


COMFORTDELGRO CORPORATION LIMITED

Company Registration Number : 200300002K

Second Quarter 2015 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 2015.

1 GROUP INCOME STATEMENT

	Group					
	2nd Qtr 2015	2nd Qtr 2014	Incr / (Decr)	1st Half 2015	1st Half 2014	Incr / (Decr)
	\$'m	\$'m	%	\$'m	\$'m	%
Revenue	1,037.2	1,016.3	2.1	2,000.7	1,967.1	1.7
Staff costs	343.4	333.0	3.1	673.1	645.5	4.3
Contract services	147.9	138.0	7.2	278.6	263.3	5.8
Depreciation and amortisation	96.0	87.9	9.2	187.7	172.7	8.7
Fuel and electricity costs	75.9	84.5	(10.2)	146.5	163.5	(10.4)
Repairs and maintenance costs	61.4	59.9	2.5	120.2	118.7	1.3
Materials and consumables costs	56.0	61.5	(8.9)	107.7	122.5	(12.1)
Road tax	34.1	31.7	7.6	67.9	63.2	7.4
Insurance premiums and accident claims	32.2	32.1	0.3	60.8	64.8	(6.2)
Premises costs	22.4	20.3	10.3	42.8	39.7	7.8
Taxi drivers' benefits	14.6	14.3	2.1	28.7	28.9	(0.7)
Utilities and communication costs	5.5	5.8	(5.2)	10.7	11.6	(7.8)
Vehicle leasing charges	5.2	6.0	(13.3)	9.9	11.2	(11.6)
Advertising production and promotion costs	5.8	3.5	65.7	9.6	6.5	47.7
Other operating costs	15.9	17.9	(11.2)	32.5	33.6	(3.3)
Total operating costs	<u>916.3</u>	<u>896.4</u>	2.2	<u>1,776.7</u>	<u>1,745.7</u>	1.8
Operating profit	120.9	119.9	0.8	224.0	221.4	1.2
Net income from investments	4.3	2.5	72.0	7.3	5.1	43.1
Finance costs	(4.5)	(5.9)	(23.7)	(9.2)	(11.8)	(22.0)
Share of profit in associates	0.5	0.5	-	2.0	1.8	11.1
Profit before taxation	121.2	117.0	3.6	224.1	216.5	3.5
Taxation	(24.6)	(25.3)	(2.8)	(45.1)	(47.4)	(4.9)
Profit after taxation	<u>96.6</u>	<u>91.7</u>	5.3	<u>179.0</u>	<u>169.1</u>	5.9
Attributable to :						
Shareholders of the Company	<u>80.9</u>	<u>75.7</u>	<u>6.9</u>	<u>148.5</u>	<u>139.0</u>	<u>6.8</u>
Non-controlling interests	15.7	16.0	(1.9)	30.5	30.1	1.3
	<u>96.6</u>	<u>91.7</u>	5.3	<u>179.0</u>	<u>169.1</u>	5.9

