


COMFORTDELGRO CORPORATION LIMITED

Company Registration Number : 200300002K

Financial Statements and Dividend Announcement for the year ended 31 December 2013
The Board of Directors announces the audited results of the Group for the year ended 31 December 2013.
1 GROUP INCOME STATEMENT

	Group		Incr / (Decr) %
	FY2013 \$'m	FY2012 \$'m	
Revenue	3,747.7	3,545.3	5.7
Staff costs	1,216.7	1,093.3	11.3
Contract services	499.7	468.9	6.6
Depreciation and amortisation	337.4	323.0	4.5
Fuel and electricity costs	287.4	276.4	4.0
Materials and consumables	247.0	286.6	(13.8)
Repairs and maintenance	232.1	213.3	8.8
Insurance premiums and accident claims	127.8	120.9	5.7
Road tax	125.2	123.0	1.8
Premises costs	70.6	65.9	7.1
Taxi drivers' benefits	56.9	54.0	5.4
Utilities and communication costs	22.9	22.8	0.4
Vehicle leasing charges	14.3	6.6	N.M.
Advertising production and promotion costs	13.7	13.8	(0.7)
Other operating expenses	69.7	64.5	8.1
Total operating expenses	3,321.4	3,133.0	6.0
Operating profit	426.3	412.3	3.4
Net income from investments	11.4	11.5	(0.9)
Finance costs	(27.4)	(31.4)	(12.7)
Share of profit in associates	4.0	3.6	11.1
Profit before taxation	414.3	396.0	4.6
Taxation	(87.0)	(85.5)	1.8
Profit after taxation	327.3	310.5	5.4
Attributable to :			
Shareholders of the Company	263.2	248.9	5.7
Non-controlling interests	64.1	61.6	4.1
	327.3	310.5	5.4

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

N.M. Not meaningful

2 STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
	\$'m	\$'m	\$'m	\$'m
ASSETS				
Current assets				
Short-term deposits and bank balances	830.6	694.6	402.0	329.2
Available-for-sale investments	5.0	-	-	-
Trade receivables	111.3	128.5	-	-
Other receivables and prepayments	191.8	174.4	1.9	1.9
Grant receivables	22.1	24.2	-	-
Due from subsidiaries	-	-	6.5	10.8
Finance lease receivables	8.3	14.7	-	-
Inventories	70.6	57.9	-	-
Total current assets	1,239.7	1,094.3	410.4	341.9
Non-current assets				
Subsidiaries	-	-	1,037.5	1,037.5
Associates	6.2	5.3	0.1	0.1
Available-for-sale investments	64.3	82.5	46.1	55.9
Other receivables and prepayments	27.9	41.8	-	-
Grant receivables	269.3	333.6	-	-
Due from subsidiaries	-	-	21.4	23.2
Finance lease receivables	4.4	8.6	-	-
Vehicles, premises and equipment	2,777.4	2,706.6	12.7	13.6
Taxi licences and bus operating rights	413.3	393.2	-	-
Goodwill	273.8	176.0	-	-
Deferred tax assets	8.4	3.9	-	-
Total non-current assets	3,845.0	3,751.5	1,117.8	1,130.3
Total assets	5,084.7	4,845.8	1,528.2	1,472.2
LIABILITIES AND EQUITY				
Current liabilities				
Borrowings	218.4	76.6	-	-
Trade and other payables	649.3	614.5	37.7	22.8
Trade payables for buses	15.7	26.9	-	-
Deferred grants	17.7	20.3	-	-
Due to subsidiaries	-	-	476.3	474.9
Fuel price equalisation account	20.0	20.0	-	-
Insurance premiums payable and provision for accident claims	84.5	84.6	-	-
Income tax payable	56.9	62.5	1.4	3.3
Total current liabilities	1,062.5	905.4	515.4	501.0
Non-current liabilities				
Borrowings	589.5	627.0	-	-
Deferred grants	288.5	347.9	-	-
Other liabilities	125.6	115.4	0.1	0.1
Fuel price equalisation account	20.0	20.0	-	-
Deferred tax liabilities	204.1	193.1	2.8	0.3
Total non-current liabilities	1,227.7	1,303.4	2.9	0.4
Total liabilities	2,290.2	2,208.8	518.3	501.4
Capital, reserves and non-controlling interests				
Share capital	622.7	585.1	622.7	585.1
Other reserves	10.5	14.1	(4.2)	8.5
Foreign currency translation reserve	(35.3)	(25.5)	-	-
Accumulated profits	1,556.8	1,434.5	391.4	377.2
Equity attributable to shareholders of the Company	2,154.7	2,008.2	1,009.9	970.8
Non-controlling interests	639.8	628.8	-	-
Total equity	2,794.5	2,637.0	1,009.9	970.8
Total liabilities and equity	5,084.7	4,845.8	1,528.2	1,472.2

