



UNAUDITED RESULTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER, 2017

ansa m-eal
GROUP OF COMPANIES

CHAIRMAN'S STATEMENT - Q3 2017

The Group's total asset base crossed the \$14 billion mark, an improvement of 3% over the prior year whilst the revenue to total assets ratio remains at over 30%. These results reflect the full consolidation of the assets of the three regional Berger Paints companies however, in accordance with the Accounting Standards, revenues and profitability reflect the results since the acquisition date of 24th July 2017. The full benefit of the acquisition will be experienced in 2018.

The Manufacturing, Packaging & Brewing segment recorded a 6%+ growth whilst the Financial Services segment reported an 8%+ growth. Due to significant contraction in consumer spending, the Automotive, Trading and Distribution segment declined by 61% whilst Media, Services, Retail & Parent Company declined by 54%. Our overseas territories have recorded strong growth.

The increase in statutory tax rate reduced reported profit after tax (PAT) by \$26 million and contributed to the lower earnings per share (EPS) result. As a consequence the Group's effective tax rate has increased significantly compared with the prior period.

Despite these challenges, Group consolidated revenues reported for the nine months ended 30th September 2017 were broadly consistent with the previous comparative period, closing the period at \$4,371 million (\$4,376 million – 2016). Profit before tax decreased by 13% to \$598 million (690 million – 2016). Profit after taxation (PAT) generated was \$416.8 million (\$527.8 million – 2016), whilst earnings per share was \$2.02 (\$2.63 – 2016) both representing a decline of 23%.

The Group is now in its peak trading period (October to December) and despite the challenging economy and the increased costs of doing business, we remain confident of our ability to continue to deliver superior returns to our Shareholders.

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	\$'000 UNAUDITED AS AT 30-SEP-17	\$'000 UNAUDITED AS AT 30-SEP-16	\$'000 AUDITED AS AT 31-DEC-16
ASSETS			
Fixed Assets and Investment Properties	2,152,371	1,988,543	2,127,278
Investment in associates and joint venture interests	162,592	148,821	147,063
Other Long Term Assets	5,119,896	5,321,929	4,824,683
Current Assets	6,631,590	6,164,473	6,770,629
Total Assets	14,066,449	13,623,766	13,869,653
EQUITY AND LIABILITIES			
Stated Capital	175,316	175,305	175,316
Reserves	6,670,491	6,285,396	6,601,906
	6,845,807	6,460,701	6,777,222
Non-controlling Interests	797,065	779,780	807,567
Total Equity	7,642,872	7,240,481	7,584,789
Non-current Liabilities	3,207,944	2,846,003	2,921,419
Current Liabilities	3,215,633	3,537,282	3,363,445
Total Liabilities	6,423,577	6,383,285	6,284,864
Total Equity and Liabilities	14,066,449	13,623,766	13,869,653

Michael
CHAIRMAN
By Order of the Board

Dudley
DIRECTOR AND CEO
By Order of the Board

SEGMENT INFORMATION

	Manufacturing, packaging & brewing			Automotive, trading & distribution			Insurance & financial services			Media, services, retail & parent company			Total		
	\$'000 UNAUDITED NINE MONTHS ENDED 30-SEP		\$'000 AUDITED YEAR ENDED 31-DEC 2016	\$'000 UNAUDITED NINE MONTHS ENDED 30-SEP		\$'000 AUDITED YEAR ENDED 30-DEC 2016	\$'000 UNAUDITED NINE MONTHS ENDED 30-SEP		\$'000 AUDITED YEAR ENDED 31-DEC 2016	\$'000 UNAUDITED NINE MONTHS ENDED 30-SEP		\$'000 AUDITED YEAR ENDED 31-DEC 2016	\$'000 UNAUDITED NINE MONTHS ENDED 30-SEP		\$'000 AUDITED YEAR ENDED 31-DEC 2016
	2017	2016		2017	2016		2017	2016		2017	2016		2017	2016	
Revenue															
Total gross revenue	1,815,137	1,717,902	2,415,675	1,810,256	1,890,543	2,662,094	675,673	615,803	816,510	733,964	812,205	1,056,912	5,035,030	5,036,453	6,951,191
Inter-segment	(183,922)	(184,556)	(255,064)	(30,831)	(21,770)	(58,056)	(31,069)	(29,136)	(49,667)	(417,837)	(424,275)	(587,794)	(663,659)	(659,737)	(950,581)
Third party revenue	1,631,215	1,533,346	2,160,611	1,779,425	1,868,773	2,604,038	644,604	586,667	766,843	316,127	387,930	469,118	4,371,371	4,376,716	6,000,610
Results															
Finance costs	5,926	526	677	2,724	2,602	3,519	26,190	27,422	36,372	540	1,056	925	35,380	31,606	41,493
Depreciation	111,087	101,978	138,320	19,585	13,399	23,675	28,174	29,099	39,498	23,172	23,917	31,538	182,018	168,393	233,031
Impairments	-	-	-	-	-	-	-	-	(6,097)	-	-	-	-	-	(6,097)
Reportable segment profit before tax	273,041	257,106	454,614	43,338	109,383	192,424	230,356	213,262	330,772	51,327	110,171	129,475	598,062	689,922	1,107,285
Income tax expense	95,823	74,730	162,121	15,956	33,426	55,901	57,473	38,115	70,741	11,986	15,860	15,414	181,238	162,131	304,177
Share of results of associate and joint venture interests	-	-	-	-	-	-	-	-	-	18,793	22,615	32,933	18,793	22,615	32,933
Total Assets include															
Reportable Segment assets	2,935,207	2,543,438	2,627,088	1,705,065	1,536,396	1,736,693	6,366,800	6,706,204	6,523,481	3,059,377	2,837,728	2,882,391	14,066,449	13,623,766	13,869,653
Investment in associates and joint venture interests	-	-	-	-	-	-	-	-	-	162,592	148,821	147,063	162,592	148,821	147,063
Capital expenditure	54,718	93,934	146,727	30,036	27,760	40,122	57,012	44,887	60,945	47,935	30,284	67,232	189,701	196,865	315,026
Liabilities															
Reportable Segment liabilities	982,880	659,382	728,977	386,522	439,902	459,214	4,768,785	4,979,183	4,767,327	285,390	304,818	329,346	6,423,577	6,383,285	6,284,864

