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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

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

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

Global Footprint



Cities
26

Countries
7

Employees
22,220

Vehicles
46,329



Chairman's Statement



All our operations in Singapore grew their top-line in the year ended 31 December 2011.

Introduction

The world is undergoing tremendous changes, both politically and economically. If it is not USA bipartisan politics, it is Europe's sovereign debt issues. If it's not social unrest in the Arab world, then it's the instability of the Japanese Government. The same song is played out in the currency market with the continued weakening of the US Dollar and the Euro, the incessant strengthening of the Japanese Yen and the gradual appreciation of the Chinese Renminbi (RMB). As a global Group, our business undertakings are strongly affected by all these events and phenomena.

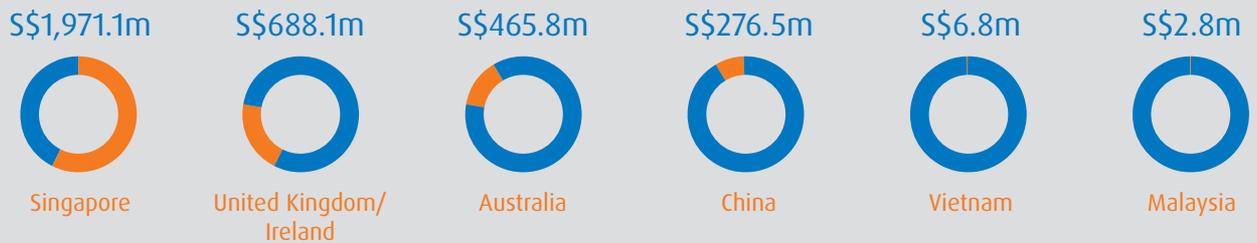
Back home in Singapore, the strong economic growth of 14.5% in 2010 was, expectedly, unsustainable. Growth in 2011

was much lower at 4.9% with the prognosis for 2012 even bleaker. In fact, the Monetary Authority of Singapore (MAS) has forecast a growth rate of between 1% and 3%. These figures paint a worrying trend, with 2011 dropping about 66.0% against 2010 and another possible 59.0% decline in 2012 over 2011.

Corporate Governance

Corporate Singapore had a very busy year in 2011 with practically every relevant authority issuing new rulings or guidelines. In all, four consultation papers were released: the Corporate Governance Council on proposed revisions to the Code of Corporate Governance; the Ministry of Finance and the Accounting and Corporate Regulatory

REVENUES AT A GLANCE



Authority on proposed changes to the Companies Act; the Securities Industry Council on proposed amendments to the Singapore Code on Takeovers and Mergers; and the Singapore Exchange's (SGX) document on the Enhanced Listing Rules to strengthen Corporate Governance Practice.

At ComfortDelGro Corporation Limited, we are pleased with the proposed changes to the Code of Corporate Governance, which address the various topics related to the role of directors, risk management and shareholders' rights. We are awaiting the final approval by the MAS on the proposed changes as put up by the Corporate Governance Council. We also take comfort that the Companies Act will be amended. Relevant changes affecting us directly are the extension of the time limit for the filing of proxies from 48 hours to 72 hours prior to Shareholders' Meetings and the extension of the multiple proxies' proposal to encompass Central Provident Fund (CPF) investors.

In both cases, we are in full support of the proposed revisions pertaining to prompt disclosure, transparency and accountability. We must however be careful to ensure that the safeguarding of vital information is upheld. In the spirit of greater transparency, we have also been conducting our annual general meetings by electronic poll.

We welcome the proposed revisions to the Singapore Code on Takeovers and Mergers. Likewise, we experience no difficulty in enforcing the SGX's Enhanced Listing Rules. I also continue to meet up with the Chairmen of Audit Committees of our three listed companies in the absence of Management. Again I am pleased to report that there are no issues of

concern. In fact, all our Directors are well apprised of the various operations of the Group – both in Singapore and out, having personally visited many of our business units over the years.

In all, 23 internal audits were conducted in 2011 based on the risk-based approach approved by the respective audit committees. Out of these, 16 were on overseas operations covering China, the United Kingdom (UK) and Vietnam. No significant adverse findings surfaced and strong internal control systems continue to be firmly rooted.

ComfortDelGro continues to rank high in the annual Business Times Corporate Governance Index. SBS Transit Ltd won an award for its Annual Report and ComfortDelGro was the first Singapore company ever to win the Grand Prize for Cover Design at the 25th Annual International ARC Awards in New York.

Additionally, ComfortDelGro Taxis was bestowed the "Innovation in Business" Award by the British Chamber of Commerce Singapore in 2011. In Australia, our Sydney operations won the Australian Business Award for Project Management and the Environmental/Innovative Operator of the Year Award given by the Bus & Coach Association of New South Wales. We went on to win the Bus Industry Confederation Environment and Innovation Award 2011 (Australia/New Zealand). We have also received many awards in China and Vietnam like the Outstanding Enterprise Award, Top Taxi Operator Award and Best Taxi Service Award. Locally, we also won numerous awards. A full list of all the awards won is reflected elsewhere in this Annual Report.

Singapore Business

All our operations in Singapore grew their top-line in the year ended 31 December 2011.

In the aftermath of what has emerged as Singapore's watershed election, the Government has started to reshape some of its existing policies, including those governing the transport industry. Meanwhile, we are going through a phase of increased population, a high inflation rate, a strong Singapore Dollar and full employment. These are distinctly different from countries in the developed world, which are now facing economic and financial crisis and high unemployment rates. As a global Group, we are therefore torn between the extremes of these two poles.

The issue of overcrowdedness in trains and buses came into focus during the 2011 General Election. The Finance Minister, in his 2012 Budget Speech, announced that the Government would pump S\$1.1 billion into the industry to ramp up bus capacity. For a start, the Government will provide funding for 550 buses over the next five years.

In 2011, our listed subsidiary, SBS Transit, won the tender for the licence to operate another of Singapore's longest heavy rail lines – the Downtown Line (DTL). As a result, it will increase its Mass Rapid Transit (MRT) operating distance from 40km to 82km, representing 36% of total network in the country. This is indeed a very good start for us. The licence for the DTL is for a period of 19 years from the commencement of passenger operations. Under the new financing framework, the Land Transport Authority will own all operating assets and is responsible for the funding of asset replacements.

The fare adjustment formula, valid up to 2012, will be reviewed by the Public Transport Council now that distance fares have been introduced. Issues that could be considered include fuel and electricity prices and wages.

ComfortDelGro remains the largest taxi operator in Singapore with a 58% market share. Our fuel subsidy to taxi drivers continues to be very attractive. The shortage of good taxi drivers places us in a difficult position to improve our market share. Moreover, the taxi to population ratio in Singapore is still high.

The innovative features of our efficient and effective high technology call centre together with our convenient user-friendly cashless transaction system helped to maintain our profitability. It also differentiates us from our competitors.

With a reduction in the supply of new Certificates of Entitlement, it is expected that existing cars will remain on the roads longer, resulting in an increase in the number of vehicle inspections. With the economy expected to still grow at a moderate pace, we should continue to have adequate business in technical testing. These activities are undertaken by another of our listed subsidiary, VICOM Ltd.

The engineering business remains challenging with costs increasing significantly during the year. In fact, the cost of tyres alone rose by 13% in 2011. Despite this, we managed to leverage on the Group's size for greater economies of scale through the Group Procurement Unit. Of the total amounts procured centrally, it is estimated that savings to the tune of S\$1.7 million were made in 2011. Our private car business, Spark Car Care™, did well during the year, registering double-digit growth as it expanded its product range beyond the normal servicing and repairs to include grooming (Spark Glow), solar film (Spark Cool) and air-conditioning treatment (Spark Fresh). In addition, we also launched 'Spark Web', a referral programme and 'Spark Kakis', a membership programme to retain and reward existing customers.

Given the rising cost of fuel, our Treasury Department did well to hedge against price increases.

Vehicle advertising expanded abroad to Sydney in 2011. It is presently working with a local representative in Guangzhou for the Chinese advertisers.

Our insurance broking arm continues to help the Group in its huge insurance commitments. Savings have been made despite rises in premium rates.

Our other businesses in Singapore continued to grow in the year under review despite the increasingly challenging conditions.

Overseas Ventures

Contracted bus operations in developed countries are being threatened by governments' austerity drives and budget

cuts, while high fuel prices are eroding profit margins of transport companies that are not government-funded. High asset prices, inflation and potential social unrest also increase the risk of investments in new businesses and markets. In 2011, we did not enter into any major acquisitions but took the opportunity to consolidate, streamline and structure our overseas operations to improve returns while positioning for new challenges and growth.

Strength and resilience through diversity is a core characteristic of the Group. This was exemplified by our UK and Irish operations. Our taxi operations in England came under severe stress by the crippling combination of the economic slowdown, the Euro zone crisis and the Government's austerity drive aimed at reining in sovereign debt levels. Our bus and coach operations in the UK and Ireland however performed commendably despite sharp increases in the price of fuel and inflation by carefully controlling costs and increasing revenues while stimulating higher ridership and yield management. Our taxi operations in Aberdeen also did well, with annual operating profits crossing the £1-million mark for the first time.

We also moved to consolidate our taxi operations in London by acquiring the remaining 20% stake in Computer Cab plc held by our local partner, the Licensed Taxi Drivers Association, making it a 100%-owned subsidiary of our UK taxi and private hire holding company, CityFleet Networks Limited. Going forward, this will enable us to rationalise and consolidate our taxi, private and coach operations in the important London market.

In China, our operations in the 13 cities continue to do well. In 2011, we expanded our taxi fleet thanks to positive growth policies of some local governments. In particular, our fleets in Chengdu, Suzhou, Nanning and Nanjing have grown by 800, 50, 95 and 14 respectively through the various tender exercises in the last year. In fact, in six of the 11 cities that we operate taxis, we rank among the top three. Our combined fleet size is about 7/10 the size of our Singapore fleet.

Our bus station in Guangzhou continues to do well but will, in time to come, be affected by the high speed rail and Light Rail Transit network that is being built in the Province. Meanwhile, the hollowing out of industries in the Pearl River Delta will also affect the movement of migrant workers.

The three locations where we have our businesses in Australia are doing well. Our Sydney and Melbourne bus operations have been growing steadily since they were acquired. Both are in the expansion mode. The new Perth taxi business is also performing up to our expectations. There is scope for ancillary lines of business after we have settled down in Perth.

The conditions in Vietnam remain challenging. Besides the very fragmented taxi market, which includes 2,500 pirate taxis, interest rates remain very high at between 14% and 20%. In such an environment, the number of registered taxis in Ho Chi Minh City where we operate dropped by about 20% from 12,600 to 10,000. Our own taxi fleet has also decreased by 16% from 718 to 602.

In Malaysia, we consolidated our businesses to focus on long-term leasing that provides a better yield.

Manpower

Our global workforce was reduced by 2.2% in 2011 to 22,220 due mainly to the reclassification of taxi drivers in China. About 55% of our staff are located outside Singapore.

As a labour intensive business, the total wage bill for the Group was S\$1.04 billion in 2011, working out to an average of S\$2.85 million per day. In China, high increases in salary and social benefits have put upward pressure on the total wage bill while in Singapore, higher employers' contribution to CPF and a higher foreign worker levy are contributory factors to the rise in wages.

Skills upgrading, re-skilling and staff development continue to be our main focus. In 2011, an average of 49 hours per staff was committed to training compared to 47 hours in 2010. This is a good sign. The total amount of money spent on training in 2011 was S\$1.36 million. Talent management activities continue with each business unit continuing to identify, assess, re-assess and nominate its staff with high potential for core leadership development training programmes.

Finance

Despite global uncertainties, the Group's total revenue for 2011 increased by 6.4% to a record S\$3.4 billion. Of this, our overseas operations accounted for 42.2% of total revenue. If not for fluctuations in currency, there would be an overall increase of S\$220.2 million in total revenue resulting in an increase in overseas component to 42.5%.

In terms of distribution by business sector, bus revenue in 2011 still retained its top spot with close to a 50% share of total revenue. Significantly, overseas bus revenue accounted for 62.7% of total bus revenue. The taxi business segment accounted for about 31% of total revenue followed by the engineering and rail businesses with a 10% and 4% share respectively.

Operating profit for 2011 was S\$399.2 million, 2.8% higher than previously.

In line with the strong top-line growth, net profit attributable to shareholders increased by 3.1% to S\$235.6 million.

Earnings per share increased by 2.9% to 11.27 Singapore cents while EBITDA increased by 5.4% to S\$715.8 million. Returns on equity and total assets were 12.76% and 6.63% respectively.

Total assets increased to S\$4.59 billion, a rise of S\$207.8 million or 4.7%. Total equity increased by S\$126.3 million or 5.4% to S\$2.47 billion. Net asset value per ordinary share was 90.5 cents. This was 4.3 cents more than 2010. Capital expenditure in 2011 was at S\$600.5 million. This was S\$63.8 million or 11.9% more than 2010. The bulk was due to the purchase of buses and taxis. However, net gearing went down to 2.2% compared to 5.1% in 2010. The Balance Sheet remained strong and healthy.

Your Directors have proposed a final dividend of 3.3 cents per share, which is subject to Shareholders' approval at our Annual General Meeting. Together with the interim dividend of 2.7 cents per share paid earlier, the total dividend for the year would be 6.0 cents per share. This is 9.1% higher than 2010's figure of 5.5 cents per share and represents a dividend yield of 4.1%.

Investor Relations

In 2011, we stepped up engagement activities with our Shareholders and the investment community. Three more research houses have started tracking our stock, bringing the total number of houses to 18. As a result, 80 one-on-one office meetings and conference calls with 58 funds and 24 analysts/institutional sales personnel were organised. We also participated in eight investor conferences and non-deal shows in Singapore and overseas involving 44 meetings and 80 funds. For our efforts, we were presented with

a Certificate of Excellence in Investor Relations by the IR Magazine Southeast Asia Award.

As at the end of 2011, our market capitalisation stood at S\$2.96 billion, representing a drop of 8.6% over the previous year amidst a weaker market, with the Straits Times (ST) Index dropping by 16.8%. Despite that, we ranked 45th amongst the largest listed companies in Singapore – three notches higher than in 2010. We have outperformed the ST Index and the FTSE ST All Share Index by 8.4% and 11.2% respectively. We continue to be one of the 30 component members of the ST Index.

Corporate Social Responsibility

We continue to do our bit for the community, paying special attention to the handicapped, disadvantaged and the elderly in all our operations worldwide.

In the area of environmental conservation, we remain guided by the Green Statement, which we issued in November 2007, and have taken proactive steps to mitigate the impact of our operations on the environment.

We continue in our search for vehicle models with low carbon emissions. In our global fleet of 46,329 vehicles, we currently operate Euro 5, liquefied petroleum gas and compressed natural gas vehicles. In Singapore and the UK, hybrid vehicles have also been put on trial and we continue to assess their commercial and operational viabilities. Besides investing in Green vehicles, we also ensure that our buildings, as well as bus and train depots are environmentally friendly.

The Group continuously works at inculcating a Green culture amongst staff. We have been observing Earth Hour every year; participating in the World Car Free Day by encouraging drivers to use public transport, as well as initiating an Eco Drive programme in London to train drivers to conserve fuel and reduce their emissions. We also actively recycle paper, programme our lighting and computers to go into sleep and power standby mode respectively when not in use, and raise the temperature of the air-conditioning in our offices, so that the environment is cool but not freezing.

We continue to reach out to the community through talks and visits. In 2011, we conducted 83 school talks and visits

involving more than 50,000 students. Pre-schoolers visited our interchanges where they were brought on board double deck buses and safety messages impressed upon them. Those in primary and secondary schools attended assembly talks, which focussed on safety, security and graciousness in public transport. We also took pains to explain common occurrences like bus bunching, so that commuters can be better informed.

Challenges

We enter 2012 facing many challenges. The global economy is still sluggish and many countries are facing the strong possibility of slower growth in 2012. The recently-concluded global climatic change meeting in Durban, South Africa, may accelerate some of our environmental and Green programmes, and this may result in higher operating costs. These are challenges beyond our control.

In Singapore, policies in land transport will come under close scrutiny. The authorities are expected to impose new standards in maintenance following the recent MRT breakdowns.

As the public scheduled bus and rail networks in Singapore continue to be developed to cater to the burgeoning population, demands on the taxi industry will continue to be heavy.

Our overseas operations will continue to be impacted by currency fluctuations. Management will continue to look aggressively for expansion to reach the target of securing 70% of revenue from abroad.

Fuel and electricity, as well as rising manpower costs, will continue to be of concern in operations. Efforts to manage these will continue to be our top priority.

Conclusion

The global land transport business is regulated with direct responsibilities to commuters, governments and investors. It has an indirect responsibility to the population and the society at large. ComfortDelGro, as one of the world's largest land transport operators, has been operating soundly for the past nine years across four time zones and seven countries. Credit has to be given to our Managing Director/Group Chief Executive Officer, Mr Kua Hong Pak, for managing such a

huge diverse Group with a total workforce of over 22,200 and overall assets worth S\$4.6 billion.

The issues of strategic oversight at the corporate level, overall governance and enterprise risk are important subjects requiring constant overview. As Non-Executive Chairman, it would not be possible for me to adhere to the strict Code of Corporate Governance if I do not actively participate in some of the Group's major activities. Yet, I have also taken great care to ensure that I do not interfere in the day-to-day operations of the Group. The balance has to be constantly struck and the goal, for both Management and the Board, is the continued success of the Group.

I am very grateful to my fellow Directors, Management and Staff, our Business Partners, the Regulators and the Unions for their continued understanding and cooperation through the last 12 months. On behalf of the Board of Directors, I wish to thank them wholeheartedly. To our Customers, thank you for your continued support. And finally, to our Shareholders, our heartfelt appreciation for your continued faith in us.

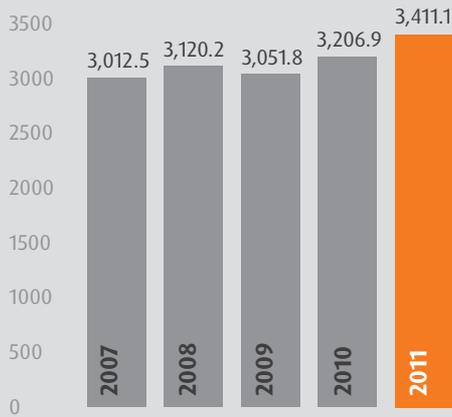
LIM JIT POH

Chairman

Group Financial Highlights

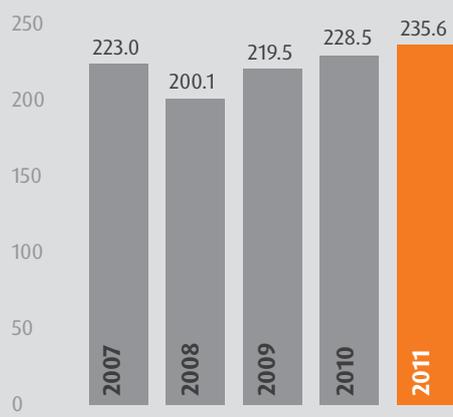
REVENUE

(S\$'mil)



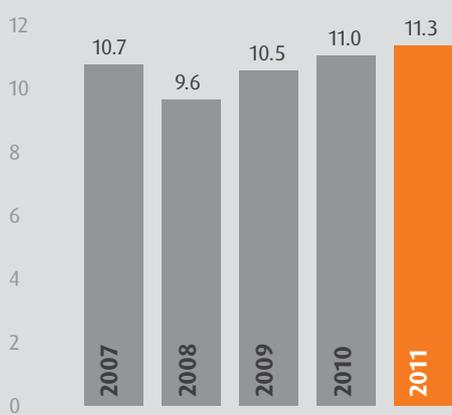
PROFIT ATTRIBUTABLE TO SHAREHOLDERS

(S\$'mil)



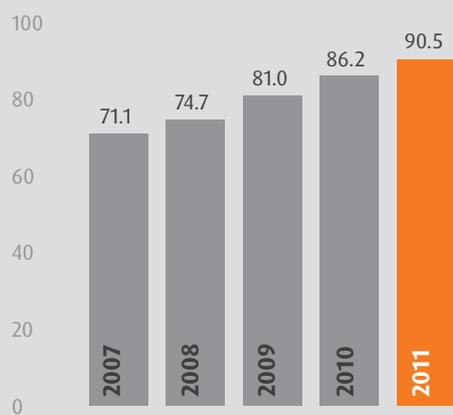
EARNINGS PER ORDINARY SHARE

(cents)



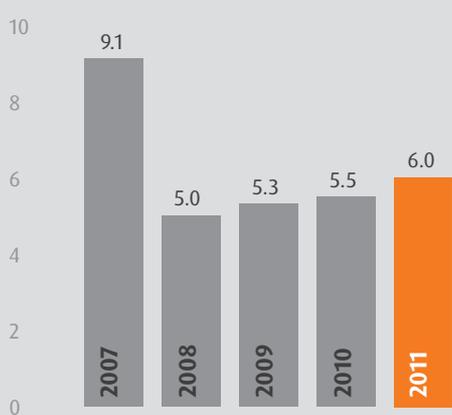
NET ASSET VALUE PER ORDINARY SHARE

(cents)



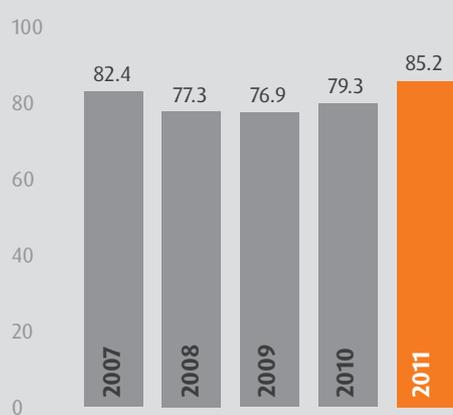
TOTAL DIVIDEND PER ORDINARY SHARE

(cents)



VALUE-ADDED PER EMPLOYEE

(S\$'000)



FINANCIAL SUMMARY

	2007	2008	2009	2010	2011
Revenue (S\$'mil)	3,012.5	3,120.2	3,051.8	3,206.9	3,411.1
Operating expenses (S\$'mil)	2,676.2	2,842.2	2,701.9	2,818.5	3,011.9
Profit attributable to shareholders (S\$'mil)	223.0	200.1	219.5	228.5	235.6
EBITDA (S\$'mil)	605.4	541.7	629.8	679.3	715.8
Issued capital (S\$'mil)	559.6	560.9	561.7	565.5	568.6
Capital and reserves (S\$'mil)	1,482.5	1,556.8	1,690.0	1,800.5	1,891.5
Capital disbursement (S\$'mil)	328.2	351.3	446.7	491.0	560.6
Internal funds generated (S\$'mil)	615.2	551.3	648.5	697.4	723.1
Earnings per ordinary share (cents)	10.7	9.6	10.5	11.0	11.3
Net asset value per ordinary share (cents)	71.1	74.7	81.0	86.2	90.5
Return on shareholders' equity (%)	15.3	13.2	13.5	13.1	12.8
Total dividend per ordinary share (cents)	9.1	5.0	5.3	5.5	6.0
Dividend cover (number of times)	1.2	1.9	2.0	2.0	1.9

GROUP REVENUE BY BUSINESS SEGMENT

	2007		2008		2009		2010		2011	
	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%
Bus	1,552.0	51.5	1,548.2	49.7	1,530.9	50.2	1,612.2	50.3	1,684.1	49.4
Bus station	18.6	0.6	19.8	0.6	21.4	0.7	22.7	0.7	23.9	0.7
Rail	99.1	3.3	115.5	3.7	119.7	3.9	134.4	4.2	147.0	4.3
Taxi	922.8	30.7	946.0	30.3	927.6	30.4	981.9	30.6	1,039.2	30.5
Automotive engineering services	290.2	9.6	346.2	11.1	307.4	10.1	300.1	9.4	351.6	10.3
Vehicle inspection and testing	63.0	2.1	72.9	2.3	77.3	2.5	83.7	2.6	90.9	2.7
Car rental and leasing	36.4	1.2	37.4	1.2	33.3	1.1	33.6	1.0	35.4	1.0
Driving centre	30.4	1.0	34.2	1.1	34.2	1.1	38.3	1.2	39.0	1.1
Group	3,012.5	100.0	3,120.2	100.0	3,051.8	100.0	3,206.9	100.0	3,411.1	100.0

GROUP REVENUE BY GEOGRAPHICAL SEGMENT

	2007		2008		2009		2010		2011	
	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%
Singapore	1,609.9	53.4	1,797.6	57.6	1,729.2	56.7	1,832.8	57.1	1,971.1	57.7
United Kingdom/Ireland	985.5	32.7	857.5	27.5	749.3	24.5	711.5	22.2	688.1	20.2
Australia	179.6	6.0	204.7	6.6	276.7	9.1	377.5	11.8	465.8	13.7
China	224.9	7.4	247.4	7.9	285.0	9.3	274.7	8.6	276.5	8.1
Vietnam	7.6	0.3	8.5	0.3	7.7	0.3	7.4	0.2	6.8	0.2
Malaysia	5.0	0.2	4.5	0.1	3.9	0.1	3.0	0.1	2.8	0.1
Group	3,012.5	100.0	3,120.2	100.0	3,051.8	100.0	3,206.9	100.0	3,411.1	100.0

OPERATING PROFIT BY BUSINESS SEGMENT

	2007		2008		2009		2010		2011	
	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%
Bus	135.1	40.2	96.3	34.7	123.9	35.4	149.2	38.4	145.0	36.3
Bus station	8.0	2.4	10.1	3.6	10.3	2.9	10.6	2.7	10.8	2.7
Rail	9.3	2.8	16.7	6.0	20.5	5.8	25.6	6.6	27.7	6.9
Taxi	122.3	36.4	102.1	36.7	105.2	30.1	119.3	30.7	129.6	32.5
Automotive engineering services	31.5	9.3	16.9	6.1	51.2	14.6	39.1	10.1	37.5	9.4
Vehicle inspection and testing	16.0	4.7	19.8	7.1	24.7	7.1	27.3	7.0	30.7	7.7
Car rental and leasing	6.8	2.0	6.9	2.5	4.4	1.3	5.9	1.5	7.3	1.8
Driving centre	7.3	2.2	9.2	3.3	9.7	2.8	11.4	3.0	10.6	2.7
Group	336.3	100.0	278.0	100.0	349.9	100.0	388.4	100.0	399.2	100.0

OPERATING PROFIT BY GEOGRAPHICAL SEGMENT

	2007		2008		2009		2010		2011	
	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%
Singapore	185.9	55.3	148.2	53.3	212.2	60.6	225.5	58.0	216.3	54.1
United Kingdom/Ireland	83.8	24.9	44.7	16.1	53.5	15.3	52.0	13.4	48.8	12.2
Australia	26.3	7.8	32.0	11.5	39.8	11.4	66.7	17.2	88.5	22.2
China	39.5	11.8	52.2	18.8	43.2	12.3	43.2	11.1	44.2	11.1
Vietnam	(0.2)	(0.1)	0.7	0.2	0.6	0.2	0.8	0.2	1.1	0.3
Malaysia	1.0	0.3	0.2	0.1	0.6	0.2	0.2	0.1	0.3	0.1
Group	336.3	100.0	278.0	100.0	349.9	100.0	388.4	100.0	399.2	100.0

VALUE-ADDED FOR THE GROUP

	2007		2008		2009		2010		2011	
	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%
Suppliers of capital										
– loan interest and dividends	276.7	16.4	160.9	10.0	155.5	9.0	175.8	9.8	176.8	9.3
Taxation to the government	186.2	11.1	178.4	11.0	179.3	10.5	204.9	11.4	215.2	11.4
Retained earnings	266.9	15.9	333.1	20.6	420.1	24.5	428.7	23.8	459.2	24.3
Employees										
– salaries, CPF and other benefits	950.7	56.6	942.8	58.4	960.3	56.0	991.1	55.0	1,040.5	55.0
Total value-added	1,680.5	100.0	1,615.2	100.0	1,715.2	100.0	1,800.5	100.0	1,891.7	100.0
Value-added per employee (S\$'000)	82.4		77.3		76.9		79.3		85.2	

Awards and Accolades

At ComfortDelGro, 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. ComfortDelGro 2010 Annual Report clinched the Grand Prize at ARC Annual Report Awards for its cover design
2. Meritorious Defence Partner Award 2011 by the Ministry of Defence



Beijing Jin Jian Taxi Services

3. 'A' Grade Credit Enterprise in Tax Payment by the Beijing National Taxation Administrative Bureau and Beijing Local Taxation Bureau
4. Advanced Unit in Public Security Information Management by the Beijing Public Security Bureau Public Traffic Guard Corps
5. Advanced Unit in Transport Security by the Beijing Municipal Transportation Security Committee
6. Advanced Enterprise on Financial Reporting and Budgeting for Year 2009 by the Finance Bureau of Shijingshan District, Beijing

CityCab (Shenyang)

7. Outstanding Enterprise 2011 by the Shenyang Traffic Administration Bureau
8. Provincial Trustworthy Enterprise Award by the Shenyang Administration for Industry and Commerce
9. Model Taxi Award for four taxis and 51 cabbies received the Star Driver Awards

ComfortDelGro Bus

10. Safety Performance Award by The Polyolefin Company (S)
11. 19 Excellent Service Award winners by SPRING Singapore
12. 14 staff recognised at the National Courtesy Award-Transport Gold 2011

ComfortDelGro Cabcharge

13. Bus Industry Confederation Environment and Innovation Award 2011 (Australia/New Zealand)
14. Project Management Award 2011 by the Australian Business Awards
15. Environmental/Innovative Operator of the Year 2011 by the Bus & Coach Association of New South Wales (BusNSW)
16. Driver Geoff Pendlebury of Hunter Valley Bus won the Coach Driver of the Year Award 2011 by BusNSW



ComfortDelGro Driving Centre

- 17. Distinguished Home Team Partner Award 2011 by the Ministry of Home Affairs
- 18. Distinguished Defence Partner Award 2011 by the Ministry of Defence

ComfortDelGro Engineering

- 19. 31 Excellent Service Award winners by SPRING Singapore
- 20. 31 staff recognised at the National Courtesy Award-Transport Gold 2011

ComfortDelGro Insurance Brokers

- 21. Singapore SME 1000 Company for 2011

ComfortDelGro Taxis

- 22. Won the "Innovative in Business" category at the 12th Annual Business Awards by the British Chamber of Commerce, Singapore
- 23. 27 Excellent Service Award winners by SPRING Singapore
- 24. CityCab Cabby Yeow Chuwee Lam was one of three Kindness Champions to be honoured alongside 38 staff and cabbies at the National Courtesy Award-Transport Gold 2011
- 25. Comfort Cabbies Jason Tan and Olivia Chua were Finalists for the Taxi Category at the 2011 Singapore Experience Awards



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Guangzhou Xin Tian Wei Development

- 26. Advanced Unit in Transportation for National Spring Festival
- 27. Advanced Unit for Harmonious Labour Relations
- 28. Guangdong Trusted Enterprise
- 29. Model Unit for National Civilised City Award

Irish Citylink ComfortDelGro

- 30. Contractor awarded Intercity Coach Operator of the Year

Jilin ComfortDelGro Taxi

- 31. Advanced Unit for Year 2011 by the Jilin Taxi Administrative Department
- 32. 27 cabbies earned the title of *Lei Feng*

Metroline

- 33. ISO 9001 Quality Management System Certification
- 34. Nominated Apprentice Employer of the Year
- 35. Apprentice Kudakwashe Ntuli named Apprentice of the Year and was also the highest achieving student to be awarded by the City College Coventry Centre of Excellence
- 36. Driver Khashayar Khosraviani won the "Best Travel Experience" category at the 2011 London Bus Awards
- 37. Coach Maker Roberto Afonso named one of two Passion! Award winners for 2011 and was runner-up in the "Best Vehicle Care" category at the 2011 London Bus Awards



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Nanjing ComfortDelGro Dajian Taxi

