Media Release

COMFORTDELGRO

COMFORTDELGRO TURNS IN FULL-YEAR REVENUE OF $3.97 BILLION

- ***Revenue fell by 2.2% to $3.97 billion amidst a strong competitive environment***
- ***Operating costs decreased by 1.0% to $3.56 billion***
  - ***Actual operating costs fell by $2.9 million and this was further boosted by a favourable foreign currency translation of $32.7 million.***
- ***Operating profit decreased by 11.5% to $409.2 million.***
- ***Net profit attributable to shareholders decreased by 4.9% to $301.5 million.***

Singapore, 13 February 2018 – ComfortDelGro today announced its audited results for the year ended 31 December 2017.

Highlights:

	Full Year 31 Dec 2017	**Full Year 31 Dec 2016**	**Change**
	$m	$m	%
Revenue	3,970.9	4,059.5	-2.2
Operating Profit	409.2	462.2	-11.5
Net Profit Attributable to Shareholders	301.5	317.1	-4.9
EBITDA	818.0	858.2	-4.7
EPS – cents	13.95	14.72	-5.2

Note: All figures denominated in Singapore dollars

Group

ComfortDelGro Corporation's full-year revenue fell by 2.2% or $88.6 million to $3.970.9 billion amidst an increasingly competitive environment, particularly in the taxi business segment. Actual revenue decrease of $54.1 million was due largely to a drop in the taxi and automotive engineering services businesses. An unfavourable foreign currency translation of $34.5 million further compounded the drop.

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Group operating costs however fell by 1.0% or $35.6 million to $3.56 billion due to thefavourable foreign currency translation effect of $32.7 million.

Group operating profit for the year ended 31 December 2017 decreased by 11.5% or $53.0 million to $409.2 million.

Net income from investments increased by 61.2% or $8.5 million to $22.4 million due mainly to the special dividends from Cabcharge Australia.

Correspondingly, full-year net profit attributable to shareholders decreased by 4.9% or $15.6 million to $301.5 million.

ComfortDelGro Managing Director/Group CEO, Mr Yang Ban Seng, said: "2017 was a very challenging year for the Group, most notably in the taxi business. The intense competition from ride-hailing apps has taken a toll on traditional taxi businesses everywhere. We too have not been spared, particularly in Singapore. But we have taken it in our stride and continue to strengthen our relationship with our driver partners and find ways to improve their earnings. The alliance that we entered into with Uber Technologies in December 2017 seeks to widen the revenue base for our driver partners and the Group, as well as provide more mobility choices for our customers. The year also saw the completion of the 42-km Downtown Line.

"We expect the operating environment to remain tough. We will actively look for opportunities to grow and expand the business, both in Singapore and overseas and have recently announced new investments in China and the United Kingdom[1]. More will be done," he said.

[1] Earlier this month, the Group announced two acquisitions:

- A RMB71.6 million (S$14.98 million) acquisition of 217 taxi licences and vehicles from Shenyang Tian Wen Taxi Co., Ltd.
- A £13.4 million (S$25.0 million) acquisition of New Adventure Travel Limited (NAT Group), one of the leading bus and coach operators in South Wales.

Operations Review

- Public Transport Services

At Group level, full-year revenue from the public transport services business reversed the previous year's drop with a 3.6% increase or $83.7 million to $2.39 billion. Actual revenue increase was in fact higher at $110.2 million but this was partially eroded by an unfavourable currency translation of $26.5 million from the weaker Sterling Pound and offset by the stronger Australian Dollar and Euro.

- Taxi

At Group level, full-year revenue for the taxi business fell by 9.9% or $132.1 million to $1.21 billion due to increased competition. The decrease in revenue from the underlying business of $124.8 million was compounded by a negative foreign currency translation effect of $7.3 million due to the weaker Sterling Pound and offset by the stronger Australian Dollar.

- Inspection and Testing Services

Revenue from the Group's inspection and testing services business decreased by 2.9% or $3.1 million to $104.0 million.

Dividend

A final tax-exempt one-tier dividend of 6.05 cents per share has been proposed. Together with the interim tax-exempt one-tier dividend of 4.35 cents paid earlier, the total dividend for 2017 will be 10.40 cents per share or a payout ratio of 74.6% if the final dividend is approved by shareholders at the Annual General Meeting on 26 April 2018.

Commentary

Revenue from the public transport services business in Singapore is expected to be higher. Bus service revenue is expected to increase this year with the Seletar Bus Package which will commence operations on 11 March 2018. Rail service revenue is expected to be higher with a full year contribution from Downtown Line 3 which commenced revenue service on 21 October 2017. Rail fare revenue will however be affected by the fare reduction which came into effect on 29 December 2017. Revenue from the Australian bus business is expected to be higher while revenue from the UK bus business is expected to be lower.

Revenue from the taxi business is expected to be lower from a lower fleet and a more competitive rental package to retain hirers as competition continues to be intense.

Revenue from the automotive engineering services business is expected to be lower with a smaller volume of diesel expected to be sold to our taxi drivers.

Revenue from the inspection and testing services, driving centre and car rental and leasing businesses is expected to be maintained.

The Group will continue to explore acquisition opportunities. As the operating environment will continue to be challenging, 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 over 42,100 buses, taxis and rental vehicles. We operate in seven countries – Singapore, Australia, China, the United Kingdom, Ireland, Vietnam and Malaysia.

For further clarification, please call:

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