2 STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	30 Jun 2015	31 Dec 2014	30 Jun 2015	31 Dec 2014
	\$'m	\$'m	\$'m	\$'m
ASSETS				
Current assets				
Short-term deposits and bank balances	747.5	825.8	318.2	422.0
Trade receivables	157.4	117.3	-	-
Other receivables and prepayments	211.8	197.1	2.0	2.1
Grant receivables	23.7	23.9	-	-
Due from subsidiaries	-	-	5.5	12.8
Finance lease receivables	1.7	2.9	-	-
Inventories	73.0	72.3	-	-
Total current assets	1,215.1	1,239.3	325.7	436.9
Non-current assets				
Subsidiaries	-	-	1,121.5	1,121.5
Associates	8.5	8.0	0.1	0.1
Available-for-sale investments	60.3	73.7	39.7	50.0
Other receivables and prepayments	43.5	40.5	-	-
Grant receivables	252.1	265.4	-	-
Due from subsidiaries	-	-	19.7	20.5
Finance lease receivables	0.5	1.1	-	-
Vehicles, premises and equipment	3,050.0	2,895.1	10.4	11.3
Taxi licences	231.8	232.1	-	-
Goodwill	445.9	453.7	-	-
Deferred tax assets	21.0	21.8	-	-
Total non-current assets	4,113.6	3,991.4	1,191.4	1,203.4
Total assets	5,328.7	5,230.7	1,517.1	1,640.3
LIABILITIES AND EQUITY				
Current liabilities				
Borrowings	260.3	243.4	-	-
Trade and other payables	811.8	828.5	58.1	60.1
Trade payables for buses	16.9	8.3	-	-
Deferred grants	16.9	17.4	-	-
Due to subsidiaries	-	-	411.2	528.8
Fuel price equalisation account	20.0	20.0	-	-
Insurance premiums payable and provision for accident claims	81.2	84.0	-	-
Income tax payable	53.3	56.7	2.1	2.0
Total current liabilities	1,260.4	1,258.3	471.4	590.9
Non-current liabilities				
Borrowings	500.3	493.7	-	-
Deferred grants	281.8	292.3	-	-
Other liabilities	117.9	123.3	0.1	0.1
Fuel price equalisation account	20.0	20.0	-	-
Deferred tax liabilities	212.3	204.3	2.8	2.8
Total non-current liabilities	1,132.3	1,133.6	2.9	2.9
Total liabilities	2,392.7	2,391.9	474.3	593.8
Capital, reserves and non-controlling interests				
Share capital	660.4	646.4	660.4	646.4
Other reserves	(57.5)	(77.4)	(14.0)	(2.5)
Foreign currency translation reserve	(47.7)	(50.4)	-	-
Accumulated profits	1,722.1	1,671.3	396.4	402.6
Equity attributable to shareholders of the Company	2,277.3	2,189.9	1,042.8	1,046.5
Non-controlling interests	658.7	648.9	-	-
Total equity	2,936.0	2,838.8	1,042.8	1,046.5
Total liabilities and equity	5,328.7	5,230.7	1,517.1	1,640.3

3 AGGREGATE AMOUNT OF GROUP'S BORROWINGS

	<u>30 Jun 2015</u>	<u>31 Dec 2014</u>
	\$'m	\$'m
Secured		
Amount repayable in one year or less, or on demand	55.3	46.6
Amount repayable after one year	<u>329.6</u>	<u>321.7</u>
	<u>384.9</u>	<u>368.3</u>
Unsecured		
Amount repayable in one year or less, or on demand	205.0	196.8
Amount repayable after one year	<u>170.7</u>	<u>172.0</u>
	<u>375.7</u>	<u>368.8</u>
Total		
Amount repayable in one year or less, or on demand	260.3	243.4
Amount repayable after one year	<u>500.3</u>	<u>493.7</u>
	<u>760.6</u>	<u>737.1</u>

Details of any collateral

Details of the total secured borrowings of \$384.9m are as follows:

- a \$136.9m relates to financing of vehicles under hire purchase arrangements; and
- b \$248.0m relates to borrowings of subsidiaries secured by vehicles.

