

CABCHARGE AUSTRALIA LIMITED

ABN 99 001 958 390

APPENDIX 4D

Half Yearly Report
Period Ended 31 December 2015

Results for announcement to the market

Extracts from this report for announcement to the market

\$A'000

Revenue	Down	11.8%	to	88,553
Profit from ordinary activities after tax attributable to members	Down	21.7%	to	24,423
Dividends (distributions)		Amount per share		Franked amount per share
Interim dividend	(Current period)	10¢		10¢
	(Previous period)	10¢		10¢

Date the dividend is payable

29 April 2016

Record date for determining entitlements to the dividend

31 March 2016



Sheila Lines
Chief Financial Officer

Date: 25th day of February 2016



**Consolidated Half Yearly Financial Statements
31 December 2015**

**Cabcharge Australia Limited
ABN 99 001 958 390
www.cabcharge.com.au**

CABCHARGE AUSTRALIA LIMITED

CONSOLIDATED HALF YEARLY FINANCIAL STATEMENTS - 31 DECEMBER 2015

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DIRECTORS' REPORT

The Directors of Cabcharge Australia Limited present their half yearly report on the Company and its controlled entities for the half year ended 31 December 2015 and the review report thereon.

Directors

The Directors of Cabcharge Australia Limited in office at any time during or since the end of the half year are as follows:

Russell Balding, AO (Chairman)

Andrew Skelton (Managing Director & CEO)

Donald McMichael

Richard Millen

Stephen Stanley - appointed 21 August 2015

Trudy Vonhoff - appointed 21 August 2015

Neill Ford - resigned 18 November 2015

Directors have been in office since the start of the period to the date of this report unless otherwise stated.

Review of Operations

	31 Dec 15	31 Dec 14	Growth %
Revenue (\$m)	88.6	100.4	-11.8%
Profit after tax (\$m)	24.4	31.2	-21.7%
Earnings per share (cents)	20.3	25.9	-21.7%
Net assets per share, excluding Goodwill (\$)	3.21	3.09	4.1%

The Group generated profit after tax of \$24.4 million for the six months ended 31 December 2015 (1H16) and will pay a fully franked dividend of 10 cents per share.

The Group's revenue for 1H16 decreased by \$11.9 million or 11.8% to \$88.6 million (1H15: \$100.4 million). The revenue decline was primarily due to the impact of laws introduced in New South Wales (12 December 2014) and Western Australia (24 February 2015) to limit service fees on non-cash taxi payments to 5%.

Taxi fares processed increased by \$2 million or 0.3% to \$567.9 million (1H15: \$565.9 million). Due to the introduction of new laws that impose price controls on service fees for taxi payments, the taxi service fee income declined by \$11.1 million or 25.2% to \$32.9 million (1H15: \$44 million).

The Group's taxi network affiliated fleet increased by 194 to 7,347 cars (1H15: 7,153 cars) resulting in a 6.8% increase in network subscription fee income to \$28.7 million (1H15: \$26.9 million).

Other taxi related services income declined by \$1.4 million or 30% to \$3.2 million (1H15: \$4.5 million); due to the lower taxi camera sales and reductions in other ancillary installation services we offer our fleet. The impact on profit of this decline is partially offset by the reduced other cost of taxi related services, which includes cost of goods sold.

Processing fees to taxi network expense reduced \$3.8 million or 42% to \$5.2 million (1H15: \$9 million) due to the new rate re-negotiated with taxi networks and increased volumes through Group owned taxi networks.

Employee benefit expenses increased \$2.2 million or 11.5% to \$21.4 million (1H15: \$19.2 million), primarily due to separation costs of \$1.5 million as we transform our business model and culture. Excluding separation costs employee benefit expenses increased 3.5%. The Group employs more than 400 staff under awards (contact centre and installer) and the award rates increased by 2.5% on July 2015. In addition to changes of staff under awards, the process of consolidating contact centre operations for efficiency and service gains requires a period of investment in dual operations before cut-over. In 1H16 we incurred these costs for Newcastle contact centre operations which cut-over in January 2016 to our Melbourne contact centre. The reduced forward operating cost on cut-over of Newcastle, our smallest contact centre, is \$0.7 million annualised.

