

CABCHARGE AUSTRALIA LIMITED

RESULTS PRESENTATION

HALF YEAR ENDED 31 DECEMBER 2014



ON THE MOVE

Cabcharge

HIGHLIGHTS

REVENUE AND OTHER INCOME

\$100.5M

Down 2% on pcp

NPAT EXCLUDING ASSOCIATES

\$22.8M

Down 6.5% on pcp

REPORTED NPAT

\$31.2M

Down 13.4% on pcp

EPS 25.9 CENTS (1H14: 29.9 CENTS)

25.9C

INTERIM DIVIDEND 10 CENTS
PER SHARE FULLY FRANKED
(1H14: 15 CENTS)

10C

STRONG OPERATING CASH FLOWS
OF \$25M FOR THE HALF YEAR

\$25M

NET DEBT REDUCED BY \$1.6M
TO \$115.6M AT 31 DECEMBER 2014
(JUNE 2014: \$117.2M)

\$115.6M

FINANCIAL PERFORMANCE

(\$m)	1H15	1H14	Change over PCP
Revenue & other income	100.5	102.5	-2.0%
Expenses	(58.3)	(58.1)	0.3%
EBITDA	42.2	44.4	-5.0%
Depreciation & Amortisation	(6.7)	(6.3)	
EBIT	35.5	38.1	-6.8%
Net interest	(3.0)	(3.4)	
Profit before tax	32.5	34.7	-6.3%
Income tax	(9.7)	(10.3)	
NPAT (excl. associates)	22.8	24.4	-6.5%
Equity accounted net profit of associates	8.4	11.7	-27.7%
NPAT	31.2	36.0	-13.4%
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EBITDA margin ¹	42.0%	43.3%	
EBIT margin ¹	35.3%	37.2%	
Effective tax rate (%)	29.8%	29.7%	

Revenue:

- Growth in taxi related services revenue as more taxis joined our networks
- Decline in taxi service fee income due to price cap on service fees in Victoria and New South Wales

Expenses:

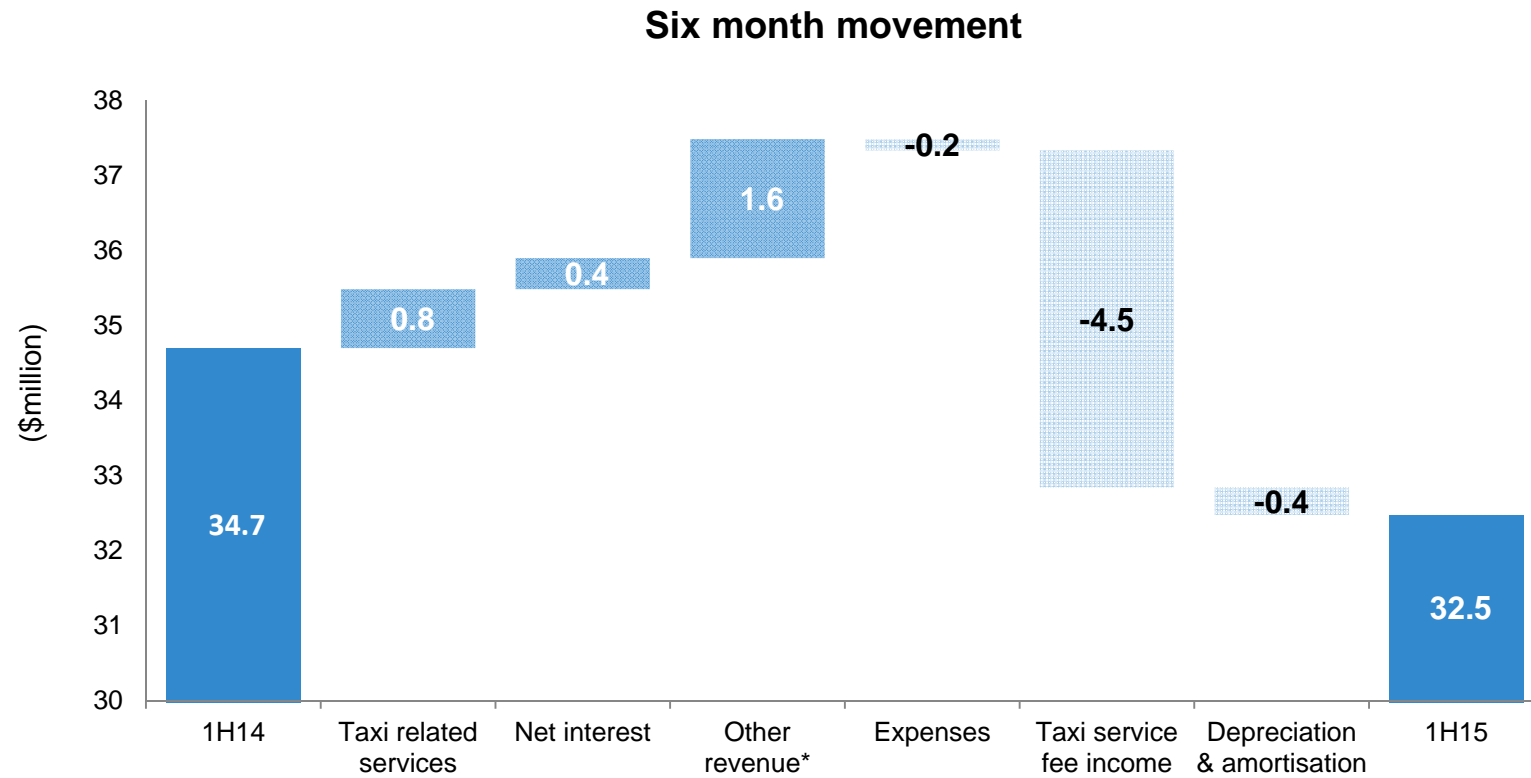
- Operating expenses controlled and actions taken to reduce costs in future periods