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

3 AGGREGATE AMOUNT OF GROUP'S BORROWINGS

	<u>31 Dec 2013</u>	<u>31 Dec 2012</u>
	\$'m	\$'m
Secured		
Amount repayable in one year or less, or on demand	68.2	65.3
Amount repayable after one year	318.0	329.5
	<u>386.2</u>	<u>394.8</u>
Unsecured		
Amount repayable in one year or less, or on demand	150.2	11.3
Amount repayable after one year	271.5	297.5
	<u>421.7</u>	<u>308.8</u>
Total		
Amount repayable in one year or less, or on demand	218.4	76.6
Amount repayable after one year	589.5	627.0
	<u>807.9</u>	<u>703.6</u>

Details of any collateral

Details of the total secured borrowings of \$386.2m are as follows:

- a \$166.4m relates to financing of vehicles under hire purchase arrangements; and
- b \$219.8m relates to borrowings of subsidiaries secured by vehicles.

4 GROUP CASH FLOW STATEMENT

	Group	
	Full Year	Full Year
	2013	2012
	\$'m	\$'m
Operating activities:		
Profit before taxation	414.3	396.0
Adjustments for:		
Depreciation and amortisation	337.4	323.0
Finance costs	27.4	31.4
Interest income	(9.6)	(8.7)
Dividend income	(4.3)	(5.2)
Share-based payment expense	0.6	1.3
Net (gain) loss on disposal of vehicles	(2.7)	0.3
Share of profit in associates	(4.0)	(3.6)
Others	10.9	8.9
Operating cash flows before movements in working capital	<u>770.0</u>	<u>743.4</u>
Changes in working capital	5.8	20.1
Cash generated from operations	<u>775.8</u>	<u>763.5</u>
Income tax paid	<u>(78.1)</u>	<u>(76.3)</u>
Net cash from operating activities	<u>697.7</u>	<u>687.2</u>
Investing activities:		
Purchases of vehicles, premises and equipment	(500.1)	(519.6)
Less: Proceeds from disposal of vehicles	84.7	35.6
Cash payment on purchases of vehicles, premises and equipment	(415.4)	(484.0)
Payment for taxi licenses	(2.2)	(7.5)
Increase in investment in a subsidiary	(1.4)	-
Acquisition of subsidiaries, net of cash [Note (a)]	(137.3)	(68.8)
Divestment of subsidiaries, net of cash [Note (b)]	8.5	32.6
Interest received	9.3	8.2
Dividend received from an associate	2.4	3.9
Dividend received from available-for-sale investments	4.3	5.2
Net cash used in investing activities	<u>(531.8)</u>	<u>(510.4)</u>
Financing activities:		
New loans raised	385.1	377.4
Repayment of borrowings	(265.4)	(290.6)
Capital contributions from non-controlling shareholder of a subsidiary	-	34.7
Dividends paid to shareholders of the Company	(137.8)	(129.8)
Dividends paid to non-controlling shareholders of subsidiaries	(28.2)	(33.3)
Proceeds from exercise of share options of the Company	34.5	15.1
Proceeds from exercise of share options of subsidiaries	0.7	0.8
Interest paid	(27.4)	(30.6)
Proceeds from unclaimed dividends	0.2	0.2
Net cash used in financing activities	<u>(38.3)</u>	<u>(56.1)</u>
Net effect of exchange rate changes in consolidating subsidiaries	8.4	(2.8)
Net increase in cash and cash equivalents	136.0	117.9
Cash and cash equivalents at beginning of year	694.6	576.7
Cash and cash equivalents at end of year	<u>830.6</u>	<u>694.6</u>

Note (a) :