Administration expenses increased \$0.6M or 8% to \$7.8 million (1H15: \$7.2 million) due to \$0.8M increase in marketing expense to promote our brands partially offset by other expense reductions.

Depreciation and amortisation expense increased \$1.9 million or 29% to \$8.6 million (1H15: \$6.7 million). Of the increase \$1.7 million relates to accelerated recognition of all remaining amortisation related to finite life wheel chair accessible licences. NSW point to point reforms announced in December 2015 reduced licence fees on this class of licence to zero and we re-assessed the economic value of the licences accordingly.

Finance income increased by \$4.2 million to \$5 million (1H15: \$0.8 million) due to the gain on disposal of available-for-sale financial assets of \$4.5 million. This transaction completes the Group's disposal of its portfolio of listed available-for-sale financial assets.

Share of profit of equity accounted investees (from Associates, ComfortDelGro Cabcharge Pty Ltd ("CDC") and CityFleet Network Ltd ("CFN")) declined by \$0.2 million or 1.8% to \$8.3 million (1H15: \$8.4 million).

CDC's equity accounted net profit contribution increased by \$0.5 million or 6.6% to \$8.1 million (1H15: \$7.6 million). CFN's equity accounted net profit contribution was down by \$0.7 million or 83.9% to \$0.1 million (1H15: \$0.8 million) due to the costs of closure of Computer Cab Birmingham Ltd (CCB) recorded in December 2015 following a sustained period of unprofitable operation.

The Group's net profit after tax decreased by \$6.8 million or 21.7% to \$24.4 million (1H15: \$31.2 million) primarily due to the implementation of laws that limit services fees on non-cash taxi payments to 5%. The fully franked dividend for 1H16 will be 10 cents per share (1HY15: 10 cents per share), with a record date of 31 March 2016 and a payment date of 29 April 2016.

The Group's total equity as at 31 December 2015 increased to \$402.2 million from \$393 million at 30 June 2015. This was due to the net profit after tax for the six months ended 31 December 2015 less \$12 million dividends paid during the period, \$0.2 million decrease in share of Associates' foreign currency translation differences, \$3.3 million decrease in fair value of available-for-sale financial assets and \$0.3 million increase in fair value of cash flow hedge.

The Group's total borrowings as at 31 December 2015 stood at \$120.4 million, \$7.8 million lower than at 30 June 2015 (\$128.2 million). The net debt to equity ratio as at 31 December 2015 was 24.8% compared to 26.6% at 30 June 2015.

The Group's available liquidity as at 31 December 2015 was \$104.7 million (30 June 2015: \$100.9 million) consisting of \$20.7 million in cash (30 June 2015: \$23.9 million) and \$84 million in unused facility (30 June 2015: \$77 million).

The Group's operating cash flow was \$21.4 million, compared to \$25 million for 1H15. Free cash flow after investment in property, plant and equipment, development of intellectual property, acquisition of Dandenong Taxi's and proceeds from sale of investments was \$16.7 million (1H15: \$13.7 million). Free cash flow was used to pay \$12 million in dividends and to reduce net debt \$4.7 million.

Outlook

Volumes of taxi fares processed have continued to increase, however our taxi service fee income will continue to be affected by regulatory decisions. Governments in the Australian Capital Territory and the Northern Territory announced their intention to legislate a 5% limit on service fees on non-cash taxi payments and reviews are currently underway in South Australia and Queensland.

We will continue to focus on executing strategies to maintain and increase our share of the non-cash taxi payments market, including roll-out of the new in vehicle technology, FAREWAYplus.

Our taxi network fleet has continued to grow in the face of challenges to the industry from regulatory uncertainty and unlicensed market entrants. We have made progress in implementing our standard taxi network operating model including implementing new dispatch rules to improve customer service and have consolidated one of our contact centres. We have invested in providing increased training and support to taxi drivers, which also improves both the customer experience and the supply of drivers, a key economic input for operators affiliated to our networks.

