COMFORTDELGRO CORPORATION LIMITED
Company Registration Number : 200300002K

Financial Statements and Dividend Announcement for the year ended 31 December 2012

The Board of Directors announces the audited results of the Group for the year ended 31 December 2012.

1 GROUP INCOME STATEMENT

	Group		
	FY2012	FY2011	Incr / (Decr)
	$'m	$'m	%
Revenue	3,545.3	3,411.1	3.9
Staff costs	1,093.3	1,040.5	5.1
Contract services	451.9	400.0	13.0
Materials and consumables	327.6	336.4	(2.6)
Depreciation and amortisation	323.0	316.6	2.0
Fuel and electricity costs	276.4	280.1	(1.3)
Repairs and maintenance	172.3	163.4	5.4
Road tax	123.0	121.0	1.7
Insurance premiums and accident claims	120.9	113.3	6.7
Taxi drivers' benefits	71.0	69.7	1.9
Premises costs	65.9	65.2	1.1
Utilities and communication costs	22.8	22.1	3.2
Advertising production and promotion costs	13.8	14.5	(4.8)
Vehicle leasing charges	6.6	6.4	3.1
Other operating expenses	64.5	62.7	2.9
Total operating expenses	3,133.0	3,011.9	4.0
Operating profit	412.3	399.2	3.3
Net income from investments	11.5	10.0	15.0
Finance costs	(31.4)	(35.3)	(11.0)
Share of profit in associates	3.6	5.3	(32.1)
Profit before taxation	396.0	379.2	4.4
Taxation	(85.5)	(81.7)	4.7
Profit after taxation	310.5	297.5	4.4
Attributable to :			
Shareholders of the Company	**248.9**	**235.6**	**5.6**
Non-controlling interests	61.6	61.9	(0.5)
	310.5	297.5	4.4

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

2 STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	31 Dec 2012	31 Dec 2011	31 Dec 2012	31 Dec 2011
	$'m	$'m	$'m	$'m
ASSETS				
Current assets				
Short-term deposits and bank balances	694.6	576.7	329.2	252.7
Trade receivables	128.5	133.2	-	-
Other receivables and prepayments	174.4	154.0	1.9	1.0
Grant receivables	24.2	22.5	-	-
Due from subsidiaries	-	-	34.0	61.8
Finance lease receivables	14.7	17.5	-	-
Inventories	57.9	56.5	-	-
Total current assets	1,094.3	960.4	365.1	315.5
Non-current assets				
Subsidiaries	-	-	1,037.5	1,002.2
Associates	5.3	5.7	0.1	0.1
Available-for-sale investments	82.5	86.4	55.9	58.7
Other receivables and prepayments	41.8	19.0	-	-
Grant receivables	333.6	342.8	-	-
Finance lease receivables	8.6	11.1	-	-
Vehicles, premises and equipment	2,706.6	2,603.8	13.6	15.5
Taxi licences and bus operating rights	393.2	407.2	-	-
Goodwill	176.0	145.7	-	-
Deferred tax assets	3.9	7.1	-	-
Total non-current assets	3,751.5	3,628.8	1,107.1	1,076.5
Total assets	4,845.8	4,589.2	1,472.2	1,392.0
LIABILITIES AND EQUITY				
Current liabilities				
Borrowings	95.8	198.3	-	-
Trade and other payables	606.9	594.9	22.8	20.8
Trade payables for buses	26.9	20.1	-	-
Deferred grant income	20.3	19.7	-	-
Due to subsidiaries	-	-	474.9	386.3
Fuel price equalisation account	20.0	20.0	-	-
Insurance premiums payable and provision for accident claims	84.6	85.7	-	-
Income tax payable	62.5	57.0	3.3	3.3
Total current liabilities	917.0	995.7	501.0	410.4
Non-current liabilities				
Borrowings	607.8	433.6	-	-
Deferred grant income	347.9	348.0	-	-
Other liabilities	123.0	120.1	0.1	0.1
Fuel price equalisation account	20.0	20.0	-	-
Deferred tax liabilities	193.1	191.5	0.3	0.3
Total non-current liabilities	1,291.8	1,113.2	0.4	0.4
Capital, reserves and non-controlling interests				
Share capital	585.1	568.6	585.1	568.6
Other reserves	14.1	11.6	8.5	11.9
Foreign currency translation reserve	(25.5)	(1.2)	-	-
Accumulated profits	1,434.5	1,318.4	377.2	400.7
Equity attributable to shareholders of the Company	2,008.2	1,897.4	970.8	981.2
Non-controlling interests	628.8	582.9	-	-
Total equity	2,637.0	2,480.3	970.8	981.2
Total liabilities and equity	4,845.8	4,589.2	1,472.2	1,392.0

