

COMFORTDELGRO

# Financial Year 2006

13 February 2007



# Agenda

- Group Financial Review
- Overseas Growth Update
- Q & A

# FY 2006 - Financial Highlights

- Revenue up by 11.8% to \$2.793b
  - Overseas contributed 44.3% of Group turnover
  - Overseas bus turnover grew from 55% to 59%
  - Overseas taxi turnover grew from 37.5% to 39.2%
- Operating profit of \$305.4m – margin of 10.9%
  - Overseas contributed 42.4% of Group operating profit
  - Overseas bus operating profit grew from 48% to 59%
  - Overseas taxi operating profit grew from 27.6% to 44.3%
- PATMI of \$244.6m
  - excluding exceptional item of \$42.1m, PATMI was \$202.5m
- ROE of 13.8% ; ROTA of 9.4%
- EPS improved to 11.82c from 9.79c

# 2006 Financials

**Good performance in a challenging year**

	FY06	FY05	Variance	+/( -)
	\$m	\$m	\$m	%
Revenue	2,793.1	2,498.9	294.2	11.8
Operating Profit	305.4	305.5	(0.1)	-
<b>Exceptional Item</b>	<b>42.1</b>	<b>-</b>	<b>42.1</b>	<b>NM</b>
Profit before tax	360.8	300.6	60.2	20.0
Net Profit	244.6	201.9	42.7	21.1

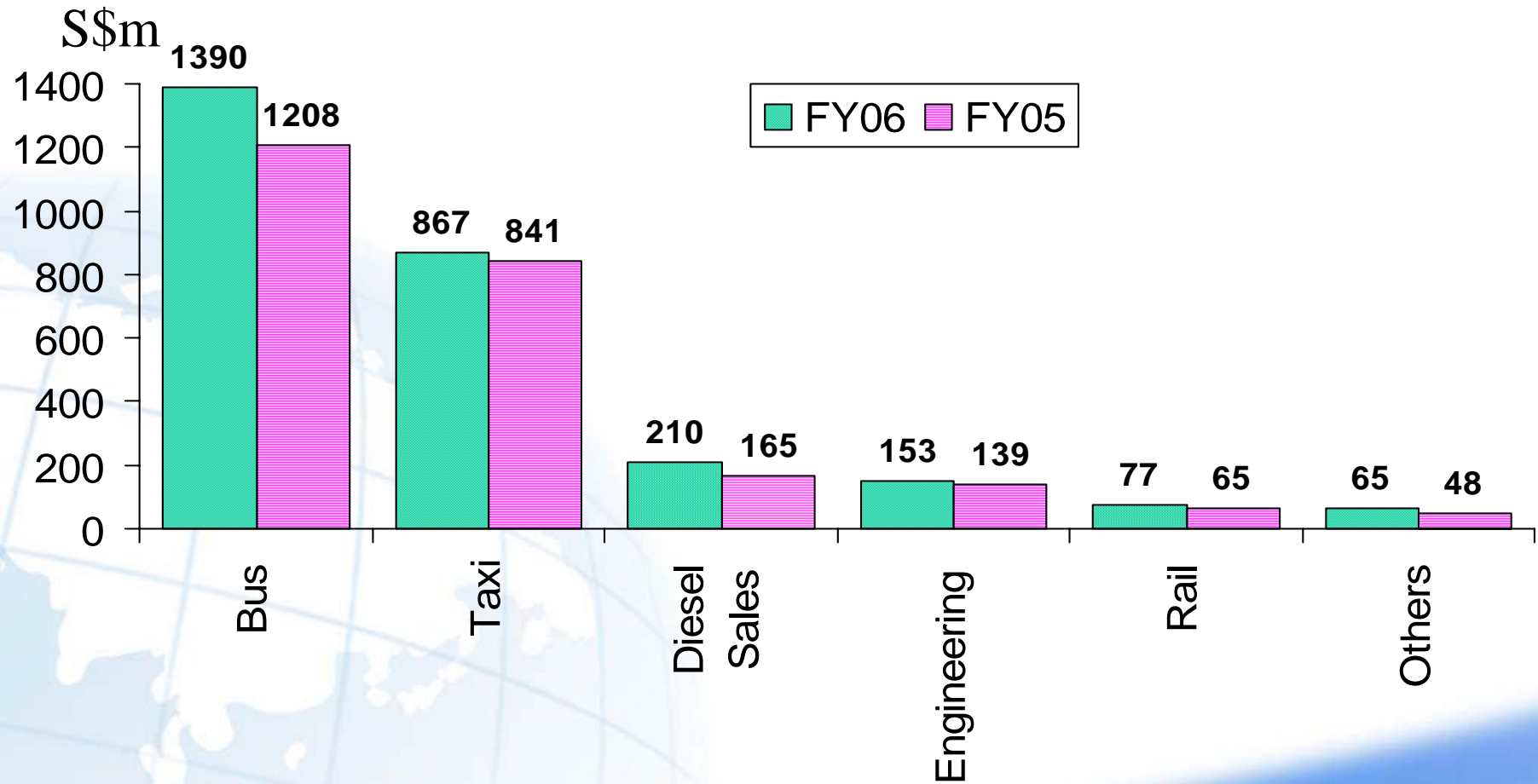
# Highlights of 2006 Performance

## Effective cost controls

		\$m	+/-
<b>Total Operating Expenses</b>		<b>2487.7</b>	
Energy and fuel cost increase	39.5		
Taxi Drivers' benefits increase	39.1		
New business cost	114.0	(192.6)	
<b>Adjusted operating expenses for 2006</b>		<b>2295.1</b>	
<b>Total Operating Expenses for 2005</b>		<b>2193.4</b>	
Adjusted expense increase		101.7	4.6%