Margins:

- EBITDA margin for 1H15 of 42% (1H14: 43.3%)

¹ EBITDA and EBIT calculations exclude equity accounted net profit of associates.
 EBITDA is profit before interest, tax, depreciation and amortisation.
 EBIT is profit before interest and tax.

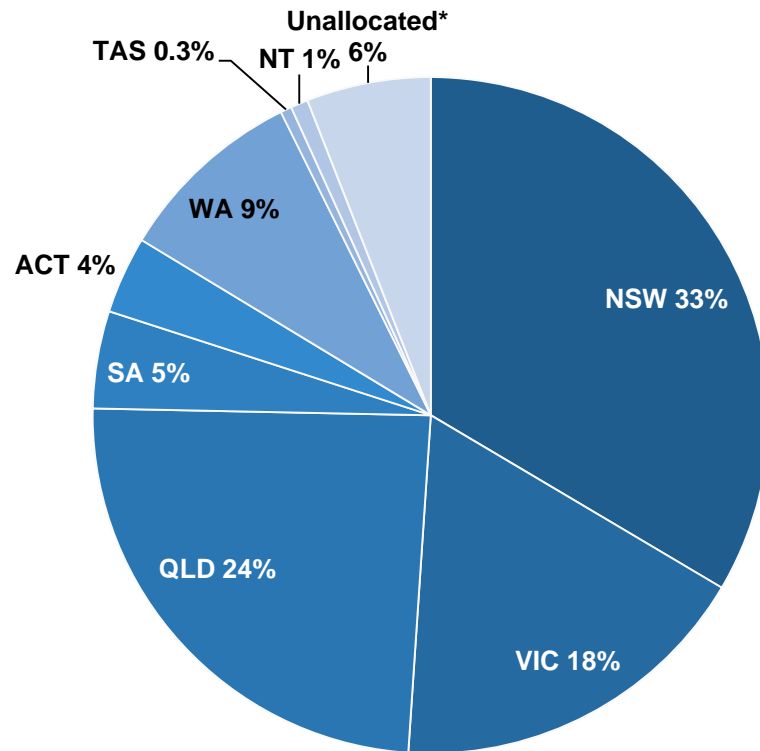
PROFIT BEFORE TAX



* Other revenue includes school bus contract revenue in Yellow Cabs South Australia and payments contracting revenue at EFT Solutions

