



CABCHARGE AUSTRALIA LIMITED



RESULTS PRESENTATION
Half Year Ended 31 December 2012

Highlights

- Revenue up 1.2% to \$99.8m.
- Reported NPAT up 28.5% to \$33.3m.
- Underlying NPAT down 3.7%
 - Impacted by subdued economic conditions on Cabcharge Card turnover and costs associated with various pilot programs.
 - One-off costs incurred by CDC (costs associated with Deane's acquisition and tender costs).
 - Lower contribution from CityFleet.
- Dividend
 - Interim dividend up 5.9% to 18 cents per share.
- Cash flow
 - Strong operating cash flows of \$29.4m.
- Balance sheet
 - Strong balance sheet with net debt of \$139.1m at 31 December 2012 with net debt-to-equity ratio at 41.8% (1H12: 42.2%).

Financial Performance

(\$m)	1H12	1H13	Change over PCP
Revenue ¹	98.6	99.8	1.2%
Expenses ²	(62.9)	(57.1)	
EBITDA	35.7	42.7	19.6%
Depn & amortn	(6.2)	(6.3)	
EBIT	29.5	36.4	23.4%
Net interest	(3.5)	(3.8)	
Profit before tax	26.0	32.6	
Income tax	(10.4)	(9.7)	
NPAT (excl. associates)	15.6	22.9	46.8%
Equity accounted NPAT	10.3	10.4	1.0%
NPAT	25.9	33.3	28.5%
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EBITDA margin ³	36.2%	42.8%	
EBIT margin ³	29.9%	36.5%	
Effective tax rate (%) ⁴	40.0%	29.8%	

¹ Excludes interest income

² Includes in 1H12 impairment charge on investments in associates of \$8.7m

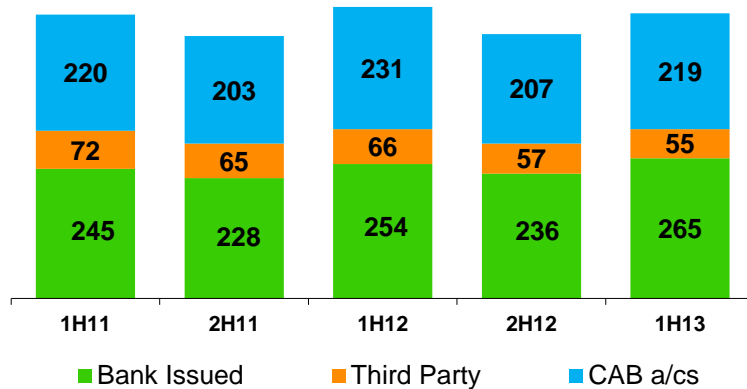
³ Calculation excludes equity accounted NPAT

⁴ Higher effective tax rate in 1H12 due to one-off item

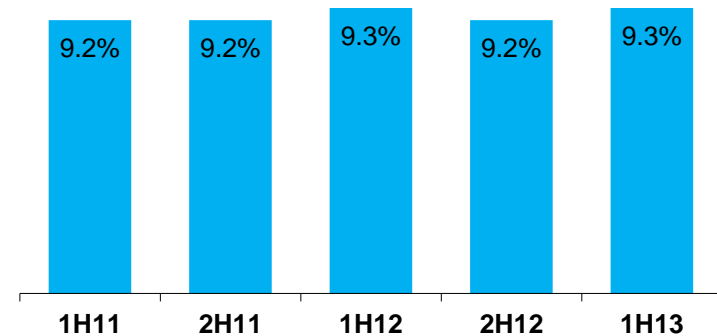
Cabcharge Payment System

1H13 turnover = \$539m – a decrease of 2.2% from \$551m in 1H12

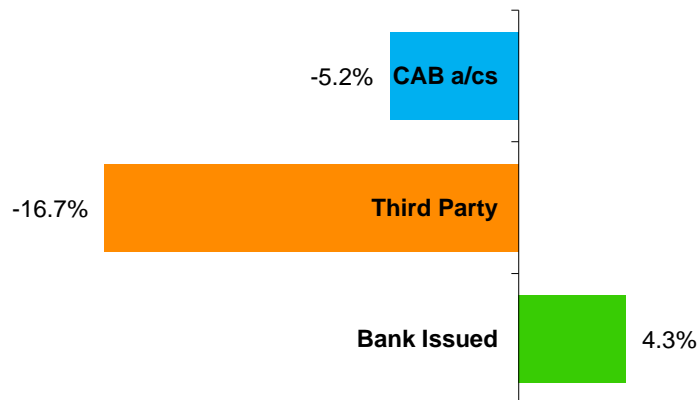
Turnover by category (\$m)



