


COMFORTDELGRO CORPORATION LIMITED

Company Registration Number : 200300002K

Second Quarter 2013 Financial Statements and Dividend Announcement

The Board of Directors announces the unaudited results of the Group for the Second Quarter and Half Year ended 30 June 2013.

1 GROUP INCOME STATEMENT

	Group					
	2nd Qtr 2013	2nd Qtr 2012	Incr / (Decr)	1st Half 2013	1st Half 2012	Incr / (Decr)
	\$'m	\$'m	%	\$'m	\$'m	%
Revenue	908.4	884.9	2.7	1,779.2	1,740.3	2.2
Staff costs	283.8	268.8	5.6	560.3	531.8	5.4
Contract services	121.6	114.0	6.7	233.2	217.3	7.3
Depreciation and amortisation	83.6	79.7	4.9	166.9	158.4	5.4
Materials and consumables	71.1	83.5	(14.9)	144.8	168.5	(14.1)
Fuel and electricity costs	67.3	71.5	(5.9)	132.2	142.9	(7.5)
Repairs and maintenance	47.1	42.6	10.6	90.0	84.8	6.1
Road tax	31.9	30.8	3.6	63.4	60.9	4.1
Insurance premiums and accident claims	29.7	27.0	10.0	59.9	55.3	8.3
Taxi drivers' benefits	17.2	16.1	6.8	34.4	34.7	(0.9)
Premises costs	16.0	16.8	(4.8)	32.6	33.0	(1.2)
Utilities and communication costs	5.6	5.7	(1.8)	11.5	11.5	-
Advertising production and promotion costs	3.5	3.4	2.9	6.7	6.6	1.5
Vehicle leasing charges	1.4	1.5	(6.7)	2.7	2.9	(6.9)
Other operating expenses	16.0	17.3	(7.5)	32.1	32.2	(0.3)
Total operating expenses	795.8	778.7	2.2	1,570.7	1,540.8	1.9
Operating profit	112.6	106.2	6.0	208.5	199.5	4.5
Net income from investments	2.1	1.8	16.7	4.8	4.0	20.0
Finance costs	(7.0)	(7.7)	(9.1)	(14.1)	(15.9)	(11.3)
Share of profit in associates	0.5	0.6	(16.7)	1.8	1.7	5.9
Profit before taxation	108.2	100.9	7.2	201.0	189.3	6.2
Taxation	(23.2)	(21.1)	10.0	(43.7)	(41.2)	6.1
Profit after taxation	85.0	79.8	6.5	157.3	148.1	6.2
Attributable to :						
Shareholders of the Company	68.9	65.0	6.0	126.6	118.5	6.8
Non-controlling interests	16.1	14.8	8.8	30.7	29.6	3.7
	85.0	79.8	6.5	157.3	148.1	6.2

