



Vision Statement

A Force for Good

The Most Responsible and Profitable Investment Holding/Management Company in the Caribbean Basin

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Massy Group of Companies


MIAMI
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ENERGY & INDUSTRIAL GASES
COLOMBIA

Regional Footprint

01

Major Holding & Operating Companies

Massy Holdings Ltd.

Massy Ltd.

AUTOMOTIVE & INDUSTRIAL EQUIPMENT

TRINIDAD & TOBAGO

Massy Machinery Ltd.
Massy Motors Ltd.
Massy Motors (Tobago) Ltd.
Massy Automotive Components Ltd.
Massy Pres-T-Con Ltd.
Massy Pres-T-Con Holdings Ltd.
Massy Transportation Group Ltd.
Best Auto Limited

BARBADOS

Massy Motors (Barbados) Ltd.

GUYANA

Massy Industries (Guyana) Ltd.

COLOMBIA

Massy Delima Grupo Automotriz S.A.S.

ENERGY & INDUSTRIAL GASES

TRINIDAD

Massy Energy (Trinidad) Ltd.
Massy Energy Engineered Solutions Ltd.
Massy Energy Fabric Maintenance Ltd.
Massy Energy Production Resources Ltd.
Massy Energy Investments Ltd.
Massy Energy Supply Chain Solutions Ltd.
Massy Wood Group Ltd.
Massy Gas Products Holdings Ltd.
Massy Gas Products Ltd.
Massy Gas Products (Trinidad) Ltd.
Massy Petrochemicals Services Ltd.
Massy Gas Products Investments Ltd.
Massy Gas Products Operations Ltd.
Massy Carbonics Ltd.

BARBADOS

Massy Energy (Barbados) Ltd.
Massy Gas Products (Barbados) Ltd.

GUYANA

Massy Gas Products (Guyana) Ltd.

JAMAICA

Massy Gas Products (Jamaica) Limited

COLOMBIA

Massy Energy Colombia

SURINAME

NM Kersten Energy N.V. (Suriname)

INTEGRATED RETAIL

TRINIDAD

Massy Integrated Retail Ltd.

- Massy Stores (Trinidad) - *A Divisions of Massy Integrated Retail Ltd.*
- Massy Distribution (Trinidad) - *A Divisions of Massy Integrated Retail Ltd.*

Massy Finance GFC Ltd.
Massy Remittance Services (Trinidad) Ltd., *representing the MoneyGram Franchise*
Massy Card Ltd.
Massy Credit Plus Ltd.

BARBADOS

Massy Stores (Barbados) Ltd.
Massy Distribution (Barbados) Ltd.
Massycard (Barbados) Limited

GUYANA

Massy Distribution Guyana Inc.

- Massy Distribution
- Massy Trading

Massy Services (Guyana) Ltd.

JAMAICA

Massy Distribution (Jamaica) Limited

ST. LUCIA

Consolidated Foods Ltd. (St. Lucia)
Massy Distribution (St. Lucia) Ltd.

ST. VINCENT

Consolidated Foods Ltd. (St. Vincent)

MIAMI

Massy Distribution (USA) Inc.

INSURANCE

BARBADOS

Massy United Insurance Ltd., *registered externally in Trinidad*

INFORMATION, TECHNOLOGY & COMMUNICATIONS

TRINIDAD

Massy Technologies (Trinidad) Ltd. (Holding company)
Massy Technologies InfoCom (Trinidad) Ltd.
Massy Technologies Applied Imaging (Trinidad) Ltd.
Massy Communications Ltd.

BARBADOS

Massy Technologies InfoCom (Barbados) Ltd.
Massy Technologies InfoCom (Caribbean) Ltd.

GUYANA

Massy Technologies (Guyana) Ltd.

JAMAICA

Massy Technologies InfoCom (Jamaica) Limited
Massy Technologies Applied Imaging (Jamaica) Limited

ANTIGUA

Massy Technologies InfoCom (Antigua) Ltd.

OTHER INVESTMENTS

TRINIDAD

Massy Properties (Trinidad) Ltd.
Massy Realty (Trinidad) Ltd.

BARBADOS

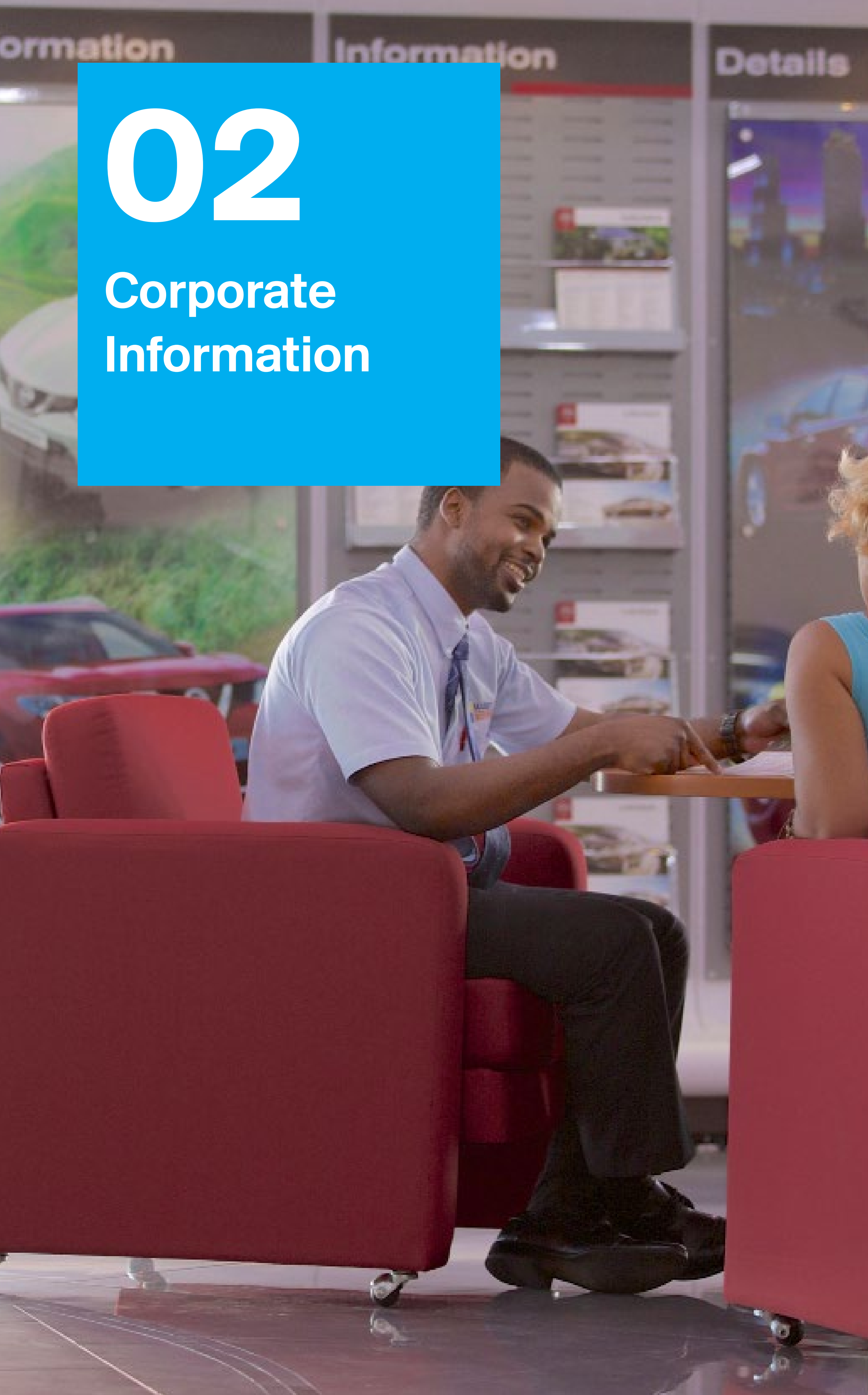
Massy (Barbados) Ltd.
Massy Properties (Barbados) Ltd.
Massy (Barbados) Investments Ltd.

GUYANA

Massy (Guyana) Ltd.
Massy Security (Guyana) Inc.

02

Corporate Information



02 Corporate Information

DIRECTORS
Mr. Robert Bermudez, *Chairman*
Mr. E. Gervase Warner, *President & Group CEO*
Dr. Rolph Balgobin
Mr. Earl Boodasingh
Mr. Patrick Hylton
Mr. G. Anthony King
Mr. David O'Brien
Mr. William Lucie-Smith
Mrs. Paula Rajkumarsingh
Mr. Robert Riley
Mr. Gary Voss
Ms. Maxine Williams
Mr. Richard P. Young

CORPORATE SECRETARY
Ms. Wendy Kerry

ASSISTANT CORPORATE SECRETARY
Ms. Krystal Baynes

REGISTERED OFFICE
63 Park Street
Port of Spain
Trinidad and Tobago
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Facsimile: (868) 627-9061
E-mail: info@massygroup.com
Website: www.massygroup.com

REGISTRAR AND TRANSFER OFFICE
The Trinidad and Tobago Central Depository Limited
10th Floor
Nicholas Towers
63-65 Independence Square
Port of Spain
Trinidad and Tobago

AUDITORS
PricewaterhouseCoopers
11-13 Victoria Avenue
Port of Spain
Trinidad and Tobago

PRINCIPAL BANKERS
RBC Royal Bank (Trinidad & Tobago) Limited
19-21 Park Street
Port of Spain
Trinidad and Tobago

AUDIT COMMITTEE
Mr. William Lucie-Smith, *Chairman*
Dr. Rolph Balgobin
Mr. Patrick Hylton
Mr. Richard P. Young
Mr. E. Gervase Warner *(ex-officio)*

GOVERNANCE AND COMPENSATION COMMITTEE
Mr. Gary Voss, *Chairman*
Dr. Rolph Balgobin
Mr. G. Anthony King
Mr. Robert Bermudez *(ex-officio)*
Mr. E. Gervase Warner *(ex-officio)*

02 Notice of Annual Meeting

TO ALL SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Ninety-Second Annual Meeting of Shareholders of Massy Holdings Ltd. ("the Company") will be held at the Ballroom, Hilton Trinidad and Conference Centre 1B Lady Young Road, Port-of-Spain, Trinidad and Tobago, on **February 12, 2016 at 10:00 a.m.** for the following purposes:

1 To receive and consider the Report of the Directors and the Audited Consolidated Financial Statements for the financial year ended September 30, 2015 together with the Report of the Auditors thereon.

2 To elect Directors for specified terms and if thought fit, to pass the following Resolutions:

   a THAT, the Directors to be re-elected, be re-elected en bloc; and

   b THAT, in accordance with the requirements of paragraphs 4.4.1 and 4.6.1 of By-Law No. 1 of the Company, Messrs. Rolph Balgobin, William Lucie-Smith, David O'Brien and Robert Riley be and are hereby re-elected Directors of the Company to hold office until the close of the third Annual Meeting of the Shareholders of the Company following this election.