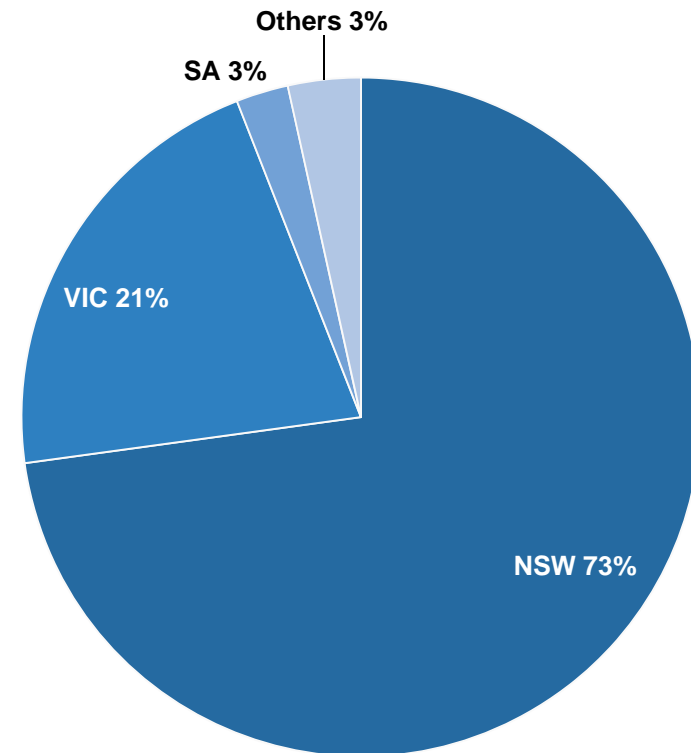
REVENUE BY STATE/TERRITORY

Taxi Service Fee Income \$44m



* Unallocated includes Water Taxis and Hire Cars

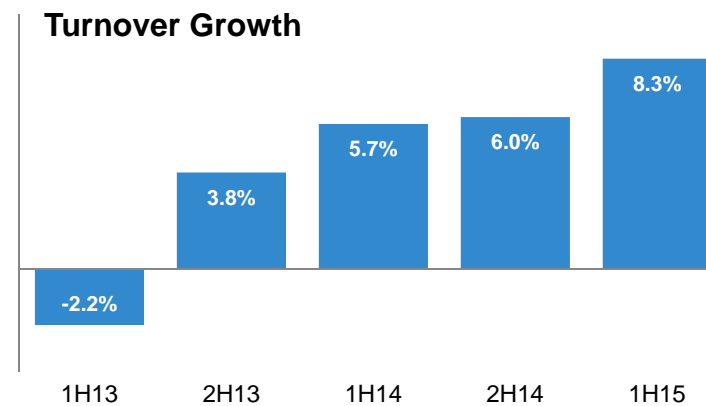
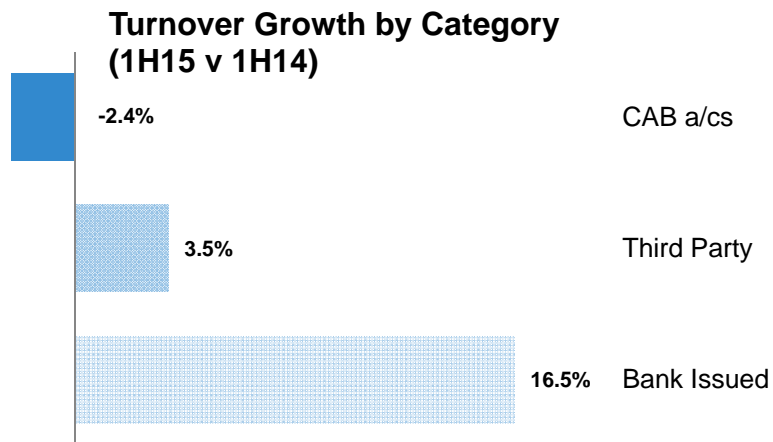
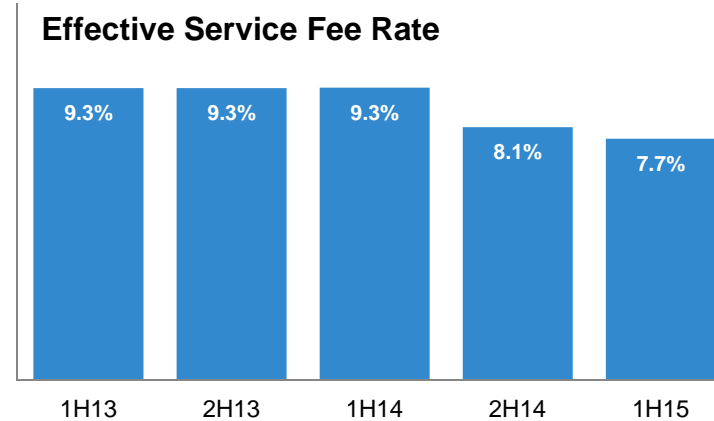
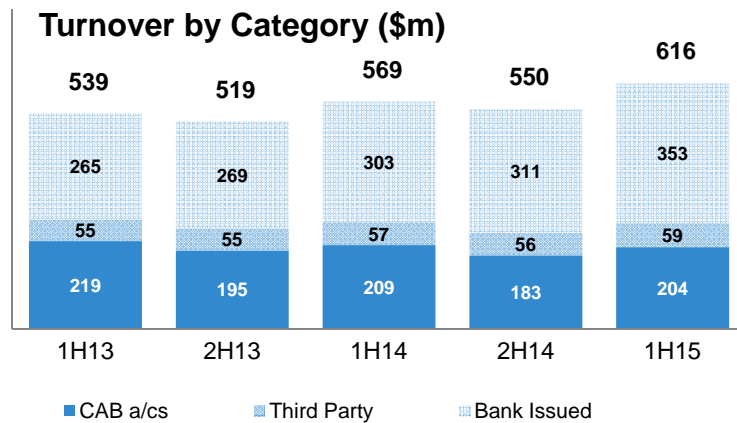
Taxi Related Services \$49.7m