4 GROUP CASH FLOW STATEMENT

	Group		Group	
	2nd Qtr	2nd Qtr	1st Half	1st Half
	2015	2014	2015	2014
	\$'m	\$'m	\$'m	\$'m
Operating activities:				
Profit before taxation	121.2	117.0	224.1	216.5
Adjustments for:				
Depreciation and amortisation	96.0	87.9	187.7	172.7
Finance costs	4.5	5.9	9.2	11.8
Interest income	(3.1)	(2.5)	(6.1)	(5.1)
Dividend income	(1.2)	(2.0)	(1.2)	(2.0)
Net gain on disposal of vehicles	(1.1)	(1.1)	(1.6)	(2.6)
Share of profit in associates	(0.5)	(0.5)	(2.0)	(1.8)
Others	(0.3)	2.9	0.5	3.3
Operating cash flows before movements in working capital	215.5	207.6	410.6	392.8
Changes in working capital	(31.1)	(23.2)	(26.7)	24.2
Cash generated from operations	184.4	184.4	383.9	417.0
Income tax paid	(29.4)	(35.6)	(45.3)	(46.1)
Net cash from operating activities	155.0	148.8	338.6	370.9
Investing activities:				
Purchases of vehicles, premises and equipment	(227.3)	(130.8)	(365.7)	(255.6)
Less: Proceeds from disposal of vehicles	10.5	8.0	20.5	15.4
Cash payment on purchases of vehicles, premises and equipment	(216.8)	(122.8)	(345.2)	(240.2)
Proceeds from disposal of available-for-sale investments	-	5.0	-	5.0
Payment for taxi licences	(0.1)	(0.6)	(0.4)	(1.0)
Divestment of a subsidiary, net of cash [Note (a)]	-	3.5	-	3.5
Interest received	2.8	2.5	5.6	4.8
Dividend received from an associate	-	-	1.5	1.5
Dividend received from available-for-sale investments	1.2	2.0	1.2	2.0
Net cash used in investing activities	(212.9)	(110.4)	(337.3)	(224.4)
Financing activities:				
New loans raised	81.3	64.6	203.6	161.1
Repayment of borrowings	(88.1)	(191.1)	(174.3)	(284.5)
Dividends paid to shareholders of the Company	(96.6)	(85.3)	(96.6)	(85.3)
Dividends paid to non-controlling shareholders of subsidiaries	(11.5)	(13.4)	(20.3)	(23.5)
Proceeds from exercise of share options of the Company	8.0	8.4	12.8	13.7
Proceeds from exercise of share options of subsidiaries	0.2	0.6	0.2	0.9
Interest paid	(4.2)	(5.7)	(9.1)	(11.8)
Proceeds from unclaimed dividends	-	0.3	-	0.3
Net cash used in financing activities	(110.9)	(221.6)	(83.7)	(229.1)
Net effect of exchange rate changes in consolidating subsidiaries	(2.1)	0.8	4.1	(3.9)
Net decrease in cash and cash equivalents	(170.9)	(182.4)	(78.3)	(86.5)
Cash and cash equivalents at beginning of period	918.4	926.5	825.8	830.6
Cash and cash equivalents at end of period	747.5	744.1	747.5	744.1

Note (a):

Summary of the effects of divestment of a subsidiary:

	Group		Group	
	2nd Qtr 2015 \$'m	2nd Qtr 2014 \$'m	1st Half 2015 \$'m	1st Half 2014 \$'m
Net assets (liabilities) on divestment:				
Current assets	-	0.5	-	0.5
Non-current assets	-	4.4	-	4.4
Current liabilities	-	(0.3)	-	(0.3)
Net assets divested	-	4.6	-	4.6
Non-controlling interests	-	(0.6)	-	(0.6)
Proceeds from divestment	-	4.0	-	4.0
Less : cash on divestment of a subsidiary	-	(0.5)	-	(0.5)
Cash flow on divestment, net of cash	-	3.5	-	3.5

5 GROUP COMPREHENSIVE INCOME STATEMENT

	Group		Group	
	2nd Qtr	2nd Qtr	1st Half	1st Half
	2015	2014	2015	2014
	\$'m	\$'m	\$'m	\$'m
Profit after taxation	96.6	91.7	179.0	169.1
<i>Items that may be reclassified subsequently to profit and loss</i>				
Fair value adjustment on cash flow hedges	26.9	1.4	36.5	(4.4)
Fair value adjustment on available-for-sale investments	(11.4)	0.4	(12.2)	2.4
Exchange differences on translation of foreign operations	2.8	7.8	(2.6)	10.8
Other comprehensive income for the period	18.3	9.6	21.7	8.8
Total comprehensive income for the period	114.9	101.3	200.7	177.9
Attributable to:				
Shareholders of the Company	99.1	83.5	171.3	144.1
Non-controlling interests	15.8	17.8	29.4	33.8
	114.9	101.3	200.7	177.9

6 STATEMENTS OF CHANGES IN EQUITY

Consolidated Statement of Changes in Equity for the 2nd quarter ended 30 June 2015:

	Group						
	Attributable to shareholders of the Company				Total	Non-controlling interests	equity
	Share capital	Other reserves	Foreign currency translation reserve	Accumulated profits			
	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
Balance at 1 January 2015	646.4	(77.4)	(50.4)	1,671.3	2,189.9	648.9	2,838.8
Total comprehensive income for the period							
Profit for the period	-	-	-	67.6	67.6	14.8	82.4
Other comprehensive income for the period	-	7.6	(3.0)	-	4.6	(1.2)	3.4
Total	-	7.6	(3.0)	67.6	72.2	13.6	85.8
Transactions recognised directly in equity							
Exercise of share options	5.3	(0.5)	-	-	4.8	-	4.8
Other reserves	-	-	-	-	-	(8.8)	(8.8)
Total	5.3	(0.5)	-	-	4.8	(8.8)	(4.0)
Balance at 31 March 2015	651.7	(70.3)	(53.4)	1,738.9	2,266.9	653.7	2,920.6
Total comprehensive income for the period							
Profit for the period	-	-	-	80.9	80.9	15.7	96.6
Other comprehensive income for the period	-	12.5	5.7	-	18.2	0.1	18.3
Total	-	12.5	5.7	80.9	99.1	15.8	114.9
Transactions recognised directly in equity							
Exercise of share options	8.7	(0.7)	-	-	8.0	-	8.0
Payment of dividends	-	-	-	(96.6)	(96.6)	-	(96.6)
Other reserves	-	1.0	-	(1.1)	(0.1)	(10.8)	(10.9)
Total	8.7	0.3	-	(97.7)	(88.7)	(10.8)	(99.5)
Balance at 30 June 2015	660.4	(57.5)	(47.7)	1,722.1	2,277.3	658.7	2,936.0

Consolidated Statement of Changes in Equity for the 2nd quarter ended 30 June 2014:

	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 2014	622.7	10.5	(35.3)	1,556.8	2,154.7	639.8	2,794.5
Total comprehensive income for the period							
Profit for the period	-	-	-	63.3	63.3	14.1	77.4
Other comprehensive income for the period	-	(3.2)	0.5	-	(2.7)	1.9	(0.8)
Total	-	(3.2)	0.5	63.3	60.6	16.0	76.6
Transactions recognised directly in equity							
Exercise of share options	5.8	(0.5)	-	-	5.3	-	5.3
Other reserves	-	0.3	-	(0.2)	0.1	(9.9)	(9.8)
Total	5.8	(0.2)	-	(0.2)	5.4	(9.9)	(4.5)
Balance at 31 March 2014	628.5	7.1	(34.8)	1,619.9	2,220.7	645.9	2,866.6
Total comprehensive income for the period							
Profit for the period	-	-	-	75.7	75.7	16.0	91.7
Other comprehensive income for the period	-	1.7	6.1	-	7.8	1.8	9.6
Total	-	1.7	6.1	75.7	83.5	17.8	101.3
Transactions recognised directly in equity							
Exercise of share options	9.2	(0.8)	-	-	8.4	-	8.4
Payment of dividends	-	-	-	(85.3)	(85.3)	-	(85.3)
Other reserves	-	0.8	-	(0.8)	-	(13.6)	(13.6)
Total	9.2	-	-	(86.1)	(76.9)	(13.6)	(90.5)
Balance at 30 June 2014	637.7	8.8	(28.7)	1,609.5	2,227.3	650.1	2,877.4

Statement of Changes in Equity of the Company for the 2nd quarter ended 30 June 2015:

	Company			
	Share capital	Other reserves	Accumulated profits	Total equity
	\$'m	\$'m	\$'m	\$'m
Balance at 1 January 2015	646.4	(2.5)	402.6	1,046.5
Total comprehensive income for the period				
Profit for the period	-	-	11.1	11.1
Other comprehensive income for the period	-	(0.9)	-	(0.9)
Total	-	(0.9)	11.1	10.2
Transactions recognised directly in equity				
Exercise of share options	5.3	(0.5)	-	4.8
Total	5.3	(0.5)	-	4.8
Balance at 31 March 2015	651.7	(3.9)	413.7	1,061.5
Total comprehensive income for the period				
Profit for the period	-	-	79.3	79.3
Other comprehensive income for the period	-	(9.4)	-	(9.4)
Total	-	(9.4)	79.3	69.9
Transactions recognised directly in equity				
Exercise of share options	8.7	(0.7)	-	8.0
Payment of dividends	-	-	(96.6)	(96.6)
Total	8.7	(0.7)	(96.6)	(88.6)
Balance at 30 June 2015	660.4	(14.0)	396.4	1,042.8