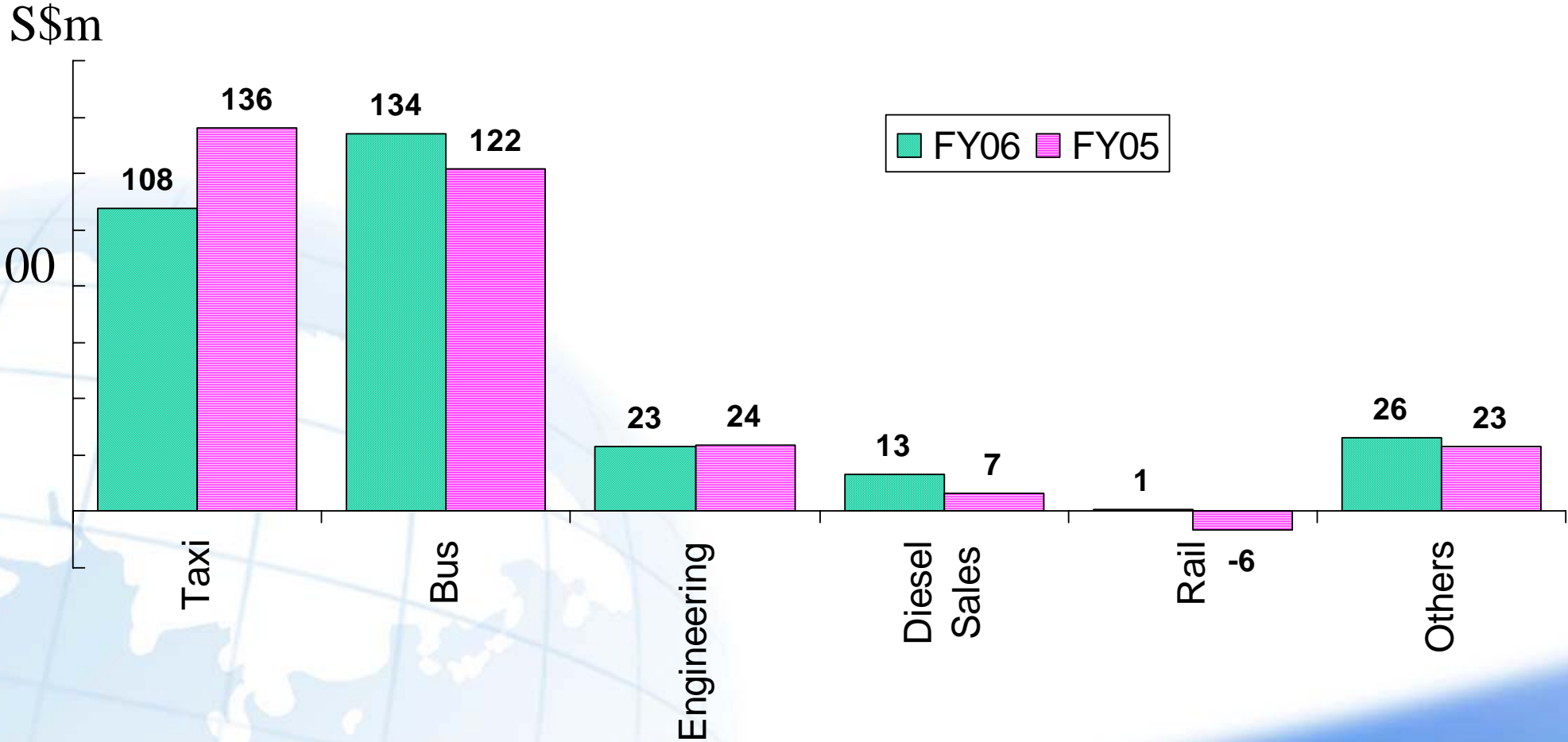
# FY 2006 Turnover

## Bus segment lead growth



# FY 2006 Operating Profit

**Bus & Taxi are main profit generators**



# Cashflow

(\$m)		31 Dec 06		31 Dec 05
Profit before tax		360.8		300.6
Depreciation and amortisation		249.5		254.8
Other non-cashflow items		(43.6)		11.7
Working capital changes & others		58.2		8.0
Proceeds from disposal of investments		<u>55.4</u>		<u>-</u>
<b>Total cash inflows</b>		<b>680.3</b>		<b>575.1</b>
Capex	(386.1)		(401.7)	
Proceeds from disposal of vehicles	130.7	(255.4)	122.7	(279.0)
Other cash utilisations		<u>(133.8)</u>		<u>(123.4)</u>
<b>Net cashflow before Dividends &amp; Loan repayments</b>		<b>291.1</b>		<b>172.7</b>
Dividends paid		(157.2)		(165.2)
Repayment of borrowings		(159.0)		(29.6)
<b>Net Cashflow</b>		<u><b>(25.1)</b></u>		<u><b>(22.1)</b></u>

