

SINGAPORE CHINA BEIJING CHENGDU CHONGQING
 GUANGZHOU JILIN CITY NANJING NANNING SHANGHAI
 SHENYANG SUZHOU TIANJIN **AUSTRALIA** BALLARAT
 BLUE MOUNTAINS CANBERRA GEELONG LAKE MACQUARIE
 MURNE NEWCASTLE PARRAMATTA PERTH
 SYDNEY **UNITED KINGDOM** ABERDEEN
 BURGH GLASGOW LIVERPOOL LONDON
 DUBLIN GALWAY LIMERICK **VIETNAM**
 CHI MINH CITY **MALAYSIA** KUALA LUMPUR
 STRATEGIES BEING RECEPTIVE ENABLING CHANGE



ENHANCING VALUE STAYING FOCUSSED SETTING STANDARDS
 REWARDING EQUITABLY **CORE VALUES** TEAMWORK INITIATIVE CREATIVITY
 RESULTS-FOCUSSED ENVIRONMENTAL STEWARDSHIP ANTICIPATING NEEDS
 FOSTERING TRUST ENGAGING COMMUNITIES BUILDING CAPABILITIES

OUR VISION

TO BE THE WORLD'S LAND TRANSPORT OPERATOR OF CHOICE

OUR STRATEGIES FOR SUCCESS

Look Beyond the Horizon

- Innovate and be receptive to new ideas and opportunities
- Solve problems in a prompt and effective manner
- Anticipate and embrace change

Do the Right Things – Right

- Never take our eyes off the ball
- Deploy people and assets for value enhancement
- Admit and learn from mistakes

Grow Our Talent Base

- Set the performance bar above industry norms
- Give credit where credit is due
- Reward equitably

OUR CORE VALUES

Results Orientation

We will:

- Set challenging and realistic goals
- Focus on results
- Identify and solve problems
- Have a sense of urgency and ownership

Integrity and Ethics

We will:

- Conduct our affairs in a manner consistent with the highest ethical and professional standards
- Engage in fair and honest business practices
- Show respect for each other, our customers, business partners, suppliers, shareholders, the authorities and the communities we operate in
- Communicate in a factual, honest and prompt manner
- Be open and transparent in our dealings
- Exhibit strong environmental stewardship

Commitment

We will:

- Anticipate our customers' needs and constantly upgrade ourselves to provide them with outstanding service
- Foster an environment of trust by engaging the communities we serve
- Reward our shareholders by delivering steady and sustainable results through growth in our businesses
- Care for our staff by providing a challenging environment with ample opportunities for growth and development. Build on staff capabilities through effective recruitment, training and career planning so as to develop their full potential. Promote teamwork, initiative and creativity
- Stay committed to the authorities by complying with regulatory requirements



CONTENTS

02	Global Footprint	73	Financial Statements
04	Chairman's Statement	74	Directors' Statement
11	Group Financial Highlights	81	Independent Auditors' Report
14	Awards and Accolades	82	Statements of Financial Position
18	Corporate Information	84	Group Income Statement
19	Board of Directors	85	Group Comprehensive Income Statement
23	Key Management	86	Statements of Changes in Equity
30	Operations Review	88	Group Cash Flow Statement
45	Investor Relations	91	Notes to the Financial Statements
46	Corporate Governance	158	Share Price Movement Chart
65	Directors' Particulars	159	Shareholding Statistics
68	Directories	161	Notice of Annual General Meeting
72	Financial Calendar		Proxy Form

GLOBAL FOOTPRINT



SINGAPORE

SINGAPORE



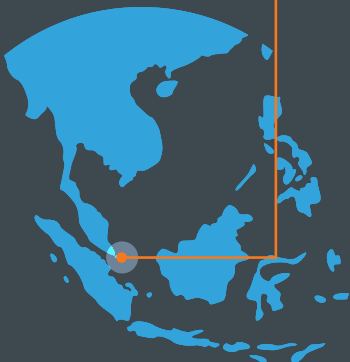
CHINA

BEIJING
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NEWCASTLE
PARRAMATTA
PERTH
QUEANBEYAN
SYDNEY



7 COUNTRIES 36 CITIES



UNITED KINGDOM

ABERDEEN
BIRMINGHAM
EDINBURGH
GLASGOW
LIVERPOOL
LONDON



IRELAND

CORK
DUBLIN
GALWAY
LIMERICK



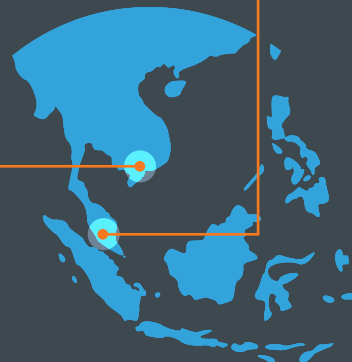
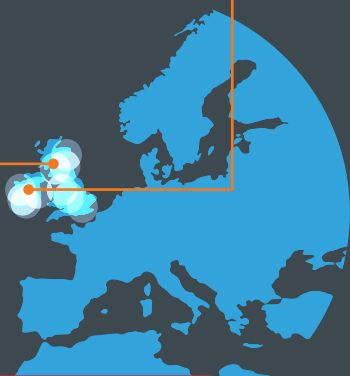
VIETNAM

HO CHI MINH CITY



MALAYSIA

KUALA LUMPUR



46,648 VEHICLES 22,303 EMPLOYEES

CHAIRMAN'S STATEMENT

REVENUES AT A GLANCE



SINGAPORE
S\$2,468.7M



UNITED
KINGDOM
S\$1,007.9M



AUSTRALIA
S\$387.1M



CHINA
S\$219.7M



IRELAND
S\$16.2M



VIETNAM
S\$8.7M



MALAYSIA
S\$3.2M



Unique Singapore

Three significant events took place in Singapore in 2015. These were:

- (i) The passing of Founding Prime Minister Mr Lee Kuan Yew on 23 March;
- (ii) The 50th Anniversary of Singapore's Independence on 9 August; and
- (iii) The General Parliamentary Elections on 11 September.

The respect, admiration and gratitude shown by Singaporeans for Mr Lee were unprecedented. Like many others, our three listed companies – ComfortDelGro Corporation Limited, SBS Transit Ltd and VICOM Ltd – have been direct beneficiaries of his exceptional leadership, as well as sound and realistic policies and practices. In commemoration, I have listed the following six land transport legacies of the late Mr Lee:

- (i) An organised bus system resulting in the formation of SINGAPORE BUS SERVICE, a predecessor to SBS Transit;
- (ii) An effective labour movement taxi co-operative resulting in the formation of COMFORT, a key component of ComfortDelGro Corporation;
- (iii) An efficient mass rapid transit system resulting in the formation of MASS RAPID TRANSIT CORPORATION, a pioneer to our world-class rail network system;
- (iv) A clean air environment resulting in the formation of VICOM;
- (v) A continuous nation-wide PRODUCTIVITY MOVEMENT, one of the key factors in our economic progress and development; and
- (vi) A successful overseas SECOND WING, a crucial element of our Nation's long-term goals for progress and prosperity.

The 50th Anniversary events celebrated the results and achievements of our hard work and successes. They also expressed appreciation to those who made their pioneer contributions while serving as reminders to present and future generations that what Singapore had achieved as a Nation was not to be taken for granted.

The results of the General Parliamentary Elections were significant as the People's Action Party was returned with a large margin, thus ensuring stability in the roll-out of land transport policies. The most significant development during the year was the implementation of the new Bus Contracting Model.

Global Events

2015 was a challenging year by most accounts. The slowdown of the global economy, the threat posed by alternative technologies, currency fluctuations, stock market shocks, frightening climatic changes, the dramatic collapse of oil prices, drastic drops in commodity prices, uncertain bank interest movements, aggressive Islamic State scenes as well as Europe's refugee crisis are just some of the upheavals that occurred during the year.

Corporate Governance

i. The Companies Act

Further to my Statement since 2012 on the proposed massive amendments to the Singapore's Companies Act, I am pleased to advise that Parliament had adopted the changes in October 2014. Full implementation of the amendments took effect on 3 January 2016.

ii. Board Diversity

The Diversity Action Committee, established after the release of the Report entitled "Gender Diversity on Boards: A Business Perspective", which I reported in 2014, announced that the percentage of women directors in listed companies in 2015 had increased by 0.7 percentage point from 8.8% to 9.5%. Our

percentage of 12.5% is well above the national average.

iii. Code of Corporate Governance

The Governance and Transparency Index (GTI), devised by the joint initiative of the Centre for Governance, Institutions and Organisations at NUS Business School and CPA Australia, keeps track of listed companies in Singapore vis-à-vis The Code of Corporate Governance 2012. In 2015, it disclosed that the average GTI score was 47.6 points. Our score of 68 is well above the national average.

On Board matters, we have stipulated that our non-executive Directors will hold no more than six directorships. The Study showed that only 24.7% of the companies surveyed have a policy of fixing the number of directorships their directors can assume. On transparency and investor relations, we have been conducting our Annual General Meeting (AGM) by poll since 2011. So far, only 55.2% of listed companies do so. On remuneration, we have tied this to performance since our incorporation in 2003 – and only 37.4% of all companies are practising it now. At the same time, we have also been disclosing our dividend policy since incorporation – where only 21.8% of companies do so.

We continue to be committed to upholding high standards of corporate governance.

iv. Audits

As Group non-executive Chairman, I continued my practice of meeting with all the Chairmen of our three Audit and Risk Committees (ARCs) together with the External Auditors in the absence of Management. The situation in this area continues to remain good with Management extending full cooperation and assistance to the Auditors. This is



REMEMBERING LEE KUAN YEW

"We then decided that before the roads became chaotic and public transport broke down completely, to clean up the pirate taxis, improve the bus and taxi services.

As an act of faith in the ability of the NTUC and our workers to co-operate in a transport co-operative, Comfort was launched to give the taxi drivers – many of whom were formerly running pirate taxis and others were being exploited by taxi owners – a chance to own the taxis and the mini buses.

This act of faith has proved not misplaced."

– Mr Lee Kuan Yew, "Act of faith in workers justified, says Lee" (*The Straits Times*, 13 March 1973)

CHAIRMAN'S STATEMENT

in addition to each of the ARCs having their own separate meetings with the External Auditors, also in the absence of Management.

Our Internal Audit Unit conducted 31 assignments during the course of the year with 16 confined to overseas entities in the United Kingdom (UK), Ireland and China. No major issues were raised. These internal audits were confined to issues of corporate governance, risk management and Information Technology (IT) security.

I am also pleased to report that PricewaterhouseCoopers LLP had completed its review of our quality assurance in internal audits in accordance with the Institute of Internal Auditors standards and had concluded that our Internal Audit Unit generally conforms with the standards.

v. Investor Relations and Awards

Our Investor Relations Unit continued to have an active engaging programme with investors and research analysts. Regular meetings were held with the media and the analysts. In addition, we also participated in 10 investor conferences and non-deal road shows in Singapore, Kuala Lumpur, Hong Kong and Tokyo in 2015. Close to 140 reports were produced by 13 research houses on our Group. I consider that we have a meaningful and acceptable level of communication with the investing community and there is an adequate coverage of our activities by the analysts and fund managers.

Our investment community is fully kept abreast of Group developments and progress through our websites and Singapore Exchange (SGX) announcements. Dates of our result announcements are also released early. Copies of our Annual Report are distributed well in advance together with the Notice of AGM.

Our AGM is conducted by electronic poll and the results are posted instantly. All Directors and Senior Management staff together with the External Auditors are in attendance. We are also physically around after the AGM to meet up with Shareholders and answer any queries or clarifications. We also engage them in their comments and suggestions. We have found this practice since our first incorporation to be very useful. It is always refreshing for the Directors and Management staff to meet up with Shareholders over light refreshments. A clear understanding and close relationship has been developed and strengthened over the years.

All our three listed companies did well in the Business Times GTI 2015 and were ranked within the top 10% of the 639 companies covered.

In the Securities Investors Association Singapore (SIAS) Investors' Choice Awards 2015, ComfortDelGro won the

Most Transparent Company Award in the Travel, Leisure & Automobiles & Parts category. In 2014, we were the runner-up. Our listed subsidiary, VICOM, won the Best Investor Relations Award (Bronze) for companies with S\$300 million to S\$1 billion in market capitalisation at the Singapore Corporate Awards 2015.

Profile-wise, our Shareholders continue to come from Singapore (29%), United States of America (USA) (29%) and the UK (13%). The top 20 Shareholders own 46.1% of the total shareholdings.

We also received letters from institutional investors offering their views on some aspects of corporate governance. Of particular interest is one substantial Shareholder reiterating its stand to resist short-term market pressures of returning excessive amounts of capital to investors through record levels of dividends and share buy-backs. We share this sentiment.

ComfortDelGro continued to be one of the 30 stocks of the Straits Times Index (STI). At the end of December 2015, ComfortDelGro had a market capitalisation of S\$6.56 billion, almost four times that of our initial S\$1.67 billion in 2003. This is 18% higher than that of S\$5.56 billion at the end of December 2014. The fact that we were able to exceed S\$6 billion in 2015, just a year after reaching S\$5 billion in 2014, speaks well of the investors' confidence in the stock. In fact, we have increased our market capitalisation by about S\$1 billion every year since 2011. We were ranked 25th in terms of market capitalisation in 2015 – a vast improvement over our 33rd position in 2014.

As a component stock of the STI, we outperformed it by 31.6 percentage points. We also outperformed the FTSE ST All-Share Index by 31.0 percentage points. Based on these statistics, we really had another excellent year in 2015.

Singapore Business

i. Developments

The new Bus Contracting Model which I reported last year, rolled out in 2015. All the existing scheduled bus routes have been divided into 12 packages. In the initial exercise, only three packages were marked for tender while the remaining nine, which accounted for 80% of the existing bus fleet, would be negotiated with the two existing operators. In the first two tenders conducted in 2015, two overseas firms were the winners. This is in line with the intention of the Authorities to have a few operators aside from the two incumbents. We are now negotiating with the Authorities for the remaining 80% and expect to conclude these negotiations before our Bus Service Operating Licence expires on 31 August 2016.

The Bus Service Enhancement Programme (BSEP), which was introduced in September 2012 with 371 buses, was successfully implemented by December 2014, two years ahead of the original plan. BSEP 2 was introduced for the period 2015 to 2017 with 296 buses. Already 154 buses or 52% are on the roads.

Just like Downtown Line 1 (DTL1), DTL2 was officially opened by Prime Minister Mr Lee Hsien Loong on 26 December 2015. DTL3 is still undergoing construction for a planned launch in 2017. Under the rail segment of our business, we are now the operator for the North East Line, DTL1 and 2 and Sengkang and Punggol Light Rail Transit (LRT) systems. More details of the bus and rail operations can be found in the Annual Report of our listed subsidiary, SBS Transit.

The enforcement of the taxi availability standard, which I first reported in 2012, has resulted in us being allowed to expand our fleet. We have, however, been prudent in this regard as the taxi population ratio in Singapore is extremely high. New rules and regulations for taxi fares were also introduced in January 2016.

Under the Public Transport Council (PTC) (Taxi Fare Pricing Policy) Order 2016 that was issued on 22 January 2016, taxi companies are required to standardise the taxi fare structure. For example, the unit distance travelled and the unit waiting time must be the same across all taxi companies. I am pleased to report that ComfortDelGro Taxis has complied with all regulations.

The Third-Party Taxi Booking Service Providers Act was passed in Parliament in May 2015. Under the Act, these service providers can only operate with licensed taxis and drivers with vocational licences.

The presence of disruptive technology in the taxi business has caused some uncertainty in the market. But the effective enforcement of the Third-Party Taxi Booking Service Providers Act will provide a fair level playing field for the traditional taxi operators. Our call centre and call booking apps have been constantly upgraded to ensure that we remain competitive. Thus far, we have managed to hold our own in this regard.

ii. Operations

Revenue continued to grow in the bus, taxi, rail and car rental sectors in Singapore in 2015. The increased ridership in bus and rail together with a small rise in average fares in April 2015 as well as an increased taxi fleet boosted the performance.

DTL1 has had two full years of operations since 2014. DTL2 will also have a full year of operations in 2016. The last

stage, DTL3, will be in operation in 2017. The last station in Sengkang West Loop of the LRT was opened in 2015, leaving now only four unopened stations in the Punggol West Loop. To cope with the increased ridership in LRT, two-car Light Rail Vehicles were trialled in 2015 and introduced in January 2016.

The unscheduled bus operation had an exceptional year in 2015 with ad hoc contracts won for the 28th Southeast Asian Games and the ASEAN Para Games.

We continued to be the leader in the taxi business. We increased our fleet size to 16,997 as at December 2015, occupying 62.1% of the market share with practically all our vehicles hired out. This is indeed admirable in a very challenging environment. The number of successful call centre bookings continued to be high with an automation rate of 90%. Cashless transactions also continued to increase. This stream of revenue is expected to increase further following Visa's return to our system in January 2016 – two-and-a-half years after its exit.

Our vehicle inspection business continued to grow. Our market share was 74.3% in 2015. The non-vehicle tests faced challenges in a slowdown of our economy. Nevertheless, both vehicle and non-vehicle testing continued to have another good year. More details of this aspect of our business can be found in the Annual Report of our listed subsidiary, VICOM.

Our other Business Units in Singapore also performed satisfactorily during the year under review. The car rental, automotive engineering, driving school, vehicle advertising and insurance broking businesses assumed leadership positions in their own respective spheres.

Overseas Business

i. Divestments and Acquisitions

Continuing with our approach to phase out small and insignificant operations, we divested our 80% shareholding in Nanning ComfortDelGro Rent-A-Car Co., Ltd which owns 24 rental vehicles. Though profitable, we saw no scope for further expansion.

Our 51% subsidiary, ComfortDelGro Cabcharge Pty Ltd, established a partnership to operate a vehicle repair centre at our St Marys site in Sydney. Other than attending to our needs, we will also use this entity to spearhead private sector business with the support of our partners who are influential in the insurance business.

Our wholly-owned London bus operator, Metroline Limited, successfully tendered for the concession to operate a coach service from Stansted Airport to London City for an initial period of two years with an option for a further two-year

CHAIRMAN'S STATEMENT

extension. This new contract supplements our existing coach service in London, inter-city coach services within Scotland and between Scotland and London, as well as inter-city services within Ireland.

ii. Operations

a. UK/Ireland

UK/Ireland is our leading overseas investment destination. It continues to have four businesses in scheduled bus, coach service, taxi circuit and private hire. We have been in UK/Ireland since 1997.

In 2015, it contributed significantly to our total overseas revenue. Our scheduled bus operator, Metroline, which is the second largest operator in the Capital, has a combined fleet of over 1,700 vehicles and 14 garages. It is at the forefront of Green technology, having rolled out hybrid buses in its fleet while keeping the well-known Routemaster as a tourist feature. This business contributed to the bulk of our UK/Ireland operations.

The various coach services performed satisfactorily in the year under review. The inter-city Scotland and London coach business improved its performance significantly while the London chartered coach business also made its presence felt. The inter-city operations in Ireland also continued to do well.

The taxi circuit operations faced challenges. The slowdown of the economy, the austerity measures introduced by the Government, the decline of oil prices and the growth of disruptive technologies have had an impact on the business. Our five taxi circuits (Aberdeen, Birmingham, Edinburgh, Liverpool and London) continue to face declining profits.

b. Australia

Our Australian operations are the second largest overseas business with operations in bus, taxi circuit and vehicle advertising. We operate in four major cities – Sydney, Melbourne, Canberra and Perth. We have been in Australia since 2005.

The bulk of our operations is in the bus sector where we have a significant leading presence in Sydney and Melbourne. Our combined fleet of 1,699 vehicles places us as the leading private operator.

The taxi circuit business in Perth, which operates under the trade name of Swan Taxis Pty Ltd, had a challenging year with the appearance of disruptive technology. We, however, continued to be in the leading position catering to 90% of the taxis in Perth and its surroundings.

The release of the Green Paper, "On-Demand Transport", by the Western Australian Government has potential widespread changes to the industry. We are following it with great interest.

c. China

We began operations in China in 1994 and now operate in 11 cities. It is our third largest overseas investment destination and covers five business areas: taxi, long-distance bus station, car rental, vehicle inspection and driving education.

Taxi is our leading business in China with 10,773 vehicles running in nine cities. Of the nine cities, we are within the top five in six of them. We are the top taxi operators in Jilin City and Nanning, second in Chengdu and Shenyang, third in Beijing and fourth in Nanjing. The other cities are Shanghai, Suzhou and Tianjin.

Disruptive technology is expanding aggressively into the taxi industry in China with Uber and its Chinese equivalent, Didi Kuadi, setting up joint ventures with technology companies like Alibaba, Tencent and Baidu. The Chinese Authorities have however released a set of comprehensive draft regulations which will place these entities on the same footing as the traditional taxi operators with measures such as approved vehicles, licensed drivers as well as standards on call centres and control on pricing. This will create a level playing field for all operators.

The bus station business continued to perform well despite the high speed rail networks that have affected long-distance bus operators.

d. Vietnam

Our two taxi companies in Ho Chi Minh City, Vietnam, continued to have a satisfactory year in 2015. Our combined fleet of 646 vehicles places us in the third position in the City.

e. Malaysia

It is the same situation in Malaysia where we have a fleet of 229 rental vehicles in Kuala Lumpur. The weak economy is presenting some challenges.

Manpower

Until driverless vehicles are in the market in a big way, manpower is still an important and a high cost element. Across the Group, our total staff strength in 2015 was 22,303, an increase of 657 or 3.0% over that in 2014. As a global Group operating in seven countries, our manpower is multi-national with 84% coming from five countries: 28% Singapore, 22% Malaysia, 14% UK and 10% each from the People's Republic

of China and Australia. Some 44% of our workforce is based outside Singapore. The average cost per day in 2015 was S\$3.85 million, an increase of 3.3% over 2014.

Since the start of talent management programmes in 2008, a framework for Tier 1 potential candidates to provide succession as Business Unit Heads and Group Officers and Tiers 2 and 3 potential candidates for those within the Business Units have been established.

The challenges ahead will include staff retention, and the improvement of staff professional and functional competencies.

Cost pressures will continue to be a challenge with rises in Central Provident Fund contributions in Singapore and rapid and high social security contributions in China.

Information Technology

IT is becoming very critical in our business operations. Our investment and continued upgrading in IT are now part and parcel of our effort to improve revenue growth, customer service quality and operational efficiencies.

For the year under review, we spent S\$60.6 million in both capital and operational expenditure with 34% in the former.

Finance

I am very pleased to report that the Group continued to have another successful year in 2015. The Group's total revenue reached a record S\$4,111.5 million, an increase of 1.5% over 2014. Group's total operating profit increased at a faster rate than the Group's total revenue. The increase was 1.9% and attained a figure of S\$450.7 million.

As expected, the bus and taxi businesses dominated the revenue stream. The former contributed 51.5% of Group's total revenue while the latter contributed 32.3%. Together they contributed 83.8% of Group's total revenue. This is 1.4 percentage points higher than 2014. Specifically, the increase in the bus business was 0.8 percentage point while the taxi business was 0.6 percentage point.

These two businesses also continued to be the two leading segments in the Group's total operating profit. Their combined contribution was 75.1%, 3.8 percentage points higher than 2014. The bus business had its operating profit contribution increased by 1.5 percentage points to 38.7% while the taxi business contribution was 2.3 percentage points up to 36.4%.

Consequently, total overseas revenue in 2015 was about 40.0% of Group's total revenue. This is 0.8 percentage point lower than 2014. Total overseas operating profit was 45.6% of Group's total operating profit. This is 3.0 percentage points lower than 2014.

The Group's profit before tax reached S\$452.2 million in 2015. This is 3.6% higher than 2014. Profit attributable to shareholders was a record S\$301.9 million. This is also higher than 2014 by 6.5%. Earnings per share in 2015 was 14.07 cents. This is 0.78 cents or 5.9% higher than 2014. Consequently, net asset value per share increased to 108.60 cents from 102.36 cents in 2014. Excluding BSEP, returns to both equity and total assets were 13.3% and 7.1% respectively in 2015 compared to 13.1% and 6.7% in 2014.

Group's total capital expenditure for 2015 was S\$669.6 million. This is S\$158.0 million or 30.9% higher than 2014's S\$511.6 million.

Our Group Balance Sheet continues to be strong and healthy. Total assets stood at S\$5.22 billion as at the end of 2015. This is 0.3% lower than 2014. Our shareholders' equity without minority interest was S\$2.34 billion, an increase of 6.6% over 2014. Our total borrowings had declined to S\$558.6 million, a drop of 24.2%. Our gross gearing ratio was reduced to 18.5% compared to 26.0% in 2014. Our net cash position was S\$229.2 million.

Your Directors have recommended a tax-exempt one-tier final dividend of 5 cents per share. This will be subject to Shareholders' approval at the AGM on 28 April 2016. Together with the tax-exempt one-tier interim dividend of 4 cents per share paid on 28 August 2015, the total dividend for 2015 would be 9 cents per share. This is 9.1% higher than 2014 and represents 64.1% of our payout ratio. It is also higher than our declared 50% dividend policy. Against the year-end closing price of S\$3.05, the yield is 2.95%. The lower yield is due to the rise in the share price. Taking into account the share price appreciation, the total shareholder return for 2015 was 20.8%.

Corporate Social Responsibility

In 2015, a separate Sustainability Report has been produced to accompany this Annual Report in accordance with the Global Reporting Initiative Guideline.

In celebration of SG50, the Group organised a fundraising event through the sale of little red dots and SG50 Pioneer Cows. Proceeds were donated to four designated charities. We also gave free bus and train rides on National Day costing about S\$2.6 million and participated as one of 16 civilian marching contingents in the National Day Parade.

Our operations in the seven countries where we have businesses continued to help the poor, the handicapped and the disadvantaged in areas such as providing free transport and donating cash. Of praiseworthy are our efforts in London where Metroline became the first bus operator to sign the Royal National Institute of Blind People's accessibility charter to ensure services are accessible to customers who have lost

CHAIRMAN'S STATEMENT

their ability to see, as well as in Melbourne where we have converted a decommissioned bus into a soup kitchen bus to support the homeless.

In the area of safety, training and retraining courses were provided to our staff and other road users. On trial is a newly developed alert system by the Agency for Science, Technology and Research (A*STAR) on our buses in Singapore. This system alerts our Bus Captains of any impending collision when they are navigating traffic junctions and is being trialled on two services at a trial junction.

We continued to conduct school talks focussing on safety and graciousness onboard buses and trains. To ensure staff are familiar with emergency procedures, bus disruption exercises were conducted. Workplace safety alertness was also mapped out.

On the environmental front, we continued to up our Green Quotient. In Singapore, we rolled out Euro 6 vehicles and began a second trial of a hybrid bus during the year. In China, we operate a fleet of Euro 4-compliant vehicles, in addition to the Liquefied Petroleum Gas- and Compressed Natural Gas-driven vehicles. In London, Metroline operates 64 hybrid vehicles, in addition to the Euro 5 and 6 buses it has in its fleet. Our Australian fleet is made up entirely of Euro 5 buses.

We are continuously inculcating a Green Culture amongst our staff. The Group recycles paper, used tyres, scrapped metals, lubricants and batteries and also observes Earth Hour.

Outlook And Challenges

As I write this Statement, the World is undergoing rapid and frightening changes with the slowdown of the global economy, the deterioration of the stock markets, the influence of the emerging Chinese Renminbi, the political uncertainty in Europe, drastic drops in oil and commodity prices and to a certain extent, the successful conclusion of the Paris Agreement on Climate Change. We are indeed facing a very uncertain world.

We will be watching very closely the development of electric, hybrid and autonomous vehicles.

The intensification of disruptive technologies is another area that we are keeping a keen eye on. We have, and will continue to invest and roll out new services to keep demand strong for our drivers. We are also watching travel patterns of commuters as more rail lines are rolled out in Singapore.

Appropriate manpower recruitment to meet future challenges continues to be top on our priority list. We will also continue to train, develop and work at retaining our present staff. In this respect, we will continue to work closely with the Unions and the Authorities.

The outcome of the deliberations of the newly created Future Economy Committee may shed some light on our future directions and plans in Singapore.

We shall continue with our overseas ventures. We may have to adjust our investment criteria in the light of the present uncertain and unpredictable environment especially when the cost of bank borrowings is expected to rise in tandem with the rise in US interest rates. Our low gearing position would place us in a favourable situation.

Appreciation

For yet another successful year, I wish to congratulate and thank, once again, Management and Staff, ably led by Mr Kua Hong Pak, Managing Director/Group Chief Executive Officer. The spirit and the sacrifice demonstrated by him are beyond reproach. The Group owes a great deal to him for leading it to where it is today. In terms of market capitalisation, the Group has bypassed some of the long established blue chip companies in Singapore. This is no small feat given that the industry is so highly regulated and fiercely competitive.

We must also not forget our Partners in our continuous journey of growth. The Unions are our backbone as without their cooperation, understanding and assistance, we would not be able to carry out our tasks. Our strong working relationship with the Regulators has been instrumental in the course of implementation of the various national land transport policies. I thank them wholeheartedly.

I also wish to pay tribute to our Commuters in all the places where we operate. Their continued patronage serves as incentives for us to continue to improve our services.

To my fellow Directors, I thank them for their active participation and invaluable contributions.

I also wish to thank our Shareholders for their confidence in the Board and Management in leading the Group for all these years. I look forward to their continued support and encouragement as we continue our journey and face the challenges before us.

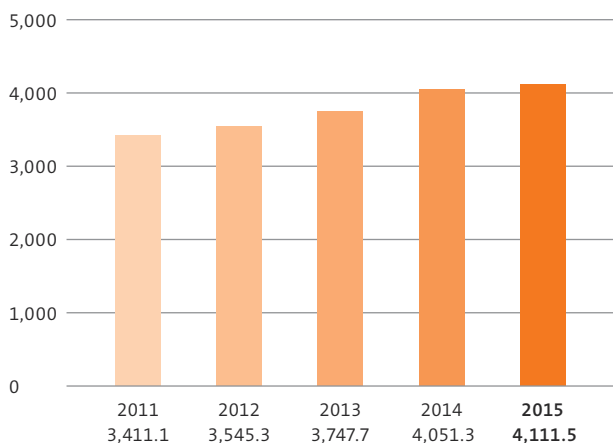
Lim Jit Poh

Chairman
March 2016

GROUP FINANCIAL HIGHLIGHTS

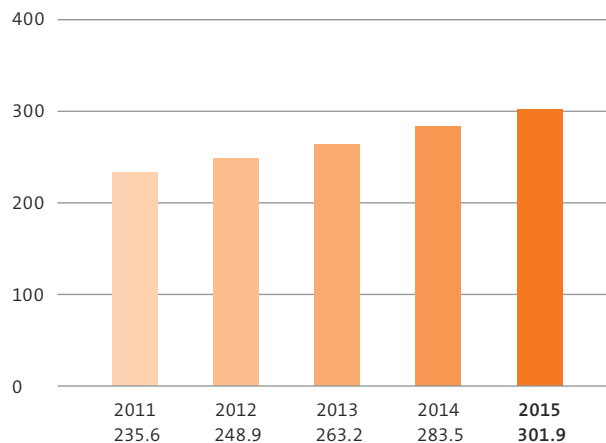
Revenue

(S\$'mil)



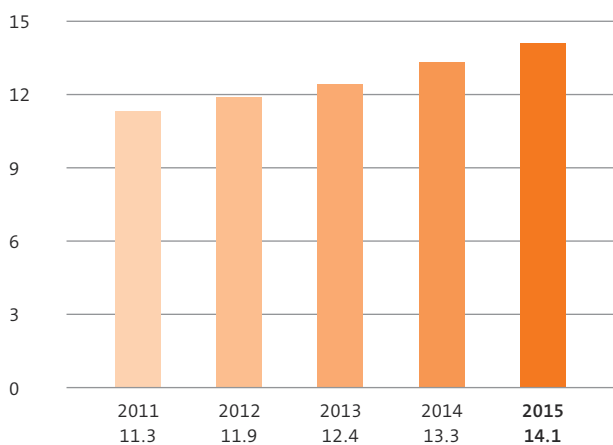
Profit Attributable to Shareholders

(S\$'mil)



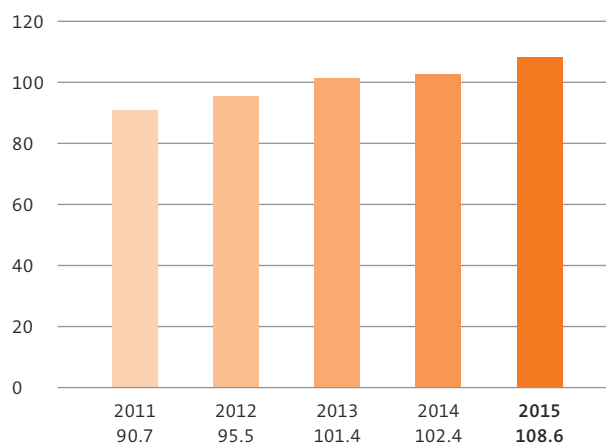
Earnings Per Ordinary Share

(cents)



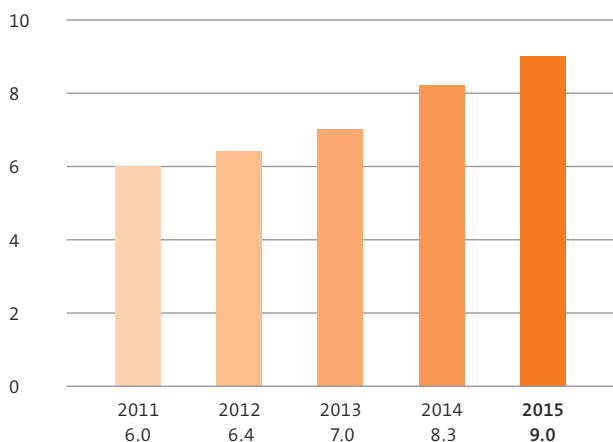
Net Asset Value Per Ordinary Share

(cents)



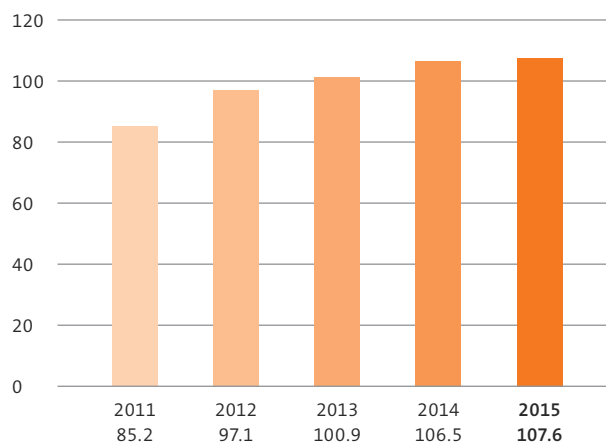
Total Dividend Per Ordinary Share

(cents)



Value-Added Per Employee

(S\$'000)



GROUP FINANCIAL HIGHLIGHTS

Financial Summary

	2011	2012	2013	2014	2015
Revenue (S\$'mil)	3,411.1	3,545.3	3,747.7	4,051.3	4,111.5
Operating Costs (S\$'mil)	3,011.9	3,133.0	3,321.4	3,609.2	3,660.8
Profit Attributable to Shareholders (S\$'mil)	235.6	248.9	263.2	283.5	301.9
EBITDA (S\$'mil)	715.8	735.3	763.7	795.8	840.0
Issued capital (S\$'mil)	568.6	585.1	622.7	646.4	665.5
Capital and reserves (S\$'mil)	1,897.4	2,008.2	2,154.7	2,189.9	2,335.1
Capital disbursement (S\$'mil)	560.6	519.6	500.1	511.6	650.5
Internal funds generated (S\$'mil)	723.1	743.4	770.0	698.3	705.4
Earnings per ordinary share (cents)	11.3	11.9	12.4	13.3	14.1
Net asset value per ordinary share (cents)	90.7	95.5	101.4	102.4	108.6
Return on shareholders' equity (%)	12.7	12.7	12.6	13.1	13.3
Total dividend per ordinary share (cents)	6.0	6.4	7.0	8.3	9.0
Dividend cover (number of times)	1.9	1.8	1.8	1.6	1.6

Group Revenue by Business Segment

	2011		2012		2013		2014		2015	
	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%
Bus	1,684.1	49.4	1,710.4	48.2	1,861.1	49.7	2,054.7	50.7	2,119.1	51.5
Bus station	23.9	0.7	25.7	0.7	28.6	0.8	29.1	0.7	29.0	0.7
Rail	147.0	4.3	153.2	4.3	164.7	4.4	196.8	4.8	213.4	5.2
Taxi	1,039.2	30.5	1,129.8	31.9	1,197.9	32.0	1,283.7	31.7	1,326.8	32.3
Automotive engineering services	351.6	10.3	354.9	10.0	316.5	8.4	302.7	7.5	238.5	5.8
Inspection and testing services	90.9	2.7	97.8	2.8	105.7	2.8	109.1	2.7	107.5	2.6
Car rental and leasing	35.4	1.0	35.5	1.0	35.2	0.9	35.9	0.9	38.3	0.9
Driving centre	39.0	1.1	38.0	1.1	38.0	1.0	39.3	1.0	38.9	1.0
Group	3,411.1	100.0	3,545.3	100.0	3,747.7	100.0	4,051.3	100.0	4,111.5	100.0

Group Revenue by Geographical Segment

	2011		2012		2013		2014		2015	
	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%
Singapore	1,971.1	57.7	2,103.5	59.3	2,229.8	59.5	2,399.6	59.2	2,468.7	60.0
United Kingdom / Ireland	688.1	20.2	680.6	19.2	802.3	21.4	1,014.1	25.0	1,024.1	24.9
Australia	465.8	13.7	492.2	13.9	485.0	12.9	413.5	10.2	387.1	9.4
China	276.5	8.1	259.5	7.3	220.1	5.9	212.9	5.3	219.7	5.4
Vietnam	6.8	0.2	6.1	0.2	6.3	0.2	7.1	0.2	8.7	0.2
Malaysia	2.8	0.1	3.4	0.1	4.2	0.1	4.1	0.1	3.2	0.1
Group	3,411.1	100.0	3,545.3	100.0	3,747.7	100.0	4,051.3	100.0	4,111.5	100.0

Operating Profit by Business Segment

	2011		2012		2013		2014		2015	
	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%
Bus	145.0	36.3	144.6	35.1	157.4	36.9	164.6	37.2	174.5	38.7
Bus station	10.8	2.7	11.4	2.8	12.4	2.9	12.5	2.8	12.5	2.8
Rail	27.7	6.9	14.3	3.5	4.8	1.1	7.6	1.7	3.2	0.7
Taxi	129.6	32.5	141.1	34.2	146.2	34.3	150.9	34.1	163.9	36.4
Automotive engineering services	37.5	9.4	51.2	12.4	52.7	12.4	51.4	11.7	41.2	9.1
Inspection and testing services	30.7	7.7	32.6	7.9	35.2	8.3	36.8	8.3	37.7	8.4
Car rental and leasing	7.3	1.8	8.9	2.1	9.1	2.1	9.1	2.1	9.2	2.0
Driving centre	10.6	2.7	8.2	2.0	8.5	2.0	9.2	2.1	8.5	1.9
Group	399.2	100.0	412.3	100.0	426.3	100.0	442.1	100.0	450.7	100.0

Operating Profit by Geographical Segment

	2011		2012		2013		2014		2015	
	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%
Singapore	216.3	54.1	221.6	53.8	217.7	51.1	227.2	51.4	245.1	54.4
United Kingdom / Ireland	48.8	12.2	48.1	11.7	62.9	14.8	89.1	20.2	92.2	20.5
Australia	88.5	22.2	96.2	23.3	95.1	22.3	72.2	16.3	62.9	13.9
China	44.2	11.1	44.9	10.9	49.2	11.5	52.2	11.8	48.6	10.8
Vietnam	1.1	0.3	0.9	0.2	0.6	0.1	0.6	0.1	1.3	0.3
Malaysia	0.3	0.1	0.6	0.1	0.8	0.2	0.8	0.2	0.6	0.1
Group	399.2	100.0	412.3	100.0	426.3	100.0	442.1	100.0	450.7	100.0

Value-Added for the Group

	2011		2012		2013		2014		2015	
	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%
Suppliers of capital										
- loan interest and dividends	176.8	9.3	194.4	9.9	193.5	9.1	220.0	9.5	232.7	9.7
Taxation to the government	215.2	11.4	223.8	11.4	227.9	10.7	240.6	10.4	242.9	10.1
Retained earnings	459.2	24.3	456.9	23.2	484.9	22.9	485.0	21.1	521.0	21.7
Employees										
- salaries and other staff costs	1,040.5	55.0	1,093.3	55.5	1,216.7	57.3	1,359.3	59.0	1,403.5	58.5
Total value-added	1,891.7	100.0	1,968.4	100.0	2,123.0	100.0	2,304.9	100.0	2,400.1	100.0
Value-added per employee (S\$'000)	85.2		97.1		100.9		106.5		107.6	

AWARDS AND ACCOLADES

At ComfortDelGro Corporation Limited, the desire to always do better is borne out of passion – for our work and for our customers. As a result of this fervour, the Group was honoured with numerous awards and accolades during the year for our outstanding service and contributions to society. The following is a list of major awards that we won during the year.

