

COMFORTDELGRO AND UBER JOIN FORCES

8 December 2017 – ComfortDelGro Corporation Limited and Uber Technologies, Inc. today announced that they have entered into a strategic agreement to form a joint venture that brings together one of the world’s largest land transportation companies with the world’s leading ridesharing service to leverage their operational and technological excellence.

Under the agreement, which is subject to regulatory approval, ComfortDelGro will acquire a 51-percent-stake in Uber’s wholly-owned car rental subsidiary in Singapore, Lion City Holdings Pte Ltd. The latter, in turn, operates Lion City Rentals (LCR) which has a fleet of about 14,000 vehicles. Uber will retain the remaining 49 percent.

Valued at about \$642 million, with a cash consideration of \$295 million, it ranks as ComfortDelGro’s single largest deal to-date.

Upon completion of the transaction, LCR will be able to benefit from ComfortDelGro’s world-class fleet management and operations, which will be in the interest of drivers and consumers alike. It will also create a path for ComfortDelGro’s taxi drivers to receive ride requests on the Uber driver app, thereby increasing their potential earnings while providing users of the Uber app an opportunity to directly book a ComfortDelGro taxi. The two companies are finalising additional partnership opportunities and will make further announcements in the upcoming months.

By leveraging each other’s strengths, the move will establish a multi-dimensional, personalised mobility operator, encompassing both taxi and private hire vehicles (PHVs), and providing a wide range of local transport options in an increasingly competitive environment.

ComfortDelGro Chairman, Mr Lim Jit Poh, said: “ComfortDelGro has been in the taxi business for close to five decades and we have seen the industry evolve significantly. Despite the many changes that have taken place, taxis have remained a relevant option for people get around the city. The question many have been asking is: For how long?”

“We are confident that taxis will be around for a long time to come. But we are also aware that the personalised mobility business is a very different one now. PHVs, with the advent of innovative apps like Uber, have changed the way in which consumers use public transportation and have created a more efficient use of existing resources. By working together, we feel that we will be able to unleash a lot of synergy which will benefit consumers and drivers alike,” he explained.

ComfortDelGro CEO, Mr Yang Ban Seng, elaborated: “By working together, we will be able to benefit from each other’s strengths. Uber will benefit from our fleet maintenance and management capabilities while we will benefit from Uber’s world class technology. At the same time, consumers will have even more choice with either taxis or private hire vehicles, shorter waiting times and greater reliability. It’s a win-win situation.”

Commenting on the agreement, Mr Brooks Entwistle, Uber’s Chief Business Officer for Asia Pacific said: “This strategic collaboration is good news for our two companies, it is also great for riders, drivers and for Singapore. This joint venture is a testament to the tremendous potential of ridesharing technology in this highly competitive local transportation market, and to our commitment to partnering for greater growth as we continue to build a sustainable global business. ComfortDelGro shares our vision for the future of urban mobility. This joint venture will allow ComfortDelGro and Uber to accelerate this shared vision of the future, powered by technology that unlocks the true potential of Singapore, for everyone, everywhere.”

The transaction is expected to result in increased demand for both private hire and taxi drivers as well as increased choice, shorter waiting times, and greater reliability for consumers.

Cabby Harry Ng, who has driven with ComfortDelGro Taxi for 22 years, welcomed news of the tie up. He said: "I am excited about this latest development, and believe this is a good move for both companies and for us drivers. I'm looking forward to more booking jobs and more customers."

National Taxi Association Adviser, Mr Ang Hin Kee, said: "With the agreement, I look forward to taxi drivers being able to have more jobs and consumers offered with more choices, and faster confirmation time of getting a taxi."

Ms May Seah Yi, a driver partner who has been using the Uber app for 16 months, also expressed confidence in this new joint venture saying: "This is a positive development. Drivers like us can see increased benefits, as Uber partners with one of Singapore's best brands. This is a great opportunity for more Singaporeans to benefit from Uber's technology and ComfortDelGro's operational experience."

For further clarification, please call:

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