# Capital Expenditures

## Investing for growth

	FY 2006 S\$m	FY 2005 S\$m
Taxis	206.4	335.9
Buses	155.9	49.5
Rental vehicles	20.7	19.7
Computers, etc	16.1	26.6
Land, building & depot	13.2	4.2
Automated vehicle mgt sys	12.0	9.7
Others	5.7	5.7
<b>CAPEX</b>	<b>430.0</b>	<b>451.3</b>
Amt funded by hire purchase	(43.9)	(49.6)
<b>Net CAPEX</b>	<b>386.1</b>	<b>401.7</b>

# Financial Performance Indicators

31 Dec 06

31 Dec 05

+/(-)

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<b>Net assets per share(¢)</b>	<b>69.61</b>	<b>65.04</b>	<b>7.0%</b>
<b>Earnings per share (¢)</b>	<b>11.82</b>	<b>9.79</b>	<b>20.7%</b>
<b>EBIT Margin (%)</b>	<b>10.93</b>	<b>12.23</b>	<b>(1.3)% points</b>
<b>ROTA (%)</b>	<b>9.44</b>	<b>8.18</b>	<b>1.3% points</b>
<b>ROE (%)</b>	<b>13.79</b>	<b>12.34</b>	<b>1.5% points</b>

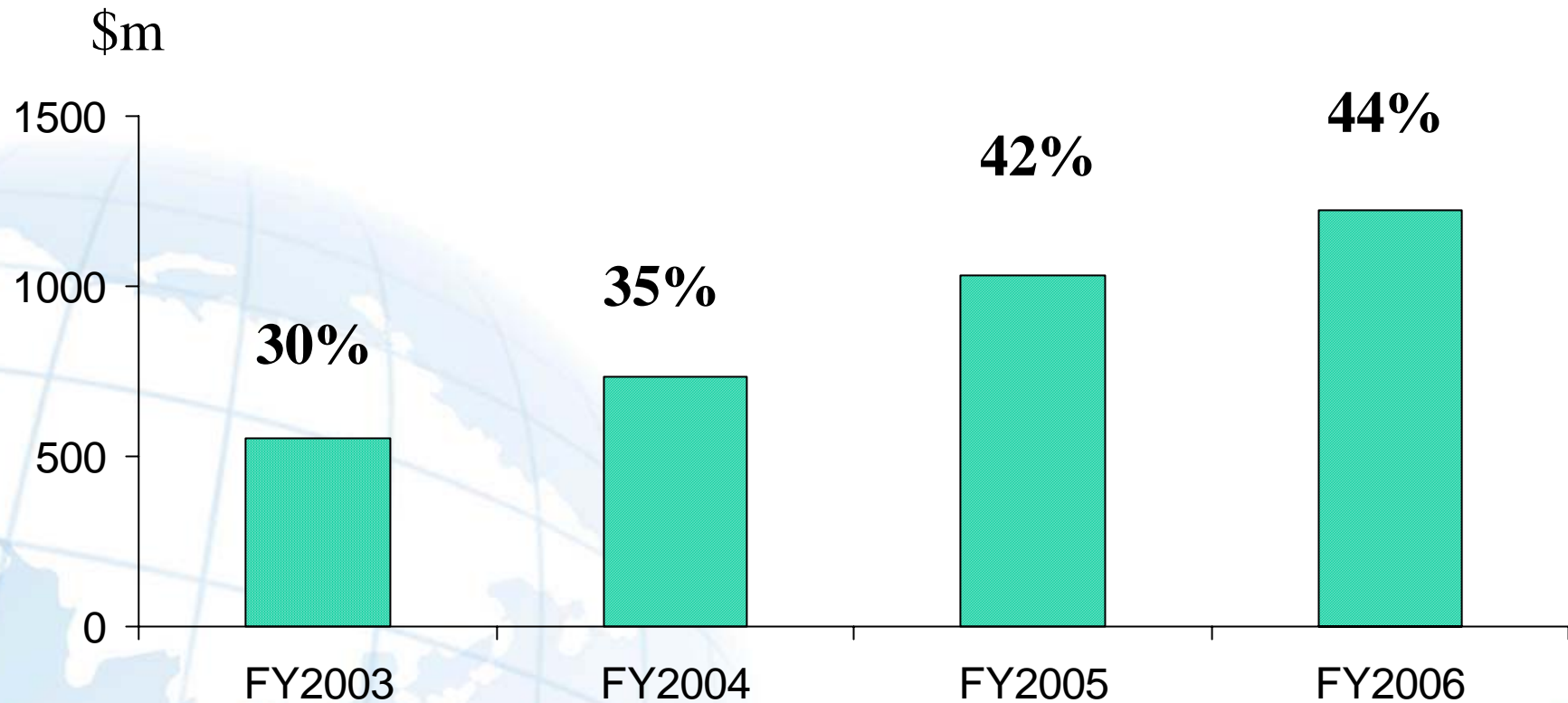
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# Overseas Growth



