



# Cabcharge Australia Limited

## Result Presentation

Half Year ended 31 December 2009

**Reg Kermode**  
*Executive Chairman*

**Fred Lukabyo**  
*Chief Operating Officer*

**Chip Beng Yeoh**  
*Chief Financial Officer*

**Jim Glasson**  
*Chief Executive Officer, CDC*

## 1H10 Key Points – Recovery Underway

### Profit

- NPAT of \$29.7m, up 1.9% on 2H09, down 7.9% on PCP.
- Pleasing profit result despite weak economic conditions, belt tightening (mainly corporate) in the aftermath of the Global Financial Crisis, fire accident at Silver Top Taxis depot and weaker contribution from the UK associate. Lower than expected contribution from CDC due to short term growth pains in NSW.
- EPS of 24.7 cents, up 2.1% on 2H09, down 7.8% on PCP.

### Dividend

- Interim dividend of 17 cents (fully franked). Consistent with FY09 interim.

### Revenue

- Revenue of \$87.8m, up 5.4% on 2H09, down 2.7% on PCP.
- Evidence of recovery underway:
  - Cabcharge Account turnover increased by 7.6% on 2H09.
  - Third Party Card turnover increased by 3.9% on 2H09.
  - Bank Issued Card turnover increased by 9.7% on 2H09.

### Cash Flow

- Cash flow remains strong and in line with revenue.

### Balance Sheet

- Continued strong balance sheet with net debt of \$87.4m at 31 December 2009 with net debt-to-equity ratio at 30.4% (30 June 2009: 28.1%).



## Financial Performance

HY/End 31 Dec (\$m)	1H09	2H09	FY09	1H10
<b>Revenue</b>	<b>90.3</b>	<b>83.3</b>	<b>173.6</b>	<b>87.8</b>
Expenses	(46.5)	(43.5)	(90.0)	(48.2)
<b>EBITDA</b>	<b>43.8</b>	<b>39.8</b>	<b>83.6</b>	<b>39.6</b>
Depn & amortn	(4.2)	(4.1)	(8.3)	(4.9)
<b>EBIT</b>	<b>39.6</b>	<b>35.7</b>	<b>75.3</b>	<b>34.7</b>
Net interest	(2.3)	(2.7)	(5.0)	(2.9)
<b>Profit before tax</b>	<b>37.3</b>	<b>33.0</b>	<b>70.3</b>	<b>31.8</b>
Income tax	(10.8)	(9.3)	(20.1)	(9.0)
<b>NPAT (excl. associates)</b>	<b>26.5</b>	<b>23.7</b>	<b>50.2</b>	<b>22.8</b>
Equity accounted NPAT	5.7	5.4	11.1	6.9
<b>NPAT</b>	<b>32.2</b>	<b>29.1</b>	<b>61.3</b>	<b>29.7</b>
EBITDA margin <sup>1</sup>	48.5%	47.8%	48.2%	45.1%
EBIT margin <sup>1</sup>	43.9%	42.9%	43.4%	39.5%
Effective tax rate (%)	28.9%	28.2%	28.6%	28.3%

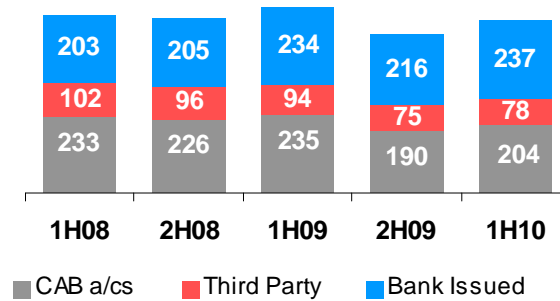
<sup>1</sup> Calculation excludes equity accounted NPAT



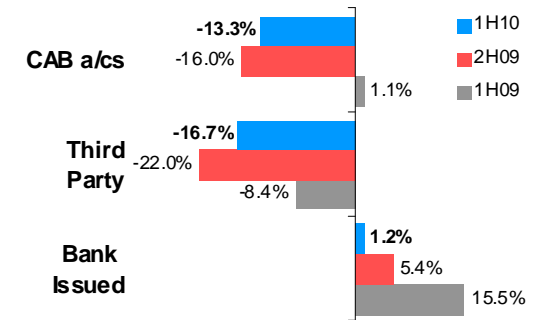
# Cabcharge payment system

1H10 turnover of \$519.0m, up 7.9% on 2H09, down 7.8% on PCP.