Where attractive opportunities arise we will continue to grow our taxi network fleet through expansion of bureau services and we have recently committed to delivering bureau services to taxi networks in Alice Springs and Katherine in the Northern Territory.

We have also partnered directly with taxi operators in places such as Sale and Warnambool to increase our taxi network fleet. Acquisition of taxi networks remains an option, as in the case of Dandenong Taxis which added 110 cars to our fleet.

In November 2015 we activated the facility for customers to pre-load a range of card payment options in our booking applications. This service was first launched in Victoria, followed by South Australia and New South Wales. In addition our in app payment functionality allows passengers to pay for a rank and hail taxi journey, with no pre-booking via the application.

We anticipate the brokered taxi plate licence income, which relates to New South Wales, will reduce in 2H2016 following recently announced government point to point transport reforms. However the revenue impact is offset by a corresponding decrease in brokered taxi plate licence costs with the result that there is no material impact on profit.

Owned taxi plate licence income is generated from a portfolio of finite and infinite life owned taxi plate licences issued in Victoria, New South Wales, Queensland and South Australia.

Facilitating our ability to continue to invest in new services and changes to our business model is our prudent capital management approach. Net debt to equity is 24.8% at 1H16 after payment of \$12 million in dividends in the six months.

The operational improvements we have launched are beginning to take hold. We are establishing a stable base for our business and achieving fleet growth, increased driver enrolments (currently averaging more than 50 per week in Sydney alone) and maintaining our bookings volume. Our focus on improving service continues with advancements in the functionality of our redesigned Cabcharge Fastcard already under testing including configurable restriction on use rules for customers to enable customisation to their individual business requirements.

A key target this year is increasing passenger confidence in taxi service delivery. We are road testing a service to directly connect drivers and passengers by phone whilst preserving the privacy of both parties. Our solution facilitates direct contact; not only for app passengers, but also for web, IVR (Interactive Voice Response) and contact centre bookings. Coupled with our 9% improvement in passenger pick up times in Sydney we are confident that the ability to converse directly will be valued by passengers and drivers alike. The enhancements we have implemented in our operations enable us to review our approach to cost management in a more detailed manner, although some of our gains will be offset against a deeper investment in staff and their development. Our balance sheet is positioned for growth and we will continue to monitor the performance and relevance of non-core assets.

Events subsequent to balance date

No matter or circumstance has arisen since 31 December 2015 that has significantly affected or may significantly affect the Group's operations in future financial periods, or the results of those operations in future financial periods, or the Group's state of affairs in future financial periods.

Dividend

The Directors have declared an interim dividend of 10 cents per share (fully franked) scheduled to be paid on 29 April 2016. The record date to determine entitlement to dividend is 31 March 2016.


Lead auditor's independence declaration

The lead auditor's independence declaration is set out on page 4 and forms part of the directors' report for the half year ended 31 December 2015.

Rounding

The amounts contained in this report and in the half yearly financial statements have been rounded to the nearest \$1,000 (where rounding is applicable) under the option available to the company under ASIC Class Order 98/0100. The Company is an entity to which the Class Order applies.

Signed in accordance with a resolution of the Board of Directors



Russell Balding, AO

Director



Andrew Skelton

Director

Dated at Sydney this 25th day of February 2016



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Cabcharge Australia Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2015 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