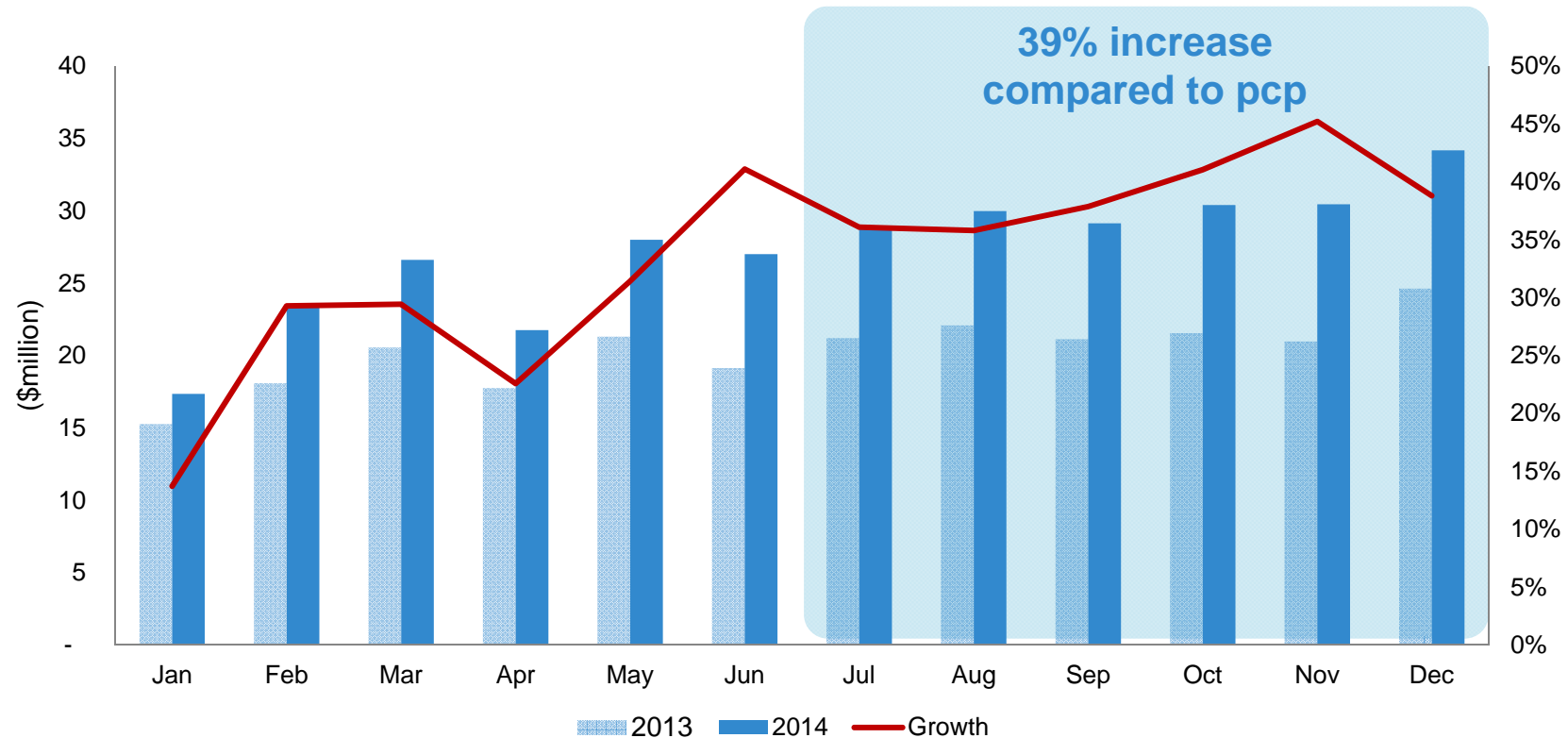
Other Revenue \$6.6m Total Revenue \$100.4m

TAXI PAYMENTS

Revenue decreased 9.3% to \$44m as Effective Service Fee Rate outweighed Turnover Growth



