



# Cabcharge



**CABCHARGE AUSTRALIA LIMITED**  
RESULTS PRESENTATION  
Half Year Ended 31 December 2013

# Highlights

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## ■ Revenue

- 3.5% increase to \$103.3m.
- Solid growth despite the difficult economic environment.

## ■ Reported NPAT

- 8.0% increase to \$36.0m.
- Strong operating results highlight the resilience of our businesses.

## ■ Dividend

- Interim dividend of 15 cents (fully franked) per share, compared to Interim 2013 of 18 cents(fully franked) and Final 2013 of 12 cents(fully franked).

## ■ Cash flow

- Strong operating cash flows of \$27.4m for the half year

## ■ Balance Sheet

- Strong balance sheet with net debt of \$126.7m at 31 December 2013 (compared to \$153.8m at 30 June 2013).
- 1H14 net debt-to-equity ratio is 34.7% (compared to 1H13: 41.8% and FY13: 45.3%).

# Financial Performance

(\$m)	1H13	1H14	Change over PCP
<b>Revenue</b> <sup>1</sup>	<b>99.8</b>	<b>103.3</b>	<b>3.5%</b>
Expenses	(57.1)	(58.9)	
<b>EBITDA</b>	<b>42.7</b>	<b>44.4</b>	<b>4.0%</b>
Depn & amortn	(6.3)	(6.3)	
<b>EBIT</b>	<b>36.4</b>	<b>38.1</b>	<b>4.7%</b>
Net interest	(3.8)	(3.4)	
<b>Profit before tax</b>	<b>32.6</b>	<b>34.7</b>	
Income tax	(9.7)	(10.3)	
<b>NPAT (excl. associates)</b>	<b>22.9</b>	<b>24.4</b>	<b>6.6%</b>
Equity accounted NPAT	10.4	11.6	<b>11.5%</b>
<b>NPAT</b>	<b>33.3</b>	<b>36.0</b>	<b>8.0%</b>
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EBITDA margin <sup>2</sup>	42.8%	43.0%	
EBIT margin <sup>2</sup>	36.5%	36.9%	
Effective tax rate (%)	29.8%	29.7%	

<sup>1</sup> Excludes interest income

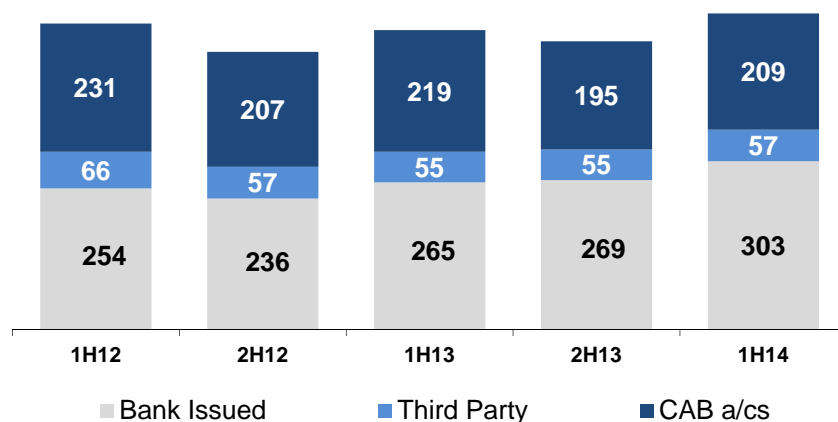
<sup>2</sup> Calculation excludes equity accounted NPAT

# Cabcharge Payment System

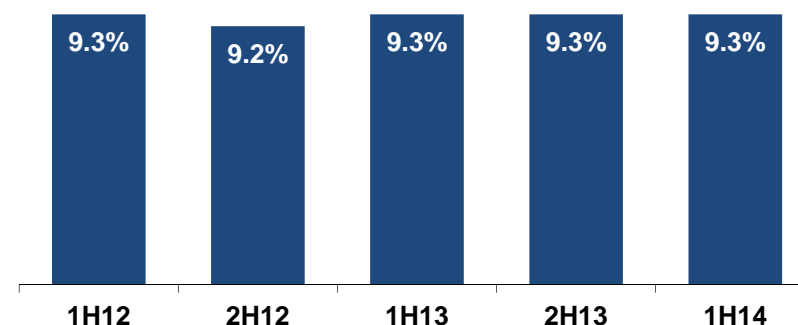
**1H14 turnover = \$569m\* – an increase of 5.7% from \$539m\* in 1H13**

\*A non-IFRS information, represents the value of taxi fares and the account service fee processed through the Cabcharge Payment System.