Kema

KPMG

Julie Cleary
Partner

Sydney

25 February 2016

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2015
CABCHARGE AUSTRALIA LIMITED AND ITS CONTROLLED ENTITIES

<i>in thousands of AUD</i>	Note	Dec 2015	Dec 2014
Revenue	2	88,553	100,432
Other income	2	-	49
Processing fees to taxi networks		(5,196)	(8,956)
Brokered taxi plate licence costs		(11,909)	(12,177)
Other cost of taxi related services		(5,894)	(6,116)
Employee benefits expenses		(21,447)	(19,234)
Administration expenses		(7,755)	(7,166)
Transaction processing expenses		(2,497)	(1,844)
Depreciation and amortisation		(8,608)	(6,693)
Other expenses		(3,231)	(2,774)
Results from operating activities		22,016	35,521
Finance income	2	5,034	811
Finance costs		(3,052)	(3,818)
Net finance income (costs)		1,982	(3,007)
Share of profit of equity accounted investees (net of income tax)	3	8,273	8,427
Profit before income tax		32,271	40,941
Income tax expense		(7,848)	(9,745)
Profit for the period attributable to owners of the Company		24,423	31,196
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Share of other comprehensive income of associates, net of tax		(206)	1,245
Change in fair value of cash flow hedge		437	(147)
Net change in fair value of available-for-sale financial assets		-	571
Net change in fair value of available-for-sale financial assets transferred to profit or loss		(4,731)	(128)
Income tax on other comprehensive income		1,288	(89)
Other comprehensive income for the period, net of income tax		(3,212)	1,452
Total comprehensive income for the period attributable to owners of the Company		21,211	32,648
Earnings per share			
Basic earnings per share (AUD)		20.3 cents	25.9 cents
Diluted earnings per share (AUD)		20.3 cents	25.9 cents

The accompanying condensed notes form an integral part of these consolidated Half Yearly Financial Statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

CABCHARGE AUSTRALIA LIMITED AND ITS CONTROLLED ENTITIES

<i>in thousands of AUD</i>	Note	Dec 2015	Jun 2015
CURRENT ASSETS			
Cash and cash equivalents		20,692	23,856
Trade and other receivables		63,115	69,086
Other current assets		3,313	3,665
Inventories		4,162	4,098
TOTAL CURRENT ASSETS		91,282	100,705
NON-CURRENT ASSETS			
Trade and other receivables		5,373	7,344
Financial assets		1,839	7,911
Advances to associates		18,812	18,812
Investments in associates accounted for using the equity method	3	292,359	284,292
Property, plant and equipment		40,414	39,025
Deferred tax assets		5,317	3,630
Taxi plate licences	4	68,944	70,920
Goodwill	4	15,229	15,032
Intellectual property	4	11,530	9,131
TOTAL NON-CURRENT ASSETS		459,817	456,097
TOTAL ASSETS		551,099	556,802
CURRENT LIABILITIES			
Trade and other payables		21,610	28,005
Loans and borrowings		4,363	5,199
Interest rate swaps		548	985
Current tax liabilities		1,472	1,453
Employee benefits		4,163	4,298
TOTAL CURRENT LIABILITIES		32,156	39,940
NON-CURRENT LIABILITIES			
Loans and borrowings		116,000	123,000
Employee benefits		740	827
TOTAL NON-CURRENT LIABILITIES		116,740	123,827
TOTAL LIABILITIES		148,896	163,767
NET ASSETS		402,203	393,035
EQUITY			
Share capital		138,325	138,325
Reserves		(2,444)	768
Retained earnings		266,322	253,942
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF CABCHARGE AUSTRALIA LTD		402,203	393,035

The accompanying condensed notes form an integral part of these consolidated Half Yearly Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2015
CABCHARGE AUSTRALIA LIMITED AND ITS CONTROLLED ENTITIES

<i>in thousands of AUD</i>	Note	Dec 2015	Dec 2014
Cash Flows from Operating Activities			
Receipts from customers and others		679,856	679,446
Payments to suppliers, licensees and employees		(647,571)	(640,642)
Dividends received		83	76
Interest received		541	811
Finance costs paid		(2,910)	(3,998)
Income tax paid		(8,567)	(10,661)
Net Cash provided by operating activities		21,432	25,032
Cash Flows from Investing Activities			
Purchase of property, plant and equipment		(7,066)	(6,128)
Payments for development of intellectual property		(1,559)	(1,814)
Payments for other investments		-	(100)
Acquisition of business assets, net of cash acquired		(1,932)	-
Advances to associates		-	(7,840)
Repayments of advances to associates		-	3,920
Proceeds from sale of property, plant and equipment		6	346
Proceeds from sale of investments		5,834	275
Net Cash (used in) investing activities		(4,717)	(11,341)
Cash Flows from Financing Activities			
Proceeds from borrowings		11,308	3,500
Repayment of borrowings		(19,144)	(22,835)
Dividends paid		(12,043)	(12,043)
Net Cash (used in) financing activities		(19,879)	(31,378)
Net (decrease) in cash and cash equivalents		(3,164)	(17,687)
Cash and cash equivalents at the beginning of the period		23,856	41,856
Cash and cash equivalents at the end of the period		20,692	24,169

