


COMFORTDELGRO CORPORATION LIMITED

Company Registration Number : 200300002K

Third Quarter 2018 Financial Statements Announcement

The Board of Directors announces the unaudited results of the Group for the Third Quarter and 9 months to 30 September 2018.

1 GROUP INCOME STATEMENT

	Group					
	3rd Qtr 2018	3rd Qtr 2017	Incr / (Decr)	9 Months to 30 Sep 2018	9 Months to 30 Sep 2017	Incr / (Decr)
	\$'m	\$'m	%	\$'m	\$'m	%
Revenue	967.9	891.7	8.5	2,787.8	2,654.6	5.0
Staff costs	417.7	370.4	12.8	1,204.2	1,099.0	9.6
Depreciation and amortisation	97.7	102.8	(5.0)	293.0	307.8	(4.8)
Fuel and electricity costs	79.4	58.3	36.2	218.9	170.8	28.2
Repairs and maintenance costs	74.6	66.5	12.2	214.6	191.4	12.1
Contract services	43.9	39.1	12.3	124.0	116.5	6.4
Materials and consumables costs	35.1	34.4	2.0	98.3	110.5	(11.0)
Premises costs	26.9	24.3	10.7	76.9	69.8	10.2
Insurance premiums and accident claims	26.3	25.3	4.0	75.3	83.4	(9.7)
Road tax	25.0	29.3	(14.7)	73.9	90.7	(18.5)
Advertising production and promotion costs	6.3	6.4	(1.6)	17.1	14.8	15.5
Utilities and communication costs	5.2	4.5	15.6	15.5	14.2	9.2
Vehicle leasing charges	1.6	2.5	(36.0)	5.4	9.2	(41.3)
Other operating costs	14.8	16.4	(9.8)	52.1	52.6	(1.0)
Total Operating Costs	<u>854.5</u>	<u>780.2</u>	9.5	<u>2,469.2</u>	<u>2,330.7</u>	5.9
Operating Profit	113.4	111.5	1.7	318.6	323.9	(1.6)
Net Income from Investments	3.2	3.8	(15.8)	9.0	19.7	(54.3)
Finance Costs	(2.7)	(2.8)	(3.6)	(7.8)	(8.4)	(7.1)
Share of Profit in Associate	-	0.2	N.M.	0.1	2.4	(95.8)
Profit before Taxation	113.9	112.7	1.1	319.9	337.6	(5.2)
Taxation	(21.6)	(21.0)	2.9	(60.6)	(59.9)	1.2
Profit after Taxation	<u>92.3</u>	<u>91.7</u>	0.7	<u>259.3</u>	<u>277.7</u>	(6.6)
Attributable to :						
Shareholders of the Company	<u>78.5</u>	<u>80.1</u>	<u>(2.0)</u>	<u>219.8</u>	<u>242.0</u>	<u>(9.2)</u>
Non-Controlling Interests	13.8	11.6	19.0	39.5	35.7	10.6
	<u>92.3</u>	<u>91.7</u>	0.7	<u>259.3</u>	<u>277.7</u>	(6.6)

N.M. Not meaningful

The Group has adopted Singapore Financial Reporting Standards (International) (SFRS(I)) 15 *Revenue from Contracts with customers* with effect from 1 January 2018. Certain comparative figures have been reclassified to conform to current period's presentation. Please refer to paragraph 11 for further details.

