



# Highlights of the Unaudited Consolidated Financial Statements for the Nine Months Ended 30th June 2016

## CHAIRMAN'S STATEMENT FOR THIRD QUARTER RESULTS (QUARTER ENDED JUNE 30, 2016)

Third-Party Revenue through the end of the Third Quarter of 2016 was \$8.7 billion versus \$9 billion over the same period in 2015. Similarly, the Group recorded 2016 year-to-date (YTD) Third Quarter Profit Before Tax (PBT) of \$576 million compared to \$586 million in 2015. The Group's profit from its territories outside of Trinidad and Tobago before Head Office charges increased by 15% above 2015. In Trinidad and Tobago, contraction in the energy sector and the weakening of consumer demand led to a 25% decline in profit from operations. However, 53% of the PBT decline from Trinidad and Tobago is attributable to a one-off expense for a maintenance charge for the joint venture air separation plant in Pt. Lisas and the start-up costs of the Internet and TV business.

The Group's effective tax rate increased due to increases in the Green Fund Levy and Business Levy in Trinidad and Tobago, higher effective tax rates from profits from overseas and the inability to use some losses for tax relief. As a result, YTD Third Quarter Profit After Tax declined by 6% from \$416 million to \$389 million and Earnings Per Share declined by 7% from \$3.95 to \$3.68.

The Group's growth initiatives are progressing well. The construction of the Methanol and DME plant continues on schedule. Prior to issuing this statement, all agreements required for draw-down on the loan from Japan Bank of International Cooperation were signed and sponsors' equity injections will

be supplemented by lenders' funds going forward. Our supermarkets in St. Lucia and St. Vincent were also rebranded as 'Massy Stores'. The Internet and TV business continues to build momentum with increasing new subscribers signing up for the service.

The Group continues to manage foreign exchange availability through intense efforts and has been meeting all of its foreign exchange requirements through a combination of strategies.

The Group's Balance Sheet remains strong. Group debt was \$2.2 billion comprising mainly of TTS long-term debt of \$1.8 billion. Gearing improved from 33.3% to 32.4% and our cash balance peaked at \$1.85 billion.

With healthy cash flow generation from operations, the Group is in an excellent position to continue to fund its growth initiatives. However, the Group enjoyed a number of one-off gains in the Fourth Quarter of 2015, which the Group does not expect in 2016.

Robert Bermudez,  
Chairman  
August 11, 2016

### CONSOLIDATED INCOME STATEMENT

For the Nine Months Ended 30th June 2016

	THREE MONTHS ENDED		NINE MONTHS ENDED		AUDITED TWELVE MONTHS ENDED
	30-Jun-16 TTS'000	30-Jun-15 TTS'000	30-Jun-16 TTS'000	30-Jun-15 TTS'000	30-Sep-15 TT \$'000
<b>Revenue</b>	2,795,191	2,945,401	8,676,537	8,969,730	11,944,843
Operating profit after finance costs	161,536	166,369	569,757	561,797	878,537
Share of results of associates and joint ventures	16,199	8,768	6,552	24,589	40,202
Profit before rebranding costs and income tax	177,735	175,137	576,309	586,386	918,739
Rebranding costs	675	202	(211)	(313)	359
Profit before income tax	178,410	175,339	576,098	586,073	919,098
Income tax expense	(59,723)	(51,016)	(186,603)	(170,129)	(250,784)
<b>Profit for the period</b>	<b>118,687</b>	<b>124,323</b>	<b>389,495</b>	<b>415,944</b>	<b>668,314</b>
Owners of the parent	112,222	116,438	359,656	386,410	638,406
Non-controlling interests	6,465	7,885	29,839	29,534	29,908
	<b>118,687</b>	<b>124,323</b>	<b>389,495</b>	<b>415,944</b>	<b>668,314</b>
<b>Earnings per share attributable to the owners of the parent (\$/cents):</b>					
Basic earnings per share	1.15	1.19	3.68	3.95	6.53
Diluted earnings per share	1.15	1.19	3.68	3.95	6.53

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Nine Months Ended 30th June 2016