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

3 AGGREGATE AMOUNT OF GROUP'S BORROWINGS

	31 Dec 2012 $ 'm	31 Dec 2011 $ 'm
Secured		
Amount repayable in one year or less, or on demand	65.3	134.6
Amount repayable after one year	329.5	330.5
	394.8	465.1
Unsecured		
Amount repayable in one year or less, or on demand	30.5	63.7
Amount repayable after one year	278.3	103.1
	308.8	166.8
Total		
Amount repayable in one year or less, or on demand	95.8	198.3
Amount repayable after one year	607.8	433.6
	703.6	631.9

Details of any collateral

Details of the total secured borrowings of $394.8m are as follows:

a $228.5m relates to financing of vehicles under hire purchase arrangements; and
b $166.3m relates to borrowings of subsidiaries secured by vehicles.

4 GROUP CASH FLOW STATEMENT

	Group	
	Full Year 2012	Full Year 2011
	$'m	$'m
Operating activities:		
Profit before taxation	396.0	379.2
Adjustments for:		
Depreciation and amortisation	323.0	316.6
Finance costs	31.4	35.3
Interest income	(8.7)	(7.7)
Dividend income	(5.2)	(3.0)
Share-based payment expense	1.3	2.0
Net loss on disposal of vehicles	0.3	1.0
Share of profit in associates	(3.6)	(5.3)
Others	8.9	5.0
Operating cash flows before movements in working capital	743.4	723.1
Changes in working capital	20.1	98.5
Cash generated from operations	763.5	821.6
Income tax paid	(76.3)	(44.1)
Net cash from operating activities	687.2	777.5
Investing activities:		
Purchases of vehicles, premises and equipment	(519.6)	(600.5)
Less: Vehicles purchased under finance lease arrangements	-	39.9
Proceeds from disposal of vehicles	35.6	70.7
Cash payment on purchases of vehicles, premises and equipment	(484.0)	(489.9)
Proceeds from disposal of available-for-sale investments	-	7.3
Payment for taxi licenses	(7.5)	(13.5)
Increase in investment in a subsidiary	-	(7.1)
Acquisition of a subsidiary, net of cash [Note (a)]	(68.8)	-
Proceeds from divestment [Note (b)]	52.7	0.6
Less: Non-controlling interests	(2.6)	-
Cash adjustment upon deconsolidation of subsidiaries	(17.5)	-
Divestment of subsidiaries, net of cash	32.6	0.6
Interest received	8.2	7.6
Dividend received from an associate	3.9	5.5
Dividend received from available-for-sale investment	5.2	3.0
Net cash used in investing activities	(510.4)	(486.5)
Financing activities:		
New loans raised	377.4	79.0
Repayment of borrowings	(290.6)	(198.9)
Capital contributions from non-controlling shareholders of subsidiaries	34.7	-
Dividends paid to shareholders of the Company	(129.8)	(115.0)
Dividends paid to non-controlling shareholders of subsidiaries	(33.3)	(26.5)
Proceeds from exercise of share options of the Company	15.1	2.8
Proceeds from exercise of share options of subsidiaries	0.8	3.4
Interest paid	(30.6)	(35.3)
Proceeds from unclaimed dividends	0.2	1.0
Net cash used in financing activities	(56.1)	(289.5)
Net effect of exchange rate changes in consolidating subsidiaries	(2.8)	8.5
Net increase in cash and cash equivalents	117.9	10.0
Cash and cash equivalents at beginning of year	576.7	566.7
Cash and cash equivalents at end of year	694.6	576.7

Note (a) :
Summary of the effects of acquisition of a subsidiary:

	Group	
	Full Year 2012	Full Year 2011
	$'m	$'m
Net (assets) liabilities acquired:		
Current assets	(0.1)	-
Non-current assets	(36.3)	-
Current liabilities	0.8	-
Net assets acquired	(35.6)	-
Goodwill on acqusition	(33.2)	-
Total purchase consideration, representing cash flow on acquisition	(68.8)	-

Note (b) :
Summary of the effects of divestment of subsidiaries:

	Group	
	Full Year 2012	Full Year 2011
	$'m	$'m
Net assets (liabilities) on divestment:		
Current assets	25.2	-
Non-current assets	48.6	0.9
Current liabilities	(16.8)	(0.1)
Non-current liabilities	(4.3)	-
Net assets divested	52.7	0.8
Loss on divestment	-	(0.2)
Proceeds from divestment	52.7	0.6

5 GROUP COMPREHENSIVE INCOME STATEMENT

	Group	
	Full Year 2012	Full Year 2011
	$'m	$'m
Profit after taxation	310.5	297.5
Fair value adjustment on cash flow hedges	1.0	3.4
Fair value adjustment on available-for-sale investments	(3.1)	(32.3)
Exchange differences on translation of foreign operations	(38.5)	24.5
Actuarial adjustment on defined benefit plans	2.6	(2.7)
Other comprehensive expense for the year	(38.0)	(7.1)
Total comprehensive income for the year	272.5	290.4
Attributable to:		
Shareholders of the Company	224.5	222.1
Non-controlling interests	48.0	68.3
	272.5	290.4

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

6 STATEMENTS OF CHANGES IN EQUITY

Consolidated Statement of Changes in Equity for the year ended 31 December 2012:

	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 2011	565.5	58.3	(18.9)	1,199.3	1,804.2	547.5	2,351.7
Total comprehensive income (expense) for the year	-	(31.2)	17.7	235.6	222.1	68.3	290.4
Recognition of share-based payments	-	2.0	-	-	2.0	-	2.0
Exercise of share options	3.1	(0.3)	-	-	2.8	-	2.8
Payment of dividends	-	-	-	(115.0)	(115.0)	-	(115.0)
Other reserves	-	(17.2)	-	(1.5)	(18.7)	(32.9)	(51.6)
Balance at 31 December 2011	568.6	11.6	(1.2)	1,318.4	1,897.4	582.9	2,480.3
Total comprehensive income (expense) for the year	-	(0.1)	(24.3)	248.9	224.5	48.0	272.5
Recognition of share-based payments	-	1.3	-	-	1.3	-	1.3
Exercise of share options	16.5	(1.4)	-	-	15.1	-	15.1
Payment of dividends	-	-	-	(129.8)	(129.8)	-	(129.8)
Other reserves	-	2.7	-	(3.0)	(0.3)	(2.1)	(2.4)
Balance at 31 December 2012	585.1	14.1	(25.5)	1,434.5	2,008.2	628.8	2,637.0

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

Statement of Changes in Equity of the Company for the year ended 31 December 2012:

	Company			
	Share capital	Other reserves	Accumulated profits	Total equity
	$'m	$'m	$'m	$'m
Balance at 1 January 2011	565.5	19.7	405.5	990.7
Total comprehensive income (expense) for the year	-	(29.8)	108.7	78.9
Recognition of share-based payments	-	2.0	-	2.0
Exercise of share options	3.1	(0.3)	-	2.8
Payment of dividends	-	-	(115.0)	(115.0)
Other reserves	-	20.3	1.5	21.8
Balance at 31 December 2011	568.6	11.9	400.7	981.2
Total comprehensive income (expense) for the year	-	(2.8)	105.6	102.8
Recognition of share-based payments	-	1.3	-	1.3
Exercise of share options	16.5	(1.4)	-	15.1
Payment of dividends	-	-	(129.8)	(129.8)
Other reserves	-	(0.5)	0.7	0.2
Balance at 31 December 2012	585.1	8.5	377.2	970.8

7 CHANGES IN COMPANY'S SHARE CAPITAL

Share Capital

During the financial year, the Company issued 10,984,500 new ordinary shares following the exercise of share options under the ComfortDelGro Employees' Share Option Scheme (ComfortDelGro Scheme).

As at 31 December 2012, the total number of issued shares was 2,101,993,163 (31 December 2011: 2,091,008,663).