2 STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	30 Sep 2018	31 Dec 2017	30 Sep 2018	31 Dec 2017
	\$'m	\$'m	\$'m	\$'m
ASSETS				
Current assets				
Short-term deposits and bank balances	490.9	596.2	96.3	129.7
Investments	10.0	10.4	5.0	5.2
Trade receivables	327.2	250.6	-	-
Other receivables and prepayments	200.4	195.2	10.2	5.5
Inventories	132.7	113.6	-	-
Total current assets	1,161.2	1,166.0	111.5	140.4
Non-current assets				
Subsidiaries	-	-	1,230.7	1,314.5
Associates	0.9	9.0	-	0.3
Investments	31.1	28.7	20.1	18.3
Other receivables and prepayments	10.0	6.7	153.5	19.8
Grant receivables	225.7	231.2	-	-
Vehicles, premises and equipment	2,671.8	2,722.6	5.3	6.9
Taxi licences	220.0	211.9	-	-
Goodwill	562.4	428.3	-	-
Deferred tax assets	29.7	23.3	-	-
Total non-current assets	3,751.6	3,661.7	1,409.6	1,359.8
Total assets	4,912.8	4,827.7	1,521.1	1,500.2
LIABILITIES AND EQUITY				
Current liabilities				
Borrowings	153.2	114.2	3.0	-
Trade and other payables	705.8	677.3	139.7	253.0
Deferred grants	18.8	19.1	-	-
Fuel price equalisation account	20.0	20.0	-	-
Insurance premiums payable and provision for accident claims	57.1	62.2	-	-
Income tax payable	60.3	52.2	2.3	2.8
Total current liabilities	1,015.2	945.0	145.0	255.8
Non-current liabilities				
Borrowings	294.0	208.1	132.6	-
Deferred grants	281.9	282.4	-	-
Other liabilities	76.6	75.9	0.1	0.1
Fuel price equalisation account	20.0	20.0	-	-
Deferred tax liabilities	253.5	258.5	1.3	1.3
Total non-current liabilities	926.0	844.9	134.0	1.4
Total liabilities	1,941.2	1,789.9	279.0	257.2
Capital, reserves and non-controlling interests				
Share capital	691.1	688.2	691.1	688.2
Other reserves	129.6	126.4	(30.8)	(32.4)
Foreign currency translation reserve *	(93.9)	(45.3)	-	-
Accumulated profits*	1,842.6	1,848.9	581.8	587.2
Equity attributable to shareholders of the Company	2,569.4	2,618.2	1,242.1	1,243.0
Non-controlling interests	402.2	419.6	-	-
Total equity	2,971.6	3,037.8	1,242.1	1,243.0
Total liabilities and equity	4,912.8	4,827.7	1,521.1	1,500.2

* The Group has adopted SFRS (I) on 1 January 2018 and has elected the optional exemption to reset its cumulative translation reserve to nil at the date of transition on 1 January 2017. Please refer to paragraph 11 for further details.

3 AGGREGATE AMOUNT OF GROUP'S BORROWINGS

	<u>30 Sep 2018</u>	<u>31 Dec 2017</u>
	\$ 'm	\$ 'm
Secured		
Amount repayable in one year or less, or on demand	61.2	34.6
Amount repayable after one year	86.4	83.1
	<u>147.6</u>	<u>117.7</u>
Unsecured		
Amount repayable in one year or less, or on demand	92.0	79.6
Amount repayable after one year	207.6	125.0
	<u>299.6</u>	<u>204.6</u>
Total		
Amount repayable in one year or less, or on demand	153.2	114.2
Amount repayable after one year	294.0	208.1
	<u>447.2</u>	<u>322.3</u>

Details of any collateral

Details of the total secured borrowings of \$147.6m are as follows:

- a \$93.7m relates to financing of vehicles under hire purchase arrangements; and
- b \$53.9m 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
	2018	2017	30 Sep 2018	30 Sep 2017
	\$'m	\$'m	\$'m	\$'m
Operating activities:				
Profit before Taxation	113.9	112.7	319.9	337.6
Adjustments for:				
Depreciation and amortisation	97.7	102.8	293.0	307.8
Finance costs	2.7	2.8	7.8	8.4
Interest income	(2.7)	(2.5)	(8.0)	(7.2)
Dividend income	(0.5)	(1.3)	(1.0)	(12.5)
Grant income	(8.6)	(9.0)	(26.0)	(26.9)
Net gain on disposal of vehicles, premises and equipment	(0.3)	(0.6)	(1.5)	(3.1)
Insurance premiums payable and provision for accident claims	4.8	1.4	14.1	9.8
Share of profit in associate	-	(0.2)	(0.1)	(2.4)
Others	(3.8)	(0.5)	(3.8)	3.9
Operating cash flows before movements in working capital	203.2	205.6	594.4	615.4
Changes in working capital	(4.8)	(15.0)	(91.6)	(175.4)
Cash generated from operations	198.4	190.6	502.8	440.0
Income tax paid	(29.6)	(19.6)	(64.5)	(58.0)
Net cash from operating activities	168.8	171.0	438.3	382.0
Investing activities:				
Purchases of vehicles, premises and equipment	(126.1)	(116.6)	(236.6)	(246.1)
Less: Vehicles purchased under finance lease arrangements	18.5	-	27.8	-
Less: Proceeds from disposal of vehicles, premises and equipment	8.5	25.7	59.1	58.9
Cash payments on purchase of vehicles, premises and equipment	(99.1)	(90.9)	(149.7)	(187.2)
Payment for taxi licences	(0.7)	-	(15.4)	-
Acquisition of subsidiaries, net of cash [(Note (a))]	(126.5)	-	(218.7)	-
Interest received	2.4	2.1	8.5	7.8
Dividend received from an associate	-	-	-	5.4
Dividend received from investments	0.5	1.3	1.0	12.5
Net cash used in investing activities	(223.4)	(87.5)	(374.3)	(161.5)
Financing activities:				
Acquisition of non-controlling interests in subsidiaries	-	(14.1)	(1.9)	(217.8)
New loans raised	401.7	369.3	851.0	853.6
Repayment of borrowings	(279.9)	(397.0)	(761.9)	(850.8)
Dividends paid to shareholders of the Company	(94.2)	(94.1)	(225.1)	(224.9)
Dividends paid to non-controlling shareholders of subsidiaries	(10.9)	(26.1)	(51.1)	(54.7)
Proceeds from exercise of share options of the Company	0.1	0.5	2.6	9.8
Proceeds from exercise of share options of a subsidiary	-	0.3	1.3	1.6
Grants received	10.7	11.4	32.9	33.6
Interest paid	(2.8)	(3.4)	(7.9)	(9.0)
Net cash from/(used in) financing activities	24.7	(153.2)	(160.1)	(458.6)
Net effect of exchange rate changes in consolidating subsidiaries	(8.7)	1.2	(9.2)	(3.1)
Net decrease in cash and cash equivalents	(38.6)	(68.5)	(105.3)	(241.2)
Cash and cash equivalents at beginning of period	529.5	606.6	596.2	779.3
Cash and cash equivalents at end of period	490.9	538.1	490.9	538.1