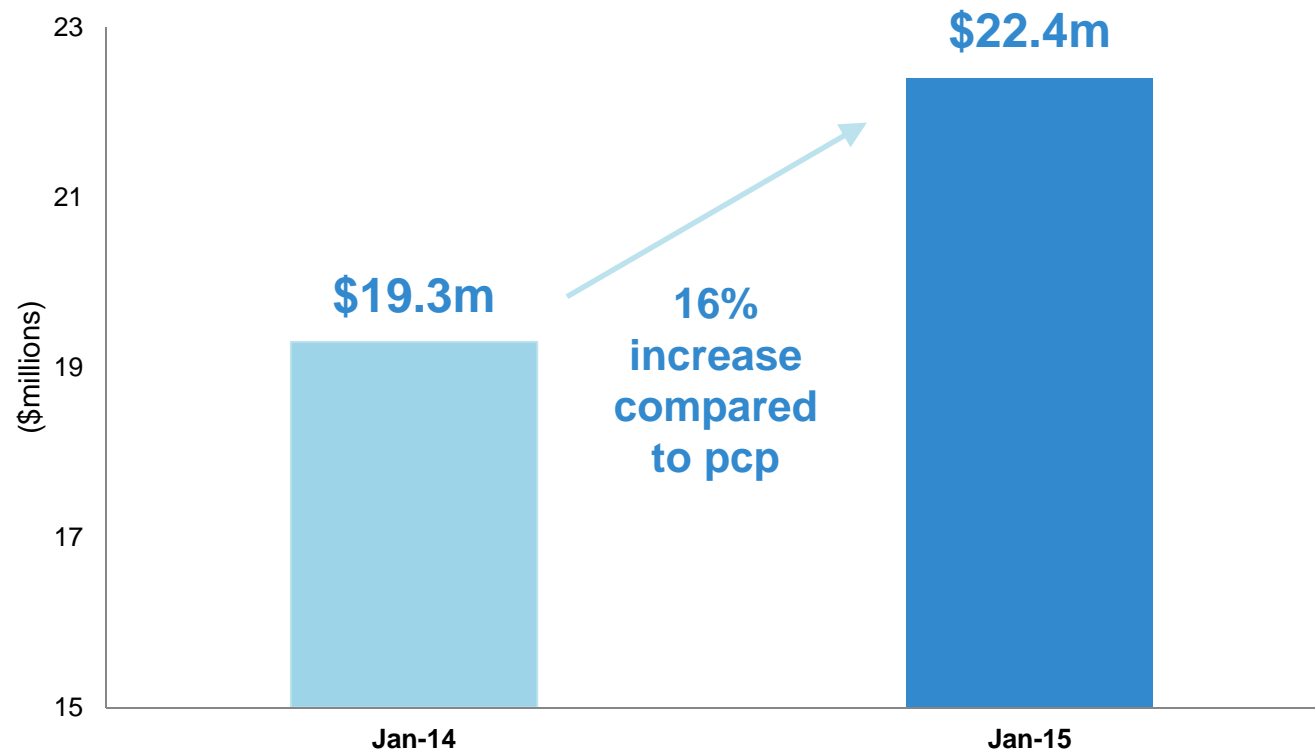
VICTORIAN PAYMENT TURNOVER



For 1H15, turnover through Cabcharge payment terminals in Victoria increased by approximately \$51m or 39% over pcp. The combination of increased turnover and the price cap on service fees resulted in taxi service fee income lowering by approximately \$4.7m in Victoria for 1H15 compared to pcp.

Taxi fare turnover in Victoria for the month of January 2015 grew at 31% compared to pcp.

NSW PAYMENT TURNOVER



In NSW, from 12 December 2014 to 31 December 2014:

- taxi fare turnover through Cabcharge payment terminals increased by approximately \$1.4m or 10% over pcp
- the combination of increased turnover and the price cap on service fee resulted in taxi service fee income lowering by approximately \$0.6m

Taxi fare turnover in NSW for the month of January 2015 grew at 16% compared to pcp.

TAXI SERVICES

Revenue increased 1.6% to \$49.7m as the total fleet increased

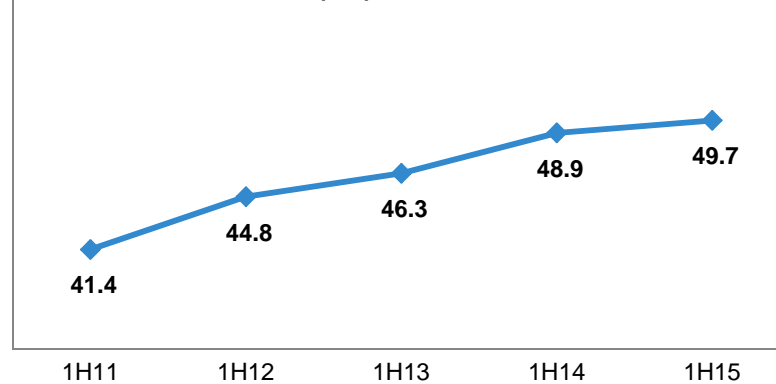
Total fleet increased by 503 cars to 7,153 cars

NSW: increased by 117 cars to 4,221 cars

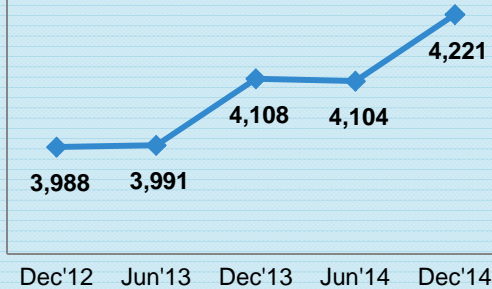
VIC: increased by 387 cars to 2,634 cars