3 To appoint the incumbent Auditors and authorise the Directors to fix their remuneration and expenses for the ensuing year.

BY ORDER OF THE BOARD

Wendy Kerry
Corporate Secretary

December 21, 2015

NOTES

1 No service contracts were entered into between the Company and any of its Directors.

2 A Member of the Company entitled to attend and vote at the above Meeting is entitled to appoint a proxy to attend and vote in his or her stead. Such proxy need not also be a Member of the Company. Where a proxy is appointed by a corporate member, the form of proxy should be executed under seal or signed by its attorney.

3 Corporate members are entitled to attend and vote by a duly authorised representative who need not himself be a member. Such appointment must be by resolution of the Board of Directors of the corporate member.

4 Attached is a Proxy Form which must be completed, signed and then deposited with the Secretary of the Company, at the Company's Registered Office, 63 Park Street, Port of Spain, not less than 48 hours before the time fixed for holding the Meeting.

03

Chairman’s and Chief Executive’s Reports

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Chairman's Report

2015 was a commendable year for the Massy Group. The Group's Third Party Revenue grew by 12 percent from $10.7 billion to $12 billion and the Group's Earnings per Share grew by 15 percent from $5.69 per share to $6.53 per share. Profit Before Tax (PBT) also increased by 10.4 percent to $919 million. 2015 was the first full financial year with all subsidiaries operating under the Massy brand, with the single exception being our supermarkets in St. Lucia, which will be rebranded in 2016. 2015 was also the first full year in which Consolidated Foods Limited, Massy Energy Colombia S.A.S. and Massy Delima Grupo Automotriz S.A.S. were part of the Massy Group. These acquisitions contributed $80 million to the Group's PBT in 2015 compared to $38 million in 2014. Given the Group's robust performance, a final dividend of $1.59 was declared, which when added to the interim dividend of $0.51, gives a total dividend for the year of $2.10, a 10.5 percent increase over 2014 dividend of $1.90.

Robert Bermudez
Chairman

REGIONAL OVERVIEW

The Massy Group continues to be *A Force for Good* in the CARICOM region and uses its strong reputation and balance sheet to make investments to assure future growth.

In Trinidad and Tobago, Massy pre-launched its new Internet and TV service. This will revolutionise the telecommunications industry, as the Group pioneers a fully fibre-optic network, literally bringing fibre to the home providing lightning fast internet connections and the most high definition (HD) TV channels in the market. In September 2015, the Group and its partners, Mitsubishi Corporation and Mitsubishi Gas Corporation made the Financial Investment Decision to proceed with the construction of a Methanol and Dimethyl Ether (DME) plant at Union Estate in La Brea. Through Massy Motors Ltd., the Group also acquired 50 percent of the Volkswagen Dealership, Best Auto Limited, from Southern Sales & Services Co. Ltd. to attain full control. While an official recession was announced in December 2015, and the country continues to adjust to the "new normal" in global energy prices, Massy will continue to seek out new opportunities for growth in order to add value to both our shareholders and customers.

The economic outlook in Barbados continues to be cautious. The country's well-capitalised banking sector and efforts to repair its national finances should provide a platform for growing business confidence and investment opportunities for the future. Our operating companies have performed creditably in 2015 and we will continue to focus on operational efficiency and improved productivity in this challenging economic climate. Massy remains committed to growing and investing in its businesses in Barbados, which includes our planned new Massy Stores location at Kendal Hill and the renovation of the Massy Stores Sunset Crest location. This year, in reviewing our asset portfolio, the decision was made to divest our shareholdings in Banks Holdings Ltd. and Magna Rewards Caribbean Inc.

Our recent acquisition of Consolidated Foods Limited, operating in St. Lucia and St. Vincent and the Grenadines, has shown positive results. In the latter part of the year, the stores in St. Vincent and the Grenadines were successfully re-branded and in 2016 the St.Lucia stores will be re-branded.

Massy continues to invest in Guyana and is in the process of developing two Massy Stores locations to be opened in 2016. Our recent investment in the expansion and centralisation of our warehousing facility, concluded in 2015, strengthened our value chain and augers well for new growth in this area. While reduced income earned from gold, rice and sugar throughout 2015 have tempered the high growth trajectory for the country, it continues to experience economic growth.

In Jamaica, economic improvement continues at a moderate pace. The country continues to adjust as mandated by the International Monetary Fund and is making strides in that regard. The debt to GDP ratio is expected to improve from 147 percent in 2012 to roughly 120 percent from 2015 going forward into 2016. Increasing tourist arrivals and a lower oil import bill have provided unexpected green shoots which are supporting economic recovery. Massy will continue to focus on the organic growth of its businesses there.

The economic outlook for Suriname remains positive. With a significant investment pipeline that spans new projects in the gold, oil and other extractive industries, GDP growth is expected to remain healthy at around 2-3 percent per year. Massy Energy was able to make a significant breakthrough into this territory for the second time with two ongoing projects in the new oil refinery under construction by Staatsolie Maatschappij Suriname, the State Oil Company.

Our foray into the Latin American market, through our acquisitions of Massy Delima Grupo Automotriz S.A.S. and Massy Energy Colombia S.A.S., has proven to be successful as we recorded a full year of positive results, operating both businesses in this territory. Colombia remains the growth leader among all Latin American countries for 2015. Though lower oil prices have led to a significant devaluation of the Colombia Peso, creating an inflationary environment, the outlook remains positive and GDP growth is expected to continue in the order of 3-5 percent in the next few years.

APPRECIATION

In October 2015, Earl Boodasingh, former Executive Vice President and former Executive Chairman, Integrated Retail Business Unit, retired from the Board of Massy Holdings Ltd. He served as a Director for the past 7 years, with 34 years of unbroken service as a Senior Executive of Massy. I wish to thank Earl for his years of service on the Board and as an astute Executive. Earl had the particularly unique challenge of unifying the Retail, Distribution and Logistics Lines of Business, to create the Integrated Retail Business Unit, into which he engendered a culture of shared values and accountability.

Earl will be succeeded by Frere Delmas, and we are pleased to welcome Frere to the Board of Massy Holdings Ltd. Frere has assumed the position of Executive Vice President and Executive Chairman of the Integrated Retail Business Unit. Frere will also continue to maintain his role as Country Manager for the Massy Group in Barbados, a position which he assumed in January 2013. Frere has an accumulated wealth of management experience and knowledge in the supermarket industry and wholesale distribution, which he acquired during his 36-year career in the field. He continues to offer his expertise in these areas in his current position, by providing leadership oversight at the domestic level as well as for Massy's retail interests in St. Lucia. He is a former Executive Chairman for Massy's Retail Business Unit and, before that, was the Executive Chairman of the BS&T Food Retail and Distribution Division as well as a BS&T Director. Prior to starting his career, Frere pursued studies in Business Administration at Loughborough College in the United Kingdom.

CLOSING REMARKS

On behalf of the Massy Holdings Board, I wish to express my appreciation to the Massy employees for their commitment and dedication which was reflected in our exemplary performance over the past year. Thank you all for embracing and representing our brand, Massy, and for living the values of the organisation. I also wish to thank our Group Executives and leadership teams who inspire and motivate our employees to 'transform life' in their day to day interactions with customers, colleagues and communities. Finally, I wish to express my gratitude to all our shareholders who continue to demonstrate confidence in Massy and its people. I wish to also extend deep gratitude to my fellow Directors for their support and guidance, as we look forward to another fruitful year.

03 Chief Executive Officer's Report

Many onlookers and analysts have provided very dismal predictions for the world economy based on recent developments, such as the fall in oil prices, economic instability in Europe and unrest in many developed nations caused by the irresponsible actions of radical, fundamentalist groups. Massy acknowledges that this is a particularly challenging time for all businesses, worldwide, but we believe that it is in these times that companies have to work even harder and be even more creative to rise to the challenge to grow. Massy in fact was birthed in such an environment. In the global depression of the 1930s most import/export and distribution businesses were in difficulty. It was as a result of this recessionary pressure that Harry Neal and Charles Massy decided to merge their companies - an engineering company and a motor company to form Neal & Massy Engineering in 1932. As it was then, our commitment over the past year was about being smarter about how we operate, finding and building strategic partnerships and seeking out opportunities for growth because we will not allow pessimism to re-define our purpose.

E. Gervase Warner
President & Group
Chief Executive Officer

Currently, we are focused on deploying a combination of defensive and offensive strategies to grow in the prevailing environment. Our cost reduction strategy is more focused on operational efficiency as opposed to cost cutting which is often the first go-to strategy in tightening economies. Cost cutting typically involves lowering head count, reducing operating costs and rationalising business portfolios but compromises quality and customer service and breeds pessimism which can demoralise employees. We believe that if we improve our efficiency, maintain a motivated workforce and manage our assets well, we can ensure that our expenditure is value-driven. We are pursuing opportunities by finding new market segments, exploring strategic investments with long term payoffs and acquiring talent and assets of businesses which become available during a downturn. In some instances we have had to make some difficult decisions, such as divesting businesses which were not a strategic fit for the organisation.

FINANCIAL REVIEW

Massy's Group audited results for the FY 2015, reported a 15 percent increase in the Group's Earning Per Share (EPS) from $5.69 per share to $6.53 per share. This commendable performance arose from a 12 percent increase in Third Party Revenue to $12 billion and a 10.4 percent increase in the Group's Profit Before Tax (PBT) to $919 million. The three top performing Business Units contributing to PBT were the Automotive & Industrial Equipment Business Unit with a 13 percent increase over 2014, the Energy & Industrial Gases Business Unit and the Integrated Retail Business Unit, both showing a 6 percent increase over 2014.

The Group's acquisition strategy is paying off. In addition to contributing $1 billion to the $1.2 billion increase in Group Revenue, recent acquisitions of the majority stake in Consolidated Foods Limited (St. Lucia), Massy Energy Colombia and Massy Delima Grupo Automotriz S.A.S. (Colombia) accounted for $80 million of the Group's PBT in 2015 versus $38 million in 2014.

OUR BRAND ONE YEAR LATER

2015 marked a full year of operating with a new brand, Massy, which helped us to refine our identity to better deliver on our strategy. We continue to pursue greater integration within the Massy Group to *uncomplicate* the lives of the people we serve in the territories in which we operate. Our brand promise is to make things easy again: easier to buy, easier to own, easier to use and, ultimately, easier to enjoy and we want to remove the barriers that make life complicated. To deliver on that brand promise, we shared accountability across all businesses and shared collaboration among our leadership, which was unprecedented. Unified with a common purpose of 'creating value, transforming life,' we were guided by our values of honesty and integrity, responsibility, growth and continuous improvement, collaboration and love and care to deliver on our brand promise.