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

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

	Group		Group	
	<u>3rd Qtr 2018</u>	<u>3rd Qtr 2017</u>	<u>9 Months to 30 Sep 2018</u>	<u>9 Months to 30 Sep 2017</u>
	\$'m	\$'m	\$'m	\$'m
Net (assets) liabilities acquired:				
Current assets	(6.2)	-	(32.0)	-
Non-current assets	(58.2)	-	(91.8)	-
Current liabilities	3.3	-	17.8	-
Non-current liabilities	1.3	-	16.2	-
Net assets acquired	<u>(59.8)</u>	<u>-</u>	<u>(89.8)</u>	<u>-</u>
Goodwill on acquisition	(68.1)	-	(146.7)	-
Total purchase consideration	<u>(127.9)</u>	<u>-</u>	<u>(236.5)</u>	<u>-</u>
Less: Cash on acquisition of subsidiaries	1.4	-	8.2	-
Less: Contingent consideration	-	-	9.6	-
Cash flow on acquisition, net of cash	<u><u>(126.5)</u></u>	<u><u>-</u></u>	<u><u>(218.7)</u></u>	<u><u>-</u></u>

5 GROUP COMPREHENSIVE INCOME STATEMENT

	Group		Group	
	3rd Qtr 2018 \$'m	3rd Qtr 2017 \$'m	9 Months to 30 Sep 2018 \$'m	9 Months to 30 Sep 2017 \$'m
Profit after Taxation	92.3	91.7	259.3	277.7
<i>Items that may be reclassified subsequently to profit and loss</i>				
Fair value adjustment on cash flow hedges	-	5.8	-	7.3
Fair value adjustment on bonds	(0.1)	(0.1)	(0.2)	(0.1)
Exchange differences on translation of foreign operations	(34.6)	12.2	(53.1)	10.7
	<u>(34.7)</u>	<u>17.9</u>	<u>(53.3)</u>	<u>17.9</u>
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Fair value adjustment on equity investments	(1.8)	(8.1)	2.5	(23.1)
Other comprehensive income for the period	<u>(36.5)</u>	<u>9.8</u>	<u>(50.8)</u>	<u>(5.2)</u>
Total comprehensive income for the period	<u>55.8</u>	<u>101.5</u>	<u>208.5</u>	<u>272.5</u>
Attributable to:				
Shareholders of the Company	47.2	89.0	173.4	239.9
Non-Controlling Interests	8.6	12.5	35.1	32.6
	<u>55.8</u>	<u>101.5</u>	<u>208.5</u>	<u>272.5</u>

6 STATEMENTS OF CHANGES IN EQUITY

Consolidated Statement of Changes in Equity for the 3rd quarter and 9 months to 30 September 2018:

	Group						
	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	
Balance at 1 January 2018	688.2	126.4	(170.8)	1,974.4	2,618.2	419.6	3,037.8
Reclassification on adoption of SFRS(I) 1 *	-	-	125.5	(125.5)	-	-	-
Balance at 1 January 2018 (restated)	688.2	126.4	(45.3)	1,848.9	2,618.2	419.6	3,037.8
Total comprehensive income for the period							
Profit for the period	-	-	-	141.3	141.3	25.7	167.0
Other comprehensive income for the period	-	4.2	(19.3)	-	(15.1)	0.8	(14.3)
Total	-	4.2	(19.3)	141.3	126.2	26.5	152.7
Transactions recognised directly in equity							
Adjustments arising from acquisition of interest in a subsidiary	-	0.2	0.1	-	0.3	(2.2)	(1.9)
Exercise of share options	2.8	(0.3)	-	-	2.5	-	2.5
Payment of dividends	-	-	-	(130.9)	(130.9)	-	(130.9)
Other reserves	-	1.1	-	(1.1)	-	(39.2)	(39.2)
Total	2.8	1.0	0.1	(132.0)	(128.1)	(41.4)	(169.5)
Balance at 30 June 2018	691.0	131.6	(64.5)	1,858.2	2,616.3	404.7	3,021.0
Total comprehensive income for the period							
Profit for the period	-	-	-	78.5	78.5	13.8	92.3
Other comprehensive income for the period	-	(1.9)	(29.4)	-	(31.3)	(5.2)	(36.5)
Total	-	(1.9)	(29.4)	78.5	47.2	8.6	55.8
Transactions recognised directly in equity							
Exercise of share options	0.1	-	-	-	0.1	-	0.1
Payment of dividends	-	-	-	(94.2)	(94.2)	-	(94.2)
Other reserves	-	(0.1)	-	0.1	-	(11.1)	(11.1)
Total	0.1	(0.1)	-	(94.1)	(94.1)	(11.1)	(105.2)
Balance at 30 September 2018	691.1	129.6	(93.9)	1,842.6	2,569.4	402.2	2,971.6

Consolidated Statement of Changes in Equity for the 3rd quarter and 9 months to 30 September 2017:

	Group						
	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	
Balance at 1 January 2017	676.9	23.4	(125.5)	1,900.7	2,475.5	716.6	3,192.1
Reclassification on adoption of SFRS(I) 1 *	-	-	125.5	(125.5)	-	-	-
Balance at 1 January 2017 (restated)	676.9	23.4	-	1,775.2	2,475.5	716.6	3,192.1
Total comprehensive income for the period							
Profit for the period	-	-	-	161.9	161.9	24.1	186.0
Other comprehensive income for the period	-	(13.6)	2.6	-	(11.0)	(4.0)	(15.0)
Total	-	(13.6)	2.6	161.9	150.9	20.1	171.0
Transactions recognised directly in equity							
Adjustments arising from acquisition of interest in a subsidiary	-	93.5	(30.5)	-	63.0	(266.7)	(203.7)
Exercise of share options	10.0	(0.7)	-	-	9.3	-	9.3
Payment of dividends	-	-	-	(130.8)	(130.8)	-	(130.8)
Other reserves	-	0.3	-	(1.0)	(0.7)	(28.0)	(28.7)
Total	10.0	93.1	(30.5)	(131.8)	(59.2)	(294.7)	(353.9)
Balance at 30 June 2017 (restated)	686.9	102.9	(27.9)	1,805.3	2,567.2	442.0	3,009.2
Total comprehensive income for the period							
Profit for the period	-	-	-	80.1	80.1	11.6	91.7
Other comprehensive income for the period	-	(2.7)	11.6	-	8.9	0.9	9.8
Total	-	(2.7)	11.6	80.1	89.0	12.5	101.5
Transactions recognised directly in equity							
Adjustments arising from acquisition of interest in a subsidiary	-	16.2	(11.9)	-	4.3	(18.4)	(14.1)
Exercise of share options	0.6	(0.1)	-	-	0.5	-	0.5
Payment of dividends	-	-	-	(94.1)	(94.1)	-	(94.1)
Other reserves	-	-	-	0.1	0.1	(28.8)	(28.7)
Total	0.6	16.1	(11.9)	(94.0)	(89.2)	(47.2)	(136.4)
Balance at 30 September 2017 (restated)	687.5	116.3	(28.2)	1,791.4	2,567.0	407.3	2,974.3

* The Group has adopted SFRS(I)s on 1 January 2018 and has elected the optional exemption to reset its cumulative translation reserve to nil at the date of transition of 1 January 2017. Please refer to paragraph 11 for further details.