	NINE MONTHS ENDED		AUDITED TWELVE MONTHS ENDED
	30-Jun-16 TTS'000	30-Jun-15 TTS'000	30-Sep-15 TTS'000
<b>Profit for the period</b>	389,495	415,944	668,314
<b>Other comprehensive income:</b>			
<b>Items that will not be reclassified to profit or loss</b>			
– remeasurement of defined benefit pension plans	–	–	(19,199)
	–	–	(19,199)
<b>Items that may be subsequently reclassified to profit or loss</b>			
– available-for-sale financial assets	–	–	157
– currency translation differences	115,096	(40,543)	(79,238)
	115,096	(40,543)	(79,081)
<b>Other comprehensive income/(loss) for the period, net of tax</b>	115,096	(40,543)	(98,280)
<b>Total comprehensive income for the period</b>	<b>504,591</b>	<b>375,401</b>	<b>570,034</b>
<b>Attributable to:</b>			
– owners of the parent	473,344	345,953	547,524
– non-controlling interests	31,247	29,448	22,510
<b>Total comprehensive income for the period</b>	<b>504,591</b>	<b>375,401</b>	<b>570,034</b>

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30th June 2016

	30-Jun-16 TTS'000	30-Jun-15 TTS'000	AUDITED 30-Sep-15 TTS'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment and investment properties	2,727,129	2,510,705	2,576,753
Investments in associates and joint ventures	302,679	468,385	310,586
Financial assets	720,089	482,291	626,527
Other non-current assets	1,079,770	1,060,085	1,058,804
	4,829,667	4,521,466	4,572,670
<b>Current assets</b>			
Cash and cash equivalents	1,846,131	1,590,914	1,743,379
Other current assets	4,192,297	4,256,050	4,102,712
	6,038,428	5,846,964	5,846,091
<b>Total assets</b>	<b>10,868,095</b>	<b>10,368,430</b>	<b>10,418,761</b>
<b>Equity and Liabilities</b>			
Capital and reserves attributable to owners of the parent	4,630,210	4,155,257	4,353,957
Non-controlling interests	270,918	262,726	236,370
<b>Total equity</b>	<b>4,901,128</b>	<b>4,417,983</b>	<b>4,590,327</b>
<b>Non-current liabilities</b>			
Borrowings	1,852,399	1,927,227	1,864,929
Deferred tax liabilities	189,454	213,304	178,431
Other non-current liabilities	596,051	508,804	533,200
	2,637,904	2,649,335	2,576,560
<b>Current liabilities</b>			
Borrowings	371,550	315,091	304,831
Other current liabilities	2,957,513	2,986,021	2,947,043
	3,329,063	3,301,112	3,251,874
<b>Total equity and liabilities</b>	<b>10,868,095</b>	<b>10,368,430</b>	<b>10,418,761</b>

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Nine Months Ended 30th June 2016

	NINE MONTHS ENDED		AUDITED TWELVE MONTHS ENDED
	30-Jun-16 TTS'000	30-Jun-15 TTS'000	30-Sep-15 TTS'000
Balance at the beginning of the year	4,353,957	3,988,910	3,988,910
Profit attributable to owners of the parent	359,656	386,410	638,406
Net profit not recognised on income statement	–	–	(19,199)
Adjustment relating to the acquisition of a non-controlling interest	–	–	(149)
Dividends paid	(205,260)	(185,695)	(185,695)
Other reserve movements	121,857	(34,368)	(68,316)
	4,630,210	4,155,257	4,353,957

### CONSOLIDATED STATEMENT OF CASH FLOWS

For the Nine Months Ended 30th June 2016

	NINE MONTHS ENDED		AUDITED TWELVE MONTHS ENDED
	30-Jun-16 TTS'000	30-Jun-15 TTS'000	30-Sep-15 TTS'000
<b>Cash flows from operating activities</b>			
Operating Profit	569,757	561,797	878,537
Rebranding costs	(211)	(313)	359
Dividends from associates and joint ventures	12,900	17,324	21,782
Adjustments for non-cash items	245,423	194,437	211,149
<b>Operating profit before working capital changes</b>	<b>827,869</b>	<b>773,245</b>	<b>1,111,827</b>
Net working capital changes	4,898	97,628	169,117
Tax payments	(188,760)	(169,734)	(236,877)
<b>Cash flows from operating activities</b>	<b>644,007</b>	<b>701,139</b>	<b>1,044,067</b>
Investing activities	(361,998)	(324,940)	(431,301)
Financing activities	(192,876)	(414,629)	(497,419)
<b>Increase/(decrease) in short-term funds</b>	<b>89,133</b>	<b>(38,430)</b>	<b>115,347</b>