- 38. 'A' Grade Credit Enterprise in Tax Payment by the Nanjing National Taxation Administrative Bureau and Nanjing Local Taxation Bureau
- 39. Advanced Unit in Transportation for National Civilised City Award
- 40. Advanced Unit in Transportation for National Spring Festival
- 41. Blue Angel Route Group awarded Model Unit by the Jiangsu Provincial Transportation Bureau
- 42. 2 cabbies received National Service awards

Nanning Comfort Transportation

- 43. Named one of the top three taxi operators in the City by the Nanning Transportation Bureau for the seventh consecutive year
- 44. 'A' Grade Credit Enterprise in Tax Payment by the Nanning National Taxation Administrative Bureau and Nanning Local Taxation Bureau
- 45. Advanced Unit in Transportation for National Civilised City Award
- 46. Advanced Unit in Transportation for National Spring Festival
- 47. 10 cabbies bagged the industry's 100 Best Taxi Drivers
- 48. Cabby He Jian Guang named one of 60 "National Courageous Driver" at the eighth National *Kun Lun* Awards



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SBS Transit

49. Bronze in the “Best Annual Report” category for companies with S\$300 million to less than S\$1 billion in market capitalisation at the Singapore Corporate Awards
50. Enhanced Brake Isolation Design on North East Line won the “Innovation” category at the National Workplace Safety & Health Awards
51. National Safety & Security Watch Group Award 2011
52. Re-certified Singapore Quality Class and People Developer by SPRING Singapore
53. Won the Institutional Category for Best Sourcing Initiative Early Adopters Scheme at the National Trades Union Congress (NTUC) 50 Model Partnership Awards 2011
54. Distinguished Home Team Partner Award 2011 by the Ministry of Home Affairs
55. Distinguished Defence Partner Award 2011 by the Ministry of Defence
56. 1,214 Excellent Service Awards winners by SPRING Singapore
57. 68 staff recognised at the National Courtesy Award-Transport Gold 2011
58. Logistics Personnel Heng Fook Juan was one of two Passion! Award winners for 2011 and won the Individual category at the NTUC 50 Model Partnership Awards 2011



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58

Scottish Citylink Coaches

59. Highly commended in the “Putting the Passenger First” category at the 2011 London Bus Awards

Setso Services

60. ISO/IEC Guide 65 accreditation as Certification Body for Electrical and Electronic Products by the Singapore Accreditation Council
61. ISO/IEC 17020 accreditation as Inspection Body for Central Alarm Monitoring Stations (CAMS) by the Singapore Accreditation Council
62. Meritorious Defence Partner Award 2011 by the Ministry of Defence

Shenyang ComfortDelGro Anyun Bus

63. Outstanding Enterprise by the Shenyang Public Service Bureau and Shenyang Daily
64. Driver Wang Jing Hao received Labour Day Medal from the Shenyang Labour Union

Shenyang ComfortDelGro Taxi

65. Outstanding Enterprise in “Hundred Days Campaign” by the Shenyang Transportation Bureau
66. Outstanding Contribution Award at Shenyang’s First Taxi Festival

Suzhou Comfort Taxi

67. Ranked one of the top six taxi operators by the Suzhou Transportation Bureau

Swan Taxis

68. Cabby Stephen Carron received the Golden Wheel Taxi Driver of the Year Award for 2011

VICOM

69. Meritorious Defence Partner Award 2011 by the Ministry of Defence

Vietnam Taxi (Vinataxi)

70. Guide Award for “Excellent Performance” by the Vietnam Economic Times for the ninth year running



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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 COMMITTEE

WONG CHIN HUAT, DAVID

Chairman (Appointed on 1 January 2012)

ONG AH HENG

OO SOON HEE (Appointed on 1 January 2012)

SUM WAI FUN, ADELINE (Appointed on 1 January 2012)

REMUNERATION COMMITTEE

TOW HENG TAN

Chairman (Appointed on 1 January 2012)

LIM JIT POH

WANG KAI YUEN

WONG CHIN HUAT, DAVID

NOMINATING COMMITTEE

LIM JIT POH

Chairman (Appointed on 1 January 2012)

ONG AH HENG (Appointed on 1 January 2012)

OO SOON HEE

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

Joint Company Secretaries

KUA ZHIZHEN, JEAN

CHAN WAN TAK, WENDY

Share Registrar

B.A.C.S. Private Limited

63 Cantonment Road

Singapore 089758

Auditors

Deloitte & Touche LLP

Public Accountants and Certified Public Accountants

6 Shenton Way #32-00

DBS Building Tower 2

Singapore 068809

Partner-in-Charge:

CHEUNG PUI YUEN

Date of Appointment:

30 April 2008

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 in 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, Ascott Residence Trust Management Limited and China Printing & Dyeing Holding Limited (under Judicial Management). These are listed companies with business interest in land transport, vehicle inspection and technical testing, hospitality trust and manufacturing. Mr Lim is also a Director of Maybank Kim Eng Holdings Limited, a wholly-owned subsidiary of Malayan Banking Berhad, Chairman of Surbana Corporation Pte Ltd, a subsidiary of Temasek Holdings (Private) Limited, and 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 by the Government of Singapore in 1972, as well as three awards by NTUC, namely the Friend of Labour Award in 1986, the Meritorious Service Award in 1990 and the Distinguished Service Award in 2000. In 2006, he was also one of the recipients of the Distinguished Science Alumni Award from the National University of Singapore. Mr Lim is a Trustee of the Singapore National Employers' Federation.

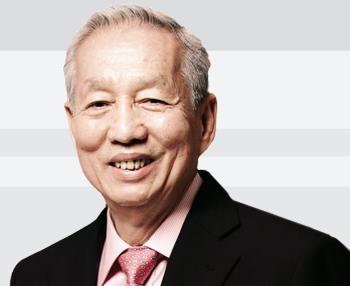
In his previous employment as Executive Director of two public listed companies, Mr Lim had been directly involved in negotiations with business partners and relevant authorities on various joint venture projects in the ASEAN region, as well as in China, Hong Kong, United Kingdom, Australia and Mauritius. 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 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.

Pursuant to Section 153(6) of the Companies Act, Cap. 50, Mr Lim will be due for re-appointment as a Director at the forthcoming Annual General Meeting to be held on 27 April 2012.

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 in 2003. 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, PSA Corporation Limited and StarHub Ltd. 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 2010. 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.

Pursuant to Article 91 of the Company's Articles of Association, Mr Kua will be due for re-election at the forthcoming Annual General Meeting to be held on 27 April 2012. He is a non-independent Director of the Company.

Board of Directors

ONG AH HENG

Director (Non-Executive & Independent)



Mr Ong Ah Heng was appointed a non-executive Director of ComfortDelGro Corporation Limited in 2003. He is an independent Director of the Company. Mr Ong is a member of both the Audit Committee and Nominating Committee. He was the Member of Parliament for Nee Soon Central Single Member Constituency till Parliament dissolved in April 2011. He is presently a Director of ComfortDelGro Engineering Pte Ltd and a Trustee of 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 had been involved in the trade union movement from 1980 to 16 January 2010, and had taken care of members in the transport industry.

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

Mr Ong was last re-elected a Director of the Company pursuant to Article 91 of the Company's Articles of Association at the Annual General Meeting held on 28 April 2010.

OO SOON HEE

Director (Non-Executive & Independent)



Mr Oo Soon Hee was appointed a non-executive Director of ComfortDelGro Corporation Limited in 2003. He is an independent Director of the Company. He is a member of both the Audit 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, NatSteel Holdings Pte Ltd, York Transport Equipment (Asia) Pte Ltd and Bangkok Synthetics Co 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.

Pursuant to Article 91 of the Company's Articles of Association, Mr Oo will be due for re-election at the forthcoming Annual General Meeting to be held on 27 April 2012.



SUM WAI FUN, ADELINE

Director (Non-Executive & Non-Independent)

Ms Sum Wai Fun, Adeline was appointed a non-executive Director of ComfortDelGro Corporation Limited in January 2007. She is a member of both the Audit Committee and Investment Committee. Ms Sum is presently the Chief Executive Officer of the Singapore Labour Foundation (SLF) and Competency Director (Group Development), National Trades Union Congress (NTUC). She holds directorships in a number of NTUC social enterprises and SLF companies.

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 the Harvard University.

Pursuant to Article 91 of the Company's Articles of Association, Ms Sum will be due for re-election at the forthcoming Annual General Meeting to be held on 27 April 2012. She is a non-independent Director of the Company.



TOW HENG TAN

Director (Non-Executive & Independent)

Mr Tow Heng Tan was appointed a non-executive Director of ComfortDelGro Corporation Limited in 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 presently the Chief Executive Officer of Pavilion Capital Pte Ltd, an investment holding company, wholly owned by Temasek Holdings (Private) Limited.

Mr Tow is also a Director of Keppel Corporation Limited, as well as companies in the investment holding and other businesses.

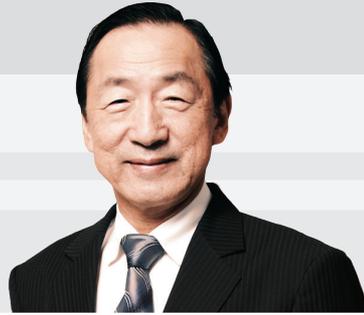
Mr Tow is a Fellow of the Association of Chartered Certified Accountants (UK), a Fellow of the Chartered Institute of Management Accountants (UK) and is a Member of the Institute of Certified Public Accountants of Singapore.

Mr Tow was last re-elected a Director of the Company pursuant to Article 91 of the Company's Articles of Association at the Annual General Meeting held on 27 April 2011.

Board of Directors

WANG KAI YUEN

Director (Non-Executive & Independent)



Dr Wang Kai Yuen was appointed a non-executive Director of ComfortDelGro Corporation Limited in 2003. He is an independent Director of the Company. Dr Wang is a member of both the Investment Committee and Remuneration Committee. He was also a former Member of Parliament for Bukit Timah Single Member Constituency. He is the Chairman of Xpress Holdings Ltd, Asian Micro Holdings Ltd, HLH Group Ltd and the Deputy Chairman of China Aviation Oil (Singapore) Corporation Ltd. He also holds directorships in listed companies, including COSCO Corporation (Singapore) Ltd, Hiap Hoe Holdings Ltd, Matex International Ltd, Ezion Holdings Ltd, SuperBowl Holdings Ltd, EOC Ltd 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 state 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 the Stanford University, USA.

Dr Wang was last re-elected a Director of the Company pursuant to Article 91 of the Company's Articles of Association at the Annual General Meeting held on 27 April 2011.

WONG CHIN HUAT, DAVID

Director (Non-Executive & Independent)



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

Mr Wong is the Senior Partner of Ramdas and Wong, a position he has held since June 1974.

Mr Wong is also a Director of SBS Transit Ltd and two other listed companies. He also serves as a Member of the Public Service Commission. He is presently the Chairman of the National Trades Union Congress (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.

Mr Wong was last re-elected a Director of the Company pursuant to Article 91 of the Company's Articles of Association at the Annual General Meeting held on 27 April 2011.

Key Management

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. He holds a Bachelor of Economics (Hons) from the Australia National University and is an Australian Chartered Accountant.

NG TONG SING

Group Information Officer



Mr Ng Tong Sing joined as Group Information Officer in June 2003. He oversees the Group's IT functions and applications, and supports strategic and business needs. Mr Ng started his career at the Systems and Computer Organisation of the Ministry of Defence. He has held senior management positions in several IT services firms catering to the needs of Government agencies, airlines, banks and logistic companies in the region. Prior to joining the Group, he was the Executive Vice President, Operations at Singapore Computer Systems Limited. He holds a Bachelor of Science (Systems Engineering) (1st Class Hons) from the University of Bath, United Kingdom.

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, 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. She holds a Bachelor of Social Sciences (Hons) from the National University of Singapore.

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).

Key Management

Corporate Office



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. She holds a Bachelor of Accountancy from the Nanyang University.



KUA ZHIZHEN, JEAN

Group Legal Officer/Joint Company Secretary

Ms Kua Zhizhen, Jean joined as Group Legal Officer and Joint Company Secretary in July 2011. She started her career in 2005 as a Deputy Public Prosecutor/State Counsel in the Attorney-General's Chambers. Prior to joining the Group, she was a Magistrate at the Subordinate Courts. Ms Kua holds a Bachelor of Laws and a Master of Laws from the London School of Economics. She also obtained a Graduate Diploma in Singapore Law from the National University of Singapore.



CHAN WAN TAK, WENDY

Joint Company Secretary

Ms Chan Wan Tak, Wendy joined the Group in September 2007 as Vice President of Group Finance. She is also the Joint 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 non-practising Member of the Institute of Certified Public Accountants of Singapore and a Fellow of the Chartered Association of Certified Accountants.

Key Management

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, ComfortDelGro Engineering



Mr Sim Wing Yew was appointed Chief Executive Officer of ComfortDelGro Engineering Pte Ltd on 1 March 2011. He 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. He was appointed Chief Operating Officer of ComfortDelGro Engineering in August 2008. 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.

HENG CHYE KIOU

Chief Executive Officer, VICOM



Mr Heng Chye Kiou is the Chief Executive Officer of VICOM Ltd. He joined VICOM in 1981 as a Project Engineer and was promoted to his present position in 2003. Mr Heng is a professional engineer in Singapore and a chartered engineer in the United Kingdom. He is currently a Vice President and Member of the Belgium-based Bureau Permanent of the International Vehicle Inspection Committee, as well as Chairman of the School Advisory Committee of National Junior College. For his contributions to education, he was awarded the Public Service Medal in 2001. Mr Heng holds a Bachelor in Engineering (Mechanical) from the University of Singapore and a Master of Science (Industrial Engineering) from the National University of Singapore.

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.

Key Management

Business Units



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 the 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.



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.



TEO BOON LENG, RICHARD

Chief Executive Officer, ComfortDelGro Rent-A-Car

Mr Teo Boon Leng, Richard joined the Group in 1996 and is the Chief Executive Officer of ComfortDelGro Rent-A-Car Pte Ltd. He has more than 20 years' experience in the auto services industry, and was the Executive Director of Ken-Air Group's Auto Services Division before joining the Group.



PANG WENG HENG

Chief Operating Officer, ComfortDelGro Bus

Mr Pang Weng Heng is the Chief Operating Officer of ComfortDelGro Bus Pte Ltd. He joined the Group in September 1978. Prior to his transfer to ComfortDelGro Bus in 2000, 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.

Key Management

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 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 inspection 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 bus, taxi and car dealership operations in Shanghai, Suzhou and Nanjing. Mr Tang is also the General Manager of Xiamen Comfort Taxi Co., Ltd and 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 had 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.

Vietnam

CHIA CHUEN HUEI

General Director, Vietnam Taxi



Mr Chia Chuen Huei is the General Director of Vietnam Taxi Co., Ltd. He joined the Group in 2002. Prior to joining the Group, he held various positions within the Marine/Shipyard arm of Keppel Corporation Limited and served more than 10 years, which included a three-and-a-half-year overseas posting. He was General Manager of Rotary Integrated Maintenance Centre, a subsidiary of Rotary Engineering Limited for two years. Mr Chia was a Keppel Corporation/Foreign and Commonwealth Office (UK) Scholar and holds a Bachelor of Engineering (Mechanical) (1st Class Hons) from the University of Westminster, United Kingdom and a Master of Business Administration from the Nanyang Technological University.

LIM MENG HOCK, ALAN

General Director, ComfortDelGro Savico Taxi



Mr Lim Meng Hock, Alan was appointed 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.

Key Management

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, he 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.

GRAEME DAVIS

General Manager, ComfortDelGro Cabcharge (Victoria)



Mr Graeme Davis was appointed General Manager of ComfortDelGro Cabcharge Pty Ltd (Victoria) when the Kefford Corporation was acquired in February 2009. He has held the similar position in Kefford Corporation since 1987. Mr Davis has worked in the bus industry for over three decades and is actively involved in the Victorian Bus Association as an elected Council Member.

KEVIN FOLEY

Executive Director, Swan Taxis



Mr Kevin Foley joined Swan Taxis Pty Ltd in 1973 as Operations Manager and was appointed Managing Director in 1989. Under his leadership, Swan Taxis has grown to become the leading taxi despatch company in Western Australia. Mr Foley is currently Executive Director of Swan Taxis, Chairman and Life Member of the Taxi Council of Western Australia, and Vice President and Life Member of the Australian Taxi Industry Association. He is a Fellow of the Australian Institute of Company Directors, a Fellow of the Chartered Institute of Transport and, in 2003, a recipient of the Centenary Medal for services to the community through the taxi industry.

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.

Malaysia

CHIA WING TOO, ERIC

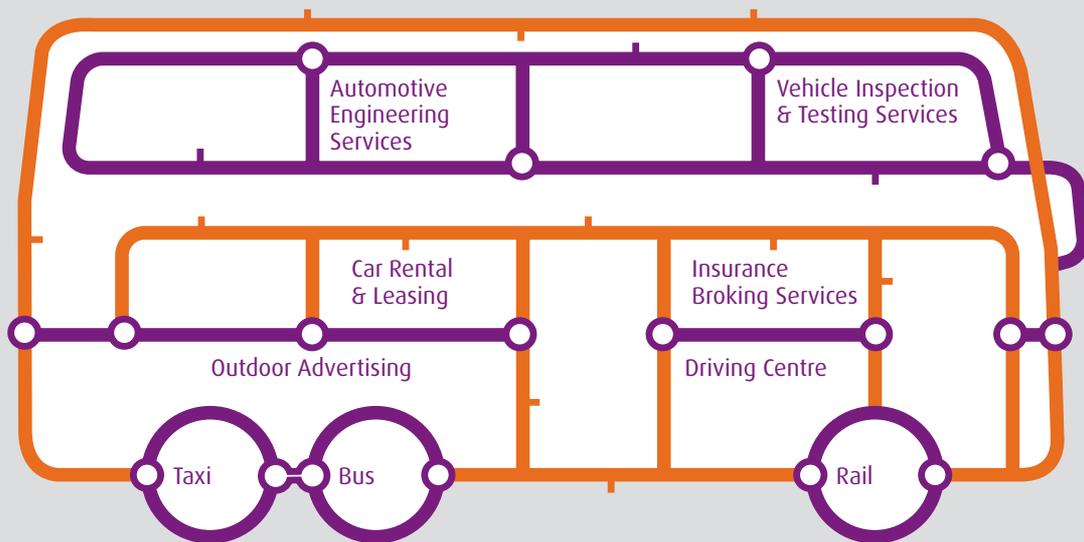
General Manager, Malaysia Business Unit



Mr Chia Wing Too, Eric joined the Group in May 2008 as General Manager of the car rental and leasing business in Malaysia. Mr Chia has 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, he 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



Singapore

Revenue (S\$'mil)
1,971.1

EBITDA (S\$'mil)
408.7

Total Investment (S\$'mil)
388.5

Total Operating Fleet Size

20,915

Total Number Of Employees

10,156

Bus

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

Public Scheduled Bus

Our public-listed scheduled bus subsidiary, SBS Transit Ltd, experienced strong ridership growth in its bus business as a result of the growing population. Average daily bus ridership increased by 6% to 2.5 million during the year.

As part of its fleet renewal programme, SBS Transit rolled out more efficient, more comfortable and more environmentally friendly Euro 5 vehicles during the year,

including 150 award-winning through low-floor, single deck Citaro buses from Mercedes Benz and 187 double deck Volvo buses. This brought the total fleet to 3,015 buses.

SBS Transit also worked closely with the Land Transport Authority to improve commuters' experience by adding more trips and deploying bigger capacity buses on high demand routes. In all, 68 bus services were enhanced – more than double the 31 from the year before.

SBS Transit's Intelligent Route Information System or *iris* remains popular amongst commuters, receiving an average of 21,000 requests a day via Short Message Service (SMS) and 666,000 downloads on its smartphone applications.

Operations Review

Singapore

Private Bus Charter

The Group owns Singapore's largest private bus chartering company, ComfortDelGro Bus Pte Ltd, which operates a fleet of 382 buses. It offers a wide range of bus charter services, including employee and school bus services. It also offers overland bus services to West Malaysia, and operates premium bus services, complementing those offered by SBS Transit.

In 2011, ComfortDelGro Bus clinched a S\$1.0 million contract to provide chartered bus services during the General and Presidential Elections held in May and August 2011 respectively. In all, about 400 buses and drivers were deployed for each election to ferry government officials and ballot boxes to and from election centres.

Taxi

Our taxi companies in Singapore, Comfort Transportation Pte Ltd and CityCab Pte Ltd, continued to command the lion's share of the market with a combined fleet of 15,620 taxis.

Strong population growth, coupled with increased tourist arrivals, resulted in a significant spike in demand for taxi services throughout the day, even during traditionally "off-peak" hours such as weekends and public holidays. To better match supply to demand, the fare structure was revised in December 2011.

ComfortDelGro Taxis' call booking system continued to grow in popularity with a record 5.7 million bookings made last year through its smartphone application and another 3 million made through its SMS service. In October 2011, ComfortDelGro Taxis became the first taxi company in Singapore to offer Near Field Communication or NFC-enabled FastCall taxi booking service at over 400 locations in Singapore. This meant that commuters with Nokia NFC-enabled phones could simply tap their phones to the FastCall panels to book a taxi. In all, both taxi companies in Singapore made 29.4 million successful booking jobs, 22% more than the year before.

ComfortDelGro Taxis continued to explore newer and greener vehicle models for inclusion in its fleet. It embarked on a trial of two petrol/electric Toyota Camry

hybrid taxis and continued to replace older Toyota Crowns with Euro 4 Hyundai Sonata taxis. As a result, close to nine in 10 of its entire fleet are now environmentally friendly.

Rail

Our rail operations under SBS Transit recorded several milestones during the year – key of which was the successful tender of Singapore's fifth Mass Rapid Transit system – the Downtown Line (DTL).

When completed in 2017, the DTL will more than double SBS Transit's rail network from 40km to 82km. Comprising 34 stations, it will facilitate direct travel from north-western and north-eastern Singapore to the Central Business District and Marina Bay. Phase 1 with six stations is slated for opening in 2013, Phase 2 with 12 stations in 2015 and the final phase with 16 stations in 2017.

For the year, the average daily rail ridership increased by 13.2% to 487,223 following the opening of a mega shopping mall and new housing developments along the north-east corridor. As new developments came up, Woodleigh Station along the North East Line (NEL) and Damai Station along the Punggol Light Rail Transit commenced revenue service.

With demand expected to rise further, an order for 18 new trains has been placed.

During the year, SBS Transit also designed a quick release device for NEL train brakes, which can move stalled trains quickly and safely to the depot without causing extended delays to its train service. The device, which has been installed in its fleet of trains, received the National Workplace Safety and Health Awards (Innovation category) organised in collaboration with the Ministry of Manpower.

Automotive Engineering Services

Our automotive engineering subsidiary, ComfortDelGro Engineering Pte Ltd, broadened its product offering during the year to include grooming packages, as well as solar film and air-conditioning treatments. As a result, its SPARK Car Care™ business experienced about a 10% growth in revenue in 2011.

As customers become more IT-savvy, SPARK Car Care also developed an iPhone application, which enables customers to make appointments for maintenance checks, and provides them with a step-by-step guide on how to file accident reports online. To reward its loyal customers and attract new ones, it launched two membership programmes, in which customers can enjoy an array of benefits, including round-the-clock free towing services.

In 2012, SPARK Car Care plans to introduce an online retail shop for customers. It also intends to introduce SPARK Diagnose™, offering customers with continental vehicles special diagnostic and repairs.

In addition to servicing private cars, ComfortDelGro Engineering also provides maintenance services for most of the Group's taxi fleet. In its Loyang branch, it trialed an express service for Hyundai Sonata taxis that successfully reduced the preventive maintenance servicing time to less than two hours. This express service will be further fine-tuned and rolled out to the other workshops in 2012.

Similarly, an electronic job card system, which was introduced to allow the creation of job cards electronically without the need for manual entries, has further shaved cabbies' waiting time to less than four minutes after registration.

ComfortDelGro Engineering's vehicle assembly unit delivered 187 double deck buses to SBS Transit in August 2011. It also secured the Cycle & Carriage contract to install ticketing and bus location equipment, hand straps, as well as interior and exterior stickers for 300 Mercedes Benz Euro 5 Citaro buses. Installation for the first 150 buses was completed by the end of 2011, and the remaining 150 are due to be delivered in 2012.

In line with the Group's Green Statement, Sungei Kadut and Pandan workshops switched from using oil-based paints to water-based ones, which has shortened the overall processing time and improved productivity. ComfortDelGro Engineering plans to introduce water-based paints to its Loyang and Ubi workshops in 2012 to achieve higher productivity.

Vehicle Inspection & Testing Services

Our vehicle inspection and testing subsidiary, VICOM Ltd, achieved record revenue of S\$90.7 million in 2011.

There was a 10.6% increase to a total of 481,126 vehicles inspected during the year as fewer older vehicles were sent to the scrap yard. As a result, the Company also reaffirmed its position as the leading inspection centre with a 72% market share.

To ensure that the inspection process is not compromised, all engine chassis numbers – in addition to the licence plate numbers – are checked twice. A new security access module, together with the use of contactless cards to log in inspectors' particulars, was also implemented at all inspection lines. Point-of-sales processes were also quickened to reduce waiting time for customers at the inspection fee payment station during peak hours.

VICOM's non-vehicle testing and inspection subsidiary, Setsco Services Pte Ltd, had another record year – registering a 7.4% increase in revenue to S\$55.2 million. The growth was largely due to the Company's ability to provide value-added services such as advanced non-destructive testing and innovative glass inspection, as well as a comprehensive range of materials testing and consultancy works.

The product inspection and certification service launched since October 2010 saw more than 50 products certified in 2011. In October 2011, it became the first testing company in Singapore to provide Central Alarm Monitoring System inspection services to all major security firms.

Since the completion of Setsco's new four-storey building, it has been able to develop more innovative testing services for the various industries it serves. Its calibration and measurement, as well as food and microbiological testing services have also been streamlined to operate from the existing building. Setsco added a new electrical calibration laboratory, which will offer electrical testing services in the new year.

Operations Review

Singapore

Driving School Services

Despite being the last entrant to the market, ComfortDelGro Driving Centre Pte Ltd has now emerged as the leader in the country in terms of turnover. Enrolment at our driving school increased by 3.2% to 32,000 during the year.

It rolled out three new training programmes – the Expressway Familiarisation Riding Programme for newly qualified Class 2B motorcycle learners, the Circuit Orientation Programme for new riders and the Independent Riding Programme in which riders were able to go on the roads without the training convoy.

To make it more convenient for learner drivers to register, ComfortDelGro Driving Centre launched a new service point in Potong Pasir in October 2011.

Car Rental & Leasing

As prices of Certificates of Entitlement continued their northbound trek, demand for rental cars continued to remain strong. As a result, our car rental and leasing subsidiary in Singapore, ComfortDelGro Rent-A-Car Pte Ltd, with its fleet of 1,298 vehicles, maintained its position as one of the country's largest car rental and leasing operators.

Insurance Broking Services

ComfortDelGro Insurance Brokers Pte Ltd, our in-house insurance broking associate, continued to provide cost effective insurance and risk management solutions for the Group, and many other leading corporations in Singapore.

During the year, it not only developed and introduced new personal insurance products, it also assisted to educate taxi drivers and Bus Captains of the direct correlation between accidents and insurance premiums.

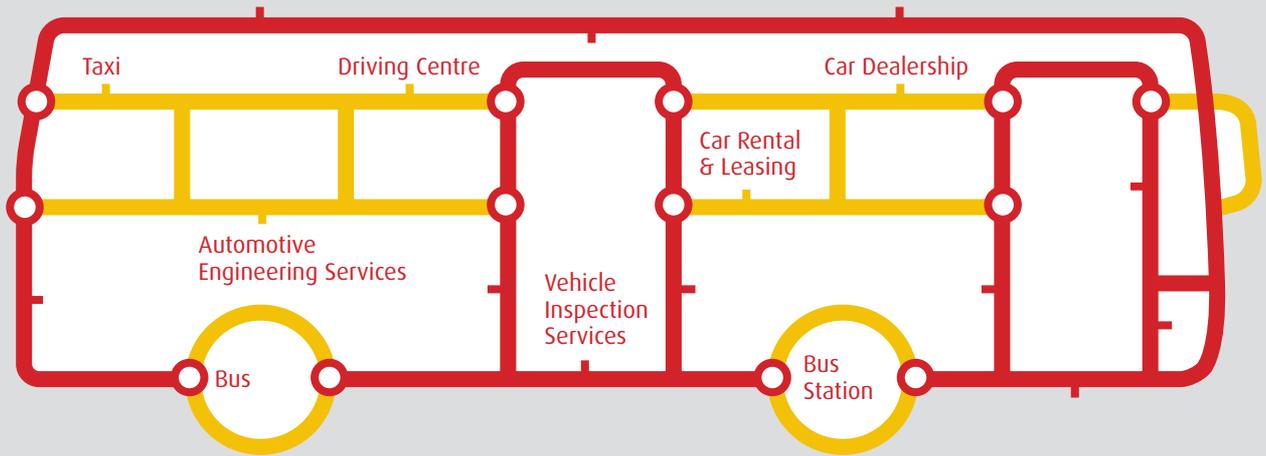
For the Group's subsidiaries in Australia, China and the United Kingdom, ComfortDelGro Insurance Brokers was successful in securing more competitive pricing structures and cover enhancements through careful negotiations with overseas insurance markets. In fact, it helped the Group achieve savings despite increases in premium rates.

Outdoor Advertising

Our outdoor advertising subsidiary, Moove Media Pte Ltd, made its foray into Sydney and Melbourne in 2011. It also broadened its advertising reach through new media innovations and online applications under Gobbler Pte Ltd. It is presently working with a local media representative in Guangzhou for Chinese advertisers.

Operations Review

China



China

Beijing / Chengdu / Chongqing / Guangzhou / Hengyang / Jilin City / Nanjing / Nanning / Shanghai / Shenyang / Suzhou / Xiamen / Yantai

Revenue (S\$'mil)

276.5

EBITDA (S\$'mil)

92.3

Total Investment (S\$'mil)

331.4

Total Operating Fleet Size

12,991

Total Number Of Employees

5,229

NORTH CHINA

Beijing Taxi

Beijing Jin Jian Taxi Services Co., Ltd, the Capital City's third largest operator, took over the ownership and management of 30 Gua Kao taxis in November 2011, bringing its total fleet size to 5,109. In 2012, it will merge its fleet with that of our second taxi company in Beijing - Beijing Jia Run Taxi Co., Ltd - bringing the size of the combined fleet to 5,451. Demand for our taxis remained strong during the year with the entire fleet fully hired out.

Car Rental & Leasing

Amidst an environment of intense competition and rising costs, our car rental and leasing business, Beijing ComfortDelGro Yin Jian Auto Services Co., Ltd, scaled down its fleet and concentrated on selected customer segments such as corporate accounts.

Vehicle Inspection Services

Our 80%-owned subsidiary, Beijing Tian Long Da Tian Vehicle Inspection Co., Ltd, provides vehicle safety and emission inspection services in the Capital. It inspected 36% more vehicles in 2011 on the back of the rapid growth in vehicle

Operations Review

China

population. To cater to demand, new safety inspection and emission inspection lines were set up. To increase productivity, improvements to the inspection process – such as reducing it from seven to five steps – were made. A new computerised system to facilitate data collation and processing was also installed.

Jilin City, Jilin Province

Taxi

Jilin ComfortDelGro Taxi Co., Ltd is the City's largest taxi operator with a 15% share of the market. Its entire fleet of 729 taxis was fully hired out.

Shenyang, Liaoning Province

Bus

With a combined fleet of 1,381 buses, our two bus companies – Shenyang ComfortDelGro Bus Co., Ltd and Shenyang ComfortDelGro Anyun Bus Co., Ltd – accounted for a 25.9% market share.