Statement of Changes in Equity of the Company for the 3rd quarter and 9 months to 30 September 2018:

	Company			
	Share capital	Other reserves	Accumulated profits	Total equity
	\$'m	\$'m	\$'m	\$'m
Balance at 1 January 2018	688.2	(32.4)	587.2	1,243.0
Total comprehensive income for the period				
Profit for the period	-	-	132.0	132.0
Other comprehensive income for the period	-	3.5	-	3.5
Total	-	3.5	132.0	135.5
Transactions recognised directly in equity				
Exercise of share options	2.8	(0.3)	-	2.5
Payment of dividends	-	-	(130.9)	(130.9)
Other reserves	-	-	-	-
Total	2.8	(0.3)	(130.9)	(128.4)
Balance at 30 June 2018	691.0	(29.2)	588.3	1,250.1
Total comprehensive income for the period				
Profit for the period	-	-	87.7	87.7
Other comprehensive income for the period	-	(1.6)	-	(1.6)
Total	-	(1.6)	87.7	86.1
Transactions recognised directly in equity				
Exercise of share options	0.1	-	-	0.1
Payment of dividends	-	-	(94.2)	(94.2)
Total	0.1	-	(94.2)	(94.1)
Balance at 30 September 2018	691.1	(30.8)	581.8	1,242.1

Statement of Changes in Equity of the Company for the 3rd quarter and 9 months to 30 September 2017:

	Company			
	Share capital	Other reserves	Accumulated profits	Total equity
	\$'m	\$'m	\$'m	\$'m
Balance at 1 January 2017	676.9	(13.3)	365.7	1,029.3
Total comprehensive income for the period				
Profit for the period	-	-	327.0	327.0
Other comprehensive income for the period	-	(12.4)	-	(12.4)
Total	-	(12.4)	327.0	314.6
Transactions recognised directly in equity				
Exercise of share options	10.0	(0.7)	-	9.3
Payment of dividends	-	-	(130.8)	(130.8)
Other reserves	-	-	-	-
Total	10.0	(0.7)	(130.8)	(121.5)
Balance at 30 June 2017	686.9	(26.4)	561.9	1,222.4
Total comprehensive income for the period				
Profit for the period	-	-	118.0	118.0
Other comprehensive income for the period	-	(6.8)	-	(6.8)
Total	-	(6.8)	118.0	111.2
Transactions recognised directly in equity				
Exercise of share options	0.6	(0.1)	-	0.5
Payment of dividends	-	-	(94.1)	(94.1)
Total	0.6	(0.1)	(94.1)	(93.6)
Balance at 30 September 2017	687.5	(33.3)	585.8	1,240.0

7 CHANGES IN COMPANY'S SHARE CAPITAL

Share Capital

During the 3rd quarter ended 30 September 2018, the Company issued 40,000 new ordinary shares following the exercise of share options under the ComfortDelGro Employees' Share Option Scheme (ComfortDelGro Scheme).

As at 30 September 2018, the total number of issued shares was 2,165,402,663 (31 December 2017: 2,163,617,663).

Outstanding Shares – ComfortDelGro Employees' Share Option Scheme

As at 30 September 2018, options to subscribe for 4,389,000 ordinary shares (30 September 2017: 6,589,000 ordinary shares) remained outstanding under the ComfortDelGro Scheme.

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

As at 30 September 2018, the Company does not hold any treasury shares.

Note: At the Annual General Meeting of ComfortDelGro held on 26 April 2018, the Shareholders had approved the adoption of the Share Buyback Mandate and ComfortDelGro Executive Share Award Scheme.

8 AUDIT

The financial statements have not been audited or reviewed.

9 AUDITORS' REPORT

Not applicable.

10 ACCOUNTING POLICIES

Except as disclosed in paragraph 11 below, 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 2017.

11 CHANGES IN ACCOUNTING POLICIES AND ESTIMATES

Singapore-incorporated companies listed on the Singapore Exchange are required to apply a new financial reporting framework, the Singapore Financial Reporting Standards (International) (SFRS(I)s), that is identical to the International Financial Reporting Standards (IFRS) for annual periods beginning on or after 1 January 2018.

The Group has adopted a new financial reporting framework, SFRS(I)s on 1 January 2018 and has prepared its financial information under SFRS(I)s for the third quarter and nine months ended 30 September 2018.

The Group has elected for the optional exemption to reset its foreign currency translation differences for all foreign operations to nil at the date of transition on 1 January 2017. As a result, a cumulative translation loss of \$125.5m was reclassified from foreign currency translation reserve to accumulated profits as at 1 January 2017. After the date of transition, any gain or loss on disposal of any foreign operation will exclude translation differences that arose before the date of transition.