OPERATIONALISING OUR ECOSYSTEMS

In 2015 we dedicated a significant amount of time and resources in operationalising our ecosystems. Our consumer finance business and our insurance business in particular were developed and extended to deliver on the brand promise as we grew our customer loyalty programme and increased our insurance service points at key consumer-facing locations, namely Massy Motors (Port of Spain and Tobago) showrooms and at the Massy SuperCentre in Trincity which was opened in the first quarter of the financial year under review. This marked a major development in the advancement of our superstore model, first unveiled in Barbados at the Warrens location, where we created the opportunity for consumers to buy non-food items, such as electronics and appliances, with the added convenience of being able to use their Massy Credit Card and earn and redeem points through the Massy loyalty programme.

We also entered into a new business, Massy Communications | Internet • TV which we believe will significantly enhance the value proposition of our ecosystems at strategic Massy Stores locations in Trinidad and Tobago. Since 2006, Massy Communications Ltd. has provided high-speed data over its fibre optic backbone network to business in Trinidad. The Group took the bold decision to extend that network to homes to provide consumers with the fastest, most reliable Internet and TV service possible. Through Massy Communications' fibre-based technology we are able to offer what will be the fastest internet speed on the market and TV packages, which will include the widest selection of channels, and the most HD channels. We have decided to rollout the service in phases, starting with communities nearest our Massy stores where we know affiliation for the brand is strongest.

In September 2015, the Group and its partners, Mitsubishi Corporation and Mitsubishi Gas Corporation made the Financial Investment Decision to proceed with the construction of a Methanol and DME plant at Union Industrial Estate, La Brea. This project is an important element of the Group's diversification strategy and will provide much needed Foreign Direct Investment to Trinidad and Tobago and foreign exchange earnings for the Group.

LEADERSHIP AND EMPLOYEE TRANSFORMATION

In 2015, for the first time in the history of the organisation we rolled out our first ever group-wide employee engagement survey which was a critical feedback mechanism to systemically understand where we are doing well and where we are falling short in meeting the expectations of our 11,000 employees. The top-level survey findings showed that the confidence in the future of Massy, employees having the training they need to do their jobs well and senior leadership commitment to providing high-quality products and services to external customers were the greatest drivers of engagement. The results of the survey guided the development of specific company plans, which are still in progress, for improving operational efficiency as well as the culture of the Group.

We also cascaded Shareholder Value Added (SVA) to all levels of the organisation in Retail, Auto and Distribution Lines of Business to educate and empower employees in participating in driving performance. The value of this exercise, conducted in workshops, in the larger companies was in creating awareness and understanding among all employees about how their actions and responsibilities affect the value that is created within their business.

STRIVING FOR STRATEGIC FIT

There were several achievements in the year, discussed in detail in the subsequent segment reviews, which demonstrated our focus on ensuring the right strategic fit for the Group. Noteworthy moves included our acquisition of the outstanding 50 percent shareholding in Best Auto Limited, the Volkswagen dealership of Massy Motors which we previously shared with Southern Sales & Services Co. Ltd. Following on our acquisition of the majority shareholding of Gablewoods Supermart Limited (GSL) in the first quarter of the 2014 financial year, we successfully re-branded the Save-A-Lot supermarkets based in St. Vincent and the Grenadines. We continued to deliver on our store modernisation programme and re-opened several remodelled stores in Trinidad and Barbados. Our Massy Card credit card was rolled out in both Trinidad and Barbados and recorded impressive growth in the Barbados market. The customer loyalty programme also achieved impressive growth in Trinidad and Tobago, with over 180,000 primary and secondary Massy Card holders in Trinidad and Tobago.

We also divested some of our businesses which were not aligned to our long-term growth strategy. In Barbados, we divested our 20 percent shareholding in Banks Holdings Limited; and in our Distribution Line of Business we divested Massy Shipping Services (Trinidad) Ltd. Our shareholding in Magna Rewards Caribbean Inc. was also sold, as the Group focuses its loyalty initiatives on the Massy Card. In 2016, the Magna Rewards card in Barbados will be transitioned to the Massy Card.

HEALTH, SAFETY, SECURITY & THE ENVIRONMENT (HSSE)

The 2014-2015 was a year of mixed performance in HSSE. With the main goal of accident and injury prevention remaining as top priority, the focus across the Group continues to be embedding an HSSE culture across all layers of the organisation. It is with deep regret and sorrow that I register three fatalities which resulted from business operations – a driving-related fatality of a pedestrian, a fall from height of a contractor as well as the death of an employee while on duty. These incidents have been thoroughly investigated and action plans immediately installed not only within the respective operating businesses but applied throughout the entire Massy Group as learnings to ensure that mistakes and process deficiencies are not repeated.

In an attempt to proactively prevent the recurrence of incidents like these, we have been dedicated to measuring and tracking our leading and lagging indicators. In 2015 we conducted 19,163 workplace inspections and 19,731 equipment inspections; 997 HSSE audits and 9,608 HSSE inspections.

In addition to the formation of two robust Group HSSE Committees – a Steering Committee and a Working Committee, over the past year, the Group also introduced a HSSE Information Management System, referred to as the HSSE Portal. The portal streamlines the input of HSSE data such as both positive and negative HSSE performance metrics, incident reports, HSSE cultural data as well as HSSE Loss Control and Business Continuity Management Assessments. The available data is analysed to identify notable trends which may require intervention or may be used for key learnings.

We have also conducted on-going HSSE training to have in house HSSE professionals trained as US OSHA General Industry authorised trainers. These US OSHA General Industry authorised trainers will in turn train other Massy employees internally on various critical areas pertaining to HSSE. Additionally, this past year saw safety leadership training being facilitated for the Integrated Retail Business Unit in Barbados and Trinidad, and this was conducted to enhance the Massy Leadership's commitment to HSSE, and contribute to a more seamless adoption and implementation of Corporate HSSE Policies and Procedures. In total, the Group completed 144,475 training hours for the year. The Group's leadership also played a critical role in conceptualising an Incident Command Structure, encompassing requirements under both the HSSE and Business Continuity Management Systems, to develop a formalised approach to crisis management.

CUSTOMER SERVICE

In 2015 we focused on strengthening our internal capability and systems and worked to build consistency in our approach to several of the elements within the Customer Service Management System (CSMS). Customer service training is a critical component in our drive to excellence. A Customer Service train-the-trainer programme was held in Trinidad where seventeen persons were certified to execute customer service training in their respective companies.

Customer feedback is a fundamental aspect to understanding and prioritising where our improvement efforts must be focussed. As a result, the Group entered into an exclusive agreement with the American Customer Satisfaction Index to use their methodology for the Massy companies within the Caribbean region. This provides us with a standardised measurement approach and allows us to benchmark performance against global leaders in selected industries. Massy Stores commenced the benchmarking of their performance against the leading supermarkets in the US and identified critical improvement areas to be addressed.

CSMS audits also increased in 2015 with seven of the twenty-five companies deploying the CSMS being evaluated. The Group's trained internal CSMS auditors have been assessing the quality of the CSMS implementation and suggesting improvement strategies for the respective businesses. This approach also enabled us to identify innovative solutions and best practices being attempted in the various subsidiaries and replicate them in other businesses.

CORPORATE SOCIAL RESPONSIBILITY

Across the region, our companies persist in efforts to develop and transform their communities through our growing corporate social responsibility portfolio and flagship community projects. The Massy Group is continuously impacting our communities in more meaningful and sustainable ways.

The Massy Foundation Barbados was launched in June 2015 with a commitment to Education and Skills Development, Health, Humanitarian Causes, Environmental Issues, Heritage, Arts and Culture. This is the second Massy Foundation to be incorporated in the Caribbean, the first being the Trinidad and Tobago-based Foundation which was established in 1979. In 2015, the Massy Foundation Barbados partnered with key stakeholders, such as the Ministry of Health and the Queen Elizabeth Hospital, to support polyclinics and the hospital. NGO partnerships in the health sector were also forged with agencies such as the Barbados Diabetes Foundation, Heart & Stroke Foundation of Barbados and the Barbados Cancer Society.

The Massy Foundation's flagship youth empowerment initiative in Trinidad and Tobago, the Boys to Men programme, ran 10 programmes in 2015 – Port of Spain (2 programmes); San Fernando (2 programmes); Chaguanas; Youth Training Centre (YTC); Mayaro/Guayaguare; La Brea; Barataria and Tobago. The programme now has graduated over 700 young leaders. Many of these graduates have returned to the programme as leaders and have enhanced the ability to conduct simultaneous programmes. This year a Leadership Development Programme was rolled out to expand the skill set and leadership abilities of a core cadre of 30 programme leaders, who understudied mentors in communications, financial planning and goal setting.

A full report on our corporate social responsibility efforts across the region is included as a separate submission and may be downloaded at www.massygroup.com

CLOSING REMARKS

In 2015 we welcomed Julie Avey to the Executive Committee as the Senior Vice President (SVP) – Human Resources. In this role Julie will have oversight of all Human Resource Management functions of the Massy Group, including Employee Benefits, Industrial Relations, Change Management, Group Culture Transformation and Training & Development. Prior to her appointment, Julie held the position of CEO of Massy Delima Grupo Automotriz S.A.S. in Cali, Colombia which was Massy's first acquisition in Colombia in 2013. From 2010 to 2013 she was the After Sales Director at Massy Motors Ltd. with a 6 month responsibility as Dealership Director for the San Fernando business.

Julie succeeds Angela Hamel-Smith, former Group Human Resources Manager who has officially retired but will continue to assist with specific initiatives through September 2016. Angela has worked with the Group for the past 20 years and has been an invaluable asset to Massy. In addition to her professional duties, Angela has provided wise counsel to every member of the Group's leadership and has also mentored and coached several employees, at all levels. On behalf of all employees of Massy I wish to thank Angela for her heart, her guidance, her leadership and her wisdom in this role.

While the economic outlook for the Group's primary economies are not promising, we appreciate the confidence shown by our employees, customers and shareholders in the Group's strength and ability to weather the turbulent times ahead. The Group is the strongest it has ever been from brand, balance sheet and corporate readiness perspectives.