Summary of the effects of acquisition of subsidiaries:

	Group	
	Full Year 2013	Full Year 2012
	\$'m	\$'m
Net (assets) liabilities acquired:		
Current assets	(2.6)	(0.1)
Non-current assets	(76.6)	(36.3)
Current liabilities	10.9	0.8
Non-current liabilities	19.9	-
Net assets acquired	(48.4)	(35.6)
Goodwill on acquisition	(88.9)	(33.2)
Total purchase consideration, representing cash flow on acquisition	<u>(137.3)</u>	<u>(68.8)</u>

Note (b) :

Summary of the effects of divestment of subsidiaries:

	Group	
	Full Year 2013	Full Year 2012
	\$'m	\$'m
Net assets (liabilities) on divestment:		
Current assets	25.7	25.2
Non-current assets	13.4	48.6
Current liabilities	(3.6)	(16.8)
Non-current liabilities	(1.6)	(4.3)
Net assets divested	33.9	52.7
Non-controlling interests	(8.3)	(2.6)
Proceeds from divestment	25.6	50.1
Less : Cash adjustment upon deconsolidation of subsidiaries	(17.1)	(17.5)
Cash flow on divestment, net of cash	<u>8.5</u>	<u>32.6</u>

5 GROUP COMPREHENSIVE INCOME STATEMENT

	Group	
	Full Year 2013	Full Year 2012
	\$'m	\$'m
Profit after taxation	327.3	310.5
<i>Items that may be reclassified subsequently to profit or loss</i>		
Fair value adjustment on cash flow hedges	1.2	1.0
Fair value adjustment on available-for-sale investments	0.8	(3.1)
Exchange differences on translation of foreign operations	(25.8)	(38.5)
	<u>(23.8)</u>	<u>(40.6)</u>
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Actuarial adjustment on defined benefit plans	(3.4)	2.6
Other comprehensive expense for the year	<u>(27.2)</u>	<u>(38.0)</u>
Total comprehensive income for the year	<u><u>300.1</u></u>	<u><u>272.5</u></u>
Attributable to:		
Shareholders of the Company	252.3	224.5
Non-controlling interests	47.8	48.0
	<u><u>300.1</u></u>	<u><u>272.5</u></u>

6 STATEMENTS OF CHANGES IN EQUITY

Consolidated Statement of Changes in Equity for the year ended 31 December 2013:

	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 2012	568.6	11.6	(1.2)	1,318.4	1,897.4	582.9	2,480.3
Total comprehensive income (expense) for the year							
Profit for the year	-	-	-	248.9	248.9	61.6	310.5
Other comprehensive expense for the year	-	(0.1)	(24.3)	-	(24.4)	(13.6)	(38.0)
Total	-	(0.1)	(24.3)	248.9	224.5	48.0	272.5
Transactions recognised directly in equity							
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)
Total	16.5	2.6	-	(132.8)	(113.7)	(2.1)	(115.8)
Balance at 31 December 2012	585.1	14.1	(25.5)	1,434.5	2,008.2	628.8	2,637.0
Total comprehensive income (expense) for the year							
Profit for the year	-	-	-	263.2	263.2	64.1	327.3
Other comprehensive expense for the year	-	(1.1)	(9.8)	-	(10.9)	(16.3)	(27.2)
Total	-	(1.1)	(9.8)	263.2	252.3	47.8	300.1
Transactions recognised directly in equity							
Recognition of share-based payments	-	0.6	-	-	0.6	-	0.6
Exercise of share options	37.6	(3.1)	-	-	34.5	-	34.5
Payment of dividends	-	-	-	(137.8)	(137.8)	-	(137.8)
Other reserves	-	-	-	(3.1)	(3.1)	(36.8)	(39.9)
Total	37.6	(2.5)	-	(140.9)	(105.8)	(36.8)	(142.6)
Balance at 31 December 2013	622.7	10.5	(35.3)	1,556.8	2,154.7	639.8	2,794.5

Statement of Changes in Equity of the Company for the year ended 31 December 2013:

	Company			
	Share capital	Other reserves	Accumulated profits	Total equity
	\$'m	\$'m	\$'m	\$'m
Balance at 1 January 2012	568.6	11.9	400.7	981.2
Total comprehensive income (expense) for the year				
Profit for the year	-	-	105.6	105.6
Other comprehensive expense for the year	-	(2.8)	-	(2.8)
Total	-	(2.8)	105.6	102.8
Transactions recognised directly in equity				
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
Total	16.5	(0.6)	(129.1)	(113.2)
Balance at 31 December 2012	585.1	8.5	377.2	970.8
Total comprehensive income (expense) for the year				
Profit for the year	-	-	151.5	151.5
Other comprehensive expense for the year	-	(9.8)	-	(9.8)
Total	-	(9.8)	151.5	141.7
Transactions recognised directly in equity				
Recognition of share-based payments	-	0.6	-	0.6
Exercise of share options	37.6	(3.1)	-	34.5
Payment of dividends	-	-	(137.8)	(137.8)
Other reserves	-	(0.4)	0.5	0.1
Total	37.6	(2.9)	(137.3)	(102.6)
Balance at 31 December 2013	622.7	(4.2)	391.4	1,009.9

7 CHANGES IN COMPANY'S SHARE CAPITAL

Share Capital

During the financial year, the Company issued 23,513,500 new ordinary shares following the exercise of share options under the ComfortDelGro Employees' Share Option Scheme (ComfortDelGro Scheme).

As at 31 December 2013, the total number of issued shares was 2,125,506,663 (31 December 2012: 2,101,993,163).

Outstanding Shares – ComfortDelGro Employees' Share Option Scheme

As at 31 December 2013, options to subscribe for 45.5 million ordinary shares (31 December 2012: 70.2 million ordinary shares) remained outstanding under the ComfortDelGro Scheme.

As at 31 December 2013, 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 2013, and 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 a 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 2013 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
Chartered Accountants

Singapore
13 February 2014

10 ACCOUNTING POLICIES

The Group has applied accounting policies and methods of computation in the financial statements for the current reporting year consistent with those of the audited financial statements for the year ended 31 December 2012.

In the current financial year, 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 2013.

The adoption of these new and revised FRSs does not result in changes to the Group's accounting policies and 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	
	<u>Full Year 2013</u>	<u>Full Year 2012</u>
(i) Based on weighted average number of ordinary shares in issue - cents	12.43	11.89
(ii) On a fully diluted basis (detailing any adjustments made to the earnings) - cents	12.38	11.86

EBITDA

	Group	
	<u>Full Year 2013</u>	<u>Full Year 2012</u>
(i) EBITDA (\$'m)	763.7	735.3
(ii) EBITDA margin (%)	20.4	20.7

13 NET ASSET VALUE PER ORDINARY SHARE

	Group		Company	
	<u>31 Dec 2013</u>	<u>31 Dec 2012</u>	<u>31 Dec 2013</u>	<u>31 Dec 2012</u>
Net asset value per ordinary share based on issued share capital - cents	101.37	95.54	47.51	46.18

14 REVIEW OF GROUP PERFORMANCE

Performance Review

Group Revenue of \$3,747.7m for 2013 was \$202.4m or 5.7% higher compared to the \$3,545.3m for 2012. The growth came from the Bus Business, the Taxi Business, the Rail Business, the Inspection and Testing Services Business and the Bus Station Business offset by decreases in the Automotive Engineering Services Business, the Car Rental and Leasing Business and the Driving Centre Business. While Group Revenue actually increased by \$237.3m, this was partly eroded by the negative foreign currency translation effect of \$34.9m.

Group Operating Expenses of \$3,321.4m for 2013 were \$188.4m or 6.0% higher compared to the \$3,133.0m for 2012. 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 depreciation costs, higher fuel and electricity costs, higher vehicle leasing charges and higher insurance premiums and accident claims offset by lower materials and consumables. While operating expenses actually increased by \$217.5m, the increase was mitigated by a positive foreign currency translation effect of \$29.1m.

Consequently Group Operating Profit of \$426.3m for 2013 was \$14.0m or 3.4% higher compared to the \$412.3m for 2012. The growth in operating profit was broad based and was across all segments except for the Rail segment due to the start-up costs for the Downtown Line (“DTL”).

Net income from investments of \$11.4m for 2013 decreased by \$0.1m from \$11.5m for 2012.