ComfortDelGro Corporation

- 1 Lim Jit Poh, Chairman of ComfortDelGro, was conferred the Public Service Star (BBM) at the Singapore National Day Awards 2015
- 2 Eco Office Label 2015-2017
- 3 Most Transparent Company Award in the Travel, Leisure & Automobiles & Parts category at the Securities Investors Association (Singapore) (SIAS) Investors' Choice Awards 2015

Beijing Jin Jian Taxi Services

- 4 Excellent Organisation Award in the "Capital's Taxi Heroes and Charming Taxi Drivers" category at the 9th Annual China Petrol Beijing Cup
- 5 Positive Contribution Award in Transport Services at the Asia Pacific Economic Cooperation Conference 2014 by the Beijing Municipal Transportation Commission

Chongqing ComfortDelGro Driver Training

- 6 Best Organisation Award at the "Finding Chongqing's Outstanding Drivers" campaign by the Chongqing Road Transport Association

- 7 Excellent Enterprise Award by Jiulongpo District in Chongqing
- 8 Zeng Qi received the Most Satisfactory Instructor Award by the Chongqing Road Transport Association

CityCab (Shenyang)

- 9 AAA Taxi Enterprise for Service Quality for 2014
- 10 Contract Observing and Trustworthy Company for 2014

ComfortDelGro Bus

- 11 8 Excellent Service Award winners
- 12 8 National Kindness Award-Transport Gold 2015 winners

ComfortDelGro Driving Centre

- 13 'Assisted Compliance Assurance Programme (ACAP) Premium' status by the Inland Revenue Authority of Singapore
- 14 Certified On-the-Job Training Centre by the Institute of Technical Education
- 15 ISO 9001:2008 Quality Management Certification
- 16 People Developer Award by SPRING Singapore
- 17 Singapore Quality Class Star Award by SPRING Singapore

ComfortDelGro Engineering

- 18 25 National Kindness Award-Transport Gold 2015 winners
- 19 bizSAFE Star by the Ministry of Manpower



- 20 BS OHSAS 18001:2007 Certification
- 21 ISO 9001:2008 Quality Management Certification
- 22 Singapore Quality Class Recertification by SPRING Singapore

ComfortDelGro Savico Taxi

- 23 Bui Khac Minh, Le Hoai Son, Nguyen Duy Duong and Nguyen Xuan Tuan received the Good Driver Award by the Ho Chi Minh City Taxi Association

ComfortDelGro Taxis

- 24 282 Excellent Service Award winners
- 25 47 National Kindness Award-Transport Gold 2015 winners
- 26 Named Favourite Taxi Agency and Favourite Taxi App at the Travellers' Choice Awards 2015 by TripAdvisor
- 27 NS Advocate Award for SMEs and Large Companies at the Total Defence Awards 2015 by the Ministry of Defence
- 28 Singapore HEALTH Award (Gold) by the Health Promotion Board
- 29 Singapore Human Resource Award 2015 in the "Quality Work-life, Physical & Mental Well-being" category by the Singapore Human Resources Institute
- 30 ISO 22301:2012 Business Continuity Management System Recertification

Guangzhou Xin Tian Wei Development

- 31 Marc Tay, Chief Executive Officer of South China Business Unit, ComfortDelGro, won Guangzhou City's Outstanding Manager for Customer Satisfaction Award
- 32 Lan Yonglian, Deputy General Manager, was awarded Advanced Individual for Safety Production for 2014 by the Guangdong Safety Committee
- 33 Lei Lanjun and Liu Junchi awarded Advanced Management in Information Service Management by the Guangzhou Transportation Group
- 34 Liang Dingqiang and Tan Wenshi awarded Advanced Individual in Information Service Management by the Guangzhou Transportation Group
- 35 First Class Station by the Guangdong Transport Association
- 36 Guangdong's Model Enterprise of Integrity by the Guangdong Provincial Enterprises Confederation and Guangdong Entrepreneur Association
- 37 Model Staff Home by the Guangdong Federation of Trade Unions
- 38 Runner-up at the Inspection of Dangerous Goods contest by the Guangzhou Transportation Group
- 39 Third in the Bus Station Services Skills competition by the Guangzhou Transportation Group
- 40 Women Civilisation Post by the Guangdong Women's Federation



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AWARDS AND ACCOLADES

Jilin ComfortDelGro Taxi

- 41 Youth Civilisation Unit of Jilin City by the Jilin City Civilisation Office

Metroline

- 42 Alperton Garage won the London Garage of the Year category, while Holloway Garage clinched Silver in the same category at the 2015 UK Bus Awards
- 43 Kingsley Tomlin won second place in the Top London Bus Driver category at the 2015 UK Bus Awards
- 44 Brentford Garage was finalist for the Best Vehicle Care Award category at the 2015 London Bus Awards
- 45 Prashantsen Deuchande was awarded Environmental Campaign Champion at the 2015 London Bus Awards
- 46 Chris Brown and Martin Tomkins were runners-up for the Knorr-Bremse Electrical and Mechanical Award at the Institute of Road Transport Engineers Skills Challenge
- 47 Martin Tomkins was runner-up for the Allison Transmission Mechanical Technician Award at the Institute of Road Transport Engineers Skills Challenge

Nanjing ComfortDelGro Dajian Taxi

- 48 Ranked first in the 2015 AAA rating of taxi operators in Jiangsu Province for the third time

Nanning Comfort Transportation

- 49 Best Taxi Operator Unit for the 12th year
- 50 No. 10 Route Group named Outstanding Model by the National Ministry of Transport
- 51 No. 10 Route Group awarded National Pioneer Model Workers by the National Ministry of Transport

SBS Transit

- 52 1,480 Excellent Service Award winners
- 53 137 National Kindness Award-Transport Gold 2015 winners
- 54 Champion (Buses Fleet) for the Singapore Road Safety Award 2014 by the Singapore Road Safety Council
- 55 Chan Hua Seng was awarded Road Safety Champion (Most Improved Driver) and Elizabeth Lim Poh Suan was awarded Merit (Safe Driver) at the Singapore Road Safety Award 2014 by the Singapore Road Safety Council
- 56 ISO 22301:2012 Business Continuity Management System Recertification
- 57 Outstanding Supporter Award 2015 by the President's Challenge



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Setsco Services

- 58 ISO 50001 Energy Management System Certification
- 59 Safety Excellence Award by the Petroleum Corporation of Singapore
- 60 Singapore HEALTH Award (Silver) by the Health Promotion Board

Shenyang ComfortDelGro Taxi

- 61 "A" Grade Credit Tax Paying Enterprise for 2014
- 62 AAA Taxi Enterprise for Service Quality for 2014

Suzhou Comfort Taxi

- 63 Top Five Taxi Operator in Suzhou

VICOM

- 64 Best Investor Relations Award (Bronze) 2015 for companies with S\$300 million to S\$1 billion in market capitalisation by the Singapore Institute of Directors

Vietnam Taxi (Vinataxi)

- 65 Certificate of Merit by the Ho Chi Minh City Police
- 66 Outstanding Trade Union 2014 and Certificate of Merit by the Ho Chi Minh City Export Processing and Industrial Zones Authority
- 67 Vietnam Top 50 Well-known Trademark by the Vietnam Intellectual Property Department



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CORPORATE INFORMATION

Board of Directors

Lim Jit Poh
Chairman

Kua Hong Pak
Managing Director
/Group Chief Executive Officer

Ong Ah Heng
Oo Soon Hee
Sum Wai Fun, Adeline
Tow Heng Tan
Wang Kai Yuen
Wong Chin Huat, David

Audit and Risk Committee

Wong Chin Huat, David
Chairman

Ong Ah Heng
Oo Soon Hee
Sum Wai Fun, Adeline

Remuneration Committee

Tow Heng Tan
Chairman

Lim Jit Poh
Wang Kai Yuen
Wong Chin Huat, David

Nominating Committee

Lim Jit Poh
Chairman

Ong Ah Heng
Oo Soon Hee
Wang Kai Yuen

Investment Committee

Lim Jit Poh
Chairman

Kua Hong Pak
Sum Wai Fun, Adeline
Tow Heng Tan
Wang Kai Yuen

Corporate Directory

Registered Office
205 Braddell Road
Singapore 579701
Mainline: (65) 6383 8833
Facsimile: (65) 6287 0311
Email: info@comfortdelgro.com
Website: www.comfortdelgro.com
Company Registration Number: 200300002K

Company Secretary
Chan Wan Tak, Wendy

Share Registrar
B.A.C.S. Private Limited
8 Robinson Road #03-00
ASO Building
Singapore 048544

Auditors
Deloitte & Touche LLP
Public Accountants and Chartered Accountants
6 Shenton Way, OUE Downtown 2
#33-00
Singapore 068809

Partner-in-Charge:
Philip Yuen Ewe Jin

Date of Appointment:
26 April 2013

BOARD OF DIRECTORS



LIM JIT POH

CHAIRMAN (NON-EXECUTIVE & INDEPENDENT)

Mr Lim Jit Poh was appointed non-executive Chairman and Director of ComfortDelGro Corporation Limited on 1 January 2003. He is an independent Director of the Company. Mr Lim is the Chairman of both the Nominating Committee and Investment Committee, and a member of the Remuneration Committee. Mr Lim is also the Chairman of SBS Transit Ltd, VICOM Ltd and Ascott Residence Trust Management Limited. These are listed companies with business interest in land transport, inspection and testing services and hospitality trust. Mr Lim is also the Chairman of several non-listed companies owned by the Singapore Labour Foundation and the National Trades Union Congress (NTUC).

Mr Lim was a former top civil servant and a Fulbright Scholar. He was awarded the Public Administration Medal in 1972 and the Public Service Star (BBM) in 2015 by the President of the Republic of Singapore, as well as four awards by NTUC, namely the Friend of Labour Award in 1986, the Meritorious Service Award in 1990, the Distinguished Service Award in 2000 and the Distinguished Service (Star) Award in 2014. In 2006, he was also one of the recipients of the Distinguished Science Alumni Award from the National University of Singapore.

In his previous employment as Executive Director of two public-listed companies, Mr Lim had been directly involved in negotiations with business partners and relevant authorities on various joint venture projects in the ASEAN region, as well as in China, Hong Kong, the United Kingdom, Australia and Mauritius. He was also involved in the management of these operations. Mr Lim was a Council Member of the Singapore Chinese Chamber of Commerce and Industry and the National University of Singapore, and a Member of the Singapore British Business Council. He was also very active in community work being Chairman of a community centre management committee. Presently, he is a Trustee of the Singapore National Employers' Federation and a Member of the Board of Management of Pei Chun Public School.

Mr Lim holds a Bachelor of Science (Hons) in Physics from the University of Singapore and a Master of Education from the University of Oregon, USA.

Date of last re-appointment as Director: 24 April 2015



KUA HONG PAK

MANAGING DIRECTOR/GROUP CHIEF EXECUTIVE OFFICER

Mr Kua Hong Pak was appointed Managing Director/Group Chief Executive Officer of ComfortDelGro Corporation Limited on 1 January 2003. He is a non-independent Director of the Company. He is a member of the Investment Committee. He is also the Deputy Chairman of SBS Transit Ltd and VICOM Ltd. Mr Kua was appointed the Executive Director of SBS Transit Ltd in 2002 and then went on to assume the position of Managing Director/Chief Executive Officer of DelGro Corporation Limited in 2003. Prior to this, he was the President/Chief Executive Officer of Times Publishing Limited, where he managed its Singapore and overseas operations in the United States, United Kingdom, China, Japan, Hong Kong and Australia.

Mr Kua also serves on the boards of Temasek Holdings (Private) Limited, PSA International Pte Ltd and PSA Corporation Limited. He is also an Honorary Citizen of Shenyang City, China. In recognition of his contributions to community service, he was awarded the Public Service Medal in 1991 and the Public Service Star in 1996 by the President of the Republic of Singapore and re-appointed a Justice of the Peace in 2015. He was awarded the Medal of Commendation in 2005 and the Medal of Commendation (Gold) in 2010 by the National Trades Union Congress.

Mr Kua holds a Bachelor of Accountancy from the University of Singapore and is a Fellow of the United Nations Asian Institute. He also attended the Advanced Management Programme at the Harvard Business School.

Date of last re-appointment as Director: 24 April 2015

BOARD OF DIRECTORS



ONG AH HENG

DIRECTOR (NON-EXECUTIVE & INDEPENDENT)

Mr Ong Ah Heng was appointed a non-executive Director of ComfortDelGro Corporation Limited on 18 February 2003. He is an independent Director of the Company. Mr Ong is a member of both the Audit and Risk Committee and Nominating Committee. He was the Member of Parliament for Nee Soon Central Single Member Constituency until Parliament dissolved in April 2011. He is presently a Director of ComfortDelGro Engineering Pte Ltd and a Trustee of the National Transport Workers' Union (NTWU). Mr Ong was the former Assistant Secretary-General of the National Trades Union Congress (NTUC) and Alignment Director of the Care & Share Secretariat in NTUC. He was also the former Executive Secretary of NTWU.

Mr Ong was involved in the trade union movement from 1980 to 16 January 2010, and has taken care of members in the transport industry.

Mr Ong holds a Bachelor of Arts (Government & Public Administration) from Nanyang University and a Master of Arts (Political Science) from the University of Arkansas.

Date of last re-appointment as Director: 24 April 2015



OO SOON HEE

DIRECTOR (NON-EXECUTIVE & INDEPENDENT)

Mr Oo Soon Hee was appointed a non-executive Director of ComfortDelGro Corporation Limited on 18 February 2003. He is an independent Director of the Company. He is a member of both the Audit and Risk Committee and Nominating Committee. Mr Oo is presently the Executive Director of NSL Ltd. He was the former President and Chief Executive Officer of Natsteel Asia Pte Ltd. He is also a Director of SIA Engineering Company Limited and NatSteel Holdings Pte Ltd.

Over the past 30 years, Mr Oo has had experiences handling export development and exports/imports to and from various overseas markets. These include the United States, Europe, Middle East, China, Japan, Australia and the ASEAN region. In addition, he was also involved in negotiations for investments in China and various ASEAN countries, and sat on the boards of companies in China, Hong Kong, Australia and the ASEAN region.

Mr Oo holds a Bachelor of Science (Hons) in Applied Chemistry and a Diploma in Business Administration from the University of Singapore.

Date of last re-appointment as Director: 24 April 2015



SUM WAI FUN, ADELINE

DIRECTOR (NON-EXECUTIVE & INDEPENDENT)

Ms Sum Wai Fun, Adeline was appointed a non-executive Director of ComfortDelGro Corporation Limited on 1 January 2007. She is an independent Director of the Company. She is a member of both the Audit and Risk Committee and Investment Committee. Ms Sum is presently the Chief Executive Officer of Mercatus Co-operative Limited and Managing Director (Corporate Strategy) of NTUC Fairprice Co-operative Limited. She was formerly the Chief Executive Officer of the Singapore Labour Foundation and Chief Development Officer of NTUC Enterprise Co-operative Limited. She holds directorships in the NTUC Enterprise Group.

Ms Sum holds a Bachelor of Arts (History) from the National University of Singapore, a Master of Business Administration (Accountancy) from the Nanyang Technological University and a Master of Public Administration from Harvard University.

Date of last re-election as Director: 25 April 2014



TOW HENG TAN

DIRECTOR (NON-EXECUTIVE & INDEPENDENT)

Mr Tow Heng Tan was appointed a non-executive Director of ComfortDelGro Corporation Limited on 18 February 2003. He is an independent Director of the Company. Mr Tow is the Chairman of the Remuneration Committee and a member of the Investment Committee.

Mr Tow is currently the Chief Executive Officer of Pavilion Capital International Pte Ltd, a North Asia focus investment firm that is wholly owned by Temasek Holdings (Private) Limited. Prior to joining Pavilion Capital, Mr Tow was the Chief Investment Officer of Temasek Holdings.

Mr Tow also sits on the board of Keppel Corporation Limited, among others.

Mr Tow is a Fellow of the Association of Chartered Certified Accountants (UK), a Fellow of the Chartered Institute of Management Accountants (UK) and is a Member of the Institute of Singapore Chartered Accountants.

Date of last re-election as Director: 24 April 2015

BOARD OF DIRECTORS



WANG KAI YUEN

DIRECTOR (NON-EXECUTIVE & INDEPENDENT)

Dr Wang Kai Yuen was appointed a non-executive Director of ComfortDelGro Corporation Limited on 18 February 2003. He is an independent Director of the Company. Dr Wang is a member of the Nominating Committee, Investment Committee and Remuneration Committee. He was also a former Member of Parliament for Bukit Timah Single Member Constituency. He is the Chairman of HLH Group Ltd and the Deputy Chairman of China Aviation Oil (Singapore) Corporation Ltd. He also holds directorships in five listed companies, viz, COSCO Corporation (Singapore) Ltd, Matex International Ltd, Ezion Holdings Ltd, Emas Offshore Limited and A-Sonic Aerospace Ltd.

When he was Managing Director of Fuji Xerox Singapore Software Centre, Dr Wang managed a software centre with 150 employees. In that capacity, he interacted with senior managers of business and product development divisions in the United States, China and Japan of the global office equipment company. Dr Wang is familiar with the American and Asian cultures, international business practices, and corporate finance and governance. Dr Wang has also participated in many international meetings of parliamentarians. He has wide business and political contacts in China, having led many grassroots delegations to visit numerous city and provincial governments.

Dr Wang holds a Bachelor of Engineering (Electrical Engineering) (Hons) from the University of Singapore and a Master of Science (Industrial Engineering), a Master of Science (Electrical Engineering) and a PhD (Engineering) from Stanford University, USA.

Date of last re-election as Director: 24 April 2015



WONG CHIN HUAT, DAVID

DIRECTOR (NON-EXECUTIVE & INDEPENDENT)

Mr Wong Chin Huat, David was appointed a non-executive Director of ComfortDelGro Corporation Limited on 11 April 2003. He is an independent Director of the Company. Mr Wong is the Chairman of the Audit and Risk Committee and a member of the Remuneration Committee.

Mr Wong has been practising law with Ramdas and Wong since June 1974.

Mr Wong is also a Director of SBS Transit Ltd. He served as a Member of the Public Service Commission from 1998 till April 2015. He is presently the Chairman of the NTUC-U Care Fund Board of Trustees. He was a Director of the Singapore Labour Foundation (SLF) from 30 November 2001 till 24 September 2010.

Mr Wong was awarded the Friend of Labour Award in 1989, the Meritorious Service Award in 1995, the Distinguished Service Award in 2001 and the Distinguished Service (Star) Award in 2010 by NTUC. Mr Wong also received a Certificate of Appreciation from SLF for services rendered as a Director of Pasir Ris Resort Services Pte Ltd in 1989. In 1991, he was awarded the Public Service Star and in 2005, the Public Service Star (Bar) by the President of the Republic of Singapore for community and social services rendered.

Mr Wong holds a LL.B (Hons) from the University of Singapore and a LL.M from the University of London.

Date of last re-election as Director: 25 April 2014

KEY MANAGEMENT



CHOO CHEK SIEW



NEO ENG HOE



CHAN MUI WAH, DAISY



TAN I-LIN, TAMMY

CORPORATE OFFICE

CHOO CHEK SIEW

GROUP FINANCIAL OFFICER

Mr Choo Chek Siew is the Group Financial Officer. He is responsible for the Group's financial and statutory reporting, budgeting, financial control and policies, treasury and debt management and taxation. Mr Choo joined the Group in July 2003. He started his career with PricewaterhouseCoopers and moved on to become Group Internal Audit Manager of United Engineers Ltd. Mr Choo was the Regional Financial Controller at Citibank N.A and Chief of Staff at Union Bank of Switzerland before joining the Development Bank of Singapore Ltd as Head of Integration. Prior to joining the Group, he was with Oversea-Chinese Banking Corporation Ltd as Group Head of Finance. Mr Choo holds a Bachelor of Economics (Hons) from the Australia National University and is an Australian Chartered Accountant.

NEO ENG HOE

GROUP INFORMATION OFFICER

Mr Neo Eng Hoe was appointed Group Information Officer on 1 April 2015. He oversees the Group's Information Technology (IT) functions and applications, and supports strategic and business needs. Prior to this appointment, Mr Neo was the Senior Vice President of Group IT. Before joining the Group in 2003, he started his career at the Port of Singapore Authority, and was the General Manager, Systems & Services Unit at Singapore Computer Systems Limited. Mr Neo holds a Bachelor of Business in Business Administration from the Royal Melbourne Institute of Technology.

CHAN MUI WAH, DAISY

GROUP HUMAN RESOURCE OFFICER

Ms Chan Mui Wah, Daisy is the Group Human Resource Officer. She started her career with the Ministry of Education before moving on to join the Personnel Department at the then Singapore Bus Service (1978) Ltd in 1985. She has also held appointments in the Queensland Corrective Services Commission (Brisbane/Australia) and the Public Service Division, Prime Minister's Office (Singapore). She was re-appointed SBS Transit Ltd's Human Resource Manager in 1996. Ms Chan holds a degree in Psychology from the University of Western Australia.

TAN I-LIN, TAMMY

GROUP CORPORATE COMMUNICATIONS OFFICER

Ms Tan I-Lin, Tammy was appointed Group Corporate Communications Officer in March 2004. She is responsible for the Group's corporate communications functions, including promoting the Group's image, overseeing its various publications, coordinating requests for sponsorships and donations, and liaising with the media community. Ms Tan is the Group's Spokesman. She started her career with Singapore Press Holdings in 1995 and held several positions in The Straits Times, including Deputy Money Editor and Deputy News Editor. Ms Tan holds a Bachelor of Social Sciences (Hons) from the National University of Singapore.

KEY MANAGEMENT



CHOO PENG YEN



ENG SOK YONG



ONG POH SIM, MAY



CHAN WAN TAK, WENDY

CORPORATE OFFICE

CHOO PENG YEN

GROUP INVESTOR RELATIONS AND SPECIAL PROJECTS OFFICER

Mr Choo Peng Yen was appointed Group Investor Relations and Special Projects Officer on 1 November 2010. He was the General Manager of the North East China Business Unit. Mr Choo joined the Group in 1978 and was the Senior Vice President (Group Business Development) prior to his appointment in China. He holds a Bachelor of Business Administration from the University of Singapore and attended the International Executive Programme at INSEAD (France).

ENG SOK YONG

GROUP BUSINESS DEVELOPMENT OFFICER

Ms Eng Sok Yong, Group Business Development Officer, joined the Group in February 2007. She also holds concurrent position as Senior Vice President of Corporate Development at SBS Transit Ltd, which is a subsidiary of the Group. Prior to this, she was the Group Director of Policy and Planning at the Land Transport Authority, where she was in charge of its corporate communications, policy development, infrastructure and strategic planning departments. She had previously served as Assistant Director in the Ministry of Trade and Industry. Ms Eng, who was a Public Service Commission (PSC) Scholar, holds a Master of Science from the London School of Economics.

ONG POH SIM, MAY

GROUP INTERNAL AUDIT OFFICER

Ms Ong Poh Sim, May is the Group Internal Audit Officer. She is responsible for the internal audit functions of the Group. She joined the Group in 1981 as Internal Auditor and was subsequently appointed to head the Internal Audit Department. Ms Ong holds a Bachelor of Accountancy from Nanyang University.

CHAN WAN TAK, WENDY

COMPANY SECRETARY

Ms Chan Wan Tak, Wendy joined the Group in September 2007 as Vice President of Group Finance. She is currently Senior Vice President of Group Finance. She is also the Company Secretary. Prior to joining the Group, Ms Chan was the Vice President of Finance and Operations of k1 Ventures Limited. Before this, she was with Deloitte & Touche LLP as Senior Audit Manager. Ms Chan holds a Bachelor of Accounting and Finance (Hons) from the University of Glamorgan, United Kingdom. She is a Chartered Accountant of the Institute of Singapore Chartered Accountants and a Fellow of the Chartered Association of Certified Accountants.



GAN JUAY KIAT



YANG BAN SENG



SIM WING YEW



CHUA TECK LEONG, JIMMY



HUAM CHAK KHOON

BUSINESS UNITS —SINGAPORE

GAN JUAY KIAT

CHIEF EXECUTIVE OFFICER,
SBS TRANSIT

Mr Gan Juay Kiat was appointed Chief Executive Officer of SBS Transit Ltd on 1 March 2010. He joined the Group in February 2006 as Group Corporate Planning Officer. He was the Chief Executive Officer and Director of ComfortDelGro Bus Pte Ltd before assuming the role of Chief Operating Officer of SBS Transit in April 2007. He was appointed Executive Director on 1 March 2009. Prior to joining the Group, Mr Gan was Chief Corporate Officer at the Ascott Group, Senior Vice President (Corporate Planning) at CapitaLand Limited, Senior Vice President (Retail & Distribution) at Times Publishing Limited and Divisional Director at General Electric. He started his career in the Singapore Armed Forces (SAF) where he held several senior command and staff appointments. Mr Gan, who was a President's Scholar and an SAF (UK) Scholar, holds a Bachelor of Arts (Engineering Tripos) from the University of Cambridge, United Kingdom.

YANG BAN SENG

CHIEF EXECUTIVE OFFICER,
TAXI BUSINESS, COMFORTDELGRO

Mr Yang Ban Seng is the Chief Executive Officer of Taxi Business in Singapore. He oversees the operations of Comfort Transportation Pte Ltd and CityCab Pte Ltd. Prior to joining the Group in 1989, Mr Yang served as Assistant Director of the Ministry of Education, Deputy Director of the Ministry of Home Affairs and the National Trades Union Congress' Secretary for Co-operatives. He holds a Bachelor of Science (Operations Research and Statistics) (Hons) from the University of Manchester and a Master of Business Administration from the National University of Singapore.

SIM WING YEW

CHIEF EXECUTIVE OFFICER,
VICOM

Mr Sim Wing Yew was appointed Chief Executive Officer of VICOM Ltd on 1 May 2012. Prior to this appointment, he was Chief Operating Officer of ComfortDelGro Engineering Pte Ltd since August 2008 before assuming the role as Chief Executive Officer on 1 March 2011. Mr Sim first joined the Group in September 2002 as a General Manager in charge of two maintenance workshops in SBS Transit Ltd's Fleet Management Department. In June 2006, he assumed responsibility as the General Manager for all five SBS Transit's workshops. Mr Sim holds a Bachelor of Engineering (Hons) in Mechanical and Production Engineering from the Nanyang Technological University and a Master of Business Administration from the University of Hull, United Kingdom.

CHUA TECK LEONG, JIMMY

CHIEF EXECUTIVE OFFICER,
COMFORTDELGRO INSURANCE BROKERS

Mr Chua Teck Leong, Jimmy is the Chief Executive Officer of ComfortDelGro Insurance Brokers Pte Ltd. He is responsible for all aspects of the Group's insurance, claims and risk management activities. Prior to joining the Group, Mr Chua was the Chief Executive Officer of Zuellig Insurance Brokers Pte Ltd. Mr Chua graduated from the University of Singapore with a Bachelor of Arts (Hons) and holds a Master of Business Administration from the University of Hull, United Kingdom. In recognition of his contribution to community service, Mr Chua was awarded the Public Service Medal (PBM) in 1997 and the Public Service Star (BBM) in 2001. He was appointed a Justice of the Peace in 2005.

HUAM CHAK KHOON

CHIEF EXECUTIVE OFFICER,
COMFORTDELGRO DRIVING CENTRE

Mr Huam Chak Khoon is the Chief Executive Officer of ComfortDelGro Driving Centre Pte Ltd. He was responsible for the setting-up and operation of the Driving Centre when he was appointed its Executive Director in 1996. Mr Huam joined the Group in 1984 as a Trainer. Mr Huam holds a Bachelor of Commerce from Nanyang University, a Graduate Diploma in Training and Development from the Singapore Institute of Management, and a Master of Science in Education and Training from the University of Leicester, United Kingdom.

KEY MANAGEMENT



JAYNE KWEK



PANG WENG HENG



ONG BENG TIN, MARY



ANG SOO HOCK

BUSINESS UNITS —SINGAPORE

JAYNE KWEK

CHIEF EXECUTIVE OFFICER,
MOOVE MEDIA

Mrs Jayne Kwek joined the Group in October 2004 and is currently the Chief Executive Officer of Moove Media Pte Ltd. She is an Executive Council Member of the Institute of Advertising Singapore and has won many prestigious advertising awards, including the Singapore Media Award and the Singapore Hall of Fame Advertising Awards. She has also been voted one of Singapore's 20 Most Influential Marketing Personalities. Mrs Kwek graduated with a Degree of Associate in Science (Fashion Merchandising) from the Daytona Beach Community College, Florida, USA.

PANG WENG HENG

CHIEF EXECUTIVE OFFICER,
COMFORTDELGRO BUS

Mr Pang Weng Heng was appointed Chief Executive Officer of ComfortDelGro Bus Pte Ltd on 1 January 2015. Prior to this appointment, he was the Chief Operating Officer. Mr Pang joined the Group in September 1978. Prior to his transfer to ComfortDelGro Bus, he served in the Operations, Finance, and Projects Departments of Comfort Transportation Pte Ltd. Mr Pang holds a Certified Diploma in Accounting and Finance from the Association of Chartered Certified Accountants and a Diploma in Management Studies from the Singapore Institute of Management.

ONG BENG TIN, MARY

CHIEF EXECUTIVE OFFICER,
COMFORTDELGRO RENT-A-CAR

Ms Ong Beng Tin, Mary joined the Group in 1996 and is the Chief Executive Officer of ComfortDelGro Rent-A-Car Pte Ltd. Prior to her appointment, she was the Chief Operating Officer and served as the Head of Sales and General Manager in the Company. She has 20 years' experience in the car rental industry, beginning her career as a Sales Manager in Ken-Air's Auto Services Division. Ms Ong holds a Bachelor of Arts from the National University of Singapore.

ANG SOO HOCK

CHIEF OPERATING OFFICER,
COMFORTDELGRO ENGINEERING

Mr Ang Soo Hock was appointed Chief Operating Officer of ComfortDelGro Engineering Pte Ltd on 1 May 2012. Mr Ang first joined the Company as Taxi Fleet Maintenance Engineer in July 1998. In 2003, he assumed the responsibility of Branch Manager, Sin Ming, overseeing the maintenance of both the taxi and private car fleets, and the operation of four diesel kiosks. In June 2007, he was tasked to oversee all maintenance workshops for the Group's entire taxi fleet in Singapore, and in September 2009, he took on the added responsibility of managing diesel sale operations as well. Mr Ang holds a Bachelor of Engineering (Hons) in Mechanical and Production Engineering from the Nanyang Technological University and a Specialist Diploma in Franchise Management from the Ngee Ann Polytechnic.



JASPAL SINGH



JIM GLASSON



YAP SOON HUA, NICHOLAS



YEO SEE PENG

BUSINESS UNITS —UNITED KINGDOM/IRELAND

JASPAL SINGH

CHIEF EXECUTIVE OFFICER, UNITED KINGDOM/IRELAND BUSINESS UNIT

Mr Jaspal Singh is the Chief Executive Officer of the United Kingdom/Ireland Business Unit. He was a Colombo Plan Scholar and joined the Administrative Service in 1978. Over the years, he held many senior-level appointments, including Deputy Secretary in the Ministries of Finance and Transport. Mr Singh also held various directorships on the boards of Government-linked companies. He holds a Bachelor of Arts (Economics) and a Bachelor of Engineering (Industrial Engineering) (Hons Class One) from the University of Newcastle, Australia, and a Master of Public Administration from the Kennedy School, Harvard University, USA. He has also completed the Advanced Management Programme at the Harvard Business School.

BUSINESS UNITS —AUSTRALIA

JIM GLASSON

CHIEF EXECUTIVE OFFICER, COMFORTDELGRO CABCHARGE

Mr Jim Glasson joined the Group in June 2009 and is the Chief Executive Officer of ComfortDelGro Cabcharge Pty Ltd. Prior to joining the Group, Mr Glasson was Director General of the Ministry of Transport (MoT) in New South Wales (NSW). Before his appointment as Director General, Mr Glasson was MoT's Deputy Director General and Executive Director of the Policy and Strategic Co-ordination Group, where he was responsible for the leadership and direction of the Ministry's policy functions and Ministerial support unit. Mr Glasson was previously Acting Chief Executive Officer of the Port Kembla Port Corporation. Mr Glasson holds a Bachelor of Urban and Regional Planning (Hons) from the University of New England, NSW, Australia.

YAP SOON HUA, NICHOLAS

GENERAL MANAGER, COMFORTDELGRO CABCHARGE (VICTORIA)

Mr Yap Soon Hua, Nicholas, was appointed General Manager of CDC Victoria Pty Ltd in January 2014. Concurrently, he also holds the position of Deputy Chief Executive Officer of ComfortDelGro Cabcharge Pty Ltd. Prior to these appointments, he was Chief Operating Officer of ComfortDelGro Cabcharge. Mr Yap joined the Group in 1994 and was Vice President, Group Business Development, before his posting to Australia. He also served as a Manager in the Service Development Department of SBS Transit Ltd. Mr Yap holds a Bachelor of Economic and Social Studies (Hons) from the University of Wales in Accounting and Law. He also completed the Executive Programme in Transportation Management from the Nanyang Technological University & Chartered Institute of Transport, Singapore.

YEO SEE PENG

CHIEF EXECUTIVE OFFICER, SWAN TAXIS

Mr Yeo See Peng was appointed Chief Executive Officer of Swan Taxis Pty Ltd in Perth, Western Australia on 2 January 2015. He joined the Group in December 2013, serving as Senior Vice President, Fleet Services of ComfortDelGro's Taxi Business in Singapore. Prior to this, Mr Yeo served in both the Ministry of Defence and the Singapore Armed Forces (SAF) for about 30 years, where he held several senior command and staff appointments. Mr Yeo, who was an SAF Merit Scholar, holds a Bachelor and Master of Arts from the University of Oxford, United Kingdom, as well as a Master of Public Administration from the University of Harvard, USA.

KEY MANAGEMENT



LEONG KWOK SUN



TAN SEOW BOON, SIMON



TANG YEW MENG, RICHARD



TAY CHEW LIANG, MARC

BUSINESS UNITS

—CHINA

LEONG KWOK SUN

CHIEF EXECUTIVE OFFICER,
NORTH CHINA BUSINESS UNIT

Mr Leong Kwok Sun is the Chief Executive Officer of the North China Business Unit. He is responsible for the supervision and development of North China businesses. Prior to joining the Group, Mr Leong was the Senior Vice President in Times Publishing Limited. He has held senior positions in various organisations in his more than 30 years of working life with extensive experience in the manufacturing industries and managed overseas operations, especially in China. Mr Leong is a registered professional Engineer and was trained in West Germany on Marine Engineering and Special Ship Construction. He holds a Bachelor of Engineering from the University of Singapore.

TAN SEOW BOON, SIMON

CHIEF EXECUTIVE OFFICER,
WEST CHINA BUSINESS UNIT

Mr Tan Seow Boon, Simon is the Chief Executive Officer of the West China Business Unit and is responsible for the Group's taxi, car rental, vehicle testing and driving school joint ventures in Chengdu and Chongqing. Mr Tan joined the Group in 1995 and was one of the first executives to be posted to China in 1997. He was the General Manager of Shanghai Shen Xin Bus Service Ltd and Shanghai City Qi Ai Taxi Services Co., Ltd. Prior to joining the Group, he was an Investigations Officer with the Republic of Singapore Police Force. Mr Tan holds a Bachelor of Science (Hons) from the University of London.

TANG YEW MENG, RICHARD

CHIEF EXECUTIVE OFFICER,
EAST CHINA BUSINESS UNIT

Mr Tang Yew Meng, Richard is the Chief Executive Officer of the East China Business Unit. He is responsible for the taxi operations in Shanghai, Suzhou and Nanjing. Mr Tang is also the General Manager of Nanning Comfort Transportation Co., Ltd. Prior to joining the Group, Mr Tang has a wealth of experience in the service industry, having worked in senior management positions in prestigious hotel management companies in Perth, Shanghai, Beijing and Guangzhou. Mr Tang holds a Diploma in Administrative Management (UK).

TAY CHEW LIANG, MARC

CHIEF EXECUTIVE OFFICER,
SOUTH CHINA BUSINESS UNIT

Mr Tay Chew Liang, Marc is the Chief Executive Officer of the South China Business Unit, overseeing the operation of Guangzhou Xin Tian Wei Transportation Development Co., Ltd. Mr Tay began his career with the Singapore Airlines Group and has held senior management positions in many leading service organisations, including the Singapore Tourism Board, Intercontinental Hotel Group and the Ascott Group. Mr Tay has a wealth of experience working in China, having spent nearly two decades there. Mr Tay holds a Bachelor of Business Administration from the National University of Singapore and attended a Senior Management Programme with the University of Hong Kong.



LIM MENG HOCK, ALAN



LIM CHAI HWEE



CHIA WING TOO, ERIC

BUSINESS UNITS —VIETNAM

LIM MENG HOCK, ALAN

GENERAL DIRECTOR,
COMFORTDELGRO SAVICO TAXI

Mr Lim Meng Hock, Alan was appointed the General Director of ComfortDelGro Savico Taxi Company in November 2007. He joined the Group in 1981 and has served in various administration, purchasing, planning, operational and business development positions within the Group. Mr Lim holds Diplomas in Chemical Process Technology from the Singapore Polytechnic and Management Studies from the Singapore Institute of Management.

LIM CHAI HWEE

GENERAL DIRECTOR,
VIETNAM TAXI

Mr Lim Chai Hwee is the General Director of Vietnam Taxi Co., Ltd. Mr Lim joined the Group in 2006. He held appointments in Operations, Route Group Development and Safety departments of the bus business area of SBS Transit Ltd. Prior to joining the Group, Mr Lim has had stints in the security and financial industries. Mr Lim holds a Bachelor Degree in Engineering from the Nanyang Technological University.

BUSINESS UNITS —MALAYSIA

CHIA WING TOO, ERIC

GENERAL MANAGER,
MALAYSIA BUSINESS UNIT

Mr Chia Wing Too, Eric joined the Group in May 2008 as General Manager of the car rental & leasing business in Malaysia. Mr Chia has had more than 30 years of experience in the automotive industry and has held appointments in various organisations, including senior management positions at Inchcape Motors Limited, Champion Motors (1975) Pte Ltd and Komoco Motors Pte Ltd. Prior to joining the Group, Mr Chia was the General Manager of Trans Eurokars Pte Ltd. Mr Chia holds a Master of Business Administration from the Macquarie University, Australia.

OPERATIONS REVIEW

SINGAPORE

2,468.7
REVENUE (S\$'mil)

22,962
TOTAL OPERATING FLEET SIZE

12,494
TOTAL NUMBER OF EMPLOYEES

Bus • Taxi • Rail • Automotive Engineering Services
Inspection & Testing Services • Driving Centre • Car Rental & Leasing
Insurance Broking Services • Outdoor Advertising

Bus

ComfortDelGro Corporation Limited is the market leader in both the public scheduled bus and private charter bus service sectors in Singapore.

Public Scheduled Bus

Our public-listed scheduled bus subsidiary, SBS Transit Ltd, operates a fleet of 3,656 buses and 261 bus routes – of which 215 are basic bus services. In 2015, average daily ridership grew by 2.8% to more than 2.8 million passenger trips.

To cater to the growing demand, SBS Transit took delivery of 348 buses during the year. As a result, the average age of its bus fleet is now 5.6 years. Significantly, 89.4% of its fully air-conditioned bus fleet is wheelchair-accessible and 43.7% comprises double decks. With more wheelchair friendly buses in its fleet, SBS Transit rolled out 25 wheelchair-accessible bus services in 2015, bringing the total number of such services to 195. This means that nine out of every 10 of our basic bus services are wheelchair-accessible.

Among the new buses delivered, 154 were funded by the Government under the Bus Service Enhancement Programme (BSEP). As at the end of 2015, SBS Transit has a total of 525 BSEP buses which constitute about 14% of its fleet. In 2015, 10 BSEP services were rolled out. The BSEP buses were also

deployed to 27 existing services to beef up capacity and ease waiting times.

With the opening of its eighth fully air-conditioned bus interchange – Joo Koon Bus Interchange – in November 2015, a major route amendment exercise involving nine services was conducted over three weekends. Five existing bus services were amended to serve the new interchange, while four other bus routes that originated from the Boon Lay Bus Interchange were also amended.

In celebration of the Nation's 50 years of independence, SBS Transit offered free travel on all its buses on 9 August 2015. To add to the festivities, 500 buses as well as its bus interchanges were decorated with images of the little red dot – as Singapore is affectionately known.

As part of its efforts to improve the public transport experience for commuters, SBS Transit started to tweet bus service updates and announcements via its twitter account, @SBSTransit_Ltd, from July 2015. As at December 2015, it had garnered about 6,500 followers.

For the year under review, SBS Transit participated in the first two tenders of the Government's Bus Contracting Model. The results of the first tender for the Bulim Bus Package and the second tender for the Loyang Bus Package were



announced in May and November 2015 respectively. Unfortunately, SBS Transit was unsuccessful in both tenders.

Private Bus Charter

The Group's wholly-owned subsidiary, ComfortDelGro Bus Pte Ltd, is Singapore's largest private bus chartering company with a fleet of 350 buses, including those belonging to subcontractors. It offers employee and school bus charters as well as overland bus services to West Malaysia. It also operates premium bus services, including city direct bus services as well as shuttle bus services for industrial parks, shopping malls, educational institutions and condominiums.

ComfortDelGro Bus remained the preferred bus chartering provider for flagship events such as the National Day Parade (NDP) in 2015. It also won tenders to provide bus services for the State Funeral of the late Mr Lee Kuan Yew, the General Election (GE), the 28th Southeast Asian (SEA) Games and the 8th ASEAN Para Games.

Under the BSEP, ComfortDelGro Bus operates City Direct Service 651, which offers direct connection between Jurong West and the Central Business District (CBD), and City Direct Service 653, which offers direct connection between Bukit Batok/Hillview and CBD.

As part of its bus replacement exercise, ComfortDelGro Bus replaced its old buses with 34 new ones.

Taxi

ComfortDelGro Taxis continued to command the lion's share of the market with a combined fleet of 16,997 Comfort and CityCab taxis.

In January 2015, the ComfortDelGro taxi booking app, which is available for both iPhones and Android smartphones, was given a complete makeover. The revamped app has a whole slew of enhanced features including recommended routes and estimates

on metered fares. It is also able to provide users with a "history" of up to 10 journeys over a 30-day period. The enhanced "favourites" feature also enables commuters to book taxis from any bookmarked location in two easy steps. With the app, passengers can e-mail receipts, share trip details with others and rate the service levels of the taxi drivers. In 2015, over 70% of our taxi drivers received at least one five-star rating. Since the ComfortDelGro booking app was launched in 2010, it has been downloaded 3.18 million times.

On 17 November 2015, ComfortDelGro Taxis clocked its 30 millionth booking through the app. As a show of thanks to its many loyal customers, it waived the booking fees for the first 15,000 customers who booked through the app using the "30MIL" promo code from 19 to 25 November 2015. The booking fee levy that taxi drivers pay was also waived.

For the year in review, ComfortDelGro Taxis catered a total of 34.1 million booking jobs – of which more than half were conducted through the app.

In October 2015, ComfortDelGro Taxis became the first taxi operator to accept MasterPass™, a digital payment service from MasterCard®. This cardless payment enables passengers to use its taxi services without having to whip out their wallets at all – saving both themselves and taxi drivers a lot of time. All payments are done electronically through pre-registered debit and credit cards.

The latest range of X-One Mobile Data Terminals (MDTs) were installed in ComfortDelGro's taxis from June 2015. The new terminals wirelessly connect the booking despatch system to the taxis and act as built-in taxi meter-cum-payment systems. They automatically compute the total metered fare and accept cashless payments. The new MDTs also possess CPU speeds that are two times faster than their

predecessors, larger storage capacities and higher RAM that enable the apps to work faster and smoother.

In May 2015, ComfortDelGro Taxis became the first taxi company in Southeast Asia to roll out the Euro 6 Mercedes Benz E220 BlueTEC LimoCabs – well ahead of the Government's deadline of January 2018 for diesel vehicles to meet Euro 6 standards. These limousines are able to reduce harmful emissions by transforming 90% of the nitrogen oxide (NOX) into environmentally friendly particles such as water and nitrogen. The Euro 6 LimoCab emits only 124g carbon emissions per kilometre, which qualifies it for the Carbon Emissions-Based Vehicle Scheme (CEVS) rebate, notwithstanding the more stringent criteria from July 2015.

ComfortDelGro Taxis believes in taking care of the welfare of its taxi drivers. As part of a healthy lifestyle campaign, taxi drivers were given free access to ActiveSG facilities such as gymnasiums and swimming pools on Wednesdays. In addition to leading a healthy lifestyle, taxi drivers have also been encouraged to go for regular health checks. To make it easier for them to do so, we partnered the Health Promotion Board for the "Check Car, Check Body" health screening and intervention programme in 2014. Last year, two more health check centres were set up in Braddell and Sin Ming so that more taxi drivers could undergo the health screening and health coaching sessions while their taxis were being serviced. Over 5,500 taxi drivers have participated in the programme so far.

The Company also extended aid to its taxi drivers by helping them defray the educational fees of their children. During the year, 675 Primary and Secondary level students received S\$115,000-worth of study achievement awards.

From 3 to 11 August 2015, as part of the SG50 celebrations, diesel sold at our diesel kiosks was reduced to just

OPERATIONS REVIEW

50 cents per litre. The booking fee levy that taxi drivers pay was also waived from 11 to 17 August 2015. In all, the Company forked out S\$1.75 million for these SG50 initiatives for its taxi drivers.

For the second year running, ComfortDelGro Taxis and its app were named favourite taxi agency and favourite taxi booking app for the Travellers' Choice Awards by TripAdvisor in 2015.

Rail

Demand for our rail services continued to grow in 2015 with over 259.1 million passenger trips made. This represented an increase of 7.31% over 2014.

Average daily ridership on the North East Line (NEL) grew by 4.6% to 537,000 compared to 2014. In tandem with the increase in passenger demand, 135 additional train trips per week were added to the schedules to improve capacity and enhance train frequencies.

During the year, SBS Transit took delivery of six new trains that were built by French manufacturer, Alstom, which the Land Transport Authority (LTA) had ordered in 2012.