# Overseas Growth

**Increasing overseas contribution- Turnover**



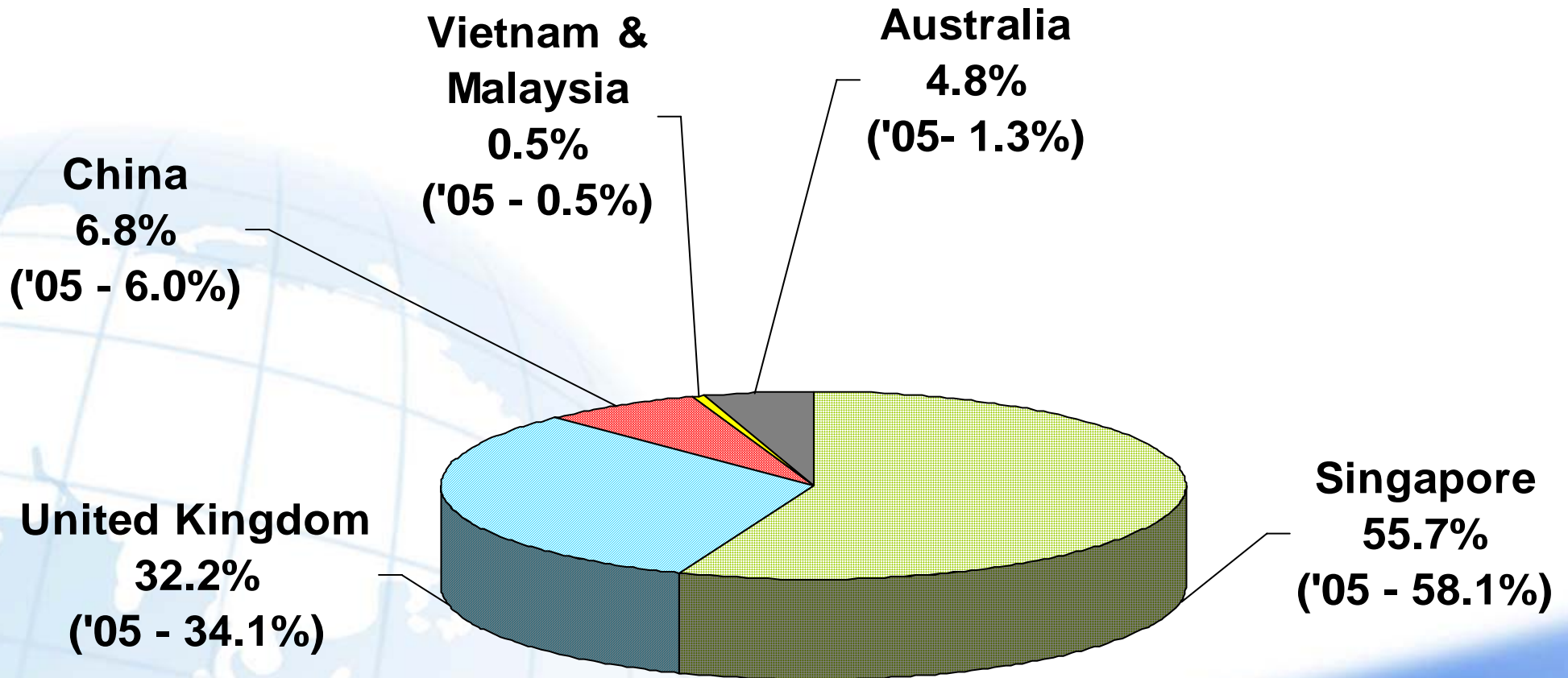
# Overseas Growth

## Well on track

- FY2006 saw increased focus on growth within the Group's existing footprint particularly in Australia, China and UK
- Australia contributed significantly with turnover of \$131.6m and operating profit of \$16.5m
- Growth in taxis, buses, car dealership, inter-city bus services, driving schools
- Continue to transfer best practices from Singapore to overseas