Finance costs decreased by \$4.0m from \$31.4m for 2012 to \$27.4m for 2013 due to the decrease in interest expenses in Australia and the UK which more than offset the increase in interest expense from higher borrowings in Singapore.

Share of profit in associates of \$4.0m for 2013 increased by \$0.4m from \$3.6m for 2012.

Group Profit Before Tax of \$414.3m for 2013 was \$18.3m or 4.6% higher compared to the \$396.0m for 2012.

Taxation for the Group of \$87.0m for 2013 was 21.0% of Group Profit Before Tax compared to the \$85.5m or 21.6% for 2012 due mainly to the recognition of tax credits for the carry forward losses of DTL.

Group Profit attributable to Shareholders of the Company of \$263.2m for 2013 increased by \$14.3m or 5.7% compared to the \$248.9m for 2012.

Non-controlling interests increased by \$2.5m from \$61.6m for 2012 to \$64.1m for 2013 as a result of higher profits in the businesses with non-controlling interests.

Revenue from Overseas for 2013 was 40.5% of Group Revenue compared to 40.7% for 2012. Operating profit from Overseas for the year increased to 48.9% of Group Operating Profit compared to 46.2% a year ago.

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

Revenue from the Group’s **Bus Business** of \$1,863.5m for 2013 was \$151.0m or 8.8% higher than the \$1,712.5m for 2012. Revenue actually increased by \$188.5m with the newly acquired Metroline West contributing \$118.1m of the increase but was partly eroded by the negative foreign currency translation effect of \$37.5m. Operating profit from the Group’s Bus Business of \$157.4m for 2013 was \$12.8m or 8.9% higher than the \$144.6m for 2012.

Excluding Advertising and Rental, revenue from the Bus Business at SBS Transit of \$644.9m for 2013 was \$44.0m higher than the \$600.9m for 2012 due to the increase in average daily ridership of 3.4% and an increase in other operating income offset by the decrease in average fare. Operating loss for the Bus Business for 2013 was \$14.3m or a decrease of \$0.4m compared to the operating loss of \$14.7m for 2012 due to higher Bus Revenue and lower fuel cost offset by higher staff costs, higher repairs and maintenance costs, higher depreciation, higher premises costs and higher other operating expenses. Including Advertising and Rental Revenue of \$37.7m, total Bus Revenue at SBS Transit amounted to \$682.6m for 2013 compared to the \$638.9m for 2012. Operating profit of \$10.7m for 2013 was \$0.4m lower than the \$11.1m for 2012.

Revenue from ComfortDelGro Bus of \$20.8m for 2013 decreased by \$2.1m from \$22.9m for 2012 due mainly to lower contract and ad hoc jobs. Operating profit of \$1.4m for 2013 was \$0.7m lower than the \$2.1m for 2012.

Revenue from the UK Bus Business of \$685.2m for 2013 was \$130.7m higher than the \$554.5m for 2012. The actual increase in revenue of \$136.7m was partly eroded by the negative currency translation effect of \$6.0m from the weaker £. Operating profit from the UK Bus Business of \$57.6m for 2013 was \$14.5m higher than the \$43.1m for 2012 of which the newly acquired Metroline West accounted for \$10.1m.

Revenue from the Australia Bus Business of \$462.5m for 2013 was \$6.1m lower compared to the \$468.6m for 2012. Although revenue increased by \$46.0m from more services operated and contributions from Deanes Bus Lines and Eastrans, this was substantially eroded by the negative currency translation of \$31.8m from the weaker A\$ and the discontinuation of services in Regions 1 and 3 with \$20.3m. Operating profit for the Australia Bus Business of \$88.7m for 2013 was \$0.9m lower compared to the \$89.6m for 2012.

Revenue from the China Bus Business of \$12.4m for 2013 was \$15.2m lower than the \$27.6m for 2012 following the divestment of Shenyang ComfortDelGro Anyun Bus. Operating loss for 2013 was reduced to \$1.0m from the loss of \$1.3m for 2012.

The Overseas Bus Business accounted for 62.3% of Group Bus Revenue for 2013 compared to 61.4% for 2012 and 92.3% of Group Bus Operating Profit for 2013 compared to 90.9% for 2012.

