Media Release

COMFORTDELGRO'S RESULTS FOR SECOND QUARTER ENDED 30 JUNE 2019

- ***Revenue for the quarter increased by 4.2% to $980.8 million as new acquisitions, namely those in Australia, made strong contributions.***
- ***Group operating costs increased by 4.1% to $865.8 million commensurate with business growth and higher repairs and maintenance costs.***
- ***Group operating profit grew by 5.0% to $115.0 million.***
- ***Net profit rose by 1.2% to $75.9 million.***

Singapore, 13 August 2019 – ComfortDelGro Corporation today announced its unaudited results for the second quarter ended 30 June 2019.

Highlights:

	Q2 2019 ($m)	Q2 2018 ($m)	% change	1H2019 ($m)	1H2018 ($m)	% change
Revenue[1]	980.8	941.1	4.2	1,928.1	1,819.9	5.9
Operating Profit	115.0	109.5	5.0	222.4	205.2	8.4
Net Profit Attributable to Shareholders	75.9	75.0	1.2	146.3	141.3	3.5
EBITDA	221.6	206.9	7.1	434.7	400.5	8.5
EPS (Based on existing share capital) - cents	3.51	3.47	1.2	6.76	6.53	3.5

Note: All figures in Singapore dollars

Group

ComfortDelGro Corporation's second quarter revenue increased by $39.7 million or 4.2% to $980.8 million on the back of strong contributions from the acquisitions made last year. This more than made up for the weakness in the Taxi Business which has been affected by keen competition.

[1] *Incorporates the effect of adoption of SFRS(I) 16 Leases from on 1 January 2019.*

Group operating costs during the quarter grew by $34.2 million or 4.1% to $865.8 million from additional headcount needed to support the growth in business as well as higher repairs and maintenance costs.

Group operating profit increased by $5.5 million or 5.0% to $115.0 million, after taking into account the net negative impact from the foreign currency translation effect of $2.1 million from the weaker Australian Dollar, British Pound and Chinese Renminbi.

For the half-year ended 30 June 2019, Group revenue increased by 5.9% or $108.2 million to $1.93 billion while net profit attributable to shareholders grew by 3.5% or $5.0 million to $146.3 million, reversing last year's drop.

ComfortDelGro Managing Director/Group CEO, Mr Yang Ban Seng, said: "Despite an intensely competitive operating environment and growing global economic uncertainty, we continued to grow the business in the second quarter of this year. This was largely due to the strong contributions from the new businesses that we acquired last year and robust growth of the Public Transport Services Business. We will continue to look for value accretive acquisitions, including those in adjacent sectors. At the same time, we have been exploring new avenues of growth through technology-driven businesses. Whilst not immediately profit-accretive, these strategic tie-ups are crucial in ensuring that we position ourselves for the future."

Operations Review

- Public Transport Services

Revenue from the Group's Public Transport Services business increased by 7.9% to $723.8 million on the back of growth in Singapore and Australia. Growth came from higher fees earned, higher mileages operated as well as contributions from newly acquired businesses. Of the increase, $42.6 million or 80% came from new acquisitions. In Singapore, rail ridership continued to grow but operations continued to incur losses as the fare revenue was not sufficient to cover rising operating and maintenance costs associated with rail reliability.

- Taxi

Revenue for the Taxi business decreased by 8.3% to $166.9 million due to a smaller operating fleet. The Singapore taxi fleet declined as a result of intensifying competition from the ride-hailing operators. To ameliorate the negative impact, we will continue with efforts to replace the older taxis with new hybrid taxis which incur lower taxes and depreciation.

- Inspection and Testing Services

Revenue for the Inspection and Testing Services business increased by 1.6% to $25.7 million.

Dividend

A tax-exempt one-tier interim dividend of 4.5 cents per ordinary share has been declared, representing a payout ratio of 66.6%.

Commentary

Revenue from the Public Transport Services business in Singapore is expected to be higher. However, it will continue to experience significant cost pressures from operating and maintenance costs. Bus service revenue is expected to be higher with the full-year contribution of the Seletar and Bukit Merah Bus Packages which commenced in March 2018 and November 2018 respectively. Rail service revenue is also expected to be higher with the 4.3% fare increase from 29 December 2018 and higher ridership. Revenue from the Australia Bus business is expected to be higher with a full-year contribution from the acquisitions made last year as well as the recent acquisition of B&E Blanch Pty Ltd in May 2019. Revenue from the UK Bus business is expected to be maintained.

Revenue from the Taxi business is expected to be lower amidst continued keen competition.

Revenues from the Automotive Engineering Services, Inspection and Testing Services and Driving Centre business are expected to be maintained.

Revenue from the Car Rental and Leasing business is expected to be lower.

The Group will continue to pursue growth through acquisitions and investments in new technology in the mobility space while transforming and building capabilities to strengthen its existing businesses.

Background

ComfortDelGro is one of the world's largest land transport companies with a total fleet size of about 42,300 buses, taxis and rental vehicles. It operates in seven countries – Singapore, Australia, the United Kingdom, China, Ireland, Vietnam and Malaysia – giving it the broadest footprint amongst its international peers.