



# ***ANALYST PRESENTATION 11 DECEMBER 2014***

***ON THE MOVE***

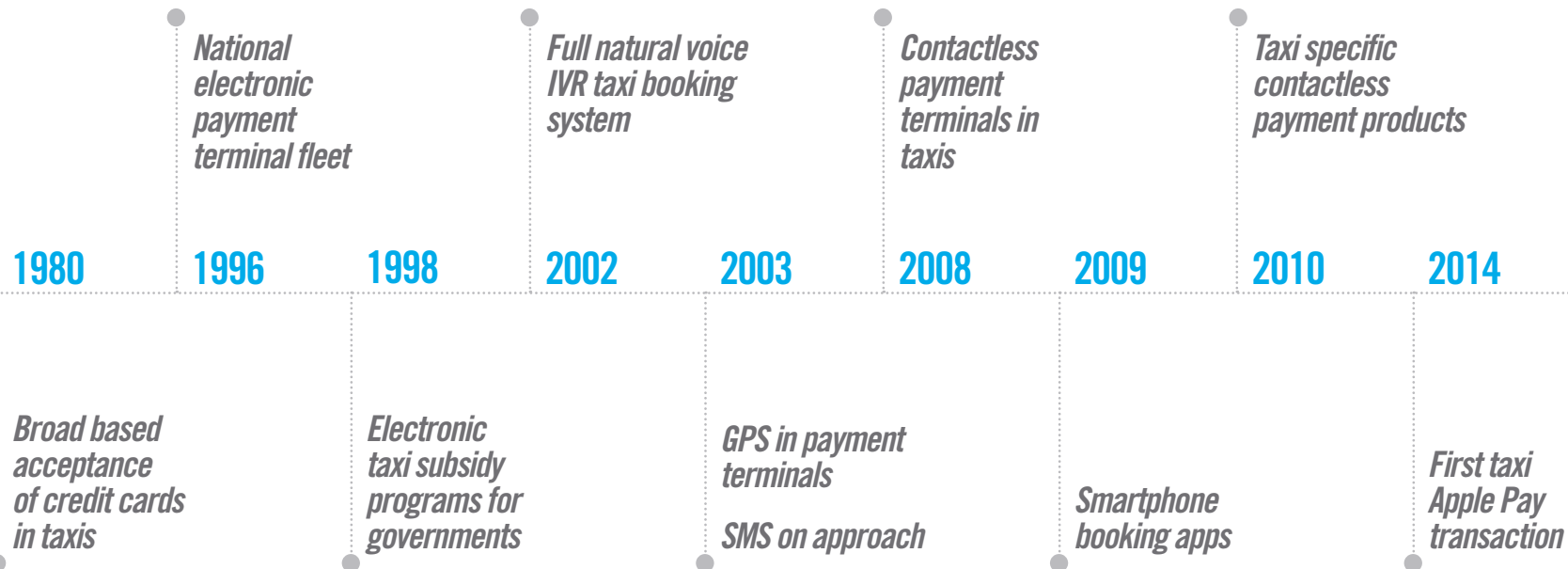


# ***ANDREW SKELTON***

## ***CHIEF EXECUTIVE OFFICER***

***ON THE MOVE***

# LEADING THE INDUSTRY



# WHY TAXIS MATTER

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*WE PROVIDE AN ESSENTIAL SERVICE AND EQUAL ACCESS TO ALL SECTIONS OF THE COMMUNITY  
– YOUNG, OLD, RICH, POOR, LARGE CORPORATES, PEOPLE WHO ARE DISADVANTAGED*

*UNLIKE PUBLIC TRANSPORT WE PROVIDE OUR SERVICES 24/7*

*WE PROVIDE OUR SERVICES ALL OVER THE COUNTRY*

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*Known fares regulated by  
Government to Balance the  
Interests of Stakeholders*

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*Universal, multi-channel service  
providing on-demand transport  
linkage with other modes*

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*Large number of participants  
and stakeholders*

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*Privately funded transport solution  
filling the gaps in public transport*

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*Drivers are trained and screened  
Vehicles are inspected and insured*

# OUR CUSTOMERS

## TAXI NETWORKS

Provide network services such as taxi booking and dispatch services to Taxi Industry participants

## PAYMENTS

There are several payment alternatives

## OPERATORS

Source a vehicle and a taxi licence and choose a Taxi Network to affiliate with

## DRIVERS

Taxi Drivers drive taxis either as an owner/operator or typically by taking a taxi on bailment from a Taxi Operator