Despite stiff competition and the commencement of the new east-west Mass Rapid Transit since October 2010, demand for their bus services remained stable with ridership exceeding the 100-million mark for the fifth consecutive year.

Taxi

Our two taxi companies – Shenyang ComfortDelGro Taxi Co., Ltd and CityCab (Shenyang) Co., Ltd – operate a total fleet of 1,369 taxis, making us the City's third largest taxi operator. Demand for our taxis remained strong during the year with all taxis fully hired out.

During the year under review, Shenyang ComfortDelGro Taxi and CityCab (Shenyang) continued to engage their taxi drivers in regular dialogue sessions and arranged for them to undergo safety courses. Both companies also conducted regular spot checks to ensure that their taxis were well maintained. Shenyang ComfortDelGro Taxi also purchased another seven compressed natural gas (CNG) taxis, bringing the total number of CNG taxis to 13.

As a result of their continued efforts, both Shenyang ComfortDelGro Taxi and CityCab (Shenyang) were named "Outstanding Enterprise" by the Shenyang Transportation

Bureau. Fifty-one of CityCab Shenyang's drivers were also named "Star Drivers" and four of its taxis named "Model Taxis".

Yantai, Shandong Province

Automotive Engineering Services, Car Leasing & Taxi

Our 76%-owned subsidiary, Yantai ComfortDelGro Automobile Services Co., Ltd, replaced 20 of its taxis with new Volkswagen Boras during the year. Its car leasing business continued with long-term servicing contracts with companies operating in the Yantai Development Zone.

WEST CHINA

Chengdu, Sichuan Province

Taxi

In 2011, our wholly-owned taxi subsidiary, Chengdu ComfortDelGro Taxi Co., Ltd, was awarded 800 new licences – the single largest batch awarded by the Municipal Government in recent years. As a result, it is now the second largest taxi operator in Chengdu with 1,050 taxis.

Car Rental & Leasing

ComfortDelGro Rent-A-Car (Chengdu) Co., Ltd, with its fleet of 163 vehicles, continued to maintain its long-term leasing contracts with several multi-national organisations such as the Ministry of Foreign Affairs (Singapore), Economic Development Board, Cisco Systems, Sony Ericsson, International Far East and United Overseas Bank.

Vehicle Inspection Services

Our 51%-owned subsidiary, Chengdu Jitong Integrated Vehicle Inspection Co., Ltd, maintained its position as a leading inspection centre in the industry with a total of 12,666 vehicles inspected during the year.

Driving School Services

Our 51%-owned driving school, Chengdu ComfortDelGro Qingyang Driving School Co., Ltd, trialled a new training system during the year – similar to that of its sister driving school in Chongqing. The new system involves putting learner drivers under designated instructors for greater efficiency and productivity. If successful, it will be fully implemented in 2012.

Chongqing

Driving School Services

In 2011, our 90%-owned subsidiary, Chongqing ComfortDelGro Driver Training Co., Ltd, successfully renewed its ISO 9001 Product Quality Certification for the fourth time. Strong demand for driver learning services resulted in a total of 7,610 students enrolled for the year. To shorten waiting time for its learner drivers, the number of training slots was increased and the fleet of training vehicles increased to 194. More customer service staff and more telephone lines were also added to better handle feedback and enquiries from learner drivers.

EAST CHINA

Shanghai

Taxi

With an ISO 9002 certification and a well-structured operational system in place, our 51%-owned subsidiary, Shanghai City Qi Ai Taxi Services Co., Ltd, maintained its position as one of the premium operators in the City with a fleet of 485 taxis. In 2011, it continued with its fleet renewal programme by replacing its old Santana Pusang taxis with the newer and bigger Santana Vista taxis.

Suzhou, Jiangsu Province

Taxi

Suzhou Comfort Taxi Co., Ltd added 50 new taxis in 2011, including 40 Volkswagen Passat premium taxis, bringing its total fleet to 150 taxis. All taxis were fully hired out during the year.

Car Dealership

Our 70%-owned subsidiary, Suzhou Comfort Toyota Sales & Services Co., Ltd, sold 1,189 cars during the year, and held its position as one of the top Toyota authorised car dealers in the region. Its automotive repair business saw revenue increase by 4.6% during the year, aided by a strong after-sales team.

Nanjing, Jiangsu Province

Taxi

Nanjing ComfortDelGro Dajian Taxi Co., Ltd, our 70%-owned subsidiary, is the City's third largest taxi company with

559 CNG taxis. The Company capped a successful year with several accolades – two National Service awards for its drivers and a Model Unit award for its all-female driver group, the Blue Angel Route Group.

With the Youth Olympic Games slated to be held in Nanjing in 2014, the Authorities have announced plans to allocate more taxi licences between 2011 and 2014 to improve service quality. Nanjing ComfortDelGro Dajian Taxi intends to compete keenly for these licences.

SOUTH CHINA

Guangzhou, Guangdong Province

Bus Station

During the year, our 60%-owned Tianhe Bus Station in Guangzhou attracted more passengers by working closely with major bus operators to consolidate three different routes – Raoping, Meizhou and Zhaoqing – and creating designated areas for their operations. Guangzhou Xin Tian Wei Transportation Development Co., Ltd also worked closely with schools in the vicinity to encourage passengers to increase their utilisation of the Station.

These efforts, coupled with continued measures to improve crowd control and enhance traffic flow during peak periods, resulted in a record 12.7 million passengers served during the year. That represented an increase of 4% over the previous year. Cargo revenue also grew by 8.1% to RMB8.5 million during the year as a result of a bigger operating area and attracting new companies and cargo operators through incentive programmes.

Nanning, Guangxi Province

Taxi

Our 80%-owned subsidiary, Nanning Comfort Transportation Co., Ltd, continued to be the largest taxi operator in the City with 775 taxis or a 17% market share. It was named "Best Taxi Operator Unit" for the seventh consecutive year and 10 of its drivers were named "Best Drivers" in the industry.

Car Rental & Leasing

Nanning ComfortDelGro Rent-A-Car Co., Ltd's fleet of 18 cars was fully leased out to multi-national companies in the City during the year.

Operations Review

China

Xiamen, Fujian Province

Taxi

Our 70%-owned subsidiary, Xiamen Comfort Taxi Co., Ltd, continued to perform well during the year with its entire fleet of 49 taxis fully hired out. It successfully extended the taxi licences of its fleet for another six years until 2016.

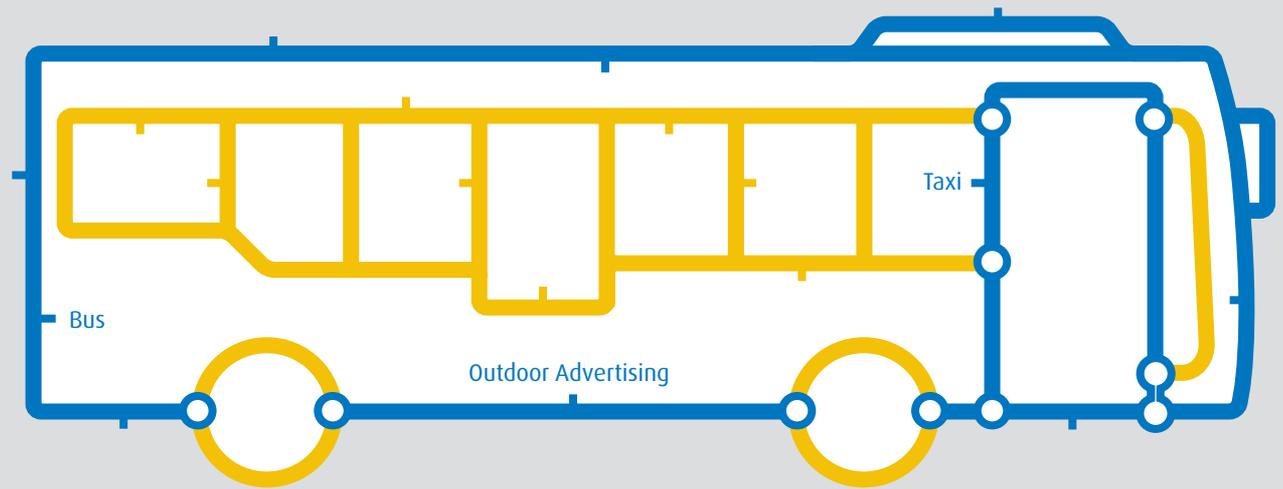
Hengyang, Hunan Province

Bus & Taxi

Hengyang CityCab Bus Services Co., Ltd, in which we hold a 25% stake, operates 88 buses and 28 taxis in the second largest city in the Hunan Province.

Operations Review

Australia



Australia

Melbourne / Perth / Sydney

Revenue (S\$'mil)	EBITDA (S\$'mil)	Total Investment (S\$'mil)
465.8	125.2	401.2
Total Operating Fleet Size	Total Number Of Employees	
3,460	2,405	

Sydney, New South Wales

Bus

Our 51%-owned subsidiary, ComfortDelGro Cabcharge Pty Ltd, is the largest private bus operator in New South Wales with a market share of 29%. As part of the Government's transport expansion programme, ComfortDelGro Cabcharge added 90 new Euro 5 Environmentally Efficient Vehicle buses, including a second Metrobus service, which provides increased service levels to communities across the greater Sydney area.

To improve efficiency and facilitate communication, ComfortDelGro Cabcharge centralised its management and corporate departments at Foundry Depot in February 2011.

A new Contracts Department was created to better manage contract renewal processes as part of the centralisation process. In addition, an elaborate Enterprise Resource Planning system for finance, human resource, bus operations, including driver rostering, fleet management, engineering and depot management, was put in place, and is expected to be completed in 2012. A similar system will be installed in its Melbourne operations.

As part of the Company's continuous emphasis on safety, all buses were fitted with specialised wheel nut clips to ensure that the wheels stay firmly secured, while mechanics were put through a training course on wheel fitment.

Operations Review

Australia

Outdoor Advertising

Having won advertising rights to handle all outdoor advertisements for ComfortDelGro Cabcharge, Moove Media Pte Ltd made its entry into Sydney in March 2011 through its newly-formed subsidiary, Moove Media Australia Pty Ltd. Four months later, it set up a second sales office in Melbourne.

To differentiate itself from the competition, Moove Media Australia has worked hard at distinguishing itself with unusual marketing techniques, including organising a cowboy-themed launch and using cutting edge mock-ups and media kits. As a result, it has managed to secure contracts from major corporates such as Optus, McDonald's, Nokia and Woolworths.

Melbourne, Victoria

Bus

ComfortDelGro Cabcharge Pty Ltd in Victoria is one of the largest private bus operators there with a market share of 16%. Its fleet of 370 buses serves 73 routes. Currently, 90% of its revenue is derived from Government contracts for metropolitan routes, regional routes and school services. Private charters and tours make up the remaining 10%.

During the year, the Company successfully renewed several contracts, including the Ballarat and Geelong routes and also introduced new services. It also took delivery of 21 new Euro 5 buses, bringing its fleet of Green buses to 65. It expects to take delivery of another 13 buses in 2012.

Perth, Western Australia

Taxi

Our fully-owned subsidiary, Swan Taxis Pty Ltd, Perth's largest provider of taxi services with 1,891 taxis or a 91% share of the market, experienced a strong surge in demand for its services as a result of an economic boom in the mining industry.

To cater to the increase in call volume, Swan Taxis tapped on remote operators with access to full answering and messaging facilities. It also worked closely with the Department of Transport to allow all its peak period taxis to

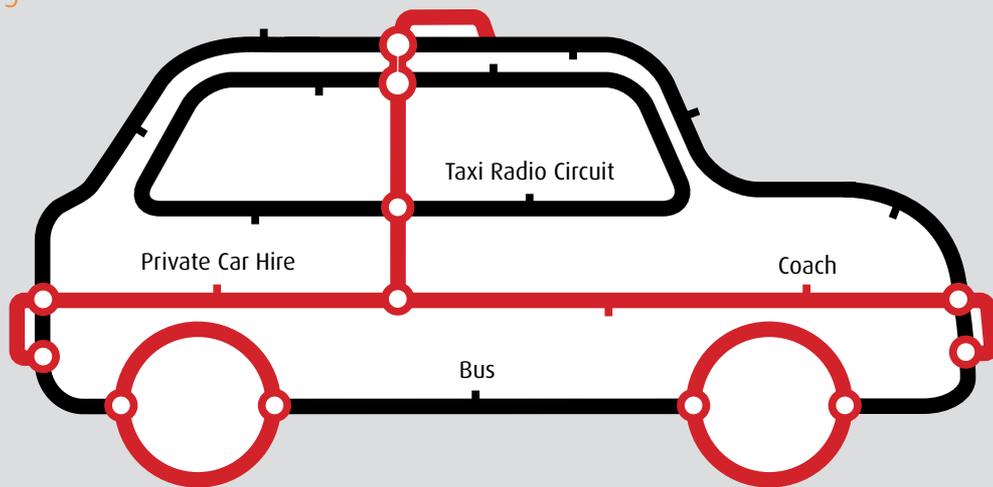
ply the roads during super peak periods as well. As a result, it ended the year catering to a total of 6.2 million bookings, 12.7% more than in 2010.

Swan Taxis' taxi booking application on iPhone also proved to be a hit with customers. The Company has since extended it to other smartphone users, including those on the Android and Windows 7 operating systems.

In December 2011, Swan Taxis' bureau despatch services in Karratha were extended to Mandurah Taxis Pty Ltd, which serves the Mandurah and the Peel Region. It is in negotiations to extend its despatch services to another taxi company that serves Broome, about 2,200 kilometres north of Perth. As part of its Business Continuity Plan, Swan Taxis recently identified an alternate site for its bureau despatch centre and furnishing work has already begun.

Operations Review

United Kingdom



United Kingdom

Aberdeen / Birmingham / Edinburgh / Glasgow / Liverpool / London

Revenue (S\$'mil)

674.2

EBITDA (S\$'mil)

84.6

Total Investment (S\$'mil)

306.1

Total Operating Fleet Size

8,196

Total Number Of Employees

4,188

London

Bus

Our wholly-owned subsidiary, Metroline Limited, is one of London's largest scheduled bus operators with a market share of 12.5%. In all, it served close to 80 routes across North, West, Central London and Hertfordshire with a fleet of 1,211 buses.

During the year, Metroline added another 46 hybrid diesel-electric buses to its fleet and expects to take delivery of another 117 Euro 5 buses in 2012.

With safety levels showing marked improvement following the implementation of the Drive Assist System at Cricklewood Garage, Metroline extended the feature to Harrow Weald Garage in 2011 and plans to similarly roll it out across all its garages in 2012.

As revenues are pegged to operated mileage and efficiency of operation, Metroline focussed on maximising its operational performance through driver re-training and improving the skills of its engineering staff. As a result, the Company was consistently ranked in the top half of most of the Transport for London's key performance league tables.

Coach

In the coach business, Westbus Coach Services Limited operates a diversified fleet of 34 coaches out of West London. It is one of the few major London-based companies to provide coach services that meet a broad spectrum of school, commuter, tourist and corporate coach travel needs.

The Company successfully attracted new clients during the year and expanded its selection of coaches by introducing 77-seater luxury double deck coaches.

Operations Review

United Kingdom

Taxi Radio Circuit

Our taxi subsidiary, Computer Cab plc, maintained its pole position in London with a fleet of 2,355 taxis.

Despite stiff competition from private hire vehicles, Computer Cab successfully secured over 200 new accounts, including two high profile contracts from global banks, HSBC and UBS. The Taxicard contract, which is awarded by the London Council to provide subsidised personal door-to-door transport services to passengers with special mobility needs, was also secured with a new contract term of three years, with the option of extending another three years.

Computer Cab continued to lead the industry with a strong emphasis on service, quality and innovative pricing. During the year, operational staff underwent a National Vocational Qualification Level Two standard customer service course. A number of staff also completed the Energy Saving Trust Smarter Driving Course, with a view to further extend the skills directly to drivers via the Eco Drive Training Scheme.

As part of its continued bid to become a Greener organisation, Computer Cab updated its ISO 14001 Environmental Management Systems and its ISO 9001 Quality Management. A new initiative offering drivers cleaner Euro 5-compliant vehicles at competitive rates was also introduced in response to new legislation on taxi gas emissions.

Private Car Hire

Flightlink International Limited, which specialises in providing hassle-free airport transfers, as well as ground transportation for corporate entities and individuals, was rebranded during the year to "Comfort Executive" to widen its client base and reduce dependence on airport transfer work. The new "Comfort Cars" fleet, which offers a 'business class' service with a strong emphasis on quality, now consists of fuel-efficient Toyota Prius hybrid vehicles.

Liverpool and Birmingham

Taxi Radio Circuit

Computer Cab (Liverpool) Limited is Liverpool's largest taxi circuit operator with a fleet of 372 licenced taxis, catering to both corporate, public sector and individual clientele.

Computer Cab (Liverpool) maintained its competitive edge over private hires by introducing fixed prices for its tenders.

It has introduced new vehicle signage and direct marketing campaigns to drive up its cash bookings.

Computer Cab (Birmingham) Limited, which operates 127 taxis under its network, operates with a greater emphasis on local authority work. Despite stiff competition, Computer Cab (Birmingham) secured a new contract to provide taxi services for the National Exhibition Centre, which boasts about four million visits yearly.

Glasgow, Scotland

Coach

As a result of a successful partnership with Stagecoach plc, Scottish Citylink Coaches Limited continued to dominate the inter-city coach market in Scotland in 2011. It operates 89 buses, which link all the major towns in Scotland, and also offers cross-border services from Scotland to London via Manchester and Newcastle.

Demand for both Citylink and Megabus.com services grew during the year as travellers opted to travel by coaches instead of cars or trains, which generally cost more. It enhanced its Citylink Gold Services by providing catering services for all journeys, and added two coaches on the Aberdeen to Glasgow Gold Service. An order for 28 new vehicles, most of which will be based in Scotland, has been placed for delivery in 2012.

An additional cross-border Megabus.com service between Birmingham and Manchester was introduced to cater to commuters travelling from Midlands to Scotland. In October 2011, the Megabus.com Sleeper Service, which is fitted with 24 beds for passengers to sleep on board, went on trial. This new in-coach concept is showing promise. The trial will continue with additional departures from Edinburgh.

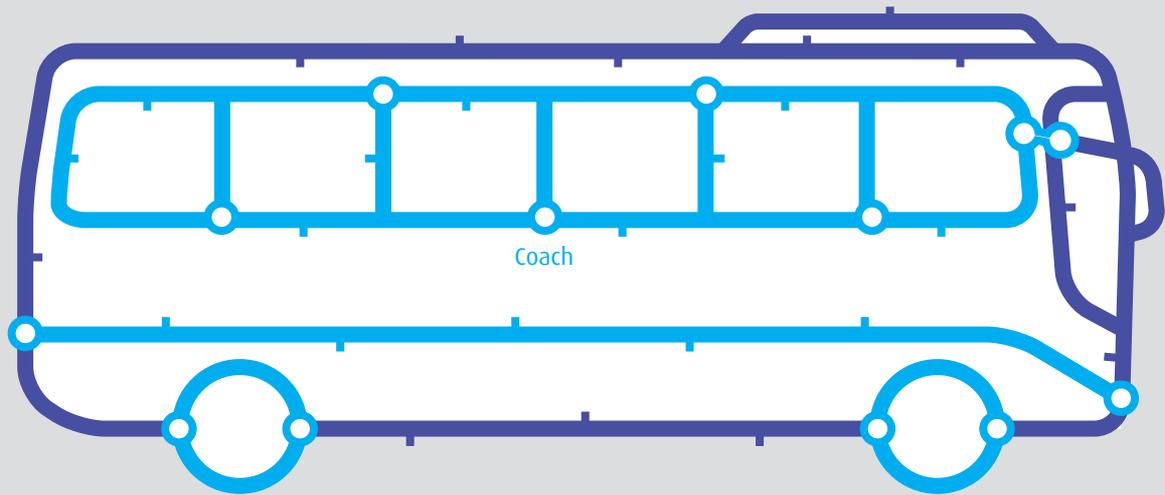
Aberdeen and Edinburgh, Scotland

Taxi Radio Circuit

Our network of 719 taxis and private hire vehicles in Aberdeen and Edinburgh serves corporate and individual clientele. Demand for their services increased during the year as Computer Cab (Aberdeen) Limited gained over 90 new accounts. The upgrade of the in-vehicle equipment across all fleets will be further supported by the roll-out of a new booking and despatch system in 2012.

Operations Review

Ireland



Ireland

Dublin

Revenue (S\$'mil)

13.9

EBITDA (S\$'mil)

0.2

Total Investment (S\$'mil)

3.1

Total Operating Fleet Size

26

Total Number Of Employees

10

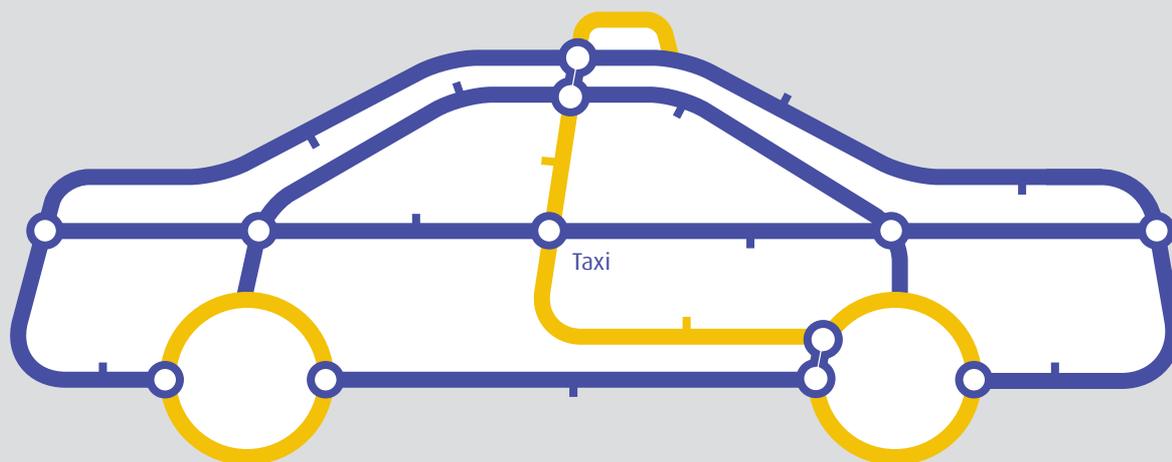
Coach

Irish Citylink ComfortDelGro Limited is our fully-owned operator of express coach travel in Ireland. It runs inter-city routes between Galway, Dublin, Cork and Clifden. Despite stiff competition and a weak economy, Irish Citylink ComfortDelGro performed well during the year.

Passenger ridership increased by 19% as a result of several measures that were introduced, including the introduction of 'through fares', the launch of a new internet booking system, marketing campaigns in towns and cities along the routes that it serves, the provision of services to sports events and concerts, as well as tie-ups with tour operators and ticket agents to further develop potential businesses.

Operations Review

Vietnam



Vietnam

Ho Chi Minh City

Revenue (S\$'mil)

6.8

EBITDA (S\$'mil)

3.8

Total Investment (S\$'mil)

8.5

Total Operating Fleet Size

602

Total Number Of Employees

183

Taxi

Our two Vietnam taxi companies – Vietnam Taxi Co., Ltd (Vinataxi) and ComfortDelGro Savico Taxi Company – continued to look at ways to strengthen their operations despite stiff competition.

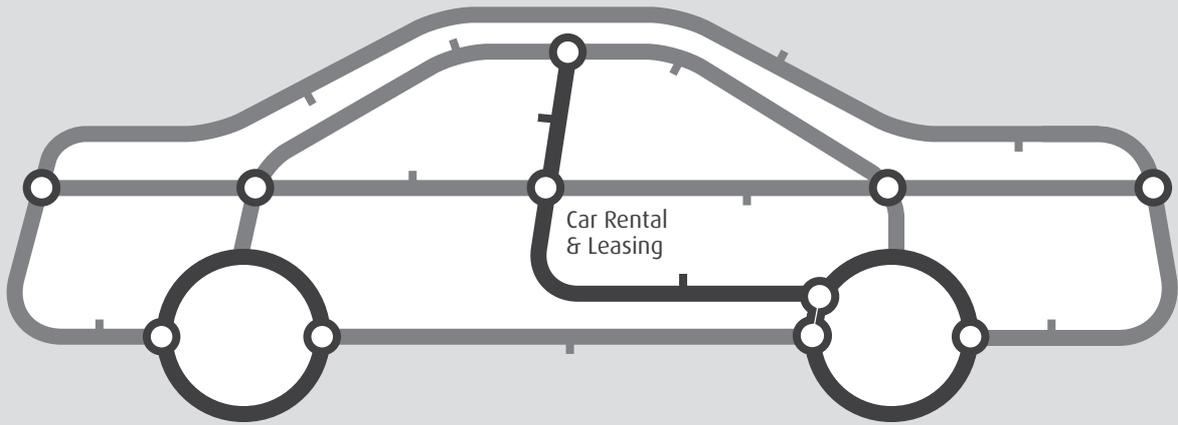
ComfortDelGro Savico Taxi replaced 30 taxis with new seven-seater Toyota Innova “Gs” and four-seater Toyota Vios, while Vinataxi sold 48 older taxis and plans to bring in 20 new ones in 2012. During the year, ComfortDelGro Savico Taxi Company embarked on a more stringent driver selection

process and introduced a programme where taxis are sent for annual maintenance checks. Drivers have also started going for free car care workshops to learn how to better maintain their taxis.

Both taxi companies in Ho Chi Minh City continued to rank tops in terms of service quality. Vinataxi, for example, won the Guide Award for “Excellent Performance” in 2011 for the ninth year running.

Operations Review

Malaysia



Malaysia

Kuala Lumpur

Revenue (S\$'mil)

2.8

EBITDA (S\$'mil)

1.0

Total Investment (S\$'mil)

4.0

Total Operating Fleet Size

139

Total Number Of Employees

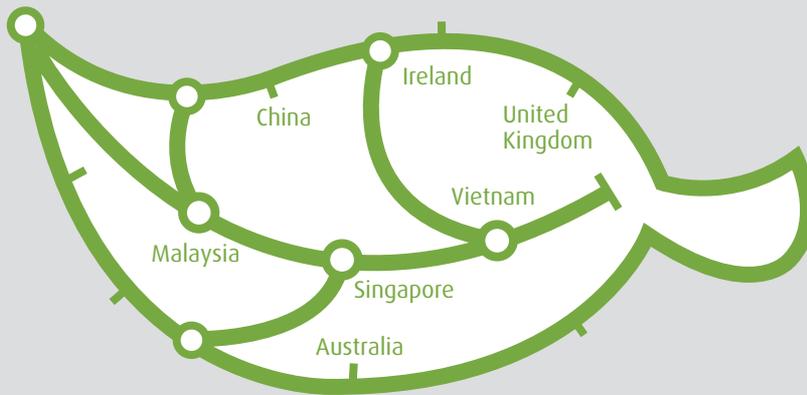
49

Car Leasing & Rental

Our subsidiary, CityLimo Leasing (M) Sdn Bhd, offers car leasing and rental services in Malaysia through a fleet of 139 vehicles. Utilisation of its vehicles remains high.

In addition to leasing, the Company also provides a round-the-clock islandwide mobile back-up service that offers assistance to customers in the event of an emergency.

Green Statement



The ComfortDelGro Group of Companies aims to minimise the impact of its activities on the environment by ensuring continuous improvement in environmental performance whilst bearing in mind prevailing technical and operational constraints. The Group is also committed to complying with all statutory and regulatory requirements.

Our overall goal in environmental management is to minimise the harmful effects of our operations across Singapore, United Kingdom, Ireland, China, Australia, Vietnam and Malaysia on the environment. By striving to reduce the environmental footprint of each passenger journey, ComfortDelGro can contribute to reductions in air pollution from road transport and carbon dioxide emissions. A complete elimination of harmful emissions is, however, not possible and we will explore how best we can offset any negative impact we have on the environment.

We endeavour to continue to improve the management of our environmental impacts by reducing resource usage and minimising waste. We will continue to make ongoing investments in new vehicles so as to reduce our emissions profile and we will continue to support research into alternative fuels.

IN THE LONGER TERM, OUR ENVIRONMENTAL GOALS ARE:

- To improve our emissions profile per passenger journey or per passenger kilometre.
- To reduce the output of waste and to increase the proportion of waste reused/recycled.
- To improve the environmental management standards across the Group.
- To continue to encourage and promote the use of public transport so as to ensure a modal shift away from car use.
- To continue to support initiatives on research and trial the use of alternative fuels.

Sustainability Report

At ComfortDelGro, we do not just make decisions with our head – we make them with our heart as well. This is why we have been, and continue to be, firmly committed to enhancing the welfare of those in need, as well as doing our part to protect the environment.

HUMAN SUSTAINABILITY

Helping the Community

Since embarking on a five-year partnership with voluntary welfare organisation, Lions Befrienders Service Association (Singapore), in 2010 through the Home Improvement Programme, ComfortDelGro Corporation Limited has worked on improving not only homes of the elderly but their activity centres as well. A total of S\$28,780 was donated to the Home Improvement Fund to purchase wheelchairs, water heaters, television sets, bed frames, mattresses and other essential household appliances for the elderly during the year. In July 2011, over 40 ComfortDelGro staff gave up their Saturday morning to give the Lions' Seniors Activity Centre in Bendemeer Road a new coat of paint. Several outings were also conducted for the elderly, including an excursion to one of Singapore's top tourist destinations, the Singapore Flyer, and a Christmas shopping trip to a hypermarket.

Our commitment to the less fortunate extended far beyond the Singapore shores.

In the United Kingdom (UK), Metroline Limited continued to promote volunteerism in the Company within the London community through its Wheel!Power@ Metroline Initiative. Now into the second year, Metroline mobilised its staff to take time off their busy schedules to participate in fund-raising activities, as well as redecorate and repair the St Luke's Hospice.

In Australia, some of Westbus Region 1 Pty Ltd and Westbus Region 2 Pty Ltd drivers participated in a training

programme organised by the Guide Dogs NSW/ACT, which enabled them to experience bus travel as visually-impaired commuters. ComfortDelGro Cabcharge Pty Ltd's Christmas bus initiative also successfully raised A\$22,569 for Westmead Hospital.

Our taxi hirers and drivers around the world also did their part during the year by reaching out to needy students in schools.

In Singapore, our taxi companies' charity arm, CabbyCare Charity Group, launched "Kindness-On-Wheels" where cabbies ferry needy students of NorthLight School, a school set up for students with difficulty coping with the mainstream curriculum, to the clinics or hospitals for their medical treatment. In all, close to 50 trips were made in 2011.

In Guangxi, Nanning Comfort Transportation Co., Ltd contributed RMB300,000 towards a three-year programme to upgrade the facilities of Guangxi Mashan Gu Zhai Min Le Elementary School. Besides refurbishing the basic infrastructure, the funds were used to invest in new equipment for the library and kitchen, as well as build new garden paths and plant trees within the compound. Another RMB95,000 from both Nanning Comfort Transportation and Nanjing ComfortDelGro Dajian Taxi Co., Ltd also went into purchasing goodie bags containing basic stationery, shoes and socks, as well as jackets and pants for 290-odd students from the Elementary School and Ninghai Secondary School in Nanjing. In addition, Nanjing ComfortDelGro Dajian Taxi donated RMB8,000 to a bursary fund set up for four young girls from Ninghai Secondary School, who were orphaned during the Sichuan earthquake.

Both Nanjing ComfortDelGro Dajian Taxi and Suzhou Comfort Taxi Co., Ltd provided needy students free taxi trips to school during their examination. In fact, the all-women band of cabbies known as “Blue Angels” from Nanjing ComfortDelGro Dajian Taxi, who conveyed these students, won several accolades and awards, including Nanjing’s Top 10 Most Outstanding Cabby Award and “Model Unit” by the Jiangsu Provincial Transportation Bureau, for their service excellence and philanthropic efforts.

In all, the Group donated close to S\$700,000 in 2011 to various charity and welfare organisations around the world.