03

Chief Financial Officer's Report

FINANCIAL REVIEW HIGHLIGHTS

- **Third Party Revenue increased 12% from $10.7 billion to $12 billion.**
- **Profit Before Rebranding Costs, Finance Costs and Tax increased by 9%, from $881 million in 2014 to $960 million in 2015.**
- **Finance Costs increased from $34 million to $81 million.**
- **Interest coverage ratio is 9.6, based on the 2015 results.**
- **Profit After Tax (PAT) increased from $600 million to $668 million.**
- **Earnings Per Share (EPS) was $6.53, 15% above 2014.**
- **Group Debt reduced from $2.5 billion to $2.2 billion.**
- **Group Cash was $1.7 billion, compared to $1.6 billion in 2014.**
- **Cash flow from Operating activities was $1.3 billion, compared to $618 million in 2014.**
- **Debt to Debt and Equity Ratio decreased, from 38% in 2014 to 33% in 2015.**
- **The Group paid $742 million in capital expenditure and other investing activities in 2015 compared to $996 million in the prior year.**

Paula Rajkumarsingh
Group Executive Vice
President & Chief Financial Officer

OVERVIEW

Massy's Business Units and Lines of Business performed commendably in 2015. Our emphasis on operational execution and cash flow contributed to the delivery of robust results in the prevailing economic environment. Operating Profit before finance costs for the financial year 2015 closed at $960 million (9 percent increase over 2014). The refinancing and terming out of the Group's long term debt in July 2014 resulted in an increase in interest cost in the Head Office and Business Units' results. Notably, our new acquisitions, purchased at different dates in 2014, performed well and contributed $80 million in operating profit in 2015, a substantial increase when compared to $38 million in 2014. In addition, negative goodwill of $29.5 million, which arose from the Massy Energy Colombia S.A.S. acquisition completed in October 2014, was recorded in this year's results. The one-off rebranding cost of $58 million was booked in September 2014 while $0.3 million in a net write back of rebranding provisions was reported in September 2015.

The regional trading economies continue to be weak as many governments are saddled with mounting debt and falling commodity prices. The Trinidad and Tobago operations contributed 50 percent to third party revenue and 60 percent to Profit before Head Office and Other Adjustments, Rebranding Costs and Tax compared to 61 percent in 2014. The new investments in Colombia contributed $838 million in revenue and $23 million in profit in 2015.

Overall in 2015, the Group reported 12 percent growth in Revenue, with 9 percent growth in operating profit from our subsidiaries, before rebranding costs. Excluding rebranding costs, EPS increased by 6 percent to $6.53. With the rebranding costs of $58 million in 2014, EPS grew by 15 percent.

BUSINESS UNIT PERFORMANCE

With the exception of our Insurance, ITC and Other Investment portfolio, all other Business Units showed robust growth over 2014. Strong performances were noted in our Retail Line of Business, Energy & Industrial Gases and Automotive & Industrial Equipment Business Units.

The following lists the key business highlights for 2015 excluding the rebranding costs in the Business Units:

The Automotive & Industrial Equipment Business Unit concluded the year with strong results. The Business Unit reported revenue growth of 8 percent and growth of 10 percent or $22 million in profit before rebranding costs and tax. The non – recurrence of special write offs in 2014 and improved operating performance by Massy Machinery Ltd. and Massy Automotive Components Ltd. have contributed to growth in 2015. The Business Unit's primary operation, Massy Motors Ltd., experienced a 1 percent decrease in revenue and gross margins were under pressure. The Colombia operations contributed 2 percent to the Business Unit's profitability in 2015. Its growth in sales volumes and the TTD profitability improved despite the 56 percent devaluation of the Colombian Peso against the US Dollar.

The Energy & Industrial Gases Business Unit had revenue growth of 53 percent or $516 million and growth of 4 percent or $10 million in profit before rebranding costs and tax. The acquisition of Massy Energy Colombia in the first quarter of the financial year contributed profits of $16 million and revenue of $582 million. This improvement from the Colombia acquisition was offset by the increased cost of pursuing several business development initiatives and a reduction in profitability in the Energy Services Companies in Trinidad. Massy Energy Engineered Solutions Ltd. suffered a 12 percent reduction in sales as a result of the sharp slowdown in contracts in the sector and the startup of special projects in 2014. The performance of Massy Gas Products improved in Jamaica but declined in Trinidad compared to 2014. The Business Unit is directly affected by the downward pressure on commodity prices and the associated actions of the energy industry operators in Trinidad, Colombia and the wider region to curtail operating cost and defer capital expenditures.

The Information Technology & Communications Business Unit recorded reasonable results in 2015 with revenue growth of 3 percent and flat profitability. The companies operating in Trinidad performed as expected and the Jamaican operations recorded a 9 percent PBT reduction, when compared to the prior year, resulting from a 20 percent decline in sales. The Jamaica operation had a major one off sale in 2014. The newly-acquired shareholding in the Costa Rica ITC company in 2014 and investment in the Consumer Broadband and IPTV venture in 2015 contributed losses for this period.

The Integrated Retail Business Unit experienced growth of 8 percent in revenue and 1 percent in profit before rebranding costs and tax. Challenging and competitive trading environments continue to place pressure on margins and comparable sales growth in most of the territories in which we operate. The growth in this Business Unit was primarily driven by the contributions from the retail acquisition in St. Lucia, St. Vincent and the Grenadines and our retail and distribution operations in Trinidad. Top line growth in retail in Trinidad was fueled primarily through an increase in the average customer basket size which improved by 5.5 percent to $143.94 year on year. The new Massy Stores SuperCentre in Trincity was also a significant contributor to this growth. The Distribution operations showed improvements in their supply chain management.

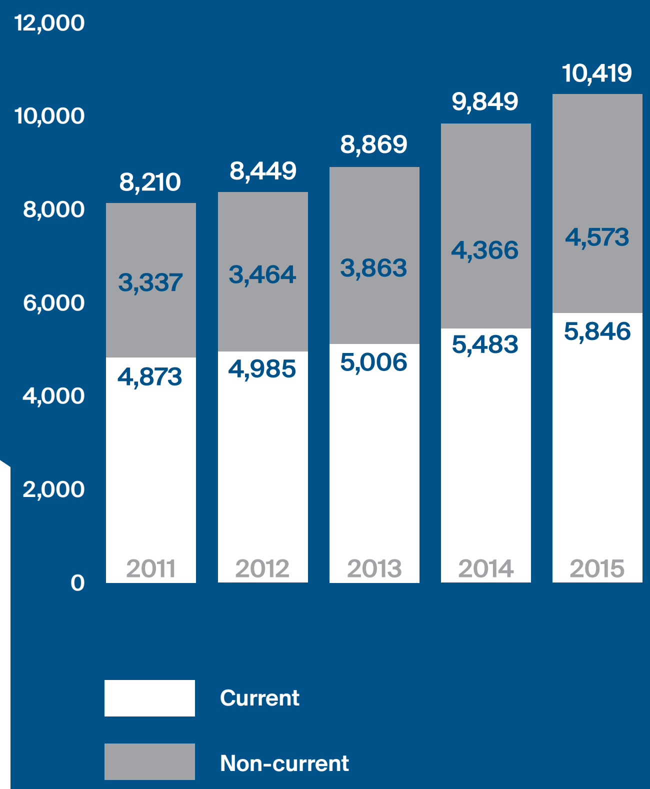
Our Retail and Distribution businesses in Barbados experienced flat revenue growth but 10 percent increase in profits due to significant cost reduction initiatives. Barbados made strides toward economic recovery in 2015 as real GDP growth improved in 2015, as the economy was bolstered by increased tourism activity. The consumer finance contribution declined in 2015 largely due to increased costs associated with developing and marketing the new credit card and hire purchase business in Trinidad and Barbados. At the end of the year, the Group completed the divestiture of all its shipping services operations in Trinidad.

The Insurance Business Unit showed revenue growth of 20 percent but a 17 percent reduction in profitability. Gross Written Premiums (GWP) in the Property line of business declined in Barbados and Trinidad, when compared to the prior year. In the regional territories, GWP exceeded 2014 results due to large wins in Bahamas and Antigua. The improvement in contribution from the property class of business is a result of the pro-rata earning of portfolio transfer as recognised from the new reinsurance arrangements effective January 2015. This, coupled with the lower ceded premium amounts in the larger territories of Barbados and Trinidad, and the new reinsurance structure, enables the company to improve its profitability on the property lines of business. Net Claims incurred exceeded prior year by 49 percent, driven by poor loss experience in the Barbados automotive insurance portfolio and Dominica hurricane losses. The poor loss experience in Barbados, particularly impacted by the frequency and severity of personal injury claims, accounted for the negative performance of the automotive insurance business. Falling interest rates on the Company's deposit and bond portfolio has led to a decline in the Investment Income earned for the quarter, coupled with unrealised losses on its equities portfolio.

In **Other Investments** portfolio, revenue declined by 6 percent and profitability dropped by 17 percent. The major contributor to the decline was the drop in profitability of the extraction department of Roberts Manufacturing Co. Ltd., which suffered from the reduction in Soyabean prices. Feed quality issues also impacted sales and provisioning for claims.

The Head Office and Unallocated Cost was $143 million, a decrease of $18 million or 11 percent over the previous year. These costs include head office department costs, unallocated interest costs and several miscellaneous costs which were not allocated to Business Units, and which fluctuate quarterly and annually. Head office department costs increased slightly by 2 percent. Interest cost increased by $20 million, largely due to the full year cost on the bond which was issued in the prior year.

ASSETS TT$M



Increase 2014-2015 6%
***CAGR 6%**

*Compound Annual Growth Rate

This increase was offset by the negative goodwill recorded on the Massy Energy Colombia acquisition.

FINANCE COSTS

Interest costs increased from $34 million to $ 81 million. The new bond valued at $1.2 billion was issued in two tranches in July 2014 which resulted in two months of interest cost reported in 2014 when compared to 12 months reported in 2015. The funds borrowed in 2014 were used to support long term growth initiatives and to refinance our borrowings.

PROFITS FROM ASSOCIATES AND JOINT VENTURES

The profit from associates and joint ventures decreased from $43 million to $40 million. The performance of associates and joint ventures was mixed with joint ventures in the ITC Business Unit contributing operating losses, while Massy Wood Group Ltd. and the oxygen plant investments continued to contribute positive results.

TAXATION CHARGE

The taxation charge for the Group increased slightly from $232 million to $251 million, and the effective tax rate remained at 27 percent.

BALANCE SHEET

The Balance sheet was further strengthened during the year, as evidenced by stable liquidity ratios and reduction in debt. Total assets increased from $9.8 billion to $10.4 billion at the end of September 2015 and the net assets per share was $44.55 at end of financial year, compared to $40.93 in 2014. The Group's leverage decreased from 62 percent to 50 percent with the repayment of USD loans and other higher cost debt resulting in total borrowings reducing from $2.5 billion to $2.2 billion. 81 percent of the borrowings are long-term borrowings in Trinidad and Tobago Dollars. Total cash increased slightly from $1.6 billion to $1.7 billion as there were strong operating cash flows through earnings growth and effective working capital management.

The cash used for investing activities increased by 16 percent from $373 million in 2014 to $431 million in 2015. This year the Group invested $268 million in new acquisitions and new businesses, namely Massy Energy Colombia S.A.S., the Massy Internet TV project and the Natural Gas to Petrochemicals Plant with Mitsubishi Corporation, Mitsubishi Gas Chemical Corporation and the Government of the Republic of Trinidad and Tobago. Regular capital expenditure was mainly focused on Guyana and Trinidad.