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

2 STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	30 Jun 2013	31 Dec 2012	30 Jun 2013	31 Dec 2012
	\$'m	\$'m	\$'m	\$'m
ASSETS				
Current assets				
Short-term deposits and bank balances	787.4	694.6	358.1	329.2
Available-for-sale investments	5.1	-	-	-
Trade receivables	131.1	128.5	-	-
Other receivables and prepayments	329.5	174.4	3.7	1.9
Grant receivables	23.1	24.2	-	-
Due from subsidiaries	-	-	48.6	34.0
Finance lease receivables	12.0	14.7	-	-
Inventories	62.7	57.9	-	-
Total current assets	1,350.9	1,094.3	410.4	365.1
Non-current assets				
Subsidiaries	-	-	1,037.5	1,037.5
Associates	5.8	5.3	0.1	0.1
Available-for-sale investments	66.5	82.5	47.7	55.9
Other receivables and prepayments	32.0	41.8	-	-
Grant receivables	313.4	333.6	-	-
Finance lease receivables	8.8	8.6	-	-
Vehicles, premises and equipment	2,725.4	2,706.6	13.1	13.6
Taxi licences and bus operating rights	385.2	393.2	-	-
Goodwill	166.8	176.0	-	-
Deferred tax assets	3.8	3.9	-	-
Total non-current assets	3,707.7	3,751.5	1,098.4	1,107.1
Total assets	5,058.6	4,845.8	1,508.8	1,472.2
LIABILITIES AND EQUITY				
Current liabilities				
Borrowings	236.5	95.8	-	-
Trade and other payables	665.4	606.9	24.0	22.8
Trade payables for buses	20.6	26.9	-	-
Deferred grant income	19.0	20.3	-	-
Due to subsidiaries	-	-	474.6	474.9
Fuel price equalisation account	20.0	20.0	-	-
Insurance premiums payable and provision for accident claims	80.4	84.6	-	-
Income tax payable	50.3	62.5	1.4	3.3
Total current liabilities	1,092.2	917.0	500.0	501.0
Non-current liabilities				
Borrowings	606.7	607.8	-	-
Deferred grant income	330.4	347.9	-	-
Other liabilities	124.2	123.0	0.1	0.1
Fuel price equalisation account	20.0	20.0	-	-
Deferred tax liabilities	200.2	193.1	1.8	0.3
Total non-current liabilities	1,281.5	1,291.8	1.9	0.4
Total liabilities	2,373.7	2,208.8	501.9	501.4
Capital, reserves and non-controlling interests				
Share capital	613.1	585.1	613.1	585.1
Other reserves	0.6	14.1	(2.1)	8.5
Foreign currency translation reserve	(42.4)	(25.5)	-	-
Accumulated profits	1,485.5	1,434.5	395.9	377.2
Equity attributable to shareholders of the Company	2,056.8	2,008.2	1,006.9	970.8
Non-controlling interests	628.1	628.8	-	-
Total equity	2,684.9	2,637.0	1,006.9	970.8
Total liabilities and equity	5,058.6	4,845.8	1,508.8	1,472.2

3 AGGREGATE AMOUNT OF GROUP'S BORROWINGS

	<u>30 Jun 2013</u>	<u>31 Dec 2012</u>
	\$ 'm	\$ 'm
Secured		
Amount repayable in one year or less, or on demand	64.1	65.3
Amount repayable after one year	356.2	329.5
	<u>420.3</u>	<u>394.8</u>
Unsecured		
Amount repayable in one year or less, or on demand	172.4	30.5
Amount repayable after one year	250.5	278.3
	<u>422.9</u>	<u>308.8</u>
Total		
Amount repayable in one year or less, or on demand	236.5	95.8
Amount repayable after one year	606.7	607.8
	<u>843.2</u>	<u>703.6</u>

Details of any collateral

Details of the total secured borrowings of \$420.3m are as follows:

- a \$201.5m relates to financing of vehicles under hire purchase arrangements; and
- b \$218.8m relates to borrowings of subsidiaries secured by vehicles.

4 GROUP CASH FLOW STATEMENT

	Group		Group	
	2nd Qtr	2nd Qtr	1st Half	1st Half
	2013	2012	2013	2012
	\$'m	\$'m	\$'m	\$'m
Operating activities:				
Profit before taxation	108.2	100.9	201.0	189.3
Adjustments for:				
Depreciation and amortisation	83.6	79.7	166.9	158.4
Finance costs	7.0	7.7	14.1	15.9
Interest income	(2.3)	(2.1)	(4.7)	(4.3)
Dividend income	(2.7)	(2.5)	(2.7)	(2.5)
Share-based payment expense	0.3	0.3	0.6	0.6
Net gain on disposal of vehicles	(0.1)	(0.9)	(0.4)	(1.3)
Share of profit in associates	(0.5)	(0.6)	(1.8)	(1.7)
Others	4.4	6.2	5.4	7.6
Operating cash flows before movements in working capital	197.9	188.7	378.4	362.0
Changes in working capital	(85.0)	3.2	(101.9)	(19.4)
Cash generated from operations	112.9	191.9	276.5	342.6
Income tax paid	(33.7)	(29.7)	(43.1)	(40.5)
Net cash from operating activities	79.2	162.2	233.4	302.1
Investing activities:				
Purchases of vehicles, premises and equipment	(143.6)	(172.4)	(248.0)	(266.3)
Less: Proceeds from disposal of vehicles	8.7	13.4	11.7	20.4
Cash payment on purchases of vehicles, premises and equipment	(134.9)	(159.0)	(236.3)	(245.9)
Payment for taxi licenses	-	(0.1)	-	(4.3)
Increase in investment in a subsidiary	(1.4)	-	(1.4)	(0.1)
Interest received	2.1	2.3	4.5	4.1
Dividend received from an associate	-	-	1.2	1.2
Dividend received from available-for-sale investment	2.7	3.8	2.7	3.8
Net cash used in investing activities	(131.5)	(153.0)	(229.3)	(241.2)
Financing activities:				
New loans raised	189.9	64.4	218.5	185.2
Repayment of borrowings	(32.9)	(22.1)	(50.3)	(129.8)
Dividends paid to shareholders of the Company	(74.1)	(69.0)	(74.1)	(69.0)
Dividends paid to non-controlling shareholders of subsidiaries	(5.1)	(17.8)	(16.8)	(23.7)
Proceeds from exercise of share options of the Company	12.0	0.3	25.4	0.7
Proceeds from exercise of share options of subsidiaries	0.5	0.1	0.6	0.7
Interest paid	(6.7)	(8.2)	(14.0)	(15.9)
Proceeds from unclaimed dividends	-	-	0.2	-
Net cash from (used in) financing activities	83.6	(52.3)	89.5	(51.8)
Net effect of exchange rate changes in consolidating subsidiaries	(1.8)	(0.7)	(0.8)	(6.1)
Net increase (decrease) in cash and cash equivalents	29.5	(43.8)	92.8	3.0
Cash and cash equivalents at beginning of period	757.9	623.5	694.6	576.7
Cash and cash equivalents at end of period	787.4	579.7	787.4	579.7