Outstanding Shares – ComfortDelGro Employees' Share Option Scheme

As at 31 December 2012, options to subscribe for 71.4 million ordinary shares (31 December 2011: 68.4 million ordinary shares) remained outstanding under the ComfortDelGro Scheme.

As at 31 December 2012, the Company does not hold any treasury shares.

8 AUDIT

The financial statements have been audited in accordance with the Singapore Standards on Auditing.

9 AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMFORTDELGRO CORPORATION LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of ComfortDelGro Corporation Limited (the Company) and its subsidiaries (the Group) which comprise the statements of financial position of the Group and the Company as at 31 December 2012, the income statement, comprehensive income statement, statement of changes in equity and cash flow statement of the Group and statement of changes in equity of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act (the "Act") and Singapore Financial Reporting Standards and for devising and maintaining a system of internal accounting controls sufficient to provide reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor

considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2012 and of the results, changes in equity and cash flows of the Group and changes in equity of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Deloitte & Touche LLP
Public Accountants and
Certified Public Accountants

Singapore
8 February 2013

10 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below and are drawn up in accordance with the provisions of the Singapore Companies Act, Cap. 50 and Singapore Financial Reporting Standards ("FRSs").

In the current financial year, the Group has adopted the Amendments to FRS 107 - Financial Instruments: Disclosures (Transfer of Financial Assets) that is relevant to its operations and effective for annual periods beginning on 1 January 2012.

The adoption of this revised FRS 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	
		Full Year 2012	Full Year 2011
(i)	Based on weighted average number of ordinary shares in issue - cents	11.89	11.27
(ii)	On a fully diluted basis (detailing any adjustments made to the earnings) - cents	11.86	11.26

EBITDA

		Group	
		Full Year 2012	Full Year 2011
(i)	EBITDA ($'m)	735.3	715.8
(ii)	EBITDA margin (%)	20.7	21.0

13 NET ASSET VALUE PER ORDINARY SHARE

	Group		Company	
	31 Dec 2012	31 Dec 2011	31 Dec 2012	31 Dec 2011
Net asset value per ordinary share based on issued share capital - cents	95.54	90.74	46.18	46.92

14 REVIEW OF GROUP PERFORMANCE

Performance Review

Group Revenue of $3,545.3m for 2012 was $134.2m or 3.9% higher compared to $3,411.1m for 2011. The growth was broad-based and came from the Taxi Business, the Bus Business, the Bus Station Business, the Testing Services Business, the Rail Business, the Automotive Engineering Services Business and the Car Rental and Leasing Business offset by a drop in the Driving Centre Business. While Group Revenue actually increased by $145.5m, this was partly eroded by the negative foreign currency translation effect of $11.3m.

Group Operating Expenses of $3,133.0m for 2012 were $121.1m or 4.0% higher compared to $3,011.9m for 2011. These were due to higher staff costs, higher payments for contract services and reimbursement for cashless transactions to taxi drivers, higher repairs and maintenance, higher insurance premiums and accident claims, higher depreciation costs, higher road tax, higher taxi drivers' benefits, higher premises costs, higher utilities and higher vehicle leasing charges offset by lower materials and consumables, lower fuel and electricity costs and lower advertising and promotion costs. While operating expenses actually increased by $131.6m, the increase was mitigated by a positive foreign currency translation effect of $10.5m.

Consequently Group Operating Profit of $412.3m for 2012 was $13.1m or 3.3% higher compared to $399.2m for 2011.

Net income from investments of $11.5m for 2012 increased by $1.5m from $10.0m for 2011.

Finance costs decreased by $3.9m from $35.3m for 2011 to $31.4m for 2012 due to lower interest expense in Australia, the UK and China from lower borrowings offset by higher interest expense in Singapore from higher borrowings to fund the purchase of buses. Although average borrowings for the Group were higher in 2012 compared to 2011, finance costs for the Group were lower for 2012 as borrowings in Australia, the UK and China with higher interest rates were being repaid while the increase in borrowings at SBS Transit were at lower interest rates.

Share of profit in associates of $3.6m for 2012 decreased by $1.7m from $5.3m for 2011 following the reclassification of the Group's interest in Cabcharge Australia from an associate to an investment from 2Q11.