In accordance with the requirements of SFRS(I) 1 effective for the financial year beginning on or after 1 January 2018, the Group has adopted SFRS(I) 15 *Revenue from Contracts with Customers* retrospectively.

The impact is summarised in the following reconciliation:

Consolidated Income Statement

	3rd Qtr 2017			9 Months to 30 Sep 2017		
	As previously reported \$'m	Effect of SFRS(I) 15 \$'m	As restated \$'m	As previously reported \$'m	Effect of SFRS(I) 15 \$'m	As restated \$'m
Revenue	991.4	(99.7)	891.7	2,950.6	(296.0)	2,654.6
Contract services	(131.0)	91.9	(39.1)	(388.3)	271.8	(116.5)
Taxi drivers' benefits	(10.7)	10.7	-	(33.5)	33.5	-
Other operating costs	(13.5)	(2.9)	(16.4)	(43.3)	(9.3)	(52.6)
Other costs	(724.7)	-	(724.7)	(2,161.6)	-	(2,161.6)
Operating Profit	111.5	-	111.5	323.9	-	323.9

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

Earning per ordinary share

	Group			
	<u>3rd Qtr 2018</u>	<u>3rd Qtr 2017</u>	<u>9 Months to 30 Sep 2018</u>	<u>9 Months to 30 Sep 2017</u>
(i) Based on weighted average number of ordinary shares in issue - cents	3.63	3.70	10.16	11.20
(ii) On a fully diluted basis (detailing any adjustments made to the earnings) - cents	3.62	3.70	10.15	11.19

EBITDA

	Group			
	<u>3rd Qtr 2018</u>	<u>3rd Qtr 2017</u>	<u>9 Months to 30 Sep 2018</u>	<u>9 Months to 30 Sep 2017</u>
(i) EBITDA (\$'m)	211.1	214.3	611.6	631.7
(ii) EBITDA margin (%)	21.8	24.0	21.9	23.8

13 NET ASSET VALUE PER ORDINARY SHARE

	Group		Company	
	<u>30 Sep 2018</u>	<u>31 Dec 2017</u>	<u>30 Sep 2018</u>	<u>31 Dec 2017</u>
Net asset value per ordinary share based on issued share capital - cents	118.66	121.01	57.36	57.45

14 REVIEW OF GROUP PERFORMANCE

Performance Review

Group Revenue of \$967.9m for 3Q18 was \$76.2m or 8.5% higher compared to \$891.7m for 3Q17 with the increase in revenue from the existing businesses and contributions from new acquisitions. The increase in revenue came mainly from the Public Transport Services Business partially offset by decreases in the Taxi Business and the Automotive Engineering Services Business.

Group Operating Costs of \$854.5m for 3Q18 were \$74.3m or 9.5% higher compared to \$780.2m for 3Q17. The increase in operating costs was mainly from higher staff costs due mainly to additional headcount needed to support the Seletar Bus Package, higher mileage operated, new services and staff costs from the newly acquired entities, fuel and electricity costs which are largely indexed, repairs and maintenance costs, payment for contract services and premises costs partially offset by lower depreciation and road tax.

Group Operating Profit of \$113.4m for 3Q18 was \$1.9m or 1.7% higher compared to \$111.5m for 3Q17. The foreign currency translation for 3Q18 resulted in a negative impact of \$1.2m to the Group Operating Profit due mainly to the weaker A\$.

Net Income from Investments of \$3.2m for 3Q18 decreased by \$0.6m or 15.8% from \$3.8m for 3Q17 due to lower dividend received. Finance Costs of \$2.7m for 3Q18 was \$0.1m or 3.6% lower compared to \$2.8m for 3Q17.

Share of Profit in Associate for 3Q18 was lower by \$0.2m compared to 3Q17 due to the change in accounting from equity accounting to consolidation of ComfortDelGro Insurance Brokers after it became a wholly-owned subsidiary of the Group.

Consequently, Group Profit before Taxation of \$113.9m for 3Q18 was \$1.2m or 1.1% higher compared to \$112.7m for 3Q17.

Taxation for the Group of \$21.6m for 3Q18 was \$0.6m or 2.9% higher compared to \$21.0m for 3Q17.

Group Profit after Taxation of \$92.3m for 3Q18 was \$0.6m or 0.7% higher than the \$91.7m for 3Q17.

Group Profit attributable to Shareholders of the Company of \$78.5m for 3Q18 decreased by \$1.6m or 2.0% compared to \$80.1m for 3Q17.