## PASSENGERS

Use taxis for transport, predominantly of people but in some cases of parcels

## REGULATORS

Oversee all aspects of the Taxi Industry

# OUR BUSINESS

## MULTIPLE BRANDS



## MULTIPLE TECHNOLOGIES



# ***FIRST STEPS***

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**1** ***NON-PERFORMING  
UNITS ADDRESSED***

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**3** ***RECONFIGURED  
WORK SPACES***

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**5** ***OUTSOURCED SOME  
NON-CORE ACTIVITIES***

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**2** ***INCREASED  
COLLABORATION***

**4** ***PREPARED FOR SYSTEM  
STANDARDISATION***

**6** ***INCREASED  
TRANSPARENCY***

# STRATEGIC TASKS

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**INTEGRATING  
NETWORKS**



**APPOINTMENT OF  
STUART OVERELL**

.....

**COMMITTING  
TO A KEY BRAND**



**BRAND AUDIT AND  
CONSOLIDATION  
COMMENCED**

.....

**LINKING BOOKINGS  
AND PAYMENTS**



**STANDARDISATION  
OF BOOKING APPS  
UNDERWAY**



**SUPPORTING  
OUR MERCHANT  
PARTNERS**



**APPOINTMENT  
OF FRED LUKABYO**

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**LOOKING AFTER  
OUR CUSTOMERS**



**STANDARDISATION  
OF SERVICE LEVELS**

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# ***NEW EXECUTIVE TEAM***

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*CHIEF EXECUTIVE OFFICER*

***ANDREW SKELTON***

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*CHIEF FINANCIAL OFFICER*

***CHIP BENG YEOH***

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*CHIEF OPERATING OFFICER*

***FRED LUKABYO***

*HEAD OF PAYMENTS*

***JOHN D'ARCY***

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*COO TAXI SERVICES*

***STUART OVERELL***

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*GENERAL COUNSEL & COMPANY SECRETARY*

***ADRIAN LUCCHESI***



***FRED LUKABYO***  
***CHIEF OPERATING OFFICER***

***REGULATORY FRAMEWORKS  
AND MERCHANT PARTNERS***

***ON THE MOVE***

# ***STATE REGULATORY FRAMEWORKS***

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## **Non Cash Payment Regulation**

- Non Cash Payment Regulation in NSW 5% from 12 December 2015
- Market Share implications
- No dates or formal announcements around other jurisdictions

## **Network Regulation**

- Network requirements remain in NSW – additional regulation of app dispatch “booking services”
- Removal of mandatory affiliation in VIC has not reduced the appeal of belonging to a network
- No changes flagged for SA

## **“Ridesharing” – Unlawful in all States**

- NSW and Victoria increasing enforcement activity

# LICENCES

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- New Licence models have grown the industry
- >500 more in Victoria so far in FY15 – new Government expected to retain oversight
- >100 more in NSW already so far in FY15
- IPART NSW has commenced Licence and Fares model for 2015 – highly likely more licences
- Small Increase in Numbers Expected in other jurisdictions this year – Qld and SA
- Mixed Effect of Taxi Number increases on service levels and participants



# ***TAXI NETWORKS as MERCHANT PARTNERS***

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- New focus on Merchant Partners
- Far more active focus on servicing the Industry – New Commercial Arrangements
- Broad range of On Demand transport providers including Limo and Shuttle