Statement of Changes in Equity of the Company for the 2nd quarter ended 30 June 2014:

	Company			
	Share capital	Other reserves	Accumulated profits	Total equity
	\$'m	\$'m	\$'m	\$'m
Balance at 1 January 2014	622.7	(4.2)	391.4	1,009.9
Total comprehensive income for the period				
Profit for the period	-	-	25.3	25.3
Other comprehensive income for the period	-	1.9	-	1.9
Total	-	1.9	25.3	27.2
Transactions recognised directly in equity				
Exercise of share options	5.8	(0.5)	-	5.3
Other reserves	-	(0.1)	0.1	-
Total	5.8	(0.6)	0.1	5.3
Balance at 31 March 2014	628.5	(2.9)	416.8	1,042.4
Total comprehensive income for the period				
Profit for the period	-	-	106.5	106.5
Other comprehensive income for the period	-	0.4	-	0.4
Total	-	0.4	106.5	106.9
Transactions recognised directly in equity				
Exercise of share options	9.2	(0.8)	-	8.4
Payment of dividends	-	-	(85.3)	(85.3)
Other reserves	-	(0.1)	0.3	0.2
Total	9.2	(0.9)	(85.0)	(76.7)
Balance at 30 June 2014	637.7	(3.4)	438.3	1,072.6

7 CHANGES IN COMPANY'S SHARE CAPITAL

Share Capital

During the 2nd quarter ended 30 June 2015, the Company issued 5,157,000 new ordinary shares following the exercise of share options under the ComfortDelGro Employees' Share Option Scheme (ComfortDelGro Scheme).

As at 30 June 2015, the total number of issued shares was 2,147,358,663 (31 December 2014: 2,139,407,563).

Outstanding Shares – ComfortDelGro Employees' Share Option Scheme

As at 30 June 2015, options to subscribe for 22.5 million ordinary shares (30 June 2014: 35.7 million ordinary shares) remained outstanding under the ComfortDelGro Scheme.

The ComfortDelGro Scheme was not renewed following its expiry on 17 February 2013.

As at 30 June 2015, 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 2014.

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 1 January 2015.

The adoption of these new and revised FRSs 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
	2015	2014	2015	2014
(i) Based on weighted average number of ordinary shares in issue - cents	3.77	3.55	6.93	6.53
(ii) On a fully diluted basis (detailing any adjustments made to the earnings) - cents	3.75	3.53	6.89	6.50

EBITDA

	Group			
	2nd Qtr	2nd Qtr	1st Half	1st Half
	2015	2014	2015	2014
(i) EBITDA (\$'m)	216.9	207.8	411.7	394.1
(ii) EBITDA margin (%)	20.9	20.4	20.6	20.0

13 NET ASSET VALUE PER ORDINARY SHARE

	Group		Company	
	30 Jun 2015	31 Dec 2014	30 Jun 2015	31 Dec 2014
	Net asset value per ordinary share based on issued share capital - cents	106.05	102.36	48.56

14 REVIEW OF GROUP PERFORMANCE

Performance Review

Group Revenue of \$1,037.2m for 2Q15 was \$20.9m or 2.1% higher compared to the \$1,016.3m for 2Q14. The growth came from all Businesses except for the Automotive Engineering Services and the Driving Centre Businesses. While Group revenue actually increased by \$35.1m, this was eroded by an unfavourable foreign currency translation of \$14.2m from the weaker A\$ and £ offset by the stronger RMB.

Group Operating Costs of \$916.3m for 2Q15 were \$19.9m or 2.2% higher compared to the \$896.4m for 2Q14. While operating costs actually increased by \$32.4m, these were mitigated by a favourable foreign currency translation of \$12.5m. The increases were mainly due to higher staff costs, higher payments for contract services, higher depreciation, higher road tax offset by lower fuel and electricity costs and lower materials and consumables.