The mid-life rail refurbishment review, which started in 2014, continued in 2015. SBS Transit will either upgrade or replace ageing as well as obsolete equipment.

In September 2015, SBS Transit introduced a new "Meet-the-Managers" session. Planned for the last Wednesday of every month, this event provided commuters with the opportunity to meet NEL's Management to provide feedback or offer suggestions. These commuter engagement sessions, held at different stations, have been well-received.

For the year in review, the average daily ridership on the Downtown Line (DTL) 1 increased by 23.5% to 76,000. DTL2 commenced passenger service on 27 December 2015 – a day after the

official opening by Prime Minister Mr Lee Hsien Loong. With the 12 stations that were opened in 2015, the DTL now has 18 stations stretching from Bukit Panjang to Chinatown. When fully completed in 2017, the 42-km long DTL will have 34 stations, making it the longest underground, driverless train system in Singapore.

Ridership on the Light Rail Transit systems in Sengkang and Punggol recorded double-digit growth during the year, hitting an all-time high of 36.0 million passenger trips for the year. Average daily ridership grew by 14.1% to 99,000.

In the area of service delivery, SBS Transit continued to work hard to meet commuters' expectations. The LTA's Public Transport Customer Satisfaction Survey revealed that the percentage of respondents who were satisfied with train services improved from 88.9% to 92.8%.

Automotive Engineering Services

Our automotive engineering services subsidiary, ComfortDelGro Engineering Pte Ltd, maintains the Group's taxi fleet in Singapore. To bring greater convenience to about 800 taxi drivers residing in the northern part of Singapore, ComfortDelGro Engineering started operating its sixth workshop out of VICOM inspection centre in Yishun in February 2015.

To further improve service levels to taxi drivers, ComfortDelGro Engineering adopted a predictive maintenance approach in which technicians are prompted automatically by the computer system to replace parts before they reach the end of their lifespan. This initiative has resulted in a reduction in taxi breakdown rates.

During the year, ComfortDelGro Engineering implemented the Vehicle Accident Reporting System. This new system eliminates duplicated data entries and electronically transfers damage assessment reports from

the vehicle inspection bays to the reporting counters, thereby reducing processing time from an average of 49 to 33 minutes.

ComfortDelGro Engineering increased the list of components due for reconditioning during the year. Besides engine and transmission overhaul, the unit is now capable of reconditioning suspension and sub-components of engines and transmissions. This resulted in substantial savings for its taxi maintenance business in 2015.

For its external vehicle maintenance business, ComfortDelGro Engineering successfully secured new corporate contracts with Singapore Airlines Engineering Company, Certis CISCO Security Private Limited, C&P Rent-A-Car (Pte) Ltd and Huawei Technologies Company Ltd.

The bus assembly business delivered 204 Volvo double deck buses during the year to SBS Transit.

Separately, Volvo East Asia Pte Ltd, which had won an LTA contract to supply 176 double deck buses, subcontracted ComfortDelGro Engineering to assemble the buses. As at 31 December 2015, ComfortDelGro Engineering had delivered 30 buses to the LTA. The Company also secured another contract with local coach builder SC Auto Industries (S) Pte Ltd to supply 32 units of Volvo chassis and to maintain these buses.

ComfortDelGro Engineering renovated its Bedok diesel kiosk and refurbished the restroom at its Braddell diesel kiosk with new floor tiles, energy-saving LED light bulbs and better ventilation.

Inspection & Testing Services

As a result of innovative marketing campaigns and improved service offerings, VICOM Ltd conducted a total of 522,140 vehicle inspections, a slight increase as compared to the previous year.

During the year, VICOM collaborated with several business partners to introduce more benefits for its customers. This included Personal Accident coverage for customers as well as discounts and free gifts to those who signed up for special promotions.

For example, in August 2015, VICOM collaborated with Diners Club to launch its very own loyalty card, the Diners/ VICOM “V” Card. “V” card holders enjoy S\$26 discount off their vehicle inspection fee once a year, free 24-hour roadside assistance provided by ComfortDelGro Engineering and 25% discount off car rentals at ComfortDelGro Rent-A-Car Pte Ltd.

As part of SG50, customers who purchased motor insurance from AXA Insurance Singapore through VICOM were entitled to 50% off the inspection fees, while those who signed up for the “V” card received another 50% off upon card approval. Given the success of the “V” card, VICOM plans to add on other motoring benefits to make it an even more unique “motoring” credit card to attract more customers.

The Automated Payment Machines (APMs), which were rolled out in 2014, have proven very popular. As such, another 14 were installed during the year. There are plans to introduce more services on the APMs.

Demand for VICOM Emission Test Laboratory’s services increased by more than half in 2015 due to the revision in the CEVS. Under the revised CEVS, all new or imported used cars registered from 1 July 2015 with carbon emissions of less or equal to 135g/km qualify for rebates, while cars with carbon emissions equal to or more than 186g/km incur a registration surcharge.

VICOM Assessment Centre (VAC) assisted 1,032 motorists with the repair of their vehicles at approved workshops and filed 13,287 accidents reports at its three centres. While VAC saw an increase of 16.3% in accident vehicle survey jobs,

VICOM VFIT™, the Company’s used car evaluation service, saw a dip in demand in line with the proportion of cars aged between three and eight years. Typically, pre-owned car buyers will only use the service if the cars are between three and eight years old.

VICOM’s wholly-owned subsidiary, Setsco Services Pte Ltd (SETSCO) completed a number of projects in Singapore involving the analysis of water, sludge and air. It also conducted grease trap audit and inspection for the PUB and ambient air monitoring for JTC Corporation. Other projects included the inspection of a new storage terminal at Tembusu in Jurong Island and the three-storey Terminal 4 Building at Changi Airport.

Over in Malaysia, SETSCO conducted sampling and analysis of water and soil at Putrajaya Dam. Further abroad, it undertook several glass inspection projects including those for the Flame Towers in Baku, Azerbaijan and the Four Seasons Hotel in Abu Dhabi, United Arab Emirates.

Driving Centre

ComfortDelGro Driving Centre Pte Ltd provides learner driver training services in Singapore.

During the year, it clinched the Home Team contract to conduct training for a wide range of vehicle classes including training for specialised vehicles such as the Red Rhinos, fire engines and ambulances.

With effect from 1 June 2015, work permit and S Pass holders who wanted to drive light goods vehicles were required by the Traffic Police to pass a practical driving test on top of the basic theory test. The new ruling presented ComfortDelGro Driving Centre with the opportunity to offer foreign learners the Class 3 Conversion Express Practical Training Course. More than 200 foreign learners signed up for this course in 2015.

In November 2015, ComfortDelGro Driving Centre and the Traffic Police jointly developed the Safe Driving Course, a new curriculum aimed at re-educating drivers on safe driving knowledge. Under the programme, drivers with 12 or more demerit points can erase three demerit points off their driving records once they complete the course. Within two months of its launch, close to 1,000 learners had enrolled in the course.

ComfortDelGro Driving Centre was again recognised by the Institute of Technical Education as a Certified On-the-Job Training Centre for its robust on-the-job training system. It also retained the ‘Assisted Compliance Assurance Programme (ACAP) Premium’ status awarded by the Inland Revenue Authority of Singapore and had its ISO 9001:2008 Quality Management certification renewed. In addition, the Centre was awarded the Singapore Quality Class STAR and the People Developer status.

Car Rental & Leasing

Our car rental & leasing subsidiary, ComfortDelGro Rent-A-Car expanded its fleet during the year and extended the lifespan of a number of its existing vehicles to cater to higher demand for older vehicles by corporate clients. As at the end of December 2015, its fleet size was 1,130.

ComfortDelGro Rent-A-Car stepped up its marketing efforts during the year. It organised six road shows and took out advertisements. It also continued to organise fun-filled activities for its customers and their families as part of its customer retention programme.

To further improve productivity and protect data integrity, the Company implemented batch processing for credit card customers via the Wirecard Gateway. This solution allows the collection of monthly rental from long-term customers without the need for them to re-enter their credit card numbers every month. This eliminates

OPERATIONS REVIEW

the need for repeated data entry and minimises the risk of human error.

Insurance Broking Services

ComfortDelGro Insurance Brokers Pte Ltd, our in-house insurance broking arm continued to perform well in 2015.

In response to the increasing trend of cyber attacks and threats, ComfortDelGro Insurance Brokers and its associate partners worked with the Group in identifying their cyber risks and exposures, and helped recommend the appropriate insurance cover to mitigate them.

In Singapore, ComfortDelGro Insurance Brokers was able to grow its third-party business by leveraging on its technical expertise, market knowledge and experience as well as effective and pro-active claims and risk management to stay ahead of its competitors.

Elsewhere, ComfortDelGro Insurance Brokers continued to aid the Group's Business Units in Australia, China and the United Kingdom (UK) in securing insurance coverage that had more competitive pricing structures and enhancements.

Following the successful formation of a dedicated Claims Management Unit for the Group's Australian Business Units, ComfortDelGro Insurance Brokers helped to set up a similar Claims Management

Unit for the UK Business Unit to control its annual claims cost.

Outdoor Advertising

Our outdoor advertising subsidiary, Moove Media Pte Ltd, saw higher demand for rail advertising with the opening of more DTL stations as well as higher demand for creative two-dimensional taxi tops.

During the year, Moove Media offered several innovative campaigns with interesting concepts. For example, it deployed a fleet of 350 ComfortDelGro concept taxis that were installed with blue padded seats, mats and seat belt protectors for AXA's "It's OK to be overprotective" advertising campaign. The concept taxis, which served as the visual element during AXA's launch of its personal family accident plan, provided passengers with the feeling of "being protected".

Another innovative campaign was for EVA Air's "Hello Kitty Jet Launch" campaign. The concept bus, which garnered 155,000 views on Moove Media's Facebook page and close to 5,000 shares, was not only the talk of the town, but was also featured in several newspaper articles as well as trade magazines. The campaign, which was extremely popular with Hello Kitty fans, was a finalist at the Singapore Institute of Advertising's Hall of Fame Awards 2015.

From April to May 2015, Moove Media also teamed up with SAFRA Radio, for the first time, to bring two of its anchor radio stations to Ang Mo Kio, Bedok and Boon Lay Bus Interchanges as part of a branding campaign to promote its radio shows. The four-week long campaign featured wallscape advertisements fitted with specially designed speakers and radio that provided commuters with an optimal surround sound experience.

As part of the SG50 celebrations, Moove Media produced SG50 Pioneer Cows in eight historical characters – the Coolie, the Rickshaw Man, the Kacang Puteh Man, the Satay Man, the Domestic Helper, the Samsui Woman, the Nyonya and the Wayang Opera Diva – to honour and celebrate the pioneers who had helped build Singapore. It also created 50 parachuting cows in vintage army uniform during the NDP.



OPERATIONS REVIEW

CHINA

Beijing • Chengdu • Chongqing • Guangzhou • Jilin City
Nanjing • Nanning • Shanghai • Shenyang • Suzhou • Tianjin

219.7
REVENUE (\$\$'mil)

11,100
TOTAL OPERATING FLEET SIZE

1,357
TOTAL NUMBER OF EMPLOYEES

Bus Station • Taxi • Car Rental & Leasing
Vehicle Testing Services • Driving Centre

North China

Beijing

Taxi

With a fleet of 5,501 taxis, translating into a market share of 8.3%, Beijing Jin Jian Taxi Services Co., Ltd is the Capital City's third largest cab operator.

During the year, a total of 1,130 taxis were replaced, resulting in a newer fleet. In the second half of the year, the Company rolled out a new and more cost-effective taxi model – the Shen Bao D50, which is manufactured by BAIC Motor Corporation Co., Ltd (“Bei Qi”). The demand for the Company's taxis remained strong with the fleet almost fully hired out. The Company also expanded its reach to include retiree hirers who are keen to make better use of their time.

Efforts carried by the Company to strengthen road safety management resulted in a reduction in accident compensation.

In response to the growing popularity of ride-sharing apps in China, the Chinese Ministry of Transport issued two documents aimed at regulating the emerging online taxi reservation

business. They were a draft of the “Guidelines for Deepening Reforms and Promoting Development of the Taxi Industry” and the “Provisional Regulations for Online Taxi Reservations”. The taxi industry in Beijing is expected to be more stable once specific rules and regulations regarding online taxi reservation are issued.

Vehicle Testing Services

Our 80%-owned subsidiary, Beijing Tian Long Da Tian Vehicle Inspection Co., Ltd, provides vehicle safety and emission testing services in the Capital.

On 1 January 2015, a new vehicle inspection system was implemented as part of regulatory requirements. Staff were trained and work processes relooked to ensure that the migration to the new system would not affect efficiency.

The Company also carried out inspection works on vehicles that were used during the National People's Congress and the Chinese Political Consultative Conference, as well as vehicles that were used for military parades.



OPERATIONS REVIEW

Jilin City, Jilin Province Taxi

Jilin ComfortDelGro Taxi Co., Ltd, the City's largest taxi operator with a 14.2% share of the market, fully hired out its fleet of 729 taxis in 2015. To help drivers improve their safety awareness and reduce accident rates, the Company carried out safety training, as well as vehicle checking and inspection programmes.

Shenyang, Liaoning Province Taxi

Our two taxi companies – Shenyang ComfortDelGro Taxi Co., Ltd and CityCab (Shenyang) Co., Ltd – operate a total fleet of 1,291 taxis, making them the second largest in the City. The demand for taxis of both companies remained strong with their entire fleet of taxis fully hired out. During the year, a total of 106 taxis were replaced.

To further capture market share and improve revenue, the two taxi companies revised their various rental contracts and adjusted taxi rental rates during the year.

Shenyang ComfortDelGro Taxi continued to provide driver training on safety, service and professional conduct.

Both companies maintained stringent standards in the area of driver selection and vehicle maintenance. Training was also given to Management staff to upgrade their knowledge and skills.

For their continued efforts, Shenyang ComfortDelGro Taxi and CityCab (Shenyang) were given a top grade of "AAA Taxi Enterprise for Service Quality". A total of 555 Shenyang ComfortDelGro Taxi and CityCab (Shenyang) taxi drivers were also commended by the Shenyang Transportation Bureau.

West China

Chengdu, Sichuan Province Taxi

With a fleet of 1,070 taxis, our wholly-owned subsidiary, Chengdu

ComfortDelGro Taxi Co., Ltd, continued to rank as the City's second largest operator. To attract more taxi drivers, the Company convinced the Taxi Association to conduct additional Taxi Vocational Licence classes for would-be drivers who wished to join the Company. These recruitment efforts were further supplemented by the Company's efforts in rewarding and retaining taxi drivers with long-term incentives.

Car Rental & Leasing

Despite the slowdown in China's economy and demand, ComfortDelGro Rent-A-Car (Chengdu) Co., Ltd, with its fleet of 119 vehicles, continued to maintain long-term leasing contracts with existing multi-national organisations. One such organisation is Chevron, which extended its contract with the Company for another year.

Vehicle Testing Services

Our 51%-owned subsidiary, Chengdu Jitong Integrated Vehicle Inspection Co., Ltd, registered an increase in revenue as it inspected more vehicles during the year. It also stepped up efforts to attract new customers and improve its service standards.

Driving Centre

Our 95%-owned driving subsidiary, Chengdu ComfortDelGro Qing Yang Driving School Co., Ltd, saw a drop in demand as a result of an oversupply of instructors and cars. In addition, many potential student drivers had adopted a wait-and-see attitude in anticipation of changes to the National Policy on driver training. These new regulations, which came into effect in December 2015, allowed students to enrol in any test centre not affiliated to a driving centre.

To maintain its competitive edge and to attract more students, the School introduced new modules with shorter training hours. It also upgraded its training circuits and kept fees affordable. The School is investing in a second Stage II Test Centre that is scheduled to be operational in May 2016. This second test centre offers students

the opportunity to try out the new Volkswagen Jetta car model as well as alternative driving classes, such as Class C2 driving licence for auto transmission and Class C5 driving licence for the physically-disabled.

Chongqing Driving Centre

As demand for driving school services fell across China, our 90%-owned subsidiary, Chongqing ComfortDelGro Driver Training Co., Ltd, reduced its learning fees to retain student enrolment. Efforts were also made to synergise operations and achieve better cost efficiency. The Centre also completed the restructuring of its driving circuit during the year. It was also one of about 90 driving centres to successfully obtain the Grade One certification in October.

East China

Shanghai Taxi

With a strong reputation as an ISO 9002 certified company, our 51%-owned subsidiary, Shanghai City Qi Ai Taxi Services Co., Ltd, continued to maintain its position as one of the premium operators in the City with a fleet of 484 taxis. With the discontinuation of the Volkswagen Santana taxi model, the Company brought in Volkswagen Lavida taxis during the year as replacement. This new taxi model has proven to be popular with taxi drivers and commuters alike, thanks to its wide and spacious interior.

Suzhou, Jiangsu Province Taxi

The fleet of 165 taxis operated by our 70%-owned taxi subsidiary, Suzhou Comfort Taxi Co., Ltd, was fully hired out in 2015. Its taxis, especially the 20 Volkswagen Passats, remained popular among passengers.

Nanjing, Jiangsu Province Taxi

Nanjing ComfortDelGro Dajian Taxi Co., Ltd, our 70%-owned subsidiary, is the

City's fourth largest taxi company with a total of 679 Compressed Natural Gas taxis. During the year, the Company replaced the last batch of 74 old taxis – the Kia Optimas – with two new taxi models – the Kia Forte and the Hyundai Elantra taxis.

South China

Guangzhou, Guangdong Province

Bus Station

Our 60%-owned Tianhe Bus Station in Guangzhou served a total of 13 million passengers in 2015 – a 4.9% drop from the previous year as a result of the growing popularity of the Xiamen-Shenzhen high speed rail, Guangzhou-Nanning rail line and the Guangzhou-Foshan-Zhaoqing light rapid transit that affected the routes to the Chaoshan area, as well as the Fujian and Guangxi Provinces.

Cargo revenue also declined during the year due to the slowdown of China's economy and the termination of long-distance bus services. To defray cargo handling costs, a cargo handling fee was introduced.

Leveraging on technology, the Bus Station introduced an online ticketing system in 2015, which proved to be a hit amongst customers. Online ticket sales contributed 12% to total ticket sales for the year as a result of marketing efforts. To improve efficiency, the Company also automated its ticket refund process, thereby cutting down the risk of human error. In July 2015, the Bus Station offered travellers the option of buying travel insurance via WeChat. This proved very successful with more than 10,000 policies sold within the first two months of its launch.

To improve productivity, the Bus Station implemented job enlargement training for its Operations Department. Ticket sales and gate checking staff, for example, underwent cross training so that they could take on either role during peak periods.

Efforts to rid the Bus Station of illegal buses and touts also continued with increased patrols conducted around the premises.

Nanning, Guangxi Province

Taxi

Our 80%-owned subsidiary, Nanning Comfort Transportation Co., Ltd, continued to be the largest taxi operator in Nanning with a fleet of 854 taxis, or a 13% market share. Nanning Comfort Transportation was named the "Best Taxi Operator Unit" for the 12th year and 10 of its taxi drivers were named the best in the industry for the second consecutive year.



OPERATIONS REVIEW

AUSTRALIA

Ballarat • Blue Mountains • Canberra • Geelong • Lake Macquarie • Maitland
Melbourne • Newcastle • Parramatta • Perth • Queanbeyan • Sydney

387.1
REVENUE (S\$'mil)

3,660
TOTAL OPERATING FLEET SIZE

2,312
TOTAL NUMBER OF EMPLOYEES

Bus • Taxi • Outdoor Advertising

Sydney, New South Wales Bus

2015 was an eventful year for our bus business in New South Wales (NSW) as there were several large scale developments which impacted our operations and services.

Firstly, the massive construction of the North West Rail Link at the Castle Hill and Rouse Hill Bus Interchanges affected bus routes and traffic conditions. This required our operations team to work closely with the Transport for New South Wales (TfNSW) and its contractors to minimise inconvenience to commuters.

There was also what was dubbed “the biggest overhaul of Central Business District (CBD) transport in a generation”. The changes to the CBD network in Sydney closed off George Street, the main thoroughfare, for the construction of Sydney CBD Light Rail system. ComfortDelGro Cabcharge Pty Ltd worked alongside transport agencies and implemented the changes successfully with minimal inconvenience to customers.

Customer satisfaction remained a key focus of Management efforts and this was borne out by TfNSW surveys which showed that all of ComfortDelGro

Cabcharge’s bus contracts in NSW had achieved customer satisfaction scores between 92% and 94%, exceeding the regulatory requirement of 85%.

During the year, ComfortDelGro Cabcharge’s charter business not only maintained its existing contracts, it also won several large contracts, including those for Government agencies. It maintained its major rail replacement busing contract with Sydney Trains through an intense open tender process as well as the countrylink contract with NSW Trains.

Hillsbus won a four-year contract to provide shuttle services for employees of NorthConnex Company Pty Ltd. It also negotiated with TfNSW to incorporate the major events contract, an independent contract for a special bus service that conveys customers in the northwestern part of Region 4 to Sydney Olympic Park. To cater to the growing demand for its services, ComfortDelGro Cabcharge added 31 buses to its Hillsbus fleet during the year.

Outdoor Advertising

Moove Media Australia Pty Ltd saw an increase in demand as it undertook more bus advertising campaigns during the year. This came as a result



of the Company's continuous efforts to educate its clients on coverage areas in Sydney as well as improvements to its coverage insights and marketing research.

Blue Mountains and Hunter Valley, New South Wales

Bus

During the year, ComfortDelGro Cabcharge clinched two contracts in the Australian Capital Territory (ACT) and Singleton (Hunter Valley) to provide shuttle services for the Department of Defence. It also successfully tendered to operate rail replacement bus services in Hunter Valley for the first time. To cater to demand, ComfortDelGro Cabcharge added five buses to its Hunter Valley and Blue Mountains Transit bus fleet.

Since its acquisition in 2014, Blue Mountains Transit Pty Ltd has been successfully integrated into ComfortDelGro Cabcharge's NSW business. Technological improvements such as a more robust digital radio system and the Enterprise Resource Planning system were implemented during the year.

A new digital radio system, which replaces the previous analogue system that was depot-specific and had limited capacity and functionality, enables users to communicate via multiple channels. For example, the Operations Control Centre can now communicate with many depots, including those across states, through customised talk channels.

The Enterprise Resource Planning system, which was implemented in ComfortDelGro Cabcharge in Sydney in 2010, taps on Dynamics AX, a business solution that integrates departmental functions into a single software application. It provides accurate data capture and reporting, as well as real-time intelligence which give insights into business processes, and is able to identify problem areas for improvement.

Queanbeyan, New South Wales

Bus

The rural and regional bus contracts for QCity Transit – which serves the Greater Queanbeyan Area – and Transborder Express – which serves the Murrumbateman/Yass area were renegotiated for a new eight-year term

that will commence on 1 April 2016. Two more buses were also added to the QCity Transit bus fleet.

Melbourne, Victoria

Bus

ComfortDelGro Cabcharge (CDC) in Victoria is one of the largest private bus operators in the region with a market share of 16%.

On 21 June 2015, the Public Transport Victoria's Network Transformation Project introduced the new Regional Railway Link (RRL) – a 47.5km railway line that cuts through the western suburbs of Melbourne namely the Geelong, Wyndham and Ballarat regions. As a result, CDC Victoria Pty Ltd re-designed its bus networks in Geelong, Wyndham and the Bellarine Peninsular to better connect with trains and to provide more frequent services to commuters.

At the launch of the RRL, CDC Victoria showcased the City's first 88-seater double deck bus in over 50 years. Made in Melbourne, the double deck bus comes with counting sensors at the stairwell and a digital display that shows the number of seats available on the top deck. It now serves Wyndham on Route 190 out of Werribee Depot as part of a trial.

During the year, CDC Victoria also implemented a range of technology-driven projects including a new payroll system, the same Enterprise Resource Planning system that was implemented in Blue Mountains Transit, the Hastus bus scheduling system as well as the digital radio system. It also trialled a bus tracking system from LECIP and set up an interim Operations and Customer Centre (OCC) while a new OCC at the new Truganina Depot was being built.

The Company continued its strong focus on ensuring safety of its employees, passengers and members of the public. Besides reviewing and updating safety policies and risk registers, CDC Victoria installed new safety screens in half of its fleet.

Perth, Western Australia

Taxi

Our fully-owned subsidiary Swan Taxis Pty Ltd is Perth's largest provider of taxi services with a 90% market share comprising 1,961 taxis.

Despite stiff competition and a slowdown in the economy, Swan Taxis maintained its position as a leading taxi despatch services company in Perth, Western Australia.

To further enhance driver experience with the Company, Swan Taxis launched three driver incentive schemes – the Driver Assistance Programme, the Star Drivers' Scheme and the Provisional Taxi Scheme – during the year. The Driver Assistance Programme provides leased plate owners with financial assistance as an incentive, while the Star Drivers' Scheme provides taxi drivers with an overview of their service performance every quarter. Those rated five stars are rewarded with contract jobs and the top driver will be rewarded with a fully-paid trip. The Provisional Taxi Driver scheme allows new drivers to operate a Swan taxi under supervision, while they are waiting to take their practical tests. This scheme was well-received by the taxi industry and about 80 provisional drivers signed up in 2015.

Swan Taxis introduced a brand new taxi booking app in August 2015. A second version of the app, which included an online payment and e-receipt feature, was rolled out two months later. With the launch of the app, coupled with extensive marketing initiatives in November and December 2015, the popularity of cashless payments gained momentum, and is expected to generate even more revenue in 2016.

OPERATIONS REVIEW

UNITED KINGDOM

Aberdeen • Birmingham • Edinburgh • Glasgow • Liverpool • London

1,007.9

REVENUE (S\$'mil)

8,029

TOTAL OPERATING FLEET SIZE

5,887

TOTAL NUMBER OF EMPLOYEES

Bus • Coach • Taxi Radio Circuit • Private Car Hire

London, England

Bus

Metroline Limited became London's second largest bus operator in 2015 with a fleet size of over 1,700 buses, plying routes mainly in North, West, Central London and Hertfordshire. It runs over 18% of London's scheduled bus mileage.

Seventeen contracts started their five-year term as a result of Metroline successfully retaining 11 out of 13 existing contracts that were expiring during the year and winning six new contracts.

Recruitment efforts intensified during the year. The Company widened its recruitment drive to more countries within the Eurozone, and added over 100 new bus drivers.

In addition, 84 new buses were delivered – 74 being hybrid double decks and 10 being Euro 5 single decks.

Coach

CityFleet Networks Limited (CityFleet) provides executive coach services across the United Kingdom (UK) and mainland Europe under the "Westbus" brand that meet a broad spectrum of school, commuter, tourist and corporate coach travel needs.

Despite some travel cancellations due to security concerns in Europe, there continued to be strong demand from visitors from China and cruise ships as well as UK travellers from other cities. As a result, demand for our coach services was maintained.

Four new Euro 6 Mercedes Benz coaches were added to the fleet of 38 mini coaches and double deck executive coaches, bringing the total fleet size to 42. Service levels were enhanced by the installation of Wi-Fi on all coaches during the year.

Taxi Radio Circuit

CityFleet re-positioned itself as an integrated national and international transport provider during the year. To this end, the Advantage system was upgraded and actively managed as an integrated platform solution capable of delivering a whole suite of services – taxi, private hire, executive travel, coach hire, and specialist transport services – both nationally and internationally. The revamp included substantial investment into new state-of-the-art mobile apps, an online booking tool and a new CityFleet Business website at cityfleetbusiness.com.



Computer Cab plc (ComCab), which operates a taxi circuit in London, continued to maintain its pole position in the Capital with a fleet of 2,054 taxis.

Despite cheaper modes of transport and ongoing austerity drive, ComCab's corporate sector business improved during the year as a result of aggressive sales and marketing.

Private Car Hire

CityFleet provides hassle-free airport transfers, as well as ground transportation for corporate entities and individuals who want an executive chauffeured car service under the "Comfort Executive" brand.

Demand remained steady in 2015 as a result of the revamped integrated Advantage system that caters to the needs of its large corporate customers who prefer an integrated platform solution.

Liverpool and Birmingham, England

Taxi Radio Circuit

Computer Cab (Liverpool) Limited, which is the City's largest taxi circuit operator with a fleet of 315 licensed taxis, saw an increase in demand for its services, thanks to new and existing clients.

On the other hand, Computer Cab (Birmingham) Limited, which operates 82 licensed taxis, faced a challenging year as a result of reduced spending in the private sector and austerity measures in the public sector.

Glasgow, Scotland

Coach

Scottish Citylink Coaches Limited (Scottish Citylink), the Group's partnership with Stagecoach, is the leading provider of express coach services in Scotland with 99 coaches.

Demand for its Glasgow-to-Edinburgh Airport express service, which operates seven days a week, grew despite a resurgence in the use of the private

car as a result of falling fuel prices.

A comprehensive network review was conducted in the summer and implemented in November 2015. This removed unprofitable journeys, re-timed journeys to increase patronage and provided a more reliable and punctual timetable.

To enhance its competitiveness, Scottish Citylink also launched a year-long campaign in August 2015 to promote Service 900, which offers over 50 journeys each way between Glasgow City Centre and Edinburgh City Centre daily.

Aberdeen and Edinburgh, Scotland

Taxi Radio Circuit

Computer Cab (Aberdeen) Limited has the largest fleet of taxis in Aberdeen. Notwithstanding this, it faced a challenging year as demand for taxis remained subdued given the local economy's high dependency on the oil sector.

Computer Cab (Edinburgh) Limited also faced a challenging year due to clients restricting travel requirements, the loss of several long-standing accounts in the past few years and a fiercely competitive trading environment.



OPERATIONS REVIEW

IRELAND

Cork • Dublin • Galway • Limerick

16.2
REVENUE (S\$'mil)

22
TOTAL OPERATING FLEET SIZE

14
TOTAL NUMBER OF EMPLOYEES

Inter-City Express Coach

ComfortDelGro is a major provider of express coach travel in Ireland. Operating under the “Citylink” and “eireagle.com” brands, it runs a network of inter-city and Dublin Airport express routes linking cities such as Cork, Dublin, Galway and Limerick. Demand for services grew in 2015 on the back of a strong economy.

An express non-stop coach service between Dublin Airport and Limerick was launched in February 2015. This daily non-stop express coach service offers the shortest available journey time of only two-and-a-half hours from Limerick City to the Airport. The service is served by luxury coaches that offer

passengers generous legroom, free Wi-Fi, and onboard toilets.

The corporate website and online booking capabilities were enhanced during the year, thus shortening the time needed to make bookings. Marketing efforts were stepped up with the introduction of family fares, customer treat days, giveaways for competitions and the deployment of a special onboard safety video featuring Connacht Rugby. Reach was extended via the use of social media platforms.

As a result of its various efforts, ridership grew by 6%.



OPERATIONS REVIEW

VIETNAM

Ho Chi Minh City

8.7

REVENUE (\$\$'mil)

646

TOTAL OPERATING FLEET SIZE

200

TOTAL NUMBER OF EMPLOYEES

Taxi

We operate taxi services in the economic centre of Vietnam, Ho Chi Minh City, through two companies – Vietnam Taxi Co., Ltd (Vinataxi) and ComfortDelGro Savico Taxi Company.

Amidst stiff competition, both taxi companies continued to strengthen their operations by establishing new pick-up points to reach out to more customers. Vinataxi, for example, secured two more pick-up points during the year – the Eastern bus station and another airport queue – bringing its total pick-up points to seven. Along the same vein, ComfortDelGro Savico Taxi too secured an additional pick-up point, the Phan Ngoc Thach Hospital at District 10, in 2015. These additional pick-up points helped increase the average monthly trips by 27% for Vinataxi and 5% for ComfortDelGro Savico Taxi.

To assess the demand and effectiveness of each pick-up point, Vinataxi will be investing in a Management and Monitoring system. Among the information that it can generate are trip volumes and waiting times. About 50 sets of Android smartphones with this system will be purchased in 2016. Vinataxi is also trialling a new despatch system and will replace the existing one in 2016.

Vinataxi became the first taxi company in the City to tie up with a third-party booking app called Vrada. Developed by Bo Cau Services Joint Stock Company, a subsidiary of VinaPhone, the app enables users to book Vinataxis in just three steps. Cabbies who sign up for bookings via the app are able to offer their customers a 5% discount off the taxi fare.

Both companies renewed their taxi fleets during the year. ComfortDelGro Savico Taxi replaced 25 of its five-year-old taxis with new ones. As a result, the average age of its taxi fleet is now three years old. The Company plans to purchase new taxis in 2016 and expand its fleet to 260. During the year, Vinataxi also purchased 100 new taxis, bringing its fleet size to 426. It plans to purchase another 100 new seven-seater taxis as part of its fleet renewal and expansion plan in 2016. By then, 75% of its taxi fleet will be less than four years old.

ComfortDelGro Savico Taxi and Vinataxi continued to attract and retain drivers through advertisements, referral schemes and contract renewals for existing drivers.

The year ended on a high for Vinataxi, when it won “Vietnam Top 50 Well-known Trademark” award for the second year running.



OPERATIONS REVIEW

MALAYSIA

Kuala Lumpur

3.2
REVENUE (S\$'mil)

229
TOTAL OPERATING FLEET SIZE

39
TOTAL NUMBER OF EMPLOYEES

Auto Leasing • Inspection & Testing Services

Auto Leasing

Our subsidiary, CityLimo Leasing (M) Sdn Bhd offers auto leasing services in Malaysia through a fleet of 229 vehicles. Utilisation of our vehicles remained high in 2015. The Company specialises in dedicated fleet management for clients with round-the-clock nationwide technical and roadside emergency assistance. Established in 1996, it provides both short- and long-term leasing for a full range of passenger cars and light commercial vehicles. It is one of the leading auto leasing service providers for multinational corporations – especially in the Oil & Gas and Infrastructure segments.

Inspection & Testing Services

Setsco Services Pte Ltd's wholly-owned subsidiary, Setsco Services (M) Sdn Bhd, provides civil engineering and non-destructive testing services. One of the projects that it undertook during the year was the sampling and analysis of water and soil samples for the Putrajaya Dam as well as the monitoring of seismic activity for the Kuala Lumpur Convention Centre.



INVESTOR RELATIONS

We are committed to disseminating accurate and pertinent information to the marketplace in a timely manner as part of good corporate governance. Our Investor Relations (IR) programme balances regular, effective and fair communications with Shareholders and the investment community with commercial sensitivities. The IR team works closely with Senior Management to proactively carry out this engagement programme.

Proactive Communications

During the year, the IR team met more than 330 groups of investors, analysts and equity sales personnel over nearly 200 meetings.

Besides face-to-face office meetings and conference calls, we also participated in 10 investor conferences and non-deal road shows in Singapore, Kuala Lumpur, Hong Kong and Tokyo. These provided access to a wide cross-section of investors from around the world. To broaden our outreach we participated in the Singapore Exchange (SGX) Corporate Connect Seminar where we presented to over 200 retail investors.

We organised briefings for the media and sell-side analysts for the full-year results and conducted dial-in conference calls with sell-side analysts for other quarterly results. Three post-results luncheons were organised where we met fund managers based in Singapore.

ComfortDelGro attracts active research coverage from sell-side analysts and the stock is now covered by 13 local and international research houses. Some 140 reports on the Company and the industry were published during the year. The IR team has regular interactions with the analysts to ensure a thorough understanding of our business models and strategies, operations and financial performance.

Shareholders have the opportunity to interact with the Board and Senior Management at our Annual General Meeting held in our headquarters. Voting is by way of electronic poll for greater transparency in the voting process and the detailed results are announced immediately at the Meeting and subsequently released to the SGX.

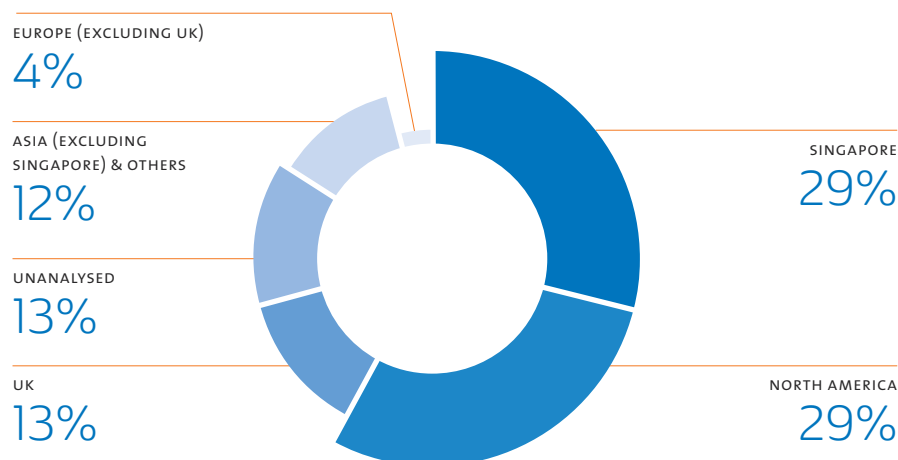
All material announcements are posted in the IR section of the corporate website to ensure equal and timely access to information.

At the Singapore Corporate Awards 2015 held in July 2015, the subsidiary VICOM Ltd won the Best Investor Relations Award (Bronze) for companies with S\$300 million to S\$1 billion in market capitalisation.

At the Securities Investors Association Singapore (SIAS) Investors' Choice Awards 2015 held in October 2015, ComfortDelGro won the "Most Transparent Company Award" in the Travel, Leisure & Automobiles & Parts category.

Diverse Shareholder Base

We have a wide base of institutional and retail investors. Our large shareholders are asset management companies in North America, United Kingdom (UK), Singapore and Hong Kong.



Note: Approximate figures based on analysis of Share Register as at 31 October 2015.

CORPORATE GOVERNANCE

We, at ComfortDelGro Corporation Limited (ComfortDelGro or Company, and together with its subsidiaries, the Group), believe that a fundamental measure of our success is the shareholder value we create over the long-term.

We will continue to:

- Focus relentlessly on our customers;
- Make sound corporate decisions to build long-term value, rather than short-term considerations;
- Spend wisely and maintain our lean culture as we understand the importance of being cost-conscious;
- Hire and retain skilled and dedicated employees; and
- Look for sustainable ways to protect the environment.

Corporate Governance Statement

ComfortDelGro strongly believes that good corporate governance makes good business. To this end, we maintain the highest standards of corporate governance, professionalism and integrity as we build an organisation that our Shareholders, Employees, Business Partners, the Authorities and other Stakeholders can trust and be proud of.

We adhere to the revised Code of Corporate Governance issued by the Monetary Authority of Singapore on 2 May 2012 (Code) and ensure that it is upheld by each and every one in the Group. We have also adopted a Code of Business Conduct, which sets out the principles and policies upon which our businesses are to be conducted, and implemented a Whistle Blowing Policy which provides a mechanism for employees to raise concerns about possible improprieties in financial reporting or other improper business conduct, whilst protecting the whistleblowers from reprisal within the limits of the law.

This Report sets out the Corporate Governance practices that were in place during the year, with specific references to the Code. For the Financial Year 2015, we are pleased to report that the Company complied substantially with the key principles and supporting guidelines set out in the Code except where specifically identified and disclosed in this report.

1. Board Matters

In choosing directors, the Company seeks individuals who have high integrity, expertise, business acumen, shareholder orientation and a genuine interest in the Group.

Principle 1:

The Board's Conduct of Affairs *Board's Role*

At the helm of the decision-making process of the Company is the Board of Directors. The Board is headed by the non-executive and independent Chairman, Mr Lim Jit Poh, and is responsible for:

- Providing the entrepreneurial leadership and guidance, setting strategic direction and objectives of the Group, and ensuring that adequate financial and human resources are in place to achieve the objectives;
- Ensuring that appropriate and adequate systems of internal control, risk management processes and financial authority limits are in place to safeguard Shareholders' interests and the Group's assets;
- Monitoring Management performance;
- Identifying the key Stakeholder groups and guiding Management in the Company's strategy and approach in addressing the concerns of these key Stakeholder groups;

- Setting the Company's values and standards (including ethical standards), and ensure that obligations to Shareholders and other Stakeholders are understood and met; and
- Considering environmental, social and governance as part of its strategic formulation on sustainability.

Reserved Matters

ComfortDelGro has adopted internal guidelines setting forth certain matters that require the Board's approval. Under these guidelines, acquisitions of businesses, disposals or changes in equity interests in existing subsidiaries/associates, capital expenditure, investment in financial instruments, tender for businesses above the prescribed limits, assessing and approving key business decisions, funding and investment initiatives and other corporate actions, including approval of the Financial Authority Limits, Annual Budget and Capital Expenditure and the release of the quarterly and full-year Financial Results require approval from the Board. In addition, the acceptance of credit facilities from banks, the establishment of capital market programmes and the issuance of debt instruments require the approval of the Board.

The Board periodically reviews the adequacy of internal controls and Financial Authority Limits to ensure that while there is delegation of authority, there are sufficient checks and balances in place to monitor such delegation.

Independent Judgement

All Directors are aware of their fiduciary duties and exercise due diligence and independent judgement in ensuring that their decisions are objective and in the best interests of the Company.

Delegation by the Board

To assist the Board in the detailed consideration of the various issues at

hand and to facilitate decision-making, four Board Committees are formed, namely, the Audit and Risk Committee (ARC), the Nominating Committee (NC), the Remuneration Committee (RC) and the Investment Committee (IC). Ad hoc committees are also formed to look at specific issues from time to time.

Each Board Committee is governed and regulated by its own terms of reference, which sets out the scope of its duties and responsibilities, regulations and procedures governing the manner in which the Board Committee is to operate and how decisions are to be

taken. Although the Board Committees are empowered to make their own decisions, the Board is ultimately responsible for all decisions made by the Board Committees.

Directors' Attendance at Board and Board Committee Meetings

At least five scheduled Board Meetings are held every year for the purpose of approving the release of the Financial Results every quarter and the Annual Budget. The Board Meetings to approve the Financial Results are held within 45 days after the end of each quarter and the financial year, while the Board

Meeting to approve the Annual Budget is held in December after all the Budgets of the subsidiaries have been approved by their respective Boards. Ad hoc Board and Board Committee Meetings are also held from time to time when the need arises. Directors who are unable to attend the Meetings in person can still participate in the discussions through teleconferencing. Decisions of the Board and Board Committees may also be obtained via circular resolutions. Directors are free to seek clarifications and explanations from Management on the reports and papers submitted to the Board.

Attendance of Directors at Board and Board Committee Meetings in 2015

Name	Board		Audit and Risk Committee		Nominating Committee		Remuneration Committee		Investment Committee	
	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended
Lim Jit Poh	5	5	-	-	1	1	2	2	2	2
Kua Hong Pak	5	5	4	4*	1	1*	2	2*	2	2
Ong Ah Heng	5	5	4	4	1	1	-	-	-	-
Oo Soon Hee	5	5	4	3	1	1	-	-	-	-
Sum Wai Fun, Adeline	5	5	4	4	-	-	-	-	2	2
Tow Heng Tan	5	5	-	-	-	-	2	2	2	1
Wang Kai Yuen	5	5	-	-	1	1	2	2	2	1
Wong Chin Huat, David	5	5	4	4	-	-	2	2	-	-

* Attended Meetings by invitation of the Board Committee.

CORPORATE GOVERNANCE

Induction and Training of Directors

Upon appointment as a Director, the Board Chairman will send an official letter of appointment to the Director, which clearly explains his/her role, duties and responsibilities.

Management will conduct a comprehensive orientation programme for newly appointed Directors, where key aspects of the businesses, including financial and corporate governance policies are discussed. Site visits will also be arranged for new Directors so that they can better familiarise themselves with the Group's operations. When a Director is appointed to a Board Committee, he/she is provided with its terms of reference.