Safety First

Safety is of paramount importance to us. The safety of our passengers, our staff and other road users is not something we ever compromise. To this end, we invest heavily in training and re-training courses, ensuring our people are constantly reminded to upkeep safety measures and be aware of safety techniques and practices, so that complacency does not set in.

For example, our taxi subsidiaries in Singapore, China and Vietnam, held extensive training and re-training courses, as well as arranged for the Authorities to conduct road safety briefings to instil in our cabbies the importance of defensive driving.

We also regularly conduct safety campaigns – both internally and externally – to drum home the message that safety always comes first. In Singapore, orientation programmes were organised to familiarise ComfortDelGro Driving Centre Pte Ltd’s driving instructors with new testing routes. The Driving School also contributed 414 hours towards the Traffic Police’s Road Safety Park Programme, teaching school children about safety on the roads. Along the same vein, SBS Transit Ltd conducted 83 school talks and visits on a variety of issues, including providing safety tips for travel on public transport. More than 50,000 students attended these sessions. Complementing this, our rail business in Singapore conducted four detrainment and train evacuation exercises in 2011 for residents along the North East Line (NEL).

In the area of security, publicity materials for a safety campaign were progressively rolled out on our buses, trains, stations and interchanges, in partnership with the Public

Transport Security Committee. Security videos also played at our train stations at regular intervals throughout the day.

The Group is also a firm believer in providing a conducive and safe environment for our staff and customers. To reduce the risk of falls, we have been coating the cemented floors of our ComfortDelGro Engineering Pte Ltd’s diesel kiosks with anti-slip sealant.

TALENT SUSTAINABILITY

In our continuous efforts to maximise our employees’ potential, and as part of the Succession Management Plan and Process, the Group and its subsidiaries stayed focussed in identifying, assessing and nominating staff for the Group’s core leadership development training programmes.

These High Potentials were further exposed to the operations of the Group in the form of added portfolios and responsibilities, and were able to build a stronger sense of identity with the Group through work enrichment projects and assignments.

As part of their leadership development, Tier 1 High Potentials across the Group had their leadership traits identified using the 360-degree feedback instrument, and underwent the Group’s core programme “The Leadership Challenge” to enhance their leadership competencies. Tier 2 High Potentials from various Business Units were also selected to attend a customised “People Leadership and Self Management” programme on top of other business management courses.

ENVIRONMENTAL SUSTAINABILITY

ComfortDelGro continues to be a forerunner in the field of environmentalism. Guided by the Green Statement that we issued in November 2007, we are committed to environmental stewardship and are taking proactive steps to mitigate the impact of our operations on the environment.

In the UK, Metroline has been a pioneer in the field of hybrid double deck buses, operating them since 2008. In addition, it also has Euro 4 and 5 buses, which have a smaller carbon footprint compared to older generation buses. In 2012, it expects to take delivery of another 117 Euro 5 buses, making almost 50% of its 1,221 buses environmentally friendly.

During the year, Metroline's sister company in London, Computer Cab plc, also purchased a number of Euro 5 Mercedes Vito taxis as replacements for its older vehicles. The Mercedes Vito taxi, which is reputed to be the lowest emission taxi available in London, exceeds the current mandatory Euro 4 regulatory requirement. Our taxi companies in the UK also took their support of the environment further with carbon offset programmes. Computer Cab in London selected a new venture – the run-of-river Hydropower project situated in Sanchawan, in the Guizhou province of China – for its carbon offset programme while Computer Cab (Edinburgh) launched one during the year. In Aberdeen, Computer Cab is also flying the environmental flag high by becoming the second business unit in the UK, besides London, to secure the ISO 14001 Environmental Management Systems Certification.

In Singapore, SBS Transit took delivery of 337 new Euro 5 buses in 2011, bringing the total number of environmentally friendly buses in its fleet to 1,468. It expects to take delivery of another 385 such buses by 2012. By then, about two-thirds of its buses would be new and wheelchair-accessible.

Likewise, about 86% of the Singapore's taxi fleet is now Euro 4-compliant. All ComfortDelGro taxis, as well as private cars for lease continue to undergo regular preventive maintenance checks to, reduce black smoke emission to no more than 30 Hartridge Smoke Unit (HSU), which is higher than the current statutory requirement of 50 HSU for diesel-run vehicles. In February 2011, two Toyota Camry hybrid taxis, powered by fuel and electricity, were put on the roads for a one-year trial by Comfort Transportation Pte Ltd.

In Perth, Western Australia, about 92% of the over 1,850-strong fleet operated by Swan Taxis Pty Ltd run on liquefied petroleum gas, while another 22 Toyota Prius taxis are powered by electricity.

In China, vehicle fleets operated by ComfortDelGro Rent-A-Car (Chengdu) Co., Ltd and Chengdu ComfortDelGro Taxi Co., Ltd meet the National Standard 4 level, which is equivalent to Euro 4. Close to 80% of the vehicles operated by Chongqing ComfortDelGro Driver Training Co., Ltd and the entire fleet of taxis operated by Nanjing ComfortDelGro Dajian Taxi Co., Ltd are compressed natural gas driven. In

Vietnam, ComfortDelGro Savico Taxi Company replaced 46 old taxis with 30 new ones that boast lower fuel consumption.

Besides investing in Green vehicles, we also ensure our buildings, as well as bus and train depots across the Group are environmentally friendly. For a start, our Singapore corporate office has, since June 2009, been awarded the Green Office label by the Singapore Environment Council. Two years on, the Group continues to operate responsibly for the environment, and intends to work towards renewing the label in 2012.

SBS Transit continues to use recycled water at its bus washing facilities. At its NEL washing plant, it has a recycling system, which reuses approximately 70% of the water used for washing the exterior of its trains. Besides saving water, the air-conditioning in NEL stations has been set so as to provide a comfortable temperature gradient between the train cabin and outside ambient. This translates into an estimated S\$300,000 in annual savings. Its station lifts and escalators are also programmed to energy-saving mode to reduce electricity consumption. Furthermore, NEL and Light Rail Transit trains are equipped with a regenerative braking feature, which converts dynamic energy into electrical energy to be used by other trains or the stations. This reduces electricity demand for train operations and the regenerated energy amounted to recovery of about 10% of train operation energy.

In Sydney, Australia, ComfortDelGro Cabcharge Pty Ltd's investment to convert a disused manufacturing facility into an energy- and water-saving bus operation facility was recognised at the bi-annual Australian Bus & Coach Show in 2011 when it won the Environmental/Innovative Operator of the Year Award.

In the UK, all Metroline garages are now installed with waste compactors, which have reduced the number of collections, as well as third-party carbon dioxide emissions. New energy efficient lighting at its sites has also reduced electricity usage.

In China, Guangzhou Xin Tian Wei Transportation Development Co., Ltd chose lightweight and durable material for better heat insulation, as well as energy-saving lighting to reduce electricity usage.

The Group continuously works at inculcating a Green culture amongst all its staff. For example, we observe Earth Hour every year without fail, making sure only essential lighting is switched on. Other initiatives include:

- Active recycling of paper;
- Fitting lights with motion sensors and linking the lighting system to the staff security access control system so that clusters of lights automatically switch off when staff in that cluster tap out of the office; and
- Programming computers to automatically switch to power standby mode when they are not in use.

These activities have resulted in annual savings of more than S\$300,000.

In conjunction with World Car Free Day on 22 September 2011, SBS Transit partnered the Automobile Association of Singapore to encourage motorists to leave their vehicles at home and take public transport to work. SBS Transit offered two free bus rides to motorists who pledged their support towards the event. In the UK, CityFleet Networks Limited launched its Eco Drive programme in London to train its drivers to conserve fuel and reduce their vehicle emissions.

Investor Relations

At ComfortDelGro, we are committed to actively engaging our Shareholders and have put in place an Investor Relations (IR) programme to promote regular, effective and fair communications with Shareholders and the investment community, while balancing commercial sensitivities.

The IR team works with Senior Management to proactively carry out this engagement programme. A constructive relationship with Shareholders and the investment community is important for good corporate governance and provides valuable feedback to Management on investors' issues and concerns.

Proactive Communications

ComfortDelGro continues to attract active research coverage from sell-side analysts. The stock is now covered by 18 research houses, including three additions which came on board during the year under review. We believe that through regular interactions, analysts will have a better understanding of our business models and operations and are updated on new corporate developments.

During the year, the IR team had 80 one-on-one office meetings and conference calls with 58 funds and 24 groups of analysts/institutional equity sales personnel.

We also participated in eight investor conferences and non-deal roadshows in Singapore, Kuala Lumpur, Hong Kong, Taipei, London, Glasgow and Edinburgh. In all, we met 80 funds over 44 meetings. This provided access to a wide cross-section of investors around the world, both existing Shareholders as well as potential investors.

We continue to organise briefings for the media and analysts for the full-year results and dial-in conference calls with analysts for the other quarterly results. A total of 65 analysts participated during the year. Two post-results luncheons were organised where we met a total of 12 funds.

Our Annual General Meeting at our headquarters, where Shareholders can interact with the Board and Management, continues to be well attended. We have introduced electronic poll voting for greater transparency in the voting process and the detailed results are announced.

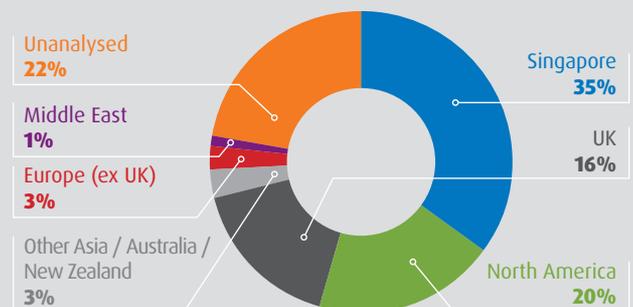
During the year, our corporate website was revamped to make it more user-friendly.

For our various efforts, we were presented with a Certificate of Excellence at the 2011 IR Magazine South East Asia Award.

Diverse Shareholder Base

To gain a better understanding of our Shareholders' profile, we commissioned an analysis of our share register as at 31 December 2011. The Singapore Labour Foundation remains our largest single shareholder. The other large shareholders are asset management companies in the United Kingdom (UK), the United States and Singapore.

Based on the analysis, investors based in Singapore form the largest group of shareholders, followed by North America and the UK, as shown in the chart below.



Note: Approximate figures based on Share Register Analysis as at 31 December 2011

Corporate Governance

We, at ComfortDelGro, realise that a fundamental measure of our success is the shareholder value we create over the long-term.

From the very beginning, our emphasis has been on the long-term and as a result, we may make decisions and weigh trade-offs differently from some other companies. Accordingly, it is important for you, our Shareholder, to understand our fundamental management and decision making approach, so that you may ensure that it is consistent with your own investment philosophy. We will continue to:

- Focus relentlessly on our customers;
- Make sound investment decisions in light of long-term leadership considerations, rather than short-term profitability considerations;
- Spend wisely and maintain our lean culture as we understand the importance of continually reinforcing cost-consciousness; and
- Focus on hiring and retaining versatile and talented employees.

CORPORATE GOVERNANCE STATEMENT

ComfortDelGro Corporation Limited strongly believes that good corporate governance makes good business. To this end, the Group has taken steps to 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. Our adherence to the principles and guidelines of the Code of Corporate Governance 2005 (the Code) is absolute, and we spare no effort in ensuring that these are 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, as well as implemented a Whistle Blowing Policy, which serves to prevent the occurrence of unethical or illegal conduct or behaviour, 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 reference to the Code.

1. BOARD MATTERS

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

The Board's Conduct of Its Affairs

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

- Guiding the strategic direction and goals of the Group;
- Ensuring that appropriate and adequate systems of internal control, risk management processes and financial authority limits are in place;
- Assessing and approving key business strategies, funding and investment initiatives and other corporate actions, including approval of the Group's Annual Budget and Capital Expenditure, and the release of the Group's quarterly and full-year financial results; and
- Monitoring Management performance.

The Board has delegated the day-to-day management of the Group to Management headed by the Managing Director/Group Chief Executive Officer (MD/Group CEO), Mr Kua Hong Pak, while reserving certain key issues and policies for its approval.

To assist the Board in the detailed consideration of the various issues at hand and to facilitate decision making,

four committees are formed namely, the Audit Committee (AC), the Nominating Committee (NC), the Remuneration Committee (RC) and the Investment Committee (IC). Each Committee is governed and regulated by its own terms of reference, which set out the scope of its duties and responsibilities, regulations and procedures governing the manner in which the Committee is to operate and how decisions are to be taken. Ad hoc committees are also formed to look at specific issues from time to time.

A total of five scheduled Board Meetings are held every year for the purpose of approving the release of the Group's financial results every quarter and the Group's Annual Budget. The quarterly and full-year Board Meetings are held within 45 days after the end of each quarter and the financial year respectively, while the Board Meeting to approve the Group's Annual Budget is held in December, after all the Budgets of the subsidiaries have been approved by their respective Boards. Ad hoc Board and Committee Meetings are also held from time to time, as and 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 Board papers.

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 almost every year 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 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.

Directors are also furnished regularly with investor relations reports, which summarise analysts' views and provide updates on investor relations activities, updates on corporate governance practices, and articles relating to changes in laws relevant to the Group's businesses and operating environments.

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 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.

Attendance of Directors at Board and Committee Meetings in 2011

Name	Board		Audit 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	4	4	2	2
Kua Hong Pak	5	5	4	4*	1	1*	4	3*	2	2
Ong Ah Heng	5	5	4	4	-	-	-	-	-	-
Oo Soon Hee	5	5	-	-	1	1	-	-	-	-
Sum Wai Fun, Adeline	5	5	-	-	1	1	-	-	2	2
Tow Heng Tan	5	5	-	-	-	-	4	4	2	2
Wang Kai Yuen	5	5	4	4	-	-	4	4	2	2
Wong Chin Huat, David	5	5	4	4	-	-	4	4	-	-

* Attended Meetings by invitation of the Committee.

Board Composition and Balance

There is a strong element of independence in the Board. The Board presently comprises eight Directors, of whom only the MD/Group CEO is an executive Director. Of the seven remaining non-executive Directors, six of them are considered by the NC to be independent. This composition exceeds the Code's requirement of at least one-third of the Board of Directors to comprise independent Directors.

The Directors are individuals with a broad diversity of expertise and experience, both domestically and internationally. For details on the Board, please refer to the profiles of the Directors at the start of this Annual Report.

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. The NC deems a Director who is directly associated with a substantial Shareholder as non-independent. The NC accordingly deems Ms Sum Wai Fun, Adeline, who is Chief Executive Officer of the Singapore Labour Foundation, a substantial Shareholder of the Group, non-independent.

Chairman and MD/Group CEO

The roles of the Chairman and the MD/Group CEO have been 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 various businesses – both in Singapore and abroad. The Chairman and MD/Group CEO are not related.

The Chairman leads the Board and facilitates effective and comprehensive Board discussions and decision making on strategic issues. The Chairman oversees the translation of the Board's decision into executive action. With the assistance of the Company Secretaries, the Chairman ensures the accuracy and timeliness of information flow between the Board and

Management, effective shareholder communication and high standards of corporate 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.

Board Membership and Board Performance

Board renewal is an ongoing process to ensure good governance and to maintain relevance in the changing business environment. The NC is responsible for regularly reviewing the composition of the Board, identifying and proposing suitable candidates for appointment to the Board.

The NC comprises three non-executive independent Directors. The Chairman of the NC is not associated with any substantial Shareholder. The Company Secretaries are the Secretaries to the NC.

The Articles of Association of the Company provide that one-third of the Board of Directors, including the MD/Group CEO, 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 Kua Hong Pak, Mr Oo Soon Hee and Ms Sum Wai Fun, Adeline are due for re-election pursuant to Article 91 of the Articles of Association, while Mr Lim Jit Poh is due for re-appointment pursuant to Section 153(6) of the Companies Act, Cap. 50.

From time to time, new Directors may be identified for appointment to the Board after the NC evaluates and assesses their suitability based on their qualifications, working experiences and expertise. 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 then conduct a comprehensive orientation programme for the Director, 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 charter.

The NC subscribes to the view that while it is important for Directors to devote sufficient time and attention to the affairs of the Group, the issue of multiple board representations should be left to the judgement and discretion of each Director. To focus on Directors' attendance at Board Meetings per se may not be an adequate evaluation of the contribution of Directors. Instead, their abilities to provide strategic networking to enhance the businesses of the Group, availability for guidance and advice outside the scope of formal Board Meetings and contributions in specialised areas are also factors relevant in assessing the contributions of the Directors. While the NC will not stipulate the maximum number of boards each Director may be involved in, the NC will continue to monitor the contributions and the performance of each Director, and to assess whether each Director has devoted sufficient time and attention to the affairs of the Group.

As a policy, the MD/Group CEO, being an executive of the Company, will have to seek the approval of the Chairman before accepting any directorships of companies not within the ComfortDelGro 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 to the businesses of the Group. The Chairman will also ensure that the MD/Group CEO will not accept appointments to the boards of competitors.

The effectiveness of the Board is monitored by the NC annually in terms of overall performance and growth of the Group, thus 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 Meetings and activities, contributions in specialist areas and maintenance of independence.

In the last quarter of the year, each Director fills in a Board Performance Evaluation Form, which includes questions on the Board's composition, the Board's contributions, contributions from Committees and conduct of proceedings and whether these enable Directors to discharge their duties

effectively. The answers are collated and the findings then presented by the Chairman to the Board during its Meeting.

Access to Information

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

The Board has full access to the Senior Management team. The Company Secretaries have defined roles and responsibilities. They assist in scheduling Board and Committee Meetings and prepare the agenda in consultation with the Chairman and MD/Group CEO. The Company Secretaries attend the Board and Committee Meetings of the Company and prepare Minutes of Board and Committee proceedings. The Company Secretaries keep the Directors informed of any significant developments, or events relating to the Group and ensure compliance with all relevant rules and regulations. In September 2011, Singapore Exchange (SGX) announced amendments to the Listing Rules to strengthen corporate governance practices. The Board was kept informed by the Company Secretaries on the key changes to the Listing Rules and their implications to the Group.

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.

2. REMUNERATION MATTERS

Procedures for Developing Remuneration Policies, Level and Mix of Remuneration and Disclosure of Remuneration

ComfortDelGro recognises the importance of having a committed and talented workforce to manage and grow the businesses in an increasingly competitive environment. The Group therefore places great emphasis on motivating staff through engagement, recognition and a proper alignment of reward to performance.

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 from time to time, with the purpose of developing talent and building leadership, to ensure the Company's success.

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

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 the remuneration of senior management staff to ensure that the overall remuneration package is attractive to retain and motivate key executives; and
- (iii) Approve the participants and determine the quantum of options to be granted under the ComfortDelGro Employees' Share Option Scheme and to administer the Scheme.

In the discharge of its responsibilities, the RC has sought expert advice from an external international human resource consultancy firm.

The remuneration packages of the MD/Group CEO and executives of the Group comprise fixed and variable components. The variable component, in the form of year-end performance bonuses and stock options, form 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. The remuneration of the MD/Group CEO is also tied to the return on shareholders' funds and the level of profitability achieved. This remuneration framework is based on the findings and recommendations of an international human resource consultancy firm appointed by the Group.

The structure for the payment of Directors' fees for non-executive Directors 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 Company, 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.

The non-executive Directors of the Company are appointed pursuant to, and hold office in accordance with, the Articles of Association. They are eligible for and have been granted options under the ComfortDelGro Employees' Share Option Scheme.

The remuneration of the Directors and the key executives of the Group (who are not Directors) for the Financial Year 2011 can be found on pages 115 and 116 of this Annual Report. Further information on the ComfortDelGro Employees' Share Option Scheme can be found on pages 68 and 69 of this Annual Report.

During the Financial Year 2011, no key executive was an immediate family member of any Director of the Company.

Procedures Adopted by RC

In 2011, the RC held four meetings. All decisions by the RC are made by a majority of votes of the RC members who are present and voting. The RC 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.

3. ACCOUNTABILITY AND AUDIT

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 Group's operating performance and 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. 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/or 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 by letters 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/or 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.

Audit Committee

The Company's AC comprises four non-executive Directors, of whom three, including the Chairman, are independent. The Board has reviewed and is satisfied that the members of the AC are appropriately qualified to discharge their responsibilities.

The roles of the AC include the following:

- (i) Review the effectiveness of the Group's internal audit function, internal controls, including financial, operational, compliance and risk management;

- (ii) 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 Company's financial performance, and recommend to the Board the acceptance of such financial statements;
- (iii) 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;
- (iv) Review Interested Person transactions;
- (v) Recommend the appointment, re-appointment or removal of the External Auditors at the AGM and review the fees due to them;
- (vi) Review the audit plans of the Internal and External Auditors; and
- (vii) Review the effectiveness of the Company'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 on page 59 of this Annual Report.

In the performance of its duties, the AC 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 Company Secretaries are the Secretaries of the AC.

The AC also meets with the External and Internal Auditors in the absence of Management. During these meetings, the Auditors may raise issues encountered in the course of their work directly to the AC. Prior to the re-appointment of the External Auditors, the AC 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 AC has recommended to the Board that Deloitte & Touche LLP be nominated for re-appointment as the Group's External Auditors at the next AGM. As a further safeguard of Deloitte & Touche LLP's independence, the Group requires that the Deloitte & Touche LLP's partner-in-charge of auditing the Group be changed every five years in compliance with the Code.

Internal Audit

The internal audit function of the Group is performed by the Group Internal Audit Department comprising suitably qualified and experienced staff and is headed by the Group Internal Audit Officer (GIAO). She reports functionally to the Chairman of the AC and administratively to the MD/Group CEO.

The Group Internal Audit Department 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 Internal Auditors in consultation with, but independent of Management, and is subject to the AC's approval before the start of each financial year. Quarterly internal audit summary reports are also prepared and submitted to the AC on the status of audits carried out. Any material non-compliance or lapses in internal controls are reported to the AC and the MD/Group CEO for improvements to be made. The independence of the Internal Auditors' function is ensured as the AC meets with the GIAO at least once a year without the presence of Management.

The activities and organisational structure of the Group Internal Audit Department are monitored and reviewed by the AC periodically to ensure that the Group Internal Audit Department 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 Department has adopted and met the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.

Internal Controls and Risk Management

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. Action plans that are necessary to manage 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 Company's approach to internal controls and risk management is set out on pages 57 to 59 of this Annual Report.

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 AC. The AC 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.

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

4. COMMUNICATIONS WITH SHAREHOLDERS

Regular, Effective and Fair Communications with Shareholders

At ComfortDelGro, we are committed to actively engaging our Shareholders and have put in place an Investor Relations (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 pages 47 of this Annual Report.

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 an SGXNET announcement. Communication with Shareholders is conducted through announcements to the SGX and press releases, media and analyst briefings after the announcement of the full-year results, as well as the posting of announcements and releases on the Company's

website. Investors may send in their requests or queries through the feedback channel provided on the website. The Company's IR team is accessible throughout the year to address Shareholders' queries. The contact details of the Group Investor Relations & Special Projects Officer (GIRSCO) can be found on the website.

The Company does not participate in selective disclosure in the communication of material information. Communication with the SGX is handled by the Company Secretaries, while communication with Shareholders, analysts and fund managers is handled by the GIRSCO. Specific guidelines have been laid down for compliance in respect of all public communication. 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.

Greater Shareholders' Participation at AGM

The Company views the AGM as a good opportunity for investors to meet the Board and senior management staff. Shareholders are informed of Shareholders' Meetings through notices published in the newspapers and reports or 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.

The Chairman of the various Board Committees, as well as the External Auditors are present to address any questions or feedback raised by the Shareholders at the AGM, including those pertaining to the proposed resolutions before the resolutions are voted on.

The Board had, since 2008, voluntarily lowered its general authority to issue shares pursuant to Section 161 of the Companies Act, Cap. 50 by reducing the limit for non-pro rata shares issues from 20% to 10% of the issued shares in the capital of the Company. As this general authority to issue shares was a routine resolution which had been sought by the Company since its incorporation and no issue of shares had as yet been exercised, the Board had, in 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 were 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 the Shareholders' Meetings through proxy forms sent in advance. Investors, who hold shares through nominees such as the Central Provident Fund and custodian banks, are allowed to attend the AGM as observers subject to availability of seats. Each issue or matter requiring Shareholders' approval is tabled as a separate and distinct resolution.

The Company is not implementing absentia voting methods such as voting via mail, e-mail or fax until security, integrity and other pertinent issues are satisfactorily resolved.

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

- (i) The Company has taken steps to ensure that its Notice of AGM is issued to Shareholders at least 28 days before the AGM is held – two weeks earlier than is required by the Companies Act; 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.

Voting by Poll

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 initiative will encourage greater shareholders' participation at the Company's general meetings and demonstrates ComfortDelGro's commitment to high standards of corporate governance and transparency.

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 they 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 open 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.

Information Protection Policy

The Company 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.

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.

Risk Management

Risk management is an important and integral part of the Group's strategic planning and decision making process.

Although risks cannot be eliminated completely, an effective risk identification and management process reduces the uncertainties surrounding the achievement of the Group's business objectives and allows the Group to take advantage of opportunities that may arise. The Group's approach to risk management is underpinned by several key principles:

- The risk management process is a continuous, iterative and developing one, as the Group's businesses and their operating environments are dynamic. Risk assessment and risk management practices are updated regularly to manage risks proactively in line with the changes in the markets.
- We promote and inculcate risk awareness among all our employees by integrating risk management processes into day-to-day business operations. Regular exercises, continuous education and training, as well as communications through various forums on risk management promote risk-consciousness across the Group.
- Ownership of the risk management process is clearly defined and assigned to the business units, departments and individuals. Managers at each level have intimate knowledge of their businesses and assume ownership of risk management, with stewardship retained at Senior Management.

The Group's business has significant everyday interactions with many passengers, customers and members of the public. Nearly half of the Group's business is outside Singapore. The different business units have different risk profiles and they have different programmes to manage the risks. These programmes are tested and stressed periodically to ensure that they remain relevant and meet changing business requirements. Some of the key risks faced by the Group, the relevant mitigating factors and how they are managed are set out below.

FINANCIAL RISKS

The Group has established internal control systems to safeguard its assets and regularly reviews the effectiveness of these controls to improve and fortify financial discipline. All policies and procedures on financial matters, including approval limits and authority, are clearly defined in the Group's Financial Procedures Manual.

Financial Authority Limits

Comprehensive and specific financial authority limits are put in place for capital expenditure, operating expenses, treasury matters, direct investments, revenue tender participation, and disposal and write-off of assets. These authority limits are delegated based on the organisational hierarchy from the Board down to the Managing Director/ Group Chief Executive Officer (MD/Group CEO) and the Heads of Business Units/Departments, with the Board retaining the ultimate authority. Any expenditure exceeding the highest authority limit is referred to the Board for approval. To ensure that the Group's funds continue to be managed prudently, the Board periodically reviews the mandate that it delegates to Management.

Budgetary Control

A robust and challenging Annual Budget is prepared and approved by the Board prior to the commencement of each new financial year. Material variations between actual and budgeted performance are reviewed on a monthly basis and justifications provided. Specific approvals are required for unbudgeted expenditures exceeding a relevant threshold. The capital expenditure budget is approved in principle by the Board as part of the Annual Budget. Each capital expenditure is still subjected to rigorous justification and review before it is incurred in accordance with the Group's financial authority limits. Tight control on hiring is exercised through headcount budgets.

Financial Risk Management

The Group recognises that prudent management of financial risks is an important aspect in the creation of shareholder value. The main areas of financial risks faced by the Group are foreign exchange rate risk, interest rate risk, credit risk, counter-party risk, liquidity risk and fuel price risk. It is the Group's policy not to participate in financial derivative instruments, except for use as hedging instruments, where appropriate. Sensitivity analysis and reviews of the Group's exposure to financial risks under changing market conditions are carried out regularly.

A detailed description of the financial risks and how the Group manages them are set out in the Notes to the Financial Statements on pages 129 to 136.

Economic Cycle

Macro economic conditions in the countries that the Group operates in may impact the businesses in terms of customer demand and the cost of providing the services. We manage these risks by continuously scanning and monitoring political and economic issues. We monitor demand trends and operating margins closely. Expenses are managed in the light of revenue patterns and changing market environments. Revenue risks are also mitigated by diversifying revenue streams to non-fare sources.

OPERATIONAL RISKS

Operational risks may arise from failures in internal controls, operational processes or the supporting systems. The Group has put in place operating manuals, standard operating procedures, authority guidelines and a regular reporting framework to manage these risks.

Safety

Managing the safety and security of our customers, our staff and the public is the cornerstone of the Group's safety and security plan. We run safety awareness programmes to instil a safety and security conscious culture in employees at all levels. Safety audits are conducted regularly as part of the management and review process to ensure that safety standards are maintained. The Group works closely with the relevant authorities to ensure that the security of our bus and train services and facilities are not compromised. We regularly carry out drills and exercises internally, as well as with external agencies. Fences and other security features are enhanced at operating facilities and security guards deployed to patrol the facilities. Members of the public are encouraged to look out for suspicious objects or persons.

Environmental

Accidents and natural events can cause pollution or other environmental risks. To limit these risks, we engage in active environmental risk management, ensuring that we target the problems that could arise and implement preventive measures. For example, systems and processes are put in place to ensure that fuel leakage is minimised. The use of dangerous and harmful chemicals is carefully audited. Other ways in which the Group works to protect the environment can be found in the Sustainability Report section of this Annual Report.

Human Resource

The Group's ability to continue to develop and grow the business internationally depends on the quality of its employees. We have in place various programmes and processes that focus on several key areas, including succession planning, building management bench strength and talent management, recruitment and retention, performance management, compensation and benefits, training and development, employee conduct and supervision, as well as occupational health and safety. We ensure that employees are selected based on merit, that they understand their responsibilities and are given access to necessary training. At all times, a positive, constructive and productive working climate based on strong tripartite relations is fostered. All terms and conditions of employment, along with policies and procedures, comply with the relevant regulations.

Property and Liability

The Group's exposure to property and liability risks is constantly being monitored and reviewed with the Group's in-house insurance broking associate. Together with external risk management consultants, we ensure sufficiency of coverage and maintain an optimal balance between risks that are retained internally and risks that are placed out with underwriters.

Business Continuity

Operating in an environment with potential threats of terrorism, epidemic outbreaks and information systems failure, we have put in place a Group-wide Business Continuity Plan (BCP) to mitigate the risks of disruption and catastrophic loss to our operations, people and assets. The BCP is developed by the various business units and corporate functions under the guidance of the Business Continuity Management Committee, whose members comprise Senior Management and Heads of Business Units.

The BCP includes identification and planning of alternate recovery centres, operational procedures to maintain communication, measures to ensure continuity of critical business functions and recovery of information database. We update and test the BCP regularly. Drills and emergency response exercises are conducted to familiarise employees with the crisis management plans. The BCP enhances the Group's operational readiness and resilience to potential business disruptions.

COMPLIANCE RISKS

Some of the businesses within the Group operate in regulated environment in different countries. These regulations include pricing, service standards, licences to operate and transport policies, which are stipulated by the relevant regulatory authorities. We work closely with the regulatory authorities in the respective countries as part of our risk management process to keep abreast of developments and policies that may affect our businesses and the competitive landscape. In Singapore, the Land Transport Authority has quality standards for compliance for different modes of transport. We manage our operations well and effectively to ensure that standards are met, thereby reducing significantly the risk of licences being withdrawn.

STRATEGIC RISKS

We evaluate each new investment proposal to ensure that it is in line with the Group's strategy and investment objective, and it can meet the relevant hurdle rates of return. This assessment includes macro and project specific risks analysis covering feasibility study, due diligence, financial modelling and sensitivity analysis of key investment assumptions and variables. To ensure that the rate of return on any new investment or business opportunity commensurate with the risk exposure taken, the new investment opportunity is evaluated in terms of (a) profitability; (b) return on investment; (c) pay back period; (d) cash flow generation; (e) potential for internal and external growth; and (f) investment climate and political stability of the country. The investment proposal has to be approved according to the financial authority limits approved by the Board.