***STUART OVERELL***  
***COO TAXI SERVICES***

***TAXI NETWORKS***

***ON THE MOVE***

# FLEET STATISTICS

TOTAL FLEET SIZE OF CABCHARGE OPERATED NETWORKS

6,650 6,986  
END OF FY14 CURRENT

SOUTH AUSTRALIA

299 / 297  
END OF FY14 CURRENT



NEW SOUTH WALES

4,104 / 4,169  
END OF FY14 CURRENT



VICTORIA

2,247 / 2,520  
END OF FY14 CURRENT

# THE NETWORKS

## How do Networks generate revenue?

- Subscriptions

## Network Services in 2015

- Driver training
- Car sales
- Insurance



# TAXI TECH / STRATACOM

Direction shift with growth  
of owner/driver model

Growth in services



# CUSTOMER INTERACTION

## Voice

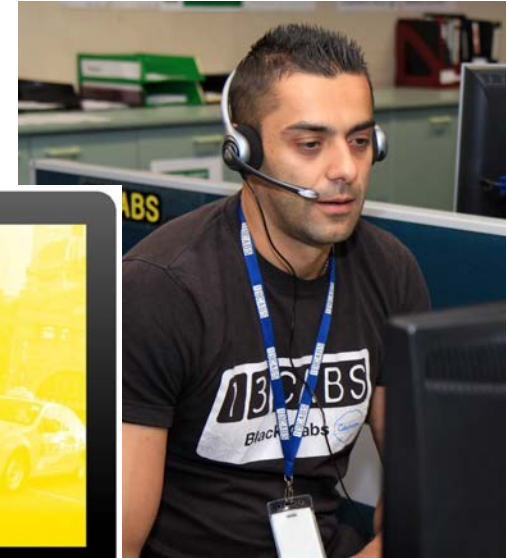
- Major users: health, education, government, courier customers

## IVR

- Major users: general public

## Apps

## Web



# NETWORK OPTIMISATION

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## Operational

- Staff, uniforms, stationery
- Linking technology
- Adaptive to change
- Load sharing
- Procurement
- Offering all services in each network
- New acquisitions can be integrated without the need for extra offices/sites

## Technology

- Telephone system
- Dispatch system



# EARLY PROGRESS

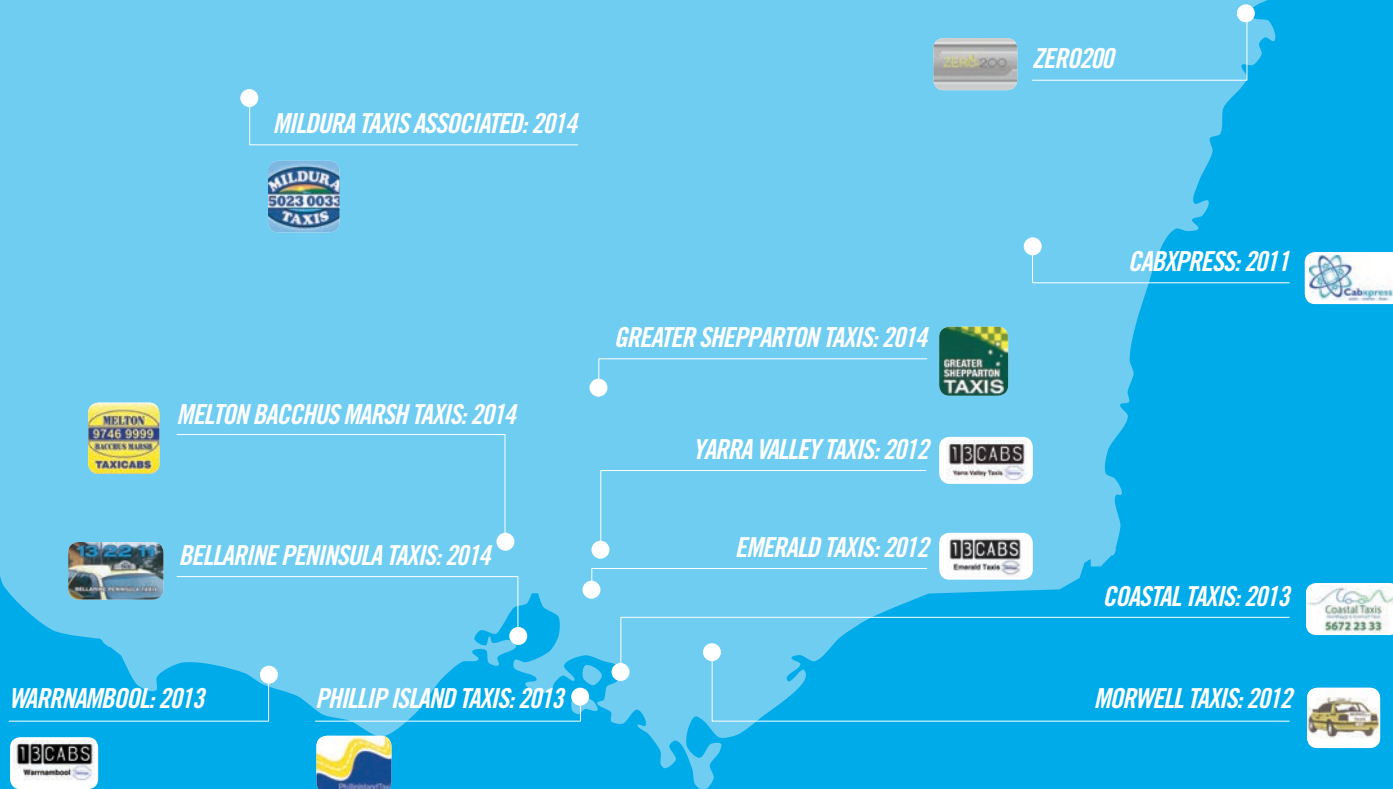
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## Operational Standardisation