Group Operating Profit of \$120.9m for 2Q15 was \$1.0m or 0.8% higher compared to the \$119.9m for 2Q14.

Net income from investments of \$4.3m for 2Q15 increased by \$1.8m or 72.0% from \$2.5m for 2Q14 due mainly to the non-recurrence of a provision for impairment in 2Q14. Finance costs for 2Q15 decreased by \$1.4m or 23.7% from \$5.9m in 2Q14 to \$4.5m due to the decrease in interest expenses in Australia and the UK with the repayment of borrowings which more than offset the increase in interest expenses from higher borrowings in Singapore.

Share of profit in associates of \$0.5m for 2Q15 was the same as that for 2Q14.

Group Profit Before Tax of \$121.2m for 2Q15 was \$4.2m or 3.6% higher compared to the \$117.0m for 2Q14.

Taxation for the Group of \$24.6m for 2Q15 was 20.3% of Group Profit Before Tax compared to the \$25.3m or 21.6% for 2Q14 due mainly to a higher amount of non-tax deductible items in 2Q14 and the reduction in the UK corporate tax rate from 21% in 2Q14 to 20% in 2Q15.

Group Profit attributable to Shareholders of the Company of \$80.9m for 2Q15 increased by \$5.2m or 6.9% compared to the \$75.7m for 2Q14.

Group Profit attributable to non-controlling interests decreased by \$0.3m or 1.9% from \$16.0m for 2Q14 to \$15.7m for 2Q15 as a result of lower profits in the businesses with non-controlling interests.

Revenue from Overseas for 2Q15 was 39.5% of Group Revenue compared to 41.2% for 2Q14. Operating profit from Overseas for 2Q15 was 46.3% of Group Operating Profit compared to 50.7% in 2Q14.

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

Revenue from the Group's **Bus Business** of \$538.6m for 2Q15 was \$21.4m or 4.1% higher than the \$517.2m for 2Q14. The actual increase in revenue of \$38.4m was partially eroded by an unfavourable foreign currency translation of \$17.0m from the weaker A\$ and £. Of the \$538.6m, the Singapore Bus Business contributed \$221.8m, the UK/Ireland Bus Business contributed \$222.7m and the Australia Bus Business contributed \$94.1m. Revenue from the Overseas Bus

Business for 2Q15 was 58.8% of Group Bus Revenue compared to 62.9% for 2Q14.

Revenue from the Group's **Taxi Business** of \$330.8m for 2Q15 was \$10.6m or 3.3% higher compared to the \$320.2m for 2Q14. The actual increase in revenue of \$8.7m was boosted by a favourable foreign currency translation of \$1.9m from the stronger RMB. Of the \$330.8m, the Singapore Taxi Business contributed \$250.1m, the UK Taxi Business contributed \$30.9m, the Australia Taxi Business contributed \$4.1m, the China Taxi Business contributed \$43.7m and the Vietnam Taxi Business contributed \$2.0m. Revenue from the Overseas Taxi Business for 2Q15 was 24.4% of Group Taxi Revenue compared to 25.5% for 2Q14.

Revenue from the **Bus Station Business** at Guangzhou of \$7.4m for 2Q15 increased by \$0.3m or 4.2% from the \$7.1m for 2Q14 mainly from the favourable currency translation of the stronger RMB.

Revenue from the **Rail Business** for 2Q15 of \$52.1m was \$3.3m or 6.8% higher than the \$48.8m for 2Q14 due mainly to the increases in average daily ridership and average fare.

Revenue from the Group's **Automotive Engineering Services Business** of \$94.8m for 2Q15 was \$13.1m or 12.1% lower than the \$107.9m for 2Q14 due mainly to lower prices for the sale of diesel to taxi hirers.

Revenue from the Group's **Inspection and Testing Services Business** of \$28.4m for 2Q15 was \$0.2m or 0.7% higher compared to the \$28.2m for 2Q14.

Revenue from the Group's **Driving Centre Business** of \$9.9m for 2Q15 was \$0.1m or 1.0% lower than the \$10.0m for 2Q14.