5 GROUP COMPREHENSIVE INCOME STATEMENT

	Group		Group	
	2nd Qtr 2013	2nd Qtr 2012	1st Half 2013	1st Half 2012
	\$'m	\$'m	\$'m	\$'m
Profit after taxation	85.0	79.8	157.3	148.1
Fair value adjustment on cash flow hedges	(4.3)	(0.1)	(3.2)	(0.5)
Fair value adjustment on available-for-sale investments	(12.9)	(14.8)	(9.4)	6.6
Exchange differences on translation of foreign operations	(40.3)	(5.4)	(30.5)	(25.4)
Other comprehensive expense for the period	(57.5)	(20.3)	(43.1)	(19.3)
Total comprehensive income for the period	<u>27.5</u>	<u>59.5</u>	<u>114.2</u>	<u>128.8</u>
Attributable to:				
Shareholders of the Company	30.9	46.0	97.8	107.0
Non-controlling interests	(3.4)	13.5	16.4	21.8
	<u>27.5</u>	<u>59.5</u>	<u>114.2</u>	<u>128.8</u>

6 STATEMENTS OF CHANGES IN EQUITY

Consolidated Statement of Changes in Equity for the 2nd quarter ended 30 June 2013:

	Group						Total equity
	Attributable to shareholders of the Company					Non-controlling interests	
	Share capital	Other reserves	Foreign currency translation reserve	Accumulated profits	Total		
	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	
Balance at 1 January 2013	585.1	14.1	(25.5)	1,434.5	2,008.2	628.8	2,637.0
Total comprehensive income for the period	-	4.5	4.7	57.7	66.9	19.8	86.7
Recognition of share-based payments	-	0.3	-	-	0.3	-	0.3
Exercise of share options	14.9	(1.5)	-	-	13.4	-	13.4
Other reserves	-	-	-	0.1	0.1	(12.2)	(12.1)
Balance at 31 March 2013	600.0	17.4	(20.8)	1,492.3	2,088.9	636.4	2,725.3
Total comprehensive income (expense) for the period	-	(16.4)	(21.6)	68.9	30.9	(3.4)	27.5
Recognition of share-based payments	-	0.3	-	-	0.3	-	0.3
Exercise of share options	13.1	(1.1)	-	-	12.0	-	12.0
Payment of dividends	-	-	-	(74.1)	(74.1)	-	(74.1)
Other reserves	-	0.4	-	(1.6)	(1.2)	(4.9)	(6.1)
Balance at 30 June 2013	613.1	0.6	(42.4)	1,485.5	2,056.8	628.1	2,684.9

Consolidated Statement of Changes in Equity for the 2nd quarter ended 30 June 2012:

	Group						Total equity
	Attributable to shareholders of the Company					Non-controlling interests	
	Share capital	Other reserves	Foreign currency translation reserve	Accumulated profits	Total		
	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	
Balance at 1 January 2012	568.6	5.7	(1.2)	1,318.4	1,891.5	582.4	2,473.9
Total comprehensive income (expense) for the period	-	21.0	(13.5)	53.5	61.0	8.3	69.3
Recognition of share-based payments	-	0.3	-	-	0.3	-	0.3
Exercise of share options	0.5	(0.1)	-	-	0.4	-	0.4
Other reserves	-	2.0	-	(2.1)	(0.1)	(6.0)	(6.1)
Balance at 31 March 2012	569.1	28.9	(14.7)	1,369.8	1,953.1	584.7	2,537.8
Total comprehensive income (expense) for the period	-	(14.9)	(4.1)	65.0	46.0	13.5	59.5
Recognition of share-based payments	-	0.3	-	-	0.3	-	0.3
Exercise of share options	0.3	-	-	-	0.3	-	0.3
Payment of dividends	-	-	-	(69.0)	(69.0)	-	(69.0)
Other reserves	-	(0.1)	-	0.5	0.4	(17.7)	(17.3)
Balance at 30 June 2012	569.4	14.2	(18.8)	1,366.3	1,931.1	580.5	2,511.6

Statement of Changes in Equity of the Company for the 2nd quarter ended 30 June 2013:

	Company			
	Share capital	Other reserves	Accumulated profits	Total equity
	\$'m	\$'m	\$'m	\$'m
Balance at 1 January 2013	585.1	8.5	377.2	970.8
Total comprehensive income for the period	-	3.1	7.6	10.7
Recognition of share-based payments	-	0.3	-	0.3
Exercise of share options	14.9	(1.5)	-	13.4
Other reserves	-	(0.2)	0.3	0.1
Balance at 31 March 2013	600.0	10.2	385.1	995.3
Total comprehensive income (expense) for the period	-	(11.4)	84.8	73.4
Recognition of share-based payments	-	0.3	-	0.3
Exercise of share options	13.1	(1.1)	-	12.0
Payment of dividends	-	-	(74.1)	(74.1)
Other reserves	-	(0.1)	0.1	-
Balance at 30 June 2013	613.1	(2.1)	395.9	1,006.9

Statement of Changes in Equity of the Company for the 2nd quarter ended 30 June 2012:

	Company			
	Share capital	Other reserves	Accumulated profits	Total equity
	\$'m	\$'m	\$'m	\$'m
Balance at 1 January 2012	568.6	11.9	400.7	981.2
Total comprehensive income for the period	-	17.7	7.5	25.2
Recognition of share-based payments	-	0.3	-	0.3
Exercise of share options	0.5	(0.1)	-	0.4
Other reserves	-	(0.2)	0.2	-
Balance at 31 March 2012	569.1	29.6	408.4	1,007.1
Total comprehensive income (expense) for the period	-	(12.3)	66.6	54.3
Recognition of share-based payments	-	0.3	-	0.3
Exercise of share options	0.3	-	-	0.3
Payment of dividends	-	-	(69.0)	(69.0)
Other reserves	-	(0.2)	0.2	-
Balance at 30 June 2012	569.4	17.4	406.2	993.0

7 CHANGES IN COMPANY'S SHARE CAPITAL

Share Capital

During the 2nd quarter ended 30 June 2013, the Company issued 8,186,000 new ordinary shares following the exercise of share options under the ComfortDelGro Employees' Share Option Scheme (ComfortDelGro Scheme).

As at 30 June 2013, the total number of issued shares was 2,119,251,163 (31 December 2012: 2,101,993,163).

Outstanding Shares – ComfortDelGro Employees' Share Option Scheme

As at 30 June 2013, options to subscribe for 52.2 million ordinary shares (30 June 2012: 83.4 million ordinary shares) remained outstanding under the ComfortDelGro Scheme.

As at 30 June 2013, 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 2012.