- ✓ Contact centre re-organisation
- ✓ Service levels
- ✓ Staff training
- ✓ Adelaide office move



# BUREAU SERVICES





***JOHN D'ARCY***  
***HEAD OF PAYMENTS***

***CABCHARGE PAYMENT TECHNOLOGY***

***ON THE MOVE***

# FAREWAYplus

## Benefits and Opportunities

- Fully Integrated Passenger Experience from booking to payment
- Transparency. Fares, itemised extras, tolls and trip routing
- Platform for new Taxi applications for passengers and drivers
- All bases covered for new forms of payment – NFC, Bluetooth



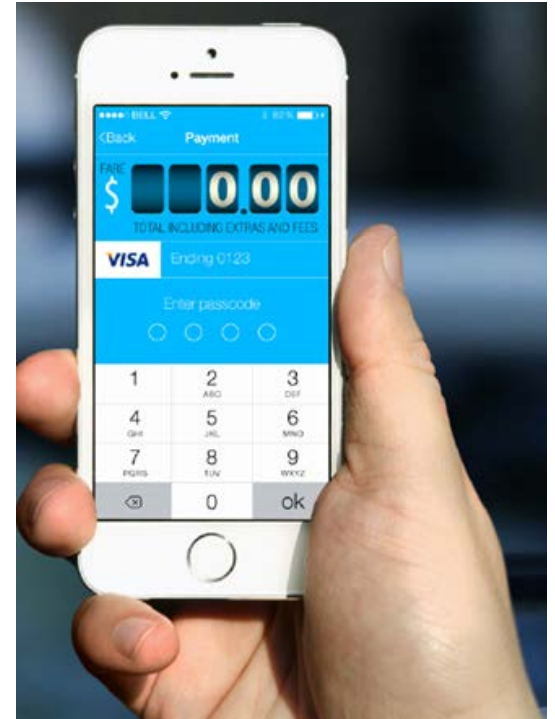
# APPS

## Leverage our Strengths

- Terminal fleet of 22,000 terminals
- Our technical capabilities
- Capabilities in the Taxi booking market

## Outcomes

- Excel in booked payments segment
- Rank and Hail phone payments
- Revitalise Cabcharge account products



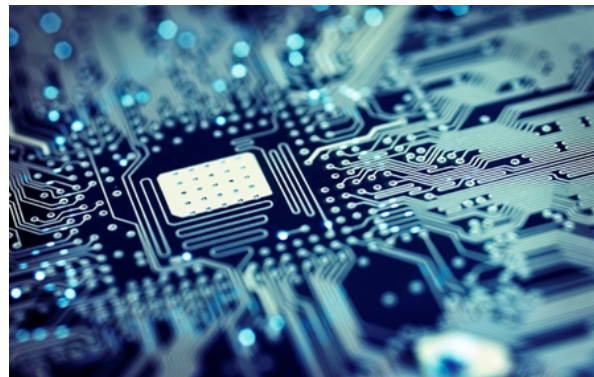
# TRANSACTION SWITCH

## Transaction Switch Upgrade

- Every Cabcharge transaction goes through the Switch
- Major upgrade and moves the systems into Tier 3 data centres
- Cabcharge becomes technical/operational peer with Banks and other processors
- Cabcharge has joined APCA COIN Framework

## Outcomes

- Improved transaction speed and reliability
- Better business continuity and Disaster Recovery
- Enhance PCI-DSS and in particular APCA compliance
- Potential to lower transaction costs over medium term
- Potential business expansion into new markets
- Enables 3rd parties to process Cabcharge cards



# PEOPLE and CULTURE

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## Talented People

- First Australian Booking App 2009
- Design and Build Hardware
- Payments delivery to major Banks, Woolworths, Australia Post and Others

