Media Release

COMFORTDELGRO

COMFORTDELGRO'S RESULTS
FOR SECOND QUARTER ENDED 30 JUNE 2017

- ***Revenue decreased by 3.4% to $987.2 million for the quarter.***
  - ***If not for a negative foreign currency translation effect of $18.2 million, the decline in Group revenue would have been lower at 1.7%.***
- ***Group operating costs decreased by 2.7% to $875.3 million, as an actual $7.3 million drop in operating cost was aided by a favourable foreign currency translation effect of $16.8 million.***
- ***Net profit decreased by 6.8% to $79.4 million.***
- ***On a half-year basis, net profit increased by 2.1% to $161.9 million.***

Singapore, 11 August 2017 – ComfortDelGro Corporation today announced its unaudited results for the second quarter ended 30 June 2017.

Highlights:

	Q2 2017 ($m)	Q2 2016 ($m)	% change	1H2017 ($m)	1H2016 ($m)	% change
Revenue	987.2	1,022.3	-3.4	1,959.2	2,017.9	-2.9
Operating Profit	111.9	122.9	-9.0	212.4	232.3	-8.6
Net Profit Attributable to Shareholders	79.4	85.2	-6.8	161.9	158.6	2.1
EBITDA	214.2	220.0	-2.6	417.4	425.4	-1.9
EPS (Based on existing share capital) - cents	3.67	3.96	-7.3	7.50	7.37	1.8

Note: All figures in Singapore dollars

Group

ComfortDelGro Corporation's second quarter revenue decreased by $35.1 million or 3.4% to $987.2 million as an actual revenue drop of $16.9 million was exacerbated by a negative foreign currency translation effect of $18.2 million, led mainly by the weaker Sterling Pound.

Group operating costs during the quarter fell by $24.1 million or 2.7% to $875.3 million as an actual drop in operating costs of $7.3 million was aided by a positive foreign currency translation effect of $16.8 million.

Group operating profit fell by $11.0 million or 9.0% to $111.9 million.

A reduction in finance costs and taxation, as well as an increase in profit contribution from the acquisition of the remaining 49% minority stake in ComfortDelGro Corporation Australia, helped to boost the bottomline during the quarter. Net profit attributable to shareholders decreased by 6.8% to $79.4 million.

For the half-year ended 30 June 2017, Group revenue decreased by 2.9% to $1.96 billion while net profit attributable to shareholders increased by 2.1% to $161.9 million.

ComfortDelGro Managing Director/Group CEO, Mr Yang Ban Seng, said: "While the performance of the public transport segment remains robust, the Group continues to face intense competition and challenges in the taxi segment, both in Singapore and overseas. The rapid growth of the private hire industry, fuelled by incentives and subsided fares, is something we continue to watch closely. We will intensify efforts and initiatives to retain our drivers and to search for new markets for more jobs for them. We are committed to remaining a dominant mobility service provider in the industry and will continue to seek growth overseas."

Operations Review

- Public Transport Services

At Group level, revenue from the Public Transport Services business increased by 1.3% to $586.3 million. The actual revenue increase was partially eroded by an unfavourable currency translation from the weaker Sterling Pound, offset by the stronger Australian Dollar.

- Taxi

Revenue for the Taxi business decreased by 10.7% to $303.9 million due to increased competition and a negative foreign currency translation from the weaker Sterling Pound and Chinese Renminbi, offset by the stronger Australian Dollar.

- Inspection and Testing Services

Revenue for the Inspection and Testing Services business fell by 4.8% to $25.6 million due to lower business volumes.

Dividend

A tax-exempt one-tier interim dividend of 4.35 cents per ordinary share has been declared, representing a payout ratio of 58.1%.

Commentary

Revenue from the Public Transport Services business in Singapore is expected to be higher. Bus service revenue is expected to be higher this year with a full year contribution of revenue under the Bus Contracting Model compared to four months' contribution in 2016. Rail service revenue is also expected to be higher with an increase in ridership although this will be affected by the 4.2% fare reduction effective 30 December 2016. Downtown Line 3 is expected to commence revenue service on 21 October 2017. Revenue from the Australia Bus business is expected to be higher while revenue from the UK Bus business is expected to decrease.

Revenue from the Taxi business is expected to be lower as the operating environment continues to be challenging with the substantial increase in private hire vehicles.

Revenue from the Automotive Engineering Services business is expected to be lower with the expected drop in taxi fleet and a corresponding reduction in the volume of diesel sold to our taxi drivers.

Revenue from the Inspection and Testing Services business is expected to be lower with the expected fall in business volumes in the non-vehicle testing business.

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

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

Revenue from the Bus Station business in China is expected to be lower with competition from the high speed rail network.

The operating environment remains challenging and costs will continue to be managed prudently.

Background

ComfortDelGro is one of the world's largest land transport companies with a total fleet size of about 44,000 buses, taxis and rental vehicles. It operates in seven countries – Singapore, China, the United Kingdom, Ireland, Australia, Vietnam and Malaysia – giving it the broadest footprint amongst its international peers.