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 2013. 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

	Group			
	2nd Qtr	2nd Qtr	1st Half	1st Half
	2013	2012	2013	2012
(i) Based on weighted average number of ordinary shares in issue - cents	3.26	3.11	6.00	5.67
(ii) On a fully diluted basis (detailing any adjustments made to the earnings) - cents	3.24	3.10	5.97	5.66

EBITDA

	Group			
	2nd Qtr	2nd Qtr	1st Half	1st Half
	2013	2012	2013	2012
(i) EBITDA (\$'m)	196.2	185.9	375.4	357.9
(ii) EBITDA margin (%)	21.6	21.0	21.1	20.6

13 NET ASSET VALUE PER ORDINARY SHARE

	Group		Company	
	30 June 2013	31 Dec 2012	30 June 2013	31 Dec 2012
	Net asset value per ordinary share based on issued share capital - cents	97.05	95.54	47.51

14 REVIEW OF GROUP PERFORMANCE

Performance Review

Group Revenue of \$908.4m for 2Q13 was \$23.5m or 2.7% higher compared to the \$884.9m for 2Q12. While actual revenue grew by \$33.5m, this was eroded by \$10.0m from the negative foreign currency translation. The increase in revenue came from the Taxi Business, the Bus Business, the Inspection and Testing Services Business, the Rail Business, the Bus Station Business and the Driving Centre Business offset by decreases in revenue at the Automotive Engineering Services Business and the Car Rental and Leasing Business.

Group Operating Expenses of \$795.8m for 2Q13 were \$17.1m or 2.2% higher compared to the \$778.7m for 2Q12. The actual increase in operating expenses of \$25.8m was mitigated by a favourable foreign currency translation of \$8.7m. The increase in operating expenses was due mainly to increases in staff costs, contract services, repairs and maintenance, depreciation, insurance premiums and accident claims, road tax and taxi drivers' benefits offset by decreases in materials and consumables and fuel and electricity costs.

Group Operating Profit of \$112.6m for 2Q13 was \$6.4m or 6.0% higher compared to the \$106.2m for 2Q12.

Net income from investments of \$2.1m for 2Q13 was \$0.3m higher than the \$1.8m for 2Q12 due to higher interest income.

Finance costs of \$7.0m for 2Q13 decreased by \$0.7m from \$7.7m for 2Q12 as the reduction in interest expense in the UK and Australia more than offset the increase in interest expense in Singapore.

For 2Q13, the share of profit in associates of \$0.5m was \$0.1m lower compared to the \$0.6m for 2Q12.

Consequently Group Profit Before Tax of \$108.2m for 2Q13 was \$7.3m or 7.2% higher compared to the \$100.9m for 2Q12.

Taxation for the Group of \$23.2m for 2Q13 was \$2.1m higher than the \$21.1m for 2Q12.

Group Profit attributable to Shareholders of the Company of \$68.9m for 2Q13 was \$3.9m or 6.0% higher than the \$65.0m for 2Q12.

Group Profit attributable to non-controlling interests of \$16.1m for 2Q13 increased by \$1.3m from \$14.8m for 2Q12.

Revenue from Overseas for 2Q13 was 38.9% compared to 40.8% of Group Revenue for 2Q12. Operating profit from Overseas for 2Q13 increased to 46.8% of Group Operating Profit compared to 44.8% a year ago.

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

Revenue from the Group's **Bus Business** of \$440.1m for 2Q13 was \$13.0m or 3.0% higher than the \$427.1m for 2Q12. Operating profit from the Group's Bus Business of \$40.0m for 2Q13 was \$5.3m higher than the \$34.7m for 2Q12.

Excluding Advertising and Rental, revenue from the Bus Business at SBS Transit of \$159.6m for 2Q13 was \$10.4m or 7.0% higher than the \$149.2m for 2Q12 from higher ridership and an increase in other operating income offset by the decrease in average fare. Average daily ridership increased by 3.0% from 2,567K for 2Q12 to 2,646K for 2Q13. Excluding Advertising and Rental, operating loss for 2Q13 was \$3.0m or a decrease of \$1.8m compared to the operating loss of \$4.8m for 2Q12. Including Advertising and Rental Revenue of \$9.3m, total bus revenue at SBS Transit amounted to \$168.9m for 2Q13 compared to the \$158.1m for 2Q12. Including Advertising and Rental, operating profit of \$3.1m for 2Q13 was \$2.0m higher than the \$1.1m for 2Q12 due to higher revenue and savings from lower fuel costs offset by higher staff costs, higher repairs and maintenance, higher depreciation and higher insurance premiums and accident claims.

