabilities increased by \$4.9m from \$2,290.2m as at 31 December 2013 to \$2,295.1m as at 30 September 2014 due mainly to an increase in trade and other payables offset by the reduction in borrowings.

### **Cash Flow**

The Group recorded a net cash inflow of \$4.7m for 3Q14. As at 30 September 2014, the Group had short-term deposits and bank balances of \$748.8m. After accounting for the borrowings of \$733.4m, the Group had a net cash position of \$15.4m. The Group's gross gearing ratio was 25.5% as at 30 September 2014 compared to 28.9% as at 31 December 2013.

## **15 ANY VARIANCE BETWEEN PROSPECT STATEMENT PREVIOUSLY DISCLOSED AND THE ACTUAL RESULTS**

No forecast or prospect statement has been previously disclosed.

## **16 GROUP OUTLOOK**

Revenue from the Singapore Bus Business is expected to be higher from higher ridership and higher average fare. Revenue from the UK Bus Business is expected to increase with the contribution from newly acquired routes and continuing service enhancements. Revenue from the Bus Business in Australia is expected to be lower.

Revenue from the Rail Business is expected to be higher from the operation of DTL1.

Revenue from the Bus Station Business in Guangzhou is expected to be maintained.

Revenue from the Taxi Business in Singapore is expected to increase due to taxi replacements while revenue from the UK, Australia, China and Vietnam Taxi Businesses are expected to be maintained.

Revenue from the Automotive Engineering Services Business is expected to be lower.

Revenue from the Driving Centre Business is expected to be maintained.

Revenue from the Inspection and Testing Services Business in Singapore is expected to be maintained while revenue from China is expected to be lower.

Revenue from the Car Rental and Leasing Business is expected to be maintained.

Cost pressures will continue to be felt throughout the Group.

## **17 DIVIDEND**

### **(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? No

### **(b) Corresponding Period of the Immediate Preceding Financial Year**

Any dividend declared for the corresponding period for the immediately preceding financial year? No

### **(c) Date Payable**

Not applicable.

### **(d) Books Closure Date**

Not applicable.







**Geographical segmental information for 3rd quarter ended 30 September 2014**

	Revenue				Non-current assets*		Additions to non-current assets*	
	3rd Qtr 2014	3rd Qtr 2013	9 mths to 30 Sep 2014	9 mths to 30 Sep 2013	30 Sep 2014	30 Sep 2013	30 Sep 2014	30 Sep 2013
	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
Singapore	619.6	568.4	1,790.9	1,662.0	1,916.5	1,739.2	317.2	262.5
United Kingdom/ Ireland	256.0	227.8	736.4	541.0	447.7	460.7	24.2	134.4
Australia	105.3	126.4	309.5	378.1	805.7	886.0	21.6	59.4
China	53.5	53.1	159.2	168.8	369.4	397.3	29.9	20.2
Vietnam	1.8	1.6	5.2	4.5	13.6	11.3	3.0	3.9
Malaysia	1.1	1.1	3.2	3.2	6.5	6.2	1.1	1.3
<b>Total</b>	<b>1,037.3</b>	<b>978.4</b>	<b>3,004.4</b>	<b>2,757.6</b>	<b>3,559.4</b>	<b>3,500.7</b>	<b>397.0</b>	<b>481.7</b>

\* Comprising vehicles, premises, equipment, taxi licences, bus operating rights and goodwill.

**19 BREAKDOWN OF REVENUE**

Not applicable.

**20 BREAKDOWN OF TOTAL ANNUAL DIVIDEND (IN DOLLAR VALUE)**

Not applicable.

**21 INTERESTED PERSON TRANSACTIONS**

There were no interested person transactions of or over \$100,000 in value entered into during the financial period under review.

The Group does not have any Shareholders' mandate for interested person transactions pursuant to Rule 920 of the Listing Manual.

**22 Negative assurance confirmation on interim financial results under SGX Listing Rule 705(5) of the Listing Manual**

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the third quarter 2014 financial results to be false or misleading in any material aspects.

ON BEHALF OF THE DIRECTORS

Lim Jit Poh  
Chairman

Kua Hong Pak  
Managing Director/ Group Chief Executive Officer

**BY ORDER OF THE BOARD**

Chan Wan Tak, Wendy  
Company Secretary

13 November 2014