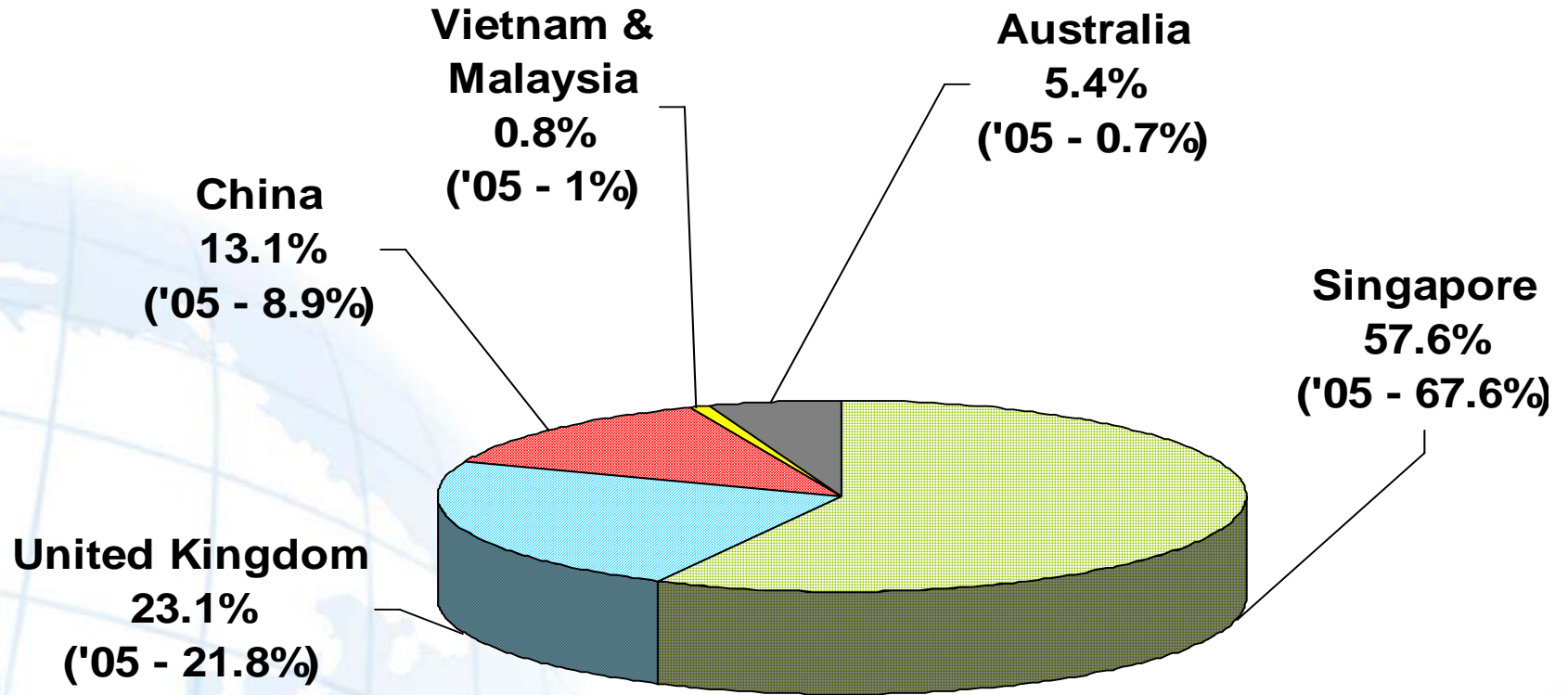
# Increased Overseas Contribution

**44% of group turnover in FY2006 (FY2005:42%)**

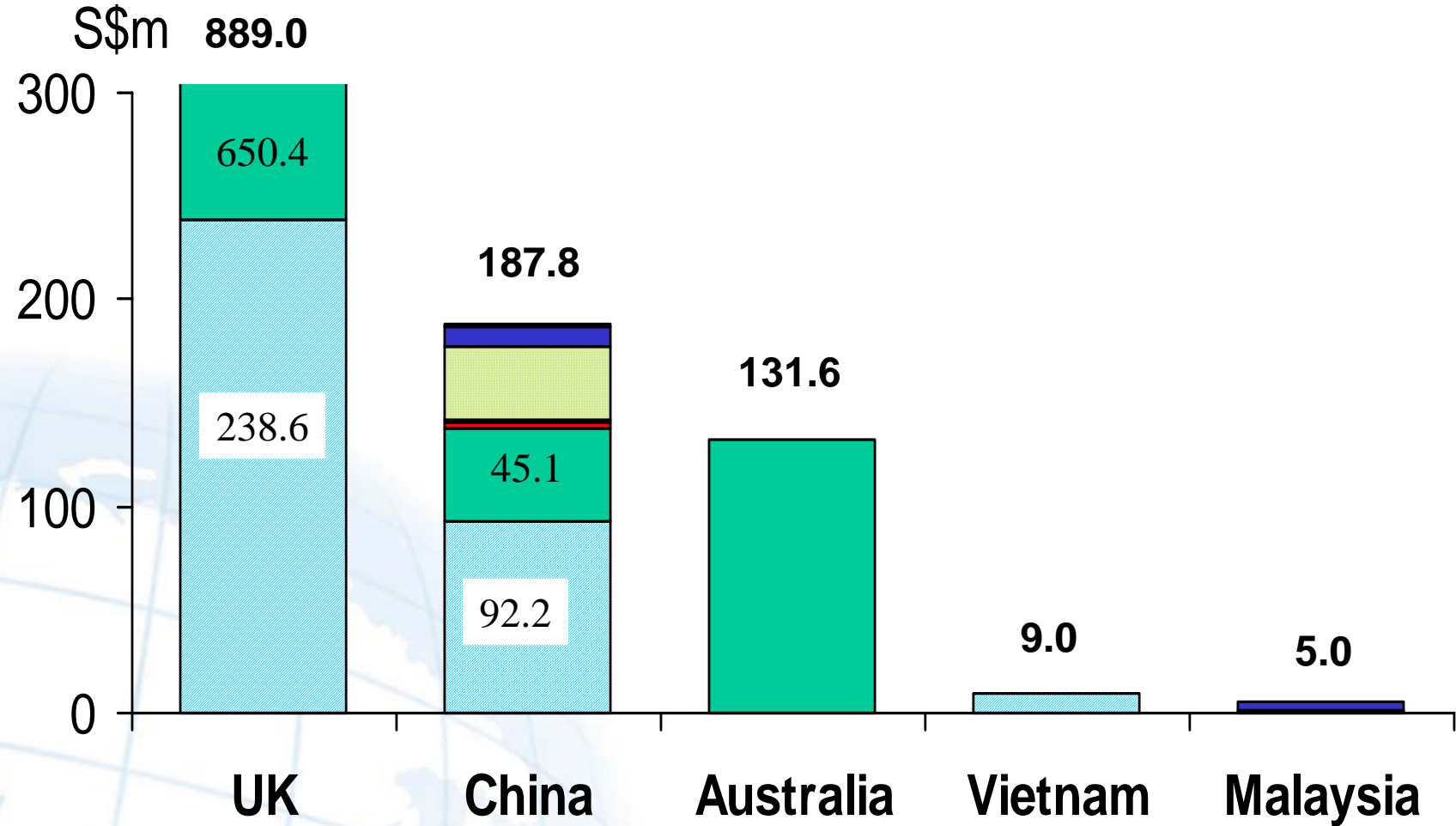


# Increased Profits From Overseas

**42% of operating profit in FY2006 (FY2005:32%)**



# 2006 Overseas Turnover



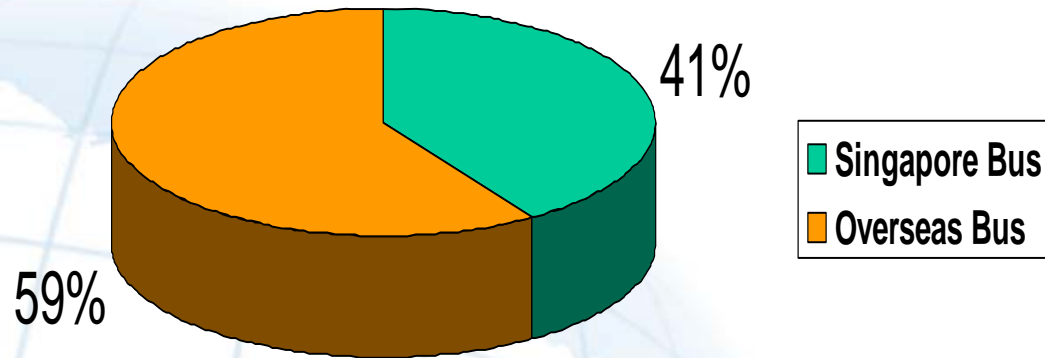
- Taxi
- Automotive Engineering
- Car dealership
- Drivina centre

- Bus & bus station
- Vehicle inspection & testing
- Car rental & others

# Bus business segment

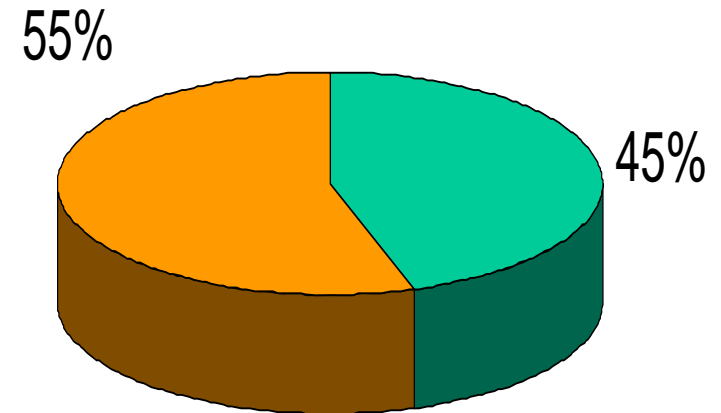
## Increased contribution by overseas bus