AUDIT PROCESS

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. Non-compliance and recommendations for improvements are reported to the Audit Committee, which reviews the effectiveness of

the actions taken to mitigate the risks. In the course of their audit, the Internal and External Auditors highlight to the Audit Committee and Management areas where there are material deficiencies and weaknesses, or the occurrence or potential occurrence of significant risk events, and propose mitigating measures and treatment plans. The recommendations are followed up as part of the Group's continuous review of the system of internal controls.

CODE OF BUSINESS CONDUCT AND WHISTLE BLOWING POLICY

The Group has adopted a Code of Business Conduct, which sets out the principles and policies upon which our businesses are conducted, as well as implemented a Whistle Blowing Policy to provide a mechanism for employees to raise concerns through well-defined and accessible confidential disclosure channels about possible improprieties in financial reporting or other improper business conduct. Employees are given a Company handbook detailing how they can go about raising their concerns. Incidents can also be reported through a direct link to the MD/Group CEO, the Group Human Resource Officer or the Group Internal Audit Officer on the Group's Intranet.

All cases are investigated and dealt with promptly and thoroughly. A committee, headed by an officer appointed by the MD/Group CEO, will oversee all investigations. In cases where the laws have been infringed, the relevant regulatory authorities will be informed. The Audit Committee will also be informed of the outcome of all investigations. Where appropriate, internal control measures are improved or additional measures put in place to prevent recurrence of the incidents.

OPINION OF THE BOARD

Risk management is an important and integral part of the Group'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. Action plans that are necessary to manage 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 Committee, that there are adequate internal controls in place within the Group to address its financial, operational and compliance risks.

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VEHICLE INSPECTION SERVICES

Beijing Tian Long Da Tian Vehicle Inspection Co., Ltd

8 Chengshou Road
Office Building, Room 201
Jiugong Town, Daxing District
Beijing
Postal Code 100076
Mainline (86) 10 8760 0856
Fax (86) 10 8760 2282
Email liuhx@comfordelgro.com

* Listed on the Singapore Exchange

Jilin City, Jilin Province TAXI

Jilin ComfortDelGro Taxi Co., Ltd
32 Jilin Main Street
Jilin City, Jilin
Postal Code 132013
Mainline (86) 432 6456 5605
Fax (86) 432 6456 5600
Email nixipeng@comfordelgro.com

Shenyang, Liaoning Province BUS

Shenyang ComfortDelGro Bus Co., Ltd
1 Jinhui Street
De Bao Building, 11th Floor
Hunnan New District
Postal Code 110179
Mainline (86) 24 8360 2123
Fax (86) 24 2378 7231
Email tankimhuat@comfordelgro.com

Shenyang ComfortDelGro Anyun Bus Co., Ltd
8 Huahai Road
Shenyang Economic & Technological
Development Area
Shenyang, Liaoning
Postal Code 110141
Mainline (86) 24 2537 6441
Fax (86) 24 2537 6536
Email tankimhuat@comfordelgro.com

TAXI

Shenyang ComfortDelGro Taxi Co., Ltd
52 Wenhua East Road
Dongling District
Shenyang, Liaoning
Postal Code 110015
Mainline (86) 24 2420 7819
Fax (86) 24 2482 3064
Email leongks@comfordelgro.com

CityCab (Shenyang) Co., Ltd
52 Wenhua East Road
Dongling District
Shenyang, Liaoning
Postal Code 110015
Mainline (86) 24 2422 2265
Fax (86) 24 2482 3064
Email leongks@comfordelgro.com

Yantai, Shandong Province AUTOMOTIVE ENGINEERING SERVICES, CAR LEASING & TAXI

Yantai ComfortDelGro Automobile Services Co., Ltd
7 Zhoushan Road
Yantai Development District
Yantai, Shandong
Postal Code 264006
Mainline (86) 53 5638 1178
Fax (86) 53 5638 1178
Email jiangguanghua@comfordelgro.com

WEST CHINA BUSINESS UNIT

Chengdu, Sichuan Province TAXI

Chengdu ComfortDelGro Taxi Co., Ltd
13 Waidong Jiancai Road
Chengdu, Sichuan
Postal Code 610051
Mainline (86) 28 8471 5206
Fax (86) 28 8471 5206 614
Email simontan@comfordelgro.com

Chengdu ComfortDelGro Sheng Duo Taxi Co., Ltd
13 Waidong Jiancai Road
Chengdu, Sichuan
Postal Code 610051
Mainline (86) 28 8471 5281
Fax (86) 28 8471 5281 610
Email simontan@comfordelgro.com

CAR RENTAL & LEASING

ComfortDelGro Rent-A-Car (Chengdu) Co., Ltd
13 Waidong Jiancai Road
Chengdu, Sichuan
Postal Code 610051
Mainline (86) 28 8471 8859
Fax (86) 28 8471 8859 612
Website www.cdgrentacar.com.cn
Email simontan@comfordelgro.com

VEHICLE INSPECTION SERVICES

Chengdu Jitong Integrated Vehicle Inspection Co., Ltd
13 Waidong Jiancai Road
Chengdu, Sichuan
Postal Code 610051
Mainline (86) 28 8471 2137
Fax (86) 28 8471 2137
Email simontan@comfordelgro.com

DRIVING CENTRE

Chengdu ComfortDelGro Qingyang Driving School Co., Ltd
Wenjia Hongnianzi
Qingyang District
Chengdu, Sichuan
Postal Code 610091
Mainline (86) 28 8707 0700
Fax (86) 28 8707 0700 807
Website www.cdqyjx.net
Email lamkeatko@comfordelgro.com

Chongqing DRIVING CENTRE

Chongqing ComfortDelGro Driver Training Co., Ltd
11 Huoju Road
Jiulong Park
Jiulongpo District
Chongqing
Postal Code 400051
Mainline (86) 23 8680 1111
Fax (86) 23 8906 8500
Website www.kfdgjx.com
Email johngg@comfordelgro.com

Chongqing Liangjiang ComfortDelGro Driver Training Co., Ltd

240 Shuanglong West Road
Shuanglong Lake Street, Unit 2-1-4
Yubei District
Chongqing
Postal Code 401120
Mainline (86) 23 8680 1111
Fax (86) 23 8906 8500
Website www.kfdgjx.com
Email johngg@comfordelgro.com

EAST CHINA BUSINESS UNIT

Shanghai TAXI

Shanghai City Qi Ai Taxi Services Co., Ltd
285 Lujiabang Road
10th Floor
Shanghai
Postal Code 200011
Mainline (86) 21 6313 5248
Fax (86) 21 6313 1717
Email richardtang@comfordelgro.com

Suzhou, Jiangsu Province TAXI

Suzhou Comfort Taxi Co., Ltd
188 Jinjihu Road
Suzhou Industrial Park
Suzhou, Jiangsu
Postal Code 215021
Mainline (86) 512 6762 0200
Fax (86) 512 6761 0101
Email richardtang@comfordelgro.com

Suzhou, Jiangsu Province CAR DEALERSHIP

Suzhou Comfort Toyota Sales & Service Co., Ltd

188 Jinjihu Road
Suzhou Industrial Park
Suzhou, Jiangsu
Postal Code 215021
Mainline (86) 512 6762 0200
Fax (86) 512 6761 0101
Email richardtang@comfortdelgro.com

Nanjing, Jiangsu Province TAXI

Nanjing ComfortDelGro Dajian Taxi Co., Ltd

205 Mufudong Road
Xiaguan District
Nanjing, Jiangsu
Postal Code 210028
Mainline (86) 25 5872 1710
Fax (86) 25 5872 1712
Email michaelhuang@comfortdelgro.com

SOUTH CHINA BUSINESS UNIT

Guangzhou, Guangdong Province BUS STATION

Guangzhou Xin Tian Wei Transportation Development Co., Ltd

633 Yanling 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 Keyuan 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

CAR RENTAL & LEASING

Nanning ComfortDelGro Rent-A-Car Co., Ltd

41 Anji Avenue
Nanning, Guangxi
Postal Code 530001
Mainline (86) 771 313 8991 or 310 0182
Fax (86) 771 310 1533
Email richardtang@comfortdelgro.com

Xiamen, Fujian Province TAXI

Xiamen Comfort Taxi Co., Ltd

109 Gugong Road
Xiamen, Fujian
Postal Code 361004
Mainline (86) 592 228 6091
Fax (86) 592 228 6091
Email richardtang@comfortdelgro.com

Hengyang, Hunan Province BUS & TAXI

Hengyang CityCab Bus Services Co., Ltd

2 Baishazhou Nanjiao Avenue
Hengyang, Hunan
Postal Code 421007
Mainline (86) 734 840 2888
Fax (86) 734 840 2296

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 customerservice@cdcbus.com.au

OUTDOOR ADVERTISING

Moove Media Australia Pty Ltd

104/15 Belvoir Street
Surry Hills NSW 2010
Mainline (61) 2 9690 1144
Fax (61) 2 9310 5753
Website www.moovemediaz.com
Email john@moovemediaz.com

Melbourne, Victoria BUS

ComfortDelGro Cabcharge Pty Ltd

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

Perth, Western Australia TAXI

Swan Taxis 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
London NW2 6JP
Mainline (44) 208 218 8888
Fax (44) 208 218 8899
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) 208 572 6348
Fax (44) 208 570 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) 207 908 0286
Fax (44) 207 908 0051
Website www.computercab.co.uk
Email customerservices@comcab.co.uk

PRIVATE CAR HIRE

Flightlink International Limited

92 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.merseycabs.co.uk
Email admin@merseycabs.co.uk

Birmingham, England

TAXI RADIO CIRCUIT

Computer Cab (Birmingham) Limited

118-122 Charles Henry Street
Birmingham B12 0SJ
Mainline (44) 121 622 0888
Fax (44) 121 622 0889
Website www.comcab-birmingham.co.uk
Email enquiries@comcab-birmingham.co.uk

Glasgow, Scotland

COACH

Scottish Citylink Coaches Limited

Buchanan Bus Station
Killermont Street
Glasgow G2 3NP
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 353 535
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 Airport
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 Limited

2/6 Spitfire House
Turnhouse Road
Edinburgh Airport
Edinburgh EH12 0AL
Mainline (44) 131 333 2255
Fax (44) 131 272 8011
Website www.onwardtravel.com
Email admin@onwardtravel.com

IRELAND

Dublin

COACH

Irish Citylink ComfortDelGro Limited

17 Forster Street
Galway
Mainline (353) 91 564 164
Fax (353) 91 564 100
Website www.citylink.ie
Email info@citylink.ie

VIETNAM

Ho Chi Minh City

TAXI

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.vinataxis.com
Email enquiry@vinataxis.com

ComfortDelGro Savico Taxi Company

325 Ho Van Hue Street
Ward 2
Tan Binh District
Ho Chi Minh City
Mainline (84) 8 3842 4400
Fax (84) 8 3847 5976
Website www.comfortsavico.com.vn
Email comfortsavico@vnn.vn

MALAYSIA

Kuala Lumpur

CAR LEASING & RENTAL

CityLimo Leasing (M) Sdn Bhd

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

Selangor

NON-VEHICLE TESTING & INSPECTION SERVICES

Setso Services (M) Sdn Bhd

31 Jalan Industri Mas 12
Taman Mas
47100 Puchong
Selangor Darul Ehsan
Website www.setsco.com
Email marketing@setsco.com

Financial Calendar

2011

Announcement of 2010 Full Year Results	14 February 2011
Annual General Meeting	27 April 2011
Announcement of 1st Quarter 2011 Results	13 May 2011
Payment of 2010 final dividend (2.8 cents/share)	16 May 2011
Announcement of 2nd Quarter 2011 Results	12 August 2011
Payment of 2011 interim dividend (2.7 cents/share)	1 September 2011
Announcement of 3rd Quarter 2011 Results	14 November 2011

2012

Announcement of 2011 Full Year Results	13 February 2012
Annual General Meeting	27 April 2012
Announcement of 1st Quarter 2012 Results	14 May 2012*
Payment of 2011 final dividend (3.3 cents/share) (Subject to Shareholders' approval at the forthcoming Annual General Meeting)	15 May 2012
Announcement of 2nd Quarter 2012 Results	13 August 2012*
Announcement of 3rd Quarter 2012 Results	12 November 2012*

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

Financial Statements

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Report Of The Directors

The Directors present their report together with the audited consolidated financial statements of the Group for the financial year ended 31 December 2011 and the statement of financial position and statement of changes in equity of the Company as at 31 December 2011.

1 DIRECTORS

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

Lim Jit Poh	<i>(Chairman)</i>
Kua Hong Pak	<i>(Managing Director/Group Chief Executive Officer)</i>
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 5 of the Report of the Directors.

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 2011	At 31 December 2011	At 21 January 2012
Interest in the Company			
(a) Ordinary shares			
Lim Jit Poh	844,425	1,044,425	1,044,425
Kua Hong Pak	2,824,530	2,824,530	2,824,530
Ong Ah Heng	395,558	395,558	395,558
Oo Soon Hee	375,000	525,000	525,000
Tow Heng Tan	250,000	250,000	250,000
Wang Kai Yuen	312,500	312,500	312,500
Wong Chin Huat, David	100,000	100,000	100,000

Report Of The Directors

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (CONT'D)

Name of Directors and Companies in which interests are held	At 1 January 2011	At 31 December 2011	At 21 January 2012
Interest in the Company			
(b) Options to subscribe for ordinary shares			
Lim Jit Poh	1,120,000	1,160,000	1,160,000
Kua Hong Pak	7,200,000	7,200,000	7,200,000
Ong Ah Heng	560,000	580,000	580,000
Oo Soon Hee	750,000	750,000	750,000
Sum Wai Fun, Adeline	360,000	480,000	480,000
Tow Heng Tan	560,000	580,000	580,000
Wang Kai Yuen	665,000	845,000	845,000
Wong Chin Huat, David	560,000	580,000	580,000
Interest in subsidiary, SBS Transit Ltd			
(a) Ordinary shares			
Lim Jit Poh	200,000	200,000	200,000
Wong Chin Huat, David	215,000	215,000	215,000
(b) Options to subscribe for ordinary shares			
Lim Jit Poh	400,000	300,000	300,000
Kua Hong Pak	360,000	270,000	270,000
Wong Chin Huat, David	180,000	130,000	130,000
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 DIRECTORS' RECEIPT AND ENTITLEMENT TO CONTRACTUAL BENEFITS

Except as disclosed in this report and in Note 27(a) to the financial statements, since the beginning of the financial year, no Director has received or become entitled to receive a benefit which is required to be disclosed under Section 201(8) of the Singapore Companies Act, Cap. 50, by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest. Certain Directors received Directors' fees from related corporations in their capacities as Directors of those related corporations.

Report Of The Directors

5 SHARE OPTIONS

(A) Share options of the Company

- (i) The ComfortDelGro Employees' Share Option Scheme (the "CDG ESOS") was approved by the shareholders of the Company on 18 February 2003. The CDG ESOS is administered by the Remuneration Committee (the "Committee") comprising Messrs Tow Heng Tan (appointed as Chairman on 1 January 2012), 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.
- (iii) Particulars of unissued shares under options granted pursuant to the CDG ESOS, options granted, exercised and cancelled/lapsed/forfeited during the financial year and options outstanding as at 31 December 2011 were as follows:

Date of grant	Number of options to subscribe for ordinary shares				Outstanding at 31 December 2011	Subscription price per share	Expiry date
	Outstanding at 1 January 2011	Granted	Exercised	Cancelled/Lapsed/Forfeited			
31 July 2003	170,000	-	(85,000)	-	85,000	\$0.793	30 July 2013
2 January 2004	205,000	-	(85,000)	-	120,000	\$0.820	1 January 2014
19 July 2004	512,500	-	(225,000)	-	287,500	\$1.217	18 July 2014
24 February 2005	2,147,500	-	-	(90,000)	2,057,500	\$1.680	23 February 2015
21 July 2005	1,345,000	-	-	-	1,345,000	\$1.540	20 July 2015
17 November 2005	2,316,000	-	-	(75,000)	2,241,000	\$1.550	16 November 2015
13 July 2006	6,010,000	-	(360,000)	(500,000)	5,150,000	\$1.500	12 July 2016
13 July 2006	650,000	-	(350,000)	(300,000)	-	\$1.500	12 July 2011
22 June 2007	8,550,000	-	-	(1,770,000)	6,780,000	\$2.260	21 June 2017
22 June 2007	975,000	-	-	-	975,000	\$2.260	21 June 2012
25 June 2008	9,335,000	-	-	(490,000)	8,845,000	\$1.590	24 June 2018
25 June 2008	1,270,000	-	-	-	1,270,000	\$1.590	24 June 2013
25 June 2009	8,250,000	-	(1,008,000)	(90,000)	7,152,000	\$1.273	24 June 2019
25 June 2009	1,205,000	-	(30,000)	-	1,175,000	\$1.273	24 June 2014
2 July 2010	13,420,000	-	-	(385,000)	13,035,000	\$1.467	1 July 2020
2 July 2010	1,250,000	-	-	-	1,250,000	\$1.467	1 July 2015
23 June 2011	-	1,050,000	-	-	1,050,000	\$1.373	22 June 2016
23 June 2011	-	15,815,000	-	(200,000)	15,615,000	\$1.373	22 June 2021
Total	57,611,000	16,865,000	(2,143,000)	(3,900,000)	68,433,000		

Report Of The Directors

5 SHARE OPTIONS (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 2011 were as follows:

Director	Number of options to subscribe for ordinary shares				
	Granted during the year ended 31 December 2011	Aggregate options granted since the commencement to 31 December 2011	Aggregate options exercised since the commencement to 31 December 2011	Aggregate options lapsed/forfeited since the commencement to 31 December 2011	Aggregate options outstanding at 31 December 2011
Lim Jit Poh	240,000	2,533,577	1,073,577	300,000	1,160,000
Kua Hong Pak	1,200,000	11,100,000	2,700,000	1,200,000	7,200,000
Ong Ah Heng	120,000	1,397,540	567,540	250,000	580,000
Oo Soon Hee	150,000	1,500,000	525,000	225,000	750,000
Sum Wai Fun, Adeline	120,000	480,000	-	-	480,000
Tow Heng Tan	120,000	1,080,000	250,000	250,000	580,000
Wang Kai Yuen	180,000	1,818,672	973,672	-	845,000
Wong Chin Huat, David	120,000	1,080,000	250,000	250,000	580,000

* 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 during the year are disclosed in paragraph 5(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 2011.

Report Of The Directors

5 SHARE OPTIONS (CONT'D)

(B) Share options of subsidiaries

(a) SBS Transit Ltd ("SBST")

- (i) At the end of the financial year, there were 8,723,750 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' Report of SBS Transit Ltd.
- (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 2011	Aggregate options exercised since the commencement to 31 December 2011	Aggregate options lapsed since the commencement to 31 December 2011	Aggregate options outstanding at 31 December 2011
Lim Jit Poh	780,000	380,000	100,000	300,000
Kua Hong Pak	690,000	150,000	270,000	270,000
Wong Chin Huat, David	475,000	295,000	50,000	130,000

(b) VICOM Ltd ("VICOM")

- (i) At the end of the financial year, there were 779,000 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' Report of VICOM Ltd.
- (ii) There were no share options granted to Directors of the Company during the financial year. Details of the 2001 VSOS options since the commencement of the 2001 VSOS were as follows:

Director	Number of options to subscribe for ordinary shares		
	Aggregate options granted since the commencement to 31 December 2011	Aggregate options exercised since the commencement to 31 December 2011	Aggregate options outstanding at 31 December 2011
Lim Jit Poh	160,000	160,000	-
Kua Hong Pak	54,000	54,000	-

Report Of The Directors

6 AUDIT COMMITTEE

At the date of this report, the Audit Committee comprises four non-executive Directors, of whom three, including the Chairman, are independent:

Wong Chin Huat, David	(Appointed as Chairman on 1 January 2012)
Ong Ah Heng	
Oo Soon Hee	(Appointed on 1 January 2012)
Sum Wai Fun, Adeline	(Appointed on 1 January 2012)

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

In performing its functions, the Audit 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 to discuss the scope and results of their respective audits. The Audit 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 Committee reviewed the financial statements of the Group before their submission to the Board of Directors of the Company.

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

7 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
13 February 2012

Statement Of Directors

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 74 to 153 are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2011, and of the results, changes in equity and the 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.

ON BEHALF OF THE DIRECTORS

Lim Jit Poh

Chairman

Kua Hong Pak

Managing Director/Group Chief Executive Officer

Singapore

13 February 2012

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 2011, 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 notes, as set out on pages 74 to 153.

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 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 profit and loss accounts and balance sheets 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 state of affairs of the Group and of the Company as at 31 December 2011 and of the results, 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 subsidiaries 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
Certified Public Accountants

Singapore
13 February 2012

Statements Of Financial Position

31 December 2011

	Note	The Group		The Company	
		2011 \$'mil	2010 \$'mil	2011 \$'mil	2010 \$'mil
ASSETS					
Current assets					
Short-term deposits and bank balances	4	576.7	566.7	252.7	219.9
Available-for-sale investments	5	-	5.8	-	5.8
Trade receivables	6	133.2	103.3	-	-
Other receivables and prepayments	7	173.0	228.8	1.0	0.8
Grant receivables	8	22.5	18.9	-	-
Due from subsidiaries	9	-	-	61.8	55.1
Finance lease receivables	10	17.5	18.3	-	-
Inventories	11	56.5	58.7	-	-
Total current assets		979.4	1,000.5	315.5	281.6
Non-current assets					
Subsidiaries	12	-	-	1,002.2	1,273.2
Associates	13	5.7	125.9	0.1	88.9
Available-for-sale investments	5	86.4	18.9	58.7	7.2
Grant receivables	8	342.8	300.0	-	-
Finance lease receivables	10	11.1	13.9	-	-
Vehicles, premises and equipment	14	2,603.8	2,381.4	15.5	16.4
Taxi licences and bus operating rights	15	407.2	387.4	-	-
Goodwill	16	145.7	145.8	-	-
Deferred tax assets	17	7.1	7.6	-	-
Total non-current assets		3,609.8	3,380.9	1,076.5	1,385.7
Total assets		4,589.2	4,381.4	1,392.0	1,667.3

See accompanying notes to the financial statements.

Statements Of Financial Position

31 December 2011

	Note	The Group		The Company	
		2011 \$'mil	2010 \$'mil	2011 \$'mil	2010 \$'mil
LIABILITIES AND EQUITY					
Current liabilities					
Borrowings	18	198.3	188.2	-	-
Trade and other payables	19	601.3	543.8	20.8	23.5
Trade payables for buses		20.1	16.6	-	-
Deferred grant income	20	19.7	17.1	-	-
Due to subsidiaries	21	-	-	386.3	649.2
Fuel price equalisation account		20.0	20.0	-	-
Insurance premiums payable and provision for accident claims	22	85.7	85.5	-	-
Income tax payable		57.0	27.0	3.3	3.6
Total current liabilities		1,002.1	898.2	410.4	676.3
Non-current liabilities					
Borrowings	18	433.6	523.1	-	-
Deferred grant income	20	348.0	301.9	-	-
Other liabilities	23	120.1	109.7	0.1	0.1
Fuel price equalisation account		20.0	20.0	-	-
Deferred tax liabilities	17	191.5	180.9	0.3	0.2
Total non-current liabilities		1,113.2	1,135.6	0.4	0.3
Capital, reserves and non-controlling interests					
Share capital	24	568.6	565.5	568.6	565.5
Other reserves	25	5.7	54.6	11.9	19.7
Foreign currency translation reserve		(1.2)	(18.9)	-	-
Accumulated profits		1,318.4	1,199.3	400.7	405.5
Equity attributable to shareholders of the Company		1,891.5	1,800.5	981.2	990.7
Non-controlling interests		582.4	547.1	-	-
Total equity		2,473.9	2,347.6	981.2	990.7
Total liabilities and equity		4,589.2	4,381.4	1,392.0	1,667.3

See accompanying notes to the financial statements.

Group Income Statement

Year Ended 31 December 2011

	Note	2011 \$'mil	2010 \$'mil
Revenue	26	3,411.1	3,206.9
Staff costs	27	(1,040.5)	(991.1)
Contract services		(396.8)	(389.5)
Materials and consumables		(336.4)	(271.7)
Depreciation and amortisation		(316.6)	(290.9)
Fuel and electricity costs		(283.3)	(234.8)
Repairs and maintenance		(163.4)	(158.9)
Road tax		(121.0)	(113.7)
Insurance premiums and accident claims		(116.3)	(110.1)
Taxi drivers' benefits		(66.7)	(77.8)
Premises costs		(65.2)	(70.8)
Utilities and communication costs		(22.1)	(21.0)
Advertising production and promotion costs		(14.5)	(14.9)
Vehicle leasing charges		(6.4)	(12.2)
Other operating expenses		(62.7)	(61.1)
Total operating expenses		(3,011.9)	(2,818.5)
Operating profit		399.2	388.4
Net income from investments		10.0	7.2
Finance costs	28	(35.3)	(35.7)
Share of profit in associates		5.3	6.4
Profit before taxation		379.2	366.3
Taxation	29	(81.7)	(78.1)
Profit after taxation	30	297.5	288.2
Attributable to:			
Shareholders of the Company		235.6	228.5
Non-controlling interests		61.9	59.7
		297.5	288.2
Earnings per share (in cents):			
Basic	31	11.27	10.95
Diluted	31	11.26	10.93

See accompanying notes to the financial statements.

Group Comprehensive Income Statement

Year Ended 31 December 2011

	2011	2010
	\$'mil	\$'mil
Profit after taxation	297.5	288.2
Fair value gain on cash flow hedges	1.1	2.1
Fair value adjustment on available-for-sale investments	(32.3)	0.6
Exchange differences on translation of foreign operations	24.5	(16.4)
Actuarial adjustment on defined benefit plans	(2.7)	0.9
Other comprehensive expense for the year	(9.4)	(12.8)
Total comprehensive income for the year	288.1	275.4
Attributable to:		
Shareholders of the Company	219.9	217.5
Non-controlling interests	68.2	57.9
	288.1	275.4

See accompanying notes to the financial statements.

Statements Of Changes In Equity

Year Ended 31 December 2011

	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 2010	561.7	48.0	(5.2)	1,085.5	1,690.0	521.9	2,211.9
Total comprehensive income (expense) for the year	-	2.7	(13.7)	228.5	217.5	57.9	275.4
Recognition of share-based payments	-	2.3	-	-	2.3	-	2.3
Exercise of share options (Note 24)	3.8	(0.3)	-	-	3.5	-	3.5
Payment of dividends (Note 36)	-	-	-	(112.1)	(112.1)	-	(112.1)
Other reserves	-	1.9	-	(2.6)	(0.7)	(32.7)	(33.4)
Balance at 31 December 2010	565.5	54.6	(18.9)	1,199.3	1,800.5	547.1	2,347.6
Total comprehensive income (expense) for the year	-	(33.4)	17.7	235.6	219.9	68.2	288.1
Recognition of share-based payments	-	2.0	-	-	2.0	-	2.0
Exercise of share options (Note 24)	3.1	(0.3)	-	-	2.8	-	2.8
Payment of dividends (Note 36)	-	-	-	(115.0)	(115.0)	-	(115.0)
Other reserves	-	(17.2)	-	(1.5)	(18.7)	(32.9)	(51.6)
Balance at 31 December 2011	568.6	5.7	(1.2)	1,318.4	1,891.5	582.4	2,473.9

See accompanying notes to the financial statements.

Statements Of Changes In Equity

Year Ended 31 December 2011

	The Company			
	Share capital \$'mil	Other reserves \$'mil	Accumulated profits \$'mil	Total \$'mil
Balance at 1 January 2010	561.7	18.5	351.9	932.1
Total comprehensive income for the year	-	-	164.9	164.9
Recognition of share-based payments	-	2.1	-	2.1
Exercise of share options (Note 24)	3.8	(0.3)	-	3.5
Payment of dividends (Note 36)	-	-	(112.1)	(112.1)
Other reserves	-	(0.6)	0.8	0.2
Balance at 31 December 2010	565.5	19.7	405.5	990.7
Total comprehensive income (expense) for the year	-	(29.8)	108.7	78.9
Recognition of share-based payments	-	2.0	-	2.0
Exercise of share options (Note 24)	3.1	(0.3)	-	2.8
Payment of dividends (Note 36)	-	-	(115.0)	(115.0)
Other reserves	-	20.3	1.5	21.8
Balance at 31 December 2011	568.6	11.9	400.7	981.2

See accompanying notes to the financial statements.

Group Cash Flow Statement

Year Ended 31 December 2011

	2011 \$'mil	2010 \$'mil
Operating activities		
Profit before taxation	379.2	366.3
Adjustments for:		
Depreciation and amortisation	316.6	290.9
Finance costs	35.3	35.7
Interest income	(7.7)	(6.4)
Dividend income	(3.0)	-
Share-based payment expense	2.0	2.3
Net loss on disposal of vehicles	1.0	6.5
Share of profit in associates	(5.3)	(6.4)
Others	5.0	8.5
Operating cash flows before movements in working capital	723.1	697.4
Inventories	2.4	(3.8)
Trade receivables	(0.1)	(4.9)
Other receivables and prepayments	56.0	(51.4)
Grant receivables, net of deferred grant income	2.4	(0.6)
Fuel price equalisation account	-	5.9
Finance lease receivables	3.5	1.8
Trade and other payables	32.9	1.5
Other liabilities	1.3	0.8
Insurance premiums payable and provision for accident claims	0.1	(10.3)
Cash generated from operations	821.6	636.4
Income tax paid	(44.1)	(43.8)
Net cash from operating activities	777.5	592.6

See accompanying notes to the financial statements.

Group Cash Flow Statement

Year Ended 31 December 2011

	2011 \$'mil	2010 \$'mil
Investing activities		
Purchases of vehicles, premises and equipment	(600.5)	(536.7)
Less: Vehicles purchased under finance lease arrangements	39.9	45.7
Proceeds from disposal of vehicles	70.7	96.1
Cash payments on purchase of vehicles, premises and equipment	(489.9)	(394.9)
Proceeds from disposal of available-for-sale investments	7.3	15.3
Payment for taxi licences	(13.5)	(0.8)
Increase in investment in subsidiaries	(7.1)	(0.3)
Acquisition of a subsidiary, net of cash [Note (a)]	-	(46.8)
Divestment of a subsidiary, net of cash [Note (b)]	0.6	0.7
Proceeds from divestment of associates	-	12.1
Interest received	7.6	6.7
Dividends received from associates	5.5	8.3
Dividends received from available-for-sale investment	3.0	-
Net cash used in investing activities	(486.5)	(399.7)
Financing activities		
New loans raised	79.0	220.2
Repayment of borrowings	(198.9)	(150.7)
Capital contributions to a non-controlling shareholder of a subsidiary	-	(4.4)
Proceeds from exercise of share options of the Company	2.8	3.5
Proceeds from exercise of share options of subsidiaries	3.4	1.7
Interest paid	(35.3)	(35.3)
Proceeds from unclaimed dividends	1.0	0.2
Dividends paid to shareholders of the Company	(115.0)	(112.1)
Dividends paid to non-controlling shareholders of subsidiaries	(26.5)	(28.0)
Net cash used in financing activities	(289.5)	(104.9)
Net effect of exchange rate changes in consolidating subsidiaries	8.5	(6.9)
Net increase in cash and cash equivalents	10.0	81.1
Cash and cash equivalents at beginning of year	566.7	485.6
Cash and cash equivalents at end of year (Note 4)	576.7	566.7

See accompanying notes to the financial statements.