Our financial activities had a net outflow of $497 million in cash in 2015 compared to an inflow of cash of $504 million in 2014. In 2014, the Trinidad and Tobago bond receipts were received and resulted in the net inflow. In 2015 USD loans in Trinidad and other higher cost debt in Barbados were repaid.

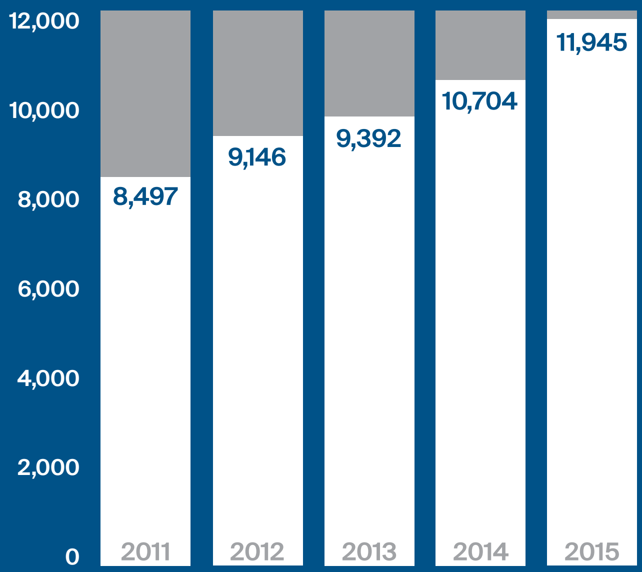
The Group has adequate financial resources to support its anticipated short and long-term capital obligations.

INTERNAL CONTROL AND ASSURANCE

The Group maintains an independent Internal Audit function with a Group–wide mandate to monitor and provide assurance to the Board's Audit Committee and ultimately to the Board of Directors, as to the effectiveness of the internal control systems. The department is also mandated to regularly report its findings to the Board, via the Audit Committee. The annual internal audit plan, which is also approved by the Board, applies a risk–based methodology to ensure that the Group's key risks are appropriately and regularly reviewed. In addition, as part of the annual operating cycle, each business is required to review and report on legal liabilities, financial controls, HSSE issues and business risks. Post–implementation reviews are done on all major capital investment expenditure.

KEY INCOME STATEMENT METRICS (2011 – 2015)

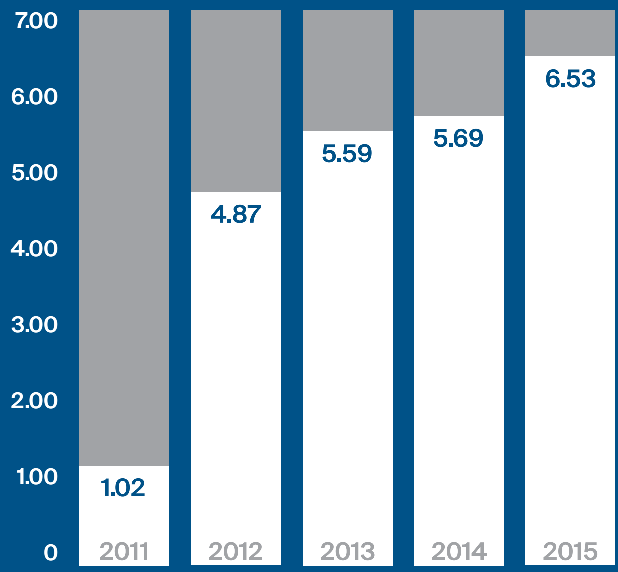
REVENUE TT$M



Increase 2014-2015 12%
(Continuing Operations)
***CAGR 9%**

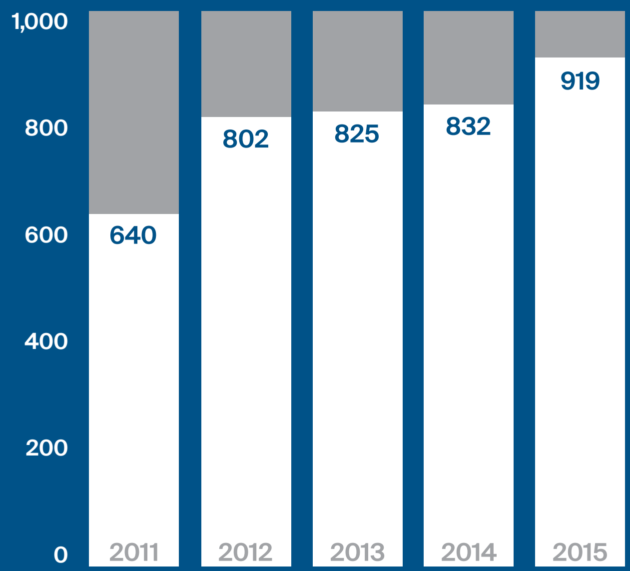
EARNINGS PER SHARE

TT$.¢.



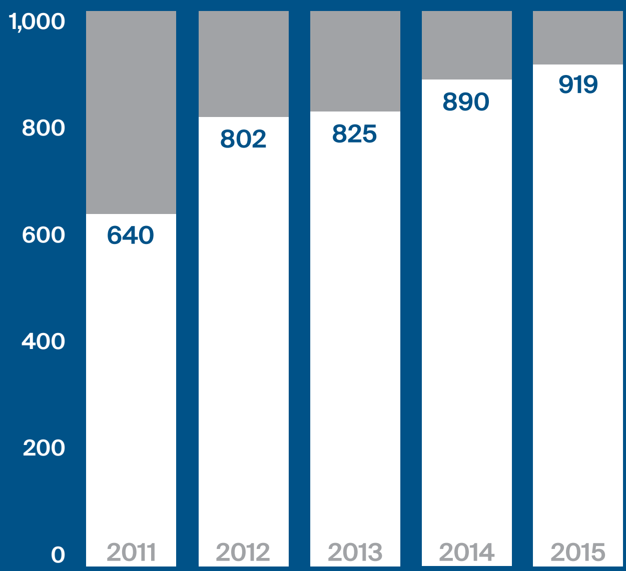
Increase 2014-2015 15%
***CAGR 59%**

PROFIT BEFORE TAX TT$M



Increase 2014-2015 10%
(Continuing Operations)
***CAGR 9%**

PROFIT BEFORE REBRANDING COST AND TAX TTMTT.¢.



Increase 2014-2015 3%
***CAGR 9%**

* 2014 - 2015 % change based on segment results reported on Note 5 of the Consolidated Financial Statements. *Compound Annual Growth Rate

04

Segment Review

04

Automotive & Industrial Equipment

BUSINESS UNIT COMPANIES

Massy Machinery Ltd.
Massy Motors Ltd.
Massy Motors (Tobago) Ltd.
Massy Delima Grupo Automotriz S.A.S.
Massy Motors Automotive Components Ltd.
Massy Pres-T-Con Ltd.
Massy Industries (Guyana) Ltd.
Best Auto Limited

David O'Brien
Group Executive Vice President
& Executive Chairman

OVERVIEW

The Automotive & Industrial Equipment Business Unit (A&IEBU) grew in Revenue by 8 percent and 10 percent in Profit Before Rebranding Costs and Tax. We continue to demonstrate market leadership, capturing significant market share in new vehicle sales and industrial equipment sales and services, through Massy Motors Ltd. and Massy Machinery Ltd. Our pursuit of geographic diversification in Colombia is well underway as well as our continued expansion of National/Alamo throughout the region. During the year we enhanced our industrial equipment value proposition by obtaining the rights to represent Mack Trucks and Volvo Trucks in Trinidad.

The A&IEBU was guided by the following key areas of focus for achieving its strategy in 2015.

Improving dealership efficiency and effectiveness

Our automotive businesses are comprised of 4 dealerships - Port of Spain, San Fernando, Morvant and Tobago, as well as the long term leasing and National/Alamo franchises. In Port of Spain we renovated both the Nissan and Hyundai showrooms. In Morvant we upgraded the Volkswagen (VW) showroom to accommodate VW commercial and passenger vehicles. We will start renovations at the San Fernando facility in 2016. Both Hyundai and Nissan maintained strong positions in the local market and Volvo was reintroduced as we were able to receive an available supply of right-hand-drive (RHS) vehicles. We have also opened a new showroom display in the Borough of Chaguanas.

Acquisition of Volkswagen Dealership

After 16 years of successful co-ownership, Massy acquired from Southern Sales & Service Co. Ltd. their 50 percent shareholding in Best Auto Limited - the operator of the Volkswagen franchise in Trinidad & Tobago. The buy-out was executed in the amicable manner which has defined the relationship between both companies for several decades. 2015 saw the introduction of the Volkswagen Commercial line which included the Amarok pick-up.

Expansion into Colombian automotive market

In April 2014 we purchased the majority shareholding of Massy Delima Grupo Automotriz S.A.S., which operates the two dealerships in Cali, Colombia representing Kia, Mazda, Fiat and Foton trucks. We have demonstrated that the values and focus of Massy Motors can deliver positive results in this market. The market of Valle de Cauca (of which Cali is the capital) grew 9.9 percent while the brands we sold at Massy Delima Grupo Automotriz S.A.S. grew 18.4 percent. The strategies to build our foundation for Massy Motors Colombia have been similar to those in Trinidad, incorporating strong supplier relationships, upgrading showrooms and employee facilities, focusing on customer satisfaction particularly in after sales and empowering employees with clear direction and measurement of key performance indicators.

We opened a new Mazda showroom in the North of Cali. Our Kia dealership in South Cali has been expanded and a new Kia workshop in the south of Cali was opened to provide additional after sales support. An additional warehouse for housing new cars and completing Pre-Delivery Inspection (PDI) away from the Dealership has led to increased customer parking at the dealerships and workshops. We also obtained exclusive rights for selling Fiat in Cali and Eje Cafetero (the coffee zone). The workshops received 1st and 2nd place ratings in an external audit by Qualitas (independent firm contracted by FCA – Fiat Chrysler Automobiles, the parent brand).

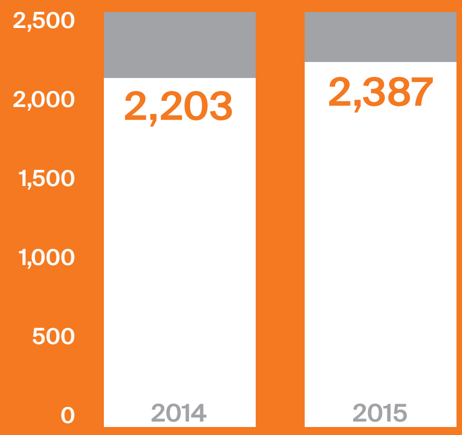
Positioning Massy Machinery as a world class Caterpillar Dealer

Massy Machinery Ltd. continued its drive toward becoming a world class CAT Dealer. To this end, we have strengthened our alignment with Caterpillar by focusing on contamination control, technical certification, customer loyalty, data analytics and digital solutions. We continue to strive for service excellence and deeper employee engagement. In 2015, the business benefited financially from various strategies that we embarked on in the prior year. Our Energy and Transport Division, servicing power systems and marine applications, proved to be successful. Our construction and truck divisions also showed robust growth.