## What Culture Change?

- Eliminate Silo thinking
- Look Outward not Inward
- Example – Integrate bookings and payments





***CHIP BENG YEOH***  
***CHIEF FINANCIAL OFFICER***

***ON THE MOVE***

# FINANCIAL PERFORMANCE

(\$m)	FY14	FY13	Change over PCP %
<b>Revenue<sup>1</sup></b>	<b>197.3</b>	<b>196.6</b>	<b>0.3</b>
Expenses <sup>2</sup>	(113.8)	(111.1)	<b>2.4</b>
Impairment charge on CityFleet	(9.7)	(5.7)	
<b>EBITDA</b>	<b>73.8</b>	<b>79.8</b>	<b>(7.6)</b>
Depreciation & Amortisation	(12.6)	(12.9)	
<b>EBIT</b>	<b>61.2</b>	<b>66.9</b>	<b>(8.6)</b>
Net interest	(6.3)	(7.5)	
<b>Profit before tax</b>	<b>54.9</b>	<b>59.4</b>	
Income tax	(19.4)	(19.2)	
<b>NPAT (excl. associates)</b>	<b>35.5</b>	<b>40.2</b>	<b>(11.8)</b>
Equity accounted net profit of associates	20.6	20.4	<b>1.0</b>
<b>NPAT</b>	<b>56.1</b>	<b>60.6</b>	<b>(7.4)</b>
EBITDA margin <sup>3</sup>	<b>37.4%</b>	40.6%	
EBIT margin <sup>3</sup>	<b>31.0%</b>	34.0%	
Effective tax rate (%) <sup>4</sup>	<b>35.4%</b>	32.3%	

## Revenue:

- Growth in taxi related service revenue as more taxis joined our networks
- Revenue from taxi service fee income impacted by limit on service fee on taxi payments to 5% in Victoria

## Expenses:

- Operating expenses grew in-line with growth in revenue from taxi related services and taxi service fee income (from increase in turnover)
- Impairment charge on CityFleet UK reflects that its current growth outlook is below our previous expectations

## Margins:

- Adjusted for the impairment charge, EBITDA margin for FY14 was 42.3% (FY13: 43.5%)

