



## ASX RELEASE

### **CABCHARGE ANNOUNCES RESULTS FOR FY16**

- **Cabcharge confirms non-cash impairment of \$27.7m and announces FY16 statutory net profit after tax of \$25.6m**
- **Fully franked final dividend of 10 cents per share**
- **ihail launches today**

**Sydney, 26 August 2016** – Cabcharge Australia Limited (Cabcharge) today reported a statutory net profit after tax (NPAT) of \$25.6m for the year ended 30 June 2016. This result includes confirmation of the non-cash impairment charge of \$27.7m announced on 23 August that Cabcharge has booked on its national taxi licence portfolio due to recent announcements of regulatory changes.

“Our underlying performance demonstrates that Cabcharge is a highly cash-generative business able to invest in future growth and pay dividends to shareholders,” said Cabcharge Chief Executive Officer Andrew Skelton.

Cabcharge is pleased to announce that it will pay its investors a fully franked final dividend of 10 cents per share, resulting in a full year dividend of 20 cents per share.

“Despite the regulatory focus on the industry and aggressive competition, Cabcharge has increased the value of taxi fares it processes at a compound annual growth rate of 2.9% over the past five years,” Mr Skelton said.

“We are continuing to grow our fleets. In FY16 we had our fifth consecutive year of fleet growth. This year the fleet increased by 189 cars or 2.6%. Taxi services revenue continues to be a solid recurring source of revenue for the business, now driven by a fleet size of 7,448 cars.”

In FY16 the major impact on the business has been regulation.

The introduction of a 5% cap on non-cash taxi fare payment service fees in WA and NSW during FY15 has now cycled through a full year impact on revenue.

“Queensland’s announced imposition of a 5% cap signals the rounding out of the new Australia-wide regulatory pricing environment. Our payment model will now evolve to focus on growth and winning market share,” said Mr Skelton.

“Over the last 12 months, various government announcements have cleared much of the remaining regulatory uncertainty overhanging our industry and have enabled us to set our future strategy with confidence,” continued Mr Skelton.

“We’re investing in our business and focusing on innovation to evolve and diversify for a competitive future, which is why we invested in ihail. We’re pleased to see the apps for drivers and passengers launch today,” Mr Skelton said.



ihail is an international app which allows passengers to hail the nearest accessible registered taxi signed up to its service. Users of the ihail app have the option to pay through the app which is facilitated through Cabcharge's payment gateway.

"During FY16 we continued to make strong progress on our five strategic priorities. We have integrated our networks, committed to a key brand, linked bookings and payments, and we're actively supporting our merchant partners and looking after our customers.

"We're now focused on the quality of service for passengers and have made large strides to improve the certainty of service for taxi passengers with faster pick up times and launching 'Passenger Connect' which enables drivers to call passengers on approach."

"In Sydney for example we are focusing our use of dispatch technology on passenger outcomes and have improved pick up times during the year. We are also benefitting from an 84% increase in new Drivers joining our fleet. We had 1,663 new Drivers join our network in Sydney.

"This year we will offer new payment products – including a customisable single use ticket that our corporate clients can configure to day of week, time of day and amount. These exciting new products have now passed testing and will be promoted across our client base in coming weeks. This is the type of functionality that many of our corporate clients want and have asked for. We've listened and quickly responded through our reinvigorated tech team.

"Technology is a key arm to our growth strategy and we will continue to invest in new projects to ensure we are well positioned to grow our market share. One of these projects is the planned roll out of handheld payment terminals," said Mr Skelton.

"We've progressed our review of non-core assets and have sold the Riley Street property achieving a price over \$18m," Mr Skelton said.

The sale of Riley Street is significant because it's a final step towards integrating Cabcharge's payments and taxi functions and breaking down historical company silos. Cabcharge will leaseback the property for two years giving the business a chance to overhaul and modernise its Alexandria site, which will become the main base for its Sydney operations.

"With an overarching purpose of 'Connecting You with People and Places', our five-year vision is to be Australia's leading personal transport business and to become the first choice for passengers, the preferred network and payment partner for drivers and the employer of choice in the personal transport sector," Mr Skelton concluded.



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**About Cabcharge Australia Limited**

Cabcharge is an Australian company with a diversified portfolio of payment technology, financial services, taxi payments and passenger transport. In addition to providing a payment method, Cabcharge is the leading electronic payment system for taxis in Australia, found in 97% of Australian taxis as well as limousines and water taxis. Cabcharge also owns Combined Communications Network Pty Ltd (CCN) – the largest taxi company in Australia. Cabcharge was established by the taxi industry in 1976 as a financial services provider for the Industry to provide a secure alternative to cash. With a history of innovation, Cabcharge is committed to providing the best payment solutions with security and reliability paramount.