Expanding National/Alamo franchises into 14 countries including Colombia

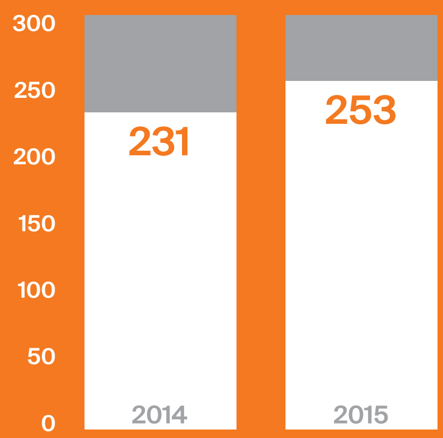
The Belize and Turks and Caicos sublicenses continue to perform creditably and we were able to secure the franchise rights to the National Brand for Colombia. In Colombia we signed a sublicense agreement with Chegwin Goelkel S.A.S. who now represents the National and Alamo brands across 6 locations in three large Colombian cities, Barranquilla, Santa Marta and Cartagena. In September 2015 we signed a new agreement with Enterprise Holdings Ltd. which granted us usage rights to the Enterprise Brand in 14 territories. We recently opened a National/Alamo location at the Cali airport.

REVENUE TT$M



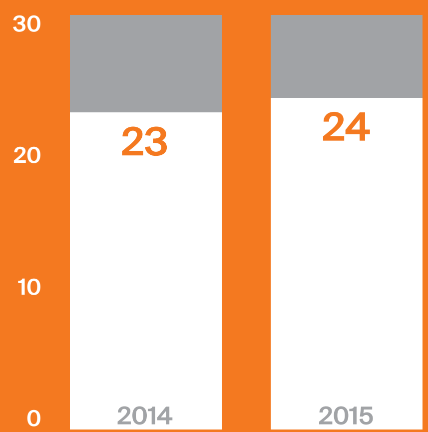
Increase 2014-2015 8%

PROFIT BEFORE REBRANDING COSTS AND TAX TT$M



Increase 2014-2015 10%

RONA % (PROFIT AFTER TAX/AVERAGE NET ASSETS)



RONA (Return on Net Assets)

* 2014 - 2015 % change based on segment results reported on Note 5 of the Consolidated Financial Statements.

Changing operating model at Massy Automotive Components Ltd.

In the last year, Massy Automotive Components Ltd. (MACL) focused on wrapping up manufacturing operations of the battery business and transitioning to a full importation and distribution business model. The company also consolidated the expanded parts wholesaling business to facilitate the creation of a distribution entity, serving the automotive market. MACL also concentrated on expanding the Massy Quick Service Franchise to improve the accessibility of services for its customers.

HSSE AND CUSTOMER SERVICE

On the service side of the business, our QuikService operations in Chagauans, Charlieville, Arima and Petit Valley have significantly reduced the waiting time for a service appointment while making the service experience much more personal. The Company's HSSE performance improved slightly. versus the prior year with the automotive companies registering 3 lost-time incidents, two of which were motor vehicle related. All companies surpassed their HSSE input targets and Massy Motors retained its STOW certification.

04

Energy & Industrial Gases

BUSINESS UNIT COMPANIES

Massy Energy (Trinidad) Ltd.
Massy Energy Engineered Solutions Ltd.
Massy Energy Fabric Maintenance Ltd.
Massy Energy Production Resources Ltd.
Massy Energy Investments Ltd.
Massy Energy Supply Chain Solutions Ltd.
Massy Wood Group Ltd.
Massy Gas Products Holdings Ltd.
Massy Gas Products Ltd.
Massy Gas Products (Trinidad) Ltd.
Massy Gas Products (Jamaica) Limited
Massy Gas Products (Guyana) Ltd.
Massy Petrochemical Services Ltd.
Massy Gas Products Investments Ltd.
Massy Gas Products Operations Ltd.
Massy Carbonics Ltd.
Massy Energy Colombia S.A.S.
Neal & Massy Kersten Energy Services N.V. ***(Suriname)***

Eugene Tiah
Executive Chairman

OVERVIEW

The Energy & Industrial Gases Business Unit (E&IGBU) grew in Revenue and PBT in 2015. In the local energy industry, there were no new projects in the downstream energy sector and only a slight increase in activity in the upstream sector. Offshore activity was recorded at a slightly higher level, when compared to the prior year. Gas curtailment continued throughout the year, resulting in decreased production from the downstream sector. There was also a marginal fall in oil production and a significant fall in global oil prices. Some of the activity planned for the year did not materialise and the E&IGBU activity levels were below target. Reduced activity resulted in lower-than-expected sales of equipment and services.

The E&IGBU continues to face downward pressure on prices from clients; shifting shutdowns and maintenance schedules, as well as the cancellation of key projects and major restructuring and cost efficiency programmes by clients and competitors.

The E&IGBU was guided by the following key areas of focus for achieving its strategy in 2015.

Improve operational efficiency in light of difficult market conditions

Our energy services companies faced many challenges in 2015, within the context of the current market conditions. Our performance was impacted by reduced activity and reduced spending by major players in the energy industry. Massy Energy Production Resources, our oil-producing business, was directly affected by the global fall in oil prices. Massy Energy Engineered Solutions and Massy Energy Fabric Maintenance were indirectly affected due to the reduction in spend by the larger oil and gas producers.

E&IGBU initiated a process excellence drive to improve operational efficiency. This included:

- the review and realignment of key business processes with business strategy
- the review of existing organisational structures and the identification of necessary changes to support business strategy, the assessment of competency development and assurance frameworks and the selection of a preferred framework for deployment
- a focus on driving out waste
- the enhancement of collaboration across the Business Unit operating companies to fully leverage the collective capability and enhance project and initiative implementation.

Massy Gas Products Trinidad, in pursuit of improved cost and process efficiency, has commenced a systematic methodology to introduce available technology to enhance a number of its processes. These include, but are not limited to, bar coding to better manage cylinder tracking, on-site invoicing to minimise conveyance and automation of sections of the cylinder filling process to increase output per unit time.

Entering new markets and expanding our customer base

Massy Energy Colombia and Massy Wood Group exceeded expectations despite depressed, global market conditions in the industry. Massy Wood Group expanded its customer base in Trinidad with the addition of the Atlantic Train 4 contract. Further, Massy Wood Group has been awarded a five year contract, by bpTT, to provide services to its operations in Trinidad & Tobago. Massy Energy Colombia also secured a contract extension to provide energy services for Reficar in Colombia. In Suriname we continue to work through the Massy -Kersten N.V. to provide instrument and electrical technician services for the start-up of the new Staatsolie Refinery.

At Massy Gas Products (Trinidad), three new export markets for liquid carbon dioxide and other industrial gases were added in 2015. Over the past year, we commenced shipments to Guyana, Colombia and Curacao and close to year end, signed a new supply agreement for liquid carbon dioxide with a major bottler in the Dominican Republic. An investment was made in the supply and installation of two 30,000 lbs. liquid carbon dioxide storage tanks at the leading bottler in Haiti. This will facilitate greater on-island storage and improvement in the turnaround time of the vessels used to ship the product. Total exports in 2015 recorded a 18.7 percent year-on-year increase and this export thrust will continue in 2016.

Our primary project in the downstream sector has been our investment in the establishment of a Natural Gas to Petrochemicals Complex, with Mitsubishi Corporation, Mitsubishi Gas Chemical Company Inc., National Gas Company of Trinidad & Tobago Limited, Caribbean Gas Chemical Limited and the Government of the Republic of Trinidad and Tobago. On April 10, 2015, the Project Agreement was officially signed by all shareholders, along with the following essential contracts: Gas Supply Contract with NGC; Water Supply Agreement with WASA; Technical Services Agreement and the DME and Methanol Catalyst; Agreements with MGC and the Engineering, Procurement and Construction contract with Mitsubishi Heavy Industries Ltd. On September 1, 2015, an official Sod-Turning Ceremony was held which signaled the commencement of the project site clearing for construction. With the change in Government in Trinidad & Tobago and the subsequent change in the NGC Board a process has been started by the shareholders to get all of the Cabinet Energy Standing Committee Members and the new members of the NGC Board fully apprised of the Project details.

STRENGTHEN FOCUS ON BUILDING HSSE CULTURE

In 2015, there was a mix of success and tragedy as it related to HSSE in Massy Energy. There were two fatalities – one in Suriname and another in Guyana. As a responsible company, losing lives and hurting people are unacceptable. These fatalities have propelled our resolve to ensure we meet our target of zero harm.

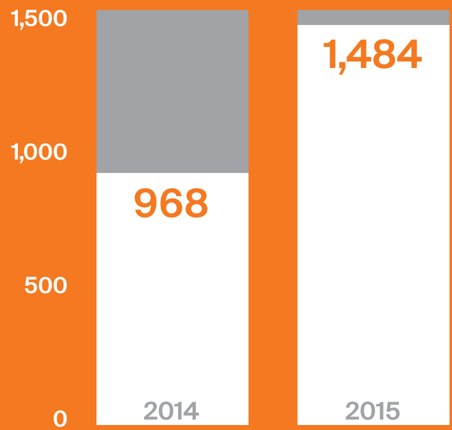
Process Safety was a primary focus in 2015, and will continue to be a significant area in the next few years. Several key aspects were accomplished around Process Safety this year. This included, Process Safety Leadership Engagement with all the Massy Energy Boards and Senior Leaders; an approved Process Safety Policy and a defined roadmap for Process Safety Excellence which was rolled out to the business unit subsidiaries.

The various companies in the E&IGBU also had great successes in 2015. These successes included:

- Massy Wood Group's 19+ million hours without a Loss Time Injury (LTI) achievement
- Massy Gas Products Trinidad completed 1.9 million man hours without a Loss Time Injury (LTI)
- Massy Energy Engineered Solutions and Massy Energy Fabric Maintenance's Safe To Work (STOW) re-certification for two years and Massy Gas Products' (Trinidad) successful certification in OSHAS 18001.

