ASX RELEASE

CABCHARGE AUSTRALIA INTERIM REPORT FOR HALF-YEAR ENDED 31 DECEMBER 2016

- Continued progress in achieving priority growth initiatives
- Expansion into Queensland via Yellow Cabs acquisition
- Board renewal continues with new Chairman Paul Oneile
- Interim and Special dividends totalling 90 cents per share, fully franked
- Net debt reduced by $16.6 million

Sydney, 24 February 2017 – Cabcharge Australia Limited (Cabcharge) today reported underlying[1] EBITDA of $27.9 million for the half year ended 31 December 2016 (1H16 $32.1 million) and underlying net profit after tax (NPAT) from continuing operations of $12.2 million (1H16 $15.1 million). Revenue was $79.1 million (1H16 $88.6 million).

The Company completed the previously announced sale of its 49% interest in ComfortDelGro Cabcharge (CDC) on 15 February 2017, receiving net proceeds of $184 million after final capital gains tax assessment, transaction costs and the repayment of a loan.

Directors are pleased to declare a special dividend of 80 cents per share, fully franked, which will be paid out of the CDC proceeds. An interim ordinary dividend of 10 cents per share, fully franked, will also be paid.

Cash generation continued to be strong during the December 2016 half, and underlying cash expenses reduced by 9.3%. Net debt was reduced by $16.6 million to $80.0 million.

"We are now into the second year of our journey to reposition Cabcharge for growth in the personal transport market," said Andrew Skelton, Managing Director & CEO.

"We completed the roll out of *FAREWAYplus* in December 2016, facilitating more efficient and convenient payments for Passengers and customers. Enhancements to be introduced during the current half will provide dynamic vehicle position and status updates for Passengers using our booking apps.

"The uptake and performance of our entry into handheld terminals through Spotto (for taxis) and Giraffe (for hire cars and limousines) is encouraging, and we are now introducing these products into the Melbourne market."

[1] See reconciliation on slides [28-29] in Interim Presentation

Yellow Cabs

Pending approval from the Australian Competition & Consumer Commission, Cabcharge has entered into an agreement to acquire the business operations of Yellow Cabs Queensland for $20 million. The Yellow Cabs operations are expected to contribute revenue of approximately $40 million and EBITDA of $3.5 - 4 million on an annualised basis.

“I am also delighted to announce today that our taxi network business has expanded into Queensland through the proposed addition of the Yellow Cabs fleet. This will lift our total affiliated fleet to more than 8,500 vehicles and provide opportunities to improve services for Passengers and Drivers off a broader base,” said Mr Skelton.

“Yellow Cabs’ business includes taxi fleet operations and courier services which are activities not currently undertaken by Cabcharge. We look forward to exploring opportunities to leverage these skill sets in our other jurisdictions.”

Operations

“All mainland States and territories are expected to have implemented a service fee limit of 5% (including GST) by the end of 2017, and we anticipate a lessening of regulatory headwinds,” said Mr Skelton.

“Regulatory settings that have inhibited growth are changing in NSW and Victoria, our biggest markets, setting the scene for growth to resume.

“The Sydney market has stabilised, and we have now rebranded almost 60% of our traditional taxis as 13CABS. The reinvigoration of our Adelaide business is showing some green shoots, and Driver recruitment nationally is up 262% on the previous corresponding period.

“The addition of private hire to our product lines is also beginning to contribute to growth in South Australia, where it represents 6.2% of our fleet, and on the Mornington Peninsula where private hire is 23% of the fleet.”

On a statutory basis, Cabcharge reported a net loss after tax (NLAT) from continuing operations of $18.2 million and a NLAT including discontinued operations of $106.8 million. Three key non-cash items negatively impact the reported result. We previously announced impairments on taxi plate licences and of Cabcharge’s 49% holding in CityFleet Network UK. Non cash impairments included in NLAT from continuing operations totalled $28.5 million.

Due to the sale of CDC, the CDC associate interest is reported as discontinued operations. The loss from discontinued operations of $88.6 million includes an impairment loss on the write down of the value of CDC by $78.0 million to a pre-tax realisable value on an available for sale basis.

ENDS

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