SA: decreased by 1 car to 298 cars

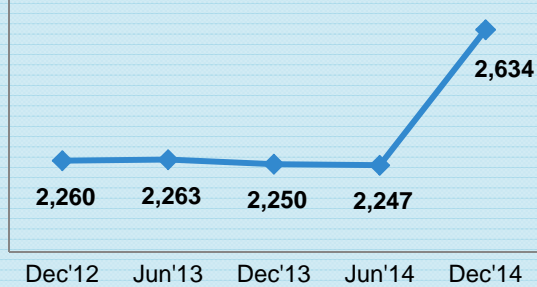
Taxi Services Revenue (\$m)



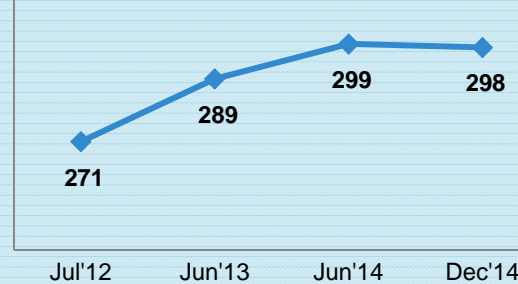
NSW Network Fleet



VIC Network Fleet



SA Network Fleet



COST INITIATIVES – ANNUALISED SAVINGS OF \$7M

SAVINGS ON DISCONTINUATION
OF TAXI DRIVER BONUS SCHEME
IN SYDNEY (ANNUALISED)

\$3.0M

SAVINGS ON CLOSURE OF TCS
SMASH REPAIR (ANNUALISED)

\$0.5M

SAVINGS ON RESTRUCTURE OF 13LIMO
(ANNUALISED)

\$0.4M

SAVINGS ON RELOCATION OF
YELLOW CABS SA (ANNUALISED)

\$0.1M

REDUCTION IN MERCHANT PROCESSING FEE TO TAXI NETWORKS
OF \$8M (ANNUALISED)

- Catalyst is Government price caps on service fees
- Approximately \$5m of the \$8m would have been received by the company owned Taxi Networks and netted off on consolidation