Revenue from the Group's **Taxi Business** of \$1,197.9m for 2013 was \$68.1m or 6.0% higher compared to the \$1,129.8m for 2012. Operating profit from the Group's Taxi Business of \$146.2m for 2013 was \$5.1m or 3.6% higher than the \$141.1m for 2012.

Revenue from the Singapore Taxi Business of \$892.4m for 2013 was \$67.9m or 8.2% higher compared to the \$824.5m for 2012 due to higher rentals from the replacement of taxis, a larger operating fleet and a higher volume of cashless transactions. Operating profit of \$96.0m for 2013 increased by \$2.8m or 3.0% compared to the \$93.2m for 2012.

Revenue from the UK Taxi Business of \$117.1m for 2013 was \$9.0m lower than the \$126.1m for 2012 due to lower corporate and taxicard bookings. Operating profit of \$5.3m for 2013 was \$0.3m higher than the \$5.0m for 2012 due to cost savings.

Revenue and operating profit from the Australia Taxi Business were \$22.5m and \$6.4m respectively for 2013 which were \$1.1m and \$0.2m lower compared to the \$23.6m and \$6.6m respectively for 2012 due to the weaker A\$.

Revenue from the China Taxi Business of \$159.6m for 2013 was \$10.1m higher than the \$149.5m for 2012. Operating profit of \$37.9m for 2013 was \$2.5m higher than the \$35.4m for 2012.

Revenue from the Vietnam Taxi Business of \$6.3m for 2013 was \$0.2m higher than the \$6.1m for 2012. Operating profit of \$0.6m for 2013 was \$0.3m lower compared to the \$0.9m for 2012.

The Overseas Taxi Business accounted for 25.5% of Group Taxi Revenue for 2013 compared to 27.0% for 2012 and 34.3% of Group Taxi Operating Profit for 2013 compared to 33.9% for 2012.

Revenue from the **Bus Station Business** at Guangzhou of \$28.6m for 2013 increased by \$2.9m or 11.3% from the \$25.7m for 2012 from more passengers using the Station. Operating profit of \$12.4m for 2013 was \$1.0m or 8.8% higher than the \$11.4m for 2012.

Excluding Advertising and Rental, revenue from the **Rail Business** at SBS Transit of \$148.1m for 2013 was \$9.5m or 6.9% higher than the \$138.6m for 2012 due to the increases in average daily ridership and the commencement of DTL 1 operations from 22 December 2013. Average daily ridership for the North-East Line and the two Light Rail Transit systems rose by 6.1% and 11.5% respectively compared to 2012. Including Advertising and Rental Revenue of \$16.6m, the total revenue of \$164.7m from the Rail Business for 2013 was \$11.5m higher than the \$153.2m for 2012. Excluding Advertising and Rental, the Rail Business incurred an operating loss for 2013 of \$5.8m compared to an operating profit of \$4.9m for 2012 due mainly to higher staff costs incurred in preparation for the start-up of the DTL and higher repairs and maintenance costs offset by higher rail fare revenue and lower electricity cost. Excluding the start-up costs for the DTL, the operating profit for the North-East Line would have increased by \$2.5m to \$13.6m for 2013 from \$11.1m for 2012. Including Advertising and Rental and costs incurred for the DTL, the operating profit for 2013 of \$4.8m was \$9.5m lower compared to the \$14.3m for 2012.

Revenue from the Group's **Automotive Engineering Services Business** of \$425.5m for 2013 was \$28.1m or 6.2% lower than the \$453.6m for 2012 as there was no sale of cars in the Suzhou Toyota Car Dealership this year with its divestment compared to the revenue of \$34.6m for 2012. Operating profit of \$52.7m for 2013 was \$1.5m or 2.9% higher compared to the \$51.2m for 2012.

Revenue from the Group's **Inspection and Testing Services Business** of \$108.6m for 2013 was \$8.2m or 8.2% higher compared to the \$100.4m for 2012 contributed by higher business volume. The operating profit of \$35.2m for 2013 was \$2.6m or 8.0% higher than the \$32.6m for 2012.

Revenue from the Group's **Driving Centre Business** of \$38.1m for 2013 was \$0.1m or 0.3% lower than the \$38.2m for 2012 due mainly to the decrease in enrollments in the Chongqing and Chengdu Driving Centres. Operating profit of \$8.5m for 2013 was \$0.3m or 3.7% higher than the \$8.2m for 2012.