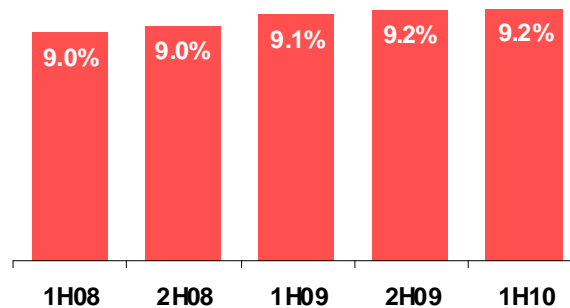
Turnover by category (\$m)



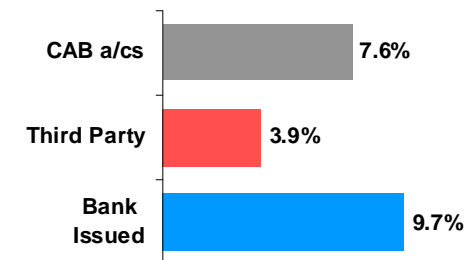
Turnover growth (v PCP) by category (%)



Service fee margin (%)



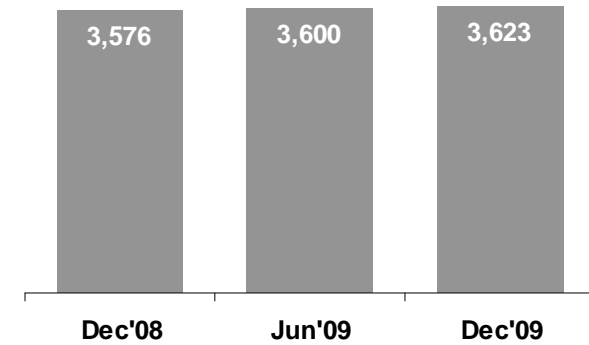
Turnover growth (1H10 v 2H09) by category (%)



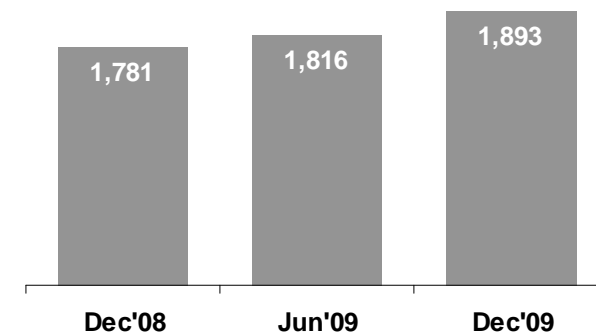
## Taxi services

- Revenue increased 5.0% to \$38.2m from \$36.4m
- Fleet growth over the past 6 months:
  - NSW: increased by 23 cars
  - VIC: increased by 77 cars

### NSW Network Fleet



### VIC Network Fleet



## Associates

### Equity accounted NPAT increased 20% to \$6.9m from \$5.7m

**ComfortDelGro  
Cabcharge (CDC)**  
CAB = 49%

- NPAT contribution was \$5.9m, compared to \$3.8m in 1H09 (up 56%)
- The better performance during the period reflects the contribution from CDC Victoria. The contribution would have been higher if not for higher start-up costs associated with the implementation of the growth bus services in Sydney. These start-up costs includes the creation of 2 new depots, training for new drivers to crew the growth buses and associated back-office support staff personnel for the new depots and enlarged business operation.
- CDC's 1H 10 revenue (100%) = \$135m (1H09 was \$96m) and EBIT = \$17.9m (\$15.2m in 1H09)
- CDC's balance sheet at 31 December 2009 remains solid, with Debt (excluding bus fleet financing) to Equity Ratio at 37.2% (31 December 2008: 24.8%)
- Bus fleet = 1371 at 31 December 2009 over 876 at December 2008 (Kefford impact was a fleet of 337)

**CityFleet (UK)**  
CAB = 49%

- NPAT contribution was \$1.0m, compared to \$1.9m in 1H09 (down 47%)
- UK market continued to be difficult due to the impact of the Global Financial Crisis, the effects of which have been particularly severe in the financial sector in London.
- Weak British pound sterling also impacted the result by 11%.
- CityFleet Group's balance sheet continues to remain strong, with no external borrowings.



## Outlook

- There are some positive signs of improvement in the Australian economy but like others we remain cautious.
- Continued focus on growing the non cash share of the Taxi payments market, with the launch of new products and increasing the number of Cabcharge Account cards on issue.
- We are still awaiting all the evidence in the ACCC matter. We continue to believe we are in a strong position to defend the allegations and do not believe the action will have any material impact on the Company. We have every reason to expect a satisfactory and sensible resolution of the matter.
- Diversification within the passenger land transport sector will continue to reap increased financial returns in the year ahead, especially from CDC. We expect to see continued growth in CDC's operations with the full roll-out of 124 additional buses in NSW in April 2010. During 2010, we expect CDC to put in additional bus services to the busy North-West region of Metropolitan Sydney involving 25 new buses. CDC Victoria is performing to expectation and continues to contribute to the growth of the CDC Group with an expected 4 new buses in 2010.
- In the UK, business conditions continue to be difficult but there are early signs that the economy is starting to turn around. Subsequent to 31 December 2009, the CityFleet Group carried out an internal restructuring exercise where CityFleet (UK) Pte Ltd, transferred its equity interest in its subsidiaries, Computer Cab plc, Computer Cab (Aberdeen) Limited and Computer Cab (Edinburgh) Limited, to a UK-incorporated holding company, CityFleet Networks Limited, at the respective net assets value as at 31 December 2009.
- We continue to look for growth opportunities in both the Taxis and Bus operations and continue to strengthen and expand our relationship with our JV Partner, ComfortDelGro.