NET IMPACT

\$3.0M

ANNUALISED SAVINGS

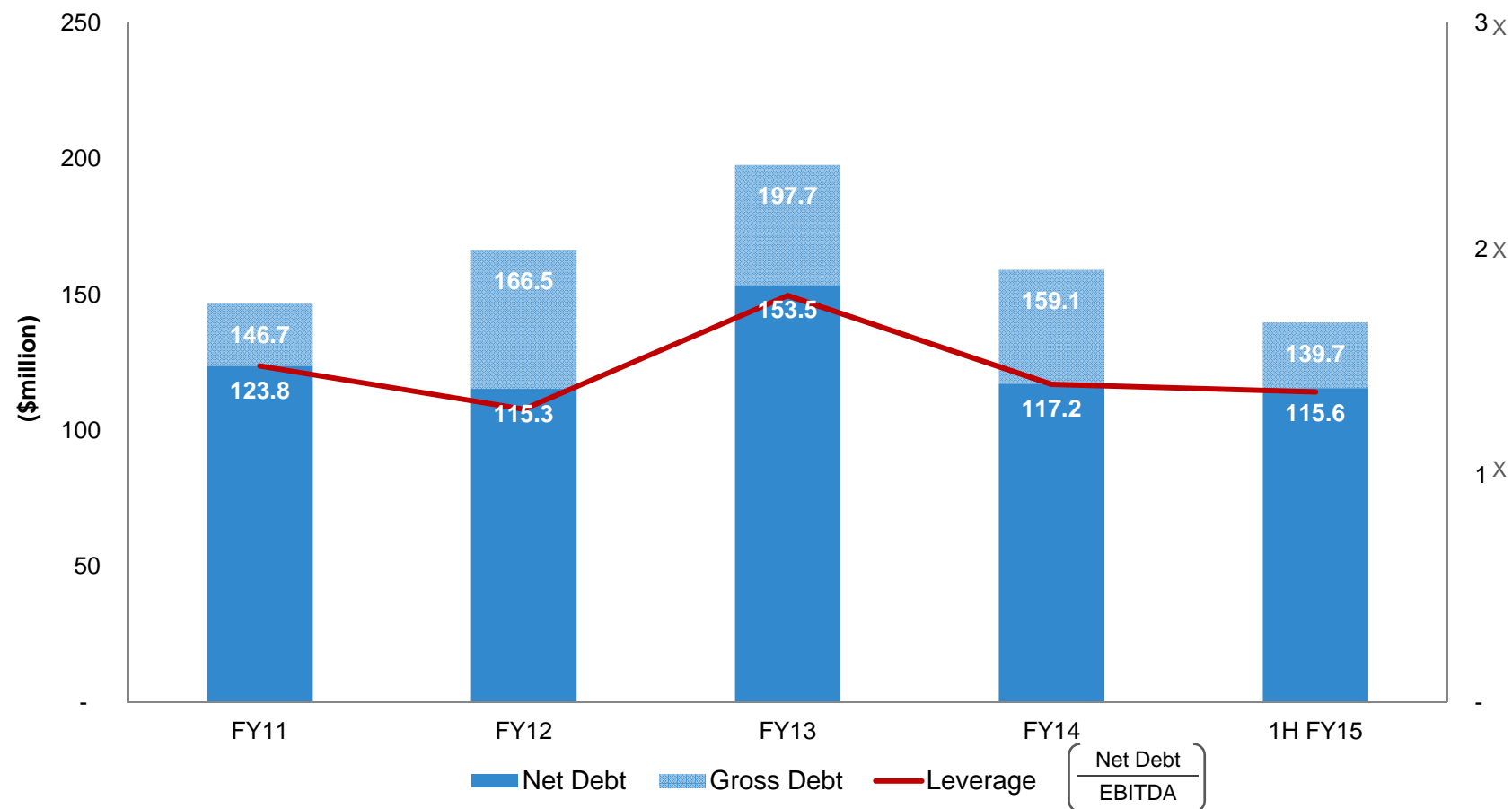
\$7.0M

BALANCE SHEET

(\$m)	Dec 2014	Jun 2014
Cash and cash equivalents	24.2	41.9
Advances to associates	3.9	-
Other current assets	76.2	71.1
Investments in associates	284.5	274.8
Property, plant and equipment	39.1	38.3
Taxi plate licences	71.1	71.4
Other non-current assets	62.9	62.8
Total assets	561.9	560.3
Loans and borrowings	139.7	159.1
Other liabilities	35.3	34.9
Total liabilities	175.0	194.0
Total net assets	386.9	366.3

Total net assets grew by \$20.6m or 5.6%. This is largely due to the current half year's net profit after tax less dividends paid during the period. Current cash balance of \$24.2m will support existing operational requirements.

DEBT AND LEVERAGE



We continue to maintain a conservative Balance Sheet

CASH FLOW

(\$m)	Dec 2014	Dec 2013
EBITDA	<u>42.2</u>	<u>44.4</u>
Net change in working capital	38.8	41.1
Dividend & interest received	0.9	0.8
Finance costs paid	(4.0)	(4.2)
Income tax paid	(10.7)	(10.3)
Net cash from operating activities	25.0	27.4
Net cash from (used in) investing activities	(11.3) ¹	14.4
Net cash (used in) financing activities	(31.4) ²	(61.8)
Cash and cash equivalents at 1 Jan	(17.7) 41.9	(20.0) 43.9
Cash and cash equivalents at 31 Dec	24.2	23.9

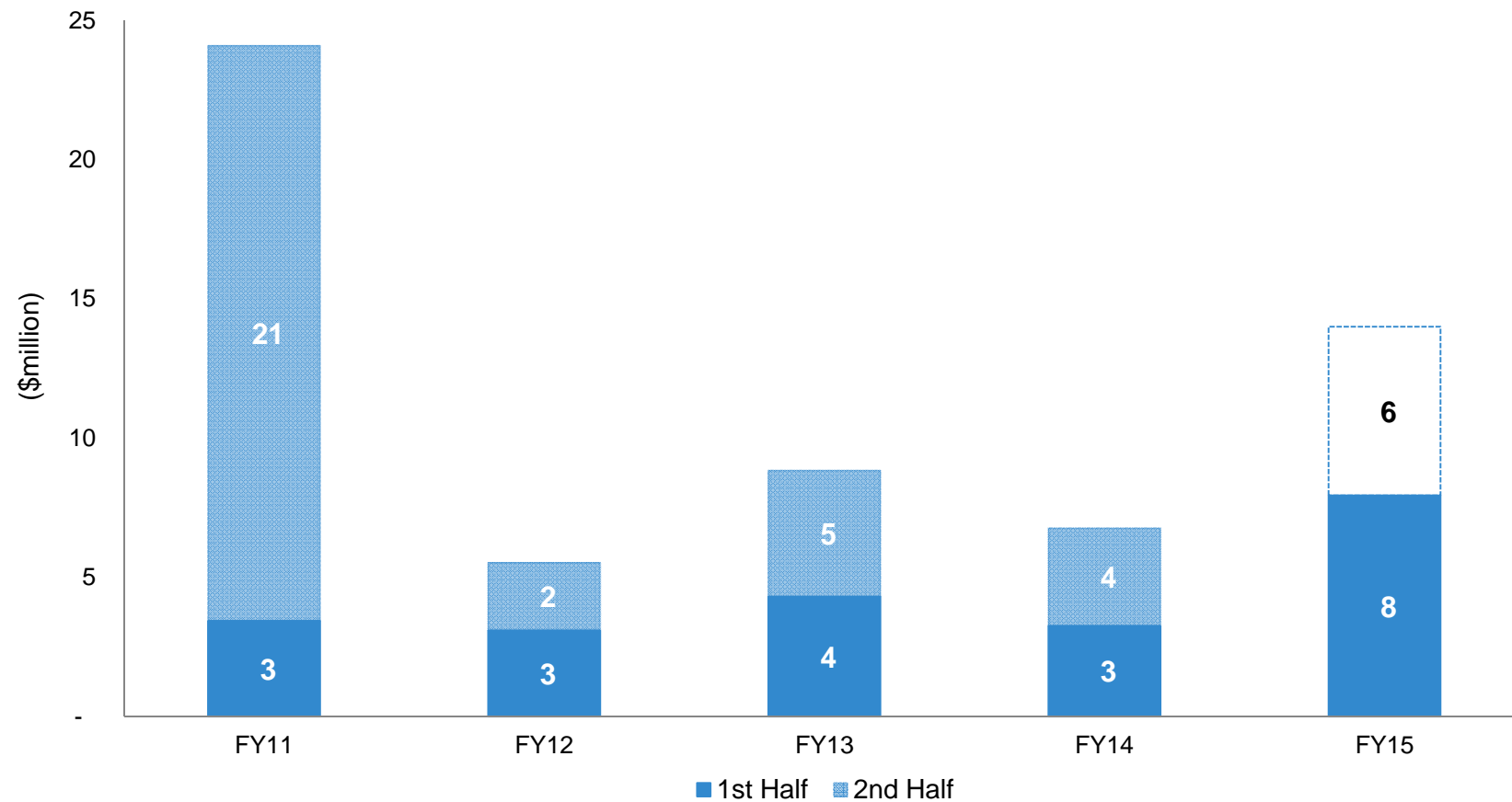
¹ Negative cash flow from investing activities due to additional short term advances to an associate (CDC) and capex spending