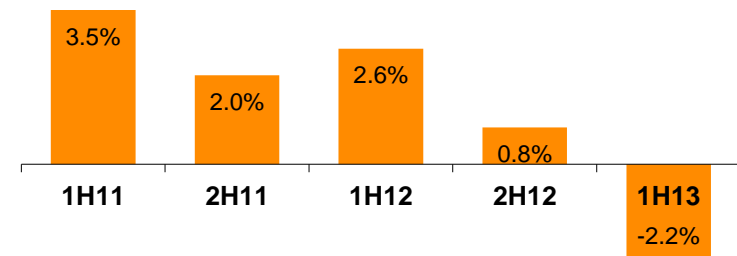
Effective service fee rate



Turnover growth (1H13 v 1H12) by category



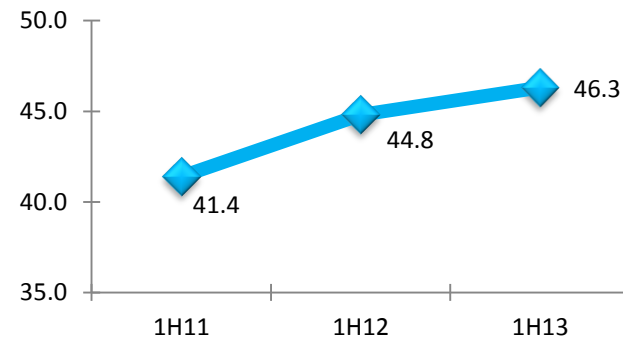
Turnover growth (vPCP)



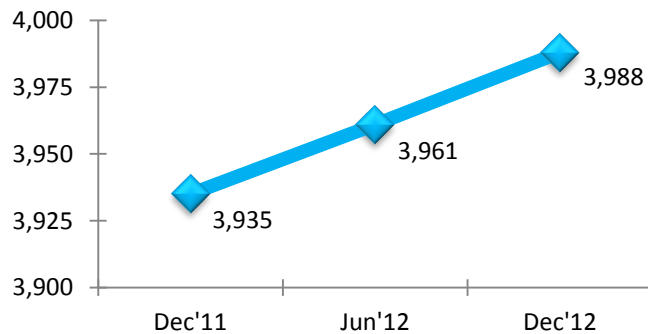
Taxi Services

- Revenue increased 3.3% to \$46.3m.
- Fleet growth:
 - NSW increased by 27 cars.
 - VIC increased by 37 cars.
 - SA joined the Group on 2 Jul 12. Fleet size at 31 Dec 12 was 287 cars.

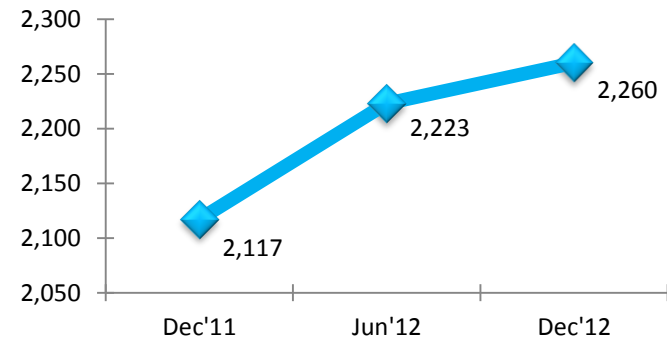
Taxi Services Revenue (\$m)