1 Excludes interest income

2 Operating expenses excluding impairment charge on investments in associates

3 Calculation excludes equity accounted net profit of associates

4 Higher effective tax rate due mainly to non-deductibility of impairment charge on CityFleet

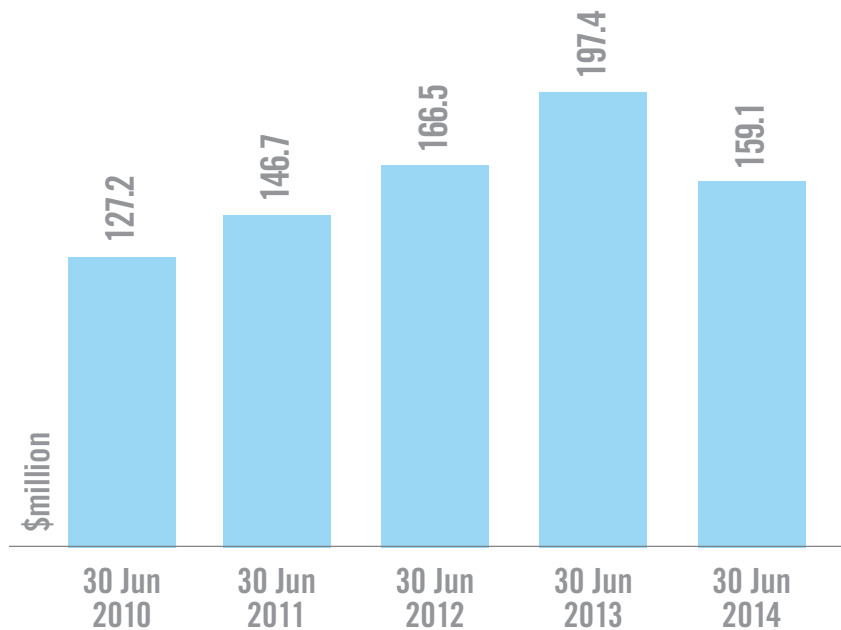
# BALANCE SHEET

(\$m)	2014	2013	2012	2011
Cash and cash equivalents	41.9	43.9	51.2	22.9
Advances to associates	—	18.0	17.7	14.2
Other current assets	70.5	71.5	80.2	78.1
Investments in associates	274.8	261.6	220.8	210.9
Property, plant and equipment	38.3	43.8	46.6	51.2
Taxi plate licences	71.4	71.8	60.4	54.4
Other non-current assets	62.8	62.5	46.5	47.2
<b>Total assets</b>	<b>559.7</b>	<b>573.1</b>	<b>523.4</b>	<b>478.9</b>
Loans and borrowings	159.1	197.4	166.5	146.7
Other liabilities	34.3	36.6	36.2	25.5
<b>Total liabilities</b>	<b>193.4</b>	<b>234.0</b>	<b>202.7</b>	<b>172.2</b>
<b>Total net assets</b>	<b>366.3</b>	<b>339.1</b>	<b>320.7</b>	<b>306.7</b>

- Total net assets grew by \$27.2m or 8%, largely due to FY14 net profit of \$56.1m less total dividend paid of \$32.5m
- Current cash balance of \$41.9m will support existing operational requirements
- New bank funding facility of \$200m in place which expires on 1 July 2017
- Cash flow generated was used to pay down bank borrowings
- Net debt to equity ratio was 32% at 30 June 2014 (2013: 45.3%)

# ***BALANCE SHEET- External Borrowings***

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# CASH FLOW

(\$m)	2014	2013	2012	2011
Net cash from operating activities	57.8 <sup>1</sup>	70.4	69.9	32.2
Net cash from (used in) investing activities	11.0 <sup>2</sup>	(66.3)	(15.8)	(27.2)
Net cash (used in) financing activities	(70.8) <sup>3</sup>	(11.3)	(25.8)	(13.0)
	(2.0)	(7.2)	28.3	(8.0)
Cash and cash equivalents at 1 July	43.9	51.1	22.9	30.9
<b>Cash and cash equivalents at 30 June</b>	<b>41.9</b>	<b>43.9</b>	<b>51.2</b>	<b>22.9</b>

1 Decrease from the effect of timing difference of year-end payments to Taxi Networks

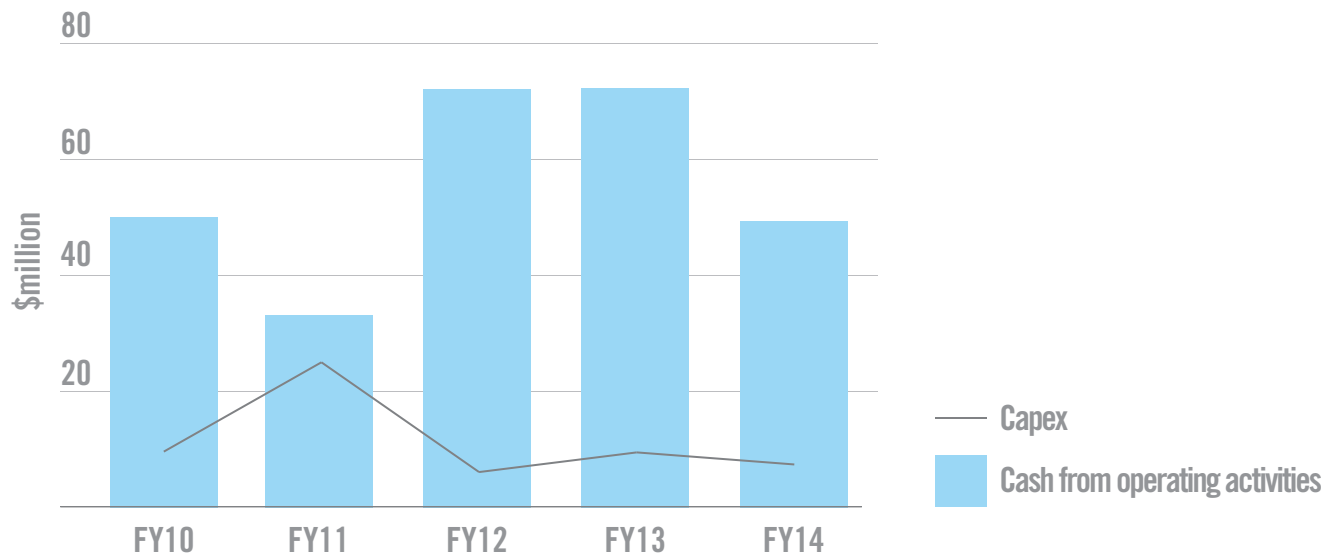
2 Positive cash flow from investing activities due to reduced capex and loan repayment from associates