Directors are free to request for sponsorship from the Company to attend courses to update their knowledge and better equip themselves to discharge their duties as Directors. The Company Secretary assists in professional development and training by regularly disseminating details of suitable seminars and courses organised by the Singapore Institute of Directors and arranging for the Directors to attend such courses when requested. The Company Secretary also updates the Board on corporate governance practices and circulates articles relating to changes in laws relevant to the Group's businesses. The Group has engaged an external lawyer to brief and discuss with the Directors on the recent changes in the Companies Act, Cap. 50 in March 2016.

Regular presentations are made by Management to the Board to enable Directors to better familiarise themselves with the Group's businesses. Site visits for the Board are also organised to enable Directors to learn more about the Group's overseas operations. During such visits, Directors spend time with Management to discuss key strategies and policies pertaining not just to the specific overseas operation, but also to the Group in general. Such meetings help Directors

become better equipped to make informed decisions relating to the future direction of the Group.

Principle 2: Board Composition and Guidance Board Independence

There is a strong element of independence in the Board. The Board comprises eight Directors, of whom only the Managing Director/Group Chief Executive Officer (MD/Group CEO) is an executive Director. All the remaining non-executive Directors (NED) are considered by the NC to be independent during the Financial Year 2015. This composition exceeds the Code's requirement of at least one-third of the Board to comprise independent Directors.

The NC is responsible for assessing the independence of the Directors on an annual basis. Each Director is required to complete a Confirmation of Independence checklist which is drawn up in accordance with the guidelines provided by the Code and requires each Director to assess his/her own independence. The Director is required to declare any circumstances in which he/she may be considered non-independent. The NC will then review the Confirmation of Independence to determine whether a Director is independent.

As at 31 December 2015, six independent Directors have served on the Board for more than nine years. They are Mr Lim Jit Poh, Mr Ong Ah Heng, Mr Oo Soon Hee, Mr Tow Heng Tan, Dr Wang Kai Yuen and Mr Wong Chin Huat, David. The NC takes the view that a Director's independence cannot be determined solely and arbitrarily on the basis of the length of time. A Director's contribution in terms of experience, expertise, professionalism, integrity, objectivity and independent judgement in engaging and challenging Management in the best interests of the Group as he/she performs his/her duties in good faith, are more critical

measures in ascertaining his/her independence than the number of years served on the Board. Hence, the Board does not impose a limit on the length of service of the independent Directors. The Board and the NC exercise due and careful review, taking into consideration all other factors, in assessing the independence of a Director. These factors include, inter alia, if the Director has any interest, business, relationship and/or any other material contractual relationship with the Group which could reasonably be perceived to compromise his/her independence and interfere with the exercise of his/her independent business judgement with a view to the best interests of the Group. After due and careful review, the Board is of the view that all independent Directors remain independent in the exercise of their judgement on Board matters.

Board Size, Composition and Competency

The NC annually examines the size of the Board with a view to determine its overall effectiveness. Taking into account the scope and nature of the operations of the Group and the requirements of the Group's businesses, the NC and the Board are of the view that its current size of eight is conducive to facilitate effective decision making.

The Directors are individuals with a broad diversity of expertise and experience including financial, legal, regulatory and business management, both domestically and internationally. Each Director provides a valuable network of industry contacts and brings in alternative perspectives and fresh challenges at Board discussions.

The NC is satisfied that the Board and Board Committees comprise Directors who as a group provide an appropriate balance and diversity of skills, experience, knowledge and core competencies required for the Board and Board Committees to discharge their responsibilities effectively.

The individual profile of the Directors, their principal directorships and chairmanships held currently and their directorships and chairmanships held in listed companies in the preceding three years, are found in the 'Board of Directors' and 'Directors' Particulars' sections on pages 19 to 22 and pages 65 to 67 of this Annual Report.

Non-Executive Directors' Participation
NEDs participate actively at Board and Board Committee Meetings. To facilitate this, they are kept informed of the Group's businesses and performance through monthly and quarterly reports from the Management and have unrestricted access to the Management.

Principle 3:

Chairman and MD/Group CEO

Roles of Chairman and MD/Group CEO

The roles of the Chairman and the MD/Group CEO are kept separate and distinct. This is a deliberate policy and one that is strictly adhered to. This ensures Management accountability and Board independence. The Chairman is responsible for the effective functioning of the Board, while the MD/Group CEO is responsible for the operations and management of the Group's businesses. The Chairman and the MD/Group CEO are not related.

The Chairman:

- (i) Leads the Board and promotes comprehensive and open discussions at Board meetings and facilitates the effective contribution of the NEDs;
- (ii) Oversees the translation of the Board's decisions into executive actions;
- (iii) Ensures adequacy and timeliness of information flow between the Board and Management and effective communications with Shareholders;

- (iv) Encourages constructive relations within the Board and between the Board and Management; and
- (v) Promotes high standards of corporate governance and transparency.

The MD/Group CEO is given full executive responsibility for the management of the Group's businesses and the implementation of the Group's strategies and policies and reports to the Board on a regular basis.

Lead Independent Director

The appointment of a lead independent director is not required as the Chairman and the MD/Group CEO are different persons. The Chairman is independent, not part of Management and has no relationship with the MD/Group CEO and his immediate family members.

Principle 4:

Board Membership

There is a formal and transparent process for the appointment and re-appointment of Directors to the Board.

Nominating Committee

The NC comprises four non-executive independent Directors. The NC is responsible for regularly reviewing the composition of the Board, identifying and proposing suitable candidates for appointment to the Board and ensuring succession plans are in place. The renewal of Board membership is an ongoing process to ensure good governance and to maintain relevance in a changing business environment.

The key terms of reference of the NC include the following:

- (i) Make recommendations to the Board on all appointments and re-appointments of Directors of the Company;
- (ii) Assess the effectiveness of the Board as a whole and contribution by each individual Director; and

- (iii) Develop a process for evaluation of the Board's performance, including comparison with industry peers, and review of training and development plans for the Board.

Multiple Board Representations

The NC subscribes to the view that it is important for Directors to devote sufficient time and attention to the affairs of the Group. Consistent with the guidelines in the Code, the NC and the Board adopt the following as a proactive step in ensuring that Directors devote sufficient time and attention to the affairs of the Group:

- A Director who is in full-time employment should not serve as a director on the board of more than three listed companies; and
- A Director who is not in full-time employment should not serve as a director on the board of more than six listed companies.

The NC prescribes that Directors who are affected by the guidelines on multiple board representations shall be given up to three years to comply from April 2013. As the number of board representations should not be the only measure of a Director's commitment and ability to contribute effectively, the NC takes the view that if a Director wishes to hold more board representations than the maximum stated in the guidelines, a request must be made to the Chairman of the Board for approval. As a policy, the Chairman himself should not hold more than six directorships in listed companies.

In assessing a Director's contribution, the NC takes a holistic approach. Focussing solely on Directors' attendance at Board and Board Committee Meetings per se may not be an adequate evaluation of the contribution of the Directors. Instead, their abilities to provide valuable insights and strategic networking to enhance the businesses of the Group, availability

CORPORATE GOVERNANCE

for guidance and advice outside the scope of formal Board and Board Committee Meetings and contributions in specialised areas are also factors relevant in assessing the contributions of the Directors.

As a policy, the MD/Group CEO, being an executive of the Company, besides adhering to the guidelines set on the maximum number of board representations on listed companies, will also have to seek the approval of the Chairman before accepting any directorships of companies not within the Group. In considering whether or not to grant the approval, the Chairman will consider the time commitment of the MD/Group CEO and whether the new external directorships will provide strategic fit and networking for the businesses of the Group. The Chairman will also ensure that the MD/Group CEO will not accept appointments to the boards of competitors.

Alternate Director

Consistent with the Code, there is no alternate Director on the Board.

Process for Selection, Appointment and Re-appointment of Directors

From time to time, new Directors may be identified for appointment to the Board after the NC evaluates and assesses their suitability in strengthening the diversity of skills, knowledge and experience of the Board relevant to the businesses of the Group.

The Articles of Association of the Company provide that one-third of the Board of Directors, are subject to retirement and re-election by rotation at every Annual General Meeting (AGM). All Directors are required to retire from office at least once every three years. Re-election is, however, not automatic, and all Directors are assessed by the NC on their past performance and contributions before being recommended for re-election. Newly appointed Directors are also subject to retirement and re-election

at the AGM immediately following their appointments. For the forthcoming AGM, Mr Wong Chin Huat, David and Ms Sum Wai Fun, Adeline, are due for re-election pursuant to Article 91 of the Articles of Association. Mr Lim Jit Poh, Mr Ong Ah Heng, Mr Kua Hong Pak and Mr Oo Soon Hee were re-appointed as Directors at the last AGM pursuant to Section 153(6) of the Companies Act, Cap. 50 to hold office until the forthcoming AGM. Although Section 153(6) has been repealed on 3 January 2016, the four Directors will seek re-appointment at the forthcoming AGM in order to continue in office. Upon their successful re-appointments, they will be subject to retirement by rotation at subsequent AGMs.

Principle 5: Board Performance

The effectiveness of the Board is monitored by the NC annually in terms of overall performance and growth of the Group, achieving an adequate return for Shareholders, preventing conflicts of interest and balancing the competing demands of the Group. In evaluating the contributions and performance of each individual Director, factors taken into consideration include attendance at Board and Board Committee Meetings and activities, contributions in specialist areas and maintenance of independence.

In the last quarter of the year, the NC conducted an evaluation of Board Performance which included key points on Board's composition, Board's contributions, contributions from Board Committees and conduct of proceedings and whether the Directors had discharged their duties effectively. The findings were then presented by the Chairman of the NC to the Board during its Meeting for deliberation and discussion on possible areas of improvement to enhance overall effectiveness.

Principle 6: Access to Information Complete, Adequate and Timely Information

Prior to each Board and Board Committee Meeting, and where needed, Management provides Directors with complete, adequate and timely information. The Board also receives monthly management accounts, updates on key performance indicators and quarterly investor relations reports covering investor relations activities and updates of analysts' views and comments. This enables the Board to make informed and sound business decisions and be kept abreast of key challenges, opportunities and developments for the Group.

Directors are entitled to request for additional information and the Board has full access to the Management team. Should there be a need to obtain independent professional advice on matters relating to the businesses of the Group or issues affecting the duties of the Directors, the Company will arrange for the appointment of relevant professional advisers at its own cost.

Company Secretary

The Company Secretary assists in scheduling Board and Board Committee Meetings and prepares the agenda in consultation with the Chairman and MD/Group CEO. The Company Secretary attends the Board and Board Committee Meetings. The Company Secretary keeps the Directors informed of any significant developments or events relating to the Group and ensures compliance with all relevant rules and regulations. The Directors have independent access to the Company Secretary.

2. Remuneration Matters

Principle 7: Procedures for Developing Remuneration Policies

ComfortDelGro recognises the importance of having a skilled and dedicated workforce to manage and grow the businesses in an increasingly

competitive and challenging environment. It therefore places great emphasis on motivating staff through engagement, recognition and an alignment of rewards to performance and the long-term interests of the Group.

Remuneration Committee

The RC plays a key role in the Group's remuneration policies. Besides providing the Board with an independent assessment and review of Directors' remuneration, it also reviews the remuneration framework and strategy for executive compensation, with the purpose of developing talent and building leadership bench strength to ensure the Group's continued success.

In accordance with the Code, the RC comprises entirely of four non-executive independent Directors. Members of the RC are independent of Management and also free from any business or other relationships, which may materially interfere with the exercise of independent judgement.

All decisions by the RC are made by a majority of votes of the RC members who are present and voting. Any member of the RC with a conflict of interest in relation to the subject matter under consideration would abstain from voting, approving or making recommendations that would affect the decisions of the RC. The RC's decisions also exclude the vote, approval or recommendation of any members with a conflict of interest in relation to the subject matter under consideration. The MD/Group CEO is not present at any RC discussions relating to his own compensation, terms and conditions of service and the review of his performance. He is, however, in attendance when the compensation and incentive policies of Senior Management staff are discussed.

The terms of reference of the RC are to:

- (i) Review and recommend to the Board the remuneration

framework for compensation to each Director, and ensure that the level of remuneration offered is appropriate to the level of contribution;

- (ii) Review and approve the remuneration of Senior Management staff that is aligned with the long-term interests of the Group to ensure that the overall remuneration package is attractive to retain and motivate key executives; and
- (iii) Review the Group's obligations arising in the event of termination of Directors' and key executives' services in a fair, reasonable and equitable manner, including the cessation of financial incentives that has been earned but not yet disbursed due to exceptional circumstances of misstatement or misconduct.

The RC has access to remuneration data and would seek expert advice from external remuneration consultants whenever required. During the year, there is no particular requirement for the engagement of external consultants.

Principle 8: Level and Mix of Remuneration Performance-related Remuneration

The remuneration packages of the MD/Group CEO and Senior Executives of the Group comprise fixed and variable components. The variable component in the form of year-end performance bonuses, forms a significant proportion of the remuneration packages and is dependent on the profitability of the Group and individual performance. Subject to market conditions and the operating environment, the Group targets a total compensation package with fixed to variable component ratios of 70:30 for rank and file employees, 60:40 for Middle Management staff and 50:50 for Senior Management staff. The Group believes that a higher proportion of performance related component would ensure greater alignment of

interests of the executives with those of Shareholders and contributes to sustainable performance in the long-term. The remuneration of the MD/Group CEO is also tied to the return on Shareholders' funds and the level of profitability achieved.

Short-term and Long-term Incentive Schemes

The Group advocates a performance-based remuneration system that is responsive to the operating environment and labour market besides the Group's and individual's performance. The amount and mix of compensation are aligned to the interests of Shareholders and promote the long-term success of the Group.

Though the last grant of employee share options under the ComfortDelGro Employees' Share Option Scheme (Scheme) was in 2012, the options may be exercised up to the 10th anniversary of the date of grant of the options, i.e. 2022. Consideration of other forms of longer term incentive schemes will be made as and when appropriate. The current remuneration mix of fixed and variable components is considered appropriate for the Group and for each key executive role.

Remuneration of Non-Executive Directors

The structure for the payment of Directors' fees for NEDs is based on a framework comprising basic fees and additional fees for serving on Board Committees, and also for undertaking additional services for the Group. The fees are subject to the approval of Shareholders at the AGM. The MD/Group CEO, being an executive of the Group, does not retain any fees paid by the subsidiaries. Instead, fees due to him are paid by the subsidiaries to the Company. The MD/Group CEO does not receive Director's fees for his Board Directorship with the Company.

CORPORATE GOVERNANCE

Directors' Fee Structure

The Directors' fee structure is set out below:

Board	Basic fee (per annum)	
Chairman	S\$108,000	
Member	S\$54,000	
Board Committee	Additional fees as	
	Chairman (per annum)	Member (per annum)
Audit and Risk Committee	S\$36,000	S\$25,200
Nominating Committee	S\$18,000	S\$12,600
Remuneration Committee	S\$18,000	S\$12,600
Investment Committee	S\$20,000	S\$10,000
Meetings	Attendance fee (per meeting)	
Board	S\$1,000*	
Board Committee	S\$1,000*	

* Directors are only paid one attendance fee when two or more Meetings are held on the same day.

The NEDs of the Company were eligible for and had been granted share options under the Scheme. The last grant of share options was on 20 June 2012. The Scheme expired on 17 February 2013 and has not been renewed. Further information on the Scheme can be found on pages 75 to 78 of this Annual Report.

Principle 9: Disclosure on Remuneration Remuneration of Directors and Key Executives

The remuneration of the Directors and the key executives of the Group (who are not Directors) for the Financial Year 2015 can be found on pages 125 and 126 of this Annual Report.

Remuneration of Certain Related Employees

During the Financial Year 2015, no key executive was an immediate family member of any Director of the Company.

3. Accountability and Audit

Principle 10: Accountability

The Board has overall accountability

to the Shareholders of the Company and ensures that the Group is well-managed and guided by strategic objectives. The financial results are reported each quarter via SGXNet with an accompanying negative assurance by the Board to confirm that nothing has come to its attention that may render the results false or misleading in any material aspects. The Company believes that prompt and full compliance with statutory reporting requirements is fundamental to maintaining shareholder confidence and trust.

ComfortDelGro has adopted an internal code based on the SGX's guideline to provide guidance to the Directors and executives of the Group in relation to dealings in the Company's securities. Directors and executives of the Group are prohibited from dealing in the securities of the Company and its listed subsidiaries during the period commencing two weeks before the announcement of the Company's and its listed subsidiaries' first, second and third quarter results, and one month before the announcement of the full-year results, and ending on the date of the

announcement of the relevant results. All Directors and executives are notified of the trading blackout periods before the start of the financial year.

All Directors and executives of the Group are also told that they must not deal in (i) the securities of the Company and its listed subsidiaries on short-term consideration and/or while in possession of unpublished material price-sensitive information relating to the relevant securities; and (ii) the securities of other listed companies while in possession of unpublished material price-sensitive information relating to those securities.

**Principle 11:
Risk Management and Internal Controls**
Risk management is an important and integral part of ComfortDelGro's strategic planning and decision-making process. Key risks are identified and presented to the Board annually. Ownership of the risk management process is clearly defined and cascaded to the executive and functional level, with stewardship retained at Senior Management. Plans that are necessary to manage and mitigate the risks are

in place and closely monitored. The adequacy of the internal controls in place is also assessed as part of the process. A detailed description of the Group's approach to internal controls and risk management can be found from pages 31 to 34 of the ComfortDelGro Sustainability Report 2015.

The Internal and External Auditors conduct reviews in accordance with their audit plans to assess the adequacy of the internal controls that are in place. Any material non-compliance and recommendations for improvements are reported to the ARC. The ARC also reviews the effectiveness of the actions taken by Management on the recommendations made by the Internal and External Auditors. The recommendations are followed up as part of the Group's continuous review of the system of internal controls.

For the Financial Year 2015, the Board has received assurance from the MD/ Group CEO and the Group Financial Officer that (i) the financial records have been properly maintained and the financial statements are prepared in compliance with the Singapore Financial Reporting Standards and are correct in all material aspects and give a true and fair view of the operations and finances of the Group; and (ii) the Group's risk management and internal control systems (including financial, operational, compliance and information technology controls) are adequate and effective.

Based on these reviews, the Board is of the view, with the concurrence of the ARC, that there are adequate and effective internal controls in place within the Group to address its financial, operational, compliance and information technology risks and to provide reasonable assurance against material financial misstatements or loss.

**Principle 12:
Audit and Risk Committee**

The Company's ARC comprises four non-executive independent Directors.

The Board has reviewed and is satisfied that the members of the ARC are appropriately qualified to discharge their responsibilities. The members of the ARC collectively have recent and related financial management expertise and experience. They keep abreast of relevant changes to accounting standards and issues through attendance at relevant seminars/ talks, articles and news circulated by the Company Secretary and regular updates by the External Auditors at ARC Meetings.

The roles of the ARC include the following:

- (i) Risk identification and reviewing the adequacy and effectiveness of financial, operational, compliance and information technology controls and risk management systems to ensure effectiveness in the management of risks and compliance with internal policies and external regulations;
- (ii) Review the effectiveness of the Group's internal audit function;
- (iii) Review the quarterly and annual financial statements, and also significant accounting and reporting issues and their impact on financial statements so as to ensure the integrity of the financial statements and any formal announcements relating to the Group's financial performance, and recommend to the Board the acceptance of such financial statements;
- (iv) Review the scope and results of the audits undertaken by the Internal and External Auditors, including non-audit services performed by External Auditors to ensure that there is a balance between maintenance of objectivity and cost effectiveness;
- (v) Review Interested Person transactions;

- (vi) Recommend the appointment, re-appointment or removal of the External Auditors at the AGM and review the fees due to them;
- (vii) Review the audit plans of the Internal and External Auditors; and
- (viii) Review the effectiveness of the Group's Whistle Blowing Policy, which has been put in place for staff to raise concerns in confidence about possible improprieties in matters of financial reporting or other matters, and ensure that an independent investigation and appropriate follow-up actions are taken. The Whistle Blowing Policy is described in more detail in the ComfortDelGro Sustainability Report 2015.

Audit and Risk Committee's Activities

The ARC held four meetings during the financial year under review. The MD/ Group CEO, Group Financial Officer, Group Internal Audit Officer (GIAO) and the External Auditors were present at these meetings. The ARC reviewed and considered the following:

- (i) Overall scope of both internal and external audits and results of their respective audits;
- (ii) Significant internal and external audit observations and Management's responses;
- (iii) Quarterly and full year results announcements and the financial statements before submission to the Board;
- (iv) Adequacy of internal controls;
- (v) Independence of the External Auditors; and
- (vi) Re-appointment of External Auditors and its remuneration for recommendation to the Board.

CORPORATE GOVERNANCE

In the performance of its duties, the ARC has explicit authority to investigate the affairs falling within its terms of reference, with full access to and cooperation from Management, discretion to invite any Director to attend its meetings and reasonable resources to enable it to discharge its duties properly.

The ARC meets with the Internal and External Auditors in the absence of Management annually. During these meetings, the Auditors may raise issues encountered in the course of their work directly to the ARC.

Review of Independence of External Auditor

Prior to the re-appointment of the External Auditors, the ARC assesses their independence based on the guidelines set by the Accounting and Corporate Regulatory Authority. Having satisfied itself that the independence of the External Auditors, Deloitte & Touche LLP, is not impaired by their provision of non-audit services to the Group and that Rules 712, 715 and 716 of the SGX-ST Listing Manual have been complied with, the ARC has recommended to the Board that Deloitte & Touche LLP be nominated for re-appointment as the Company's External Auditors at the next AGM.

As a further safeguard of Deloitte & Touche LLP's independence, the Deloitte & Touche LLP's partner-in-charge of auditing the Company is changed every five years.

Principle 13: Internal Audit

The internal audit function of the Group is performed by the Group Internal Audit Division comprising suitably qualified and experienced staff and is headed by the GIAO. The GIAO reports functionally to the Chairman of the ARC and administratively to the MD/Group CEO.

The Group Internal Audit Division adopts a risk-based approach in its continuous audit work. Based on the audit plan, it provides an independent and objective evaluation of the internal control systems and corporate governance processes of the Group. The audit plan is developed by the GIAO in consultation with, but independent of, Management and is subject to the ARC's approval before the start of each financial year. Quarterly internal audit summary reports are also prepared and submitted to the ARC on the status of audits carried out. Any material non-compliance or lapses in internal controls are reported to the ARC and the MD/Group CEO for improvements to be made. The independence of the internal audit function is ensured as the ARC meets with the GIAO at least once a year in the absence of Management. The Group Internal Audit Division is given unfettered access to all the Group's documents, records, properties and personnel, including access to the ARC.

The activities and organisational structure of the Group Internal Audit Division are monitored and reviewed by the ARC periodically to ensure that it has the necessary resources to adequately perform its functions and that there are no unjustified restrictions and limitations placed on the performance of its duties.

The Group Internal Audit Division has adopted the International Standards for the Professional Practice of Internal Auditing laid down in the International Professional Practices Framework issued by the Institute of Internal Auditors (IIA Standards). The Group Internal Audit Division successfully completed its external Quality Assurance Review in 2014 by PricewaterhouseCoopers LLP and continues to meet or exceed the IIA Standards in all key aspects.

4. Shareholders Rights and Responsibilities

Principle 14: Shareholders Rights Disclosure of Information to Shareholders

The Company notifies Shareholders in advance of the date of release of its Financial Results through the Company's regularly updated website at www.comfortdelgro.com as well as a SGXNet announcement. Communication with Stakeholders is conducted through announcements to the SGXNet, media and analyst briefings after the announcement of the Financial Results, as well as the posting of announcements and press releases on the Company's website. Shareholders may send in their requests or queries through the feedback channel provided on the website. The Company's Investor Relations (IR) team is accessible throughout the year to address Shareholders' queries. The contact details of the Group Investor Relations & Special Projects Officer (GIRSPPO) can be found on the website.

Beyond complying with the requirements of the Code, the SGX-ST Listing Manual and the Companies Act, Cap. 50, the Company has also taken various additional measures to enhance corporate governance and improve transparency, including:

- (i) The Company has taken steps to advertise the Notice of AGM at least 28 days before the AGM is held; and
- (ii) The Company sends electronic annual reports (by way of a CD-ROM) to all Shareholders (including foreign Shareholders) at least 21 days before the AGM to ensure that all Shareholders have adequate time to review the annual reports before the AGM. The move to electronic

documentation demonstrates the Group's commitment towards Green and sustainable efforts. Upon request, hard copies are also provided to Shareholders.

Principle 15:
Communication with Shareholders
Regular, Effective and Fair
Communications with Shareholders

ComfortDelGro is committed to actively engaging its Shareholders and have put in place an IR programme to promote regular, effective and fair communications with Shareholders and the investment community. The IR team works with Senior Management to proactively carry out this engagement programme, which is described in more detail on page 45 of this Annual Report.

Communication with the SGX is handled by the Company Secretary, while communication with Shareholders, analysts and fund managers is handled by the GRSPO. Specific guidelines have been laid down for compliance in respect of all public communication. The Company does not practise selective disclosure in the communication of material information. In addition, the Company has also put in place operational procedures to respond promptly to queries from the SGX on any unusual trading activities in its securities.

Dividend Policy

The Company's dividend policy is to pay out at least 50% of profit after taxation attributable to Shareholders of the Company. The dividend policy takes into account the long-term objective of maximising shareholder value, availability of cash and retained earnings, projected capital expenditure and growth opportunities. The Company declares dividend semi-annually and informs its Shareholders of the dividend payments via announcements in the SGXNet.

Principle 16:
Conduct of Shareholder Meeting

The Company views the AGM as a good opportunity for Shareholders to meet the Board and Senior Management staff. Shareholders are informed of Shareholders' Meetings through notices published in the newspapers and circulars sent to all Shareholders. All registered Shareholders are invited to attend and participate actively in the AGM and are given the opportunity to seek clarification or question the Group's strategic direction, business, operations, performance and proposed resolutions.

All Directors including the Chairman of the Board, MD/Group CEO and the Chairmen of the various Board Committees together with Senior Management and the Company Secretary are present to address any question or feedback raised by the Shareholders at the AGM and thereafter, including those pertaining to the proposed resolutions before the resolutions are voted on. The External Auditors are also present to address Shareholders' queries about the conduct of audit and the preparation and contents of the Auditors' Report.

The Board had since 2009 decided to remove and stop seeking the general authority to issue shares to address concerns from the Shareholders that if this general authority to share issue was mandated, the Company could subsequently issue shares pursuant to this mandate, which would dilute their shareholding percentages and affect their voting rights.

The Articles of Association of the Company provide for voting in person and by proxy at the AGM of the Company. Each Shareholder is allowed to appoint up to two proxies to vote on his behalf at Shareholders' Meetings through proxy forms sent in advance. With the amendments to the Companies Act, Cap. 50 which took effect on 3 January 2016, relevant intermediaries such as the Central Provident Fund and

custodian banks are entitled to appoint more than two proxies to attend, speak and vote at the meeting. Shareholders who hold shares through these relevant intermediaries will be allowed to attend, speak and vote at the forthcoming AGM subject to being appointed a proxy by their respective relevant intermediaries. In line with the amendments to the Companies Act, Cap. 50, the Company's Articles of Association will also be amended, subject to Shareholders' approval, to reflect the same.

Each issue or matter requiring Shareholders' approval is tabled as a separate and distinct resolution. All the resolutions at the Shareholders' Meetings are single item resolutions. The Company will consider implementing absentia voting methods such as voting via mail, e-mail or fax when security, integrity and other pertinent issues are satisfactorily resolved.

The Company prepares minutes of general meetings that include substantial and relevant comments or queries from Shareholders relating to the agenda of the meeting and responses from the Board and Management. The minutes are available to Shareholders upon their request.

The Company has adopted electronic poll voting for general meetings since 2011 to ensure greater transparency and efficiency in the voting process and results. Shareholders are invited to vote on each of the resolutions by poll, using an electronic voting system. The voting results of all votes cast for or against each resolution are screened at the meeting and announced via the SGXNet after the meeting. Voting by poll is the most accurate means of tabulating Shareholders' votes according to the number of shares owned. We believe that this will encourage greater Shareholders' participation at the Company's general meetings and demonstrates ComfortDelGro's commitment to high standards of corporate governance and transparency.

CORPORATE GOVERNANCE

5. Additional Measures to Enhance Corporate Governance

The Company has also undertaken various additional measures to enhance corporate governance as follows:

Corporate Gifts/Entertainment Policy

Whilst business gifts and entertainment are courtesies that build goodwill and sound working relationships among business partners, the Group does not tolerate the improper use of gifts or entertainment to gain any special advantage in a business relationship.

The Group discourages the receipt of gifts or acceptance of entertainment, loans or other favours as these may compromise an employee's ability to make objective, independent and fair business decisions. Offering excessive gifts in whatever form or entertainment to others can also be opened to misinterpretation. Employees are therefore not permitted to offer or accept any gifts or entertainment without first seeking their supervisor's authorisation. Where business entertainment is deemed appropriate, they will be moderately scaled to facilitate the achievement of business goals and objectives.

Employees, who receive gifts directly or indirectly in relation to their course of employment with the Group, are expected to notify their supervisors and declare such gifts to the Group Human Resource Department. All gifts declared are processed through structured corporate procedures to ensure proper accountability.

Business gifts and entertainment presented on the Group's behalf are consistent with generally accepted business practices and ethical standards, and do not violate any applicable laws, regulations or policies of any country we operate in or company in which we have dealings with.

Block Leave Policy

As a further risk mitigation measure and to enhance governance, the Group has a Block Leave Policy in place which applies to employees holding key functions. This arrangement allows covering officers to fully step into the duties of the employees on leave, as an additional check and balance against any breaches.

Information Protection Policy

The Group has also implemented an information protection policy to ensure that all documents and data information of the Group are properly safeguarded.

Information is classified into secret, confidential, restricted and unrestricted use based on its nature, contents and implications. Processes and systems used to store, process or communicate the information provide protection from unauthorised disclosure and use.

Data Protection Policy

Business units in Singapore have implemented data protection policies and practices to ensure compliance with the obligations under the Personal Data Protection Act and Do Not Call provisions that came into force in 2014.

Interested Person Transactions

Listing Manual – Rule 907

There were no Interested Person transactions of or over S\$100,000 in value entered into during the financial year under review.

There is no Shareholder's mandate for Interested Person transactions pursuant to Rule 920 of the Listing Manual.

Disclosure on Compliance with the Code of Corporate Governance 2012

Guideline	Questions	How has the Company complied?
General	<p>(a) Has the Company complied with all the principles and guidelines of the Code? If not, please state the specific deviations and the alternative corporate governance practices adopted by the Company in lieu of the recommendations in the Code.</p> <p>(b) In what respect do these alternative corporate governance practices achieve the objectives of the principles and conform to the guidelines in the Code?</p>	<p>Yes, the Company has complied with all the principles and guidelines of the Code except for the detailed disclosure of the remuneration of Directors, Managing Director/Group Chief Executive Officer (MD/Group CEO) and the Group's top five key executives. The Board had considered this matter carefully and has decided against such disclosure. Given the wage disparities and the keen competition in the industry and the likely competitive pressures resulting from such disclosures, it is felt that the disadvantages of disclosure outweigh the benefits.</p> <p>The remuneration of the Directors, MD/Group CEO and key executives are reviewed and approved by the Remuneration Committee, which consists of all non-executive independent Directors. In addition, the structure for the payment of Directors' fees has been disclosed in the Corporate Governance Report. Directors' fees are subject to the approval of the Shareholders at the Annual General Meeting (AGM).</p>
Board Responsibility		
Guideline 1.5	What are the types of material transactions which require approval from the Board?	ComfortDelGro has adopted internal guidelines setting forth certain matters that require the Board's approval. Under these guidelines, acquisitions of businesses, disposals or changes in equity interests in existing subsidiaries/ associates, capital expenditure, investment in financial instruments, tender for businesses above the prescribed limits, assessing and approving key business decisions, funding and investment initiatives and other corporate actions, including approval of the Financial Authority Limits, Annual Budget and Capital Expenditure and the release of the quarterly and full-year Financial Results require approval from the Board. In addition, the acceptance of credit facilities from banks, the establishment of capital market programmes and the issuance of debt instruments require the approval of the Board.
Members of the Board		
Guideline 2.6	(a) What is the Board's policy with regard to diversity in identifying director nominees?	The Board believes that it is important to have diversity of competencies including gender diversity to support the growth of the Group. The Nominating Committee (NC) reviews annually the balance and diversity of skills, experience, gender and knowledge required by the Board and the size of the Board.

CORPORATE GOVERNANCE

Disclosure on Compliance with the Code of Corporate Governance 2012

Guideline	Questions	How has the Company complied?
	(b) Please state whether the current composition of the Board provides diversity on each of the following – skills, experience, gender and knowledge of the Company, and elaborate with numerical data where appropriate.	Yes. The NC is satisfied that the Board and Board Committees comprise Directors who as a group provide an appropriate balance and diversity of skills, experience, knowledge and core competencies required for the Board and Board Committees to discharge their responsibilities effectively. The Company has one female Director on its Board since 2007.
	(c) What steps has the Board taken to achieve the balance and diversity necessary to maximise its effectiveness?	The NC reviews the composition of the Board annually to ensure that the Board is of an adequate size with the right mix of skills and experience that facilitates effective decision making.
Guideline 4.6	Please describe the Board nomination process for the Company in the last financial year for (i) selecting and appointing new directors and (ii) re-electing incumbent directors.	<p>For new Directors</p> <p>The NC annually reviews the size, effectiveness, diversity of skills and core competencies of the Board taking into consideration the current and future business needs of the Group.</p> <p>The NC considers the range of skills, knowledge, attributes and experience of the existing Directors, the retirement and re-election/re-appointment of Directors, each Director's contribution and commitment and whether new competencies are required to enhance the effectiveness of the Board. When the need for a new Director arises, the NC will shortlist and meet potential candidates and recommend the most suitable candidate to the Board for appointment as a Director.</p> <p>For incumbent Directors</p> <p>Pursuant to the Company's Articles of Association, one-third of the Directors retire from office at the Company's AGM. Newly appointed Directors are subject to retirement and re-election at the AGM immediately following their appointments.</p> <p>The NC reviewed each of the retiring Director's contribution and performance, such as attendance, preparedness, participation and candour, and made the relevant recommendations to the Board for subsequent Shareholders' approval at the AGM.</p>
Guideline 1.6	(a) Are new directors given formal training? If not, please explain why.	Yes.

Guideline	Questions	How has the Company complied?
	(b) What are the types of information and training provided to (i) new directors and (ii) existing directors to keep them up-to-date?	<p>Management will conduct a comprehensive orientation programme for newly appointed Directors, where key aspects of the businesses, including financial and corporate governance policies are discussed. Site visits will also be arranged for new Directors so that they can better familiarise themselves with the Group's operations. When a Director is appointed to a Board Committee, he/she is provided with its terms of reference.</p> <p>The Company Secretary assists in professional development and training by regularly disseminating details of suitable seminars and courses organised by the Singapore Institute of Directors and arranging for the Directors to attend such courses when requested. The Company Secretary also updates the Board on corporate governance practices and circulates articles relating to changes in laws relevant to the Group's businesses.</p>
Guideline 4.4	(a) What is the maximum number of listed company board representations that the Company has prescribed for its directors? What are the reasons for this number?	The Board has determined that the maximum number of listed company board representations held by a Director who is not in full-time employment should not exceed six. For a Director who is in full-time employment, it should not exceed three. This is to ensure that all Directors have sufficient time and attention to discharge their duties adequately.
	(b) If a maximum number has not been determined, what are the reasons?	Not Applicable.
	(c) What are the specific considerations in deciding on the capacity of directors?	The contributions of a Director are key in deciding on a Director's capacity to take on other multiple board appointments.
Board Evaluation		
Guideline 5.1	(a) What was the process upon which the Board reached the conclusion on its performance for the financial year?	In the last quarter of 2015, the NC conducted an evaluation of Board Performance which included key points on Board's composition, Board's contributions, contributions from Board Committees and conduct of proceedings and whether the Directors had discharged their duties effectively. The findings were then presented by the NC Chairman to the Board during its Meeting for the Board to deliberate on the findings and discuss possible areas of improvement to enhance the Board's overall effectiveness.
	(b) Has the Board met its performance objectives?	Yes. The Board was effective as a whole based on the overall assessment for 2015.

CORPORATE GOVERNANCE

Disclosure on Compliance with the Code of Corporate Governance 2012

Guideline	Questions	How has the Company complied?
Independence of Directors		
Guideline 2.1	Does the Company comply with the guideline on the proportion of independent directors on the Board? If not, please state the reasons for the deviation and the remedial action taken by the Company.	Yes. The Board comprises eight Directors, of whom only the MD/Group CEO is an executive Director. All the seven remaining non-executive Directors are considered by the NC to be independent during the Financial Year 2015. This composition exceeds the Code's requirement of at least one-third of the Board of Directors to comprise independent Directors.
Guideline 2.3	(a) Is there any director who is deemed to be independent by the Board, notwithstanding the existence of a relationship as stated in the Code that would otherwise deem him not to be independent? If so, please identify the director and specify the nature of such relationship.	No.
	(b) What are the Board's reasons for considering him independent? Please provide a detailed explanation.	Not Applicable.
Guideline 2.4	Has any independent director served on the Board for more than nine years from the date of his first appointment? If so, please identify the director and set out the Board's reasons for considering him independent.	Yes, Mr Lim Jit Poh, Mr Ong Ah Heng, Mr Oo Soon Hee, Mr Tow Heng Tan, Dr Wang Kai Yuen and Mr Wong Chin Huat, David are independent Directors who have served on the Board for more than nine years as at 31 December 2015. The NC considered that these Directors have each demonstrated independent judgement at Board and Board Committee Meetings, and was of the firm view that they have at all times been exercising independent judgement in the best interests of the Company in the discharge of their duties as Directors.
Disclosure on Remuneration		
Guideline 9.2	Has the Company disclosed each director's and the CEO's remuneration as well as a breakdown (in percentage or dollar terms) into base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives? If not, what are the reasons for not disclosing so?	Disclosures are made in bands of S\$250,000 and deviation from the Code is explained in the Notes to Financial Statements as follows: Given the wage disparities and the keen competition in the industry and the likely competitive pressures resulting from such disclosures, it is felt that the disadvantages of disclosure outweigh the benefits.

Guideline	Questions	How has the Company complied?
Guideline 9.3	(a) Has the Company disclosed each key management personnel's remuneration, in bands of S\$250,000 or in more detail, as well as a breakdown (in percentage or dollar terms) into base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives? If not, what are the reasons for not disclosing so?	<p>Disclosures are made in bands of S\$250,000 and deviation from the Code is explained in the Notes to Financial Statements as follows:</p> <p>Given the wage disparities and the keen competition in the industry and the likely competitive pressures resulting from such disclosures, it is felt that the disadvantages of disclosure outweigh the benefits.</p>
	(b) Please disclose the aggregate remuneration paid to the top five key management personnel (who are not directors or the CEO).	<p>Disclosed as an aggregate together with remuneration of the Directors and deviation from the Code is explained in the Notes to Financial Statements as follows:</p> <p>Given the wage disparities and the keen competition in the industry and the likely competitive pressures resulting from such disclosures, it is felt that the disadvantages of disclosure outweigh the benefits.</p>
Guideline 9.4	Is there any employee who is an immediate family member of a director or the CEO, and whose remuneration exceeds S\$50,000 during the year? If so, please identify the employee and specify the relationship with the relevant director or the CEO.	Nil.
Guideline 9.6	(a) Please describe how the remuneration received by executive directors and key management personnel has been determined by the performance criteria.	<p>The Group advocates a performance-based remuneration system that aligns the remuneration of MD/Group CEO and Senior Management to business results and shareholder returns. The total remuneration mix comprises fixed and variable components. The variable component, in the form of an annual performance incentive bonus, forms a significant proportion of the remuneration packages.</p> <p>The annual performance incentive is linked to the Group's and the individual's performance. The Performance Scorecard is used to measure both financial and non-financial performance of Senior Executives. The individual's scorecard performance areas are linked to the overall strategic goals and objectives of the Group.</p> <p>The remuneration of the MD/Group CEO is also tied to the return on Shareholders' funds and the level of profitability achieved.</p>

CORPORATE GOVERNANCE

Disclosure on Compliance with the Code of Corporate Governance 2012

Guideline	Questions	How has the Company complied?
	(b) What were the performance conditions used to determine their entitlement under the short-term and long-term incentive schemes?	<p>The amount and mix of reward incentives, which are developed with a focus on long-term shareholders' returns, are responsive to the operating environment and labour market.</p> <p>In awarding the incentives, the Group takes into account the Senior Executive's performance in four key broad areas of the Performance Scorecard, namely</p> <ul style="list-style-type: none"> a) Financial b) Customers c) Processes and d) People Development.
	(c) Were all of these performance conditions met? If not, what were the reasons?	Yes.

Risk Management and Internal Controls

Guideline 6.1	What types of information does the Company provide to independent directors to enable them to understand its business, the business and financial environment as well as the risks faced by the Company? How frequently is the information provided?	Prior to each Board and Board Committee Meeting, Management provides Directors with complete, adequate and timely information. The Board also receives monthly management accounts, updates on key performance indicators and quarterly investor relations reports covering investor relations activities and updates of analysts' views and comments. This enables the Board to make informed and sound business decisions and be kept abreast of key challenges, opportunities and developments for the Group.
Guideline 13.1	Does the Company have an internal audit function? If not, please explain why.	Yes.
Guideline 11.3	(a) In relation to the major risks faced by the Company, including financial, operational, compliance, information technology and sustainability, please state the bases for the Board's view on the adequacy and effectiveness of the Company's internal controls and risk management systems.	Risk management is an important and integral part of ComfortDelGro's strategic planning and decision-making process. Key risks are identified and presented to the Board annually. Ownership of the risk management process is clearly defined and cascaded to the executive and functional level, with stewardship retained at Senior Management. Plans that are necessary to manage and mitigate the risks are in place and closely monitored. The adequacy of the internal controls in place is also assessed as part of the process. Based on these reviews, the Board is of the view, with the concurrence of the Audit and Risk Committee (ARC), that there are adequate and effective internal controls in place within the Group to address its financial, operational, compliance and information technology risks.

Guideline	Questions	How has the Company complied?
	(b) In respect of the past 12 months, has the Board received assurance from the CEO and the CFO as well as the internal auditor that: (i) the financial records have been properly maintained and the financial statements give true and fair view of the Company's operations and finances; and (ii) the Company's risk management and internal control systems are effective? If not, how does the Board assure itself of points (i) and (ii) above?	For the Financial Year (FY) 2015, the Board has received assurance from the MD/Group CEO and the Group Financial Officer that (i) the financial records have been properly maintained and the financial statements are prepared in compliance with the Singapore Financial Reporting Standards and are correct in all material aspects and give a true and fair view of the operations and finances of the Group; and (ii) the Group's risk management and internal control systems (including financial, operational, compliance and information technology controls) are adequate and effective.
Guideline 12.6	(a) Please provide a breakdown of the fees paid in total to the external auditors for audit and non-audit services for the financial year.	The audit and non-audit fees to the External Auditors of the Company and its subsidiaries for FY 2015 are S\$1.2 million and S\$0.3 million respectively.
	(b) If the external auditors have supplied a substantial volume of non-audit services to the Company, please state the bases for the Audit Committee's view on the independence of the external auditors.	The ARC undertook a review of the independence and objectivity of the External Auditors by reviewing the non-audit fees awarded to them and has confirmed that the non-audit services performed by the External Auditors were not substantial and would not affect their independence.
Communication with Shareholders		
Guideline 15.4	(a) Does the Company regularly communicate with shareholders and attend to their questions? How often does the Company meet with institutional and retail investors?	<p>Yes, the Company is committed to disseminating accurate and pertinent information to the Shareholders in a timely manner. In FY 2015, the Company held nearly 200 meetings and conference calls with institutional investors and analysts. Besides face-to-face office meetings and conference calls, the Company also participated in 10 investor conferences in Singapore, Kuala Lumpur, Hong Kong and Tokyo. These provided access to a wide cross-section of institutional investors from around the world.</p> <p>For the retail investors, they can send in their queries through a link on the Investor Relations (IR) page of the Company's website. The telephone and email contact details of the Group Investor Relations & Special Projects Officer are also listed on the page. In addition to addressing the questions from retail investors over the telephone and email, the Company participated in the SGX Corporate Connect Seminar where we presented to over 200 retail investors.</p> <p>All Shareholders also have the opportunity to interact and speak with the Directors and Senior Management at the Company's AGMs and thereafter.</p>

CORPORATE GOVERNANCE

Disclosure on Compliance with the Code of Corporate Governance 2012

Guideline	Questions	How has the Company complied?
	(b) Is this done by a dedicated investor relations team (or equivalent)? If not, who performs this role?	Yes, there is a dedicated IR team, which works closely with Senior Management to carry out the investor engagement programme.
	(c) How does the Company keep shareholders informed of corporate developments, apart from SGXNet announcements and the annual report?	All announcements to SGX-ST, news releases, financial results, financial calendar and the Annual Reports are posted on the IR page of the Company's website.
Guideline 15.5	If the Company is not paying any dividends for the financial year, please explain why.	Not Applicable.