Turnover for 2006



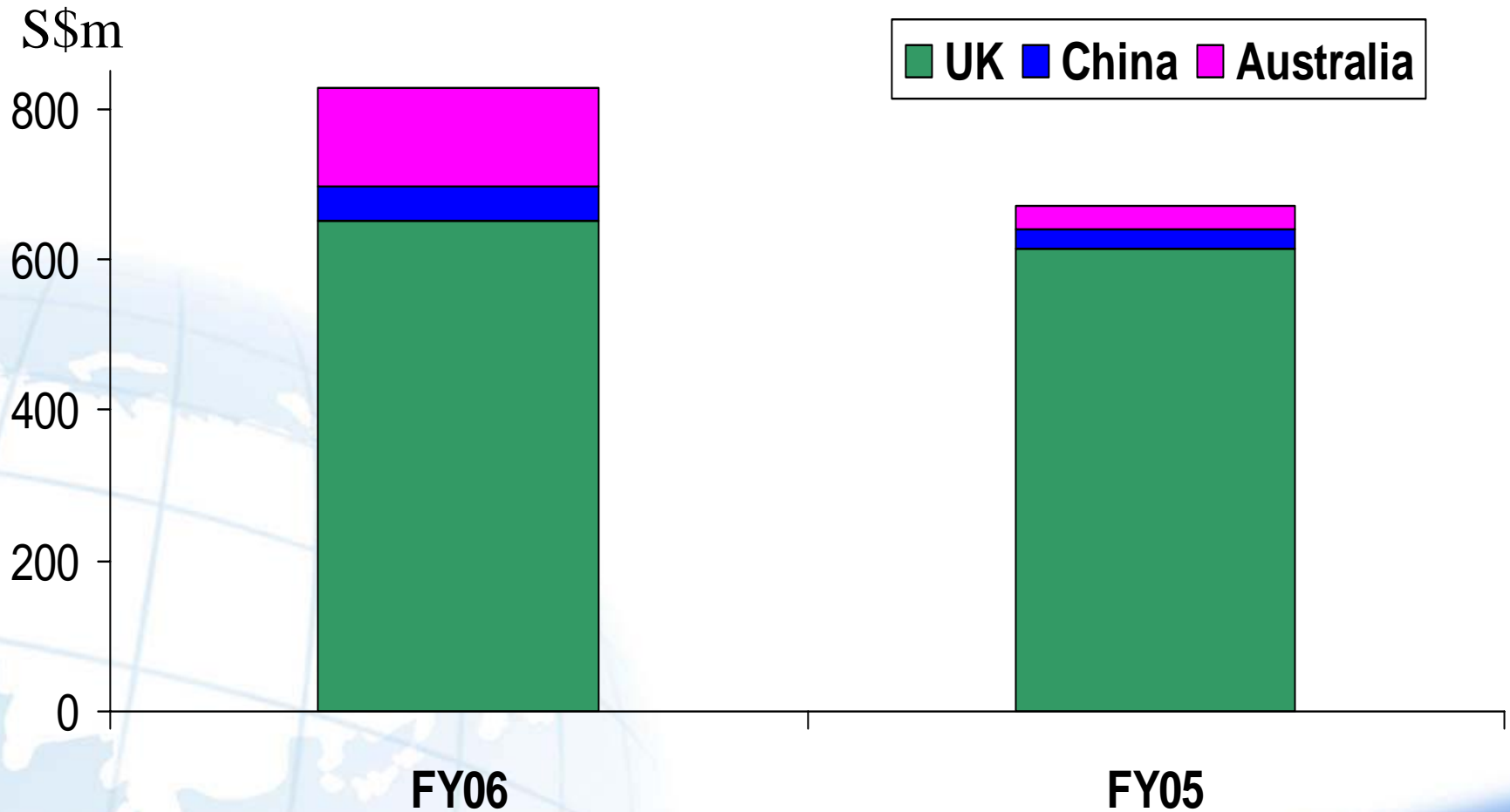
**Operating profit 2006**  
Singapore Bus– 41%  
Overseas Bus– 59%

Turnover for 2005



**Operating profit 2005**  
Singapore Bus– 52%  
Overseas Bus– 48%

# Overseas bus turnover by countries



# ComfortDelGro Cabcharge Pty Ltd (CDCC)

## One year on.....

- **CDCC grew its fleet from 667 to 728 buses**
  - **Acquired Baxter buslines, a 29 bus operation**
  - **12 new buses for the M2 motorway service**
- **Purchased Thornton Depot, previously leased**
- **Renewed Hunter Valley Bus contract for 7 years at higher contracted rate**
- **Armchair coaches were sold to Westbus coaches creating a fleet size of 35 coaches in London**
- **Turnover of CDCC's Sydney operations for 2006 was \$131.6m with operating profit of \$16.5m; including Westbus coaches in London, CDCC's turnover was \$141.0m and operating profit was \$17.3m**
- **ROE of 7%**

# Total Investments Overseas

Region	During 2006 (S\$'million)	To-Date (S\$'million)
UK	21.2	298.9
PRC	19.2	282.4
Vietnam	-	8.5
Australia	77.4	151.5
Malaysia	-	0.2
Total	117.8	741.5

# Investments In 2006

## UK

Metroline (inc capital)	S\$17.76m
Onward Travel(100%)	S\$ 1.99m
Flightlink International (70%)	S\$ 1.49m