ComfortDelGro Bus's revenue of \$5.2m for 2Q13 was \$0.8m lower compared to the \$6.0m for 2Q12 due to some company contracts having to be terminated as a result of the shortage of bus drivers. Operating profit of \$0.2m for 2Q13 was \$0.4m lower than the \$0.6m for 2Q12.

Revenue from the UK Bus Business of \$139.4m for 2Q13 was \$3.7m lower than the \$143.1m for 2Q12 as the real increase in revenue of \$2.1m due to service enhancements was more than eroded by the negative currency translation of \$5.8m from the weaker £. Operating profit from the UK Bus Business of \$14.5m for 2Q13 was \$3.7m higher than the \$10.8m for 2Q12 due mainly to lower fuel and other operating costs.

Revenue from the Australia Bus Business of \$120.8m for 2Q13 was \$7.6m higher compared to the \$113.2m for 2Q12 with the actual increase of \$11.3m from more services operated and contribution from Deanes Bus Lines which was acquired in September 2012 partially eroded by the unfavourable foreign currency translation of \$3.7m. Operating profit from the Australia Bus Business for 2Q13 of \$22.8m was \$1.4m higher than the \$21.4m for 2Q12.

Revenue from the China Bus Business of \$5.8m for 2Q13 was \$0.9m lower than the \$6.7m for 2Q12. Operating loss of \$0.6m for 2Q13 was \$1.4m higher compared to the operating profit of \$0.8m for 2Q12.

The Overseas Bus Business accounted for 60.4% of Group Bus Revenue for 2Q13 compared to 61.6% for 2Q12 and 91.8% of Group Bus Operating Profit for 2Q13 compared to 95.1% for 2Q12.

Revenue from the Group's **Taxi Business** of \$296.9m for 2Q13 was \$17.2m or 6.1% higher than the \$279.7m for 2Q12 due to the increases in Singapore, China and Australia offset by the decrease in the UK. Operating profit of \$39.5m for 2Q13 was \$2.6m higher than the \$36.9m for 2Q12.

Revenue from the Singapore Taxi Business of \$222.3m for 2Q13 was \$18.1m or 8.9% higher than the \$204.2m for 2Q12 due to higher rentals from the replacement of taxis, a larger operating fleet and higher cashless transactions. Operating profit from the Singapore Taxi Business of \$26.5m for 2Q13 was \$1.6m or 6.4% higher compared to the \$24.9m for 2Q12.

Revenue from the UK Taxi Business of \$27.3m for 2Q13 was \$3.1m lower compared to the \$30.4m for 2Q12 from lower corporate and taxicard bookings. Operating profit of \$1.0m for 2Q13 was \$0.3m lower than the \$1.3m for 2Q12.

Revenue from the Australia Taxi Business of \$6.2m for 2Q13 was \$0.2m higher compared to the \$6.0m for 2Q12 with an actual increase of \$0.4m eroded by the negative currency translation of \$0.2m from the weaker A\$. Operating profit of \$2.0m for 2Q13 was \$0.5m higher compared to the \$1.5m for 2Q12.

Revenue from the China Taxi Business of \$39.6m for 2Q13 was \$2.1m higher compared to the \$37.5m for 2Q12. Operating profit of \$9.9m for 2Q13 was \$1.0m higher than the \$8.9m for 2Q12 due mainly to higher rental rates following the replacements of taxis in Shenyang, Jilin and Beijing.

Revenue and operating profit from the Vietnam Taxi Business of \$1.5m and \$0.1m for 2Q13 were slightly lower than the \$1.6m and \$0.3m respectively for 2Q12.

The Overseas Taxi Business accounted for 25.1% of Group Taxi Revenue for 2Q13 compared to 27.0% for 2Q12 and 32.9% of Group Taxi Operating Profit for 2Q13 compared to 32.5% for 2Q12.

Revenue from the **Bus Station Business** at Guangzhou for 2Q13 was \$7.1m or an increase of \$0.7m from the \$6.4m for 2Q12 from the increase in passengers using the station. Operating profit of \$3.0m for 2Q13 was \$0.2m higher than the \$2.8m for 2Q12.