DIRECTORS' PARTICULARS

Name	Age	Present Directorships/ Chairmanships (as at 31 December 2015)	Past Directorships/ Chairmanships in listed companies held over the preceding three years (from 1 January 2013 to 31 December 2015)	Principal Commitments
Lim Jit Poh <i>Chairman (Non-executive & Independent)</i>	76	Principal Directorships in the ComfortDelGro Group <ul style="list-style-type: none"> • SBS Transit Ltd* • VICOM Ltd* • Beijing Jin Jian Taxi Services Co., Ltd • Comfort Transportation Pte Ltd • CityCab Pte Ltd • ComfortDelGro Engineering Pte Ltd • CityFleet Networks Limited • ComfortDelGro Cabcharge Pty Ltd • Guangzhou Xin Tian Wei Transportation Development Co., Ltd • Metroline Limited • Swan Taxis Pty Ltd Other Companies <ul style="list-style-type: none"> • Ascott Residence Trust Management Ltd* • Family Leisure Pte Ltd • NCI Golf Pte Ltd • Pasir Ris Resort Pte Ltd • SLF Leisure Enterprises (Pte) Ltd • Surbana Property Investment Pte Ltd • CapitaLand Township Development Fund Pte Ltd • CapitaLand Township Development Fund II Pte Ltd 	<ul style="list-style-type: none"> • Maybank Kim Eng Holdings Limited* 	Nil
Kua Hong Pak <i>Managing Director / Group Chief Executive Officer</i>	72	Principal Directorships in the ComfortDelGro Group <ul style="list-style-type: none"> • SBS Transit Ltd* • VICOM Ltd* • Beijing Jin Jian Taxi Services Co., Ltd • Comfort Transportation Pte Ltd • CityCab Pte Ltd • ComfortDelGro Engineering Pte Ltd • CityFleet Networks Limited • ComfortDelGro Cabcharge Pty Ltd • Guangzhou Xin Tian Wei Transportation Development Co., Ltd • Metroline Limited • Swan Taxis Pty Ltd Other Companies <ul style="list-style-type: none"> • PSA Corporation Limited • PSA International Pte Ltd • Temasek Holdings (Private) Limited 	<ul style="list-style-type: none"> • Starhub Ltd* 	Nil

*Listed Company

DIRECTORS' PARTICULARS

Name	Age	Present Directorships/ Chairmanships (as at 31 December 2015)	Past Directorships/ Chairmanships in listed companies held over the preceding three years (from 1 January 2013 to 31 December 2015)	Principal Commitments
Ong Ah Heng <i>Director</i> (<i>Non-executive & Independent</i>)	72	Directorship in the ComfortDelGro Group <ul style="list-style-type: none"> ComfortDelGro Engineering Pte Ltd 	Nil	Nil
Oo Soon Hee <i>Director</i> (<i>Non-executive & Independent</i>)	72	Other Companies <ul style="list-style-type: none"> NSL Ltd* SIA Engineering Company Limited* Bangkok Cogeneration Company Limited Eastern Pretech Pte Ltd NatSteel Holdings Pte Ltd York Transport Equipment (Asia) Pte Ltd 	Nil	Nil
Sum Wai Fun Adeline <i>Director</i> (<i>Non-executive & Independent</i>)	47	Other Companies <ul style="list-style-type: none"> ChoiceHomes Investments Pte Ltd NTUC Health Co-operative Limited Wavelink Co-operative Ltd Punggol Field EC Pte Ltd Pasir Ris EC Pte Ltd Proventus Co-operative Ltd NTUC Fairprice Co-operative Limited 	Nil	Nil
Tow Heng Tan <i>Director</i> (<i>Non-executive & Independent</i>)	60	Other Companies <ul style="list-style-type: none"> Keppel Corporation Limited* Fullerton Financial Holdings Pte. Ltd. Lanting Investments Limited Palace Investments Pte Ltd Pav Investments Pte Ltd PavCap Fund I Pavilion Capital Fund Holdings Pte Ltd Pavilion Capital GP Pte Ltd Pavilion Capital Holdings Pte Ltd Pavilion Capital International Pte Ltd Qinting Investments Pte Ltd Spring Bloom Investments Ltd ST Asset Management Ltd Summer Bloom Investments Pte Ltd Summer Bloom Investments (I) Pte Ltd Summer Bloom Investments (II) Pte Ltd 	Nil	Nil

*Listed Company

Name	Age	Present Directorships/ Chairmanships (as at 31 December 2015)	Past Directorships/ Chairmanships in listed companies held over the preceding three years (from 1 January 2013 to 31 December 2015)	Principal Commitments
Wang Kai Yuen <i>Director</i> (<i>Non-executive</i> & <i>Independent</i>)	68	Other Companies <ul style="list-style-type: none"> • A-Sonic Aerospace Ltd* • China Aviation Oil (Singapore) Corporation Ltd* • COSCO Corporation (Singapore) Ltd* • Ezion Holdings Ltd* • HLH Group Ltd * • Matex International Ltd* • Emas Offshore Ltd * • Great Source Pte Ltd • Waan Holdings Pte Ltd 	<ul style="list-style-type: none"> • Hiap Hoe Ltd* • Xpress Holdings Ltd* • Superbowl Holdings Ltd* 	Nil
Wong Chin Huat, David <i>Director</i> (<i>Non-executive</i> & <i>Independent</i>)	67	Directorship in the ComfortDelGro Group <ul style="list-style-type: none"> • SBS Transit Ltd* Other Companies <ul style="list-style-type: none"> • CapitaMalls Malaysia REIT Management Sdn Bhd 	Nil	<ul style="list-style-type: none"> • Ramdas & Wong Advocates & Solicitors (Consultant) • NTUC-U Care Fund Board of Trustees (Chairman)

*Listed Company

DIRECTORIES

SINGAPORE

Bus

ComfortDelGro Bus Pte Ltd

205 Braddell Road
Singapore 579701
Mainline: (65) 6553 3838
Fax: (65) 6456 0922
Website: www.comfortdelgrobus.com.sg
Email: enquiry@comfortdelgrobus.com.sg

SBS Transit Ltd*

205 Braddell Road
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Mainline: (65) 6284 8866
Fax: (65) 6287 0311
Website: www.sbstransit.com.sg
Email: crc@sbstransit.com.sg

Taxi

CityCab Pte Ltd

383 Sin Ming Drive
Singapore 575717
Mainline: (65) 6555 1188
Fax: (65) 6453 3183
Website: www.cdgtaxi.com.sg
Email: feedback@cdgtaxi.com.sg

Comfort Transportation Pte Ltd

383 Sin Ming Drive
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Website: www.cdgtaxi.com.sg
Email: feedback@cdgtaxi.com.sg

Rail

SBS Transit Ltd*

205 Braddell Road
Singapore 579701
Mainline: (65) 6284 8866
Fax: (65) 6287 0311
Website: www.sbstransit.com.sg
Email: crc@sbstransit.com.sg

Automotive Engineering Services

ComfortDelGro Engineering Pte Ltd

205 Braddell Road
Singapore 579701
Mainline: (65) 6383 6280
Fax: (65) 6280 9755
Website: www.cdge.com.sg
Email: enquiries@cdge.com.sg

Inspection & Testing Services

VICOM Ltd*

385 Sin Ming Drive
Singapore 575718
Mainline: (65) 6458 4555
Fax: (65) 6458 1040
Website: www.vicom.com.sg
Email: customerservice@vicom.com.sg

VICOM Inspection Centre Pte Ltd

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JIC Inspection Services Pte Ltd

53 Pioneer Road
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Email: customerservice@vicom.com.sg

Setsco Services Pte Ltd

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Email: marketing@setsco.com

Setsco Consultancy International Pte Ltd

18 Teban Gardens Crescent
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Email: marketing@setsco.com

Driving Centre

ComfortDelGro Driving Centre Pte Ltd

205 Ubi Avenue 4
Singapore 408805
Mainline: (65) 6841 8900
Fax: (65) 6841 8913
Website: www.cdc.com.sg
Email: info@cdc.com.sg

Car Rental & Leasing

ComfortDelGro Rent-A-Car Pte Ltd

205 Braddell Road
Singapore 579701
Mainline: (65) 6882 0888
Fax: (65) 6665 1818
Website: www.cdgrentacar.com.sg
Email: sales@cdgrentacar.com.sg

Insurance Broking Services

ComfortDelGro Insurance Brokers Pte Ltd

205 Braddell Road
Singapore 579701
Mainline: (65) 6383 8833
Fax: (65) 6286 2112
Email: insurance@comfortdelgro.com.sg

Outdoor Advertising

Moove Media Pte Ltd

600 Sin Ming Avenue
Level 2 CityCab Building
Singapore 575733
Mainline: (65) 6383 7035
Fax: (65) 6288 7112
Website: www.moovemediacom.sg
Email: advertising@moovemediacom.sg

CHINA

North China Business Unit

Beijing Taxi

Beijing Jin Jian Taxi Services Co., Ltd

Room 101 on the 3rd Floor

BLK 1, Shifu Road A2

Shi Jing Shan District

Beijing

Postal Code 100042

Mainline: (86) 10 8760 9860

Fax: (86) 10 8760 4530

Email: leongks@comfortdelgro.com

Vehicle Testing Services

Beijing Tian Long Da Tian

Vehicle Inspection Co., Ltd

Room 201 Tian Long Da Tian

Office Building

No. 8 Sun Tai Shan Road

Jiu Gong Da Xing District

Beijing

Postal Code 100076

Mainline: (86) 10 8760 0856

Fax: (86) 10 8760 2282

Email: liuhx@comfortdelgro.com

Jilin City, Jilin Province

Taxi

Jilin ComfortDelGro Taxi Co., Ltd

West of South Street of Hi-tech

Industrial Development Zone

Jilin City, Jilin Province

Postal Code 132013

Mainline: (86) 432 6456 5609

Fax: (86) 432 6456 5618

Email: nixipeng@comfortdelgro.com

Shenyang, Liaoning Province

Taxi

CityCab (Shenyang) Co., Ltd

No. 52 Wen Hua East Road

Shenhe District

Shenyang, Liaoning

Postal Code 110015

Mainline: (86) 24 2422 2265

Fax: (86) 24 2482 3064

Email: leongks@comfortdelgro.com

Shenyang ComfortDelGro Taxi Co., Ltd

No. 52 Wen Hua East Road

Shenhe District

Shenyang, Liaoning

Postal Code 110015

Mainline: (86) 24 2420 7819

Fax: (86) 24 2482 3064

Email: leongks@comfortdelgro.com

West China Business Unit

Chengdu, Sichuan Province Taxi

Chengdu ComfortDelGro Taxi Co., Ltd

No. 77 Chuan Jian Road

Jinniu District

Chengdu, Sichuan

Postal Code 610081

Mainline: (86) 28 8471 7858

Fax: (86) 28 8471 5206 815

Email: simontan@comfortdelgro.com

Chengdu ComfortDelGro Sheng Duo Consulting Co., Ltd

No. 77 Chuan Jian Road

Jinniu District

Chengdu, Sichuan

Postal Code 610081

Mainline: (86) 28 8471 7858

Fax: (86) 28 8471 5206 618

Email: simontan@comfortdelgro.com

Car Rental & Leasing

ComfortDelGro Rent-A-Car (Chengdu) Co., Ltd

No. 77 Chuan Jian Road

Jinniu District

Chengdu, Sichuan

Postal Code 610081

Mainline: (86) 28 8471 8859

Fax: (86) 28 8471 8859 612

Email: simontan@comfortdelgro.com

Vehicle Testing Services

Chengdu Jitong Integrated Vehicle Inspection Co., Ltd

No. 13 Wai Dong Jian Cai Road

Chenghua District

Chengdu, Sichuan

Postal Code 610051

Mainline: (86) 28 8471 6997

Fax: (86) 28 8471 2137

Email: simontan@comfortdelgro.com

Driving Centre

Chengdu ComfortDelGro Qing Yang

Driving School Co., Ltd

Wen Jia Hong Nian Zi

Qing Yang Zone

Chengdu, Sichuan

Postal Code 610091

Mainline: (86) 28 8707 0700

Fax: (86) 28 8707 1725

Email: simontan@comfortdelgro.com

Chongqing

Driving Centre

Chongqing ComfortDelGro Driver

Training Co., Ltd

Huo Ju Road

Jiu Long Park

Jiu Long Po District

Chongqing

Postal Code 400051

Mainline: (86) 23 8906 8502

Fax: (86) 23 8906 8504

Website: www.kfdgjx.com

Email: simontan@comfortdelgro.com

East China Business Unit

Shanghai

Taxi

Shanghai City Qi Ai Taxi Services Co., Ltd

10F, No. 285, Lu Jia Bang Road

Shanghai

Postal Code 200011

Mainline: (86) 21 6313 5248

Fax: (86) 21 6313 1717

Email: richardtang@comfortdelgro.com

Suzhou, Jiangsu Province

Taxi

Suzhou Comfort Taxi Co., Ltd

Room A505, No. 199 Dong Xing Road

Suzhou Industrial Park

Postal Code 215000

Mainline: (86) 512 6762 0203

Fax: (86) 512 6588 3991

Email: richardtang@comfortdelgro.com

DIRECTORIES

Nanjing, Jiangsu Province

Taxi

Nanjing ComfortDelGro Dajian Taxi Co., Ltd

211 North Zhongyang Road
Xia Guan District
Nanjing, Jiangsu
Postal Code 210015
Mainline: (86) 25 5872 1710
Fax: (86) 25 5872 1712
Email: richardtang@comfortdelgro.com

South China Business Unit

Guangzhou, Guangdong Province

Bus Station

Guangzhou Xin Tian Wei Transportation Development Co., Ltd

No. 633 Yan Ling Road
Guangzhou, Guangdong
Postal Code 510650
Mainline: (86) 20 6683 5088
Fax: (86) 20 6683 5008
Website: www.tianhebus.com
Email: marctay@comfortdelgro.com

Nanning, Guangxi Province

Taxi

Nanning Comfort Transportation Co., Ltd

68 Ke Yuan Avenue,
Building No. 15, Block A,
2nd Floor, Room 202
Nanning, Guangxi
Postal Code 530003
Mainline: (86) 771 581 6783
Fax: (86) 771 339 3629
Email: richardtang@comfortdelgro.com

AUSTRALIA

Sydney, New South Wales

Bus

ComfortDelGro Cabcharge Pty Ltd

29 Foundry Road
Seven Hills
NSW 2147
Mainline: (61) 2 8889 7000
Fax: (61) 2 8889 7009
Website: www.cdcbus.com.au
Email: customer.service@cdcbus.com.au

Outdoor Advertising

Moove Media Australia Pty Ltd

Suite 104, 15 Belvoir Street
Surry Hills
NSW 2010
Mainline: (61) 2 9690 1144
Fax: (61) 2 9310 5753
Website: www.moovemediainfo.com.au
Email: advertising@moovemediainfo.com.au

Blue Mountains and Hunter Valley, New South Wales

Bus

Blue Mountains Transit Pty Ltd

25 Great Western Highway
Valley Heights
NSW 2777
Mainline: (61) 2 4751 1077
Fax: (61) 2 4751 5870
Website: www.bmbc.com.au
Email: customerservice@bmbc.com.au

ComfortDelGro Cabcharge Pty Ltd

Hunter Valley Buses
Region 2
6 Glenwood Drive
Thornton
NSW 2322
Mainline: (61) 2 4935 7200
Fax: (61) 2 4966 8200
Website: www.cdcbus.com.au/Hunter-Valley-Buses.html
Email: customer.service@cdcbus.com.au

ComfortDelGro Cabcharge Pty Ltd

Hunter Valley Buses
Region 4
8 Aluminium Close
Edgeworth
NSW 2285
Mainline: (61) 2 4958 2057
Fax: (61) 2 4958 2388
Website: www.cdcbus.com.au/Hunter-Valley-Buses.html
Email: customer.service@cdcbus.com.au

Queanbeyan, New South Wales

Bus

QCity Transit

Transborder Express

11 Bass Street
Queanbeyan
NSW 2620
Mainline: (61) 2 6299 3722
Fax: (61) 2 6299 3828
Website: www.qcitytransit.com.au
Website: www.transborder.com.au
Email: capitalinfo@cdcbus.com.au

Melbourne, Victoria

Bus

ComfortDelGro Cabcharge Pty Ltd

9-13 Slough Road
Altona
VIC 3018
Mainline: (61) 3 9392 9900
Fax: (61) 3 9392 9901
Website: www.cdcbus.com.au
Email: info@cdcbus.com.au

Perth, Western Australia

Taxi

Swan Taxi Pty Ltd

7 Harvey Street
Victoria Park
WA 6100
Mainline: (61) 8 9422 2222
Fax: (61) 8 9422 2224
Website: www.swantaxis.com.au
Email: admin@swantaxis.com.au

UNITED KINGDOM

London, England

Bus

Metroline Limited

ComfortDelGro House
329 Edgware Road
Cricklewood
London NW2 6JP
Mainline: (44) 20 8218 8888
Fax: (44) 20 8218 8840
Website: www.metroline.co.uk
Email: info@metroline.co.uk

Coach**Westbus Coach Services Limited**

27A Spring Grove Road
Hounslow
London TW3 4BE
Mainline: (44) 20 8572 6348
Fax: (44) 20 8570 2234
Website: www.westbus.co.uk
Email: reservations@westbus.co.uk

Taxi Radio Circuit**Computer Cab plc**

Advantage House, Unit 7-8
Mitre Bridge Industrial Park
Mitre Way
London W10 6AU
Mainline: (44) 20 7908 0271
Fax: (44) 20 7908 0053
Website: www.comcablondon.com
Email: info@comcab.co.uk

Private Car Hire**Flightlink International Limited**

104 Cannon Workshops
Cannon Drive
London E14 4AS
Mainline: (44) 20 7537 4777
Fax: (44) 20 7987 2117
Website: www.flchauffeurs.com
Email: admin@flchauffeurs.com

Liverpool, England**Taxi Radio Circuit****Computer Cab (Liverpool) Limited**

Abbey House
5-7 Falkland Street
Liverpool L3 8HB
Mainline: (44) 151 298 2060
Fax: (44) 151 298 2526
Website: www.comcab-liverpool.co.uk
Email: admin@comcab-liverpool.co.uk

Glasgow, Scotland**Coach****Scottish Citylink Coaches Limited**

Buchanan Bus Station
Killermont Street
Glasgow G2 3NW
Mainline: (44) 141 332 9644
Fax: (44) 141 332 4488
Website: www.citylink.co.uk
Email: info@citylink.co.uk

Aberdeen, Scotland**Taxi Radio Circuit****Computer Cab (Aberdeen) Limited**

Burnside Drive
Dyce
Aberdeen AB21 0HW
Mainline (44) 1224 794 400
Fax: (44) 1224 722 727
Website: www.comcab-aberdeen.co.uk
Email: enquiries@comcab-aberdeen.co.uk

Edinburgh, Scotland**Taxi Radio Circuit****Computer Cab (Edinburgh) Limited**

2/6 Spitfire House
Turnhouse Road
Edinburgh EH12 0AL
Mainline: (44) 131 272 8001
Fax: (44) 131 272 8011
Website: www.comcab-edinburgh.co.uk
Email: enquiries@comcab-edinburgh.co.uk

Private Car Hire**Onward Travel Ltd**

2/6 Spitfire House
Turnhouse Road
Edinburgh EH12 0AL
Mainline: (44) 131 272 8001
Fax: (44) 131 272 8011
Website: www.onwardtravel.com
Email: admin@onwardtravel.com

IRELAND**Galway, Ireland****Inter-City Express Coach****ComfortDelGro Irish Citylink Limited**

17 Forster Street
Galway
Mainline: (353) 91 564164
Fax: (353) 91 564100
Website: www.citylink.ie
Email: info@citylink.ie

VIETNAM**Ho Chi Minh City****Taxi****ComfortDelGro Savico Taxi Company**

384A/2 Kha Van Can St
Quarter 5
Hiep Binh Chanh Ward
Thu Duc District
Ho Chi Minh City
Mainline: (84) 8 3726 9816
Fax: (84) 8 3726 3407
Website: www.comfortsavico.com.vn
Email: comfortsavico@vnn.vn

Vietnam Taxi Co., Ltd

Tan Binh Industrial Park
Lot IV-15B Road 4
Tay Thanh Ward
Tan Phu District
Ho Chi Minh City
Mainline: (84) 8 3815 5151
Fax: (84) 8 3815 5158
Website: www.vinataxi.vn
Email: info@vinataxi.vn

MALAYSIA**Kuala Lumpur****Auto Leasing****CityLimo Leasing (M) Sdn Bhd**

No. 10 Jalan SS13/6
Subang Jaya Industrial Estate
47500 Subang Jaya
Selangor Darul Ehsan
Mainline: (60) 3 5638 1818
Fax: (60) 3 5638 1881
Website: www.citylimo.com.my
Email: sales@citylimo.com.my

Inspection & Testing Services**SetSCO Services (M) Sdn Bhd**

31 Jalan Industri Mas 12
Taman Mas
47100 Puchong
Selangor Darul Ehsan
Mainline: (60) 3 8052 6822 / 8052 7822
Fax: (60) 3 8052 5822
Email: marketing@setsco.com

FINANCIAL CALENDAR

2015

Announcement of 2014 Full Year Results	11 February 2015
Annual General Meeting	24 April 2015
Announcement of 1st Quarter 2015 Results	13 May 2015
Payment of 2014 final dividend (4.5 cents/share)	12 May 2015
Announcement of 2nd Quarter 2015 Results	13 August 2015
Payment of 2015 interim dividend (4.0 cents/share)	28 August 2015
Announcement of 3rd Quarter 2015 Results	13 November 2015

2016

Announcement of 2015 Full Year Results	12 February 2016
Annual General Meeting	28 April 2016
Announcement of 1st Quarter 2016 Results	12 May 2016*
Payment of 2015 final dividend (5.0 cents/share) (Subject to Shareholders' approval at the forthcoming Annual General Meeting)	16 May 2016
Announcement of 2nd Quarter 2016 Results	12 August 2016*
Announcement of 3rd Quarter 2016 Results	11 November 2016*

* Provisional – Updates will be posted on www.comfortdelgro.com

FINANCIAL STATEMENTS

CONTENTS

74	Directors' Statement
81	Independent Auditors' Report
82	Statements of Financial Position
84	Group Income Statement
85	Group Comprehensive Income Statement
86	Statements of Changes in Equity
88	Group Cash Flow Statement
91	Notes to the Financial Statements

DIRECTORS' STATEMENT

The Directors present their statement together with the audited consolidated financial statements of the Group for the financial year ended 31 December 2015 and the statement of financial position and statement of changes in equity of the Company as at 31 December 2015.

In the opinion of the Directors, the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 82 to 157 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2015, and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

1 DIRECTORS

The Directors of the Company in office at the date of this report are:

Lim Jit Poh (Chairman)

Kua Hong Pak (Managing Director/Group Chief Executive Officer)

Ong Ah Heng

Oo Soon Hee

Sum Wai Fun, Adeline

Tow Heng Tan

Wang Kai Yuen

Wong Chin Huat, David

2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the Directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate, except for the options mentioned in paragraphs 3 and 4 of the Directors' statement.

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The Directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the Company and its related corporations as recorded in the register of Directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act, Cap. 50, except as follows:

Name of Directors and Companies in which interests are held	At 1 January 2015	At 31 December 2015	At 21 January 2016
Interest in the Company			
(a) Ordinary shares			
Lim Jit Poh	24,425	4,425	4,425
Kua Hong Pak	324,530	1,524,530	1,524,530
Ong Ah Heng	515,558	635,558	635,558
Oo Soon Hee	625,000	775,000	775,000
Sum Wai Fun, Adeline	120,000	240,000	240,000
Tow Heng Tan	490,000	730,000	730,000
Wang Kai Yuen	1,032,500	52,500	52,500
Wong Chin Huat, David	340,000	380,000	380,000

DIRECTORS' STATEMENT

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (cont'd)

Name of Directors and Companies in which interests are held	At 1 January 2015	At 31 December 2015	At 21 January 2016
Interest in the Company (cont'd)			
(b) Options to subscribe for ordinary shares			
Lim Jit Poh	720,000	240,000	240,000
Kua Hong Pak	7,200,000	6,000,000	6,000,000
Ong Ah Heng	360,000	120,000	120,000
Oo Soon Hee	450,000	300,000	300,000
Sum Wai Fun, Adeline	360,000	-	-
Tow Heng Tan	360,000	120,000	120,000
Wang Kai Yuen	180,000	-	-
Wong Chin Huat, David	360,000	240,000	240,000
Interest in subsidiary, SBS Transit Ltd			
(a) Ordinary shares			
Kua Hong Pak	90,000	90,000	90,000
Wong Chin Huat, David	215,000	215,000	215,000
Interest in subsidiary, VICOM Ltd			
(a) Ordinary shares			
Lim Jit Poh	190,000	190,000	190,000
Kua Hong Pak	54,000	54,000	54,000

4 SHARE OPTIONS

(A) Share options of the Company

- (i) The ComfortDelGro Employees' Share Option Scheme (the "CDG ESOS") for a period of 10 years was approved by the shareholders of the Company on 18 February 2003. It expired on 17 February 2013 and hence no option has been granted since then. The existing options granted will continue to vest according to the terms and conditions of the CDG ESOS. The CDG ESOS is administered by the Remuneration Committee (the "Committee") comprising Messrs Tow Heng Tan (Chairman), Lim Jit Poh, Wong Chin Huat, David and Wang Kai Yuen.
- (ii) Under the CDG ESOS, an option entitles the option holder to subscribe for a specific number of new ordinary shares at a subscription price determined with reference to the market price of the shares at the time of grant of the option. The subscription price does not include any discount feature. The consideration for the grant of an option is \$1.00. The option may be exercised at any time after the first anniversary of the date of grant but before the tenth anniversary (fifth anniversary for non-executive Directors) of the date of grant of that option or such shorter period as determined by the Committee. The option may be exercised in whole or in part on the payment of the relevant subscription price. The participants to whom the options have been granted shall be eligible to participate in other share option schemes implemented by the Company and/or its subsidiaries. Options granted will lapse when the option holder ceases to be a full-time employee or Director of the Company or any company of the Group, subject to certain exceptions at the discretion of the Committee administering the CDG ESOS.

DIRECTORS' STATEMENT

4 SHARE OPTIONS (cont'd)

(A) Share options of the Company (cont'd)

(iii) Particulars of unissued shares under options granted pursuant to the CDG ESOS, options exercised and lapsed during the financial year and options outstanding as at 31 December 2015 were as follows:

Date of grant	Number of options to subscribe for ordinary shares			Outstanding at 31 December 2015	Subscription price per share	Expiry date
	Outstanding at 1 January 2015	Exercised	Lapsed			
24 February 2005	197,500	(167,500)	(30,000)	-	\$1.680	23 February 2015
21 July 2005	350,000	(350,000)	-	-	\$1.540	20 July 2015
17 November 2005	1,066,000	(1,066,000)	-	-	\$1.550	16 November 2015
13 July 2006	2,040,000	(170,000)	-	1,870,000	\$1.500	12 July 2016
22 June 2007	4,030,000	(1,980,000)	-	2,050,000	\$2.260	21 June 2017
25 June 2008	2,785,000	(1,260,000)	-	1,525,000	\$1.590	24 June 2018
25 June 2009	2,467,000	(727,000)	-	1,740,000	\$1.273	24 June 2019
2 July 2010	3,847,500	(697,500)	-	3,150,000	\$1.467	1 July 2020
2 July 2010	870,000	(870,000)	-	-	\$1.467	1 July 2015
23 June 2011	870,000	(600,000)	-	270,000	\$1.373	22 June 2016
23 June 2011	3,940,000	(938,000)	-	3,002,000	\$1.373	22 June 2021
20 June 2012	1,050,000	(300,000)	-	750,000	\$1.475	19 June 2017
20 June 2012	7,001,100	(1,731,100)	-	5,270,000	\$1.475	19 June 2022
Total	30,514,100	(10,857,100)	(30,000)	19,627,000		

The options outstanding as at 31 December 2015 include 200,000 options granted to a former employee of the Group who has been granted an extension from the date of retirement by the Remuneration Committee to exercise the outstanding options.

DIRECTORS' STATEMENT

4 SHARE OPTIONS (cont'd)

(A) Share options of the Company (cont'd)

- (iv) Details of the options granted to Directors during the financial year and since the commencement of the CDG ESOS (including options granted under the Pre-Merger Option Scheme*) up to 31 December 2015 were as follows:

Director	Number of options to subscribe for ordinary shares			
	Aggregate options granted since the commencement to 31 December 2015	Aggregate options exercised since the commencement to 31 December 2015	Aggregate options lapsed/forfeited since the commencement to 31 December 2015	Aggregate options outstanding at 31 December 2015
Lim Jit Poh	2,773,577	2,033,577	500,000	240,000
Kua Hong Pak	12,300,000	3,900,000	2,400,000	6,000,000
Ong Ah Heng	1,517,540	1,047,540	350,000	120,000
Oo Soon Hee	1,650,000	975,000	375,000	300,000
Sum Wai Fun, Adeline	600,000	600,000	–	–
Tow Heng Tan	1,200,000	730,000	350,000	120,000
Wang Kai Yuen	1,998,672	1,873,672	125,000	–
Wong Chin Huat, David	1,200,000	610,000	350,000	240,000

* Following the merger of Comfort Group Ltd and DelGro Corporation Limited, the outstanding options under the Comfort Executives' Share Option Scheme, the 2000 Comfort Share Option Scheme and the DelGro Executives' Share Option Scheme (collectively, the "Pre-Merger Option Scheme"), were exchanged for options under the CDG ESOS based on the then option exchange ratios.

The terms of the options granted to the Directors are disclosed in paragraph 4(A)(ii).

- (v) None of the options granted under the CDG ESOS include a discount feature to the market price of the shares at the time of grant. No participants to the CDG ESOS are controlling shareholders of the Company and their associates.
- (vi) None of the Directors or employees of the Company and its subsidiaries received 5% or more of the total number of options available under the CDG ESOS for the financial year ended 31 December 2015.

(B) Share options of subsidiaries

(a) SBS Transit Ltd ("SBST")

- (i) At the end of the financial year, there were 4,570,000 unissued shares of SBS Transit Ltd under option relating to the SBS Transit Share Option Scheme (the "SSOS"). The SSOS expired on 8 June 2010 and hence no option has been granted since then. The existing options granted will continue to vest according to the terms and conditions of the SSOS and the respective grants. Details and terms of the share options and SSOS have been disclosed in the Directors' Statement of SBS Transit Ltd.

DIRECTORS' STATEMENT

4 SHARE OPTIONS (cont'd)

(B) Share options of subsidiaries (cont'd)

(a) SBS Transit Ltd ("SBST") (cont'd)

- (ii) There were no share options granted to Directors of the Company during the financial year. Details of the SSOS options since the commencement of the SSOS were as follows:

Director	Number of options to subscribe for ordinary shares			
	Aggregate options granted since the commencement to 31 December 2015	Aggregate options exercised since the commencement to 31 December 2015	Aggregate options lapsed since the commencement to 31 December 2015	Aggregate options outstanding at 31 December 2015
Lim Jit Poh	780,000	480,000	300,000	–
Kua Hong Pak	690,000	240,000	450,000	–
Wong Chin Huat, David	475,000	295,000	180,000	–

(b) VICOM Ltd ("VICOM")

- (i) At the end of the financial year, there were 20,000 unissued shares of VICOM Ltd under option relating to the 2001 VICOM Share Option Scheme (the "2001 VSOS"). The VSOS expired on 26 April 2011 and hence no option has been granted since then. The existing options granted will continue to vest according to the terms and conditions of the 2001 VSOS and the respective grants. Details and terms of the share options and the 2001 VSOS have been disclosed in the Directors' Statement of VICOM Ltd.
- (ii) There were no share options granted to the Directors of the Company during the financial year and no outstanding share options held by the Directors as at 31 December 2015 as the last grant of share options was issued to the Directors in 2005 and expired in 2010. Details of the options granted and exercised by the Directors since the commencement of the 2001 VSOS up to 31 December 2015 are not disclosed as there were no movements in options granted and exercised and such details had been disclosed in the prior years.

DIRECTORS' STATEMENT

5 AUDIT AND RISK COMMITTEE

At the date of this report, the Audit and Risk Committee comprises four non-executive and independent Directors as follows:

Wong Chin Huat, David (Chairman)
Ong Ah Heng
Oo Soon Hee
Sum Wai Fun, Adeline

The Audit and Risk Committee carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act, Cap. 50 and the Code of Corporate Governance 2012.

In performing its functions, the Audit and Risk Committee reviewed the overall scope of both internal and external audits and the assistance given by the Company's officers to the auditors. It met with the Company's internal and external auditors four times during the year to discuss the scope and results of their respective audits, and at least once annually without the presence of Management. The Audit and Risk Committee has reviewed the independence of the external auditors, Messrs Deloitte & Touche LLP, including the scope of the non-audit services performed and confirmed that the auditors are independent.

In addition, the Audit and Risk Committee reviewed the financial statements of the Group before their submission to the Board of Directors of the Company and provided assurance to the Board on the adequacy of financial, operational, compliance and information technology controls.

The Audit and Risk Committee has recommended to the Board of Directors, the nomination of Deloitte & Touche LLP for re-appointment as auditors of the Group at the forthcoming Annual General Meeting of the Company.

DIRECTORS' STATEMENT

6 AUDITORS

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

ON BEHALF OF THE DIRECTORS

Lim Jit Poh
Chairman

Kua Hong Pak
Managing Director/Group Chief Executive Officer

Singapore
12 February 2016

INDEPENDENT AUDITORS' REPORT

To the Members of ComfortDelGro Corporation Limited

Report on the Financial Statements

We have audited the accompanying financial statements of ComfortDelGro Corporation Limited (the "Company") and its subsidiaries (the "Group") which comprise the statements of financial position of the Group and the Company as at 31 December 2015, and the income statement, comprehensive income statement, statement of changes in equity and cash flow statement of the Group and statement of changes in equity of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 82 to 157.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2015 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

DELOITTE & TOUCHE LLP
Public Accountants and
Chartered Accountants
Singapore

12 February 2016

STATEMENTS OF FINANCIAL POSITION

31 December 2015

	Note	The Group		The Company	
		2015 \$'mil	2014 \$'mil	2015 \$'mil	2014 \$'mil
ASSETS					
Current assets					
Short-term deposits and bank balances	4	787.8	825.8	329.6	422.0
Trade receivables	5	138.5	117.3	-	-
Other receivables and prepayments	6	277.2	221.0	1.8	2.1
Due from subsidiaries	7	-	-	3.7	12.8
Finance lease receivables	8	1.1	2.9	-	-
Inventories	9	75.1	72.3	-	-
Total current assets		1,279.7	1,239.3	335.1	436.9
Non-current assets					
Subsidiaries	10	-	-	1,121.5	1,121.5
Associates	11	10.2	8.0	0.1	0.1
Investments	12	51.6	73.7	33.0	50.0
Other receivables and prepayments	6	22.0	40.5	0.1	-
Grant receivables	13	245.3	265.4	-	-
Due from subsidiaries	7	-	-	19.5	20.5
Finance lease receivables	8	0.4	1.1	-	-
Vehicles, premises and equipment	14	2,909.0	2,895.1	9.5	11.3
Taxi licences	15	230.5	232.1	-	-
Goodwill	16	442.6	453.7	-	-
Deferred tax assets	17	25.0	21.8	-	-
Total non-current assets		3,936.6	3,991.4	1,183.7	1,203.4
Total assets		5,216.3	5,230.7	1,518.8	1,640.3

See accompanying notes to the financial statements.

STATEMENTS OF FINANCIAL POSITION

31 December 2015

	Note	The Group		The Company	
		2015 \$'mil	2014 \$'mil	2015 \$'mil	2014 \$'mil
LIABILITIES AND EQUITY					
Current liabilities					
Borrowings	18	126.4	243.4	-	-
Trade and other payables	19	833.4	831.0	50.4	54.3
Deferred grants	20	17.3	17.4	-	-
Due to subsidiaries and associate	21	10.9	5.8	426.8	534.6
Fuel price equalisation account		20.0	20.0	-	-
Insurance premiums payable and provision for accident claims	22	79.8	84.0	-	-
Income tax payable		49.1	56.7	2.2	2.0
Total current liabilities		1,136.9	1,258.3	479.4	590.9
Non-current liabilities					
Borrowings	18	432.2	493.7	-	-
Deferred grants	20	279.2	292.3	-	-
Other liabilities	23	109.5	123.3	0.1	0.1
Fuel price equalisation account		20.0	20.0	-	-
Deferred tax liabilities	17	225.9	204.3	2.8	2.8
Total non-current liabilities		1,066.8	1,133.6	2.9	2.9
Total liabilities		2,203.7	2,391.9	482.3	593.8
Capital, reserves and non-controlling interests					
Share capital	24	665.5	646.4	665.5	646.4
Other reserves	25	(64.2)	(77.4)	(21.0)	(2.5)
Foreign currency translation reserve		(53.7)	(50.4)	-	-
Accumulated profits		1,787.5	1,671.3	392.0	402.6
Equity attributable to shareholders of the Company		2,335.1	2,189.9	1,036.5	1,046.5
Non-controlling interests		677.5	648.9	-	-
Total equity		3,012.6	2,838.8	1,036.5	1,046.5
Total liabilities and equity		5,216.3	5,230.7	1,518.8	1,640.3

See accompanying notes to the financial statements.

GROUP INCOME STATEMENT

Year ended 31 December 2015

	Note	2015 \$'mil	2014 \$'mil
Revenue	26	4,111.5	4,051.3
Staff costs	27	(1,403.5)	(1,359.3)
Contract services		(566.0)	(549.5)
Depreciation and amortisation		(389.3)	(353.7)
Fuel and electricity costs		(301.7)	(329.8)
Repairs and maintenance costs		(249.3)	(245.6)
Materials and consumables		(210.9)	(238.9)
Road tax		(137.0)	(131.2)
Insurance premiums and accident claims		(125.1)	(129.8)
Premises costs		(86.6)	(81.1)
Taxi drivers' benefits		(59.6)	(58.5)
Utilities and communication costs		(21.1)	(23.2)
Vehicle leasing charges		(20.6)	(22.7)
Advertising production and promotion costs		(20.1)	(15.6)
Other operating costs		(70.0)	(70.3)
Total Operating Costs		(3,660.8)	(3,609.2)
Operating Profit		450.7	442.1
Net Income from Investments		15.0	11.9
Finance Costs	28	(18.4)	(22.0)
Share of Profit in Associate	11	4.9	4.3
Profit before Taxation		452.2	436.3
Taxation	29	(88.4)	(92.3)
Profit after Taxation	30	363.8	344.0
Attributable to:			
Shareholders of the Company		301.9	283.5
Non-Controlling Interests		61.9	60.5
		363.8	344.0
Earnings per share (in cents):			
Basic	31	14.07	13.29
Diluted	31	14.01	13.23

See accompanying notes to the financial statements.

GROUP COMPREHENSIVE INCOME STATEMENT

Year ended 31 December 2015

	Note	2015 \$'mil	2014 \$'mil
Profit after Taxation	30	363.8	344.0
<i>Items that may be reclassified subsequently to profit or loss</i>			
Fair value adjustment on cash flow hedges		33.8	(100.7)
Fair value adjustment on bonds		(0.2)	(0.1)
Exchange differences on translation of foreign operations		(10.0)	(22.8)
		23.6	(123.6)
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Actuarial adjustment on defined benefit plans		3.3	(3.3)
Fair value adjustment on equity investments		(19.8)	5.1
		(16.5)	1.8
Other comprehensive income for the year		7.1	(121.8)
Total comprehensive income for the year		370.9	222.2
Attributable to:			
Shareholders of the Company		310.7	180.0
Non-Controlling Interests		60.2	42.2
		370.9	222.2

See accompanying notes to the financial statements.

STATEMENTS OF CHANGES IN EQUITY

Year ended 31 December 2015

	The Group						
	Attributable to shareholders of the Company						
	Share capital \$'mil	Other reserves \$'mil	Foreign currency translation reserve \$'mil	Accumulated profits \$'mil	Total \$'mil	Non-controlling interests \$'mil	Total equity \$'mil
Balance at 1 January 2014	622.7	10.5	(35.3)	1,556.8	2,154.7	639.8	2,794.5
Total comprehensive income for the year							
Profit for the year	-	-	-	283.5	283.5	60.5	344.0
Other comprehensive income for the year	-	(88.4)	(15.1)	-	(103.5)	(18.3)	(121.8)
Total	-	(88.4)	(15.1)	283.5	180.0	42.2	222.2
Transactions recognised directly in equity							
Exercise of share options (Notes 24 and 25)	23.7	(2.1)	-	-	21.6	-	21.6
Payment of dividends (Note 36)	-	-	-	(165.4)	(165.4)	-	(165.4)
Other reserves	-	2.6	-	(3.6)	(1.0)	(33.1)	(34.1)
Total	23.7	0.5	-	(169.0)	(144.8)	(33.1)	(177.9)
Balance at 31 December 2014	646.4	(77.4)	(50.4)	1,671.3	2,189.9	648.9	2,838.8
Total comprehensive income for the year							
Profit for the year	-	-	-	301.9	301.9	61.9	363.8
Other comprehensive income for the year	-	12.1	(3.3)	-	8.8	(1.7)	7.1
Total	-	12.1	(3.3)	301.9	310.7	60.2	370.9
Transactions recognised directly in equity							
Exercise of share options (Notes 24 and 25)	19.1	(1.6)	-	-	17.5	-	17.5
Payment of dividends (Note 36)	-	-	-	(182.5)	(182.5)	-	(182.5)
Other reserves	-	2.7	-	(3.2)	(0.5)	(31.6)	(32.1)
Total	19.1	1.1	-	(185.7)	(165.5)	(31.6)	(197.1)
Balance at 31 December 2015	665.5	(64.2)	(53.7)	1,787.5	2,335.1	677.5	3,012.6

See accompanying notes to the financial statements.