NSW Network Fleet

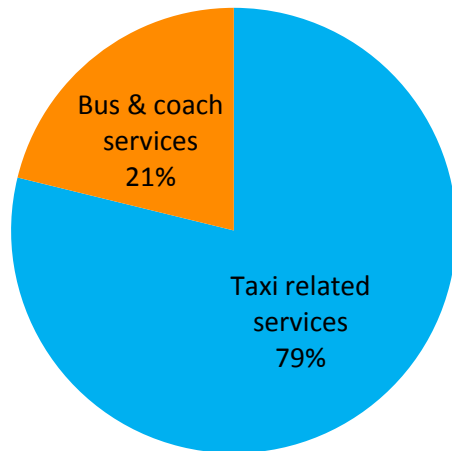


VIC Network Fleet

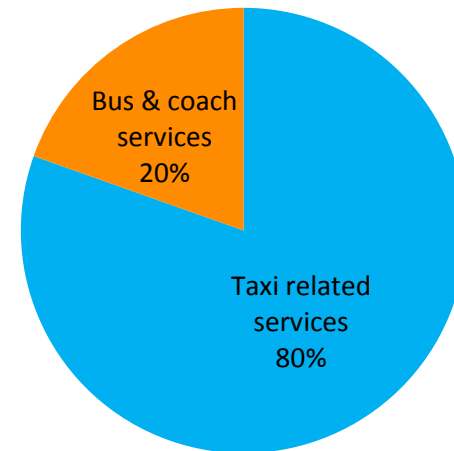


Business Segments Contributions

1H13



1H12



Taxi related services include Cabcharge Payment System and taxi operations (before one-off items)

Associates

- **ComfortDelGro Cabcharge (CDC) – CAB = 49%**
 - NPAT contribution was \$9.9m, compared to \$9.5m in 1H12 (up 4.2%)
 - 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 and the Deanes bus operation acquisition in September 2012, offset in part from higher expenses incurred in the tendering of the NSW bus contracts for Metropolitan Regions 1 and 3. The tendering process takes time and reduces management focus on increasing operational efficiency and service improvements.
 - CDC's 1H13 revenue (100%) = \$187m (\$178m in 1H12) and EBIT = \$37.6m (\$37.3 in 1H12).
 - CDC's balance sheet at 31 December 2012 remains solid, with net Debt of \$231m (31 Dec 11: \$274m) and Net Debt to Equity Ratio at 58% (31 Dec 2011: 90%).
 - Bus fleet = 1,643 December 2012 (1,547 at December 2011).
- **CityFleet (UK) – CAB = 49%**
 - NPAT contribution was \$490k, compared to \$765k in 1H12 (down 35.9%).
 - UK Operations is profitable but continue to be impacted by the difficult business conditions and the strong Australian Dollar.
 - CityFleet Group's balance sheet continues to remain strong, with no external borrowings.

Outlook

- Anticipate growth from expanded Cabcharge product range, particularly the contactless FAST eTICKET and Gift Card, which provide increased customer choice and convenience and broaden the customer base. Expect additional taxi payments turnover growth from other cards as more consumers enjoy the convenience of contactless cards, including debit cards, over cash.
- Overall taxi payments growth will be impacted by economic and political uncertainty in the near term. Will continue to work hard to protect market share and grow the market.
- Will enhance our position as technology leaders in the Taxi industry through the introduction of the next generation of PinPads, the VX820 – faster, easier to use, more secure and costs less.
- Full production and rollout of Fareway Plus to commence in coming months following successful pilot. Will lower engine replacement costs and open up new commercial opportunities through option to download additional applications.
- Expect to win additional payments software development work due to our contactless technology expertise, product versatility and our ability to design and deliver tailored solutions for customers.
- Continued growth in Taxi Services with the acquisition of Yellow Cabs Adelaide, expected new licences in NSW, new income streams such as on-line retail sales to the Taxi industry Australia wide and acquisition of Maxi Taxi business.
- CityFleet UK to remain profitable through focus on uplift in tourism trade and strict cost control.
- CDC contribution to increase due to full year impact of new services, growth in passenger demand and Deane's acquisition. Strong focus on retention of Hillsbus Region 4 contract with opportunity to bid for other contracts where this makes business sense. CDC Board considering options to make best use of depot and bus assets in Regions 1 & 3 with transfer of bus operations in September 2013. Potential impact on Cabcharge profit in FY14 offset by cost reductions with full effect from 1 July 2013.
- Exciting opportunities for strategic mergers and acquisitions as part of our continued diversification strategy based on shareholder value.
- Strong balance sheet provides flexibility in relation to future growth initiatives and acquisitions.

Disclaimer

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