Excluding Advertising and Rental, revenue from the **Rail Business** at SBS Transit of \$36.4m for 2Q13 was \$2.4m or 7.1% higher than the \$34.0m for 2Q12. Average daily ridership for the North-East Line and the two LRT systems rose by 5.9% and 9.8% respectively compared to 2Q12. Including Advertising and Rental Revenue of \$4.0m, the total revenue of \$40.4m from the Rail Business for 2Q13 was \$2.3m higher than the \$38.1m for 2Q12. Excluding Advertising and Rental, the Rail Business incurred an operating loss of \$0.8m for 2Q13 as compared to an operating profit of \$1.9m for 2Q12 due mainly to the preparation for the start-up of the Downtown Line ('DTL'). Excluding the start-up costs for the DTL, operating profit for the North-East Line of \$3.3m for 2Q13 was \$0.2m higher than the \$3.1m for 2Q12. Including Advertising and Rental and costs incurred for the DTL, operating profit of \$1.8m for 2Q13 was \$2.8m lower compared to the \$4.6m for 2Q12.

Revenue from the Group's **Automotive Engineering Services Business** of \$106.1m for 2Q13 was \$10.4m lower than the \$116.5m for 2Q12 as there was no sale of cars in the Suzhou Comfort Toyota Car Dealership with its impending divestment. Operating profit from the Automotive Engineering Services Business of \$15.5m for 2Q13 was \$0.1m higher than the \$15.4m for 2Q12.

Revenue from the Group's **Inspection and Testing Services Business** of \$27.6m for 2Q13 was \$2.8m higher compared to the \$24.8m for 2Q12 contributed by higher business volume. Operating profit of \$8.6m for 2Q13 was \$0.7m higher compared to the \$7.9m for 2Q12.

Revenue from the Group's **Car Rental and Leasing Business** of \$8.5m for 2Q13 was \$0.5m lower than the \$9.0m for 2Q12. Operating profit of \$2.2m for 2Q13 was the same as that for 2Q12.

Revenue from the Group's **Driving Centre Business** of \$9.4m for 2Q13 was \$0.2m higher than the \$9.2m for 2Q12 due to the increase in enrollment at ComfortDelGro Driving Centre in Singapore. Operating profit of \$2.0m for 2Q13 was \$0.3m higher than the \$1.7m for 2Q12.

Statement of Financial Position

The financial position of the Group as at 30 June 2013 remained strong. Total Equity increased by \$47.9m from \$2,637.0m as at 31 December 2012 to \$2,684.9m as at 30 June 2013 due to profits generated in 1H13 partially offset by the payment of dividends.

Total Assets increased by \$212.8m to \$5,058.6m as at 30 June 2013 due mainly to the acquisition of the FirstGroup's Bus Business in West London, purchase of new buses and taxis, prepayment of insurance premiums at the Singapore Taxi Business and an increase in short-term deposits and cash balances.

Total Liabilities increased by \$164.9m to \$2,373.7m as at 30 June 2013 due mainly to increases in bank borrowings and trade and other payables. The increase in borrowings came from Metroline for the acquisition of FirstGroup's Bus Business in West London.

Cash Flow

The Group recorded a net cash inflow of \$29.5m for 2Q13. As at 30 June 2013, the Group had cash and short-term deposits of \$787.4m. After accounting for the borrowings of \$843.2m, the Group had a net debt position of \$55.8m and a net gearing ratio of 2.1% which was higher than that of 0.3% as at 31 December 2012. The Group's gross gearing ratio was 31.4% as at 30 June 2013 compared to 26.7% as at 31 December 2012.

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 increase with Advertising Revenue expected to be maintained and Rental Revenue expected to be higher. Revenue from the Bus Business in the UK is expected to be maintained. Revenue from the Bus Business in Australia is expected to increase while revenue from the China Bus Business is expected to be lower.

Revenue from the Rail Business is expected to be higher.

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

Revenue from the Taxi Business in Singapore is expected to increase while revenues 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 is expected to increase.

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

The Group will continue to face cost pressures.

17 DIVIDEND

(a) Current Financial Period Reported On

The Directors are pleased to declare a tax-exempt one-tier interim dividend of 3.00 cents (2012: 2.90 cents) per ordinary share.