STATEMENTS OF CHANGES IN EQUITY

Year ended 31 December 2015

	The Company			
	Share capital \$'mil	Other reserves \$'mil	Accumulated profits \$'mil	Total equity \$'mil
Balance at 1 January 2014	622.7	(4.2)	391.4	1,009.9
Total comprehensive income for the year				
Profit for the year	-	-	176.2	176.2
Other comprehensive income for the year	-	4.0	-	4.0
Total	-	4.0	176.2	180.2
Transactions recognised directly in equity				
Exercise of share options (Notes 24 and 25)	23.7	(2.1)	-	21.6
Payment of dividends (Note 36)	-	-	(165.4)	(165.4)
Other reserves	-	(0.2)	0.4	0.2
Total	23.7	(2.3)	(165.0)	(143.6)
Balance at 31 December 2014	646.4	(2.5)	402.6	1,046.5
Total comprehensive income for the year				
Profit for the year	-	-	171.7	171.7
Other comprehensive income for the year	-	(16.9)	-	(16.9)
Total	-	(16.9)	171.7	154.8
Transactions recognised directly in equity				
Exercise of share options (Notes 24 and 25)	19.1	(1.6)	-	17.5
Payment of dividends (Note 36)	-	-	(182.5)	(182.5)
Other reserves	-	-	0.2	0.2
Total	19.1	(1.6)	(182.3)	(164.8)
Balance at 31 December 2015	665.5	(21.0)	392.0	1,036.5

See accompanying notes to the financial statements.

GROUP CASH FLOW STATEMENT

Year ended 31 December 2015

	2015 \$'mil	2014 \$'mil
Operating activities		
Profit before Taxation	452.2	436.3
Adjustments for:		
Depreciation and amortisation	389.3	353.7
Finance costs	18.4	22.0
Interest income	(12.2)	(10.3)
Dividend income	(2.6)	(3.3)
Grant income	(130.8)	(93.7)
Net gain on disposal of vehicles	(6.2)	(6.1)
Share of profit in associate	(4.9)	(4.3)
Others	2.2	4.0
Operating cash flows before movements in working capital	705.4	698.3
Inventories	(2.8)	(1.9)
Trade receivables	(24.1)	(8.8)
Other receivables and prepayments	(39.1)	(14.6)
Grant receivables, net of deferred grants	0.7	0.6
Finance lease receivables	2.5	8.7
Trade and other payables	59.2	45.9
Other liabilities	(15.2)	(6.0)
Insurance premiums payable and provision for accident claims	(4.6)	(0.1)
Cash generated from operations	682.0	722.1
Income tax paid	(81.8)	(83.1)
Net cash from operating activities	600.2	639.0

See accompanying notes to the financial statements.

GROUP CASH FLOW STATEMENT

Year ended 31 December 2015

	2015 \$'mil	2014 \$'mil
Investing activities		
Purchases of vehicles, premises and equipment	(669.6)	(511.6)
Less: Vehicles purchased under finance lease arrangement	19.1	-
Less: Proceeds from disposal of vehicles	262.8	40.7
Cash payments on purchase of vehicles, premises and equipment	(387.7)	(470.9)
Proceeds from disposal of investments	-	5.4
Payment for taxi licences	(1.5)	(4.9)
Increase in investments	-	(4.9)
Acquisition of a subsidiary, net of cash [Note (a)]	-	(27.8)
Divestment of a subsidiary, net of cash [Note (b)]	0.2	3.5
Acquisition of investment in an associate	-	(0.5)
Interest received	11.5	9.2
Dividend received from an associate	2.9	3.0
Dividend received from investments	2.6	3.3
Net cash used in investing activities	(372.0)	(484.6)
Financing activities		
New loans raised	472.5	422.0
Repayment of borrowings	(662.1)	(483.5)
Dividends paid to shareholders of the Company	(182.5)	(165.4)
Dividends paid to non-controlling shareholders of subsidiaries	(31.8)	(32.6)
Proceeds from exercise of share options of the Company	17.5	21.6
Proceeds from exercise of share options of subsidiaries	0.2	1.0
Grant received	135.2	95.9
Interest paid	(18.2)	(21.9)
Proceeds from unclaimed dividends	0.2	0.3
Net cash used in financing activities	(269.0)	(162.6)
Net effect of exchange rate changes in consolidating subsidiaries	2.8	3.4
Net decrease in cash and cash equivalents	(38.0)	(4.8)
Cash and cash equivalents at beginning of year	825.8	830.6
Cash and cash equivalents at end of year (Note 4)	787.8	825.8

Certain comparative figures have been reclassified to conform to current year's presentation.

See accompanying notes to the financial statements.

GROUP CASH FLOW STATEMENT

Year ended 31 December 2015

Note (a):

Summary of the effects of acquisition of a subsidiary:

	2015 \$'mil	2014 \$'mil
Net (assets) liabilities acquired:		
Non-current assets	-	(20.3)
Current liabilities	-	1.5
Net assets acquired	-	(18.8)
Goodwill on acquisition	-	(9.0)
Total purchase consideration, representing cash flow on acquisition	-	(27.8)

Note (b):

Summary of the effects of divestment of a subsidiary:

	2015 \$'mil	2014 \$'mil
Net assets (liabilities) on divestment:		
Current assets	0.7	0.5
Non-current assets	0.5	4.4
Current liabilities	(0.1)	(0.3)
Net assets divested / Proceeds from divestment	1.1	4.6
Non-controlling interests	(0.2)	(0.6)
Less: Cash adjustment upon deconsolidation of a subsidiary	(0.7)	(0.5)
Cash flow from divestment, net of cash	0.2	3.5

See accompanying notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

1 GENERAL

The Company (Registration No. 200300002K) is incorporated in the Republic of Singapore with its registered office and principal place of business at 205 Braddell Road, Singapore 579701. The Company is listed on the Singapore Exchange Securities Trading Limited.

The principal activities of the Company are those of investment holding and the provision of management services. The principal activities of the subsidiaries and associates are described in Note 38.

The financial statements are expressed in Singapore dollars and all values are rounded to the nearest million (\$'mil) except when otherwise indicated.

The consolidated financial statements of the Group for the financial year ended 31 December 2015 and the statement of financial position and statement of changes in equity of the Company as at 31 December 2015 were authorised for issue by the Board of Directors on 12 February 2016.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING - The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below and are drawn up in accordance with the provisions of the Singapore Companies Act, Cap. 50 and Singapore Financial Reporting Standards ("FRSs").

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of FRS 102 *Share-based Payment*, leasing transactions that are within the scope of FRS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in FRS 2 *Inventories* or value in use in FRS 36 *Impairment of Assets*.

ADOPTION OF NEW AND REVISED FINANCIAL STANDARDS - In the current financial year, the Group has adopted all the new and revised FRSs that are relevant to its operations and effective for annual periods beginning on 1 January 2015.

The adoption of these new and revised FRSs has no material effect on the amounts reported for the current or prior years, except for changes arising from the adoption of FRS 109.

The Group has early adopted FRS 109 *Financial Instruments* for the period beginning 1 January 2015. Management believes that the enhanced accounting policies under FRS 109 provide more reliable and relevant information that reflects the underlying business strategy and direction relating to the Group's equity investments (Note 12).

The accounting policies were changed to comply with FRS 109. FRS 109 replaces the provisions of FRS 39 *Financial Instruments: Recognition and Measurement* that relate to the classification and measurement of financial assets and financial liabilities and impairment requirements for financial assets. FRS 109 also significantly amends other standards dealing with financial instruments such as FRS 107 *Financial Instruments: Disclosures*.

Classification and measurement of financial assets

The Group has made an irrevocable election, at initial recognition, to measure certain equity investment (that is not held for trading) at fair value through other comprehensive income (FVTOCI), with only dividend income generally recognised in profit or loss. Changes in fair value attributable to the above are not subsequently reclassified to profit or loss (Note 12).

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

As at 1 January 2015, Management has reviewed and assessed the Group's existing financial assets. The initial application of FRS 109 has had an impact on the classification of the following financial assets of the Group:

- the Group's investments in equity instruments (not held for trading) that were previously classified as available-for-sale financial assets and were measured at fair value at each reporting date under FRS 39 have been designated as at FVTOCI;
- the Group's investments in bonds that were previously classified as available-for-sale financial assets under FRS 39 have been classified as FVTOCI;
- the Group's receivables that were previously classified as loans and receivables under FRS 39 have been classified as financial assets at amortised cost.

The reclassification of the Group's financial assets has had no impact on the amounts recorded in the Group's Income Statement and Statements of Financial Position for both years. Hence, the comparative figures have not been restated.

Impairment requirements for financial assets

In relation to the impairment of financial assets, FRS 109 requires an expected credit loss model, as opposed to an incurred credit loss model under FRS 39. The Group has accounted for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition.

NEW/REVISED STANDARDS AND IMPROVEMENTS TO THE STANDARDS NOT YET ADOPTED - The Group has not applied the following accounting standards that are relevant to the Group and have been issued as at the end of the reporting period but are not yet effective:

Improvements to Financial Reporting Standard (November 2014)¹

FRS 115 - Revenue from Contracts with Customers²

Amendments to FRS 1 - Presentation of Financial Statements: Disclosure Initiative¹

¹ Applies to annual periods beginning on or after 1 January 2016, with early application permitted.

² Applies to annual periods beginning on or after 1 January 2018, with early application permitted.

These standards are not expected to have any material impact on the Group's financial statements when they are adopted.

BASIS OF CONSOLIDATION - The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the Group income statement and Group comprehensive income statement from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those consistently used by the Group.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination (see below) and the non-controlling interests' share of changes in equity since the date of the combination. Losses are attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

In the statement of financial position of the Company, investments in subsidiaries and associates are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

BUSINESS COMBINATIONS - The acquisition of subsidiaries is accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values, at the date of acquisition, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group to the former owners of the acquiree in exchange for control of the acquiree. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under FRS 103 *Business Combinations* are recognised at their fair values at the acquisition date except for deferred tax assets or liabilities which are recognised and measured in accordance with FRS 12 *Income Taxes*. Acquisition-related costs are recognised in profit or loss as incurred.

The interest of the non-controlling shareholders in the acquiree is initially measured at the non-controlling interest's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

FINANCIAL INSTRUMENTS - Financial assets and financial liabilities are recognised on the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Cash and cash equivalents

Cash and cash equivalents comprise bank balances and short-term deposits that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Investments

Investments are recognised and derecognised on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the time frame established by the market concerned, and are initially measured at fair value plus transaction costs, except for those financial assets classified as at fair value through profit or loss which are initially measured at fair value.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost less impairment loss (except for debt investments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Financial assets at fair value through other comprehensive income (FVTOCI)

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as FVTOCI. Designation at FVTOCI is not permitted if the equity instrument is held for trading.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value including any foreign exchange difference are recognised in other comprehensive income. Such equity investments are not subject to impairment requirements. The amounts recognised in other comprehensive income are not subsequently reclassified to profit or loss on disposal of the equity instruments.

Investments in bonds are subsequently measured at FVTOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in bonds at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, any gain or loss on such a financial asset are recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses until the financial asset is derecognised. When the financial asset is derecognised the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss for the period.

Trade and other receivables

Trade receivables, other receivables and grant receivables that have fixed or determinable payments that are not quoted in an active market are classified as "trade and other receivables". Trade and other receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest method less allowance for expected credit losses. Receivables at amortised cost are assets that are held for collection of contractual cash flows. Interest is recognised by applying the effective interest method, except for short-term receivables when the recognition of interest would be immaterial.

Provision for impairment of financial assets

Trade and other receivables are assessed for indicators of impairment at the end of each reporting period.

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables and finance lease receivables, the Group applies the simplified approach permitted by FRS 109, which requires expected lifetime losses to be recognised at initial recognition of the receivables.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

In determining the recoverability of a receivable, the Group considers any change in the credit quality of the receivables from the date credit was initially granted up to the reporting date and expected credit losses as at end of the reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the rate of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information, where relevant.

A default on a financial asset is when the counterparty fails to make contractual payments within a specific period after the credit period granted.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include taking into consideration observable data about the significant financial difficulty of the issuer or the borrower; a breach of contract, such as a default or past due event; it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

Where receivables have been written off, the Group continues to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Borrowings

Interest-bearing loans are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised in profit or loss over the term of the borrowings.

Trade and other payables

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis.

Hedging instruments and hedge accounting

The Group continues to apply FRS 39 *Financial Instruments* and uses hedging instruments to manage its exposure to fuel price fluctuation, interest rate and foreign exchange rate risks. The use of hedging instruments is governed by the Group's policies which provide written principles on the use of financial instruments consistent with the Group's risk management strategy (see Note 35).

Hedging instruments are initially recognised at fair value on the contract date, and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the hedging instrument is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. The Group designates its hedging instruments as either fair value hedges or cash flow hedges.

Hedging instruments are carried as assets when the fair value is positive and as liabilities when the fair value is negative. The fair value of hedging instrument is classified as a non-current asset or a non-current liability if the maturity of the hedge relationship exceeds 12 months and as a current asset or current liability if the maturity of the hedge relationship is within 12 months.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and hedged item, along with its risk management objective and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item.

The Group designates any interest rate swap for hedging of interest rate risk arising from borrowings as cash flow hedges. Hedges of both foreign currency risk and fuel price risk for future purchases of goods are designated as cash flow hedges.

Hedge accounting is discontinued when the Group revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

Note 35(b) contains details of the fair values of the hedging instruments.

Fair value hedge

Changes in the fair value of hedging instruments that are designated and qualify as fair value hedges are recorded in profit or loss immediately, together with any changes in the fair value of the hedged item that are attributable to the hedged risk.

Cash flow hedge

The effective portion of changes in the fair value of hedging instruments that are designated and qualify as cash flow hedges are recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss. Amounts recognised in other comprehensive income are taken to profit or loss when the hedged item is realised.

LEASES - Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss.

Rentals payable under operating leases (net of any incentive received from lessor) are charged to profit or loss on a straight-line basis over the term of the relevant lease.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

INVENTORIES - Inventories are stated at the lower of cost and net realisable value. Cost comprises cost of purchase and those costs that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average and first-in first-out method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

VEHICLES, PREMISES AND EQUIPMENT - Vehicles, premises and equipment are stated at cost, less accumulated depreciation and any provision for impairment.

Capital projects in progress comprising development and construction costs incurred during the period of construction are carried at cost, less any recognised provision for impairment. Depreciation on these assets, on the same basis as other vehicles, premises and equipment, commences when the assets are ready for their intended use.

Depreciation is charged so as to write off the cost of the assets, other than freehold land and capital projects in progress, over their estimated useful lives, using the straight-line method, on the following bases:

	Number of years
Buses	8 to 25
Leasehold bus depots	Over the period of the lease
Leasehold land and buildings	Over the period of the lease
Freehold buildings	50
Taxis and motor vehicles for rental	5 to 8
Computers and automated equipment	1 to 6
Workshop machinery, tools and equipment	2 to 20
Motor vehicles	3 to 15
Furniture, fittings and equipment	2 to 7

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

On disposal of an item of vehicles, premises and equipment, the difference between the sales proceeds and its carrying amount is recognised in profit or loss.

Fully depreciated vehicles, premises and equipment still in use are retained in the financial statements.

Assets held under finance lease arrangements are depreciated over their expected useful lives on the same basis as owned assets or, if there is no certainty that the lessees will obtain ownership by the end of the lease term, the asset shall be fully depreciated over the shorter of the lease term and its useful life.

ASSOCIATES - An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with FRS 105. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

Where a Group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

INTANGIBLE ASSETS

Intangible assets acquired separately

Taxi licences acquired separately are recorded at cost less accumulated amortisation and any accumulated impairment losses. Taxi licences with finite useful lives are amortised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Taxi licences with indefinite useful lives are not amortised. Each period, the useful lives of such assets are reviewed to determine whether events and circumstances continue to support an indefinite useful life assessment for the asset. Such assets are tested for impairment in accordance with the policy below.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair values can be measured reliably. The cost of such intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets acquired separately.

GOODWILL - Goodwill arising on the acquisition of a subsidiary represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary recognised at the date of acquisition. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the acquisition, the excess is recognised immediately in profit or loss.

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any provision for impairment.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the provision for impairment is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. A provision for impairment recognised for goodwill is not reversed in a subsequent period.

On divestment of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on divestment.

IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS EXCLUDING GOODWILL - At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the provision for impairment (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. A provision for impairment is recognised immediately in profit or loss.

Where provision for impairment subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no provision for impairment been recognised for the asset (cash-generating unit) in prior years. A reversal of provision for impairment is recognised immediately in profit or loss.

FUEL PRICE EQUALISATION ACCOUNT - At the direction of the Public Transport Council ("PTC"), a fuel price equalisation account ("FPEA") has been set up to account for diesel price and electricity tariff adjustment charge for the purpose of mitigating the effects of any increase in fuel price and electricity tariff.

Annual contributions to the FPEA may be required as determined by the PTC, based on the reference electricity tariff and diesel price for the year.

Applications can be made to the PTC to seek approval for a draw down as may be catered for by the purpose of the FPEA mechanism, provided that the amount drawn does not exceed half of the available FPEA balance.

PROVISION FOR ACCIDENT CLAIMS - Claims for accident, public liability and others are provided in the financial statements based on the claims outstanding and the estimated amounts payable.

PROVISIONS - Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the present value of the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

DEFERRED INCOME - Deferred income comprises of:

- (i) The deferred grants relating to the net present value of the grant income from the transport regulators in Australia for the acquisition of new buses that is amortised to profit or loss over the useful lives of the assets.
- (ii) Advance receipts from customers that are recognised to profit or loss when the services are rendered.

SERVICE BENEFITS - These comprise the following:

- (i) **Retirement Benefits** - Under the Collective Agreement entered into by certain subsidiaries in Singapore with their relevant unions, retirement benefit subject to a maximum of \$3,000 is payable to an employee retiring on or after attaining the retirement age and on completion of at least five years of service. Provision is made in the financial statements based on the number of years of service rendered by qualifying employees.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

- (ii) **Long Service Awards** - Staff of certain subsidiaries in Singapore serving more than 5 years and up to 35 years are entitled to long service awards. Provision is made in the financial statements based on the number of years of service rendered by qualifying employees.

The provision for retirement benefits and long service awards is discounted using the market yield of Singapore Government Bonds at the end of each reporting period.

- (iii) **Defined Benefit Retirement Plans** - The Group operates two defined benefit pension schemes ("Pension Schemes") for employees of one of its foreign subsidiaries, the assets of which are held in trustee administered funds.

The Pension Schemes were closed to future accruals in 2007 and employees were transferred to a defined contribution pension scheme.

The cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting period. Actuarial gains and losses arising over the financial year are recognised immediately in other comprehensive income and accumulated in equity under retirement benefit reserve and are reflected in the statement of financial position as a pension asset or liability as appropriate. The retirement benefit obligation recognised in the statement of financial position represents the present value of the defined benefit obligation net of fair value of plan assets.

- (iv) Apart from the Pension Schemes above, the Group makes contribution to pension schemes as defined by the laws of the countries in which it has operations. In particular, Singapore Companies make contributions to the Central Provident Fund in Singapore, a defined contribution pension scheme. Contributions to pension schemes are recognised as an expense in the period in which the related service is performed.

- (v) **Employee Leave Entitlement** - Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

- (vi) **Share-Based Payments** - The Group and the Company issued share options to certain employees and Directors. Share options are measured at fair value of the equity instruments (excluding the effect of non market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the share options is expensed on a straight-line basis over the vesting period with a corresponding adjustment against share option reserve, based on the Group's and the Company's estimate of the number of equity instruments that will eventually vest.

Fair value is measured using the Black-Scholes pricing model. The expected life used in the model has been adjusted, based on Management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

GOVERNMENT GRANTS - Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grant will be received. Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the statement of financial position and transferred to profit and loss on a systematic and rational basis over the useful lives of the related assets.

Government grants in relation to expenses incurred are recognised as other operating income in the period which they become receivable.

REVENUE RECOGNITION - Revenue is measured at the fair value of the consideration received or receivable, net of discounts and sales related taxes.

Revenue from rendering of services is recognised as and when services are rendered.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Revenue from the sale of goods is recognised when all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Rental income is recognised on a straight-line basis over the term of the relevant lease.

BORROWING COSTS - Borrowing costs incurred to finance the purchase of assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are recognised in profit or loss in the period in which they are incurred.

INCOME TAX - Current income tax liabilities (and assets) for current and prior periods are recognised at the amounts expected to be paid to (or recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets/liabilities are recognised for deductible/taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. The principal temporary differences arise from depreciation, provision for fuel equalisation and future tax benefits from certain provisions not allowed for tax purposes until a later period. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax liabilities are recognised on taxable temporary differences arising on investments in subsidiaries and associates except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity), or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION - The individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are presented in Singapore dollars, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are translated at rates prevailing at the end of each reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the translation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

In order to hedge its exposure to certain foreign exchange risks, the Group enters into forward contracts and options (please see above for details of the Group's accounting policies in respect of such hedging instruments).

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore dollars using exchange rates prevailing at the end of the reporting period. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulate in the Group's currency translation reserve. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are recognised in other comprehensive income and accumulated in the currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of a foreign operation and translated at the closing rate.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Critical judgements in applying the Group's accounting policies

In the application of the Group's accounting policies, which are described in Note 2, Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Management is of the opinion that any instances of applications of judgements are not expected to have a significant effect on the amounts recognised in the financial statements (apart from those involving estimations, which are dealt with below).

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

Critical accounting judgements and key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Provisions

(i) Accident claims

Claims for property damage and personal injury are provided in the financial statements based on the claims outstanding as of the end of the financial year and estimated amounts payable. The past claims history and payment trends are used as a basis to estimate the amounts in which the Group will have to pay to third parties for such claims. The provision for accident claims included in Note 22 is \$71.1 million (2014 : \$70.0 million).

(ii) Insurance premium payable

With effect from 2008, the Group has undertaken property damage and personal injury insurance with a fixed annual premium per vehicle. However, the Group had in the previous financial years incurred additional premiums payable as the insurance claims per vehicle had exceeded the minimum amount as stipulated in the insurance policy for those years. An estimate of the liability for the period from 2005 to 2009 of \$8.7 million (2014 : 2002 to 2009 of \$14.0 million) had been made based on the history of incurred claims per vehicle for each of the policy year (Note 22).

(iii) Retirement benefits and long service awards

For certain subsidiaries, retirement benefit subject to a maximum of \$3,000 is payable to a retiring employee on or after attaining the age of sixty-seven years and on completion of at least five years of service. Provision for retirement benefits is made based on the number of years of service rendered by qualifying employees and discounted to present value using the market yield of Singapore Government Bonds at the end of each reporting period and after taking into account an estimated attrition rate. The estimated attrition rate used is based on Management's best estimate of the respective subsidiaries' attrition rate, based on past experience.

Provision for long service awards is made based on the number of years of service rendered by qualifying employees of these subsidiaries and discounted to present value using the market yield of Singapore Government Bonds at the end of each reporting period.

The total provision for service benefits and long service awards is disclosed in Note 23(b).

The cost of providing benefits under the two defined benefit pension schemes for employees of one of the foreign subsidiaries is determined using the Projected Unit Credit Method, with actuarial valuations carried out at the end of each reporting period. The retirement benefit obligation recognised in the Group's statement of financial position amounting to \$11.0 million (2014 : \$17.5 million) disclosed in Note 23(c) represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of plan assets.

Impairment review of goodwill and taxi licences

The Group tests goodwill and taxi licences annually for impairment, or more frequently if there are indications that they might be impaired.

Determining whether goodwill and taxi licences are impaired requires an estimation of the value in use of the cash-generating units ("CGUs") to which goodwill and taxi licences have been allocated (Notes 15 and 16). The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. A provision for impairment loss on goodwill and taxi licences is recognised in profit or loss and is reversed in the subsequent period except for goodwill.

The recoverable amounts of the CGUs are determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to profit margins during the period.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

The Group prepares cash flow forecasts derived from the most recent financial budgets approved by Management for the next year and extrapolates cash flows for the following 4 years based on estimated growth rate. The estimated growth rate does not exceed the average long-term growth rate for the relevant markets and countries in which the CGU operates.

The discount rates applied to the forecast for the Group are based on post-tax rate that reflects current market assessment of the time value of money and risks specific to the business segment.

The discount rates applied to the forecast for the Group and the growth rates by CGUs with significant goodwill and tax licences are assumed as follows:

	Discount rates			Growth rates	
	2015 %	2014 %		2015 %	2014 %
Bus business in Australia	6.6	6.9	Bus business in Australia	2.9	2.9
Bus business in UK	5.9	5.8	Bus business in UK	2.2	2.7
Taxi business in China	7.4	7.4	Taxi business in China	3.0	3.5

The expected changes to profit margins are based on past performance and Management's expectation of market development.

As at 31 December 2015 and 31 December 2014, any reasonably possible changes to the key assumptions applied are not likely to cause the recoverable amount to be below the carrying amount of the CGU.

Useful lives of vehicles, premises and equipment

As described in Note 2, the Group reviews the estimated useful lives of vehicles, premises and equipment at the end of each annual reporting period. During the financial year, Management determined that the estimated useful lives of vehicles, premises and equipment are appropriate and no material revision is required.

4 SHORT-TERM DEPOSITS AND BANK BALANCES

	The Group		The Company	
	2015 \$'mil	2014 \$'mil	2015 \$'mil	2014 \$'mil
Cash and bank balances	16.4	11.4	-	-
Interest bearing bank balances	101.2	95.2	1.0	1.1
Fixed deposits	670.2	719.2	328.6	420.9
Total	787.8	825.8	329.6	422.0

Interest bearing bank balances bear effective interest rates ranging from 0% to 2.7% (2014 : 0% to 3.4%) per annum.

Fixed deposits are placed on a staggered basis based on the Group's cashflow projections, bear effective interest rates ranging from 0.1% to 5.5% (2014 : 0.1% to 5.3%) per annum. These deposits are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

5 TRADE RECEIVABLES

	The Group	
	2015 \$'mil	2014 \$'mil
Outside parties	141.7	119.1
Allowance for expected credit losses	(3.2)	(1.8)
Net	138.5	117.3

The credit period on sale of goods and rendering of services ranges from 7 days to 60 days (2014 : 7 days to 60 days) except for insurance claims against third parties which have no credit period due to their nature.

The expected risk of default on trade receivables at the reporting date are insignificant as a majority of receivables is from the transport regulators and insurance companies. The receivables that are past due at the reporting date for which the Group has not provided for are insignificant. The Group does not hold any collateral over these balances.

An allowance has been made for estimated irrecoverable amounts which has been determined by reference to past default experience and expected credit losses. The expected credit losses incorporate forward looking estimates, where relevant. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers, and adjust for forward-looking macroeconomic data, where relevant.

Movements in allowance for expected credit losses:

	The Group	
	2015 \$'mil	2014 \$'mil
Balance at beginning of the year	1.8	1.7
Amounts written off during the year	(0.7)	(0.9)
Increase in allowance recognised in profit or loss	2.1	1.0
Balance at end of the year	3.2	1.8

6 OTHER RECEIVABLES AND PREPAYMENTS

	The Group		The Company	
	2015 \$'mil	2014 \$'mil	2015 \$'mil	2014 \$'mil
Prepayments	71.7	67.0	0.4	0.2
Downpayments for the purchase of vehicles, premises and equipment	21.6	40.5	-	-
Interest receivable	3.7	2.9	0.3	0.5
Staff advances	1.2	0.5	-	-
Security and tender deposits	1.4	1.6	-	-
Accrued income	60.3	50.6	-	-
Grant receivables (Note 13)	42.6	32.7	-	-
Others	96.7	65.7	1.2	1.4
Total	299.2	261.5	1.9	2.1
Analysed as:				
Current	277.2	221.0	1.8	2.1
Non-current	22.0	40.5	0.1	-
Total	299.2	261.5	1.9	2.1

Majority of the other receivables are due from transport regulators where management has assessed the credit risk to be low.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

7 DUE FROM SUBSIDIARIES

	The Company	
	2015 \$'mil	2014 \$'mil
Receivables from subsidiaries	23.2	33.3
Analysed as:		
Current	3.7	12.8
Non-current	19.5	20.5
Total	23.2	33.3

Of the amount of \$23.2 million (2014 : \$33.3 million) due from subsidiaries, \$19.5 million (2014 : \$29.3 million) relates to a loan which bears variable interest at rate of 3.70% (2014 : 4.28%) per annum and is unsecured. The remaining balance of \$3.7 million (2014 : \$4.0 million) is unsecured and interest-free.

8 FINANCE LEASE RECEIVABLES

	The Group			
	Minimum lease payments		Present value of minimum lease payments	
	2015 \$'mil	2014 \$'mil	2015 \$'mil	2014 \$'mil
Amounts receivable under finance leases:				
Within one year	1.2	3.2	1.1	3.0
Within the second to fifth year inclusive	0.6	1.3	0.6	1.3
	1.8	4.5	1.7	4.3
Less: Unearned finance income	(0.1)	(0.2)	NA	NA
Present value of minimum lease payments receivable	1.7	4.3	1.7	4.3
Less: Provision for unguaranteed residual values	(0.2)	(0.3)	(0.2)	(0.3)
Net	1.5	4.0	1.5	4.0

	The Group	
	Present value of minimum lease payments	
	2015 \$'mil	2014 \$'mil
Analysed as:		
Current finance lease receivables (recoverable within 12 months)	1.1	2.9
Non-current finance lease receivables (recoverable after 12 months)	0.4	1.1
Total	1.5	4.0

The Group enters into finance lease arrangements for some of its motor vehicles. The average term of finance leases entered into is 3.5 years (2014 : 2.9 years).

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

8 FINANCE LEASE RECEIVABLES (cont'd)

Gross unguaranteed residual values of assets under finance leases at the end of the reporting period are estimated at \$1.3 million (2014 : \$3.3 million).

Provision for unguaranteed residual values has been determined by reference to past loss experience.

The interest rate inherent in the leases is fixed at the contract date for all of the lease term. The average effective interest rate contracted ranges from 1.81% to 5.24% (2014 : 3.26% to 5.80%) per annum.

The carrying amount of the Group's finance lease receivables at the end of each reporting period approximates its fair value, based on discounting the estimated cash flows at the market rate.

9 INVENTORIES

	The Group	
	2015 \$'mil	2014 \$'mil
Goods held for sale	15.2	16.7
Consumables, materials and supplies	57.8	52.8
Work in progress	2.1	2.8
	75.1	72.3

10 SUBSIDIARIES

	The Company	
	2015 \$'mil	2014 \$'mil
Quoted equity shares, at cost	93.6	93.6
Unquoted equity shares, at cost	1,027.9	1,027.9
	1,121.5	1,121.5
Market value of quoted equity shares	808.2	767.9

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

10 SUBSIDIARIES (cont'd)

Information about the composition of the group at the end of the financial year is as follows:

Principal activity	Place of incorporation and operation	Number of wholly-owned subsidiaries	
		2015	2014
Investment holding	Singapore	4	4
Investment holding	United Kingdom	2	2
Investment holding	Malaysia	1	1
Bus	Singapore	1	1
Bus	United Kingdom	2	2
Bus	Ireland	1	1
Rail	United Kingdom	1	-
Advertising	Singapore	1	1
Advertising	Australia	1	1
Automotive engineering services	Singapore	1	1
Taxi	Singapore	1	1
Taxi	Australia	1	1
Taxi	China	3	3
Car rental and leasing	Singapore	1	1
Car rental and leasing	China	1	1
Car rental and leasing	Malaysia	1	1

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

10 SUBSIDIARIES (cont'd)

Information about the composition of the group at the end of the financial year is as follows:

Principal activity	Place of incorporation and operation	Number of non wholly-owned subsidiaries	
		2015	2014
Investment holding	Australia	1	1
Bus and rail	Singapore	1	1
Bus	United Kingdom	2	2
Bus	Australia	16	16
Rail	Singapore	1	1
Bus station	China	1	1
Driving centre	Singapore	1	1
Driving centre	China	3	4
Car rental and leasing	China	-	1
Inspection and testing services	Singapore	5	5
Inspection and testing services	Malaysia	1	1
Inspection and testing services	China	2	2
Taxi	Singapore	2	2
Taxi	China	7	7
Taxi	United Kingdom	11	11
Taxi	Vietnam	2	2
Automotive engineering services	Australia	1	-

Details of subsidiaries are included in Note 38(a).

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

11 ASSOCIATES

	The Group		The Company	
	2015 \$'mil	2014 \$'mil	2015 \$'mil	2014 \$'mil
Unquoted equity shares	1.2	1.0	0.1	0.1
Add: Share of post-acquisition reserves	9.0	7.0	-	-
Total	10.2	8.0	0.1	0.1

(a) Details of significant associates are included in Note 38(b).

(b) Summarised financial information in respect of the Group's associates is set out below:

	The Group	
	2015 \$'mil	2014 \$'mil
Total assets	28.3	21.2
Total liabilities	(9.9)	(6.8)
Net assets	18.4	14.4
Group's share of associates' net assets	9.0	7.0
Revenue	18.0	15.9
Profit for the year	10.0	8.7
Group's share of associates' profit	4.9	4.3

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

12 INVESTMENTS

	The Group		The Company	
	2015 \$'mil	2014 \$'mil	2015 \$'mil	2014 \$'mil
Financial assets at fair value through other comprehensive income:				
Equity shares in a corporation	40.9	62.3	27.6	44.4
Bond in SP PowerAssets Limited	10.7	11.0	5.4	5.5
Others	-	0.4	-	0.1
Total	51.6	73.7	33.0	50.0

The equity shares in a corporation represent investment for long-term strategic purpose. Dividends received during the year amounted to \$2.6 million (2014 : \$3.3 million). The fair values are based on the closing market prices on the last market day of the financial year.

13 GRANT RECEIVABLES

	The Group	
	2015 \$'mil	2014 \$'mil
Grant receivables	287.9	298.1
Analysed as:		
Current (Note 6)	42.6	32.7
Non-current	245.3	265.4
Total	287.9	298.1

Included in the grant receivables is \$269.8 million (2014 : \$289.3 million) which is unsecured, bear effective interest at rates ranging from 4.26% to 8.19% (2014 : 4.36% to 8.14%) per annum and receivable over the period that the Group expects to retain the contract to operate the bus routes.

The above grant receivables represent the net present value of the grants receivable from transport regulators mainly for the acquisition of new buses. Management has assessed that the credit risk associated with these grant receivables is low.

The carrying amounts of long-term grant receivables approximate their fair values.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

14 VEHICLES, PREMISES AND EQUIPMENT

	Buses \$'mil	Leasehold bus depots \$'mil	Leasehold land and buildings \$'mil	Freehold land and buildings \$'mil
The Group				
Cost:				
At 1 January 2014	2,180.3	95.5	310.9	184.8
Arising from acquisition of a subsidiary	15.2	-	-	5.0
Arising from disposal of a subsidiary	-	-	(2.2)	-
Additions	64.4	-	4.7	3.2
Disposals	(113.1)	-	(3.2)	(9.1)
Transfers from capital projects in progress	196.1	-	7.2	-
Exchange differences	(29.4)	-	0.5	(5.9)
At 31 December 2014	2,313.5	95.5	317.9	178.0
Arising from disposal of a subsidiary	-	-	-	-
Additions	104.0	0.4	2.9	9.0
Disposals	(301.6)	-	(1.4)	(2.3)
Transfers from capital projects in progress	153.8	1.4	2.6	-
Reclassification	-	-	-	(0.4)
Exchange differences	(16.8)	-	1.6	(4.5)
At 31 December 2015	2,252.9	97.3	323.6	179.8
Accumulated depreciation:				
At 1 January 2014	738.0	73.1	162.6	12.8
Depreciation	124.2	1.6	10.8	1.7
Arising from disposal of a subsidiary	-	-	(0.3)	-
Disposals	(107.6)	-	(3.2)	(0.1)
Exchange differences	(10.2)	-	0.3	(0.3)
At 31 December 2014	744.4	74.7	170.2	14.1
Depreciation	139.4	1.9	11.5	1.7
Arising from disposal of a subsidiary	-	-	-	-
Disposals	(81.7)	-	(1.4)	-
Reclassification	-	-	-	-
Exchange differences	(4.3)	-	0.7	0.1
At 31 December 2015	797.8	76.6	181.0	15.9
Provision for impairment:				
At 1 January 2014	0.1	-	-	-
Provision for the year	-	-	-	-
At 31 December 2014	0.1	-	-	-
Provision for the year	-	-	-	-
At 31 December 2015	0.1	-	-	-
Carrying amount:				
At 31 December 2015	1,455.0	20.7	142.6	163.9
At 31 December 2014	1,569.0	20.8	147.7	163.9

Taxis and motor vehicles for rental \$'mil	Computers and automated equipment \$'mil	Workshop machinery, tools and equipment \$'mil	Motor vehicles \$'mil	Furniture, fittings and equipment \$'mil	Capital projects in progress \$'mil	Total \$'mil
1,482.2	223.0	137.8	29.9	39.6	42.8	4,726.8
-	-	-	0.1	-	-	20.3
(0.5)	-	(0.4)	-	(0.1)	-	(3.2)
208.4	6.6	18.8	1.8	1.5	202.2	511.6
(108.2)	(4.9)	(6.4)	(1.5)	(1.2)	(0.2)	(247.8)
6.6	3.2	0.5	0.1	0.3	(214.0)	-
4.6	(4.4)	(1.9)	(0.1)	(0.9)	(2.6)	(40.1)
1,593.1	223.5	148.4	30.3	39.2	28.2	4,967.6
(0.5)	-	-	-	-	-	(0.5)
324.1	11.6	11.6	6.9	1.5	197.6	669.6
(200.3)	(4.8)	(4.0)	(4.7)	(0.7)	-	(519.8)
25.4	3.0	0.4	0.1	1.2	(187.9)	-
-	0.2	0.2	-	-	-	-
5.0	0.7	(0.6)	-	(0.1)	0.3	(14.4)
1,746.8	234.2	156.0	32.6	41.1	38.2	5,102.5
615.3	185.2	101.0	14.9	29.6	-	1,932.5
181.9	12.0	11.6	3.1	2.3	-	349.2
(0.1)	-	(0.3)	-	(0.1)	-	(0.8)
(88.9)	(4.6)	(6.1)	(1.3)	(1.3)	-	(213.1)
2.4	(4.1)	(1.4)	-	(0.9)	-	(14.2)
710.6	188.5	104.8	16.7	29.6	-	2,053.6
199.9	12.3	12.0	3.5	2.4	-	384.6
(0.3)	-	-	-	-	-	(0.3)
(168.0)	(3.9)	(3.9)	(3.6)	(0.7)	-	(263.2)
0.2	-	(0.2)	-	-	-	-
2.6	0.9	(0.1)	-	(0.1)	-	(0.2)
745.0	197.8	112.6	16.6	31.2	-	2,174.5
16.6	0.2	-	-	-	-	16.9
2.0	-	-	-	-	-	2.0
18.6	0.2	-	-	-	-	18.9
0.1	-	-	-	-	-	0.1
18.7	0.2	-	-	-	-	19.0
983.1	36.2	43.4	16.0	9.9	38.2	2,909.0
863.9	34.8	43.6	13.6	9.6	28.2	2,895.1

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

14 VEHICLES, PREMISES AND EQUIPMENT (cont'd)

Buses and taxis of the Group with a total carrying amount of \$266.6 million (2014 : \$296.4 million) are either under finance lease arrangements or secured for bank loans as disclosed in Note 18.

During the financial year, the Group carried out a review of the recoverable amount of its taxis. The review led to a provision for impairment of \$0.1 million (2014 : \$2.0 million) that had been recognised in profit or loss. The recoverable amount of the taxis has been determined on the basis of their value in use.

	Leasehold bus depots \$'mil	Leasehold buildings \$'mil	Computers and automated equipment \$'mil	Motor vehicles \$'mil	Furniture, fittings and equipment \$'mil	Total \$'mil
The Company						
Cost:						
At 1 January 2014	7.6	52.3	4.7	0.4	7.8	72.8
Additions	-	0.7	0.2	-	0.2	1.1
Disposals	-	-	(0.5)	-	(0.1)	(0.6)
At 31 December 2014	7.6	53.0	4.4	0.4	7.9	73.3
Additions	-	0.1	0.5	-	0.1	0.7
At 31 December 2015	7.6	53.1	4.9	0.4	8.0	74.0
Accumulated depreciation:						
At 1 January 2014	7.6	42.0	3.8	-	6.7	60.1
Depreciation	-	1.7	0.4	0.1	0.3	2.5
Disposals	-	-	(0.5)	-	(0.1)	(0.6)
At 31 December 2014	7.6	43.7	3.7	0.1	6.9	62.0
Depreciation	-	1.8	0.4	0.1	0.2	2.5
At 31 December 2015	7.6	45.5	4.1	0.2	7.1	64.5
Carrying amount:						
At 31 December 2015	-	7.6	0.8	0.2	0.9	9.5
At 31 December 2014	-	9.3	0.7	0.3	1.0	11.3

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

15 TAXI LICENCES

	The Group	
	2015 \$'mil	2014 \$'mil
Cost:		
At beginning of year	281.5	271.9
Additions	1.5	4.9
Exchange differences	3.1	4.7
At end of year	286.1	281.5
Accumulated amortisation:		
At beginning of year	49.4	43.1
Amortisation for the year	4.7	4.5
Exchange differences	1.5	1.8
At end of year	55.6	49.4
Carrying amount:		
At end of year	230.5	232.1
At beginning of year	232.1	228.8

Of the carrying amount of \$230.5 million (2014 : \$232.1 million) is \$184.0 million (2014 : \$179.8 million) of taxi licences in China and \$9.3 million (2014 : \$9.3 million) of bus operating rights in the United Kingdom with indefinite lives.

The remaining balance of \$37.2 million (2014 : \$43.0 million) relates to the taxi licences in China with finite useful lives over which the assets are amortised.

16 GOODWILL

	The Group	
	2015 \$'mil	2014 \$'mil
Cost:		
At beginning of year	453.7	458.3
Adjustment/Arising from acquisition of a subsidiary	0.8	9.0
Arising from disposal of a subsidiary	-	(0.1)
Provision for impairment	(1.0)	-
Exchange differences	(10.9)	(13.5)
At end of year	442.6	453.7

Goodwill acquired in a business combination is allocated at acquisition, to the cash-generating units ("CGUs") that are expected to benefit from that business combination.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

16 GOODWILL (cont'd)

The carrying amount of goodwill of \$442.6 million (2014 : \$453.7 million) is allocated to the bus business in Australia of \$264.8 million (2014 : \$277.0 million) and the United Kingdom of \$119.3 million (2014 : \$117.2 million); taxi business in Australia of \$26.0 million (2014 : \$26.0 million), China of \$2.9 million (2014 : \$2.9 million), the United Kingdom of \$3.8 million (2014 : \$4.8 million) and Vietnam of \$0.9 million (2014 : \$0.9 million). In Singapore, the carrying amount of goodwill of \$9.4 million (2014 : \$9.4 million) and \$10.5 million (2014 : \$10.5 million) is allocated to the bus and inspection and testing businesses respectively. The remaining balance of \$5.0 million (2014 : \$5.0 million) is allocated to vehicle leasing business in Malaysia of \$1.5 million (2014 : \$1.5 million), inspection and testing business in China of \$3.0 million (2014 : \$3.0 million), and driving centre business in China of \$0.5 million (2014 : \$0.5 million).

