



ANSAL
GROUP OF COMPANIES

CHAIRMAN'S STATEMENT - Q2 2017

Group revenues improved by 2.38% with revenues from Trinidad & Tobago growing by 1.66% whilst our overseas operations recorded combined revenue growth of 4.8%. These numbers exclude the discontinued operations in 2016 which contributed \$55 million in revenues in the prior year. Including the effects of discontinued operations, Group reported revenues increased by \$12 million to \$2,899 million (\$2,887 million – 2016).

Profit before tax (PBT) generated was \$432 million (\$461 million – 2016), down 6% over prior period. We recorded one-off acquisition costs for Berger Paints and recorded declines in Automotive, Trading & Distribution segment due to contraction in market for new vehicles, Media, Services and Parent revenues declined due to reduction in corporate advertising income but we are confident of recovery. Guardian Media Limited has already recovered from its first quarter loss position and has published a small profit before tax in the second quarter. In Automotive, our strong inventory position and the new vehicle line-up in Q4 will help boost sales. Net assets grew by 6.9% as profits continue to be reinvested for future growth.

We previously announced the strategic acquisition of Lewis Berger Overseas Holdings which held equity stakes of 100% in Berger Paints Barbados Limited, 70% in Berger Paints Trinidad Limited and 51% in Berger Paints Jamaica Limited. This is an exciting deal as it creates access to new markets and builds on our existing world class brands. Importantly, we have deepened our presence throughout the region maximising on investment opportunities. Berger's revenues and profits have not been included in the Group's numbers for the first 6 months.

Your Directors have approved an interim dividend of \$0.30 per share (\$0.30 – 2016) which will be paid on November 7, 2017. In accordance with section 110 (1) (a) (i) of the Companies Act 1995, the Directors have fixed October 24, 2017 as the Record Date for payment of this interim dividend. The Register of Members will be closed on October 25 to October 26, 2017 both days inclusive.

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	\$'000 UNAUDITED AS AT 30-JUN-17	\$'000 UNAUDITED AS AT 30-JUN-16	\$'000 AUDITED AS AT 31-DEC-16
ASSETS			
Fixed Assets and Investment Properties	2,143,673	1,951,756	2,127,278
Investment in associates and joint venture interests	158,761	140,105	147,063
Other Long Term Assets	4,829,361	5,149,584	4,824,683
Current Assets	6,840,112	6,408,791	6,770,629
Total Assets	13,971,907	13,650,236	13,869,653
EQUITY AND LIABILITIES			
Stated Capital	175,316	175,305	175,316
Reserves	6,649,489	6,187,154	6,601,906
	6,824,805	6,362,459	6,777,222
Non-controlling Interests	790,765	762,352	807,567
Total Equity	7,615,570	7,124,811	7,584,789
Non-current Liabilities	3,168,293	2,874,812	2,921,419
Current Liabilities	3,188,044	3,650,613	3,363,445
Total Liabilities	6,356,337	6,525,425	6,284,864
Total Equity and Liabilities	13,971,907	13,650,236	13,869,653