3 Cash flow from financing reflects debt reduction activities

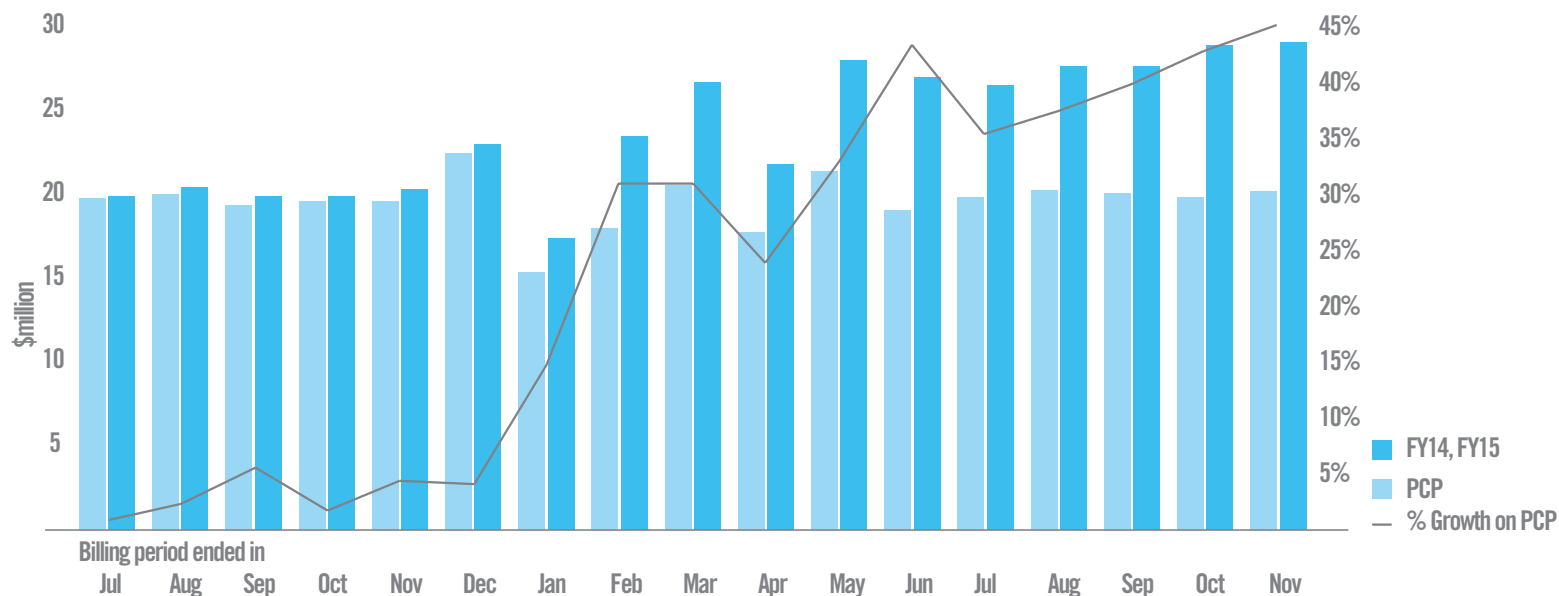
We maintained a strong cash conversion\* of 84% (adjusted for timing of year-end payments). Cash has been used to pay down borrowings.

\* Cash conversion is defined as 'Net cash from operating activities/EBITDA'

# ***CASH FLOW** – Net Cash from operations v Capex*



# VICTORIAN PAYMENT TURNOVER



The combination of increased turnover and the cap on service fee has resulted in taxi service fee income lowering by approximately \$7.5m in Victoria since introduction of the 5% restriction on service fees on 1 Feb 14 through to 17 Nov 14 (end of billing period).