17 DEFERRED TAX ASSETS/LIABILITIES

	The Group		The Company	
	2015 \$'mil	2014 \$'mil	2015 \$'mil	2014 \$'mil
Deferred tax assets	25.0	21.8	-	-
Deferred tax liabilities	(225.9)	(204.3)	(2.8)	(2.8)
Net	(200.9)	(182.5)	(2.8)	(2.8)
At beginning of year	(182.5)	(195.7)	(2.8)	(2.8)
Charge to profit or loss (Note 29)	(15.7)	(11.4)	-	-
Overprovision in prior years (Note 29)	0.7	1.6	-	-
Changes in tax rate	0.6	0.6	-	-
Arising from movement in other comprehensive income statement	(5.8)	20.3	-	-
Exchange differences	1.8	2.1	-	-
At end of year	(200.9)	(182.5)	(2.8)	(2.8)

The balances in the accounts comprise the tax effects of:

	The Group		The Company	
	2015 \$'mil	2014 \$'mil	2015 \$'mil	2014 \$'mil
Deferred tax assets				
Excess of book over tax depreciation	0.4	0.2	-	-
Provisions	10.2	13.4	-	-
Tax losses	14.4	8.2	-	-
	25.0	21.8	-	-
Deferred tax liabilities				
Accelerated tax depreciation	(257.2)	(236.8)	(1.8)	(1.8)
Other items	31.3	32.5	(1.0)	(1.0)
	(225.9)	(204.3)	(2.8)	(2.8)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

18 BORROWINGS

	The Group	
	2015 \$'mil	2014 \$'mil
Borrowings comprise of the following:		
(a) Short-term loans	87.5	96.3
(b) Long-term loans	200.9	257.4
(c) Medium Term Notes	150.0	250.0
(d) Finance lease obligations	120.2	133.4
	558.6	737.1
Analysed as:		
Current	126.4	243.4
Non-current	432.2	493.7
Total	558.6	737.1

(a) Short-term loans

	The Group	
	2015 \$'mil	2014 \$'mil
Bank loans - unsecured	87.5	92.0
Loan from a non-controlling shareholder of subsidiaries - unsecured	-	4.3
	87.5	96.3

- (i) The unsecured bank loans comprise of \$87.5 million (2014 : \$92.0 million) at floating interest ranging from 1.26% to 1.53% (2014 : 0.46% to 0.62%) per annum.
- (ii) Loans from the non-controlling shareholder of subsidiaries have been fully repaid during the year.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

18 BORROWINGS (cont'd)

(b) Long-term loans

	The Group	
	2015 \$'mil	2014 \$'mil
Bank loans - secured	79.9	94.4
Bank loans - unsecured	101.7	2.1
Loan from a non-controlling shareholder of a subsidiary - unsecured	19.3	20.4
Loan from an external party - secured	-	140.5
Total	200.9	257.4
Less: Amount due for settlement within 12 months (shown as current liabilities):		
Bank loans - secured	(10.5)	(11.4)
Bank loans - unsecured	(1.0)	(0.5)
Loan from an external party - secured	-	(9.0)
Total	(11.5)	(20.9)
Amount due for settlement after 12 months	189.4	236.5
The borrowings are repayable as follows:		
On demand or within one year	11.5	20.9
In the second year	11.5	21.3
In the third year	119.9	21.2
In the fourth year	38.7	30.4
In the fifth year	-	49.6
After five years	19.3	114.0
	200.9	257.4

- (i) The \$79.9 million (2014 : \$94.4 million) secured bank loans are secured on buses and taxis (see Note 14). The loans bear floating interest at rates ranging from 3.40% to 6.80% (2014 : 4.00% to 4.09%) per annum.
- (ii) The \$51.7 million (2014 : \$2.1 million) unsecured bank loan bears fixed interest rate ranging from 2.53% to 6.15% (2014 : 6.15%) per annum and the remaining \$50.0 million (2014 : \$Nil) bears floating interest rates at 1.81% (2014 : Nil%) per annum.
- (iii) The \$19.3 million (2014 : \$20.4 million) unsecured loan from a non-controlling shareholder of a subsidiary bears floating interest at rate of 3.70% (2014 : 4.28%) per annum.
- (iv) The loan from an external party was secured over buses and related accessories acquired by a subsidiary under the Bus Service Enhancement Programme ("BSEP"). The loan bears an interest rate of 6% per annum for the first 5 years and is payable to the extent of the Financing Subsidy made available to the subsidiary. As at the end of the prior reporting period, the carrying amount of vehicles pledged amounted to \$125.6 million. As at the end of the reporting period, the charges secured over the BSEP buses and related accessories have been discharged following the repayment of the loans by the subsidiary.
- (v) The fair values of the Group's long term loans approximate their carrying amount.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

18 BORROWINGS (cont'd)

(c) Medium Term Notes

	The Group	
	2015 \$'mil	2014 \$'mil
Medium Term Notes - unsecured	150.0	250.0

The Medium Term Notes are repayable as follows:

Within one year	-	100.0
In the second year	150.0	-
In the third year	-	150.0
	150.0	250.0

- (i) In 2012, a subsidiary issued \$150.0 million 5-year fixed rate unsecured Series 002 notes due in September 2017. The notes bear an interest rate of 1.80% per annum payable on a semi-annual basis.

The same subsidiary issued \$100.0 million 5-year fixed rate unsecured Series 001 notes due in October 2015 in 2010. The notes bear an interest rate of 1.95% per annum payable on a semi-annual basis. The notes have been fully repaid in October 2015.

- (ii) The fair value of the Group's Medium Term Notes approximate their carrying amount.

(d) Finance lease obligations

	The Group			
	Minimum lease payments		Present value of minimum lease payments	
	2015 \$'mil	2014 \$'mil	2015 \$'mil	2014 \$'mil
Amounts payable under finance leases:				
Within one year	32.9	32.6	27.4	26.2
Within the second to fifth year inclusive	82.9	89.6	69.5	72.5
After five years	26.0	39.8	23.3	34.7
	141.8	162.0	120.2	133.4
Less: Future finance charges	(21.6)	(28.6)	NA	NA
Present value of finance lease obligations	120.2	133.4	120.2	133.4
Amount due for settlement within 12 months (shown under current liabilities)			(27.4)	(26.2)
Amount due for settlement after 12 months			92.8	107.2

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

18 BORROWINGS (cont'd)

(d) Finance lease obligations (cont'd)

It is the Group's policy to lease certain of its buses under finance leases. The lease terms range from 8 to 15 years (2014: 8 to 15 years). For the year ended 31 December 2015, the effective borrowing rate varies from 0.92% to 8.44% (2014: 0.92% to 8.44%) per annum. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

All lease obligations are denominated in the respective entities' functional currencies.

The fair value of the Group's lease obligations approximates their carrying amount.

The Group's obligations under finance leases are secured by the lessors' title to the leased assets (see Note 14).

19 TRADE AND OTHER PAYABLES

	The Group		The Company	
	2015 \$'mil	2014 \$'mil	2015 \$'mil	2014 \$'mil
Outside parties	305.2	340.9	1.3	0.6
Accruals	416.2	394.5	48.1	52.5
Deposits received - current [Note 23(a)]	60.6	58.3	0.8	0.8
Deferred income from customers	44.1	32.5	-	-
Others	7.3	4.8	0.2	0.4
Total	833.4	831.0	50.4	54.3

The credit period on purchases of goods and services ranges from 7 days to 120 days (2014: 7 days to 120 days). The Group has financial risk management policies in place to ensure that all payables are within the credit time frame.

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs.

The Group's and the Company's trade and other payables that are not denominated in the functional currencies of the respective entities are as follows:

	The Group		The Company	
	2015 \$'mil	2014 \$'mil	2015 \$'mil	2014 \$'mil
USD	15.4	16.8	-	-
Others	0.8	0.5	-	-

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

20 DEFERRED GRANTS

	The Group	
	2015 \$'mil	2014 \$'mil
Deferred grants	296.5	309.7
Analysed as:		
Current	17.3	17.4
Non-current	279.2	292.3
Total	296.5	309.7

The deferred grants relates largely to the net present value of the grant income from the transport regulators in Australia for the acquisition of new buses.

21 DUE TO SUBSIDIARIES AND ASSOCIATE

	The Group		The Company	
	2015 \$'mil	2014 \$'mil	2015 \$'mil	2014 \$'mil
Due to subsidiaries	-	-	415.9	528.8
Due to associate	10.9	5.8	10.9	5.8
Total	10.9	5.8	426.8	534.6

Of the amount of \$415.9 million (2014 : \$528.8 million) due to subsidiaries, \$309.4 million (2014 : \$422.5 million) represent funds under central pooling which bear variable interest at rates ranging from 0.10% to 1.59% (2014 : 0.05% to 1.30%) per annum are unsecured and repayable on demand. The remaining balance of \$106.5 million (2014 : \$106.3 million) is interest-free, unsecured and repayable on demand.

Amounts due to associate of \$10.9 million (2014 : \$5.8 million) represent funds under central pooling which bear variable interest at rates ranging from 1.16% to 1.55% (2014 : 0.66% to 0.90%) per annum are unsecured and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

22 INSURANCE PREMIUMS PAYABLE AND PROVISION FOR ACCIDENT CLAIMS

	The Group	
	2015 \$'mil	2014 \$'mil
At beginning of year	84.0	84.5
Charges	74.4	79.5
Payments	(79.0)	(79.6)
Exchange differences	0.4	(0.4)
At end of year	79.8	84.0
The balance comprises provision for:		
Insurance premiums	8.7	14.0
Accident claims	71.1	70.0
	79.8	84.0

The insurance premiums payable and provision for accident claims represent the estimated amount which certain subsidiaries will have to pay to outside parties for insurance premium and accidents claim involving the Group's vehicles (Note 3).

23 OTHER LIABILITIES

	The Group		The Company	
	2015 \$'mil	2014 \$'mil	2015 \$'mil	2014 \$'mil
Other liabilities comprised:				
a) Deposits received	84.2	90.1	-	-
b) Provision for service benefits and long service awards	14.3	15.7	0.1	0.1
c) Retirement benefits obligations	11.0	17.5	-	-
	109.5	123.3	0.1	0.1

a) Deposits received

	The Group	
	2015 \$'mil	2014 \$'mil
Deposits received from taxi hirers	144.8	148.4
Less: Due within 12 months (Note 19)	(60.6)	(58.3)
Due after 12 months	84.2	90.1

Deposits received from taxi hirers are repayable on demand upon termination of the taxi hire agreement. Deposits that are not expected to be repaid within the next twelve months after the reporting period based on past trend of termination of taxi hire agreements are presented as a non-current liability. The carrying amount of the deposits approximates their fair value.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

23 OTHER LIABILITIES (cont'd)

b) Provision for service benefits and long service awards

	The Group		The Company	
	2015 \$'mil	2014 \$'mil	2015 \$'mil	2014 \$'mil
At beginning of year	15.7	15.8	0.1	0.1
(Reversal) Charges	(0.4)	1.5	-	-
Payments	(0.8)	(1.4)	-	-
Exchange differences	(0.2)	(0.2)	-	-
At end of year	14.3	15.7	0.1	0.1

c) Retirement benefits obligations

A subsidiary provides pension arrangement to its employees through two defined benefit pension schemes, namely the Metroline Pension Scheme and the Metroline London Northern Pension Scheme (the "Pension Schemes"). In 2007, the employees of the Pension Schemes were transferred to a defined contribution pension scheme and the Pension Schemes ceased active accrual of benefits.

	The Group	
	2015 \$'mil	2014 \$'mil
Reconciliation of the assets and liabilities recognised in the statement of financial position		
Present value of defined benefit obligations that are wholly or partly funded	142.7	146.1
Fair value of plan assets at end of year	(131.7)	(128.6)
Net liability recognised at end of year	11.0	17.5

24 SHARE CAPITAL

	The Group and The Company			
	2015 Number of ordinary shares (million)	2014	2015 \$'mil	2014 \$'mil
Issued and paid-up:				
At beginning of year	2,139.4	2,125.5	646.4	622.7
Exercise of share options	10.9	13.9	19.1	23.7
At end of year	2,150.3	2,139.4	665.5	646.4

Details of the outstanding share options of the Company as at the end of the financial year are set out in paragraph 4 of the Directors' Statement and in Note 27(e).

Fully paid ordinary shares carry one vote per share and carry a right to dividends.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

25 OTHER RESERVES

	The Group		The Company	
	2015 \$'mil	2014 \$'mil	2015 \$'mil	2014 \$'mil
Merger reserve:				
At beginning and end of year	31.4	31.4	31.4	31.4
Statutory reserve:				
At beginning of year	24.7	22.0	-	-
Transfer from accumulated profits	2.6	2.7	-	-
At end of year	27.3	24.7	-	-
Retirement benefit reserve:				
At beginning of year	(44.2)	(40.9)	-	-
Actuarial adjustment on defined benefit plans	3.3	(3.3)	-	-
At end of year	(40.9)	(44.2)	-	-
Investment revaluation reserve:				
At beginning of year	(28.7)	(33.7)	(38.2)	(42.2)
Fair value (loss) gain on investments	(20.0)	5.0	(16.9)	4.0
At end of year	(48.7)	(28.7)	(55.1)	(38.2)
Hedging reserve:				
At beginning of year	(81.7)	8.4	-	-
Fair value gain (loss) on cash flow hedges	28.8	(90.1)	-	-
At end of year	(52.9)	(81.7)	-	-
Others:				
At beginning of year	21.1	23.3	4.3	6.6
Exercise of share options	(1.6)	(2.1)	(1.6)	(2.1)
Transfer to accumulated profits	0.1	(0.2)	-	(0.2)
Others	-	0.1	-	-
At end of year	19.6	21.1	2.7	4.3
Net	(64.2)	(77.4)	(21.0)	(2.5)

Merger reserve represents the difference between the fair value of the share capital of the combining entities in a combination involving entities under common control at the date on which it was acquired by the Group and the fair value of the share capital issued as consideration of the acquisition.

Included in investment revaluation reserve is a cumulative amount of \$49.2 million (2014 : \$29.4 million) that upon disposal will not be reclassified subsequently to profit or loss.

Others comprise mainly asset revaluation reserve, capital reserve and share option reserve.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

26 REVENUE

	The Group	
	2015 \$'mil	2014 \$'mil
Rendering of services	4,111.5	4,051.3

The revenue includes a grant of \$130.8 million (2014 : \$93.7 million) received from local transport regulators.

27 STAFF COSTS

(a) Directors' remuneration (included in staff costs)

The remuneration of the Managing Director/Group Chief Executive Officer is determined by the Remuneration Committee having regard to the performance of the individual and the Group, as follows:

Remuneration band	The Group			Total compensation %
	Salary %	Bonus %	Others %	
2015				
\$1,750,000 to \$1,999,999				
Kua Hong Pak	55.4	43.5	1.1	100
2014				
\$1,750,000 to \$1,999,999				
Kua Hong Pak	55.4	43.6	1.0	100

The remuneration of one (2014 : one) non-executive Director is between \$250,000 and \$500,000 and comprised entirely of Directors' fees (Note 30).

The remuneration of all the other non-executive Directors is below \$250,000 and comprised entirely of Directors' fees (Note 30).

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

27 STAFF COSTS (cont'd)

(b) **Key executives' remuneration (included in staff costs)**

The remuneration of the key executives are determined by the Remuneration Committee having regard to the performance of the individuals and the Group, as follows:

Remuneration band	The Group			Total compensation %
	Salary %	Bonus %	Others %	
2015				
\$1,000,000 to \$1,249,999				
No. of executives: 4	47.8	48.7	3.5	100
\$750,000 to \$999,999				
No. of executives: 1	48.7	48.0	3.3	100
\$500,000 to \$749,999				
No. of executives: 2	48.3	48.3	3.4	100
\$250,000 to \$499,999				
No. of executives: 13	53.5	39.6	6.9	100
2014				
\$1,000,000 to \$1,249,999				
No. of executives: Nil	-	-	-	-
\$750,000 to \$999,999				
No. of executives: 4	47.6	48.6	3.8	100
\$500,000 to \$749,999				
No. of executives: 2	48.6	46.6	4.8	100
\$250,000 to \$499,999				
No. of executives: 12	53.5	39.7	6.8	100

The Code of Corporate Governance 2012 recommends the disclosure of the remuneration of Directors and the Group's top five key executives. The Board had considered this matter carefully and has decided against such disclosure. Given the wage disparities and keen competition in the industry and the likely competitive pressures resulting from such disclosures, it is felt that the disadvantages of disclosure outweigh the benefits.

- (c) The remuneration of the Directors and key executives comprises mainly of short-term benefits amounting to \$13.9 million (2014 : \$12.8 million).

	The Group	
	2015 \$'mil	2014 \$'mil
(d) Cost of defined contribution plan (included in staff costs)	140.4	126.8

The employees of the Company and some of the subsidiaries are members of a defined contribution retirement scheme. The Company and these subsidiaries are required to contribute a specified percentage of their payroll costs to the retirement scheme to fund the benefits. The only obligation of the Company and these subsidiaries with respect to the scheme is to make the specified contributions.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

27 STAFF COSTS (cont'd)

(e) Share-based payments (included in staff costs)

Share option schemes

The Company and its listed subsidiaries had share option schemes for certain employees and Directors of the respective companies. These share option schemes expired in prior years and had not been renewed. Information on the share option plans is disclosed in paragraph 4 to the Directors' statement. Options are exercisable at a subscription price determined with reference to the market price of the shares at the time of grant of the options. If the options remain unexercised after a period of 10 years (5 years for non-executive Directors) from the date of the grant, the options expire. Options granted will lapse when the option holder ceases to be a full-time employee or a Director of the Group, subject to certain exceptions at the discretion of the Remuneration Committee.

Details of the share options outstanding during the year are as follows:

(i) The Company

	2015		2014	
	Number of share options	Weighted average exercise price \$	Number of share options	Weighted average exercise price \$
Outstanding at the beginning of the year	30,514,100	1.56	45,485,000	1.57
Cancelled/Lapsed during the year	(30,000)	1.68	(1,070,000)	1.82
Exercised during the year	(10,857,100)	1.62	(13,900,900)	1.56
Outstanding at the end of the year	19,627,000	1.53	30,514,100	1.56
Exercisable at the end of the year	19,627,000	1.53	30,514,100	1.56

The weighted average share price at the date of share options being exercised during the year was \$2.98 (2014 : \$2.29). The options outstanding at the end of the year have an average remaining contractual life of 4.1 years (2014 : 4.5 years).

(ii) SBS Transit Ltd

	2015		2014	
	Number of share options	Weighted average exercise price \$	Number of share options	Weighted average exercise price \$
Outstanding at the beginning of the year	5,418,750	2.35	6,173,750	2.29
Cancelled/Lapsed during the year	(728,750)	2.23	(340,000)	2.22
Exercised during the year	(120,000)	1.58	(415,000)	1.58
Outstanding at the end of the year	4,570,000	2.39	5,418,750	2.35
Exercisable at the end of the year	4,570,000	2.39	5,418,750	2.35

The weighted average share price at the date of share options being exercised during the year was \$1.80 (2014 : \$1.70). The options outstanding at the end of the year have a weighted average remaining contractual life of 2.1 years (2014 : 2.8 years).

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

27 STAFF COSTS (cont'd)

(iii) VICOM Ltd

	2015		2014	
	Number of share options	Weighted average exercise price \$	Number of share options	Weighted average exercise price \$
Outstanding at the beginning of the year	20,000	2.68	143,000	2.41
Exercised during the year	-	-	(123,000)	2.37
Outstanding at the end of the year	20,000	2.68	20,000	2.68
Exercisable at the end of the year	20,000	2.68	20,000	2.68

There was no exercise of share options during the year. The weighted average share price at the date of share options being exercised during 2014 was \$5.66. The options outstanding at the end of the year have an average remaining contractual life of 4.5 years (2014 : 5.5 years).

28 FINANCE COSTS

	The Group	
	2015 \$'mil	2014 \$'mil
Interest expense on:		
Loans and Medium Term Notes	12.0	14.3
Finance leases	6.4	7.7
Total	18.4	22.0

29 TAXATION

	The Group	
	2015 \$'mil	2014 \$'mil
Taxation charge comprises:		
Taxation charge in respect of profit for the financial year:		
Current taxation	73.6	83.0
Deferred taxation relating to the origination and reversal of temporary differences (Note 17)	15.7	11.4
	89.3	94.4
Effect of change in tax rate	(0.6)	(0.6)
Adjustments in respect of under (over) provision in prior years:		
Current taxation	0.4	0.1
Deferred taxation (Note 17)	(0.7)	(1.6)
	88.4	92.3

Domestic income tax is calculated at 17% (2014 : 17%) of the estimated assessable profit for the year. Taxation for overseas subsidiaries are calculated at the rates prevailing for the respective jurisdictions.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

29 TAXATION (cont'd)

The total charge for the year can be reconciled to the accounting profit as follows:

	The Group	
	2015 \$'mil	2014 \$'mil
Profit before Taxation	452.2	436.3
Income tax expense calculated at 17% (2014 : 17%)	76.9	74.2
Effect of items that are not (taxable) deductible in determining taxable profit	(0.9)	4.0
Effect of change in tax rate	(0.6)	(0.6)
Effect of different tax rates of subsidiaries operating in other jurisdictions	13.7	16.7
Tax rebates	(0.1)	(0.2)
Tax effect of share of results of associate	(1.0)	(0.8)
Overprovision in prior years	(0.3)	(1.5)
Other items	0.7	0.5
	88.4	92.3

Subject to agreement with the relevant tax authorities, certain subsidiaries have tax losses that are not recognised amounting to \$6.7 million (2014 : \$4.6 million) and the resultant deferred tax benefits of \$1.7 million (2014 : \$1.1 million). These future income tax benefits in respect of unutilised tax losses are available for an unlimited future period only if the respective subsidiaries derive future assessable income of a nature and of sufficient amounts to enable the benefits to be realised and the conditions for deductibility imposed by law, including the retention of majority shareholders, as defined, are complied with. No deferred tax asset has been recognised due to the unpredictability of future profit streams of these subsidiaries.

30 PROFIT AFTER TAXATION

Profit after taxation is arrived at after charging (crediting):

	The Group	
	2015 \$'mil	2014 \$'mil
Amortisation of taxi and other licences	4.7	4.5
Depreciation expense	384.6	349.2
Provision for impairment on vehicles and automated equipment (included in other operating costs)	0.1	2.0
Provision for impairment on goodwill (included in other operating costs)	1.0	-
Net gain on disposal of vehicles	(6.2)	(6.1)
Directors' fees	1.1	1.1
Equipment written off	-	0.1
Audit fees:		
Auditors of the Company	0.5	0.5
Auditors of subsidiaries	0.7	0.7
Non-audit fees:		
Auditors of the Company	0.2	0.2
Auditors of subsidiaries	0.1	0.1

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

31 EARNINGS PER SHARE

Earnings per share is calculated by dividing the Group's net profit attributable to shareholders of the Company for the year by the weighted average number of ordinary shares in issue during the financial year as follows:

	2015	2014
Net profit attributable to shareholders of the Company (\$'mil)	301.9	283.5
Weighted average number of ordinary shares in issue (million)	2,145.6	2,133.1
Basic earnings per share (in cents)	14.07	13.29

For the purpose of calculating the diluted earnings per ordinary share, the weighted average number of ordinary shares in issue is adjusted to take into account the dilutive effect arising from share options.

	2015	2014
Net profit attributable to shareholders of the Company (\$'mil)	301.9	283.5
Weighted average number of ordinary shares in issue (million)	2,145.6	2,133.1
Adjustments for share options (million)	9.5	10.0
Weighted average number of ordinary shares for the purpose of diluted earnings per share (million)	2,155.1	2,143.1
Diluted earnings per share (in cents)	14.01	13.23

32 SEGMENT INFORMATION

Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is organised on a world-wide basis into 8 major operating divisions:

- a) Bus : Income is generated through bus fare collections, contracted revenue for operation of scheduled services, provision of coach rental services and ancillary advertisement income.
- b) Bus station : Income is generated mainly through commission income from fare collection.
- c) Rail : Income is generated through rail fare collection and ancillary advertisement income.
- d) Taxi : Income is generated through renting out taxis, operating taxi bureau services and ancillary advertisement income.
- e) Automotive engineering services : Income is generated through provision of vehicular maintenance and repair services, construction of specialised vehicles, assembly of bus bodies, crash repair services, engineering services and sales of diesel.
- f) Inspection and testing services : Income is generated through the provision of motor vehicle inspection services and provision of non-vehicle testing, inspection and consultancy services.
- g) Car rental and leasing : Income is generated through renting and leasing of cars.
- h) Driving centre : Income is generated through operating driving schools.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

32 SEGMENT INFORMATION (cont'd)

	Bus \$'mil	Bus station \$'mil	Rail \$'mil	Taxi \$'mil	Automotive engineering services \$'mil	Inspection and testing services \$'mil	Car rental and leasing \$'mil	Driving centre \$'mil	Elimination \$'mil	Total \$'mil
Financial Year 2014										
REVENUE										
External sales	2,054.7	29.1	196.8	1,283.7	302.7	109.1	35.9	39.3	-	4,051.3
Inter-segment sales	2.8	-	-	-	127.0	2.9	0.2	0.3	(133.2)	-
TOTAL	2,057.5	29.1	196.8	1,283.7	429.7	112.0	36.1	39.6	(133.2)	4,051.3
RESULT										
Operating Profit	164.6	12.5	7.6	150.9	51.4	36.8	9.1	9.2	-	442.1
Net Income from Investments										11.9
Finance Costs										(22.0)
Share of Profit in Associate										4.3
Profit before Taxation										436.3
Taxation										(92.3)
Profit after Taxation										344.0
Non-Controlling Interests										(60.5)
Profit Attributable to Shareholders of the Company										283.5
OTHER INFORMATION										
Additions to vehicles, premises and equipment	284.1	0.9	9.3	203.0	1.6	5.4	26.8	0.8	-	531.9
Additions to taxi licences	-	-	-	4.9	-	-	-	-	-	4.9
Additions to goodwill	9.0	-	-	-	-	-	-	-	-	9.0
Depreciation expense	138.5	1.7	2.7	184.9	2.3	6.3	10.6	2.2	-	349.2
Amortisation expense	-	-	-	4.5	-	-	-	-	-	4.5
Provision for impairment loss recognised in income statement	-	-	-	2.0	-	-	-	-	-	2.0

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

32 SEGMENT INFORMATION (cont'd)

	Bus \$'mil	Bus station \$'mil	Rail \$'mil	Taxi \$'mil	Automotive engineering services \$'mil	Inspection and testing services \$'mil	Car rental and leasing \$'mil	Driving centre \$'mil	Elimination \$'mil	Total \$'mil
STATEMENT OF FINANCIAL POSITION										
ASSETS										
Segment assets	2,334.4	21.7	68.7	1,177.0	71.3	67.8	77.8	29.0	-	3,847.7
Goodwill	403.6	-	-	34.6	-	13.5	1.5	0.5	-	453.7
Associates										8.0
Cash, fixed deposits, equities and bonds										899.5
Deferred tax assets										21.8
Consolidated total assets										5,230.7
LIABILITIES										
Segment liabilities	831.3	25.0	52.7	330.7	109.4	21.4	9.1	14.2	-	1,393.8
Borrowings										737.1
Income tax payable										56.7
Deferred tax liabilities										204.3
Consolidated total liabilities										2,391.9

(ii) Geographical Segments

	Revenue		Non-current assets*		Additions to non-current assets*	
	2015	2014	2015	2014	2015	2014
	\$'mil	\$'mil	\$'mil	\$'mil	\$'mil	\$'mil
Geographical Location						
Singapore	2,468.7	2,399.6	1,937.6	1,929.8	520.1	393.3
United Kingdom/Ireland	1,024.1	1,014.1	492.9	454.1	78.6	45.0
Australia	387.1	413.5	764.4	799.8	32.6	59.7
China	219.7	212.9	367.5	378.1	33.3	43.5
Vietnam	8.7	7.1	14.2	12.8	5.4	3.0
Malaysia	3.2	4.1	5.5	6.3	1.1	1.3
Total	4,111.5	4,051.3	3,582.1	3,580.9	671.1	545.8

* Comprising vehicles, premises, equipment, taxi licences and goodwill.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

33 COMMITMENTS

As at 31 December 2015, the Group has the following commitments:

Capital commitments contracted for but not provided for in the financial statements:

	The Group	
	2015 \$'mil	2014 \$'mil
Purchase of equipment	19.4	9.0
Purchase of buses, taxis and motor vehicles	294.3	514.4
Purchase of computer systems	10.3	6.2
Development of bus depots and properties	10.3	12.9
	334.3	542.5

Out of the capital commitment of \$334.3 million, \$187.4 million relates to the capital commitment of a subsidiary for procurement of new buses scheduled for delivery in 2016 and 2017. The subsidiary will be novating these procurement contracts to the Land Transport Authority in Singapore.

34 OPERATING LEASE ARRANGEMENTS

The Group as lessee

	The Group	
	2015 \$'mil	2014 \$'mil
Minimum lease payment under operating leases recognised as expense in the year	50.8	50.0

At the end of the reporting period, commitments in respect of non-cancellable operating leases for the rental of premises and vehicles were as follows:

	The Group		The Company	
	2015 \$'mil	2014 \$'mil	2015 \$'mil	2014 \$'mil
Within one year	34.6	43.4	3.2	3.0
In the second to fifth year inclusive	69.3	84.0	9.0	11.5
After five years	48.1	75.7	-	-
Total	152.0	203.1	12.2	14.5

Leases are negotiated for average terms ranging from 1 year to 30 years and rental is fixed ranging from 1 year to 30 years.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

34 OPERATING LEASE ARRANGEMENTS (cont'd)

The Group as lessor

The Group rents out certain of its properties and vehicles in Singapore, United Kingdom and China under operating leases. Rental income earned during the year was \$238.4 million (2014 : \$221.2 million).

At the end of the reporting period, the Group has contracted with counter-parties for the following future minimum lease payments:

	The Group	
	2015 \$'mil	2014 \$'mil
Within one year	192.8	203.6
In the second to fifth year inclusive	348.9	359.5
After five years	20.3	49.8
Total	562.0	612.9

35 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT

(a) Financial risk management policies and objectives

The main areas of financial risk faced by the Group are foreign exchange rate risk, interest rate risk, credit risk, liquidity risk and fuel price risk. The Group recognises that management of financial risk is an important aspect in its drive towards creating shareholders' value. It is the Group's policy not to participate in speculative financial instruments. Management oversees financial risk management and regularly reviews its policy governing risk management practices.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures these risks.

(i) Foreign exchange risk management

The Group manages its foreign exchange exposure by matching revenue and costs in the relevant currencies to create a natural hedge and also through active currency management using hedging instruments such as forwards and options where necessary. The Group's revenue is mainly denominated in Singapore Dollar ("SGD") with the remaining in Great British Pound ("GBP"), Renminbi ("RMB"), Australian Dollar ("AUD"), Euro ("EUR"), Malaysian Ringgit ("MYR") and Vietnamese Dong ("VND"). On the cost side, its foreign currency exposures include United States Dollar ("USD"), GBP, RMB, AUD, Swedish Kroner ("SEK"), EUR, MYR and VND. The Group has investments in the United Kingdom, China, Australia, Ireland, Malaysia and Vietnam. Net translation risks are regularly monitored and the Group currently does not seek to hedge this exposure as it does not impact cash flows.

Foreign currency sensitivity

The bulk of the Group's foreign currency exposures are in the functional currencies of its respective operations. Exposures to foreign currencies that are non-functional are actively managed as part of the overall foreign exchange risk management. Based on sensitivity analysis performed, Management has assessed that the exposure to changes in foreign exchange rates is minimal and hence the resulting impact on profit or other comprehensive income of the Group is insignificant.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

35 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (cont'd)

(a) Financial risk management policies and objectives (cont'd)

(ii) Interest rate risk management

The Group's primary interest rate risk relates to its borrowings, investments in fixed income securities and deposits. The Group uses hedging instruments such as interest rate swaps and caps, where necessary, to achieve the desired interest rate profile in its effort to manage interest rate risk. The Group may borrow at variable rates and uses interest rate swaps as cash flow hedges of future interest payments, which have the economic effect of converting borrowings from floating rates to fixed rates.

Further details of the interest rate hedges can be found in Note 35(b). Summary quantitative data of the Group's interest-bearing financial instruments are disclosed in Note 35(d).

Interest rate sensitivity

The Group has interest-bearing assets such as fixed income securities and deposits as well as interest-bearing liabilities. Any change in interest rate affecting the interest-bearing assets shall have an offsetting impact from the interest-bearing liabilities. Based on sensitivity analysis performed at the end of the reporting period, Management has assessed that the exposure to changes in interest rates is minimal and hence the resulting impact on the profit or other comprehensive income of the Group is insignificant.

(iii) Credit risk management

The Group has minimal credit risk arising from its commuter transport operations as the majority of revenue is collected in cash upfront or from the transport regulator in the case of United Kingdom and Australia. For the other operations, credit risk is also minimised via upfront deposits, strict credit terms and regular monitoring of debtors' financial standing. The Group enters into treasury transactions only with creditworthy institutions. Its investments in fixed income instruments are above investment grade as assigned by international credit-rating agencies. In its management of credit risk, the Group practises stringent credit review and sets counterparty credit limits. There is no significant concentration of credit risk.

Cash and deposits are kept with reputable financial institutions. There is no significant concentration of credit risk.

The carrying amount of financial assets represents the Group's maximum exposure to credit risk as disclosed in the notes to the financial statements.

(iv) Liquidity risk management

The Group funds its operations through a mix of internal funds, bank borrowings and issuance of notes in the capital market. It regularly reviews its liquidity position comprising free cash flows from its operations, credit lines from banks and its Medium Term Note ("MTN") Programme to ensure its ability to access funding at any time at the best possible rates.

(v) Fuel price risk management

Fuel, comprising diesel and electricity, is part of the operating costs of the Group. The Group is also exposed to fluctuations in fuel price in its bus and rail operations and diesel sales business. The Group seeks to hedge the price risk associated with its fuel needs and uses hedging instruments, where necessary, to achieve the desired hedge outcome.

Based on sensitivity analysis performed and taking into account the fuel hedges in place, as at the end of the reporting period, every one percentage point change in the rates of diesel and electricity using the closing rates as at the end of the reporting period as a basis will impact the Group's annual fuel and electricity costs by \$0.8 million (2014 : \$0.4 million). The sensitivity analysis assumes that consumption is held constant at the same level as in 2015.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

35 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (cont'd)

(a) Financial risk management policies and objectives (cont'd)

(vi) Fair values of financial assets and financial liabilities

The carrying amounts of cash and cash equivalents, trade and other current receivables and payables, provisions and other liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair values of other classes of financial assets and liabilities are disclosed in the respective notes to the financial statements.

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- a. quoted prices in active markets for identical assets or liabilities (Level 1);
- b. inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (Level 2); and
- c. inputs for the asset or liability that are not based on observable market data (Level 3).

The majority of the fair value of the Group's investments are classified into Level 1. The Group's hedging instruments are classified into Level 2. None of the fair value of the financial instrument is classified in Level 3. There are also no transfers between Levels 1 and 2 of the fair value hierarchy during the financial year.

(b) Hedging instruments

	2015		2014	
	Assets \$'mil	Liabilities \$'mil	Assets \$'mil	Liabilities \$'mil
The Group				
At fair values:				
Foreign exchange hedges	5.1	0.3	14.8	-
Fuel hedges	-	74.3	-	123.6
	5.1	74.6	14.8	123.6
Analysed as:				
Current	5.1	74.6	14.8	123.6

The Group utilises hedging instruments to hedge significant future transactions and cash flows.

The Group's hedging instruments are measured at fair value whereby future cash flows are estimated based on contracted rates and observable forward rates at the end of the reporting period, discounted at a rate that reflects the credit risk of the various counterparties.

At the end of the reporting period, the Group has outstanding fuel and foreign exchange hedges with notional amounts totalling \$164.6 million (2014 : \$345.7 million).

As at 31 December 2015, the fair value of the Group's hedging instruments, based on market prices for equivalent instruments at the end of the reporting period, comprised \$5.1 million assets (2014 : \$14.8 million assets) and \$74.6 million liabilities (2014 : \$123.6 million liabilities).

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

35 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (cont'd)

(b) Hedging instruments (cont'd)

The Group uses forward contracts and options to manage its exposure to foreign exchange risks. These arrangements are designed to address foreign exchange risk on future purchases of goods and are accounted for as cash flow hedges. As at 31 December 2015, the fair value of the Group's foreign exchange hedging instruments comprising \$5.1 million of assets (2014 : \$14.8 million of assets) was matched by an equivalent fair value adjustment on cash flow hedges in other comprehensive income. As at 31 December 2015, the fair value of the Group's foreign exchange hedging instruments comprising \$0.3 million of liabilities (2014 : \$Nil of liabilities) was matched by an equivalent fair value adjustment on cash flow hedges in other comprehensive income.

The Group uses fuel hedges to hedge against fuel price risks. These arrangements are designed to address fuel price exposure. The fuel hedges are accounted for as cash flow hedges. As at 31 December 2015, the fair value of the Group's fuel hedging instruments comprising \$74.3 million of liabilities (2014 : \$123.6 million of liabilities) was matched by an equivalent fair value adjustment on cash flow hedges in other comprehensive income.

The Group uses interest rate hedges, involving a combination of swaps and caps, to manage its exposure to interest rate movements on its bank borrowings. The Group entered into contracts with nominal values of \$41.9 million (2014 : \$41.1 million), which involved capping the UK base rates of hire purchase at 2% (2014 : 2%). As the interest rate caps are maturing in 2016, the fair values for the years ended 31 December 2015 and 2014 were insignificant.

(c) Capital risk management policies and objectives

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The Group's capital management objectives are to safeguard its ability to continue as a going concern and to maximise shareholders value. Management monitors the gross and net gearing of the Group and its implication on weighted average cost of capital in deciding the optimal capital structure. These objectives determine the Group's decisions on the amount of dividends to be paid to shareholders and the sources of capital to be raised, be it equity or debt. The Group's debt capital refers to borrowings comprising loans under Notes 18(a) and 18(b), Medium Term Notes under Note 18(c) and finance lease payable under Note 18(d) while equity refers to total equity.

No changes were made in the objectives, policies or processes during the years ended 31 December 2015 and 2014.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

35 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (cont'd)

- (d) The following are the expected contractual undiscounted cash outflows (including interest payments) of the Group's financial liabilities:

	Carrying Amount \$'mil	Contractual cash flows			Effective interest rate %	
		Total \$'mil	Within 1 year \$'mil	Within 2 to 5 years \$'mil		Beyond 5 years \$'mil
2015						
Financial liabilities						
Loans:						
In functional currencies	438.4	459.7	107.1	332.5	20.1	1.3% to 6.8%
Finance leases:						
In functional currencies	120.2	141.8	32.9	82.9	26.0	0.9% to 8.4%
Total	558.6	601.5	140.0	415.4	46.1	
2014						
Financial liabilities						
Loans:						
In functional currencies	603.7	627.7	225.8	287.0	114.9	0.5% to 7.5%
Finance leases:						
In functional currencies	133.4	162.0	32.6	89.6	39.8	0.9% to 8.4%
Total	737.1	789.7	258.4	376.6	154.7	

36 DIVIDENDS

- (a) During the financial year, the Company paid dividends as follows:

	2015 \$'mil	2014 \$'mil
Final dividend in respect of the previous financial year:		
- 4.50 cents per ordinary share tax-exempt one-tier	96.6	-
- 4.00 cents per ordinary share tax-exempt one-tier	-	85.3
Interim dividend in respect of the current financial year:		
- 4.00 cents per ordinary share tax-exempt one-tier	85.9	-
- 3.75 cents per ordinary share tax-exempt one-tier	-	80.1
Total	182.5	165.4

- (b) Subsequent to the end of the financial year, the Directors of the Company recommended that a tax-exempt one-tier final dividend of 5.00 cents (2014 : 4.50 cents) per ordinary share totalling \$107.5 million (2014 : \$96.6 million) be paid for the financial year ended 31 December 2015. The dividend is subject to approval by shareholders at the forthcoming Annual General Meeting and hence the proposed dividend has not been accrued as a liability for the current financial year.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

37 LICENCE CONDITION FOR RAIL SERVICES

North-East Line MRT System, Punggol LRT System and Sengkang LRT System

A licence condition ("LC") dated 15 January 2003 was issued by Land Transport Authority ("LTA") to a subsidiary, SBS Transit Ltd ("SBST") under which SBST is licensed to operate the North-East MRT System, Punggol LRT System and the Sengkang LRT System (collectively referred to as the "Licensed Systems").

The LC sets out the conditions governing the operation of the Licensed Systems and includes, among others, the following:

- (a) The licence is for an initial period of 30 years commencing 15 January 2003. SBST may apply to LTA to renew the licence for a further 30 years or any other period and upon terms and conditions as LTA may impose.
- (b) The licence fee payable to LTA is prescribed under the subsidiary legislation of the Rapid Transit Systems ("RTS") Act during the Licence Term.
- (c) SBST and LTA shall jointly review the viability on the 5th anniversary of the date of the LC or such other period as may be agreed in writing between SBST and LTA. In this review, LTA shall determine the dates and time of SBST's purchase of the operating assets of the Licensed Systems and the amount is based on the net book value as recorded in the latest audited accounts of LTA. As at the date of this report, SBST and LTA have not commenced the review.
- (d) SBST may apply in writing to LTA for a grant to replace any eligible operating assets computed based on the difference between the purchase cost of the new assets and the purchase cost of the operating assets to be replaced.

The main categories of eligible operating assets are trains, maintenance vehicles, power supply equipment, supervisory control system, escalators and lifts, platform screen doors, environmental control system, tunnel ventilation system, electrical service and fire protection system, signalling system, communication system, automatic fare collection system, depot workshop equipment, access management system and maintenance management system.

Downtown Line MRT System

A LC dated 19 December 2013 was issued by LTA to the subsidiary of SBST under which the subsidiary of SBST is licensed to operate the Downtown Line MRT System.