Group Profit Before Tax of $396.0m for 2012 was $16.8m or 4.4% higher compared to $379.2m for 2011.

Taxation for the Group of $85.5m for 2012 was 21.6% of Group Profit Before Tax compared to $81.7m or 21.5% for 2011.

Group Profit attributable to Shareholders of the Company of $248.9m for 2012 increased by $13.3m or 5.6% compared to $235.6m for 2011.

Non-controlling interests decreased by $0.3m from $61.9m for 2011 to $61.6m for 2012 as profits at some subsidiaries with non-controlling interests were lower.

Revenue from Overseas for 2012 was 40.7% of Group Revenue compared to 42.2% for 2011. Operating profit from Overseas for the year increased to 46.2% of Group Operating Profit compared to 45.8% a year ago.

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

Revenue of $1,721.8m from the Group's **Bus Business** for 2012 was $35.5m or 2.1% higher compared to $1,686.3m for 2011. Revenue actually increased by $48.5m but was partly eroded by the negative foreign currency translation effect of $13.0m. Operating profit of $145.6m for 2012 was $0.6m higher compared to $145.0m for 2011.

In Singapore, SBS Transit's Bus Revenue of $600.9m for 2012 increased by $34.8m from $566.1m for 2011 coming from a 3.1% increase in average daily bus ridership to 2.6m offset by a 0.5% drop in average fares. Operating loss for the core Bus Business for 2012 was $14.7m compared to the loss of $6.0m for 2011. Including the revenue of $38.0m from Bus Advertising and Rental, the total revenue of $638.9m for 2012 was higher by $35.4m compared to $603.5m for 2011. Including advertising and rental, the total operating profit of $11.1m for 2012 was $6.9m or 38.4% lower compared to $18.0m for 2011 due mainly to higher staff costs, higher depreciation, higher repairs and maintenance and higher fuel cost.

Revenue of $22.9m from ComfortDelGro Bus for 2012 decreased by $2.1m from $25.0m for 2011 due mainly to lower contract and ad hoc jobs. Operating profit of $2.1m for 2012 was $0.5m lower than the $2.6m for 2011.

In the UK, revenue of $563.8m from the Bus Business for 2012 was $5.6m higher than the $558.2m for 2011. The actual increase in revenue of $15.7m was partly eroded by the negative currency translation effect of $10.1m from the weaker £. Operating profit of $44.1m from the UK Bus Business for 2012 was $0.1m higher than the $44.0m for 2011.

In Australia, revenue of $468.6m from the Bus Business for 2012 was $22.8m higher compared to $445.8m for 2011 from more services operated with an actual increase in revenue of $26.2m partly eroded by the negative currency translation effect of $3.4m from the weaker A$. Operating profit of $89.6m for 2012 was $6.2m higher compared to $83.4m for 2011.

In China, revenue of $27.6m from the Bus Business in Shenyang for 2012 was $26.2m lower than the $53.8m for 2011. With the divestment of Shenyang ComfortDelGro Bus, operating loss for 2012 was reduced to $1.3m compared to the loss of $3.0m for 2011.

Revenue from the Overseas Bus Business for 2012 was 61.6% of Group Bus Revenue compared to 62.7% for 2011 while operating profit for 2012 was 90.9% of the Group Bus Operating Profit compared to 85.8% a year ago.

Revenue of $1,120.5m from the Group's **Taxi Business** for 2012 was $81.3m or 7.8% higher compared to $1,039.2m for 2011. Operating profit of $140.1m from the Group's Taxi Business for 2012 was $10.5m or 8.1% higher than the $129.6m for 2011.

In Singapore, revenue of $824.5m from the Taxi Business for 2012 was $75.8m or 10.1% higher compared to $748.7m for 2011 due to more replacement taxis, a larger fleet and a higher volume of cashless transactions. Operating profit of $93.2m for 2012 increased by $9.4m or 11.2% compared to $83.8m for 2011.

In the UK, revenue of $116.8m from the Taxi Business for 2012 was $13.1m lower than the $129.9m for 2011 as corporate customers and councils tightened up on taxi travel. Operating profit of $4.0m for 2012 was $0.8m lower than the $4.8m for 2011.