² Cash flow from financing reflects debt reduction activities and payment of dividend

We maintained a strong cash conversion* of 59% compared to 62% for the previous half year.

* Cash conversion is $\frac{\text{Net cash from operating activities}}{\text{EBITDA}}$

CAPEX



FY15 Capex is increasing as Fareway*Plus* is rolled out

ASSOCIATES

ComfortDelGro Cabcharge (CDC)

(\$m)	1H15	1H14	1H13
Revenue	173.2	190.5	187.1
Expenses	(145.5)	(152.0)	(149.5)
EBIT	27.7	38.5	37.6
Net interest	(6.2)	(7.6)	(8.7)
Profit before tax	21.5	30.9	28.9
Income tax	(5.9)	(8.7)	(8.7)
NPAT	15.6	22.2	20.2
49% share	7.6	10.9	9.9

- CDC's equity accounted net profit contribution for the half year ended 31 December 2014 was \$7.6m, a decline of \$3.3m or 29.9% over the same period last year. This is due to its loss of the bus contracts in Regions 1 and 3 in Sydney in October 2013, costs incurred from transition into the new Region 4 contract and compressed margins for the new Region 4 contract, offset by the contributions of Blue Mountains Transit and an increase in services of existing business.
- CDC's balance sheet at 31 December 2014 remains solid, with Net Debt (including bus financing) to Equity Ratio at 41.2% (31 Dec 2013: 42.9%).
- Bus fleet = 1,667 at December 2014 (1,614 at December 2013).

CityFleet (UK)

- CityFleet's equity accounted net profit contribution for half year ended 31 December 2014 was \$785k, an increase of \$31k or 4.1% over the same period last year, due to the impact of favourable currency translation difference.
- 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.

STRATEGIC TASKS



1.

**INTEGRATING
NETWORKS**



2.

**COMMITTING
TO A KEY BRAND**



3.

**LINKING BOOKINGS
AND PAYMENTS**



4.

**SUPPORTING OUR
MERCHANT PARTNERS**



5.

**LOOKING AFTER
OUR CUSTOMERS**

OUTLOOK

PRICE CAP

The Government of Western Australia imposed a price cap on service fees of 5% including GST with effect from 24 February 2015. Revenue impact is anticipated at approximately \$4M.

COST SAVING INITIATIVES

We have taken a first round of cost saving initiatives. Decisive actions enabled us to achieve annualised savings of \$7M. We will continue to actively review our cost base in light of the revenue outlook.

PAYMENTS

We are determined to leverage our payments expertise outside the taxi industry.

TECHNOLOGY

And we are taking a coordinated approach to technology to broaden our offerings in taxi network services.

FOCUS AND IMPROVEMENT

Our business continues to be challenged by competitors and market disruptions. Our best response is to focus on retaining our existing customers by improving our offerings and services.

DISCLAIMER

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