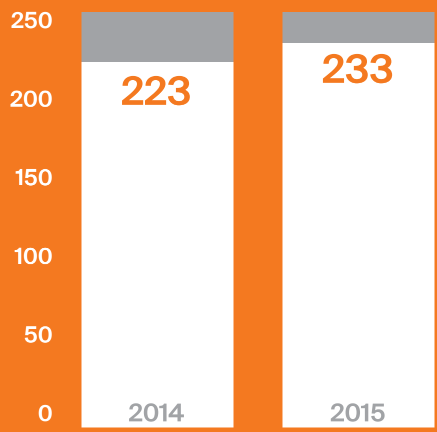
In addition to Process Safety, there was a strong drive on journey management, with Massy Gas Products (Guyana) implementing vehicle telematics to enhance their journey and driver performance management, while Massy Gas Products (Jamaica) continued their focus on asset integrity through the change out and upgrade of their fire suppression system.

REVENUE TT$M



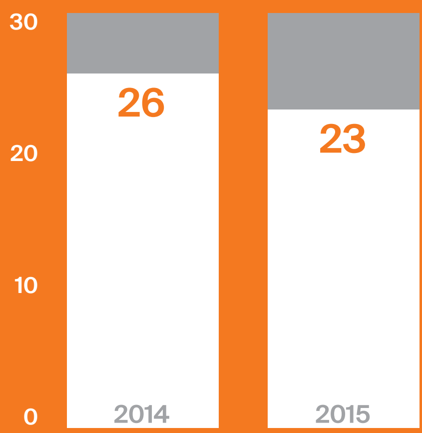
Increase 2014-2015 53%

PROFIT BEFORE REBRANDING COSTS AND TAX TT$M



Increase 2014-2015 4%

RONA % (PROFIT AFTER TAX/AVERAGE NET ASSETS)



RONA (Return on Net Assets)

* 2014 - 2015 % change based on segment results reported on Note 5 of the Consolidated Financial Statements.

Financials

04 Integrated Retail

BUSINESS UNIT COMPANIES

Massy Integrated Retail Ltd.
- **Massy Stores (Trinidad) -** ***A Division of Massy Integrated Retail Ltd.***
- **Massy Distribution (Trinidad) -** ***A Division of Massy Integrated Retail Ltd.***
- **Massy Trading -** ***A Division of Massy Integrated Retail Ltd.***

Massy Stores (Barbados) Ltd.
Consolidated Foods Ltd. (St. Lucia)
Consolidated Foods Ltd. (St. Vincent)
Massy Distribution Guyana Inc.
- **Massy Distribution**
- **Massy Trading**

Massy Distribution (Barbados) Ltd.
Massy Distribution (Jamaica) Ltd.
Massy Distribution (St. Lucia) Ltd.
Massy Finance GFC Ltd.
Massy Remittance Services (Trinidad) Ltd., representing the MoneyGram Franchise
Massy Card Ltd.
Massy Credit Plus Ltd.

Earl Boodasingh
Executive Chairman
Integrated Retail Business Unit

INDUSTRY OVERVIEW

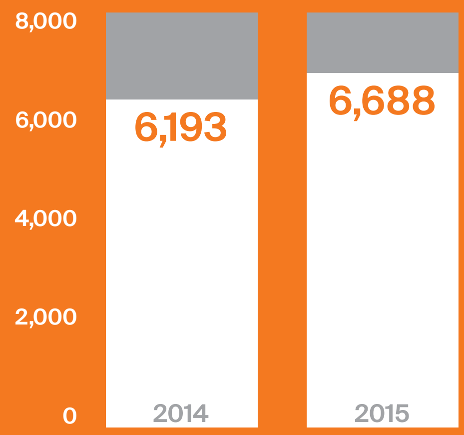
After a full year of operating under the re-branded Massy, the Integrated Retail Business Unit (IRBU), which consists of the Retail, Distribution and Consumer Finance Lines of Business (LoB), deepened its integration efforts. The IRBU is responsible for the leading supermarket chain in Trinidad, Barbados and St. Lucia – Massy Stores – as well as world-class distribution facilities – Massy Distribution - in these territories as well as in Guyana and St. Vincent. Our Consumer Finance LoB leverages the strength of Massy consumer-facing businesses (in terms of their geographic footprint and wide customer base of over 600,000 customer transactions per week), to provide integrated financial and value-added services. The Consumer Finance LoB, which was responsible for improving the automotive financing offerings, developing Massy's loyalty program and the closed loop Massy Credit Card, was a significant catalyst in the integration process and recorded considerable growth in sign-ups, particularly through Massy Stores, over the past year. Our retail acquisition in St. Lucia (Gablewoods Supermart Ltd.) continues to perform well and it should be noted that the relationship between the distribution and retail operating companies in St. Lucia was strengthened.

Efforts like these bring the IRBU closer to realising its vision of executing an Integrated Retail Business Model in all the territories in which we operate. It also fosters the spirit of collaboration that we view as a source of competitive advantage. In addition to improving integration, emphasis was also placed on elevating our operational efficiency. The IRBU commenced an extensive review of our financial and sales business processes specifically in the retail and distribution operations in Trinidad and Barbados. The objective of this initiative was to explore the introduction of global best practices which will lead to reduced cost through efficiency improvements and generally redound to transformational benefits, regionally. Once the study has been completed and the business case approved, the necessary resources will be put in place to execute the plan.

Shareholder Value Added (SVA), an internal measurement tool which gauges the value we create for shareholders through our operations and processes, was further operationalised by rolling it down to the lower supervisory levels of the IRBU. An in-depth educational program was developed that allows these employees to accurately identify the impact of their day-to-day operational decisions on shareholder value. To further ingrain this SVA focus during the upcoming financial year, we will incentivise additional management team members to create positive shareholder value.

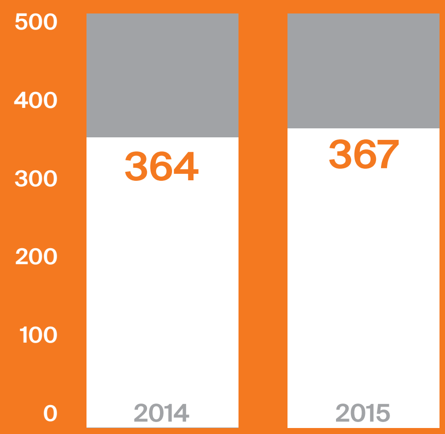
A significant amount of work was also done in the IRBU to continue to enhance our Customer Service Management Systems (CSMS), our Health, Safety, Security and Environment (HSSE) Systems and our ISO Systems across the region.

REVENUE TT$M



Increase 2014-2015 8%

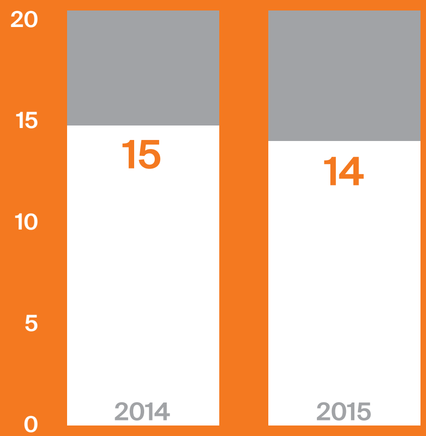
PROFIT BEFORE REBRANDING COSTS AND TAX TT$M



Increase 2014-2015 1%

(Includes subgroup charges)

RONA % (PROFIT AFTER TAX/AVERAGE NET ASSETS)



RONA (Return on Net Assets)

* 2014 - 2015 % change based on segment results reported on Note 5 of the Consolidated Financial Statements.

04

Retail

LINE OF BUSINESS COMPANIES

Massy Integrated Retail Ltd.

- **Massy Stores (Trinidad) -** ***A Division of Massy Integrated Retail Ltd.***

Massy Stores (Barbados) Ltd.

Consolidated Foods Ltd. ***(St. Lucia)***

Consolidated Foods Ltd. ***(St. Vincent)***

Thomas Pantin
Senior Vice President
& Executive Chairman

OVERVIEW

The Retail Line of Business (LoB) achieved another year of positive growth with a 13 percent increase in Revenue and a 21 percent increase in PBT despite low economic growth in all territories and strong competition in Barbados, Trinidad and St. Vincent.

The Retail LoB benefitted from a full year of operating in our store network in St. Lucia and St. Vincent, our Gulf View SuperCentre in Trinidad and our Sky Mall Supermarket in Barbados. Additionally, we opened the new Trincity SuperCentre in Trinidad in the first quarter of the 2015 financial year. Overall, we continued our focus on operational efficiency and cost compression in all territories.

The Retail LoB was guided by the following key areas of focus for achieving its strategy in 2015.

Develop and grow SuperCentres in existing markets

We opened the second Massy SuperCentre in Trinidad and Tobago at Trincity in the first quarter of 2015. Our performance in the non-food category, at that location, contributed to a significant increase in this category year-on-year, achieving triple digit sales growth. We now have three Supercentre locations (two in Trinidad and one in Barbados). Plans have already been initiated to open one more in Barbados and two additional stores in Trinidad.

Develop and grow supermarket footprint

We undertook several modernisation projects during the year to align our existing stores to the Massy Stores Supermarket value proposition. To date, this has been rolled out to 11 of our 46 stores across all territories with a further 7 carded for transformation in the upcoming year.

In Trinidad and Tobago, we made substantial improvements at the St. Ann's and Glencoe stores as well as our most recent completion, Chaguanas, which was reopened on December 11, 2015. Concurrent with the growth and modernisation of our stores in Trinidad, an estimated 70 percent of Smart Shopper cardholders converted to the new Massy Loyalty Card, and there are approximately 106,000 active customers in this new programme. During the financial year, approximately 23,000 new loyalty cards were created while the average card usage rate was 68 percent.

In St. Lucia, we refurbished and increased the retail footprint at the New Dock and La Clery stores in August 2015. The response so far has been very encouraging with double digit growth recorded at both stores, which are already ranked as market leaders. Plans are underway to refurbish and re-brand three additional stores in the next year. In St. Vincent, we converted our three Save-A-Lot stores, rebranded to Massy Stores, to the traditional supermarket format.

In Barbados, we refurbished our Six Roads store and had a full year performance at our Haggatt Hall location. We have established that there is cannibalisation in our current store network in the south east of Barbados. This resulted in the decision to close our branch in Sargeant's Village (JB's) leaving us with an opportunity to leverage the property at this location which we own, by opening a discounter format store, focusing on limited product range and price.

Growth in new markets

In Guyana, work commenced on our first store located in Providence, which will be opening early in 2016. Notably, this will be our 47th store across all territories. Additionally, construction work began on our second store which is a planned SuperCentre in the Movietowne complex Georgetown, taking our retail presence to 5 territories.

This year we recorded a full year of results in St. Lucia and St. Vincent as opposed to 9 months in the previous year. We continue to make progress on the integration of the acquisition into the wider, regional, retail group.