Revenue from the Group's **Car Rental and Leasing Business** of \$9.7m for 2Q15 was \$0.9m or 10.2% higher than the \$8.8m for 2Q14 due to a larger fleet.

Statement of Financial Position

The financial position of the Group as at 30 June 2015 remained strong. Total Equity increased by \$97.2m from \$2,838.8m as at 31 December 2014 to \$2,936.0m as at 30 June 2015 due to profits generated in 1H15 partially offset by the payment of dividends.

Total Assets increased by \$98.0m to \$5,328.7m as at 30 June 2015 due to an increase in non-current assets by \$122.2m offset by a decrease in current assets by \$24.2m. The increase in non-current assets was due mainly to the purchase of new buses and taxis. The decrease in current assets was due mainly to a decrease in short-term deposits and bank balances following the payment of the final 2014 dividends offset by an increase in trade receivables and other receivables and prepayments.

Total Liabilities increased by \$0.8m to \$2,392.7m as at 30 June 2015 due mainly to the increase in borrowings offset largely by decreases in trade and other payables and deferred grants.

Cash Flow

The Group recorded a net cash outflow of \$170.9m for 2Q15 due to the payment of dividends and capital expenditure. As at 30 June 2015, the Group had short-term deposits and bank balances of \$747.5m. After accounting for the borrowings of \$760.6m, the Group had a net debt position of \$13.1m and a net gearing ratio of 0.4%. The Group's gross gearing ratio was 25.9% as at 30 June 2015 compared to 26.0% as at 31 December 2014.

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 Bus Business is expected to be higher.

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 is expected to be higher.

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 be maintained.

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

Cost pressures and keen competition will continue to be felt.

17 DIVIDEND

(a) Current Financial Period Reported On

The Directors are pleased to declare a tax-exempt one-tier interim dividend of 4.00 cents (2014: 3.75 cents) per ordinary share.

Name of Dividend	Interim
Dividend Type	Cash; Tax-exempt one-tier
Dividend Amount per ordinary share	4.00 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	3.75 cents
Tax Rate	Exempt one-tier

(c) Date Payable

The interim dividend will be paid on 28 August 2015.

(d) Books Closure Date

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Members of the Company will be closed on 22 August 2015 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, 8 Robinson Road, #03-00 ASO Building, Singapore 048544 up to 5.00 p.m. on 21 August 2015 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 21 August 2015 will be entitled to the interim dividend.

Geographical segmental information for 2nd quarter ended 30 June 2015

	Revenue				Non-current assets*		Additions to non-current assets*	
	2nd Qtr 2015	2nd Qtr 2014	1st Half 2015	1st Half 2014	30 June 2015	30 June 2014	30 June 2015	30 June 2014
	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
Singapore	627.7	597.2	1,222.5	1,171.3	2,068.9	1,879.8	282.7	215.1
United Kingdom/ Ireland	253.6	258.2	468.4	480.4	490.2	460.0	43.1	12.2
Australia	98.2	106.3	193.5	204.2	775.1	844.3	21.1	10.2
China	54.8	51.9	110.6	105.7	374.2	355.5	16.0	16.5
Vietnam	2.0	1.7	3.9	3.4	13.4	12.9	2.7	1.7
Malaysia	0.9	1.0	1.8	2.1	5.9	6.5	0.5	0.9
Total	1,037.2	1,016.3	2,000.7	1,967.1	3,727.7	3,559.0	366.1	256.6

* Comprising vehicles, premises, equipment, taxi licences and goodwill.

19 BREAKDOWN OF REVENUE

Not applicable.

20 BREAKDOWN OF TOTAL ANNUAL DIVIDEND (IN DOLLAR VALUE)

Not applicable.

21 INTERESTED PERSON TRANSACTIONS

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 2015 financial results to be false or misleading in any material aspects.

ON BEHALF OF THE DIRECTORS

Lim Jit Poh
Chairman
Officer

Kua Hong Pak
Managing Director/ Group Chief Executive

BY ORDER OF THE BOARD

Chan Wan Tak, Wendy
Company Secretary

13 August 2015