Group Cash Flow Statement

Year Ended 31 December 2011

Note (a):

Summary of the effects of acquisition of a subsidiary:

	2011 \$'mil	2010 \$'mil
Net (assets) liabilities acquired:		
Current assets	-	(4.6)
Non-current assets	-	(38.1)
Current liabilities	-	1.0
Non-current liabilities	-	6.6
Net assets acquired	-	(35.1)
Goodwill on acquisition	-	(14.2)
Total purchase consideration	-	(49.3)
Less: Cash on acquisition of a subsidiary	-	2.5
Cash flow on acquisition, net of cash	-	(46.8)

Note (b):

Summary of the effects of divestment of a subsidiary:

	2011 \$'mil	2010 \$'mil
Net assets (liabilities) on divestment:		
Current assets	-	0.9
Non-current assets	0.9	2.6
Current liabilities	(0.1)	(2.3)
Net assets divested	0.8	1.2
(Loss) Gain on divestment	(0.2)	0.5
Proceeds from divestment	0.6	1.7
Non-controlling interests	-	(0.6)
Less: Cash on divestment of a subsidiary	-	(0.4)
Cash flow on divestment, net of cash	0.6	0.7

See accompanying notes to the financial statements.

Notes To The Financial Statements

31 December 2011

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 2011 and the statement of financial position and statement of changes in equity of the Company as at 31 December 2011 were authorised for issue by the Board of Directors on 13 February 2012.

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”).

ADOPTION OF REVISED FINANCIAL STANDARDS – In the current financial year, the Group has adopted all the revised FRSs that are relevant to its operations and effective for annual periods beginning on 1 January 2011.

The following are the revised FRSs that are relevant to the Group:

FRS 24 (Revised)	–	Related Party Disclosures
Improvements to FRS 1	–	Presentation of Financial Statements
Improvements to FRS 103	–	Business Combinations
Improvements to FRS 107	–	Financial Instruments: Disclosures

The adoption of these revised FRSs has no material effect on the amounts reported for the current or prior years.

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:

FRS 110	–	Consolidated Financial Statements
FRS 112	–	Disclosure of Interest in Other Entities
FRS 113	–	Fair Value Measurement
FRS 27 (Revised)	–	Separate Financial Statements
FRS 28 (Revised)	–	Investments in Associates and Joint Ventures
Amendments to FRS 1	–	Presentation of Financial Statements (Amendments relating to Presentation of Items of Other Comprehensive Income)
Improvements to FRS 19	–	Employee Benefits
Amendments to FRS 107	–	Financial Instruments: Disclosures (Transfers of Financial Assets)

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

Notes To The Financial Statements

31 December 2011

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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 the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Any changes in the Group's interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Group. The difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised in a separate reserve within equity of the Company.

The results of subsidiaries acquired or divested during the year are included in the Group comprehensive income statement from the effective date of acquisition or up to the effective date of divestment, as appropriate.

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

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 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

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.

Notes To The Financial Statements

31 December 2011

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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.

Investments are classified into the following specified categories: held-for-trading investments at fair value through profit or loss ("FVTPL") and available-for-sale investments. The classification depends on the nature and purpose of investment and is determined at the time of initial recognition.

Financial assets at fair value through profit or loss (FVTPL)

Held-for-trading investments are classified at FVTPL where they have been acquired principally for the purpose of selling in the near future. Hedging instruments that are not designated for a hedge relationship and/or are ineffective in a hedge relationship are also classified at FVTPL. Financial assets that are classified at FVTPL are stated at fair value, with any resultant gain or loss recognised in profit or loss.

Available-for-sale investments

Certain investments held by the Group are classified as being available-for-sale and are stated at fair value. Gains and losses arising from changes in fair value are recognised directly in other comprehensive income with the exception of impairment losses, interest calculated using the effective interest method and foreign exchange gains and losses on monetary assets which are recognised directly in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised in other comprehensive income and accumulated in investment revaluation reserve is reclassified 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 provision for impairment. 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

Financial assets, other than those at FVTPL, are assessed for indicators of provision for impairment at the end of each reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been impacted.

The carrying amount of the financial asset is reduced by the provision for impairment directly for all financial assets with the exception of receivables where the carrying amount is reduced through the use of an allowance account. When a receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

Notes To The Financial Statements

31 December 2011

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the provision for impairment decreases and the decrease can be related objectively to an event occurring after the provision for impairment was recognised, the previously recognised provision for impairment is reversed through profit or loss to the extent the carrying amount of the financial asset at the date the provision for impairment is reversed does not exceed what the amortised cost would have been had the provision for impairment not been recognised.

In respect of available-for-sale equity instruments, any subsequent increase in fair value after a provision for impairment, is recognised in other comprehensive income.

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.

Hedging instruments and hedge accounting

The Group 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.

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 fuel price risk are designated as fair value hedges. Hedges of foreign currency risk of a firm commitment exceeding one year are designated as fair value hedges.

Notes To The Financial Statements

31 December 2011

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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 is 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 and accumulated in equity are recognised in profit or loss in the periods when the hedged item is recognised in profit or loss or when hedge accounting is discontinued.

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 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.

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.

Notes To The Financial Statements

31 December 2011

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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 23
Leasehold bus depots	Over the period of the lease
Leasehold land and buildings	Over the period of the lease
Freehold buildings	10 to 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 does not have control but has met the requirements for equity accounting under FRS 28 Investments in Associates.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the Group's statements of financial position at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual investments. Losses of an associate in excess of 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) are not recognised, unless the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Notes To The Financial Statements

31 December 2011

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 and other licences acquired separately are recorded at cost less accumulated amortisation and any accumulated impairment losses. Taxi and other 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 and other 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.

Notes To The Financial Statements

31 December 2011

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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.

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 grant income 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.

Notes To The Financial Statements

31 December 2011

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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 a retiring employee on or after attaining the age of sixty-two years 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.

(ii) Long Service Awards – Staff of certain subsidiaries in Singapore serving more than 5 years and up to 25 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 the remaining 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. Past service cost is recognised immediately to the extent that the benefits have already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

The retirement benefit obligation recognised in the statement of financial position 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. Any asset resulting from this calculation is limited to unrecognised past service cost, plus the present value of available refunds and reductions in future contributions to the plan.

(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 issue equity-settled share-based payments to certain employees and Directors. Equity-settled share-based payments 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 equity-settled share-based payments 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.

Notes To The Financial Statements

31 December 2011

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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.

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.

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, and interests in joint ventures, 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.

Notes To The Financial Statements

31 December 2011

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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.

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.

Notes To The Financial Statements

31 December 2011

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.

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 \$61.4 million (2010 : \$58.7 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 2000 to 2010 of \$24.3 million (2010 : \$26.8 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-two years and on completion of at least five years of service. Provision for retirement benefits is made based on the number of years 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(c).

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 \$22.0 million (2010 : \$21.0 million) disclosed in Note 23(d) 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.

Notes To The Financial Statements

31 December 2011

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

Unquoted investments

The fair values of unquoted investments are obtained from market makers (dealers) of the investments. The prices represent the dealers' price of these debt securities at the last market day of the financial year. Where a reliable measure at fair value is not available, the unquoted investments are stated at cost.

Impairment review of goodwill, taxi licences and bus operating rights

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

Determining whether goodwill, taxi licences and bus operating rights are impaired requires an estimation of the value in use of the cash-generating units ("CGUs") to which goodwill, taxi licences and bus operating rights have been allocated. 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, taxi licences and bus operating rights 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.

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 which ranges from 1.5% to 9.0% (2010 : 2.0% to 9.6%). The estimated growth rate is based on industry growth forecasts and does not exceed the average long-term growth rate for the relevant markets.

The discount rates applied to the forecast for the Group are assumed to range from 4.74% to 6.28% (2010 : 5.44% to 6.62%).

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

As at 31 December 2011 and 31 December 2010, 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.

Impairment review of quoted available-for-sale equity investment

The Group reviews the available-for-sale equity investment for impairment annually, or more frequently if there are indications of a significant or prolonged decline in the fair value of the investment below its cost. During the financial year, Management determined that no provision for impairment is required.

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.

Notes To The Financial Statements

31 December 2011

4 SHORT-TERM DEPOSITS AND BANK BALANCES

	The Group		The Company	
	2011 \$'mil	2010 \$'mil	2011 \$'mil	2010 \$'mil
Cash and bank balances	19.3	16.1	-	-
Interest bearing bank balances	102.2	58.3	1.0	1.5
Fixed deposits	455.2	492.3	251.7	218.4
Total	576.7	566.7	252.7	219.9

5 AVAILABLE-FOR-SALE INVESTMENTS

	The Group		The Company	
	2011 \$'mil	2010 \$'mil	2011 \$'mil	2010 \$'mil
a) Quoted investments, at fair value:				
Bonds in corporations	16.9	23.6	5.7	12.9
Equity shares in corporations	68.4	-	52.9	-
b) Unquoted investments, at cost:				
Equity shares in corporations	0.2	0.2	-	-
Others	0.9	0.9	0.1	0.1
Total	86.4	24.7	58.7	13.0
Analysed as:				
Current	-	5.8	-	5.8
Non-current	86.4	18.9	58.7	7.2
Total	86.4	24.7	58.7	13.0

The increase of \$68.4 million in quoted equity shares in corporations is due to the reclassification of the Group's interest in Cabcharge Australia Limited from associate to available-for-sale investment.

Quoted investments' fair values are based on the closing market prices on the last market day of the financial year. The basis of the fair values of unquoted investments is disclosed in Note 3. Additional information is presented in Note 35(d).

6 TRADE RECEIVABLES

	The Group	
	2011 \$'mil	2010 \$'mil
Associates	-	1.1
Due from a non-controlling shareholder of a subsidiary	0.3	-
Outside parties	135.2	105.6
	135.5	106.7
Allowance for doubtful receivables from outside parties	(2.3)	(3.4)
Net	133.2	103.3

The credit period on sale of goods and rendering of services ranges from 7 days to 60 days (2010 : 7 days to 90 days) except for insurance claims against third parties which have no credit period due to their nature.

Notes To The Financial Statements

31 December 2011

6 TRADE RECEIVABLES (CONT'D)

An allowance has been made for estimated irrecoverable amounts which has been determined by reference to past default experience.

The credit risk on trade receivables that are past due but not impaired 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.

Movements in the allowance for doubtful debts:

	The Group	
	2011 \$'mil	2010 \$'mil
Balance at beginning of the year	3.4	6.2
Amounts written off during the year	(1.9)	(3.7)
Increase in allowance recognised in income statement	0.8	0.8
Exchange differences	-	0.1
Balance at end of the year	2.3	3.4

7 OTHER RECEIVABLES AND PREPAYMENTS

	The Group		The Company	
	2011 \$'mil	2010 \$'mil	2011 \$'mil	2010 \$'mil
Receivable from a non-controlling shareholder of a subsidiary	6.2	7.5	-	-
Prepayments	88.0	107.7	0.2	0.2
Interest receivable	1.0	0.8	0.1	0.2
Staff advances	1.8	1.5	-	-
Security and tender deposits	2.7	33.9	-	-
Accrued income	21.5	28.9	-	-
Others	51.8	48.5	0.7	0.4
Total	173.0	228.8	1.0	0.8

The receivable from a non-controlling shareholder of a subsidiary is secured on taxi licences, bears interest at fixed rate of 6.1% per annum and repayable on demand.

In 2010, the receivables from non-controlling shareholders of subsidiaries were secured on taxi licences and shares of a non-controlling shareholder, bore fixed interest at rates ranging from 4.37% to 4.86% per annum and repayable on demand.

The Group's and the Company's other receivables and prepayments that are not denominated in the functional currencies of the respective entities are not significant.

Notes To The Financial Statements

31 December 2011

8 GRANT RECEIVABLES

	The Group	
	2011 \$'mil	2010 \$'mil
Grant receivables	365.3	318.9
Analysed as:		
Current	22.5	18.9
Non-current	342.8	300.0
Total	365.3	318.9

The grant receivables of \$365.3 million (2010 : \$318.9 million) are unsecured, bear effective interest at rates ranging from 6.05% to 8.44% (2010 : 7.83% to 8.44%) per annum and receivable over the period that the Group expects to retain the contract to operate the bus routes. This balance represents the net present value of the grants receivable from the transport regulators in Australia for the acquisition of new buses.

The carrying amounts of long-term grant receivables approximate their fair values.

9 DUE FROM SUBSIDIARIES

	The Company	
	2011 \$'mil	2010 \$'mil
Receivables from subsidiaries	61.8	55.1

Of the amount of \$61.8 million (2010 : \$55.1 million) due from subsidiaries, \$37.9 million (2010 : \$25.8 million) relates to loans which bear variable interest at rates ranging from 1.0% to 6.3% (2010 : 1.3% to 6.6%) per annum are unsecured and repayable on demand. The remaining balances of \$23.9 million (2010 : \$29.3 million) are unsecured, interest-free and repayable on demand.

Notes To The Financial Statements

31 December 2011

10 FINANCE LEASE RECEIVABLES

	The Group			
	Minimum lease payments		Present value of minimum lease payments	
	2011 \$'mil	2010 \$'mil	2011 \$'mil	2010 \$'mil
Amounts receivable under finance leases:				
Within one year	19.2	20.6	18.0	19.2
Within the second to fifth year inclusive	12.0	15.2	11.4	14.5
	31.2	35.8	29.4	33.7
Less: Unearned finance income	(1.8)	(2.1)	NA	NA
Present value of minimum lease payments receivable	29.4	33.7	29.4	33.7
Less: Provision for unguaranteed residual values	(0.8)	(1.5)	(0.8)	(1.5)
Net	28.6	32.2	28.6	32.2
Analysed as:				
Current finance lease receivables (recoverable within 12 months)	17.5	18.3	17.5	18.3
Non-current finance lease receivables (recoverable after 12 months)	11.1	13.9	11.1	13.9
Total	28.6	32.2	28.6	32.2

The Group enters into finance lease arrangements for some of its motor vehicles. The average term of finance leases entered into is 2.2 years (2010 : 2.2 years).

Gross unguaranteed residual values of assets under finance leases at the end of the reporting period are estimated at \$21.8 million (2010 : \$24.7 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 2.45% to 8.51% (2010 : 2.45% to 6.66%) 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.

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11 INVENTORIES

	The Group	
	2011 \$'mil	2010 \$'mil
Goods held for sale	14.8	15.8
Consumables, materials and supplies	38.2	36.5
Work in progress	3.5	6.4
	56.5	58.7

12 SUBSIDIARIES

	The Company	
	2011 \$'mil	2010 \$'mil
Quoted equity shares - at cost	93.6	92.7
Unquoted equity shares - at cost	908.6	1,180.5
	1,002.2	1,273.2
Market value of quoted equity shares	613.8	651.4

The decrease of \$271.9 million in unquoted equity shares is mainly due to the return of share capital by DelGro Corporation Limited as a result of internal restructuring exercise.

Details of subsidiaries are included in Note 38(a).

13 ASSOCIATES

	The Group		The Company	
	2011 \$'mil	2010 \$'mil	2011 \$'mil	2010 \$'mil
Quoted equity shares, at cost	-	119.7	-	88.8
Unquoted equity shares, at cost	1.3	4.8	0.1	0.1
Add: Share of post-acquisition reserves	4.4	4.9	-	-
Provision for impairment	-	(3.5)	-	-
Net	5.7	125.9	0.1	88.9
Market value of quoted equity shares	-	89.3	-	60.9

The decrease of \$119.7 million in quoted equity shares is due to the reclassification of the Group's interest in Cabcharge Australia Limited from associate to available-for-sale investment.

(a) Details of significant associates are included in Note 38(b).

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13 ASSOCIATES (CONT'D)

(b) Summarised financial information in respect of the Group's associates is set out below:

	The Group	
	2011	2010
	\$'mil	\$'mil
Total assets	20.4	610.0
Total liabilities	(9.9)	(226.5)
Net assets	10.5	383.5
Group's share of associates' net assets	5.0	41.4
Revenue	93.0	236.9
Profit for the year	27.0	45.4
Group's share of associates' profit	5.3	6.4

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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 2010	1,787.5	94.1	278.7	170.0
Arising from acquisition of a subsidiary	-	-	-	9.2
Additions	121.3	-	2.1	8.0
Disposals	(54.0)	-	(2.8)	(7.9)
Transfers from capital projects in progress	82.1	-	2.7	0.1
Exchange differences	(18.2)	-	(2.8)	(0.4)
At 31 December 2010	1,918.7	94.1	277.9	179.0
Additions	101.5	0.2	15.1	10.0
Disposals	(113.6)	-	(0.5)	-
Transfers from capital projects in progress	149.9	0.1	17.5	(0.5)
Exchange differences	4.4	-	3.3	-
At 31 December 2011	2,060.9	94.4	313.3	188.5
Accumulated depreciation:				
At 1 January 2010	764.4	62.9	131.5	8.3
Arising from acquisition of a subsidiary	-	-	-	-
Depreciation	100.9	3.1	10.5	1.4
Write-off on disposals	(52.5)	-	(1.0)	-
Exchange differences	(15.1)	-	(1.2)	(1.2)
At 31 December 2010	797.7	66.0	139.8	8.5
Depreciation	105.0	3.1	10.9	1.6
Write-off on disposals	(108.0)	-	(0.5)	-
Exchange differences	2.6	-	1.1	-
At 31 December 2011	797.3	69.1	151.3	10.1
Provision for impairment:				
At 1 January 2010	0.1	-	-	-
Provision for the year	-	-	-	-
Write-off on disposals	-	-	-	-
At 31 December 2010	0.1	-	-	-
Provision for the year	-	-	-	-
Write-off on disposals	-	-	-	-
At 31 December 2011	0.1	-	-	-
Carrying amount:				
At 31 December 2011	1,263.5	25.3	162.0	178.4
At 31 December 2010	1,120.9	28.1	138.1	170.5

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
1,191.5	247.2	112.3	25.0	34.8	20.6	3,961.7
-	13.1	0.2	0.3	1.7	-	24.5
277.4	3.8	10.2	3.1	3.0	107.8	536.7
(233.5)	(4.3)	(4.8)	(2.8)	(1.3)	(0.2)	(311.6)
9.0	0.5	0.5	0.6	0.9	(96.4)	-
(12.9)	(5.5)	(1.9)	(0.3)	(0.2)	(0.2)	(42.4)
1,231.5	254.8	116.5	25.9	38.9	31.6	4,168.9
264.6	7.5	6.7	4.3	1.2	189.4	600.5
(201.3)	(9.7)	(2.1)	(2.8)	(0.8)	-	(330.8)
4.9	5.6	1.3	0.9	(0.5)	(179.2)	-
10.0	0.3	0.3	0.4	0.3	-	19.0
1,309.7	258.5	122.7	28.7	39.1	41.8	4,457.6
457.7	173.9	80.1	14.1	26.9	-	1,719.8
-	3.6	0.1	0.1	1.2	-	5.0
140.7	18.7	7.2	2.9	2.0	-	287.4
(136.1)	(4.2)	(4.5)	(2.1)	(1.3)	-	(201.7)
(6.9)	(4.5)	(1.8)	(0.1)	(0.1)	-	(30.9)
455.4	187.5	81.1	14.9	28.7	-	1,779.6
150.7	27.5	8.5	2.9	2.0	-	312.2
(129.9)	(9.2)	(1.9)	(2.1)	(0.7)	-	(252.3)
4.4	0.2	0.3	0.2	0.2	-	9.0
480.6	206.0	88.0	15.9	30.2	-	1,848.5
5.3	-	-	-	-	-	5.4
6.3	1.5	-	-	-	-	7.8
(5.3)	-	-	-	-	-	(5.3)
6.3	1.5	-	-	-	-	7.9
3.7	-	-	-	-	-	3.7
(6.3)	-	-	-	-	-	(6.3)
3.7	1.5	-	-	-	-	5.3
825.4	51.0	34.7	12.8	8.9	41.8	2,603.8
769.8	65.8	35.4	11.0	10.2	31.6	2,381.4

Notes To The Financial Statements

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14 VEHICLES, PREMISES AND EQUIPMENT (CONT'D)

In 2010, included under buses were total cost of \$48.2 million and carrying amount of \$11.8 million which were the subject of one cross border leasing transaction. The Group's legal obligations under this transaction had been legally defeased.

Buses and taxis of the Group with a total carrying amount of \$306.4 million (2010 : \$305.8 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 \$3.7 million (2010 : \$7.8 million) that had been recognised in profit or loss. The recoverable amount of the taxis has been determined on the basis of their fair values by reference to the market value of the taxis to be disposed less estimated selling costs.

	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 2010	7.6	51.7	3.8	0.3	6.7	70.1
Additions	-	-	0.1	-	0.4	0.5
Disposal	-	-	(0.1)	-	-	(0.1)
At 31 December 2010	7.6	51.7	3.8	0.3	7.1	70.5
Additions	-	0.4	0.8	-	0.2	1.4
Disposal	-	-	(0.3)	-	-	(0.3)
At 31 December 2011	7.6	52.1	4.3	0.3	7.3	71.6
Accumulated depreciation:						
At 1 January 2010	7.6	35.2	3.4	0.2	5.5	51.9
Depreciation	-	1.7	0.3	-	0.3	2.3
Disposal	-	-	(0.1)	-	-	(0.1)
At 31 December 2010	7.6	36.9	3.6	0.2	5.8	54.1
Depreciation	-	1.7	0.3	-	0.3	2.3
Disposal	-	-	(0.3)	-	-	(0.3)
At 31 December 2011	7.6	38.6	3.6	0.2	6.1	56.1
Carrying amount:						
At 31 December 2011	-	13.5	0.7	0.1	1.2	15.5
At 31 December 2010	-	14.8	0.2	0.1	1.3	16.4

Notes To The Financial Statements

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15 TAXI LICENCES AND BUS OPERATING RIGHTS

	The Group	
	2011 \$'mil	2010 \$'mil
Cost:		
At beginning of year	413.6	429.9
Additions	13.5	0.8
Disposal/Adjustment	(0.5)	(10.1)
Exchange differences	12.7	(7.0)
At end of year	439.3	413.6
Accumulated amortisation:		
At beginning of year	26.2	24.2
Amortisation for the year	4.4	3.5
Disposal	(0.1)	-
Exchange differences	1.6	(1.5)
At end of year	32.1	26.2
Carrying amount:		
At end of year	407.2	387.4
At beginning of year	387.4	405.7

Of the carrying amount of \$407.2 million (2010 : \$387.4 million) is \$163.7 million (2010 : \$164.4 million) of bus operating rights and \$169.6 million (2010 : \$158.6 million) of taxi licences with indefinite lives as follows:

	The Group	
	2011 \$'mil	2010 \$'mil
Bus operating rights:		
Australia	154.5	154.8
United Kingdom	9.2	9.6
	163.7	164.4
Taxi licences:		
China	169.6	158.6
Total	333.3	323.0

The remaining balance of \$73.9 million (2010 : \$64.4 million) relates to the taxi licences in China with finite useful lives over which the assets are amortised. The amortisation period for these taxi licences ranges from 2 years to 30 years.

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16 GOODWILL

	The Group	
	2011 \$'mil	2010 \$'mil
Cost:		
At beginning of year	145.8	129.1
Arising from acquisition of subsidiaries	-	14.2
Exchange differences	(0.1)	2.5
At end of year	145.7	145.8

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.

The carrying amount of goodwill of \$145.7 million (2010 : \$145.8 million) is allocated to the bus business in Australia of \$75.1 million (2010 : \$75.2 million) and the United Kingdom of \$23.2 million (2010 : \$23.2 million); taxi business in Australia of \$14.2 million (2010 : \$14.2 million), China of \$6.0 million (2010 : \$6.0 million), the United Kingdom of \$4.4 million (2010 : \$4.4 million) and Vietnam of \$0.9 million (2010 : \$0.9 million). In Singapore, the carrying amount of goodwill of \$9.4 million (2010 : \$9.4 million) and \$10.5 million (2010 : \$10.5 million) is allocated to the bus and vehicle inspection and testing businesses respectively. The remaining balance of \$2.0 million (2010 : \$2.0 million) is allocated to vehicle leasing business in Malaysia of \$1.4 million (2010 : \$1.4 million) and driving centre business in China of \$0.6 million (2010 : \$0.6 million).

17 DEFERRED TAX ASSETS/LIABILITIES

	The Group		The Company	
	2011 \$'mil	2010 \$'mil	2011 \$'mil	2010 \$'mil
Deferred tax assets	7.1	7.6	-	-
Deferred tax liabilities	(191.5)	(180.9)	(0.3)	(0.2)
Net	(184.4)	(173.3)	(0.3)	(0.2)
At beginning of year	(173.3)	(117.0)	(0.2)	(0.2)
Acquisition of subsidiaries	-	(6.4)	-	-
Charge to profit or loss (Note 29)	(14.6)	(38.8)	(0.1)	-
Over (Under) provision in prior years (Note 29)	1.4	(10.9)	-	-
Effect of change in tax rates	1.0	-	-	-
Arising from movement in defined benefit obligations	1.2	(0.7)	-	-
Exchange differences	(0.1)	0.5	-	-
At end of year	(184.4)	(173.3)	(0.3)	(0.2)

Notes To The Financial Statements

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17 DEFERRED TAX ASSETS/LIABILITIES (CONT'D)

The balances in the accounts comprise the tax effects of:

	The Group		The Company	
	2011 \$'mil	2010 \$'mil	2011 \$'mil	2010 \$'mil
Deferred tax assets				
Provisions	5.8	6.3	-	-
Tax losses	1.3	1.3	-	-
	7.1	7.6	-	-
Deferred tax liabilities				
Accelerated tax depreciation	(210.6)	(205.9)	(0.3)	(0.2)
Other items	19.1	25.0	-	-
	(191.5)	(180.9)	(0.3)	(0.2)
Net	(184.4)	(173.3)	(0.3)	(0.2)

18 BORROWINGS

	The Group	
	2011 \$'mil	2010 \$'mil
Borrowings comprises of the following:		
(a) Short-term loans	60.0	78.1
(b) Long-term loans	200.5	268.5
(c) Medium Term Notes	100.0	100.0
(d) Finance lease obligations	271.4	264.7
	631.9	711.3
Analysed as:		
Current	198.3	188.2
Non-current	433.6	523.1
Total	631.9	711.3

(a) Short-term loans

	The Group	
	2011 \$'mil	2010 \$'mil
Bank loans - unsecured	38.8	59.9
Loans from an associate - unsecured	-	16.7
Loans from non-controlling shareholders of subsidiaries - unsecured	21.2	1.5
	60.0	78.1

Notes To The Financial Statements

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18 BORROWINGS (CONT'D)

(i) Of the \$38.8 million (2010 : \$59.9 million) unsecured bank loans, \$10.3 million (2010 : \$1.8 million) bear fixed interest rate of 5.12%, 6.35% and 6.89% (2010 : 5.12%) per annum and the remaining \$28.5 million (2010 : \$58.1 million) bear floating interest at rates ranging from 0.34% to 0.39% (2010 : 4.59% to 5.23%) per annum.

(ii) In 2010, the loans from an associate were unsecured, bore a floating interest rate of 6.66% per annum and repayable on demand.

(iii) The loans from non-controlling shareholders of some subsidiaries are unsecured, bear fixed interest at rates of 0% and 6.71% (2010 : 0% and 4.59%) per annum and repayable on demand.

(b) Long-term loans

	The Group	
	2011 \$'mil	2010 \$'mil
Bank loans - secured	193.7	213.9
Bank loans - unsecured	6.2	53.5
Loan from a non-controlling shareholder of a subsidiary - unsecured	0.6	1.1
Total	200.5	268.5
Less: Amount due for settlement within 12 months (shown as current liabilities):		
Bank loans - secured	(99.3)	(29.0)
Bank loans - unsecured	(3.7)	(48.3)
Total	(103.0)	(77.3)
Amount due for settlement after 12 months	97.5	191.2
The borrowings are repayable as follows:		
On demand or within one year	103.0	77.3
In the second year	6.4	117.6
In the third year	5.4	5.5
In the fourth year	85.1	45.8
In the fifth year	-	21.2
After five years	0.6	1.1
	200.5	268.5

(i) Of the \$193.7 million (2010 : \$213.9 million) secured bank loans, \$99.4 million (2010 : \$81.6 million) is secured on buses, taxis and motor vehicles (see Note 14) and the remaining \$94.3 million (2010 : \$132.3 million) is secured on a fixed and floating charge on ComfortDelGro Cabcharge Pty Ltd and its Victorian subsidiaries in Australia. Bank loans of \$174.5 million (2010 : \$170.4 million) bear fixed interest rates ranging from 5.13% to 7.62% (2010 : 4.71% to 7.62%) per annum after taking into account interest rate swaps entered into (Note 35(b)). Bank loans of \$19.2 million (2010 : \$43.5 million) bear floating interest rates ranging from 5.88% to 16.53% (2010 : 6.46% to 15.36%) per annum.

Notes To The Financial Statements

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18 BORROWINGS (CONT'D)

(ii) The \$6.2 million (2010 : \$53.5 million) unsecured bank loans bear fixed interest rates ranging from 6.65% to 8.68% (2010 : 5.54% to 8.68%) per annum. The loans are repayable from 2012 to 2014 (2010 : 2011 to 2013).

(iii) The \$0.6 million (2010 : \$1.1 million) unsecured loan from a non-controlling shareholder of a subsidiary is interest-free and is repayable over thirty years from September 1999.

(iv) The fair value of the Group's long term loans approximate their carrying amount.

(c) Medium Term Notes

	The Group	
	2011 \$'mil	2010 \$'mil
Medium Term Notes - unsecured	100.0	100.0

A subsidiary issued \$100 million 5-year fixed rate unsecured 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 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	
	2011 \$'mil	2010 \$'mil	2011 \$'mil	2010 \$'mil
Amounts payable under finance leases:				
Within one year	45.9	45.9	35.3	32.8
Within the second to fifth year inclusive	155.7	151.7	120.6	110.5
After five years	139.1	150.1	115.5	121.4
	340.7	347.7	271.4	264.7
Less: Future finance charges	(69.3)	(83.0)	NA	NA
Present value of finance lease obligations	271.4	264.7	271.4	264.7
Amount due for settlement within 12 months (shown under current liabilities)			(35.3)	(32.8)
Amount due for settlement after 12 months			236.1	231.9

It is the Group's policy to lease certain of its buses under finance leases. The lease terms range from 6 to 15 years (2010 : 5 to 15 years). For the year ended 31 December 2011, the effective borrowing rate varies from 0.92% to 8.44% (2010 : 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.

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18 BORROWINGS (CONT'D)

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	
	2011 \$'mil	2010 \$'mil	2011 \$'mil	2010 \$'mil
Outside parties	195.3	190.0	1.3	1.4
Accruals	279.9	266.1	14.6	15.2
Deposits received - current (Note 23(a))	55.3	49.4	1.1	0.8
Deferred income from customers - current (Note 23(b))	54.7	24.0	-	-
Associates (non-trade)	3.7	7.4	3.7	6.0
Others	12.4	6.9	0.1	0.1
Total	601.3	543.8	20.8	23.5

The credit period on purchases of goods and services ranges from 7 days to 120 days (2010 : 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	
	2011 \$'mil	2010 \$'mil	2011 \$'mil	2010 \$'mil
USD	33.2	26.8	-	-
Others	1.6	3.2	-	-

20 DEFERRED GRANT INCOME

	The Group	
	2011 \$'mil	2010 \$'mil
Deferred grant income	367.7	319.0
Analysed as:		
Current	19.7	17.1
Non-current	348.0	301.9
Total	367.7	319.0

The deferred grant income relates to the net present value of the grant income from the transport regulators in Australia for the acquisition of new buses.

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21 DUE TO SUBSIDIARIES

	The Company	
	2011 \$'mil	2010 \$'mil
Due to subsidiaries	386.3	649.2

Of the amount of \$386.3 million (2010: \$649.2 million) due to subsidiaries, \$280.0 million (2010 : \$231.5 million) represent funds under central pooling which bear variable interest at rates ranging from 0.2% to 1.7% (2010 : 0.2% to 1.2%) per annum are unsecured and repayable on demand. The remaining balance of \$106.3 million (2010 : \$417.7 million) is interest-free, unsecured and repayable on demand.