### **2006 Investments in UK**

**S\$21.24m**

## Australia

Cabcharge Australia Ltd(5%)	S\$68.26m
Baxter Operations	S\$9.15m

### **2006 Investments in Australia**

**S\$77.41m**

## PRC

Chengdu CityLimo Auto Services	S\$1.21m
Chengdu ComfortDelGro Qing Yang	S\$2.67m
Chengdu ComfortDelGro Taxi	S\$3.42m
Chongqing ComfortDelGro Driving School	S\$10.14m
Sichuan ComfortDelGro Car Servicing	S\$0.15m
Yantai CityCab Services Co Ltd	S\$1.61m

### **2006 Investments in PRC**

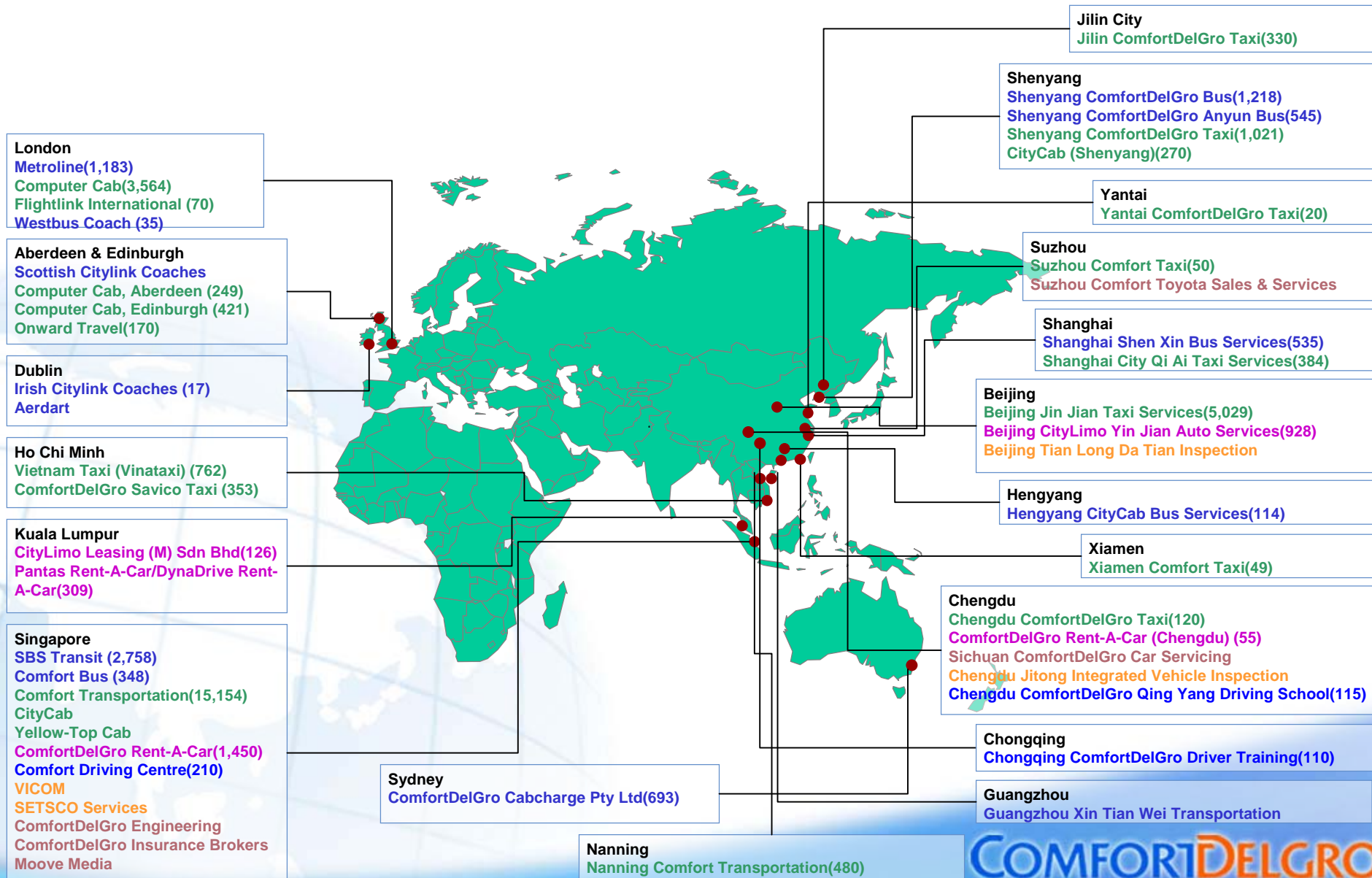
**S\$19.21m**

# Focus for 2007

- 1) To achieve growth from existing core businesses in those countries that we operate
- 2) Strengthen management resources
- 3) Maintain strong control on costs
- 4) To continue to seek acquisitions overseas

# Truly Global

**Legend:**  
 Bus Taxi Car Rental Train Inspection  
 Services Driving School Others



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**Financial Year 2006**

Thank you