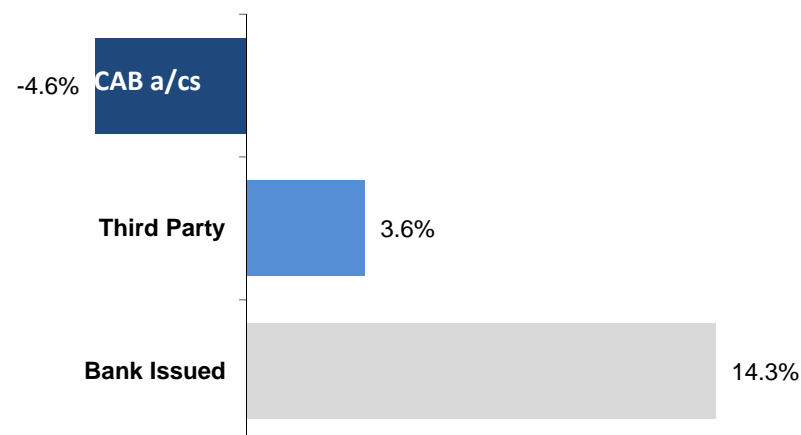
## Turnover by category (\$m)



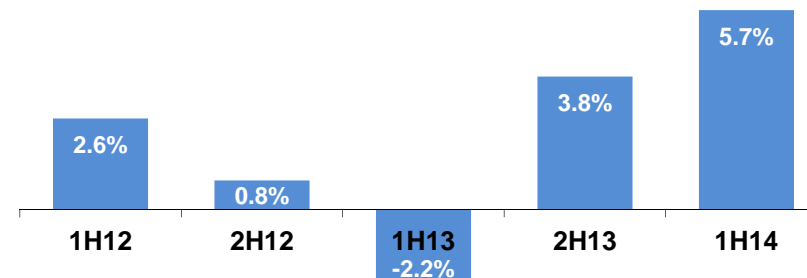
## Effective service fee rate



## Turnover growth (1H14 v 1H13) by category



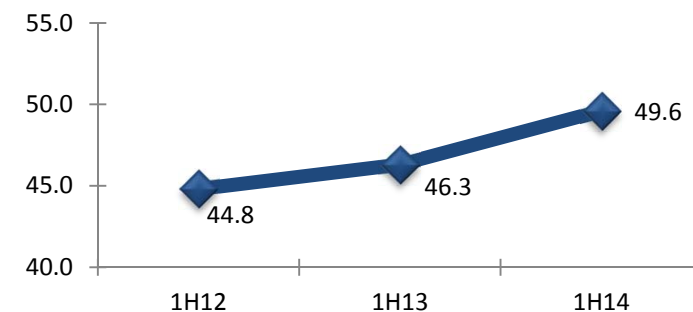
## Turnover growth (vPCP)



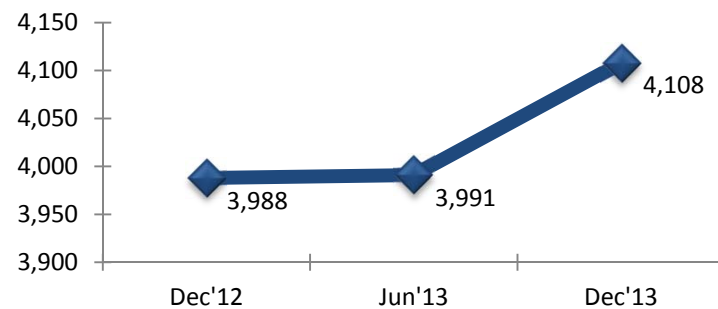
# Taxi Services

- Revenue increased by 7.1% to \$49.6m.
- Fleet growth:
  - NSW: increased by 117 cars.
  - VIC: decreased by 13 cars.
  - SA: increased by 12 cars to 301 cars.