In Australia, revenue and operating profit for Swan Taxis were $23.6m and $6.6m respectively for 2012 which were $3.6m and $1.5m higher compared to $20.0m and $5.1m respectively for 2011 as a result of more taxis joining the Network.

In China, revenue of $149.5m from the Taxi Business for 2012 was $15.7m higher than the $133.8m for 2011. Operating profit of $35.4m for 2012 was $0.6m higher than the $34.8m for 2011.

In Vietnam, revenue of $6.1m from the Taxi Business for 2012 was $0.7m lower than the $6.8m for 2011. Operating profit of $0.9m for 2012 was $0.2m lower compared to $1.1m for 2011 due to lower gains from the disposal of old taxis.

Revenue from the Overseas Taxi Business for 2012 was 26.4% of Group Taxi Revenue compared to 28.0% a year ago while operating profit for 2012 was 33.5% of Group Operating Profit compared to 35.3% in 2011.

Revenue of $25.7m from the **Bus Station Business** in China for 2012 increased by $1.8m or 7.5% from the $23.9m for 2011 from an increase in the number of passengers using the Station, higher volume of cargo handled and higher rental income. Operating profit of $11.4m for 2012 was $0.6m higher compared to $10.8m for 2011.

Revenue of $153.2m from the **Rail Business** for 2012 was $6.2m higher than the $147.0m for 2011 due to the 6.0% increase in the North East Line's average daily ridership offset by a reduction in average fare. The Light Rail Transit System ridership also increased by 17.8%. Including Advertising and Rental Income, the total operating profit for the Rail Business decreased by $13.4m or 48.4% to $14.3m for 2012 from the $27.7m for 2011 due to higher staff costs largely from the start-up of the Downtown Line and higher repairs and maintenance for the North East Line.

Revenue of $453.6m from the **Automotive Engineering Services Business** for 2012 was $3.9m higher than the $449.7m for 2011. Operating profit of $51.2m for 2012 was $13.7m higher compared to $37.5m for 2011.

Revenue of $100.4m from the **Testing Services Business** for 2012 was $6.9m higher compared to $93.5m for 2011. The increase came from the higher number of cars inspected by VICOM and higher sales achieved by Setsco Services. The operating profit of $32.6m for 2012 was $1.9m higher than the $30.7m for 2011.

Revenue of $38.2m from the **Driving Centre Business** for 2012 was $0.8m lower than the $39.0m for 2011. Operating profit of $8.2m for 2012 was $2.4m lower than the $10.6m for 2011 due to lower revenue and higher costs.

Revenue of $35.7m from the **Car Rental and Leasing Business** for 2012 increased by $0.2m compared to $35.5m for 2011. Operating profit of $8.9m for 2012 increased by $1.6m from the $7.3m for 2011.

Statement of Financial Position

The financial position of the Group as at 31 December 2012 remained strong. Total Equity increased by $156.7m from $2,480.3m as at 31 December 2011 to $2,637.0m as at 31 December 2012 due to profits generated for the year partly reduced by the payment of dividends.

Total Assets increased by $256.6m to $4,845.8m as at 31 December 2012 due to an increase in current assets by $133.9m and an increase in non-current assets by $122.7m. The increase in current assets was due mainly to an increase in short-term deposit and cash balances. The increase in non-current assets was due to the purchase of new buses and taxis.

Total Liabilities increased by $99.9m to $2,208.8m as at 31 December 2012 due to an increase in trade and other payables and the issuance of SBS Transit's second series of the Medium Term Notes offset by the repayments of bank borrowings.

Cash Flow

The Group recorded a net cash inflow of $117.9m for 2012. As at 31 December 2012, the Group had cash and short-term deposits of $694.6m. After accounting for the borrowings of $703.6m, the Group had a net debt position of $9.0m and a net gearing ratio of 0.3% which was lower than that of 2.2% as at 31 December 2011. The Group's gross gearing ratio was 26.7% as at 31 December 2012 compared to 25.5% as at 31 December 2011.

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

No forecast or prospect statement has been previously disclosed.

16 GROUP OUTLOOK

With weaker economic growth forecast for Singapore in 2013, Bus ridership is expected to increase at a slower rate. Advertising and Rental Revenue in Singapore are expected to be maintained. Revenue from the Bus Businesses in the UK and China are expected to be maintained. Revenue from the Bus Business in Australia is expected to be higher.

