



Acquisition of further Bus Route Service Business in Melbourne

Cabcharge Australia Limited via its joint venture with ComfortDelGro Corporation Limited – ComfortDelGro Cabcharge Pty Ltd (CDC) - announced today that it has entered into a contract to acquire part of the business of Driver Group Pty Ltd (DG) in Melbourne. The part of the DG business that CDC has contracted to acquire is the provision of route bus services under a metropolitan bus services contract. It should be noted that DG's school bus, charter bus, touring bus and travel services will continue to be owned and operated by the Driver family. Completion of the transaction is subject to the necessary regulatory approvals.

The DG route business being acquired comprises of a fleet of 42 buses operating five metropolitan bus routes in the Eastern Suburbs of Melbourne. An increase of 42 buses is equivalent to a 2.6% increase in the CDC fleet. CDC will fund the acquisition internally.

CDC is one of the largest private bus operators in Australia with 2,548 employees and 1,641 buses (pre-acquisition). Operating regions include Metropolitan Melbourne and key Victorian regional cities of Ballarat and Geelong, as well as Western Sydney, Hunter Valley, Queanbeyan and Yass in New South Wales (with services into Canberra). The acquisition will increase CDC's fleet in Victoria from 378 to 420 buses. Some of the additional buses will be temporarily relocated to CDC's original depot in Oakleigh with the remainder to be based at CDC's new depot in Oakleigh.

The Driver Group, established in 1931, is a family owned transport and tourism company based in Melbourne and currently operates a fleet of 120 buses and coaches made up of school, route, charter, sightseeing, and extended tour vehicles. The Business operates under four trading names: Driver Bus Lines, Driver Coastal, Gray Line and Great Sights. Driver Group holds a 1/3 interest in "Best of Australia" retail tourism outlets, owns the Gray Line licenses for all of mainland Australia and has a 75% interest in the Gray Line business in Tasmania. Of these businesses, only the route business has been acquired by CDC. Net funds payable to the owners of DG for the route bus business amount to approximately \$22m.

"CDC has a history of growth by expansion and has previously acquired a number of privately owned bus businesses. The approach in each case has been to amalgamate existing staff and operations with the minimum necessary change. We will work closely with the route drivers and staff of the Driver Group to ensure the transition to our Oakleigh depots runs smoothly for both staff and passengers," Cabcharge Australia Limited Chairman Mr Reg Kermodé said.

The CDC team has a very high regard for the DG route bus operation which it considers reflects the professionalism and pride of the Driver family and CDC intends to sustain the high level of service provided by them once it integrates the route business into CDC.

Andrew Skelton
Company Secretary
20 May 2013