Revenue from the Group's **Car Rental and Leasing Business** of \$35.4m for 2013 was \$0.3m or 0.8% lower than the \$35.7m for 2012 mainly due to lower revenue in Singapore. Operating profit of \$9.1m for 2013 increased by \$0.2m or 2.2% from the \$8.9m for 2012 due mainly to the higher profits in Malaysia.

Statement of Financial Position

The financial position of the Group as at 31 December 2013 remained strong. Total Equity increased by \$157.5m from \$2,637.0m as at 31 December 2012 to \$2,794.5m as at 31 December 2013 due to profits generated for the year partly reduced by the payment of dividends.

Total Assets increased by \$238.9m to \$5,084.7m as at 31 December 2013 from \$4,845.8m as at 31 December 2012 due mainly to the increase in short-term deposits and cash balances, acquisitions of Metroline West and Easttrans and purchase of new buses and taxis offset by lower grant receivables.

Total Liabilities increased by \$81.4m to \$2,290.2m as at 31 December 2013 from \$2,208.8m as at 31 December 2012 due mainly to increases in bank borrowings and trade and other payables offset by lower deferred grants. The increase in borrowings was for the acquisition of Metroline West and for the funding of new buses at SBS Transit.

Cash Flow

The Group recorded a net cash inflow of \$136.0m for 2013. As at 31 December 2013, the Group had cash and short-term deposits of \$830.6m. After accounting for the borrowings of \$807.9m, the Group had a net cash position of \$22.7m compared to a net debt position of \$9.0m or a net gearing ratio of 0.3% as at 31 December 2012. The Group's gross gearing ratio was 28.9% as at 31 December 2013 compared to 26.7% as at 31 December 2012.

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 Singapore Bus Business is expected to increase with an expected increase in ridership and fare. Advertising and Rental Revenue are expected to be higher mainly from the 6 new DTL stations. Revenue from the UK Bus Business is expected to increase from a full year contribution from Metroline West. Revenue from the Bus Business in Australia is expected to be lower.

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 enrollments expected in China.

Revenue from the Inspection and 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 4.00 cents (2012: 3.50 cents) per ordinary share.

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

(c) Date Payable

The proposed final dividend, if approved by the Shareholders at the Eleventh Annual General Meeting of the Company to be held on 25 April 2014, will be payable on 14 May 2014.

(d) Books Closure Date

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Members of the Company will be closed on 7 May 2014 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 6 May 2014 will be registered to determine Shareholders' entitlements to the final 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 6 May 2014 will be entitled to the proposed final dividend.

Geographical segmental information for Full Year 2013

	Revenue		Non-current assets*		Additions to non-current assets*	
	2013	2012	2013	2012	2013	2012
	\$'m	\$'m	\$'m	\$'m	\$'m	\$'m
Singapore	2,229.8	2,103.5	1,791.3	1,649.8	375.8	364.8
United Kingdom/ Ireland	802.3	680.6	459.2	308.9	166.6	67.7
Australia	485.0	492.2	816.9	903.7	94.9	109.0
China	220.1	259.5	377.6	398.3	32.0	51.1
Vietnam	6.3	6.1	13.1	9.3	5.4	2.2
Malaysia	4.2	3.4	6.4	5.8	1.8	2.2
Total	3,747.7	3,545.3	3,464.5	3,275.8	676.5	597.0

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

19 BREAKDOWN OF REVENUE

	Full Year 2013	Full Year 2012	Increase/ (Decrease)
	\$'m	\$'m	%
(a) Revenue reported for first half year	1,779.2	1,740.3	2.2
(b) Operating profit after tax before deducting minority interests reported for first half year	157.3	148.1	6.2
(a) Revenue reported for second half year	1,968.5	1,805.0	9.1
(b) Operating profit after tax before deducting minority interests reported for second half year	170.0	162.4	4.7

20 BREAKDOWN OF TOTAL ANNUAL DIVIDEND (IN DOLLAR VALUE)

	Full Year 2013	Full Year 2012
	\$'m	\$'m
Ordinary shares (tax-exempt one-tier)		
- Interim	63.7	60.8
- Final (proposed)	85.0	74.1
Total	148.7	134.9

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 2013, 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

13 February 2014