22 INSURANCE PREMIUMS PAYABLE AND PROVISION FOR ACCIDENT CLAIMS

	The Group	
	2011 \$'mil	2010 \$'mil
At beginning of year	85.5	98.3
Charges	84.0	81.2
Payments	(83.9)	(91.5)
Exchange differences	0.1	(2.5)
At end of year	85.7	85.5
The balance comprises provision for:		
Insurance premiums	24.3	26.8
Accident claims	61.4	58.7
	85.7	85.5

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	
	2011 \$'mil	2010 \$'mil	2011 \$'mil	2010 \$'mil
Other liabilities comprised:				
(a) Deposits received	69.6	60.6	-	-
(b) Deferred income from customers	4.9	5.3	-	-
(c) Provision for service benefits and long service awards	23.6	22.8	0.1	0.1
(d) Retirement benefits obligations	22.0	21.0	-	-
	120.1	109.7	0.1	0.1

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23 OTHER LIABILITIES (CONT'D)

(a) Deposits received

	The Group	
	2011 \$'mil	2010 \$'mil
Deposits received from taxi hirers	124.9	110.0
Less: Due within 12 months (Note 19)	(55.3)	(49.4)
Due after 12 months	69.6	60.6

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.

(b) Deferred income

	The Group	
	2011 \$'mil	2010 \$'mil
Deferred income received from customers	59.6	29.3
Less: Due within 12 months (Note 19)	(54.7)	(24.0)
Due after 12 months	4.9	5.3

(c) Provision for service benefits and long service awards

	The Group		The Company	
	2011 \$'mil	2010 \$'mil	2011 \$'mil	2010 \$'mil
At beginning of year	22.8	21.6	0.1	0.1
Acquisition of subsidiaries	-	0.3	-	-
Charges	1.9	1.4	-	-
Payments	(1.0)	(1.0)	-	-
Exchange differences	(0.1)	0.5	-	-
At end of year	23.6	22.8	0.1	0.1

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23 OTHER LIABILITIES (CONT'D)

(d) 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 remaining employees of the Pension Schemes were transferred to a defined contribution pension scheme and the Pension Schemes ceased active accrual of benefits.

Defined benefit obligations as at 31 December 2011 have been valued by projecting forward the most recent actuarial valuation for funding purposes. The present value of the defined benefit obligations and the related current service costs and past service costs, were measured as at 31 December 2011 by a qualified independent actuary using the projected unit credit method.

	The Group	
	2011 \$'mil	2010 \$'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	113.4	108.6
Fair value of plan assets at end of year	(91.4)	(87.6)
Net liability recognised at end of year	22.0	21.0

24 SHARE CAPITAL

	The Group and The Company			
	2011 Number of ordinary shares (million)	2010	2011 \$'mil	2010 \$'mil
Issued and paid-up:				
At beginning of year	2,088.9	2,086.2	565.5	561.7
Exercise of share options	2.1	2.7	3.1	3.8
At end of year	2,091.0	2,088.9	568.6	565.5

Details of the outstanding share options of the Company as at the end of the financial year are set out in paragraph 5 of the Report of the Directors and in Note 27(e).

Fully paid ordinary shares, which have no par value, carry one vote per share and carry a right to dividends.

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25 OTHER RESERVES

	The Group		The Company	
	2011 \$'mil	2010 \$'mil	2011 \$'mil	2010 \$'mil
Retirement benefit reserve:				
At beginning of year	(37.4)	(38.3)	-	-
Actuarial adjustment on defined benefit plans	(2.7)	0.9	-	-
At end of year	(40.1)	(37.4)	-	-
Merger reserve:				
At beginning of year	31.4	31.4	-	-
Arising from restructuring during the year	-	-	31.4	-
At end of year	31.4	31.4	31.4	-
Others:				
At beginning of year	60.6	54.9	19.7	18.5
Fair value gain on cash flow hedges	1.7	1.4	-	-
Fair value (loss) gain on available-for-sale investments	(32.4)	0.4	(29.8)	-
Recognition of share-based payments	2.0	2.3	2.0	2.1
Exercise of share options	(0.3)	(0.3)	(0.3)	(0.3)
Transfer from (to) accumulated profits	1.6	1.4	(0.8)	(0.6)
Others	(18.8)	0.5	(10.3)	-
At end of year	14.4	60.6	(19.5)	19.7
Net	5.7	54.6	11.9	19.7

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.

Others comprise mainly statutory reserves in compliance with local regulations, investment revaluation reserve, hedging reserve and share option reserve.

26 REVENUE

	The Group	
	2011 \$'mil	2010 \$'mil
Rendering of services	3,122.6	2,967.5
Sales of goods	288.5	239.4
Total	3,411.1	3,206.9

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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 %	
2011				
\$1,750,000 - \$1,999,999				
Kua Hong Pak	55.4	43.7	0.9	100
2010				
\$1,750,000 - \$1,999,999				
Kua Hong Pak	57.0	42.2	0.8	100

The remuneration of one (2010 : 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).

(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 %	
2011				
\$750,000 - \$999,999				
No. of executives : 1	50.9	44.6	4.5	100
\$500,000 - \$749,999				
No. of executives : 5	49.2	45.9	4.9	100
\$250,000 - \$499,999				
No. of executives : 14	52.7	39.9	7.4	100

Notes To The Financial Statements

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27 STAFF COSTS (CONT'D)

Remuneration band	The Group			Total compensation %
	Salary %	Bonus %	Others %	
2010				
\$750,000 - \$999,999 No. of executives : 1	52.1	43.3	4.6	100
\$500,000 - \$749,999 No. of executives : 3	49.3	46.1	4.6	100
\$250,000 - \$499,999 No. of executives : 13	52.4	40.2	7.4	100

The Code of Corporate Governance recommends the disclosure of the remuneration of the Group's top five key executives. The Board had considered this matter carefully and decided against such disclosure. Given the wage disparities in the industry and the likely competitive pressures resulting from such disclosures, it is felt that the disadvantages of disclosure will outweigh the benefits.

- (c) The remuneration of the Directors and key executives comprises mainly of short-term benefits amounting to \$11.9 million (2010 : \$10.5 million).

	The Group	
	2011 \$'mil	2010 \$'mil
(d) Cost of defined contribution plan (included in staff costs)	100.9	94.4

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.

(e) Share-based payments (included in staff costs)

Equity-settled share option scheme

The Company and certain subsidiaries have share option schemes for certain employees and Directors of the respective companies. The scheme is administered by the Remuneration Committees of the respective companies. Information on the share option plans is disclosed in paragraph 5 to the Report of the Directors. 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. The vesting period is 1 year. 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.

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27 STAFF COSTS (CONT'D)

Details of the share options outstanding during the year are as follows:

(i) The Company

	2011		2010	
	Number of share options	Weighted average exercise price \$	Number of share options	Weighted average exercise price \$
Outstanding at the beginning of the year	57,611,000	1.60	49,428,500	1.63
Granted during the year	16,865,000	1.37	14,910,000	1.47
Cancelled/Lapsed/Forfeited during the year	(3,900,000)	1.85	(4,082,500)	1.68
Exercised during the year	(2,143,000)	1.31	(2,645,000)	1.27
Outstanding at the end of the year	<u>68,433,000</u>	1.54	<u>57,611,000</u>	1.60
Exercisable at the end of the year	<u>51,768,000</u>	1.59	<u>42,941,000</u>	1.64

The weighted average share price at the date of exercise for share options exercised during the year was \$1.53 (2010 : \$1.50). The options outstanding at the end of the year have an average remaining contractual life of 6.8 years (2010 : 6.9 years).

In 2011, options were granted on 23 June 2011 (2010 : 2 July 2010). The estimated fair value of the options granted on that date was \$0.075 (2010 : \$0.17) each.

These fair values were calculated using the Black-Scholes pricing model. The inputs into the model were as follows:

	2011	2010
Prevailing share price at date of grant (\$)	1.37	1.47
Exercise price (\$)	1.37	1.47
Expected volatility (%)	16.89	24.23
Expected life (years)	2.94	2.92
Risk free rate (%)	0.93	1.34
Expected dividend yield (%)	6.00	4.37

Expected volatility was determined by calculating the historical volatility of the Company's share price over the previous 5 years (2010 : 5 years). 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.

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27 STAFF COSTS (CONT'D) (ii) SBS Transit Ltd

	2011		2010	
	Number of share options	Weighted average exercise price \$	Number of share options	Weighted average exercise price \$
Outstanding at the beginning of the year	10,124,000	2.29	11,877,500	2.28
Cancelled/Lapsed during the year	(876,500)	2.16	(1,368,000)	2.42
Exercised during the year	(523,750)	1.58	(385,500)	1.58
Outstanding at the end of the year	<u>8,723,750</u>	2.34	<u>10,124,000</u>	2.29
Exercisable at the end of the year	<u>8,723,750</u>	2.34	<u>10,124,000</u>	2.29

The weighted average share price at the date of exercise for share options during the year was \$2.00 (2010 : \$1.87). The options outstanding at the end of the year have a weighted average remaining contractual life of 4.8 years (2010 : 5.6 years).

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27 STAFF COSTS (CONT'D)

(iii) VICOM Ltd

	2011		2010	
	Number of share options	Weighted average exercise price \$	Number of share options	Weighted average exercise price \$
Outstanding at the beginning of the year	2,310,000	2.03	2,181,500	1.61
Granted during the year	-	-	823,000	2.68
Lapsed during the year	(26,000)	2.68	-	-
Exercised during the year	(1,505,000)	1.91	(694,500)	1.48
Outstanding at the end of the year	<u>779,000</u>	2.25	<u>2,310,000</u>	2.03
Exercisable at the end of the year	<u>779,000</u>	2.25	<u>1,487,000</u>	1.67

The weighted average share price at the date of exercise for share options exercised during the year was \$3.18 (2010 : \$2.72). The options outstanding at the end of the year have an average remaining contractual life of 7.4 years (2010 : 8.1 years).

The 2001 VICOM Share Option Scheme (the "2001 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 grant. In 2010, options were granted on 13 July 2010. The estimated fair value of the options granted on that date was \$0.24 each.

From 2006 onwards, no options would be granted to non-executive Directors.

The fair values for share options granted in 2010 were calculated using the Black-Scholes pricing model. The inputs into the model were as follows:

	2010
Prevailing share price at date of grant (\$)	2.77
Exercise price (\$)	2.68
Expected volatility (%)	19.49
Expected life (years)	3.00
Risk free rate (%)	1.34
Expected dividend yield (%)	5.16

In 2010, expected volatility was determined by calculating the historical volatility of VICOM Ltd's share price over the previous 5 years. 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.

- (iv) The Group recognised total expense of \$2.0 million (2010 : \$2.3 million) related to equity-settled share-based payment transactions (included in staff costs) during the year.

Notes To The Financial Statements

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28 FINANCE COSTS

	The Group	
	2011 \$'mil	2010 \$'mil
Interest expense on:		
Loans and Medium Term Notes	22.0	22.5
Finance leases	13.3	13.2
Total	35.3	35.7

29 TAXATION

	The Group	
	2011 \$'mil	2010 \$'mil
Taxation charge comprises:		
Taxation charge in respect of profit for the financial year:		
Current taxation	68.6	39.0
Deferred taxation relating to the origination and reversal of temporary differences (Note 17)	14.6	38.8
	83.2	77.8
Effect of change in tax rate	(1.0)	-
Adjustments in respect of under (over) provision in prior years:		
Current taxation	0.9	(10.6)
Deferred taxation (Note 17)	(1.4)	10.9
	81.7	78.1

Domestic income tax is calculated at 17% (2010 : 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

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29 TAXATION (CONT'D)

The total charge for the year can be reconciled to the accounting profit as follows:

	The Group	
	2011 \$'mil	2010 \$'mil
Profit before taxation	379.2	366.3
Income tax expense calculated at 17% (2010 : 17%)	64.5	62.3
Effect of expenses that are not deductible in determining taxable profit	1.0	1.4
Effect of change in tax rate	(1.0)	-
Effect of previously unrecognised and unused tax benefits	-	(0.3)
Effect of different tax rates of subsidiaries operating in other jurisdictions	17.8	13.7
Tax effect of share of results of associate	(1.4)	(1.5)
Investment allowance	-	(0.5)
(Over) Under provision in prior years	(0.5)	0.3
Other items	1.3	2.7
	81.7	78.1

Subject to agreement with the relevant tax authorities, certain subsidiaries have tax losses that are not recognised amounting to \$13.1 million (2010 : \$11.1 million) and the resultant deferred tax benefits of \$3.3 million (2010 : \$2.8 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	
	2011 \$'mil	2010 \$'mil
Amortisation of taxi and other licences	4.4	3.5
Depreciation expense	312.2	287.4
Provision for impairment on vehicles and automated equipment (included in other operating expenses)	3.7	7.8
Net loss (gain) on divestment of investments and fair value changes	0.8	(0.7)
Net loss on disposal of vehicles	1.0	6.5
Directors' fees	1.0	1.0
Bad debts written off	0.1	1.5
Allowance for doubtful receivables	0.8	0.8
Allowance (Write-back) for stock obsolescence	0.7	(0.2)

Notes To The Financial Statements

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30 PROFIT AFTER TAXATION (CONT'D)

	The Group	
	2011 \$'mil	2010 \$'mil
Audit fees:		
Auditors of the Company	1.1	1.1
Other auditors	0.2	0.2
Non-audit fees:		
Auditors of the Company	0.4	0.4

Included in profit after taxation is legal fees of \$42,200 (2010 : \$91,500) paid to a firm of which a Director is a partner.

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:

	2011	2010
Net profit attributable to shareholders of the Company (\$'mil)	235.6	228.5
Weighted average number of ordinary shares in issue (million)	2,090.2	2,087.3
Basic earnings per share (in cents)	11.27	10.95

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.

	2011	2010
Net profit attributable to shareholders of the Company (\$'mil)	235.6	228.5
Weighted average number of ordinary shares in issue (million)	2,090.2	2,087.3
Adjustments for share options (million)	2.0	2.6
Weighted average number of ordinary shares for the purpose of diluted earnings per share (million)	2,092.2	2,089.9
Diluted earnings per share (in cents)	11.26	10.93

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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, sales of diesel and sale of motor vehicles.
- (f) Vehicle inspection and testing : Income is generated through the provision of mandatory car inspection service, motor vehicle assessment, evaluation and 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.

Segment revenue and expense: Segment revenue and expense are the operating revenue and expense reported in the Group's income statement that are directly attributable to a segment and the relevant portion of such revenue and expense that can be allocated on a reasonable basis to a segment.

Segment assets and liabilities: Segment assets include all operating assets used by a segment and consist principally of short-term deposits and bank balances, investments, operating receivables, finance lease receivables, inventories, taxi licences and bus operating rights, goodwill, and vehicles, premises and equipment, net of allowances and provisions. Capital additions include the total cost incurred to acquire vehicles, premises and equipment, and intangible assets directly attributable to the segment. Segment liabilities include all operating liabilities and consist principally of trade payables, accruals, deferred grant income, deposits, provisions and borrowings.

Inter-segment transfers: Segment revenue and expenses include transfers between business segments. Inter-segment sales are based on prices as determined between the parties. These transfers are eliminated on consolidation.

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32 SEGMENT INFORMATION (CONT'D)

(i) Business Segments

	Bus \$'mil	Bus station \$'mil	Rail \$'mil	Taxi \$'mil
FY 2011				
REVENUE				
External sales	1,684.1	23.9	147.0	1,039.2
Inter-segment sales	2.2	-	-	-
TOTAL	1,686.3	23.9	147.0	1,039.2
RESULT				
Operating profit	145.0	10.8	27.7	129.6
Net income from investments				
Finance costs				
Share of profit in associates				
Profit before taxation				
Taxation				
Profit after taxation				
Non-controlling interests				
Profit attributable to shareholders of the Company				
OTHER INFORMATION				
Additions to vehicles, premises and equipment	282.4	5.3	1.8	265.4
Additions to taxi and other licences	-	-	-	13.5
Depreciation expense	127.1	1.8	1.2	161.3
Amortisation expense	0.1	-	-	4.3
Provision for impairment loss recognised in income statement	-	-	-	3.7
STATEMENT OF FINANCIAL POSITION				
ASSETS				
Segment assets	2,290.1	23.4	30.8	1,154.7
Associates	-	-	-	5.7
Goodwill	107.8	-	-	22.3
Cash, fixed deposits, equities and bonds				
Deferred tax assets				
Consolidated total assets				
LIABILITIES				
Segment liabilities	809.7	21.8	29.9	276.0
Borrowings				
Income tax payable				
Deferred tax liabilities				
Consolidated total liabilities				

Automotive engineering services \$'mil	Vehicle inspection and testing \$'mil	Car rental and leasing \$'mil	Driving centre \$'mil	Elimination \$'mil	Total \$'mil
351.6	90.9	35.4	39.0	-	3,411.1
98.1	2.6	0.1	-	(103.0)	-
449.7	93.5	35.5	39.0	(103.0)	3,411.1
37.5	30.7	7.3	10.6	-	399.2
					10.0
					(35.3)
					5.3
					379.2
					(81.7)
					297.5
					(61.9)
					235.6
1.2	12.3	20.2	11.9	-	600.5
-	-	-	-	-	13.5
2.5	5.6	10.5	2.2	-	312.2
-	-	-	-	-	4.4
-	-	-	-	-	3.7
75.2	69.4	91.6	32.4	-	3,767.6
-	-	-	-	-	5.7
0.1	13.5	1.5	0.5	-	145.7
					663.1
					7.1
					4,589.2
53.8	20.8	10.9	12.0	-	1,234.9
					631.9
					57.0
					191.5
					2,115.3

Notes To The Financial Statements

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32 SEGMENT INFORMATION (CONT'D)

	Bus \$'mil	Bus station \$'mil	Rail \$'mil	Taxi \$'mil
FY 2010				
REVENUE				
External sales	1,612.2	22.7	134.4	981.9
Inter-segment sales	2.2	-	-	-
TOTAL	1,614.4	22.7	134.4	981.9
RESULT				
Operating profit	149.2	10.6	25.6	119.3
Net income from investments				
Finance costs				
Share of profit in associates				
Profit before taxation				
Taxation				
Profit after taxation				
Non-controlling interests				
Profit attributable to shareholders of the Company				
OTHER INFORMATION				
Additions to vehicles, premises and equipment	225.8	1.5	1.0	300.8
Additions to taxi and other licences	-	-	-	0.8
Additions to goodwill, net	-	-	-	14.2
Depreciation expense	121.1	1.5	1.1	141.7
Amortisation expense	0.1	-	-	3.4
Provision for impairment loss recognised in income statement	-	-	-	7.8
STATEMENT OF FINANCIAL POSITION				
ASSETS				
Segment assets	2,074.7	22.5	29.1	1,131.8
Associates	-	-	-	125.9
Goodwill	107.8	-	-	22.4
Cash, fixed deposits, equities and bonds				
Deferred tax assets				
Consolidated total assets				
LIABILITIES				
Segment liabilities	723.1	18.1	32.3	249.4
Borrowings				
Income tax payable				
Deferred tax liabilities				
Consolidated total liabilities				

Automotive engineering services \$'mil	Vehicle inspection and testing \$'mil	Car rental and leasing \$'mil	Driving centre \$'mil	Elimination \$'mil	Total \$'mil
300.1	83.7	33.6	38.3	-	3,206.9
95.0	2.3	0.1	-	(99.6)	-
395.1	86.0	33.7	38.3	(99.6)	3,206.9
39.1	27.3	5.9	11.4	-	388.4
					7.2
					(35.7)
					6.4
					366.3
					(78.1)
					288.2
					(59.7)
					228.5
1.7	11.1	11.8	2.5	-	556.2
-	-	-	-	-	0.8
-	-	-	-	-	14.2
2.8	5.8	11.3	2.1	-	287.4
-	-	-	-	-	3.5
-	-	-	-	-	7.8
77.1	59.8	88.0	28.5	-	3,511.5
-	-	-	-	-	125.9
0.1	13.5	1.5	0.5	-	145.8
					590.6
					7.6
					4,381.4
51.5	18.7	9.5	12.0	-	1,114.6
					711.3
					27.0
					180.9
					2,033.8

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32 SEGMENT INFORMATION (CONT'D)

(ii) Geographical Segments

	Revenue		Non-current assets*		Additions to non-current assets*	
	2011 \$'mil	2010 \$'mil	2011 \$'mil	2010 \$'mil	2011 \$'mil	2010 \$'mil
Geographical Location						
Singapore	1,971.1	1,832.8	1,522.0	1,374.7	403.6	372.2
United Kingdom/Ireland	688.1	711.5	283.5	282.3	39.7	46.2
Australia	465.8	377.5	861.8	823.6	77.3	117.0
China	276.5	274.7	474.0	417.2	90.8	25.3
Vietnam	6.8	7.4	10.7	12.5	1.1	8.8
Malaysia	2.8	3.0	4.7	4.3	1.5	1.7
Total	3,411.1	3,206.9	3,156.7	2,914.6	614.0	571.2

* Comprising vehicles, premises, equipment, taxi licences, bus operating rights and goodwill.

33 COMMITMENTS

As at 31 December 2011, the Group has the following commitments:

Capital commitments contracted for but not provided for in the financial statements:

	The Group	
	2011 \$'mil	2010 \$'mil
Purchase of equipment	7.7	6.1
Purchase of buses, taxis and motor vehicles	251.8	369.0
Purchase of computer systems	1.9	1.7
Development of bus depots and properties	1.3	9.0
	262.7	385.8

34 OPERATING LEASE ARRANGEMENTS

The Group as lessee

	The Group	
	2011 \$'mil	2010 \$'mil
Minimum lease payment under operating leases recognised as expense in the year	28.5	29.0

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34 OPERATING LEASE ARRANGEMENTS (CONT'D)

At the end of the reporting period, commitments in respect of non-cancellable operating leases for the rental of premises were as follows:

	The Group		The Company	
	2011 \$'mil	2010 \$'mil	2011 \$'mil	2010 \$'mil
Within one year	24.8	25.7	2.6	2.4
In the second to fifth year inclusive	46.7	54.1	10.2	9.7
After five years	107.0	121.4	7.3	9.7
Total	178.5	201.2	20.1	21.8

Leases are negotiated for average terms ranging from 1 year to 30 years and rental is fixed ranging from 1 year to 30 years.

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 \$99.5 million (2010 : \$86.8 million).

At the end of the reporting period, the Group has contracted with counter-parties for the following future minimum lease payments:

	The Group	
	2011 \$'mil	2010 \$'mil
Within one year	96.0	72.2
In the second to fifth year inclusive	233.1	144.2
After five years	37.2	22.7
Total	366.3	239.1

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.

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35 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

(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.

(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. In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The carrying amount of financial assets represents the maximum credit risk exposure of the Group.

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35 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

(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 \$1.7 million (2010 : \$1.4 million). The sensitivity analysis assumes that consumption is held constant at the same level as in 2011.

(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 financial instruments are classified into Level 1. 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.

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35 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

(b) Hedging instruments

	2011		2010	
	Assets \$'mil	Liabilities \$'mil	Assets \$'mil	Liabilities \$'mil
The Group				
At fair values:				
Interest rate hedges	0.8	-	1.5	1.7
Foreign exchange	0.5	-	-	2.6
Fuel hedges	6.1	-	6.3	-
	7.4	-	7.8	4.3
Analysed as:				
Current	6.8	-	7.6	4.3
Non-current	0.6	-	0.2	-
Total	7.4	-	7.8	4.3

The Group utilises hedging instruments to hedge significant future transactions and cash flows.

At the end of the reporting period, the total notional amounts of outstanding hedging instruments to which the Group is committed are as follows:

	The Group	
	2011 \$'mil	2010 \$'mil
Interest rate hedges	117.8	138.2
Foreign exchange	61.7	66.2
Fuel hedges	74.0	47.4

As at 31 December 2011, the fair value of the Group's hedging instruments, based on market prices for equivalent instruments at the end of the reporting period, comprises \$7.4 million assets (2010 : \$7.8 million assets) and nil liabilities (2010 : \$4.3 million liabilities).

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 fair value hedges. As at 31 December 2011, the fair value of the Group's foreign exchange hedging instruments comprised of \$0.5 million of assets (2010 : \$2.6 million of liabilities) is matched by an equivalent fair value adjustment on the hedged item in trade and other payables (Note 19).

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 fair value hedges. As at 31 December 2011, the fair value of the Group's fuel hedging instruments comprising \$6.1 million of assets (2010 : \$6.3 million of assets) is matched by an equivalent fair value adjustment on the hedged item in trade and other payables (Note 19).

Notes To The Financial Statements

31 December 2011

35 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

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 \$117.8 million (2010 : \$138.2 million). Of the \$117.8 million (2010 : \$138.2 million), \$40.3 million (2010 : nil) involved capping the UK base rates of hire purchase at 2% and \$77.5 million (2010 : \$94.0 million) involved swapping payments of fixed interest rates of 3.73% per annum for floating rate receipts at 1-month AUD BBSY for periods up to 2012.

(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 shareholder 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.

Notes To The Financial Statements

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35 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

(d) The tables below summarise the Group's and the Company's interest-bearing financial instruments, categorised by the earlier of contractual repricing or maturity dates and depicts the Group's and the Company's exposure to interest rate risk as at year end.

	Within 1 year \$'mil	Within 2 to 5 years \$'mil	Beyond 5 years \$'mil	Total \$'mil	Effective interest rate
The Group					
2011					
Financial assets					
Cash and bank balances:					
In functional currencies	120.8	-	-	120.8	0.1% - 4.3%
In non-functional currencies	0.7	-	-	0.7	-
Time deposits:					
In functional currencies	452.1	-	-	452.1	0.1% - 14.0%
In non-functional currencies	3.1	-	-	3.1	0.5% - 1.7%
Total cash balances and time deposits	576.7	-	-	576.7	
Available-for-sale investments:					
Bonds in functional currencies	-	5.4	11.5	16.9	4.0% - 4.8%
Hedging instruments:					
In functional currencies	0.2	0.6	-	0.8	
Financial liabilities					
Loans:					
In functional currencies	163.0	196.9	0.6	360.5	0.3% - 16.5%
Finance leases:					
In functional currencies	35.3	120.6	115.5	271.4	0.9% - 8.4%
Total	198.3	317.5	116.1	631.9	

Notes To The Financial Statements

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35 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

	Within 1 year \$'mil	Within 2 to 5 years \$'mil	Beyond 5 years \$'mil	Total \$'mil	Effective interest rate
The Group					
2010					
Financial assets					
Cash and bank balances:					
In functional currencies	73.8	-	-	73.8	0.1% - 4.8%
In non-functional currencies	0.6	-	-	0.6	-
Time deposits:					
In functional currencies	489.8	-	-	489.8	0.1% - 13.5%
In non-functional currencies	2.5	-	-	2.5	0.5% - 1.2%
Total cash balances and time deposits	566.7	-	-	566.7	
Available-for-sale investments:					
Bonds in functional currencies	5.8	5.2	12.6	23.6	3.9% - 4.8%
Hedging instruments:					
In functional currencies	1.5	-	-	1.5	
Financial liabilities					
Loans:					
In functional currencies	155.4	290.1	1.1	446.6	2.0% - 15.4%
Finance leases:					
In functional currencies	32.8	110.5	121.4	264.7	0.9% - 8.4%
Total	188.2	400.6	122.5	711.3	
Hedging instruments:					
In functional currencies	1.7	-	-	1.7	

Notes To The Financial Statements

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35 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

	Within 1 year \$'mil	Within 2 to 5 years \$'mil	Beyond 5 years \$'mil	Total \$'mil	Effective interest rate
The Company					
2011					
Financial assets					
Cash and bank balances:					
In functional currencies	0.9	-	-	0.9	-
In non-functional currencies	0.1	-	-	0.1	-
Time deposits:					
In functional currency	248.6	-	-	248.6	0.3% - 0.8%
In non-functional currencies	3.1	-	-	3.1	0.5% - 1.7%
Total cash balances and time deposits	252.7	-	-	252.7	
Available-for-sale investments:					
Bonds in functional currencies	-	-	5.7	5.7	4.8%
2010					
Financial assets					
Cash and bank balances:					
In functional currencies	1.2	-	-	1.2	-
In non-functional currencies	0.3	-	-	0.3	-
Time deposits:					
In functional currency	215.9	-	-	215.9	0.1% - 0.5%
In non-functional currencies	2.5	-	-	2.5	0.5% - 1.2%
Total cash balances and time deposits	219.9	-	-	219.9	
Available-for-sale investments:					
Bonds in functional currencies	5.8	-	7.1	12.9	3.9% - 4.2%

Notes To The Financial Statements

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36 DIVIDENDS

(a) During the financial year, the Company paid dividends as follows:

	2011 \$'mil	2010 \$'mil
Final dividend in respect of the previous financial year:		
- 2.67 cents per ordinary share tax-exempt one-tier	-	55.7
- 2.80 cents per ordinary share tax-exempt one-tier	58.5	-
Interim dividend in respect of the current financial year:		
- 2.70 cents per ordinary share tax-exempt one-tier	-	56.4
- 2.70 cents per ordinary share tax-exempt one-tier	56.5	-
Total	115.0	112.1

(b) Subsequent to the statement of financial position, the Directors of the Company recommended that a tax-exempt one-tier final dividend of 3.30 cents per ordinary share totalling \$69.0 million be paid for the financial year ended 31 December 2011. 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.

37 LICENCE CONDITION FOR RAIL SERVICES

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) An annual licence fee computed based on 0.5% of the total annual fare and non-fare revenue, net of goods and services tax, is payable to LTA for the first 10 years. LTA may retain or modify the basis for the purpose of calculating the licence fee thereafter.
- (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.