# ***PARTNERSHIP*** with *ComfortDelGro*



CURRENT BUS FLEET

# 1,700

INCLUDES BLUE MOUNTAINS BUS  
COMPANY FROM 1 DEC 2014

OUTER METRO REGION 2  
HUNTER VALLEY BUSES

**2017**

1 YEAR OPTION

BLUE MOUNTAINS

**2017**

OUTER METRO REGION 4  
HUNTER VALLEY BUSES

**2017**

1 YEAR OPTION

METROPOLITAN REGION 4  
HILLSBUS

**2019**

3 YEAR OPTION

QUEANBEYAN  
QCITY TRANSIT AND  
TRANSBORDER XPRESS

**2015**

CDC MELBOURNE

**2015**

3 YEAR OPTION

CDC BALLARAT  
**2018**

3 YEAR OPTION

CDC GEELONG  
**2018**

3 YEAR OPTION

Dates indicate Contract Terms

# PARTNERSHIP *with ComfortDelGro*



(\$m)	Qtr ended Sep 14	Qtr ended Sep 13	FY14	FY13	FY12
<b>Revenue</b>	<b>85.2</b>	<b>103.3</b>	<b>356.9</b>	<b>375.1</b>	<b>350.1</b>
Expenses	(71.0)	(81.5)	(288.6)	(303.2)	(279.5)
<b>EBIT</b>	<b>14.2</b>	<b>21.8</b>	<b>68.3</b>	<b>71.9</b>	<b>70.6</b>
Net interest	(3.1)	(4.2)	(14.0)	(16.7)	(19.4)
<b>Profit before tax</b>	<b>11.1</b>	<b>17.6</b>	<b>54.3</b>	<b>55.2</b>	<b>51.2</b>
Income tax	(3.3)	(4.4)	(15.7)	(16.6)	(14.9)
<b>NPAT</b>	<b>7.8</b>	<b>13.2</b>	<b>38.6</b>	<b>38.6</b>	<b>36.3</b>
<b>49% share</b>	<b>3.8</b>	<b>6.5</b>	<b>18.9</b>	<b>18.9</b>	<b>17.8</b>
<b>EBIT Margin</b>	<b>16.7%</b>	<b>21.1%</b>	<b>19.1%</b>	<b>19.2%</b>	<b>20.2%</b>

- Operating profit for the quarter ended Sep 14 was down 35%.
- EBIT margin was lower at 16.7%.
- Savings from cessation of operations in Regions 1 & 3 were offset by costs incurred from transition into the new Region 4 contract (from Aug 14) and additional costs associated with growth in services in other regions.

# ***PARTNERSHIP*** with *ComfortDelGro*

TOTAL TAXI / HIRE CAR FLEET

**2,970**

TOTAL COACH FLEET

**37**

*ABERDEEN*



*EDINBURGH*



ComCab Taxis  
Comfort Executive Private Hire  
ComfortCars Private Hire  
Westbus Coaches Charter

*LIVERPOOL*



*BIRMINGHAM*



*LONDON*



# PARTNERSHIP *with ComfortDelGro*



(£m)	Qtr ended Sep 14	Qtr ended Sep 13	FY14	FY13	FY12
<b>Revenue</b>	<b>15.16</b>	<b>14.35</b>	<b>59.44</b>	<b>61.55</b>	<b>66.13</b>
Expenses	(14.44)	(13.73)	(56.93)	(59.05)	(63.18)
<b>EBIT</b>	<b>0.72</b>	<b>0.62</b>	<b>2.51</b>	<b>2.50</b>	<b>2.95</b>
Net interest	0.01	0.01	0.03	0.02	0.02
<b>Profit before tax</b>	<b>0.73</b>	<b>0.63</b>	<b>2.54</b>	<b>2.52</b>	<b>2.97</b>
Income tax	(0.17)	(0.17)	(0.55)	(0.57)	(0.76)
<b>NPAT</b>	<b>0.56</b>	<b>0.46</b>	<b>1.99</b>	<b>1.95</b>	<b>2.21</b>
<b>49% share</b>	<b>0.27</b>	<b>0.23</b>	<b>0.98</b>	<b>0.96</b>	<b>1.08</b>
<b>49% share in AUD</b>	<b>0.49</b>	<b>0.39</b>	<b>1.71</b>	<b>1.47</b>	<b>1.69</b>

Operating profit for the quarter ended Sep 14 was up 15% on the back of improved taxi bookings.

# LOOKING AHEAD

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- Execute our strategic tasks



COMMITTING  
TO A KEY BRAND



SUPPORTING  
OUR MERCHANT  
PARTNERS



- Recruit digital marketing expertise
- Consolidate premises and activities
- Leverage our payment expertise outside the taxi industry
- Evolve culture from operationally focused emphasising resilience to customer focused pursuing growth



# ***QUESTIONS***

***ON THE MOVE***

# ***DISCLAIMER***

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