The accompanying condensed notes form an integral part of these consolidated Half Yearly Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2015
CABCHARGE AUSTRALIA LIMITED AND ITS CONTROLLED ENTITIES

<i>in thousands of AUD</i>	Share capital	Reserve	Retained earnings	Total equity
Balance at 1 July 2014	138,325	(3,518)	231,480	366,287
Total comprehensive income for the period				
Profit for the period	-	-	31,196	31,196
<i>Other comprehensive income</i>				
Share of associates' foreign currency translation differences, net of tax	-	1,245	-	1,245
Change in fair value of cash flow hedge, net of tax	-	(103)	-	(103)
Net change in fair value of available-for-sale financial assets, net of tax	-	400	-	400
Net change in fair value of available-for-sale financial assets transferred to profit or loss, net of tax	-	(90)	-	(90)
Total other comprehensive income	-	1,452	-	1,452
Total comprehensive income for the period	-	1,452	31,196	32,648
Transactions with owners, recorded directly in equity				
<i>Contributions by and distributions to owners</i>				
Dividends to equity holders	-	-	(12,043)	(12,043)
Total contributions by and distributions to owners	-	-	(12,043)	(12,043)
Total transactions with owners	-	-	(12,043)	(12,043)
Balance at 31 December 2014	138,325	(2,066)	250,633	386,892
Balance at 1 July 2015	138,325	768	253,942	393,035
Total comprehensive income for the period				
Profit for the period	-	-	24,423	24,423
<i>Other comprehensive income</i>				
Share of associates' foreign currency translation differences, net of tax	-	(206)	-	(206)
Change in fair value of cash flow hedge, net of tax	-	306	-	306
Net change in fair value of available-for-sale financial assets, net of tax	-	-	-	-
Net change in fair value of available-for-sale financial assets transferred to profit or loss, net of tax	-	(3,312)	-	(3,312)
Total other comprehensive income	-	(3,212)	-	(3,212)
Total comprehensive income for the period	-	(3,212)	24,423	21,211
Transactions with owners, recorded directly in equity				
<i>Contributions by and distributions to owners</i>				
Dividends to equity holders	-	-	(12,043)	(12,043)
Total contributions by and distributions to owners	-	-	(12,043)	(12,043)
Total transactions with owners	-	-	(12,043)	(12,043)
Balance at 31 December 2015	138,325	(2,444)	266,322	402,203

The accompanying condensed notes form an integral part of these consolidated Half Yearly Financial Statements.

Notes to the Consolidated Half Yearly Financial Statements

FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

CABCHARGE AUSTRALIA LIMITED AND ITS CONTROLLED ENTITIES

1. BASIS OF PREPARATION OF THE HALF YEARLY FINANCIAL STATEMENTS

(i) Reporting Entity

Cabcharge Australia Limited (the "Company") is a for-profit company domiciled in Australia. The consolidated half yearly financial statements of the Company as at and for the six months ended 31 December 2015 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in associates and jointly controlled entities.

(ii) Statement of compliance

The consolidated half yearly financial statements are general purpose financial statements which have been prepared in accordance with AASB 134 Interim Financial Reporting and the *Corporations Act 2001*.

The consolidated half yearly financial statements do not include all of the information required for a full annual financial report, and should be read in conjunction with the consolidated annual financial report of the Group as at and for the year ended 30 June 2015.

These consolidated half yearly financial statements were authorised for issue by the Board of Directors on 25 February 2016.

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with the Class Order, all financial information presented in Australian dollars has been rounded off to the nearest thousand, unless otherwise stated.

(iii) Significant accounting policies

The accounting policies applied by the Group in these consolidated half yearly financial statements are the same as those applied by the Group in its consolidated financial report as at and for year ended 30 June 2015.