Name of Dividend	Interim
Dividend Type	Cash; Tax-exempt one-tier
Dividend Amount per ordinary share	3.00 cents
Tax Rate	Exempt one-tier

(b) Corresponding Period of the Immediate Preceding Financial Year

Name of Dividend	Interim
Dividend Type	Cash; Tax-exempt one-tier
Dividend Amount per ordinary share	2.90 cents
Tax Rate	Exempt one-tier

(c) Date Payable

The interim dividend will be paid on 30 August 2013.

(d) Books Closure Date

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Members of the Company will be closed on 23 August 2013 for the purposes of determining Shareholders' entitlements to the interim dividend.

Duly completed and stamped transfers received by the Company's Share Registrars, B.A.C.S. Private Limited, 63 Cantonment Road, Singapore 089758 up to 5.00 p.m. on 22 August 2013 will be registered to determine Shareholders' entitlements to the interim dividend.

Shareholders (being depositors) whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on 22 August 2013 will be entitled to the interim dividend.

Half year ended 30 June 2013	Bus	Bus	Rail	Taxi	Automotive	Inspection	Car Rental	Driving	Elimination	Total
	<u>Bus</u>	<u>Station</u>	<u>Rail</u>	<u>Taxi</u>	<u>Engineering</u>	<u>& Testing</u>	<u>& Leasing</u>	<u>Centre</u>	<u>Elimination</u>	<u>Total</u>
	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
Revenue										
External sales	854.5	14.7	80.2	581.0	159.7	52.9	17.4	18.8	-	1,779.2
Inter-segment sales	1.1	-	-	-	51.3	1.5	0.1	0.1	(54.1)	-
TOTAL	855.6	14.7	80.2	581.0	211.0	54.4	17.5	18.9	(54.1)	1,779.2
RESULT										
Operating profit	73.0	6.5	4.8	71.6	25.8	17.9	4.6	4.3	-	208.5
Net income from investments										4.8
Finance costs										(14.1)
Share of profit in associates										1.8
Profit before taxation										201.0
Taxation										(43.7)
Profit after taxation										157.3
Non-controlling interests										(30.7)
Profit attributable to shareholders of the Company										126.6

Half year ended 30 June 2012	Bus	Bus	Rail	Taxi	Automotive	Inspection	Car Rental	Driving	Elimination	Total
	<u>Bus</u>	<u>Station</u>	<u>Rail</u>	<u>Taxi</u>	<u>Engineering</u>	<u>& Testing</u>	<u>& Leasing</u>	<u>Centre</u>	<u>Elimination</u>	<u>Total</u>
	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
Revenue										
External sales	836.6	13.8	75.6	550.4	180.2	48.5	17.5	17.7	-	1,740.3
Inter-segment sales	1.0	-	-	-	49.8	1.3	0.1	-	(52.2)	-
TOTAL	837.6	13.8	75.6	550.4	230.0	49.8	17.6	17.7	(52.2)	1,740.3
RESULT										
Operating profit	67.2	6.3	8.5	68.8	24.7	16.6	4.3	3.1	-	199.5
Net income from investments										4.0
Finance costs										(15.9)
Share of profit in associates										1.7
Profit before taxation										189.3
Taxation										(41.2)
Profit after taxation										148.1
Non-controlling interests										(29.6)
Profit attributable to shareholders of the Company										118.5

Geographical segmental information for 2nd quarter ended 30 June 2013

	Revenue				Non-current assets*		Additions to non-current assets*	
	2nd Qtr 2013	2nd Qtr 2012	1st Half 2013	1st Half 2012	30 June 2013	30 June 2012	30 June 2013	30 June 2012
	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
Singapore	555.4	523.7	1,093.6	1,030.6	1,699.7	1,601.8	163.6	190.0
United Kingdom/ Ireland	166.7	173.5	313.2	330.8	323.2	300.1	41.0	35.4
Australia	127.0	119.2	251.7	239.1	832.8	852.8	26.7	21.9
China	56.8	66.0	115.7	135.2	404.7	446.5	13.3	20.9
Vietnam	1.5	1.6	2.9	3.0	10.9	10.0	2.6	1.5
Malaysia	1.0	0.9	2.1	1.6	6.1	5.2	0.8	0.9
Total	908.4	884.9	1,779.2	1,740.3	3,277.4	3,216.4	248.0	270.6

* 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 second quarter 2013 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

14 August 2013