Revenue from the Rail Business is expected to be higher from an expected increase in ridership.

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

Revenue from the Taxi Business in Singapore is expected to increase with more cashless transactions and new replacement taxis. Revenue from the UK, China, Australia and Vietnam Taxi Businesses are expected to be maintained.

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

Revenue from the Driving Centre Business is expected to increase with higher enrolments expected in China.

Revenue from the Testing Services Business is expected to increase.

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

The Directors are pleased to propose a tax-exempt one-tier final dividend of 3.50 cents (2011: 3.30 cents) per ordinary share.

Name of Dividend	Final
Dividend Type	Cash; Tax-exempt one-tier
Dividend Amount per ordinary share	3.50 cents
Tax Rate	Exempt one-tier

(b) Corresponding Period of the Immediate Preceding Financial Year

Name of Dividend	Final
Dividend Type	Cash; Tax-exempt one-tier
Dividend Amount per ordinary share	3.30 cents
Tax Rate	Exempt one-tier

(c) Date Payable

The proposed final dividend, if approved by the Shareholders at the Tenth Annual General Meeting of the Company to be held on 26 April 2013, will be payable on 15 May 2013.

(d) Books Closure Date

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Members of the Company will be closed on 8 May 2013 for the purposes of determining shareholders' entitlements to the proposed final 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 7 May 2013 will be registered before shareholders' entitlements to the final dividend are determined.

Shareholders (being depositors) whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares as at 5.00 p.m. on 7 May 2013 will be entitled to the proposed final dividend.

18 SEGMENT INFORMATION

Business Segments

Full Year 2012	Bus $'m	Bus Station $'m	Rail $'m	Taxi $'m	Automotive Engineering Services $'m	Testing Services $'m	Car Rental & Leasing $'m	Driving Centre $'m	Elimination $'m	Total $'m
Revenue										
External sales	1,719.7	25.7	153.2	1,120.5	354.9	97.8	35.5	38.0	-	3,545.3
Inter-segment sales	2.1	-	-	-	98.7	2.6	0.2	0.2	(103.8)	-
TOTAL	1,721.8	25.7	153.2	1,120.5	453.6	100.4	35.7	38.2	(103.8)	3,545.3
RESULT										
Operating profit	145.6	11.4	14.3	140.1	51.2	32.6	8.9	8.2	-	412.3
Net income from investments										11.5
Finance costs										(31.4)
Share of profit in associates										3.6
Profit before taxation										396.0
Taxation										(85.5)
Profit after taxation										310.5
Non-controlling interests										(61.6)
Profit attributable to shareholders of the Company										248.9
OTHER INFORMATION										
Additions of vehicles, premises and equipment	304.1	0.6	0.3	208.8	1.4	4.8	14.4	3.0	-	537.4
Additions to taxi and other licenses	18.9	-	-	7.5	-	-	-	-	-	26.4
Additions to goodwill	33.2	-	-	-	-	-	-	-	-	33.2
Depreciation expense	131.5	1.9	1.4	163.7	2.5	6.1	9.3	2.3	-	318.7
Amortisation expense	0.1	-	-	4.2	-	-	-	-	-	4.3
Provision for impairment loss recognised in income statement	-	-	-	6.1	-	-	-	-	-	6.1
STATEMENT OF FINANCIAL POSITION										
ASSETS										
Segment assets	2,423.2	21.0	38.2	1,151.0	68.7	69.0	80.1	32.3	-	3,883.5
Goodwill	138.2	-	-	22.2	0.1	13.5	1.5	0.5	-	176.0
Associates										5.3
Cash, fixed deposits, equities & bonds										777.1
Deferred tax assets										3.9
Consolidated total assets										4,845.8
LIABILITIES										
Segment liabilities	808.5	22.4	28.7	294.9	51.5	20.7	9.2	13.7	-	1,249.6
Borrowings										703.6
Income tax payable										62.5
Deferred tax liabilities										193.1
Consolidated total liabilities										2,208.8