Group Profit attributable to Non-Controlling Interests ('NCI') of \$13.8m for 3Q18 increased by \$2.2m or 19.0% compared to \$11.6m for 3Q17 due mainly to higher profits for businesses with NCI.

Revenue from Overseas for 3Q18 was 41.5% of Group Revenue compared to 41.6% for 3Q17. Operating Profit from Overseas for 3Q18 was 40.7% of Group Operating Profit compared to 44.8% for 3Q17.

A segmental breakdown by **Business** is provided under item 18.

Revenue from the Group's **Public Transport Services Business** of \$692.9m for 3Q18 was \$91.4m or 15.2% higher than the \$601.5m for 3Q17 from the actual increase in revenue of \$98.9m eroded by an unfavourable foreign currency translation of \$7.5m due mainly to the weaker A\$. The increase in revenue was due mainly to higher fees earned with higher mileages operated due to the commencement of the Seletar Bus Package in March 2018, higher ridership from rail services with the commencement of Downtown Line Stage 3 ('DTL3') in Singapore and contributions from new acquisitions in Australia and the UK.

Revenue from the Group's **Taxi Business** of \$182.0m for 3Q18 was \$16.6m or 8.4% lower compared to \$198.6m for 3Q17 due to a reduction in operating fleet. The actual decrease in revenue of \$15.9m was compounded by an unfavourable foreign currency translation of \$0.7m from the weaker RMB and A\$.

Revenue from the Group's **Automotive Engineering Services Business** of \$68.0m for 3Q18 was \$2.3m or 3.3% lower than the \$70.3m for 3Q17 due to the decrease in revenue mainly from repair and maintenance of taxis from a smaller taxi fleet.

Revenue from the Group's **Inspection and Testing Services Business** of \$26.1m for 3Q18 was \$0.2m or 0.8% lower compared to \$26.3m for 3Q17.

Revenue from the Group's **Driving Centre Business** of \$11.4m for 3Q18 was \$0.2m or 1.8% higher than that of \$11.2m for 3Q17.

Revenue from the Group's **Car Rental and Leasing Business** of \$6.7m for 3Q18 was \$0.1m or 1.5% lower than the \$6.8m for 3Q17.

Revenue from the Group's **Bus Station Business** of \$6.3m for 3Q18 decreased by \$0.2m or 3.1% from \$6.5m for 3Q17.

Statement of Financial Position

The financial position of the Group as at 30 September 2018 remained strong. Total Equity decreased by \$66.2m from \$3,037.8m as at 31 December 2017 to \$2,971.6m as at 30 September 2018 due mainly to the drop in the foreign currency translation reserve from the weaker A\$, £ and RMB and the payment of dividends partially offset by profits generated for the nine months ended 30 September 2018.

Total Assets increased by \$85.1m to \$4,912.8m as at 30 September 2018 from \$4,827.7m as at 31 December 2017 due to increases in non-current assets by \$89.9m partially offset by the decreases in current assets by \$4.8m. The increase in non-current assets was due mainly to increases in goodwill and taxi licences from the acquisitions of subsidiaries and taxi licences in Shenyang partially offset by a decrease in vehicles, premises and equipment. The decrease in current assets was due mainly to lower short-term deposits and bank balances following the payment of dividends and the use of cash for the acquisitions of subsidiaries partially offset by higher trade receivables, arising mainly from timing differences on contractual payments due from the authorities and higher inventories.

Total Liabilities increased by \$151.3m to \$1,941.2m as at 30 September 2018 from \$1,789.9m as at 31 December 2017 due to increases in non-current liabilities of \$81.1m and increase in current liabilities of \$70.2m. The increase in non-current liabilities was due mainly to an increase in long-term borrowings to finance acquisitions. The increase in current liabilities was due mainly to increases in short-term borrowings and higher trade and other payables.

Cash Flow

The Group recorded a net cash outflow of \$38.6m for 3Q18. As at 30 September 2018, the Group had short-term deposits and bank balances of \$490.9m. After accounting for the borrowings of \$447.2m, the Group had a net cash position of \$43.7m. The Group's gross gearing ratio increased to 15.0% as at 30 September 2018 compared to 10.6% as at 31 December 2017.

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 Public Transport Services Business in Singapore is expected to grow. Bus service revenue is expected to be higher with the commencement of the Seletar Bus Package from March 2018 and the Bukit Merah Bus Package in 4Q18. Rail service revenue is expected to be higher due to full year of revenue contribution from DTL3. In addition, the fare adjustment of 4.3% approved by the Public Transport Council will take effect from 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 whilst revenue from the UK Bus Business is expected to be maintained. The recent acquisition of new bus businesses in Singapore, Australia and the UK is expected to contribute to overall revenue growth.