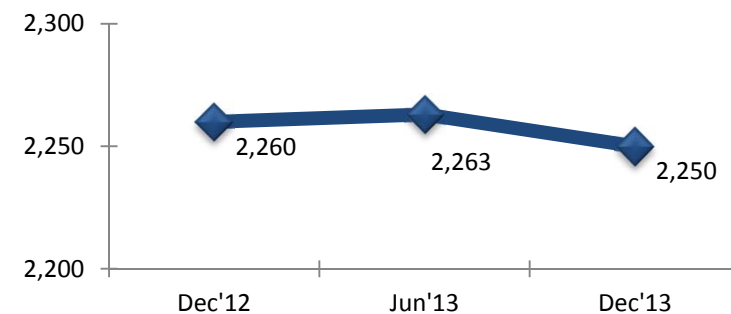
**Taxi Services Revenue (\$m)**



**NSW Network Fleet**

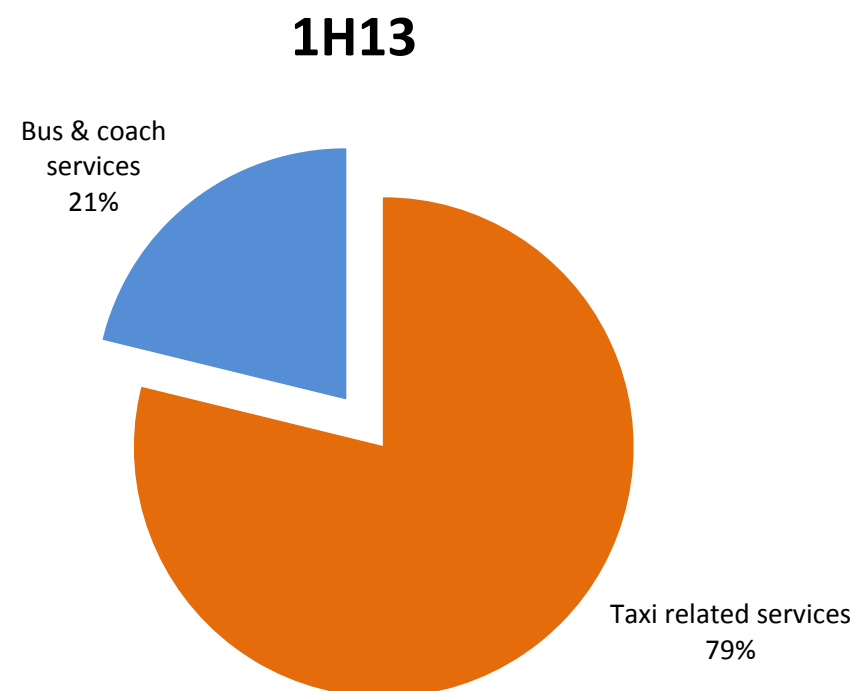
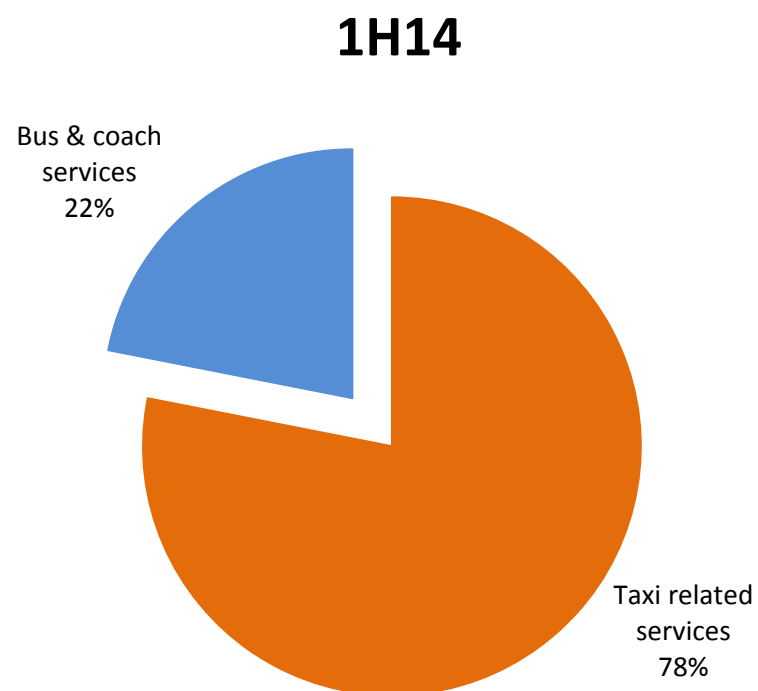