The LC sets out the conditions governing the operation of the Downtown Line MRT system and includes, among others, the following:

- (a) The licence is for a period of 19 years commencing from 20 December 2013. LTA may, if it deems fit, renew the licence for such further period with revised terms and conditions of the renewed licence.
- (b) The licence fee payable to LTA is prescribed under the subsidiary legislation of the RTS Act during the Licence Term.
- (c) The subsidiary of SBST shall pay LTA a licence charge which consists of Fixed Charge and Revenue Share Charge. A yearly Fixed Charge is payable from financial year 2019 to end of licence period. If the Operating Surplus minus the Fixed Charge for a financial year is more than the Threshold Profit, the subsidiary of SBST shall pay Revenue Share Charge.
- (d) After the commencement of revenue service of the last stage, the subsidiary of SBST shall pay LTA a Cash-Bid Amount if the Net Operating Surplus for a financial year is more than the Threshold Profit.
- (e) All Operating Assets shall remain the property of LTA except for Spares, Special Tools, Non-Proprietary Items and End Devices purchased by the subsidiary of SBST during the Licence Term.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

38 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS

Details of subsidiaries and associates are as follows:

(a) Subsidiaries

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2015 %	2014 %
Quoted equity shares				
SBS Transit Ltd ⁽¹⁷⁾	Provision of public bus and rail services	Singapore	75.08	75.11
VICOM Ltd ⁽¹⁷⁾	Investment holding and provision of motor vehicle evaluation and other related services	Singapore	67.07	67.07
Unquoted equity shares				
Braddell Limited ⁽³⁾	Investment holding	United Kingdom	100	100
CityCab Pte Ltd	Provision of public taxi services through the rental of taxis to hirers	Singapore	53.50	53.50
Comfort (China) Pte Ltd	Investment holding	Singapore	100	100
ComfortDelGro Bus Pte Ltd	Provision of charter bus services, rental of buses to hirers and other related services	Singapore	100	100
ComfortDelGro (China) Pte Ltd	Investment holding	Singapore	100	100
ComfortDelGro Driving Centre Pte Ltd	Operation of a driving school	Singapore	90	90
ComfortDelGro Engineering Pte Ltd	Operation of workshops for repairing, servicing and general maintenance of motor vehicles and dealer in diesel for motor vehicles	Singapore	100	100
ComfortDelGro Rent-A-Car Pte Ltd	Provision of car rental, car care and leasing services	Singapore	100	100
ComfortDelGro (S.E. Asia) Pte Ltd	Investment holding	Singapore	100	100

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

38 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (cont'd)

(a) Subsidiaries (cont'd)

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2015 %	2014 %
Unquoted equity shares (cont'd)				
Comfort Transportation Pte Ltd	Provision of public taxi services through the rental of taxis to hirers	Singapore	100	100
SBS (Guangzhou) Pte Ltd	Inactive	Singapore	100	100
Moove Media Pte Ltd	Provision of advertising services	Singapore	100	100
CityFleet Networks Limited ⁽³⁾	Provision and management of taxi booking services	United Kingdom	55.72	55.72
Swan Taxis Pty Ltd ⁽³⁾	Provision of taxi services	Australia	100	100
ComfortDelGro Cabcharge Pty Ltd ⁽³⁾	Investment holding and provision of management services	Australia	55.72	55.72
Subsidiary of SBS Transit Ltd:				
SBS Transit DTL Pte Ltd	Provision of public rail services	Singapore	75.08	75.11
Subsidiaries of VICOM Ltd:				
JIC Inspection Services Pte Ltd	Vehicle inspection and other related services	Singapore	52.32	52.32
Setsco Services Pte Ltd	Provision of testing, inspection and consultancy services	Singapore	67.07	67.07
VICOM Inspection Centre Pte Ltd	Provision of vehicle inspection services	Singapore	67.07	67.07
Subsidiaries of Setsco Services Pte Ltd:				
Setsco Services (M) Sdn Bhd ⁽¹⁾	Provision of testing, inspection and consultancy services	Malaysia	67.07	67.07
Setsco Consultancy International Pte Ltd	Provision of professional inspection and engineering services	Singapore	67.07	67.07

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

38 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (cont'd)

(a) Subsidiaries (cont'd)

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2015 %	2014 %
Subsidiary of Comfort (China) Pte Ltd:				
Suzhou Comfort Taxi Co., Ltd ⁽²⁾	Provision of taxi services	China	70	70
Subsidiaries of Braddell Limited:				
ComfortDelGro Irish Citylink Limited ⁽³⁾ (Formerly known as Irish Citylink ComfortDelGro Limited)	Provision of coach services	Ireland	100	100
Metroline Limited ⁽³⁾	Investment holding	United Kingdom	100	100
Metroline Rail Limited ⁽²⁰⁾	Inactive	United Kingdom	100	-
Scottish Citylink Coaches Limited ⁽³⁾	Provision of long distance coach services	United Kingdom	65	65
Subsidiaries of Metroline Limited:				
Metroline Travel Limited ⁽³⁾	Provision of public bus services	United Kingdom	100	100
Metroline West Limited ⁽³⁾	Provision of public bus services	United Kingdom	100	100
Subsidiary of Scottish Citylink Coaches Limited:				
Megacity Limited ⁽³⁾	Inactive	United Kingdom	65	65
Subsidiary of CityCab Pte Ltd:				
Cabcharge Asia Pte Ltd	Provision of charge card facilities	Singapore	46.92	46.92
Subsidiary of Moove Media Pte Ltd:				
Moove Media Australia Pty Ltd ⁽¹⁶⁾	Provision of advertising services	Australia	100	100
Subsidiaries of CityFleet Networks Limited:				
Computer Cab (Edinburgh) Limited ⁽³⁾	Provision of taxi services	United Kingdom	55.72	55.72
Computer Cab plc ⁽³⁾	Provision of taxi services	United Kingdom	55.72	55.72
Computer Cab (Aberdeen) Limited ⁽³⁾	Provision of taxi services	United Kingdom	55.72	55.72

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

38 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (cont'd)

(a) Subsidiaries (cont'd)

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2015 %	2014 %
Subsidiaries of CityFleet Networks Limited: (cont'd)				
Flightlink International Limited ⁽³⁾	Provision of private hire services	United Kingdom	55.72	55.72
Computer Cab (Birmingham) Limited ⁽³⁾	Provision of taxi services	United Kingdom	55.72	55.72
Central Dispatch Limited ⁽³⁾	Provision and management of taxi booking services	United Kingdom	55.72	55.72
Computer Cab (Liverpool) Limited ⁽³⁾	Provision of taxi services	United Kingdom	55.72	55.72
Westbus Coach Services Limited ⁽³⁾	Provision of coach services	United Kingdom	55.72	55.72
Subsidiary of Computer Cab (Edinburgh) Limited:				
Onward Travel Limited ⁽³⁾	Provision of taxi services	United Kingdom	55.72	55.72
Subsidiary of Computer Cab plc:				
Cabcharge Limited ⁽³⁾	Provision and management of taxi booking card facilities	United Kingdom	55.72	55.72
Subsidiaries of ComfortDelGro (China) Pte Ltd:				
Beijing Jin Jian Taxi Services Co., Ltd ⁽⁶⁾	Provision of public taxi services through the rental of taxis to hirers	China	55	55
Beijing Tian Long Da Tian Vehicle Inspection Co., Ltd ⁽⁵⁾	Provision of motor vehicle evaluation and other related services	China	80	80
Chengdu ComfortDelGro Qingyang Driving School Co., Ltd ⁽⁷⁾	Operation of a driving school	China	95	95
Chengdu ComfortDelGro Taxi Co., Ltd ⁽⁸⁾	Provision of public taxi services through the rental of taxis to hirers	China	100	100

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

38 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (cont'd)

(a) Subsidiaries (cont'd)

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2015 %	2014 %
Subsidiaries of ComfortDelGro (China) Pte Ltd: (cont'd)				
Chengdu Jitong Integrated Vehicle Inspection Co., Ltd ⁽⁸⁾	Provision of motor vehicle evaluation and other related services	China	51	51
Chongqing ComfortDelGro Driver Training Co., Ltd ⁽⁹⁾	Operation of a driving school	China	90	90
CityCab (Shenyang) Co., Ltd ⁽⁴⁾	Provision of public taxi services through the rental of taxis to hirers and vehicle repair	China	100	100
ComfortDelGro Rent-A-Car (Chengdu) Co., Ltd ⁽⁸⁾	Provision of cars for hire	China	100	100
Guangzhou Xin Tian Wei Transportation Development Co., Ltd ⁽¹⁰⁾	Provision of bus station services	China	60	60
Jilin ComfortDelGro Taxi Co., Ltd ⁽¹¹⁾	Provision of taxi and land transport-related services in the Jilin municipality	China	97	97
Nanjing ComfortDelGro Dajian Taxi Co., Ltd ⁽¹⁵⁾	Provision of public taxi services through the rental of taxis to hirers and vehicle repair	China	70	70
Nanning Comfort Transportation Co., Ltd ⁽¹²⁾	Provision of taxi and land transport-related services in the Nanning municipality	China	80	80
Shanghai City Qi Ai Taxi Services Co., Ltd ⁽¹⁴⁾	Provision of public taxi services through the rental of taxis to hirers	China	51	51
Shenyang ComfortDelGro Taxi Co., Ltd ⁽⁴⁾	Provision of public taxi services through the rental of taxis to hirers	China	80	80

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

38 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (cont'd)

(a) Subsidiaries (cont'd)

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2015 %	2014 %
Subsidiary of Chengdu ComfortDelGro Taxi Co., Ltd:				
Chengdu ComfortDelGro Shengduo Consulting Co., Ltd ⁽⁸⁾	Inactive	China	100	100
Subsidiary of Jilin ComfortDelGro Taxi Co., Ltd:				
Jilin ComfortDelGro Driver Training Co., Ltd ⁽¹⁹⁾	Inactive	China	–	97
Subsidiary of Chongqing ComfortDelGro Driver Training Co., Ltd:				
Chongqing Liangjiang ComfortDelGro Driver Training Co., Ltd ⁽⁹⁾	Inactive	China	90	90
Subsidiary of Nanning Comfort Transportation Co., Ltd:				
Nanning ComfortDelGro Rent-A-Car Co., Ltd ⁽¹⁸⁾	Provision of cars for hire	China	–	80
Subsidiaries of ComfortDelGro (S.E. Asia) Pte Ltd:				
CityLimo Leasing (M) Sdn Bhd ⁽¹³⁾	Provision of car leasing services	Malaysia	100	100
Pantas Rent-A-Car Holdings Sdn Bhd ⁽¹³⁾	Investment holding	Malaysia	100	100
Vietnam Taxi Co., Ltd ⁽³⁾	Provision of taxi services	Vietnam	70	70
ComfortDelGro Savico Taxi Company ⁽³⁾	Provision of taxi services	Vietnam	60	60
Subsidiaries of ComfortDelGro Cabcharge Pty Ltd:				
Westbus Region 1 Pty Ltd ⁽³⁾	Provision of public bus services	Australia	55.72	55.72
Westbus Region 3 Pty Ltd ⁽³⁾	Provision of public bus services	Australia	55.72	55.72
Hillsbus Co Pty Ltd ⁽³⁾	Provision of public bus services	Australia	55.72	55.72
Hunter Valley Buses Pty Ltd ⁽³⁾	Provision of public bus services	Australia	55.72	55.72
Charterplus Pty Ltd ⁽³⁾	Provision of charter, coach and terminal services	Australia	55.72	55.72

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

38 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (cont'd)

(a) Subsidiaries (cont'd)

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2015 %	2014 %
Subsidiaries of ComfortDelGro Cabcharge Pty Ltd: (cont'd)				
CDC Victoria Pty Ltd ⁽³⁾	Investment holding	Australia	55.72	55.72
Baypalm Pty Limited ⁽³⁾	Investment holding	Australia	55.72	55.72
Blue Mountains Transit Pty Ltd ⁽³⁾	Provision of public bus and charter services	Australia	55.72	55.72
Western Sydney Collision Repair Centre Pty Ltd ⁽²⁰⁾	Provision of accident and other repair and maintenance services	Australia	28.42	–
Subsidiaries of CDC Victoria Pty Ltd:				
CDC Sunshine Pty Ltd ⁽³⁾	Provision of public bus services	Australia	55.72	55.72
CDC Geelong Pty Ltd ⁽³⁾	Provision of public bus services	Australia	55.72	55.72
CDC Oakleigh Pty Ltd ⁽³⁾	Provision of public bus services	Australia	55.72	55.72
CDC Werribee Pty Ltd ⁽³⁾	Provision of public bus services	Australia	55.72	55.72
CDC Altona Pty Ltd ⁽³⁾	Provision of public bus services	Australia	55.72	55.72
CDC Ballarat Pty Ltd ⁽³⁾	Provision of public bus services	Australia	55.72	55.72
CDC Eastrans Pty Ltd ⁽³⁾	Provision of public bus services	Australia	55.72	55.72
Subsidiary of Baypalm Pty Limited:				
Deanes Bus Lines Pty Limited ⁽³⁾	Provision of public bus services	Australia	55.72	55.72

Note:

All Singapore companies (except for SBS Guangzhou Pte Ltd) are audited by Deloitte & Touche LLP, Singapore except for certain subsidiaries as indicated below.

(1) Audited by WT Ng & Co, Malaysia.

(2) Audited by Jiangsu Gongzheng Tianye Certified Public Accountants Co., Ltd, China.

(3) Audited by overseas practices of Deloitte Touche Tohmatsu Limited.

(4) Audited by Reanda Certified Public Accountants (Special General Partnership) Liaoning Branch, China.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

38 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (cont'd)

(a) Subsidiaries (cont'd)

- (5) Audited by Beijing Zhong Jia Run Certified Public Accountants Co., Ltd, China.
- (6) Audited by Chong Zheng Tian Tong Certified Public Accountants Co., Ltd, China.
- (7) Audited by Sichuan Jun Yi Certified Public Accountants Co., Ltd, China.
- (8) Audited by Sichuan Dejian Certified Public Accountants Co., Ltd, China.
- (9) Audited by Chongqing Tian Hua Certified Public Accountants Co., Ltd, China.
- (10) Audited by Guangzhou Orient Certified Public Accountants Co., Ltd, China.
- (11) Audited by Jilin Hua Tai Certified Public Accountants Co., Ltd, China.
- (12) Audited by Guangxi Bo Hua San He Certified Public Accountants Co., Ltd, China.
- (13) Audited by Bahudin & Associates, Malaysia.
- (14) Audited by Shanghai Gong Xin Zhong Nan Certified Public Accountants Co., Ltd, China.
- (15) Audited by Ruihua Certified Public Accountants Co., Ltd, China.
- (16) Audited by Mattock & Associates, Australia.

Other information

- (17) Listed on the Singapore Exchange Securities Trading Limited.
- (18) Disposed during the financial year.
- (19) Pending deregistration during the financial year.
- (20) Incorporated during the financial year.

Compliance with Listing Rules:

The Group is in compliance with Listing Rules 712 and 715 of The Singapore Exchange Securities Trading Limited as suitable auditing firms have been appointed to meet the Group's audit obligations. In accordance to Rule 716, the Audit and Risk Committee and Board of Directors of the Company confirm that they are satisfied that the appointment of different auditors for its subsidiaries would not compromise the standard and effectiveness of the audit of the Group.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

38 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (cont'd)

(b) Associates

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2015 %	2014 %
Unquoted equity shares				
ComfortDelGro Insurance Brokers Pte Ltd ⁽¹⁾	Insurance broking, risk management, claims management and related activities	Singapore	49	49
Phillip Boyle & Associates Pty Ltd ⁽²⁾	Provision of consultancy services for bus planning and scheduling activities	Australia	49	49
Gobbler Pte Ltd ⁽³⁾	Provision of sales promotion relating to discount coupons and rebates, and trading activities	Singapore	40	40

Note:

⁽¹⁾ Audited by Deloitte & Touche LLP, Singapore.

⁽²⁾ Audited by Lewis & Coble. The associate is insignificant.

⁽³⁾ Audited by N. F. Lee & Co, Singapore. The associate is insignificant.

(c) Related company transactions

Transactions between the Company and its subsidiaries, which are related companies of the Company, have been eliminated on consolidation and are not disclosed in this note.

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received.

(d) Acquisition of a subsidiary

In 2014, the acquisition of Blue Mountains Transit Pty Ltd for cash consideration of \$27.8 million had been accounted for by the acquisition method of accounting. The net assets acquired in the transactions and the goodwill arising were disclosed in Note (a) of the consolidated cash flow statement.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

39 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

Some of the Group's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand unless otherwise stated.

During the financial year, Group entities entered into the following trading transactions with related parties:

	2015 \$'mil	2014 \$'mil
Expenses	0.5	0.4

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognised in the period for bad or doubtful debts in respect of the amounts owed by related parties.

40 GROUP PROPERTIES

Held by	Group's effective interest %	Location	Approximate land area	Tenure	Usage
SINGAPORE					
ComfortDelGro Corporation Limited	-	Braddell Road	66,445 sq m	30 years 3 years 10 months unexpired	Head office, bus depot, vehicle workshop
ComfortDelGro Corporation Limited	-	Kim Chuan	10,784 sq m	2 years 2 year unexpired	Vehicle assembly workshop
SBS Transit Ltd	75.08	Soon Lee Road	26,670 sq m	30 years 14 years 3 months unexpired	Bus depot
SBS Transit Ltd	75.08	Defu Ave 1	74,236 sq m	33 years from 1 January 1983	Bus depot
SBS Transit Ltd	75.08	Bedok North Avenue 4	62,220 sq m	Under Temporary Occupation Licence	Bus depot
SBS Transit Ltd	75.08	Bukit Batok Street 23	52,187 sq m	43 years 10 years unexpired	Bus depot

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

40 GROUP PROPERTIES (cont'd)

Held by	Group's effective interest %	Location	Approximate land area	Tenure	Usage
SINGAPORE					
SBS Transit Ltd	75.08	Ayer Rajah Crescent	17,939 sq m	Under Temporary Occupation Licence	Bus park
SBS Transit Ltd	75.08	Ang Mo Kio Street 63	63,955 sq m	26 years 4 years 2 months unexpired	Bus depot
VICOM Ltd	67.07	Sin Ming Drive	10,853 sq m	30 years 26 years unexpired	Inspection, assessment services
VICOM Ltd	67.07	Kaki Bukit Avenue 4	9,797 sq m	30 years from January 1997 with option to renew another 30 years	Inspection, assessment services
VICOM Ltd	67.07	Bukit Batok Street 23	9,625 sq m	30 years from October 1995 with option to renew another 30 years	Inspection, testing and assessment services
VICOM Ltd	67.07	Changi North Crescent	6,015 sq m	30 years from May 1995 10 years unexpired	Inspection services
VICOM Ltd	67.07	Yishun Industrial Park A	5,190 sq m	60 years from July 1983 28 years unexpired	Inspection services
VICOM Ltd	67.07	Yishun Industrial Park A	1,105 sq m	30 years 28 years unexpired	Inspection services
Setsco Services Pte Ltd	67.07	Teban Gardens Crescent	9,830 sq m	30 years from February 2009 24 years unexpired	Testing, inspection and consultancy services
JIC Inspection Services Pte Ltd	52.32	Pioneer Road	9,190 sq m	30 years from December 1994 9 years unexpired	Inspection services
JIC Inspection Services Pte Ltd	52.32	Ang Mo Kio Street 63	2,145 sq m	3 years from March 2014 1 year 2 months unexpired	Inspection services

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

40 GROUP PROPERTIES (cont'd)

Held by	Group's effective interest %	Location	Approximate land area	Tenure	Usage
SINGAPORE					
Comfort Transportation Pte Ltd	100	Sin Ming Drive	11,129 sq m	60 years 20 years unexpired	Office, workshop
CityCab Pte Ltd	53.50	Sin Ming Avenue	25,090 sq m	30 years 7 years unexpired	Office, workshop
ComfortDelGro Engineering Pte Ltd	100	Loyang Drive	12,021 sq m	58 years 36 years unexpired	Office, workshop, diesel kiosk
ComfortDelGro Engineering Pte Ltd	100	Ubi Road 3	7,500 sq m	22 years 10 years unexpired	Workshop, diesel kiosk
ComfortDelGro Engineering Pte Ltd	100	Senoko Loop	2,829 sq m	26 years 11 years unexpired	Workshop, diesel kiosk
ComfortDelGro Engineering Pte Ltd	100	Pandan Road	6,522 sq m	51 years 33 years unexpired	Workshop, diesel kiosk
ComfortDelGro Engineering Pte Ltd	100	Sungei Kadut Way	4,050 sq m	30 years 7 years unexpired	Workshop, diesel kiosk
CHINA					
Guangzhou Xin Tian Wei Transportation Development Co., Ltd	60	Tianhe District Guangzhou	40,116 sq m	30 years 12 years unexpired	Office, bus station
Shanghai City Qi Ai Taxi Services Co., Ltd	51	Lujiabang Road Shanghai	689 sq m	50 years 33 years unexpired	Office
ComfortDelGro (China) Pte Ltd	100	Shen He Qu Qing Nian Da Jie Shenyang	115 sq m	50 years 27 years unexpired	Staff residence
Beijing Tian Long Da Tian Vehicle Inspection Co., Ltd	80	Cheng Shou Si Road Jiu Gong Da Xing District Beijing	6,120 sq m	20 years 8 years unexpired	Office, workshop
Chengdu Jitong Integrated Vehicle Inspection Co., Ltd	51	Jian Cai Road Chengdu	5,057 sq m	30 years 18 years unexpired	Vehicle inspection workshop

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

40 GROUP PROPERTIES (cont'd)

Held by	Group's effective interest %	Location	Approximate land area	Tenure	Usage
CHINA					
Nanning Comfort Transportation Co., Ltd	80	Ke Yuan Ave Nanning	943 sq m	45 years 40 years 8 months unexpired	Office
Chengdu ComfortDelGro Qingyang Driving School Co., Ltd	95	Wen Jia Red Mill Village Chengdu	113,334 sq m	10 years 7 years unexpired	Driving test centre
Jilin ComfortDelGro Taxi Co., Ltd	97	Cheng Nan Street Jilin City High-tech Zone	18,013.55 sq m	50 years 47 years unexpired	Office
UNITED KINGDOM					
Computer Cab plc	55.72	Woodfield Road London W9 2BA	537 sq m	Freehold	Office
Computer Cab plc	55.72	Mitre Bridge Ind Mitre Way London W10 6AU	10,707 sq m	10 years 4 years and 5 months unexpired	Office, fitting bay
Computer Cab (Liverpool) Limited	55.72	Falkland Street Liverpool L3 8HB	610 sq m	99 years 82 years 7 months unexpired	Office, fleet dept
Metroline Limited	100	Pemberton Garden Holloway London N19 5RR	17,968 sq m	Freehold	Bus depot
Metroline Limited	100	Edgware Road Cricklewood London NW2 6JP	13,800 sq m	Freehold	Bus depot
Metroline Limited	100	High Street Potters Bar Herts EN6 5BE	11,614 sq m	Freehold	Bus depot
Metroline Limited	100	High Road Willesden London NW10 2JY	9,874 sq m	Freehold	Bus depot

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

40 GROUP PROPERTIES (cont'd)

Held by	Group's effective interest %	Location	Approximate land area	Tenure	Usage
UNITED KINGDOM					
Metroline Limited	100	High Road Harrow Weald London HA3 6EJ	5,706 sq m	Freehold	Bus depot
Metroline West Limited	100	Ealing Road Wembley HA0 4LL	4,996 sq m	Freehold	Bus depot
Westbus Coach Services Limited	100	Spring Grove Road Hounslow London TW3 4BE	352 sq m	6 years 2 years unexpired	Office, fitting bay
AUSTRALIA					
Westbus Region 1 Pty Ltd	55.72	Thorley Street Windsor South NSW	22,130 sq m	Freehold	Bus depot
Westbus Region 1 Pty Ltd	55.72	Mulgoa Road Penrith NSW	10,641 sq m	Freehold	Bus depot
Hillsbus Co Pty Ltd	55.72	Boundary Road Northmead NSW	31,669 sq m	Freehold	Bus depot
Hillsbus Co Pty Ltd	55.72	Hartley Road Seven Hills NSW	2,725 sq m	Freehold	Bus depot
Hillsbus Co Pty Ltd	55.72	New Line Road Dural NSW	19,460 sq m	Freehold	Bus depot
Hunter Valley Buses Pty Ltd	55.72	Glenwood Drive Thornton NSW	8,688 sq m	Freehold	Bus depot
Hunter Valley Buses Pty Ltd	55.72	High Street Toronto NSW	2,442 sq m	Freehold	Office building
Hunter Valley Buses Pty Ltd	55.72	Arnott St & Aluminium CI Edgeworth NSW	5,817 sq m	Freehold	Bus depot
Hunter Valley Buses Pty Ltd	55.72	Burleigh Street Toronto NSW	5,372 sq m	Freehold	Bus depot
Hunter Valley Buses Pty Ltd	55.72	Ettalong Road Morisset NSW	14,865 sq m	Freehold	Bus depot

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

40 GROUP PROPERTIES (cont'd)

Held by	Group's effective interest %	Location	Approximate land area	Tenure	Usage
AUSTRALIA					
Hunter Valley Buses Pty Ltd	55.72	Magpie Street Singleton NSW	7,806 sq m	Freehold	Bus depot
Hunter Valley Buses Pty Ltd	55.72	Arnott Street Edgeworth NSW	16,600 sq m	Freehold	Bus depot
ComfortDelGro Cabcharge Pty Ltd	55.72	Pacific Highway Heatherbrae NSW	32,403 sq m	Freehold	Site for bus building plant
ComfortDelGro Cabcharge Pty Ltd	55.72	Foundry Road Seven Hills NSW	36,810 sq m	Freehold	Bus depot
ComfortDelGro Cabcharge Pty Ltd	55.72	Lee Holm Drive St Mary's NSW	27,960 sq m	Freehold	Bus depot
ComfortDelGro Cabcharge Pty Ltd	55.72	Old Bathurst Road Emu Heights NSW	5,599 sq m	Freehold	Bus depot
ComfortDelGro Cabcharge Pty Ltd	55.72	Megalong Street Katoomba NSW	3,780 sq m	Freehold	Bus depot
ComfortDelGro Cabcharge Pty Ltd	55.72	Great Western Highway Valley Heights NSW	10,102 sq m	Freehold	Bus depot
ComfortDelGro Cabcharge Pty Ltd	55.72	Industrial Avenue Hoppers Crossing Victoria	4,285 sq m	Freehold	Bus, car park
ComfortDelGro Cabcharge Pty Ltd	55.72	Industrial Avenue Hoppers Crossing Victoria	6,635 sq m	Freehold	Bus depot
ComfortDelGro Cabcharge Pty Ltd	55.72	Industrial Avenue Hoppers Crossing Victoria	2,438 sq m	Freehold	Bus park
ComfortDelGro Cabcharge Pty Ltd	55.72	Slough Road Altona Victoria	7,995 sq m	Freehold	Bus depot
ComfortDelGro Cabcharge Pty Ltd	55.72	Slough Road Altona Victoria	8,095 sq m	Freehold	Bus depot

NOTES TO THE FINANCIAL STATEMENTS

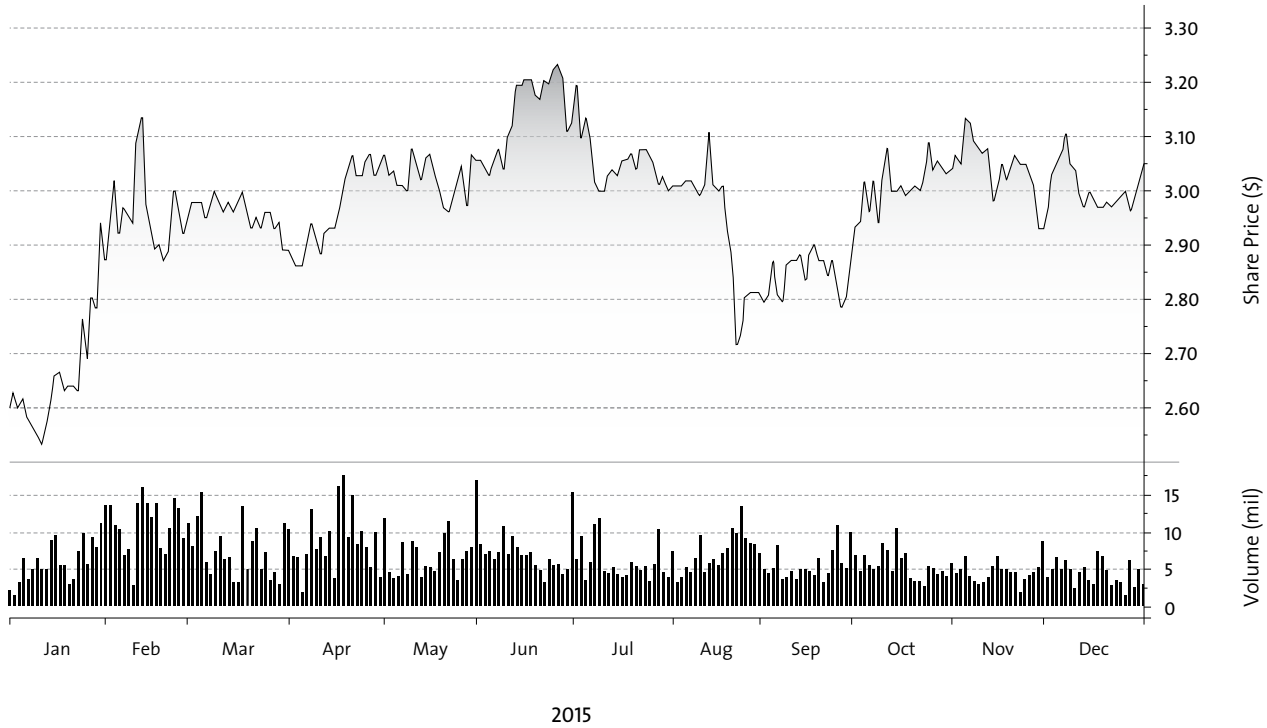
31 December 2015

40 GROUP PROPERTIES (cont'd)

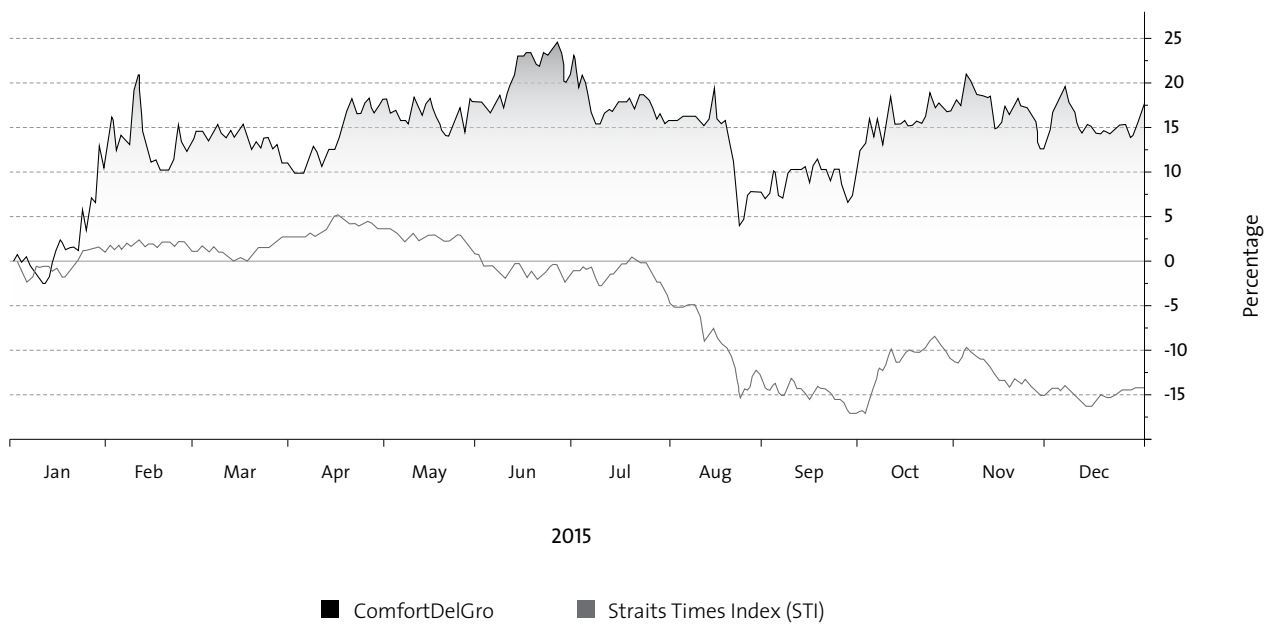
Held by	Group's effective interest %	Location	Approximate land area	Tenure	Usage
AUSTRALIA					
ComfortDelGro Cabcharge Pty Ltd	55.72	Carrington Drive Sunshine Victoria	9,804 sq m	Freehold	Bus depot
ComfortDelGro Cabcharge Pty Ltd	55.72	North Road Oakleigh Victoria	6,527 sq m	Freehold	Bus depot
ComfortDelGro Cabcharge Pty Ltd	55.72	Edols Street Geelong Victoria	26,000 sq m	Freehold	Bus depot
CDC Ballarat Pty Ltd	55.72	Norman Street Ballarat	47,750 sq m	Freehold	Bus depot
CDC Ballarat Pty Ltd	55.72	Clunes Road Creswick Victoria	614 sq m	Freehold	Bus park
Swan Taxis Pty Ltd	100	Harvey Street Victoria Park WA	2,278 sq m	Freehold	Office, call centre, workshop
VIETNAM					
Vietnam Taxi Co., Ltd	70	Duong So 4 KCN Tan Binh - TP Ho Chi Minh City	6,438 sq m	20 years 5 years unexpired	Office, workshop
MALAYSIA					
Setsco Services (M) Pte Ltd	67.07	47100 Puchong Selangor Darul Ehsan	792 sq m	99 years from December 2009 93 years unexpired	Testing, inspection, consultancy services

SHARE PRICE MOVEMENT CHART

ComfortDelGro's Share Price Movement and Volume Turnover



Comparison of Performance of ComfortDelGro's Share Price and the Straits Times Index (STI)



SHAREHOLDING STATISTICS

As at 7 March 2016

No. of shares issued : 2,152,246,663
 Class of shares : Ordinary shares
 Voting rights : One vote per ordinary share

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	810	2.42	28,975	0.00
100 - 1,000	2,490	7.45	1,837,052	0.09
1,001 - 10,000	15,580	46.61	70,683,908	3.28
10,001 - 1,000,000	14,520	43.44	317,688,104	14.76
1,000,001 & above	28	0.08	1,762,008,624	81.87
Total	33,428	100.00	2,152,246,663	100.00

Top Twenty Shareholders	No. of Shares	%
Citibank Nominees Singapore Pte Ltd	485,400,726	22.55
DBS Nominees Pte Ltd	407,222,910	18.92
DBSN Services Pte Ltd	392,529,210	18.24
HSBC (Singapore) Nominees Pte Ltd	172,950,110	8.04
United Overseas Bank Nominees Pte Ltd	126,736,354	5.89
Raffles Nominees (Pte) Ltd	50,242,627	2.33
BNP Paribas Securities Services Singapore	48,228,139	2.24
OCBC Nominees Singapore Pte Ltd	17,679,763	0.82
Changi Bus Company (Private) Limited	9,244,095	0.43
Merrill Lynch (Singapore) Pte Ltd	8,165,593	0.38
Yim Chee Chong	5,000,000	0.23
Macquarie Capital Securities (Singapore) Pte Ltd	4,648,587	0.22
DB Nominees (S) Pte Ltd	4,242,595	0.20
DBS Vickers Securities (S) Pte Ltd	3,625,939	0.17
Choo Chek Siew	3,260,000	0.15
Bank of Singapore Nominees Pte Ltd	2,784,046	0.13
Kua Hong Pak	2,724,530	0.13
Dawn Kua Su-Wen	2,350,000	0.11
Chan Kam Fai	2,336,443	0.11
Choo Meileen	2,015,000	0.09
Total	1,751,386,667	81.38

SHAREHOLDING STATISTICS

As at 7 March 2016

Substantial Shareholders (as shown in the Register of Substantial Shareholders)

	Direct Interest		Deemed Interest	
	No. of Shares	\$%	No. of Shares	\$%
The Capital Group Companies, Inc.	-	-	127,937,500 ¹	5.94
Capital Research and Management Company	-	-	127,937,500 ¹	5.94
Capital World Growth and Income Fund	127,937,500	5.94	-	-
BlackRock, Inc.	-	-	129,064,323 ²	6.00
The PNC Financial Services Group, Inc.	-	-	129,064,323 ²	6.00

As at 7 March 2016, approximately 87.55% of the issued ordinary shares of ComfortDelGro Corporation Limited is in the hands of the public. Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited has been complied with.

Notes:

- The Capital Group of Companies, Inc. ("CGC") is the parent company of Capital Research and Management Company ("CRMC"). CGC is deemed to have an interest in 127,937,500 shares of ComfortDelGro Corporation Limited held by Capital World Growth and Income Fund ("WGI"), a mutual fund managed by CRMC. CRMC, as the investment adviser of WGI, is deemed to have an interest in the 127,937,500 shares of ComfortDelGro Corporation Limited held by WGI. WGI's shares in ComfortDelGro Corporation Limited are held through nominees.
- BlackRock, Inc. is deemed to have an interest in 129,064,323 shares of ComfortDelGro Corporation Limited held by its subsidiaries. The PNC Financial Services Group, Inc. through its ownership of more than 20% of BlackRock, Inc. is deemed to have an interest in 129,064,323 shares of ComfortDelGro Corporation Limited held by the subsidiaries of BlackRock, Inc.

NOTICE OF ANNUAL GENERAL MEETING

ComfortDelGro Corporation Limited

(Incorporated in the Republic of Singapore)

(Co. Reg. No.: 200300002K)

NOTICE IS HEREBY GIVEN that the Thirteenth Annual General Meeting of the Company will be held on Thursday, 28 April 2016 at 10.00 a.m. at:

HDB HUB AUDITORIUM

BASEMENT 1

480 LORONG 6 TOA PAYOH

SINGAPORE 310480*

The Annual General Meeting is for the purpose of transacting the following business:

Ordinary Business:

1. To receive and adopt the Directors' Statement and Audited Financial Statements for the Financial Year ended 31 December 2015 together with the Auditors' Report thereon. **(Resolution 1)**
2. To declare a tax-exempt one-tier final dividend of 5 cents per ordinary share in respect of the Financial Year ended 31 December 2015. **(Resolution 2)**
3. To approve the payment of Directors' fees of \$705,200 for the Financial Year ended 31 December 2015. (FY2014: \$641,838) **(Resolution 3)**
4. To re-elect Ms Sum Wai Fun, Adeline, a Director retiring pursuant to Article 91 of the Company's Articles of Association. **(Resolution 4)**
5. To re-elect Mr Wong Chin Huat, David, a Director retiring pursuant to Article 91 of the Company's Articles of Association. **(Resolution 5)**
6. To re-appoint Mr Lim Jit Poh, a Director who was previously re-appointed to hold office until the Thirteenth Annual General Meeting of the Company pursuant to then Section 153(6) of the Companies Act, Cap. 50. **(Resolution 6)**
7. To re-appoint Mr Ong Ah Heng, a Director who was previously re-appointed to hold office until the Thirteenth Annual General Meeting of the Company pursuant to then Section 153(6) of the Companies Act, Cap. 50. **(Resolution 7)**
8. To re-appoint Mr Kua Hong Pak, a Director who was previously re-appointed to hold office until the Thirteenth Annual General Meeting of the Company pursuant to then Section 153(6) of the Companies Act, Cap. 50. **(Resolution 8)**
9. To re-appoint Mr Oo Soon Hee, a Director who was previously re-appointed to hold office until the Thirteenth Annual General Meeting of the Company pursuant to then Section 153(6) of the Companies Act, Cap. 50. **(Resolution 9)**
10. To re-appoint Messrs Deloitte & Touche LLP as Auditors and authorise the Directors to fix their remuneration. **(Resolution 10)**

* PLEASE NOTE THE CHANGE IN VENUE THIS YEAR.

NOTICE OF ANNUAL GENERAL MEETING

Books Closure and Dividend Payment Dates

NOTICE IS ALSO HEREBY GIVEN that the Transfer Books and Register of Members of the Company will be closed on 10 May 2016 for the purposes of determining Shareholders' entitlements to the proposed tax-exempt one-tier final dividend of 5 cents per ordinary share for the Financial Year ended 31 December 2015.

Duly completed and stamped transfers received by the Company's Share Registrars, B.A.C.S. Private Limited, 8, Robinson Road, #03-00 ASO Building, Singapore 048544 up to 5.00 p.m. on 9 May 2016 will be registered to determine Shareholders' entitlements to the final dividend. Shareholders (being depositors) whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on 9 May 2016 will be entitled for the proposed final dividend.

The final dividend, if approved by the Shareholders at the Thirteenth Annual General Meeting of the Company, will be paid on 16 May 2016.

By Order of the Board

Chan Wan Tak, Wendy
Company Secretary
Singapore
30 March 2016

Notes:

- 1 (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the Annual General Meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
- (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the Annual General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Cap. 50.

- 2 A proxy need not be a member of the Company.
- 3 The instrument appointing a proxy or proxies (a form is enclosed) must be deposited at the Company's registered office at 205 Braddell Road, Singapore 579701 not less than 48 hours before the time appointed for holding the Annual General Meeting.

Explanatory note:

Ordinary Resolutions 6 to 9, if respectively passed, will re-appoint the Directors mentioned in the respective Ordinary Resolutions as Directors of the Company. As the said Directors were re-appointed at the Twelfth Annual General Meeting of the Company to hold office until the Thirteenth Annual General Meeting of the Company pursuant to the then Section 153(6) of the Companies Act, Cap. 50., the Ordinary Resolutions are to re-appoint them to continue in office as Directors of the Company.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Additional Information on Ordinary Business

Mr Wong Chin Huat, David, is the Chairman of the Audit and Risk Committee while Mr Ong Ah Heng, Mr Oo Soon Hee and Ms Sum Wai Fun, Adeline, are Members of the Audit and Risk Committee. They are all considered independent Directors of the Company. If re-elected or re-appointed, Mr Wong Chin Huat, David, will continue as Chairman of the Audit and Risk Committee while Mr Ong Ah Heng, Mr Oo Soon Hee and Ms Sum Wai Fun, Adeline, will continue as Members of the Audit and Risk Committee respectively.

COMFORTDELGRO CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
(Co. Reg. No.: 200300002K)

PROXY FORM ANNUAL GENERAL MEETING

IMPORTANT

1. Relevant intermediaries as defined in Section 181 of the Companies Act, Cap. 50 may appoint more than two proxies to attend, speak and vote at the Annual General Meeting.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who intend to exercise the voting rights attached to their ComfortDelGro Corporation Limited shares purchased using their CPF monies are requested to contact their respective CPF Approved Nominees.
4. By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 30 March 2016.

I/We _____ (Name) _____ (NRIC/Passport Number)
of _____ (Address)

being a member/members of ComfortDelGro Corporation Limited (the "Company") hereby appoint:

Name	Address	NRIC/ Passport Number	Proportion of Shareholding (%) (Note 2)

and/or (delete as appropriate)

--	--	--	--

or failing him/them, the Chairman of the Annual General Meeting ("AGM"), as my/our proxy/proxies to attend and to vote for me/us on my/our behalf, at the AGM of the Company to be held on Thursday, 28 April 2016 and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies may vote or abstain from voting at his/their discretion, as he/they may on any other matter arising at the AGM.

NOTE: The Chairman of the AGM will be exercising his right under Article 61(i) of the Articles of Association of the Company to demand a poll in respect of the Resolutions to be put on the vote of the members at the AGM and at any adjournment thereof. Accordingly, such Resolutions at the AGM will be voted on by way of poll.

No.	Resolutions	No. of Votes For*	No. of Votes Against*
1.	Adoption of Directors' Statement and Audited Financial Statements		
2.	Declaration of Final Dividend		
3.	Approval of Directors' Fees		
4.	Re-election of Ms Sum Wai Fun, Adeline as Director		
5.	Re-election of Mr Wong Chin Huat, David as Director		
6.	Re-appointment of Mr Lim Jit Poh as Director		
7.	Re-appointment of Mr Ong Ah Heng as Director		
8.	Re-appointment of Mr Kua Hong Pak as Director		
9.	Re-appointment of Mr Oo Soon Hee as Director		
10.	Re-appointment of Auditors and authorising Directors to fix their remuneration		

* If you wish to exercise all your votes "For" or "Against" the relevant Resolution, please tick (v) within the box provided. Alternatively, if you wish to exercise your votes for both "For" and "Against" the relevant Resolution, please indicate the number of shares in the boxes provided.

Dated this _____ day of _____ 2016

Total Number of Shares Held (Note 1)

Signature(s) of Member(s)/Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

Should a member wish to receive acknowledgement of receipt of the Proxy Form from the Company, please provide your email address and/or mobile phone number.

Email Address: _____ Mobile Phone No: _____

NOTES:

1. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (maintained by The Central Depository (Pte) Limited), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert that number of shares. If the member has shares entered against his name in the Depository Register and registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member.
2. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
(b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.
"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Cap. 50.
3. A proxy need not be a member of the Company.
4. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Annual General Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Annual General Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the Annual General Meeting.
5. The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 205 Braddell Road, Singapore 579701 not less than 48 hours before the time set for the Annual General Meeting.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
7. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
8. The Company shall be entitled to reject the instrument appointing a proxy or proxies which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument. In addition, in the case of shares entered in the Depository Register, the Company may reject the instrument appointing a proxy or proxies if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

Fold along this line

Affix
postage
stamp

THE COMPANY SECRETARY
ComfortDelGro Corporation Limited
205 Braddell Road
Singapore 579701

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Glue all sides firmly. Stapling and spot sealing are disallowed.

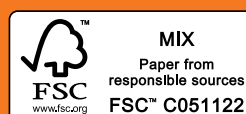
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**PLEASE NOTE THAT THIS YEAR'S
ANNUAL GENERAL MEETING WILL BE HELD AT:**

**HDB HUB AUDITORIUM
BASEMENT 1
480 LORONG 6 TOA PAYOH
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Design and Production by Silicon+





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