Revenue from the Taxi Business is expected to be maintained. In Singapore, the Group will be taking delivery of up to 700 new hybrid taxis by the end of this year. The new acquisitions in China, Australia and UK will continue to contribute.

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

Revenue from the Inspection and Testing Services Business is expected to be maintained.

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

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

The Group will continue to look for acquisition opportunities. Whilst the operating environment is expected to remain competitive and challenging, costs will continue to be managed prudently.

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.

9 months to 30 September 2018	Public Transport Services	Taxi	Automotive Engineering Services	Inspection & Testing Services	Driving Centre	Car Rental & Leasing	Bus Station	Elimination	Total
	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
Revenue									
External sales	1,971.0	547.6	122.7	74.5	32.3	20.1	19.6	-	2,787.8
Inter-segment sales	1.0	-	72.3	2.3	0.2	-	-	(75.8)	-
TOTAL	1,972.0	547.6	195.0	76.8	32.5	20.1	19.6	(75.8)	2,787.8
RESULT									
Operating Profit	154.1	95.9	20.7	24.8	9.6	4.3	9.2	-	318.6
Net Income from Investments									9.0
Finance Costs									(7.8)
Share of Profit in Associate									0.1
Profit before Taxation									<u>319.9</u>
Taxation									(60.6)
Profit after Taxation									<u>259.3</u>
Non-Controlling Interests									(39.5)
Profit attributable to Shareholders of the Company									<u><u>219.8</u></u>

9 months to 30 September 2017	Public Transport Services	Taxi	Automotive Engineering Services	Inspection & Testing Services	Driving Centre	Car Rental & Leasing	Bus Station	Elimination	Total
	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
Revenue									
External sales	1,748.2	620.8	133.9	75.1	31.6	24.4	20.6	-	2,654.6
Inter-segment sales	1.1	-	85.7	2.5	0.2	-	-	(89.5)	-
TOTAL	1,749.3	620.8	219.6	77.6	31.8	24.4	20.6	(89.5)	2,654.6
RESULT									
Operating Profit	135.4	109.8	29.9	24.5	9.1	5.2	10.0	-	323.9
Net Income from Investments									19.7
Finance Costs									(8.4)
Share of Profit in Associate									2.4
Profit before Taxation									<u>337.6</u>
Taxation									(59.9)
Profit after Taxation									<u>277.7</u>
Non-Controlling Interests									(35.7)
Profit attributable to Shareholders of the Company									<u><u>242.0</u></u>

Geographical segmental information for 3rd quarter ended 30 September 2018

	Revenue				Non-current assets*		Additions to non-current assets*	
	3rd Qtr 2018	3rd Qtr 2017	9 mths to 30 Sep 2018	9 mths to 30 Sep 2017	30 Sep 2018	30 Sep 2017	30 Sep 2018	30 Sep 2017
	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
Singapore	565.9	520.4	1,650.7	1,571.1	1,591.8	1,848.6	97.1	158.6
United Kingdom/ Ireland	229.3	216.2	651.8	625.0	553.4	467.1	81.9	48.5
Australia	130.7	109.0	354.6	315.8	981.4	785.3	180.1	19.7
China	40.4	44.1	126.0	135.5	318.2	315.6	38.7	18.7
Vietnam	0.8	1.3	2.6	5.2	5.3	9.2	0.1	0.2
Malaysia	0.8	0.7	2.1	2.0	4.1	4.1	0.8	0.4
Total	967.9	891.7	2,787.8	2,654.6	3,454.2	3,429.9	398.7	246.1

* Comprising vehicles, premises, equipment, taxi licences and goodwill.

19 BREAKDOWN OF REVENUE

Not applicable.

20 BREAKDOWN OF TOTAL ANNUAL DIVIDEND (IN DOLLAR VALUE)

Not applicable.

21 INTERESTED PERSON TRANSACTIONS

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

22 CONFIRMATION PURSUANT TO RULE 720(1) OF THE LISTING MANUAL

The Company confirms that it has procured the Undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 pursuant to Rule 720(1) of the Listing Manual.

23 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 2018 financial results to be false or misleading in any material aspects.

ON BEHALF OF THE DIRECTORS

Lim Jit Poh
Chairman

Yang Ban Seng
Managing Director/ Group Chief Executive Officer

BY ORDER OF THE BOARD

Chan Wan Tak, Wendy / Yeo Tee Yeok, Edwin
Joint Company Secretaries

9 November 2018