**VIC Network Fleet**



# Business Segments Contributions

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*\* Taxi related services include Cabcharge Payment System and taxi operations*

# Associates

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- Equity accounted NPAT contribution from Associates for the half year ended 31 December 2013 was \$11.6m, an increase of 11.5% or \$1.2m.
- ComfortDelGro Cabcharge (CDC) – CAB = 49%
  - NPAT contribution was up by 10.1% at \$10.9m, compared to \$9.9m in 1H13.
  - The increase in contribution was due to growth in route services and the efficiencies from the completion of the Integrated Network Route Planning Services in Metropolitan Sydney and the Hunter Valley Operations, the Victorian Bus Operations, the Deanes bus operation acquisition in September 2012 and the Driver Group bus operations acquired in July 2013, offset in part from the cessation of contributions from NSW bus contracts for Metropolitan Regions 1 and 3.
  - CDC's 1H14 revenue (100%) = \$190.5m (\$187.1m in 1H13) and EBIT = \$38.5m (\$37.6 in 1H13).
  - CDC's balance sheet at 31 December 2013 remains solid, with net Debt of \$187.5m (31 Dec 12: \$231.5m) and Net Debt to Equity Ratio at 42.9% (31 Dec 2012: 58.5%).
  - Bus fleet = 1,614 December 2013 (compared to 1,643 at December 2012).
- CityFleet (UK) – CAB = 49%
  - NPAT contribution was up by 53.8% at \$754k, compared to \$490k in 1H13.
  - Our UK Operations are profitable but continue to be impacted by difficult business conditions.
  - CityFleet Group's balance sheet continues to remain strong, with no external borrowings.

# Outlook

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- There has been continued growth from the expanded Cabcharge product range, particularly the contactless FAST eTICKET and Gift Card which provide increased customer choice and convenience while broadening our customer base. We expect additional taxi payments turnover growth from other cards as more consumers enjoy the convenience of contactless products, including debit cards, over cash.
- Overall taxi payments growth will be supported by generally positive economic growth in the near term. We will continue to work hard to protect our market share and grow the market.
- Technology
  - We will enhance our position as technology leaders in the Taxi industry through the introduction of the next generation of PinPads. The VX820 model is faster, easier to use, more secure and costs less.
  - The full production and rollout of Fareway Plus devices has commenced following a successful pilot. These devices will lower engine replacement costs and expand existing and introduce new commercial opportunities through the option to download additional applications.
  - We expect to acquire additional payments software development work due to our contactless technology expertise, product versatility and our ability to design and deliver tailored solutions for customers.



# Outlook (continued)

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- Associates
  - CityFleet UK is likely to remain profitable through improved economic conditions in the UK and effective cost management.
  - The contribution of CDC will be impacted by the loss of contracts in Regions 1 and 3, however positive contributions are expected from the full year effects of new bus services and significant service improvements in Region 4 from 28 January 2014.
- A reduction of our service fee to 5% in Victoria became effective from 1 February 2014. The impact of this will be carefully monitored and reviewed and necessary commercial decisions will be taken where appropriate.
- Overall, our strong balance sheet provides flexibility in relation to future growth initiatives.

# Disclaimer

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