Anthony
CHAIRMAN
By Order of the Board

Dudley
DEPUTY CHAIRMAN
By Order of the Board

SEGMENT INFORMATION

	Manufacturing, packaging & brewing			Automotive, trading & distribution			Insurance & financial services			Media, services, retail & parent company			Total		
	\$'000 UNAUDITED SIX MONTHS ENDED 30-JUN 2017	\$'000 UNAUDITED SIX MONTHS ENDED 30-JUN 2016	\$'000 AUDITED YEAR ENDED 31-DEC 2016	\$'000 UNAUDITED SIX MONTHS ENDED 30-JUN 2017	\$'000 UNAUDITED SIX MONTHS ENDED 30-JUN 2016	\$'000 AUDITED YEAR ENDED 30-DEC 2016	\$'000 UNAUDITED SIX MONTHS ENDED 30-JUN 2017	\$'000 UNAUDITED SIX MONTHS ENDED 30-JUN 2016	\$'000 AUDITED YEAR ENDED 31-DEC 2016	\$'000 UNAUDITED SIX MONTHS ENDED 30-JUN 2017	\$'000 UNAUDITED SIX MONTHS ENDED 30-JUN 2016	\$'000 AUDITED YEAR ENDED 31-DEC 2016	\$'000 UNAUDITED SIX MONTHS ENDED 30-JUN 2017	\$'000 UNAUDITED SIX MONTHS ENDED 30-JUN 2016	\$'000 AUDITED YEAR ENDED 31-DEC 2016
Revenue															
Total gross revenue	1,161,556	1,128,031	2,415,675	1,234,957	1,249,975	2,662,094	480,381	431,436	816,510	487,372	523,482	1,056,912	3,364,266	3,332,924	6,951,191
Inter-segment	(124,315)	(127,026)	(255,064)	(22,918)	(19,909)	(58,056)	(29,321)	(24,890)	(49,667)	(288,411)	(274,064)	(587,794)	(464,965)	(445,889)	(950,581)
Third party revenue	1,037,241	1,001,005	2,160,611	1,212,039	1,230,066	2,604,038	451,060	406,546	766,843	198,961	249,418	469,118	2,899,301	2,887,035	6,000,610
Results															
Finance costs	364	380	677	1,964	1,463	3,519	17,423	18,365	36,372	2,251	792	925	22,002	21,000	41,493
Depreciation	71,480	65,390	138,320	13,012	9,588	23,675	18,761	19,240	39,498	15,531	15,735	31,538	118,784	109,953	233,031
Impairments	-	-	-	-	-	-	-	-	(6,097)	-	-	-	-	-	(6,097)
Reportable segment profit before tax	188,448	176,004	454,614	48,358	83,972	192,424	162,622	126,666	330,772	32,539	74,619	129,475	431,967	461,261	1,107,285
Income tax expense	59,929	49,263	162,121	22,185	27,083	55,901	34,698	26,227	70,741	8,046	5,823	15,414	124,858	108,396	304,177
Share of results of associate and joint venture interests	-	-	-	-	-	-	-	-	-	13,964	14,837	32,933	13,964	14,837	32,933
Total Assets include															
Reportable Segment assets	2,609,715	2,431,297	2,627,088	1,759,654	1,456,505	1,736,693	6,343,826	6,955,904	6,523,481	3,258,712	2,806,530	2,882,391	13,971,907	13,650,236	13,869,653
Investment in associates and joint venture interests	-	-	-	-	-	-	-	-	-	158,761	140,105	147,063	158,761	140,105	147,063
Capital expenditure	44,916	44,920	146,727	23,742	16,591	40,122	43,698	31,637	60,945	28,655	13,008	67,232	141,011	106,156	315,026
Liabilities															
Reportable Segment liabilities	697,633	636,205	728,977	426,065	369,053	459,214	4,784,856	5,303,286	4,767,327	447,783	216,881	329,346	6,356,337	6,525,425	6,284,864

NOTES:

- All monetary amounts are stated in thousands of Trinidad and Tobago dollars. These interim condensed consolidated financial statements are prepared in accordance with International Financial Reporting Standards and in accordance with the accounting policies described in "Note 2" of the consolidated financial statements for the year ended 31 December 2016.
- On July 24th, 2017 the Group acquired 100% of the issued share capital of Lewis Berger (Overseas) Holdings Ltd (LBOH) a privately owned, UK domiciled company. LBOH owns the controlling interest in the Caribbean businesses of Berger Paints Trinidad, Jamaica and Barbados. The Company announced its intention to issue take-over bids in Trinidad & Tobago and Jamaica in accordance with the regulations in the respective jurisdictions by August 23, 2017 as a consequence of its ownership of the shares of Berger Paints Trinidad Limited and Berger Paints Jamaica Limited

UNAUDITED RESULTS FOR THE SIX MONTHS ENDED 30 JUNE, 2017

SUMMARY CONSOLIDATED INCOME STATEMENT

	\$'000 UNAUDITED THREE MONTHS ENDED 30-JUN-17	\$'000 UNAUDITED THREE MONTHS ENDED 30-JUN-16	\$'000 UNAUDITED SIX MONTHS ENDED 30-JUN-17	\$'000 UNAUDITED SIX MONTHS ENDED 30-JUN-16	\$'000 AUDITED YEAR ENDED 31-DEC-16
Revenue	1,502,977	1,476,472	2,899,301	2,887,035	6,000,610
Operating profit	224,017	260,715	440,005	467,424	1,115,845
Finance costs	(12,075)	(10,828)	(22,002)	(21,000)	(41,493)
Share of results of associates and joint venture interests	5,835	7,178	13,964	14,837	32,933
Profit before taxation	217,777	257,065	431,967	461,261	1,107,285
Taxation	(65,742)	(60,410)	(124,858)	(108,396)	(304,177)
Profit for the period/year	152,035	196,655	307,109	352,865	803,108
Attributable to:					
Equity holders of the parent	124,533	168,870	258,051	306,595	691,320
Non-controlling Interests	27,502	27,785	49,058	46,270	111,788
	152,035	196,655	307,109	352,865	803,108
Basic earnings per share	\$0.72	\$0.98	\$1.50	\$1.78	\$4.01
Diluted earnings per share	\$0.72	\$0.98	\$1.50	\$1.78	\$4.01

SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	\$'000 UNAUDITED THREE MONTHS ENDED 30-JUN-17	\$'000 UNAUDITED THREE MONTHS ENDED 30-JUN-16	\$'000 UNAUDITED SIX MONTHS ENDED 30-JUN-17	\$'000 UNAUDITED SIX MONTHS ENDED 30-JUN-16	\$'000 AUDITED YEAR ENDED 31-DEC-16
Profit for the period/year	152,035	196,655	307,109	352,865	803,108
Other comprehensive income:					
Re-measurement losses on defined benefit plans (net)	-	-	-	-	8,787
Currency translation differences	7,333	9,144	16,527	24,797	26,249
Other comprehensive income/(expense)	7,333	9,144	16,527	24,797	35,036
Total comprehensive income for the period/year	159,368	205,799	323,636	377,662	838,144
Total comprehensive income attributable to:					
Equity holders of the parent	131,866	177,352	273,696	327,710	725,474
Non-controlling Interests	27,502	28,447	49,940	49,952	112,620
	159,368	205,799	323,636	377,662	838,144

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	\$'000 STATED CAPITAL	\$'000 RESERVES	\$'000 NON-CONTROLLING INTERESTS	\$'000 TOTAL
Balance as at 1 January, 2017	175,316	6,601,906	807,567	7,584,789
Total comprehensive income for the period	-	273,696	49,940	323,636
Transfers and other movements	-	(7,434)	-	(7,434)
Net movement in unallocated shares	-	(7,248)	-	(7,248)
Dividends to equity holders	-	(211,431)	-	(211,431)
Dividends of subsidiaries	-	-	(66,742)	(66,742)
Balance as at 30 June, 2017 (Unaudited)	175,316	6,649,489	790,765	7,615,570
Balance as at 1 January, 2016	175,305	6,066,867	737,785	6,979,957
Total comprehensive income for the period	-	327,710	49,952	377,662
Transfers and other movements	-	(25,060)	-	(25,060)
Dividends to equity holders	-	(182,363)	-	(182,363)
Dividends of subsidiaries	-	-	(25,385)	(25,385)
Balance as at 30 June, 2016 (Unaudited)	175,305	6,187,154	762,352	7,124,811
Balance as at 1 January, 2016	175,305	6,066,867	737,785	6,979,957
Total comprehensive income for the year	-	725,474	112,670	838,144
Transfers and other movements	-	45,551	(409)	45,142
Net movement in unallocated shares	-	5,206	-	5,206
Value of equity settled share based compensation	11	-	-	11
Dividends to equity holders	-	(241,192)	-	(241,192)
Dividends of subsidiaries	-	-	(42,479)	(42,479)
Balance as at 31 December, 2016 (Audited)	175,316	6,601,906	807,567	7,584,789

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

	\$'000 UNAUDITED SIX MONTHS ENDED 30-JUN-17	\$'000 UNAUDITED SIX MONTHS ENDED 30-JUN-16	\$'000 AUDITED YEAR ENDED 31-DEC-16
Profit before taxation	431,967	461,261	1,107,285
Adjustment for items not affecting working capital	10,727	33,607	45,313
Operating profit before working capital changes	442,694	494,868	1,152,598
Operating profit before working capital changes	(178,813)	311,782	73,300
Cash flows from operating activities	263,881	806,650	1,225,898
Other cash applications	(115,591)	(105,667)	(191,187)
Net cash flows from operating activities	148,290	700,983	1,034,711
Investing activities	(97,241)	93,501	(461,052)
Financing activities	(68,212)	(167,602)	(356,796)
Net decrease in cash and cash equivalents	(17,163)	626,882	216,863
Translation difference on cash held by foreign subsidiaries	294	8,029	11,355
Cash and cash equivalents at the beginning of the period/year	1,683,678	1,455,460	1,455,460
Cash and cash equivalents at the end of the period/year	1,666,809	2,090,371	1,683,678