(iv) Estimates

The preparation of half yearly financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these consolidated half yearly financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated annual financial report as at and for the year ended 30 June 2015.

	Dec 2015	Dec 2014
	\$A'000	\$A'000
2. Revenue and income		
Operating activities		
Taxi service fee income	32,902	44,002
Network subscription fee income	28,707	26,875
Brokered taxi plate licence income	12,667	13,010
Owned taxi plate licence income	3,662	4,003
Other taxi related services income	3,183	4,544
Vehicle financing and insurance lease income	3,201	3,524
Other revenue	4,231	4,474
Total operating revenue	88,553	100,432

Notes to the Consolidated Half Yearly Financial Statements

FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

CABCHARGE AUSTRALIA LIMITED AND ITS CONTROLLED ENTITIES

	Dec 2015	Dec 2014
	\$A'000	\$A'000
Non-operating activities		
Gain on disposal of property, plant and equipment	-	49
Total other income	-	49
Finance income		
Net gain on disposal of available-for-sale financial assets	4,493	-
Interest income	541	811
Total finance income	5,034	811

Total turnover

Total turnover does not represent revenue in accordance with Australian Accounting Standards. Total turnover represents the value of taxi hire charges (fares) paid through the Cabcharge Payment System plus Cabcharge's taxi service fee plus revenue from other sources. Cabcharge's credit risk is based on turnover rather than revenue. Taxi hire charges are GST inclusive since the GST is embedded in taxis' metered fares and liability for the GST rests with the taxi driver.

The Cabcharge account service fee income is a fee on taxi hire charges. Cabcharge is responsible for collecting the full amount of taxi hire charges paid through the Cabcharge Payment System on behalf of taxi operators. Revenue derived from these transactions is disclosed as net service fee rather than the full amount of service fee income plus taxi fares.

Cabcharge assumes the credit risk for the full value of each transaction (i.e. the amount stated below)

	Dec 2015	Dec 2014
	\$A'000	\$A'000
Total Turnover	661,470	673,386

3. Associate Companies

(i) Composition

	Ownership Interest		Carrying amount of investment	
	Dec 2015	Jun 2015	Dec 2015	Jun 2015
	%	%	\$'000	\$'000
<u>Bus & coach services</u>				
ComfortDelGro Cabcharge Pty Ltd, Australia	49	49	245,433	237,286
<u>Taxi related services, bus & coach services</u>				
CityFleet Networks Ltd, United Kingdom	49	49	46,926	47,006
			292,359	284,292

Reporting Period for these associate companies is 31 December.

Notes to the Consolidated Half Yearly Financial Statements

FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

CABCHARGE AUSTRALIA LIMITED AND ITS CONTROLLED ENTITIES

(ii) Movements during the period in Equity Accounted Investment in Associated Companies

	Dec 2015	Jun 2015
	\$'000	\$'000
Balance at beginning of the period	284,292	274,807
Share of profit of equity accounted investees (net of income tax)		
- ComfortDelGro Cabcharge Pty Ltd	8,146	15,213
- CityFleet Networks Ltd	127	1,449
Foreign exchange translation differences		
- CityFleet Networks Ltd	(206)	3,094
Impairment		
- CityFleet Networks Ltd	-	(10,271)
Balance at end of the period	292,359	284,292

4. Goodwill, Taxi licence plates and Intellectual Property

	Dec 2015	Jun 2015
	\$'000	\$'000
Composition		
Goodwill	15,229	15,032
	<u>15,229</u>	<u>15,032</u>
Taxi licence plates		
- Indefinite life		
- Taxi licence plates - perpetual	65,045	65,045
- Finite life		
- Taxi licence plates - 50 year renewable	5,600	5,600
- Accumulated amortisation	(1,701)	(1,630)
- Taxi licence plates - 10 year renewable - at cost	3,319	3,319
- Accumulated amortisation	(3,319)	(1,414)
	<u>68,944</u>	<u>70,920</u>
Intellectual Property		
- Indefinite life		
- Intellectual Property trademark at cost	1,850	1,850
- Finite life		
- Customer contracts at cost	2,838	1,160
- Accumulated Amortisation	(541)	(529)
- Capitalised development costs at cost	25,141	23,587
- Accumulated Amortisation	(17,758)	(16,937)
	<u>11,530</u>	<u>9,131</u>
	<u>95,703</u>	<u>95,083</u>