NOTES:

1. 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.
2. 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

SUMMARY CONSOLIDATED INCOME STATEMENT

	\$'000 UNAUDITED THREE MONTHS ENDED 30-SEP-17	\$'000 UNAUDITED THREE MONTHS ENDED 30-SEP-16	\$'000 UNAUDITED NINE MONTHS ENDED 30-SEP-17	\$'000 UNAUDITED NINE MONTHS ENDED 30-SEP-16	\$'000 AUDITED YEAR ENDED 31-DEC-16
Revenue	1,472,070	1,489,681	4,371,371	4,376,716	6,000,610
Operating profit	174,643	231,489	614,649	698,913	1,115,845
Finance costs	(13,378)	(10,606)	(35,380)	(31,606)	(41,493)
Share of results of associates and joint venture interests	4,830	7,778	18,793	22,615	32,933
Profit before taxation	166,095	228,661	598,062	689,922	1,107,285
Taxation	(56,380)	(53,735)	(181,238)	(162,131)	(304,177)
Profit for the period/year	109,715	174,926	416,825	527,791	803,108
Attributable to:					
Equity holders of the parent	89,653	146,105	347,867	452,700	691,320
Non-controlling Interests	20,062	28,821	68,958	75,091	111,788
	109,715	174,926	416,825	527,791	803,108
Basic earnings per share	\$0.52	\$0.85	\$2.02	\$2.63	\$4.01
Diluted earnings per share	\$0.52	\$0.85	\$2.02	\$2.63	\$4.01

SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	\$'000 UNAUDITED THREE MONTHS ENDED 30-SEP-17	\$'000 UNAUDITED THREE MONTHS ENDED 30-SEP-16	\$'000 UNAUDITED NINE MONTHS ENDED 30-SEP-17	\$'000 UNAUDITED NINE MONTHS ENDED 30-SEP-16	\$'000 AUDITED YEAR ENDED 31-DEC-16
Profit for the period/year	109,715	174,926	416,825	527,791	803,108
Other comprehensive income:					
Re-measurement losses on defined benefit plans (net)	-	-	-	-	8,787
Currency translation differences	(5,512)	6,305	11,015	31,102	26,249
Other comprehensive income/(expense)	(5,512)	6,305	11,015	31,102	35,036
Total comprehensive income for the period/year	104,203	181,231	427,840	558,893	838,144
Total comprehensive income attributable to:					
Equity holders of the parent	84,141	151,843	358,000	479,553	725,474
Non-controlling Interests	20,062	29,388	69,840	79,340	112,670
	104,203	181,231	427,840	558,893	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	-	358,000	69,840	427,840
Transfers and other movements	-	(11,441)	33,711	22,270
Net movement in unallocated shares	-	(4,076)	-	(4,076)
Dividends to equity holders	-	(273,898)	-	(273,898)
Dividends of subsidiaries	-	-	(114,053)	(114,053)
Balance as at 30 September, 2017 (Unaudited)	175,316	6,670,491	797,065	7,642,872
Balance as at 1 January, 2016	175,305	6,066,867	737,785	6,979,957
Total comprehensive income for the period	-	479,553	79,340	558,893
Transfers and other movements	-	(25,745)	-	(25,745)
Dividends to equity holders	-	(235,279)	-	(235,279)
Dividends of subsidiaries	-	-	(37,345)	(37,345)
Balance as at 30 September, 2016 (Unaudited)	175,305	6,285,396	799,780	7,240,481
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 NINE MONTHS ENDED 30-SEP-17	\$'000 UNAUDITED NINE MONTHS ENDED 30-SEP-16	\$'000 AUDITED YEAR ENDED 31-DEC-16
Profit before taxation	598,062	689,922	1,107,285
Adjustment for items not affecting working capital	79,876	(10,643)	45,313
Operating profit before working capital changes	677,938	679,279	1,152,598
Net change in working capital	101,878	263,477	73,300
Cash flows from operating activities	779,816	942,756	1,225,898
Other cash applications	(159,379)	(170,196)	(191,187)
Net cash flows from operating activities	620,437	772,560	1,034,711
Investing activities	(562,434)	(216,769)	(461,052)
Financing activities	(77,367)	(286,658)	(356,796)
Net decrease in cash and cash equivalents	(19,364)	269,133	216,863
Translation difference on cash held by foreign subsidiaries	294	10,197	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	1,664,608	1,734,790	1,683,678