SEGMENT INFORMATION (TTS'000)	Automotive and Industrial Equipment	Integrated Retail	Financial Services	Energy and Industrial Gases	ITC	Other Investments	Head Office and Other Adjustments	Total
<b>Nine Months Ended 30th June 2016</b>								
Group revenue	1,795,901	5,463,747	393,203	791,252	430,585	410,567	–	9,285,255
Inter-segment revenue	(89,433)	(428,281)	(2,812)	(7,894)	(30,943)	(49,355)	–	(608,718)
Third-party revenue	1,706,468	5,035,466	390,391	783,358	399,642	361,212	–	8,676,537
Operating profit after finance costs	131,242	253,223	74,119	120,673	25,583	67,280	(102,363)	569,757
Share of results of associates and joint ventures	–	–	–	14,265	(8,150)	437	–	6,552
Profit before rebranding costs and income tax	131,242	253,223	74,119	134,938	17,433	67,717	(102,363)	576,309
<b>Nine Months Ended 30th June 2015</b>								
Group revenue	1,904,223	5,337,432	333,200	1,160,729	440,427	409,048	–	9,585,059
Inter-segment revenue	(128,688)	(384,028)	(1,429)	(11,422)	(30,130)	(59,632)	–	(615,329)
Third-party revenue	1,775,535	4,953,404	331,771	1,149,307	410,297	349,416	–	8,969,730
Operating profit after finance costs	171,926	246,383	57,136	123,950	51,558	58,634	(147,790)	561,797
Share of results of associates and joint ventures	(1,331)	–	–	30,249	(6,122)	1,793	–	24,589
Profit before rebranding costs and income tax	170,595	246,383	57,136	154,199	45,436	60,427	(147,790)	586,386

	Group Revenue		Inter-Segment		Third-Party Revenue		Profit before Rebranding Costs and Income Tax	
	Jun-16	Jun-15	Jun-16	Jun-15	Jun-16	Jun-15	Jun-16	Jun-15
Trinidad and Tobago	4,511,039	4,760,224	(252,768)	(289,027)	4,258,271	4,471,197	306,631	410,009
Barbados and Eastern Caribbean	3,114,925	3,012,029	(270,163)	(248,385)	2,844,762	2,763,644	230,387	189,181
Guyana	630,691	605,609	(13,348)	(12,681)	617,343	592,928	88,498	89,926
Jamaica	517,334	474,683	(4,869)	(2,528)	512,465	472,155	44,464	36,982
Colombia	403,681	650,335	–	–	403,681	650,335	12,451	9,929
Other	107,585	82,179	(67,570)	(62,708)	40,015	19,471	(3,760)	(1,851)
Head Office and other adjustments	–	–	–	–	–	–	(102,362)	(147,790)
	<b>9,285,255</b>	<b>9,585,059</b>	<b>(608,718)</b>	<b>(615,329)</b>	<b>8,676,537</b>	<b>8,969,730</b>	<b>576,309</b>	<b>586,386</b>

**Notes:**  
All monetary amounts are stated in Trinidad and Tobago dollars. Highlights of the Unaudited Consolidated Financial Statements (Highlights) have been prepared in accordance with International Financial Reporting Standards. The Highlights do not include all information and disclosures required in the Annual Financial Statements, and should be read in conjunction with the Group's Annual Financial Statements as at 30th September 2015. For comparative purposes, adjustments and reclassifications to the prior year have been made to conform to the current year reporting.

These financial highlights can be accessed online at [www.massygroup.com](http://www.massygroup.com).