Notes to the Consolidated Half Yearly Financial Statements

FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

CABCHARGE AUSTRALIA LIMITED AND ITS CONTROLLED ENTITIES

	Dec 2015	Dec 2014
	\$'000	\$'000
5. Dividends Paid		
The following fully franked dividends were paid, franked at the tax rate of 30%.		
2015 year final - 10.0 cents	12,043	-
2014 year final - 10.0 cents	-	12,043
	12,043	12,043

6. Events Subsequent to Balance Date

No matters or circumstances have arisen since 31 December 2015 that has significantly affected or may significantly affect the Group's operations in future financial periods, or the results of those operations in future financial periods, or the Group's state of affairs in future financial periods.

Dividend

The Directors have declared an interim dividend of 10 cents per share (fully franked) scheduled to be paid on 29 April 2016. The record date to determine entitlement to dividend is 31 March 2016.

7. Contingent Liability

Company policy is to provide financial guarantees only to wholly-owned subsidiaries and associates. An associate of the Company (ComfortDelGro Cabcharge Pty Ltd) has a secured loan facility of \$8.3 million provided by an unrelated financial institution. The Company has guaranteed the loan to the extent of its 49% ownership interest in the associate. The fair value of financial guarantee contract is estimated to be zero based on the Directors' assessment of the probability of a default event.

Notes to the Consolidated Half Yearly Financial Statements

FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

CABCHARGE AUSTRALIA LIMITED AND ITS CONTROLLED ENTITIES

8. Segment information

The Group operates predominantly in one business and geographic segment being the provision of taxi related services in Australia and through an equity accounted associate in the UK. However, an associate company which is equity accounted by Cabcharge operates in a different business segment - being the provision of bus and coach services to customers predominantly in Australia.

Primary Reporting - Business Segments	Taxi related services		Bus & coach services		Consolidated	
	Dec 2015	Dec 2014	Dec 2015	Dec 2014	Dec 2015	Dec 2014
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue						
External revenue	88,553	100,432	-	-	88,553	100,432
Result						
Reported result	22,016	35,521	-	-	22,016	35,521
Share of net profit of associates	127	785	8,146	7,642	8,273	8,427
Segment result	22,143	36,306	8,146	7,642	30,289	43,948
Net finance income / (costs)					1,982	(3,007)
Income tax expense					(7,848)	(9,745)
Profit for the period					24,423	31,196
Other disclosures						
Segment assets, excluding investments accounted for using the equity method	258,740	277,407	-	-	258,740	277,407
Segment liabilities	148,896	174,994	-	-	148,896	174,994
Other-investments accounted for using the equity method	46,926	54,764	245,433	229,715	292,359	284,479
Depreciation and amortisation	8,608	6,693	-	-	8,608	6,693

Directors' Declaration

Cabcharge Australia Limited and its controlled entities

In accordance with a resolution of the directors of Cabcharge Australia Limited ("the Company"), we state that in the opinion of the directors:

- (a) the consolidated half yearly financial statements and notes set out on pages 5 to 13 are in accordance with the *Corporation Act 2001*, including:
 - (i) giving a true and fair view of the financial position of the Group as at 31 December 2015 and of its performance for the half year ended on that date; and
 - (ii) complying with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the *Corporations Regulations 2001*; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors



Russell Balding, AO

Director



Andrew Skelton

Director

Dated at Sydney this 25th day of February 2016.



Independent auditor's review report to the members of Cabcharge Australia Limited

We have reviewed the accompanying half-year financial report of Cabcharge Australia Limited, which comprises the consolidated statement of financial position as at 31 December 2015, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes 1 to 8 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Cabcharge Australia Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Cabcharge Australia Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

KPMG

KPMG

Julie Cleary
Partner

Sydney

25 February 2016