Full Year 2011	Bus $'m	Bus Station $'m	Rail $'m	Taxi $'m	Automotive Engineering Services $'m	Testing Services $'m	Car Rental & Leasing $'m	Driving Centre $'m	Elimination $'m	Total $'m
Revenue										
External sales	1,684.1	23.9	147.0	1,039.2	351.6	90.9	35.4	39.0	-	3,411.1
Inter-segment sales	2.2	-	-	-	98.1	2.6	0.1	-	(103.0)	-
TOTAL	1,686.3	23.9	147.0	1,039.2	449.7	93.5	35.5	39.0	(103.0)	3,411.1
RESULT										
Operating profit	145.0	10.8	27.7	129.6	37.5	30.7	7.3	10.6	-	399.2
Net income from investments										10.0
Finance costs										(35.3)
Share of profit in associates										5.3
Profit before taxation										379.2
Taxation										(81.7)
Profit after taxation										297.5
Non-controlling interests										(61.9)
Profit attributable to shareholders of the Company										235.6
OTHER INFORMATION										
Additions of vehicles, premises and equipment	282.4	5.3	1.8	265.4	1.2	12.3	20.2	11.9	-	600.5
Additions to taxi and other licenses	-	-	-	13.5	-	-	-	-	-	13.5
Depreciation expense	127.1	1.8	1.2	161.3	2.5	5.6	10.5	2.2	-	312.2
Amortisation expense	0.1	-	-	4.3	-	-	-	-	-	4.4
Provision for impairment loss recognised in income statement	-	-	-	3.7	-	-	-	-	-	3.7
STATEMENT OF FINANCIAL POSITION										
ASSETS										
Segment assets	2,290.1	23.4	30.8	1,154.7	75.2	69.4	91.6	32.4	-	3,767.6
Goodwill	107.8	-	-	22.3	0.1	13.5	1.5	0.5	-	145.7
Associates										5.7
Cash, fixed deposits, equities & bonds										663.1
Deferred tax assets										7.1
Consolidated total assets										4,589.2
LIABILITIES										
Segment liabilities	806.7	21.8	29.9	276.0	50.4	20.8	10.9	12.0	-	1,228.5
Borrowings										631.9
Income tax payable										57.0
Deferred tax liabilities										191.5
Consolidated total liabilities										2,108.9

Geographical segmental information for Full Year 2012

	Revenue		Non-current assets*		Additions to non-current assets*	
	2012	2011	2012	2011	2012	2011
	$'m	$'m	$'m	$'m	$'m	$'m
Singapore	2,103.5	1,971.1	1,649.8	1,522.0	364.8	403.6
United Kingdom/ Ireland	680.6	688.1	308.9	283.5	67.7	39.7
Australia	492.2	465.8	903.7	861.8	109.0	77.3
China	259.5	276.5	398.3	474.0	51.1	90.8
Vietnam	6.1	6.8	9.3	10.7	2.2	1.1
Malaysia	3.4	2.8	5.8	4.7	2.2	1.5
Total	3,545.3	3,411.1	3,275.8	3,156.7	597.0	614.0

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

19 BREAKDOWN OF REVENUE

		Full Year 2012	Full Year 2011	Increase/ (Decrease)
		$'m	$'m	%
(a)	Revenue reported for first half year	1,740.3	1,646.0	5.7
(b)	Operating profit after tax before deducting minority interests reported for first half year	148.1	140.1	5.7
(a)	Revenue reported for second half year	1,805.0	1,765.1	2.3
(b)	Operating profit after tax before deducting minority interests reported for second half year	162.4	157.4	3.2

20 BREAKDOWN OF TOTAL ANNUAL DIVIDEND (IN DOLLAR VALUE)

	Full Year 2012	Full Year 2011
	$'m	$'m
Ordinary shares (tax-exempt one-tier)		
- Interim	60.8	56.5
- Final (proposed)	73.6	69.0
Total	134.4	125.5

21 INTERESTED PERSON TRANSACTIONS

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

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

22 DISCLOSURE OF PERSONS OCCUPYING MANAGERIAL POSITIONS

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, we confirm that as at 31 December 2012, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a Director or Chief Executive Officer or Substantial Shareholder of the Company.

BY ORDER OF THE BOARD

Chan Wan Tak, Wendy
Company Secretary

8 February 2013