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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	
			2011 %	2010 %
Quoted equity shares				
SBS Transit Ltd ⁽¹⁾	Provision of public bus and rail services	Singapore	75.21	75.19
VICOM Ltd ⁽¹⁾	Investment holding and provision of motor vehicle evaluation and other related services	Singapore	67.65	68.83
Unquoted equity shares				
Braddell Limited ⁽⁵⁾	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
Comfort Transportation Pte Ltd	Provision of public taxi services through the rental of taxis to hirers	Singapore	100	100
DelGro Corporation Limited ⁽²⁵⁾	Inactive	Singapore	-	100
DelGro (Guangzhou) Pte Ltd	Inactive	Singapore	100	100
Moove Media Pte Ltd	Provision of advertising services	Singapore	100	100

Notes To The Financial Statements

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38 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (CONT'D)

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2011 %	2010 %
CityFleet Networks Limited ⁽⁵⁾	Provision and management of taxi booking services	United Kingdom	55.72	55.72
Swan Taxis Pty Ltd ⁽⁵⁾	Provision of taxi services	Australia	100	100
ComfortDelGro Cabcharge Pty Ltd ⁽⁵⁾	Investment holding and provision of management services	Australia	55.72	55.72
Subsidiaries of VICOM Ltd:				
JIC Inspection Services Pte Ltd	Vehicle inspection and other related services	Singapore	52.77	53.69
Setsco Services Pte Ltd	Provision of testing, inspection and consultancy services	Singapore	67.65	68.83
VICOM Assessment Centre Pte Ltd ⁽²⁵⁾	Inactive	Singapore	-	35.10
VICOM Inspection Centre Pte Ltd	Provision of vehicle inspection services	Singapore	67.65	68.83
Subsidiaries of Setsco Services Pte Ltd:				
Setsco Services (M) Sdn Bhd ⁽²⁾	Provision of testing, inspection and consultancy services	Malaysia	67.65	68.83
Setsco Consultancy International Pte Ltd	Provision of professional inspection and engineering services	Singapore	67.65	68.83
Subsidiaries of Comfort (China) Pte Ltd:				
Suzhou Comfort Taxi Co., Ltd ⁽³⁾	Provision of taxi and land transport-related services in the Suzhou municipality, operation of workshops for repairing, servicing and general maintenance of motor vehicles and dealer in diesel for motor vehicles	China	70	70
Xiamen Comfort Taxi Co., Ltd ⁽⁴⁾	Provision of taxi and land transport-related services in the Xiamen municipality	China	70	70
Subsidiaries of Suzhou Comfort Taxi Co., Ltd:				
Suzhou Comfort Toyota Sales & Service Co., Ltd ⁽³⁾	Distribution of motor vehicles and trading of automotive parts in the Suzhou municipality	China	70	70

Notes To The Financial Statements

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38 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (CONT'D)

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2011 %	2010 %
Suzhou Comfort Passenger Transportation Co., Ltd ⁽²²⁾	Provision of inter-city bus services	China	-	70
Subsidiary of DelGro Corporation Limited:				
Waterbank Properties (S) Pte Ltd ⁽²⁵⁾	Inactive	Singapore	-	100
Subsidiaries of Braddell Limited:				
Irish Citylink ComfortDelGro Limited ⁽⁵⁾	Provision of coach services	Ireland	100	100
Metroline Limited ⁽⁵⁾	Investment holding	United Kingdom	100	100
Scottish Citylink Coaches Limited ⁽⁵⁾	Provision of long distance coach services	United Kingdom	65	65
Subsidiary of Metroline Limited:				
Metroline Travel Limited ⁽⁵⁾	Provision of public bus services	United Kingdom	100	100
Subsidiary of Scottish Citylink Coaches Limited:				
Megacity Limited ⁽⁵⁾	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 ⁽²⁴⁾	Provision of advertising services	Australia	100	100
Subsidiaries of CityFleet Networks Limited:				
Computer Cab (Edinburgh) Limited ⁽⁷⁾	Provision of taxi services	United Kingdom	55.72	55.72
Computer Cab plc ⁽⁵⁾	Provision of taxi services	United Kingdom	55.72	44.58
Computer Cab (Aberdeen) Limited ⁽⁷⁾	Provision of taxi services	United Kingdom	55.72	55.72
Flightlink International Limited ⁽⁶⁾	Provision of private hire services	United Kingdom	55.72	55.72
Computer Cab (Birmingham) Limited ⁽⁶⁾	Provision of taxi services	United Kingdom	55.72	55.72

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38 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (CONT'D)

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2011 %	2010 %
Central Dispatch Limited ⁽⁷⁾	Provision and management of taxi booking services	United Kingdom	55.72	55.72
Computer Cab (Liverpool) Limited ⁽⁷⁾	Provision of taxi services	United Kingdom	55.72	55.72
Westbus Coach Services Limited ⁽⁶⁾	Provision of coach services	United Kingdom	55.72	55.72
Subsidiary of Computer Cab (Edinburgh) Limited:				
Onward Travel Limited ⁽⁷⁾	Provision of taxi services	United Kingdom	55.72	55.72
Subsidiary of Computer Cab plc:				
Cabcharge Limited ⁽⁵⁾	Provision and management of taxi booking card facilities	United Kingdom	55.72	44.58
Subsidiaries of ComfortDelGro (China) Pte Ltd:				
Beijing ComfortDelGro Yin Jian Auto Services Co., Ltd ⁽⁵⁾	Provision of car rental services	China	55	55
Beijing Jin Jian Taxi Services Co., Ltd ⁽⁸⁾	Provision of public taxi services through the rental of taxis to hirers	China	55	55
Beijing Tian Long Da Tian Vehicle Inspection Co., Ltd ⁽²¹⁾	Provision of motor vehicle evaluation and other related services	China	80	80
Chengdu ComfortDelGro Qingyang Driving School Co., Ltd ⁽⁹⁾	Operation of a driving school	China	51	51
Chengdu ComfortDelGro Taxi Co., Ltd ⁽⁹⁾	Provision of public taxi services through the rental of taxis to hirers	China	100	100
Chengdu Jitong Integrated Vehicle Inspection Co., Ltd ⁽⁹⁾	Provision of motor vehicle evaluation and other related services	China	51	51
Chongqing ComfortDelGro Driver Training Co., Ltd ⁽¹⁰⁾	Operation of a driving school	China	90	90
CityCab (Shenyang) Co., Ltd ⁽¹¹⁾	Provision of public taxi services through the rental of taxis to hirers and vehicle repair	China	100	100

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38 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (CONT'D)

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2011 %	2010 %
ComfortDelGro Rent-A-Car (Chengdu) Co., Ltd ⁽⁹⁾	Provision of cars for hire	China	100	100
Guangzhou Xin Tian Wei Transportation Development Co., Ltd ⁽¹²⁾	Provision of bus station services	China	60	60
Jilin ComfortDelGro Taxi Co., Ltd ⁽¹³⁾	Provision of taxi and land transport-related services in the Jilin municipality	China	97	97
Nanjing ComfortDelGro Dajian Taxi Co., Ltd ⁽¹⁸⁾	Provision of public taxi services through the rental of taxis to hirers and vehicle repair	China	70	70
Nanning Comfort Transportation Co., Ltd ⁽¹⁴⁾	Provision of taxi and land transport-related services in the Nanning municipality	China	80	80
Nanning ComfortDelGro Rent-A-Car Co., Ltd ⁽¹⁴⁾	Provision of cars for hire	China	90	90
Shanghai City Qi Ai Taxi Services Co., Ltd ⁽¹⁷⁾	Provision of public taxi services through the rental of taxis to hirers	China	51	51
Shenyang ComfortDelGro Bus Co., Ltd ⁽¹¹⁾	Provision of public bus and charter bus services	China	100	100
Shenyang ComfortDelGro Anyun Bus Co., Ltd ⁽¹¹⁾	Provision of public bus and charter bus services	China	80	80
Shenyang ComfortDelGro Taxi Co., Ltd ⁽¹¹⁾	Provision of public taxi services through the rental of taxis to hirers	China	80	80
Yantai ComfortDelGro Automobile Services Co., Ltd ⁽¹⁵⁾	Rental of taxis, vehicle inspection and repair	China	76	76
Subsidiary of Beijing Jin Jian Taxi Services Co., Ltd:				
Beijing Jia Run Taxi Co., Ltd ⁽⁸⁾	Provision of public taxi services through the rental of taxis to hirers	China	55	55
Subsidiary of Chengdu ComfortDelGro Taxi Co., Ltd:				
Chengdu ComfortDelGro Sheng Duo Taxi Co., Ltd ⁽⁹⁾	Provision of public taxi services through the rental of taxis to hirers	China	100	100

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38 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (CONT'D)

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2011 %	2010 %
Subsidiary of Chongqing ComfortDelGro Driver Training Co., Ltd:				
Chongqing Liangjiang ComfortDelGro Driver Training Co., Ltd ^{(10) (23)}	Operation of a driving school	China	90	-
Subsidiaries of ComfortDelGro (S.E. Asia) Pte Ltd:				
CityLimo Leasing (M) Sdn Bhd ⁽¹⁶⁾	Provision of car leasing services	Malaysia	100	100
Pantas Rent-A-Car Holdings Sdn Bhd ⁽¹⁶⁾	Investment holding	Malaysia	100	100
Vietnam Taxi Co., Ltd ⁽⁵⁾	Provision of taxi services	Vietnam	70	70
ComfortDelGro Savico Taxi Company ⁽⁵⁾	Provision of taxi services	Vietnam	60	60
Subsidiaries of Pantas Rent-A-Car Holdings Sdn Bhd:				
Pantas Rent-A-Car Sdn Bhd ⁽¹⁶⁾	Provision of cars for hire	Malaysia	100	100
DynaDrive Rent-A-Car Sdn Bhd ^{(16) (25)}	Inactive	Malaysia	-	100
Subsidiaries of ComfortDelGro Cabcharge Pty Ltd:				
Westbus Region 1 Pty Ltd ⁽²⁰⁾	Provision of public bus services	Australia	55.72	55.72
Westbus Region 3 Pty Ltd ⁽¹⁹⁾	Provision of public bus services	Australia	55.72	55.72
Hillsbus Co Pty Ltd ⁽⁵⁾	Provision of public bus services	Australia	55.72	55.72
Hunter Valley Buses Pty Ltd ⁽⁵⁾	Provision of public bus services	Australia	55.72	55.72
Charterplus Pty Ltd ⁽⁵⁾	Provision of charter, coach and terminal services	Australia	55.72	55.72
CDC Victoria Pty Ltd ⁽⁵⁾ (formerly known as CDC Victoria 1 Pty Ltd)	Investment holding	Australia	55.72	55.72
Subsidiaries of CDC Victoria Pty Ltd:				
CDC Victoria 2 Pty Ltd ⁽⁵⁾	Inactive	Australia	55.72	55.72

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38 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (CONT'D)

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2011 %	2010 %
CDC Sunshine Pty Ltd ⁽⁵⁾ (formerly known as CDC Victoria 4 Pty Ltd and a subsidiary of CDC Victoria 2 Pty Ltd)	Provision of public bus services	Australia	55.72	55.72
CDC Geelong Pty Ltd ⁽⁵⁾ (formerly known as Pivot Bus Services Pty Ltd and a subsidiary of ComfortDelGro Cabcharge Pty Ltd)	Provision of public bus services	Australia	55.72	55.72
CDC Oakleigh Pty Ltd ⁽⁵⁾ (formerly known as W Sinclair & Sons Pty Ltd and a subsidiary of CDC Victoria 2 Pty Ltd)	Provision of public bus services	Australia	55.72	55.72
CDC Werribee Pty Ltd ⁽⁵⁾ (formerly known as Point Cook Werribee Passenger Service Pty Ltd and a subsidiary of CDC Victoria 3 Pty Ltd)	Provision of public bus services	Australia	55.72	55.72
CDC Altona Pty Ltd ⁽⁵⁾ (formerly known as Altona Bus Lines Pty Ltd and a subsidiary of CDC Victoria 2 Pty Ltd)	Provision of public bus services	Australia	55.72	55.72
CDC Ballarat Pty Ltd ⁽⁵⁾ (formerly known as H.A. Davis Motor Service Pty Ltd and a subsidiary of CDC Werribee Pty Ltd)	Provision of public bus services	Australia	55.72	55.72
Subsidiaries of CDC Victoria 2 Pty Ltd:				
CDC Victoria 3 Pty Ltd ⁽⁵⁾	Inactive	Australia	55.72	55.72
Western Coach Services Pty Ltd ⁽⁵⁾	Inactive	Australia	55.72	55.72
St. Albans Bus Service Pty Ltd ⁽⁵⁾	Inactive	Australia	55.72	55.72

Notes To The Financial Statements

31 December 2011

38 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (CONT'D)

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2011 %	2010 %
North Sunshine Bus Service Pty Ltd ⁽⁵⁾	Inactive	Australia	55.72	55.72
Subsidiary of CDC Oakleigh Pty Ltd:				
Eastern Suburbs Omnibus Services Pty Ltd ⁽⁵⁾	Inactive	Australia	55.72	55.72
Subsidiary of CDC Werribee Pty Ltd:				
West Transit Bus Lines Pty Ltd ⁽⁵⁾	Inactive	Australia	55.72	55.72
Subsidiaries of Swan Taxis Pty Ltd:				
TIAIB (Western Australia) Pty Ltd ⁽⁵⁾	Provision of taxi insurance	Australia	70	70
S.W.N Pty Ltd ⁽²⁶⁾	Inactive	Australia	-	100
Tricolor Taxis Pty Ltd ⁽²⁶⁾	Inactive	Australia	-	100

Note:

All companies are audited by Deloitte & Touche LLP, Singapore except for certain subsidiaries as indicated below.

- (1) Listed on the Singapore Exchange Securities Trading Limited.
- (2) Audited by WT & Ng Co, Malaysia.
- (3) Audited by Jiangsu Gong Zheng Certified Public Accountants, China.
- (4) Audited by Xiamen Xin Zhou Certified Public Accountants Co., Ltd, China.
- (5) Audited by overseas practices of Deloitte Touche Tohmatsu Limited.
- (6) Audited by Wilkins Kennedy, United Kingdom.
- (7) Audited by Johnstone Carmichael, United Kingdom.
- (8) Audited by Chong Zheng Tian Tong Certified Public Accountants Co., Ltd, China.
- (9) Audited by Sichuan Jun Yi Certified Public Accountants Co., Ltd, China.
- (10) Audited by Sichuan Zhizhong Certified Public Accountants Co., Ltd, China.
- (11) Audited by Liao Ning Sheng Da Certified Public Accountants, China.
- (12) Audited by Guangzhou Orient Certified Public Accountants Co., Ltd, China.
- (13) Audited by Jilin Hua Tai Certified Public Accountants, China.
- (14) Audited by Guangxi Bo Hua San He Certified Public Accountants Co., Ltd, China.
- (15) Audited by Shan Dong Heng Feng Zheng Tai Certified Public Accountants Co., Ltd, China.
- (16) Audited by SH Tan and Partner, Malaysia.
- (17) Audited by Shanghai Gong Xin Zhong Nan Certified Public Accountants Co., Ltd, China.
- (18) Audited by Jiangsu Tianhua Dapeng Certified Public Accountants Co., Ltd, China.

Notes To The Financial Statements

31 December 2011

38 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (CONT'D)

- ⁽¹⁹⁾ Audited by Moore Stephens Chartered Accountants, Australia.
⁽²⁰⁾ Audited by Spry Roghley Chartered Accountants, Australia.
⁽²¹⁾ Audited by Beijing Lehman Certified Public Accountants Co., Ltd, China.
⁽²²⁾ Disposed during the financial year.
⁽²³⁾ Became a subsidiary on 25 April 2011.
⁽²⁴⁾ Incorporated on 1 December 2010 and not audited.
⁽²⁵⁾ In the process of being struck-off.
⁽²⁶⁾ Struck-off 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 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.

(b) Associates

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2011 %	2010 %
Quoted equity shares				
Cabcharge Australia Limited ⁽¹⁾	Provision of a taxi charge account service business and related services to the taxi industry	Australia	-	9.64
Unquoted equity shares				
ComfortDelGro Insurance Brokers Pte Ltd ⁽²⁾	Insurance broking, risk management, claims management and related activities	Singapore	49	49
Setsco Middle East Laboratory LLC ^{(3) (5)}	Provision of testing, inspection, training, certification and consultancy services	United Arab Emirates	33.15	33.73
Gobbler Pte Ltd ^{(4) (5)}	Provision of sales promotion relating to discount coupons and rebates, and trading activities	Singapore	40	-

⁽¹⁾ Audited by KPMG, Australia.

During the year, the investment is treated as an available-for-sale investment as the Group no longer has a board representation in Cabcharge Australia Limited and does not exercise significant influence over the investee.

In previous years, although the Group held less than 20% of the voting power in Cabcharge Australia Limited, the Group exercised significant influence by virtue of a board representation and its strategic relationship with Cabcharge Australia Limited through which it participated in the financial and operating policy decisions of Cabcharge Australia Limited.

Notes To The Financial Statements

31 December 2011

38 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (CONT'D)

- ⁽²⁾ Audited by Deloitte & Touche LLP, Singapore.
- ⁽³⁾ Incorporated on 30 November 2010 and remained dormant as at 31 December 2011 and 2010.
- ⁽⁴⁾ Became an associate on 2 September 2011.
- ⁽⁵⁾ The accounts have not been audited. 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 subsidiaries/businesses

In 2010, the acquisition of Swan Taxis Pty Ltd for cash consideration of \$49.3 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.

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:

	2011 \$'mil	2010 \$'mil
Expenses	0.8	1.2

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.

Notes To The Financial Statements

31 December 2011

40 GROUP PROPERTIES

Held by	Group's effective interest %	Location	Approximate land area	Tenure	Usage
SINGAPORE					
ComfortDelGro Corporation Limited	-	Braddell Road	67,148 sq m	30 years 7 years 6 months unexpired	Head office, bus depot, vehicle workshop
ComfortDelGro Corporation Limited	-	Kim Chuan	10,784 sq m	2 years 1 year unexpired	Vehicle assembly workshop
SBS Transit Ltd	75.21	Soon Lee Road	26,670 sq m	30 years 18 years unexpired	Bus depot
SBS Transit Ltd	75.21	Defu Avenue 1	74,236 sq m	30 years 1 year unexpired	Bus depot
SBS Transit Ltd	75.21	Bedok North Avenue 4	62,220 sq m	Under Temporary Occupation Licence	Bus depot
SBS Transit Ltd	75.21	Bukit Batok Street 23	52,187 sq m	30 years 1 year unexpired	Bus depot
SBS Transit Ltd	75.21	Ayer Rajah Crescent	17,939 sq m	Under Temporary Occupation Licence	Bus park
SBS Transit Ltd	75.21	Ang Mo Kio Street 63	63,953 sq m	19 years 1 year 2 months unexpired	Bus depot
VICOM Ltd	67.65	Sin Ming Drive	10,853 sq m	30 years from January 1981 with option to renew another 30 years	Inspection, assessment services
VICOM Ltd	67.65	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	67.65	Bukit Batok Street 23	9,625 sq m	30 years from October 1995 with option to renew another 30 years	Inspection, assessment services
VICOM Ltd	67.65	Changi North Crescent	6,015 sq m	30 years from May 1995 14 years unexpired	Inspection services

Notes To The Financial Statements

31 December 2011

40 GROUP PROPERTIES (CONT'D)

Held by	Group's effective interest %	Location	Approximate land area	Tenure	Usage
VICOM Ltd	67.65	Yishun Industrial Park A	5,190 sq m	60 years from July 1983 32 years unexpired	Inspection, assessment services
VICOM Ltd	67.65	Yishun Industrial Park A	1,105 sq m	24 years from July 1989 with option to renew another 30 years	Inspection, assessment services
Setsco Services Pte Ltd	67.65	Teban Gardens Crescent	9,830 sq m	30 years from February 2009 28 years unexpired	Testing, inspection, consultancy services
JIC Inspection Services Pte Ltd	52.77	Pioneer Road	9,190 sq m	30 years from December 1994 13 years unexpired	Inspection services
JIC Inspection Services Pte Ltd	52.77	Ang Mo Kio Street 63	2,145 sq m	14 months from January 2012 14 months unexpired	Inspection services
Comfort Transportation Pte Ltd	100	Sin Ming Drive	11,129 sq m	60 years 24 years unexpired	Office, workshop
CityCab Pte Ltd	53.50	Sin Ming Avenue	25,087 sq m	30 years 11 years unexpired	Office, workshop
ComfortDelGro Engineering Pte Ltd	100	Loyang Drive	12,021 sq m	58 years 40 years unexpired	Office, workshop, diesel kiosk
ComfortDelGro Engineering Pte Ltd	100	Ubi Road 3	7,500 sq m	22 years 14 years unexpired	Workshop, diesel kiosk
ComfortDelGro Engineering Pte Ltd	100	Senoko Loop	2,829 sq m	26 years 15 years unexpired	Workshop, diesel kiosk
ComfortDelGro Engineering Pte Ltd	100	Pandan Road	6,522 sq m	51 years 37 years unexpired	Workshop, diesel kiosk
ComfortDelGro Engineering Pte Ltd	100	Sungei Kadut Way	4,050 sq m	30 years 11 years unexpired	Workshop, diesel kiosk
CHINA					
Guangzhou Xin Tian Wei Transportation Development Co., Ltd	60	Tianhe District Guangzhou	40,116 sq m	30 years 16 years unexpired	Office, bus station

Notes To The Financial Statements

31 December 2011

40 GROUP PROPERTIES (CONT'D)

Held by	Group's effective interest %	Location	Approximate land area	Tenure	Usage
Shanghai City Qi Ai Taxi Services Co., Ltd	51	Lujiabang Road Shanghai	689 sq m	50 years 37 years unexpired	Office
Suzhou Comfort Taxi Co., Ltd	70	Jin Ji Hu Road Suzhou Industrial Park	10,516 sq m	50 years 35 years unexpired	Office, workshop
ComfortDelGro (China) Pte Ltd	100	Shen He Qu Qing Nian Da Jie Shenyang	115 sq m	50 years 31 years unexpired	Staff residence
Beijing Tian Long Da Tian Vehicle Inspection Co., Ltd	80	Cheng Shou Si Road Jiu Gong Da Xing District Beijing	5,574 sq m	20 years 12 years unexpired	Office, workshop
Chengdu Jitong Integrated Vehicle Inspection Co., Ltd	51	Jian Cai Road Chengdu	5,057 sq m	30 years 22 years unexpired	Vehicle inspection workshop
Yantai ComfortDelGro Automobile Services Co., Ltd	76	Zhou Shan Road Yantai Development Zone	20,000 sq m	50 years 44 years 8 months unexpired	Office, workshop
Nanning Comfort Transportation Co., Ltd	80	Ke Yuan Ave Nanning	938 sq m	45 years 44 years 8 months unexpired	Office
Chongqing ComfortDelGro Driver Training Co., Ltd	90	Jiu Long Po Jiu Long Industrial Park Chongqing	25,170 sq m	46 years 38 years unexpired	Office, driving test, training centre
Chengdu ComfortDelGro Qingyang Driving School Co., Ltd	51	Wen Jia Red Mill Village Chengdu	36,667 sq m	5 years 3 years unexpired	Driving test centre
Chongqing Liangjiang ComfortDelGro Driver Training Co., Ltd	90	Yu Bei District Liang Lu Zu Tuan Chongqing	37,344 sq m	50 years 49 years unexpired	Office, driving test, training centre
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	995 sq m	10 years 8 years and 5 months unexpired	Office, fitting bay

Notes To The Financial Statements

31 December 2011

40 GROUP PROPERTIES (CONT'D)

Held by	Group's effective interest %	Location	Approximate land area	Tenure	Usage
Computer Cab (Aberdeen) Limited	55.72	Burnside Drive Dyce Aberdeen AB21 OHW	1,000 sq m	12 years 1 year unexpired	Office
Computer Cab (Liverpool) Limited	55.72	Falkland Street Liverpool L3 8HB	610 sq m	99 years 86 years 7 months unexpired	Office, fleet dept
Metroline Limited	100	Pemberton Garden Bus Depot London N19 5RR	17,968 sq m	Freehold	Bus depot
Metroline Limited	100	Edgware Road 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
Metroline Limited	100	High Road Harrow Weald HA3 6EJ	5,706 sq m	Freehold	Bus depot
AUSTRALIA					
Westbus Region 3 Pty Ltd	55.72	Bonnyrigg Avenue NSW	22,166 sq m	Freehold	Bus depot
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

Notes To The Financial Statements

31 December 2011

40 GROUP PROPERTIES (CONT'D)

Held by	Group's effective interest %	Location	Approximate land area	Tenure	Usage
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 Cl 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
Hunter Valley Buses Pty Ltd	55.72	Magpie Street Singleton NSW	7,806 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	Industrial Avenue Hoppers Crossing Victoria	6,635 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	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 2011

40 GROUP PROPERTIES (CONT'D)

Held by	Group's effective interest %	Location	Approximate land area	Tenure	Usage
ComfortDelGro Cabcharge Pty Ltd	55.72	Carrington Drive Sunshine Victoria	9,804 sq m	Freehold	Bus depot
ComfortDelGro Cabcharge Pty Ltd	55.72	Atherton Road Oakleigh Victoria	2,567 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
ComfortDelGro Cabcharge Pty Ltd	55.72	Industrial Avenue Hoppers Crossing Victoria	2,438 sq m	Freehold	Bus park
HA Davis Motor Service Pty Ltd	55.72	Norman Street Ballarat	47,750 sq m	Freehold	Bus depot
HA Davis Motor Service 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 9 years unexpired	Office, workshop
Malaysia					
Setsco Services (M) Pte Ltd	67.65	47100 Puchong Selangor Darul Ehsan	792 sq m	99 years from December 2009 97 years unexpired	Testing, inspection, consultancy services

Share Price Movement Chart

COMFORTDELGRO'S SHARE PRICE MOVEMENT AND VOLUME TURNOVER



Source: Bloomberg Finance L.P.

COMPARISON OF PERFORMANCE OF COMFORTDELGRO'S SHARE PRICE AND THE STRAITS TIMES INDEX (STI)



Source: Bloomberg Finance L.P.

Shareholding Statistics

As at 5 March 2012

Number of shares issued : 2,091,128,663
 Class of shares : Ordinary shares
 Voting rights : One vote per share

Size of Shareholdings	No. of Shareholders		No. of Shares	
		%		%
1 - 999	1,807	4.64	689,837	0.03
1,000 - 10,000	19,827	50.85	91,325,424	4.37
10,001 - 1,000,000	17,322	44.43	399,487,257	19.10
1,000,001 & Above	32	0.08	1,599,626,145	76.50
Total	38,988	100.00	2,091,128,663	100.00

Top Twenty Shareholders	No. of Shares	
		%
DBS Nominees Pte Ltd	380,100,083	18.18
Citibank Nominees Singapore Pte Ltd	361,206,697	17.27
Singapore Labour Foundation	252,616,594	12.08
DBSN Services Pte Ltd	235,752,117	11.27
United Overseas Bank Nominees Pte Ltd	122,425,787	5.85
HSBC (Singapore) Nominees Pte Ltd	92,782,340	4.44
BNP Paribas Securities Services Singapore	33,681,816	1.61
Raffles Nominees (Pte) Ltd	31,258,073	1.49
OCBC Nominees Singapore Private Limited	22,545,362	1.08
Changi Bus Company (Private) Limited	9,244,095	0.44
DB Nominees (S) Pte Ltd	6,172,193	0.30
Peh Kwee Chim	5,254,062	0.25
Yim Chee Chong	5,000,000	0.24
Bank Of Singapore Nominees Pte Ltd	4,910,169	0.23
DBS Vickers Securities (S) Pte Ltd	4,365,128	0.21
Morgan Stanley Asia (Singapore) Pte Ltd	3,858,787	0.18
HL Bank Nominees (S) Pte Ltd	3,290,603	0.16
Merrill Lynch (Singapore) Pte Ltd	3,033,192	0.15
Kua Hong Pak	2,824,530	0.14
Chan Kam Fai	2,441,443	0.12
Total	1,582,763,071	75.69

Substantial Shareholders (as shown in the Register of Substantial Shareholders)

	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
Singapore Labour Foundation	252,616,594	12.08	-	-
The Capital Group Companies, Inc.	-	-	135,100,000	6.46
Silchester International Investors LLP	-	-	127,660,000	6.10

As at 5 March 2012, approximately 74.49% 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.

Notice Of Annual General Meeting

COMFORTDELGRO CORPORATION LIMITED

(Incorporated in the Republic of Singapore)

(Co. Reg. No.: 200300002K)

NOTICE IS HEREBY GIVEN that the Ninth Annual General Meeting of the Company will be held at the Auditorium, ComfortDelGro Headquarters, 205 Braddell Road, Singapore 579701 on Friday, 27 April 2012 at 11.00 a.m. for the purpose of transacting the following business:

ORDINARY BUSINESS:

1. To receive and adopt the Directors' Report and Audited Financial Statements for the Financial Year ended 31 December 2011 together with the Auditors' Report thereon. **(Resolution 1)**
2. To declare a tax-exempt one-tier final dividend of 3.3 cents per ordinary share in respect of the Financial Year ended 31 December 2011. **(Resolution 2)**
3. To approve the payment of Directors' fees of \$559,171 for the Financial Year ended 31 December 2011. (FY2010: \$548,334) **(Resolution 3)**
4. To re-elect Mr Kua Hong Pak, a Director retiring pursuant to Article 91 of the Company's Articles of Association. **(Resolution 4)**
5. To re-elect Mr Oo Soon Hee, a Director retiring pursuant to Article 91 of the Company's Articles of Association. **(Resolution 5)**
6. To re-elect Ms Sum Wai Fun, Adeline, a Director retiring pursuant to Article 91 of the Company's Articles of Association. **(Resolution 6)**
7. To re-appoint Mr Lim Jit Poh as a Director pursuant to Section 153(6) of the Companies Act, Cap. 50 to hold office from the date of this Annual General Meeting until the next Annual General Meeting. **(Resolution 7)**
8. To re-appoint Messrs Deloitte & Touche LLP as Auditors and authorise the Directors to fix their remuneration. **(Resolution 8)**

SPECIAL BUSINESS:

9. To consider and, if thought fit, to pass the following resolution with or without modifications as an Ordinary Resolution: **(Resolution 9)**

"THAT the Directors of the Company be and are hereby authorised to allot and issue from time to time such number of shares in the Company as may be required to be issued pursuant to the exercise of options under the ComfortDelGro Employees' Share Option Scheme, provided that the aggregate number of shares to be issued pursuant to the ComfortDelGro Employees' Share Option Scheme shall not exceed 15% of the total number of issued shares in the capital of the Company excluding treasury shares, from time to time." *

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 7 May 2012 for the purposes of determining Shareholders' entitlements to the proposed tax-exempt one-tier final dividend of 3.3 cents per ordinary share for the Financial Year ended 31 December 2011.

Duly completed and stamped transfers received by the Company's Share Registrars, B.A.C.S. Private Limited, 63 Cantonment Road, Singapore 089758 up to 5.00 p.m. on 4 May 2012 will be registered before Shareholders' entitlements to the final dividend are determined. Shareholders (being depositors) whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares as at 5.00 p.m. on 4 May 2012 will rank for the proposed final dividend.

The final dividend, if approved by the Shareholders at the Ninth Annual General Meeting of the Company, will be paid on 15 May 2012.

By Order of the Board

Kua Zhizhen, Jean / Chan Wan Tak, Wendy
Joint Company Secretaries
Singapore
29 March 2012

Notes:

1. A member entitled to attend and vote at the Annual General Meeting may appoint one or two proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. The instrument appointing a proxy must be lodged at the Company's registered office at 205 Braddell Road, Singapore 579701 not less than 48 hours before the time appointed for the Annual General Meeting.

ADDITIONAL INFORMATION ON ORDINARY BUSINESS

Mr Oo Soon Hee and Ms Sum Wai Fun, Adeline are Members of the Audit Committee. Mr Oo Soon Hee is considered independent Director of the Company while Ms Sum Wai Fun, Adeline is considered non-independent Director of the Company. If re-elected, Mr Oo Soon Hee and Ms Sum Wai Fun, Adeline will continue as Members of the Audit Committee.

*** EXPLANATORY NOTE ON SPECIAL BUSINESS TO BE TRANSACTED**

Resolution 9 is to authorise the Directors to issue shares upon the exercise of options in accordance with the ComfortDelGro Employees' Share Option Scheme. This scheme was approved by Shareholders at the Extraordinary General Meeting held on 18 February 2003 and has a maximum duration of 10 years. The aggregate number of shares over which the Committee may grant options under the scheme for its entire duration is limited to 15% of the issued ordinary shares in the capital of the Company excluding treasury shares, from time to time.

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ComfortDelGro Corporation Limited

(Incorporated in the Republic of Singapore)

(Co. Reg. No.: 20030002K)

PROXY FORM ANNUAL GENERAL MEETING

IMPORTANT

1. For investors who have used their CPF monies to buy ComfortDelGro Corporation Limited shares, this Annual Report is forwarded to them at the request of their CPF Approved Nominees and is sent solely **FOR INFORMATION ONLY**.
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.

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)

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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 Friday, 27 April 2012 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 to 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' Report and Audited Financial Statements		
2.	Declaration of Final Dividend		
3.	Approval of Directors' Fees		
4.	Re-election of Mr Kua Hong Pak as Director		
5.	Re-election of Mr Oo Soon Hee as Director		
6.	Re-election of Ms Sum Wai Fun, Adeline as Director		
7.	Re-appointment of Mr Lim Jit Poh as Director		
8.	Re-appointment of Auditors and authorising Directors to fix their remuneration		
9.	Authority to issue shares pursuant to exercise of options		

* If you wish to exercise all your votes "For" or "Against" the relevant Resolution, please tick (✓) 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 _____ 2012.

Signature(s) of Member(s)/Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

Total Number of Shares Held (Note 4)

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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 entitled to attend and vote at the Annual General Meeting is entitled to appoint one or two proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy.
3. 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.
4. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act, Cap. 50 of Singapore), 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.
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

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THE COMPANY SECRETARIES
ComfortDelGro Corporation Limited
205 Braddell Road
Singapore 579701

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