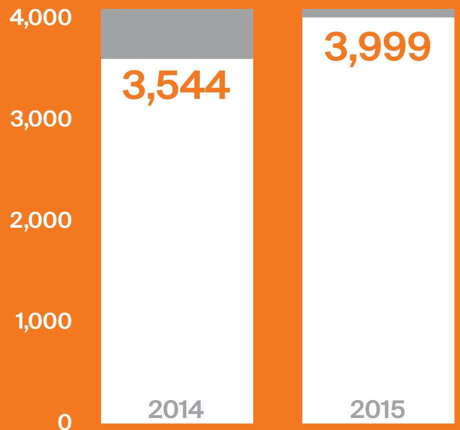
Operational efficiency and synergies

Cost compression exercises were executed throughout the existing store network in all territories. There was a sensitisation and overall drive to monitor expenses which resulted in reduced spend in areas such as employee costs, maintenance and training. Notably, in Barbados LED lighting was retrofitted in three stores and a solar grid installed at the Warrens SuperCentre in 2015. We will continue to explore the installation of solar grids in new store development projects including the Kendal Hill and Sunset Crest locations.

Category management is already in place in St. Lucia and St. Vincent and is expected to be fully implemented in Trinidad and Barbados in this financial year. This initiative is being rolled out in two phases; phase one includes the implementation of a new organisational structure while phase two involves the category management system, shelf management criteria and SKU rationalisation. Additionally, regional procurement is a priority for the new financial year. In collaboration with Massy Distribution we intend to continue exploring opportunities to coordinate and consolidate procurement activities, as well as expand the range of our private label product lines.

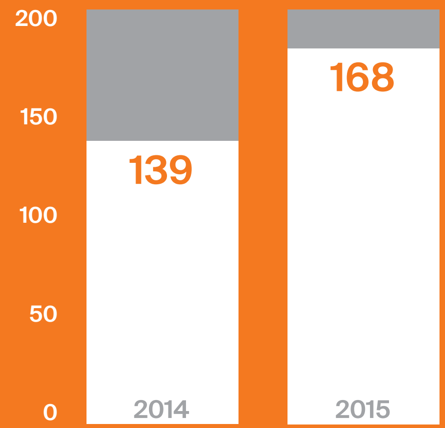
Report standardisation is currently in progress with the roll out of the QPR financial reporting tool. The implementation has already been completed in Trinidad and is expected to be rolled out in Barbados, St. Lucia and St. Vincent in 2016. Notably, SVA has been included in the QPR reporting tool in Trinidad with the

REVENUE TT$M



Increase 2014-2015 13%

PROFIT BEFORE REBRANDING COSTS AND TAX TT$M



Increase 2014-2015 21%

Retail

requisite training completed at all levels. Over the upcoming months, the focus will be on utilisation and retraining where necessary.

We have also embarked on programmes to manage shrink as well as align the procedures for inventory management, accounts payable, store administration and security practices in all territories. These activities are based on a continuous improvement plan with the intention of achieving full implementation by the close of this financial year.

HSSE AND CUSTOMER SERVICE

Health and safety continues to be a priority for the Retail LoB. In Trinidad, certification is currently being sought in BS OHSAS 18001:2007, an internationally recognised standard in occupational health and safety management. Additionally, the Business Continuity Management System (BCMS) is being aligned to the international standard, ISO 22301.

The Customer Service Management System (CSMS) has been rolled out in all territories. In 2015, we saw significant improvements in our audited scores in Trinidad and Tobago. Audits have not been conducted in the other territories however, this is expected to begin in the coming months.

Our latest Customer Service benchmarking results were compared to some of the largest retailers in the world and the performance indicators of our St. Lucia operations were outstanding. In customer satisfaction we achieved a score of 77, which is higher than Walmart (71) as well as the country specific industry average score of 76 in the United States and United Kingdom. Furthermore, our customer loyalty score of 95 is higher than any measured U.S. supermarket, or any global supermarket industry Customer Loyalty store.

04 Distribution & Logistics

LINE OF BUSINESS COMPANIES

Massy Integrated Retail Ltd.

- **Massy Distribution (Trinidad) -** ***A Division of Massy Integrated Retail Ltd.***
- **Massy Trading (Trinidad) -** ***A Division of Massy Integrated Retail Ltd.***

Massy Distribution Guyana Inc.

- **Massy Distribution**
- **Massy Trading**

Massy Distribution (Barbados) Ltd.

Massy Distribution (Jamaica) Limited

Massy Distribution (St. Lucia) Ltd.

Massy Shipping Services (Barbados) Ltd.

David Affonso
Group Senior Vice President
& Executive Chairman

OVERVIEW

The Distribution and Logistics Line of Business realised Revenue growth of 2 percent, however PBT declined by 3 percent. Revenue growth was largely driven by an improved performance of its Trinidad Distribution operations. Marginal year-on-year revenue increases in Miami and St. Lucia were offset by small declines in Barbados, Jamaica and Massy Shipping Trinidad operations.

Net Profit Before Tax was largely driven by Trinidad's Distribution operations. Marginal increases in some territories (viz. Barbados and Miami) were offset by declines in the year on year NPBT realisation of others.

The Distribution LoB was guided by the following key areas of focus for achieving its strategy in 2015.

Growth through new principals and product lines

During the year the Distribution Line of Business (LoB) was successful in acquiring representation of several additional international principals and expanding its representation of existing principals to new territories. The Miami and Guyana operations in particular, both of which have new warehousing facilities, benefitted from this development.

Massy Distribution (Trinidad) demonstrated improved performance over the prior year, driven primarily by its food and general merchandise business. Significant organic growth was realised by many of the major brands represented during the year. New lines recently added to the Company's portfolio also contributed to the Company's double digit revenue growth.

Massy Distribution (St. Lucia) Ltd. continues to add new principals to its portfolio and achieved double-digit revenue growth in 2015. We continue to work to streamline this start-up operation and align the business with available opportunities in the St. Lucian market.

Massy Distribution (Jamaica) Limited continues to feel the effects of a challenging economy, however progress was made during the year in securing additional lines to add critical mass to the Company's portfolio. The business had a particularly strong fourth quarter and we are confident that the Company is now well positioned to achieve its financial objectives in the year ahead.

Massy Distribution (Barbados) enjoyed another successful year, particularly in light of the country's challenging economic climate and improved its performance over prior year. Even as we continue to look at additional ways of improving efficiency, we are pursuing opportunities for business/portfolio expansion. To this end the Company opened a new wine store at the Lanterns Mall in July 2015, offering its full portfolio of wines and spirits directly to the public in an attractive and appropriate setting. The new store has been well received by both principals and the public and we are optimistic that it will present us new commercial opportunities in the near future.

Implementation of best practices and synergies

During the year significant strides were made in transferring and implementing best practices across the LoB. Inventory management practices and 'Route to Market' procedures have been addressed in several territories to ensure that they are performing at the highest possible level of efficiency, thereby reducing cost and increasing the competitiveness of our operations.

The new purpose-built 40,000 sq. ft. office and warehouse facility in Miami, was completed on schedule and will be fully operationalised by December 2016. This has proven to be timely, since the additional space afforded by the facility will be required to meet the rapidly growing need of the business which has secured Caribbean-wide representation for several new lines during the year. New products, including ice cream, which were added to the Company's Valrico line of food items, have also resulted in growth for this strategically important line during the year.

In Trinidad, our Distribution business made significant changes to its 'Route to Market' structure and established a small department focused on inventory management during the year. This has reduced cost and significantly improved working capital management.

Massy Distribution (Guyana) Inc. experienced a challenging year, but has started to reap the benefits of operating out of a single low cost facility. The move to the new facility at the beginning of the financial year and the learning curve associated with the introduction of new warehouse management and other systems ultimately affected sales in the first quarter. Several major new lines acquired during the year did however help to bolster results in the third and fourth quarters, significantly increasing both revenue and profit streams.

Divestment of Massy Shipping Services (Trinidad) Ltd.

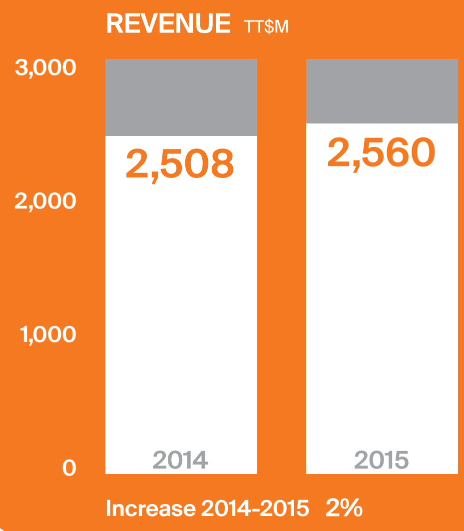
Despite having secured a major Chandlery contract, Massy Shipping Services (Trinidad) Ltd.'s financial performance continued to decline over the year. Towards the end of the year, discussions were entered into with a potential buyer for the sale of this business, culminating in its divestment in September 2015.

HSSE AND CUSTOMER SERVICE

Our ISO certified business was audited during the year and maintained their ISO Certification. The ISO system continues to be core to ensuring adherence to operating procedures within our businesses and improving operational efficiency across the Business unit.

Work to complete the implementation of the Group's Customer Service Management System (CSMS) continued throughout the year and it is expected that full implementation will be achieved in all of our larger operations in the year ahead.

During the year, in excess of 20 senior executives were exposed to safety leadership training and HSSE remains a key focus across the BU.


REVENUE TT$M
3,000
2,000
1,000
0
2,508
2,560
2014
2015
Increase 2014-2015 2%


PROFIT BEFORE
REBRANDING COSTS AND TAX TT$M
200
150
100
50
0
179
175
2014
2015
Decrease 2014-2015 -2%

04

Consumer Finance

LINE OF BUSINESS COMPANIES

Massy Finance GFC Ltd.

Massy Remittance Services (Trinidad) Ltd.

representing the MoneyGram Franchise

Massy Card Ltd.

Massycard (Barbados) Limited

Massy Credit Plus Ltd.

Massy Services (Guyana) Ltd.

Curtis Tobal
Executive Chairman,
Consumer Finance Line of Business

OVERVIEW

The Consumer Finance LoB experienced a challenging year, with a decline in Revenue by 9 percent and a 37 percent reduction in Profit Before Tax (PBT). The decline in its performance in 2015 was due to the change in treatment of fee revenue recognition for Massy Finance GFC Ltd. (GFC) ($3 million), lower than anticipated uptake of credit cards in Trinidad and the change in structure with Massy Card Barbados reporting on its full year stand-alone performance versus previous years, when its results were integrated with DacostaMannings Retail.

Top line improvements on budget were driven mainly by higher than expected achievements by Massy Remittance Services Trinidad, Massy Card Trinidad and Magna Rewards.

Profit Before Tax achievement of $32 million was 41 percent below budget and 37 percent down on prior year. This shortfall was as a result of higher than expected losses of $7 million made by Massy Credit Plus, the reduction in profit contribution from Magna Rewards and rebates paid to loyalty agents by Massy Card Trinidad. Massy Card Barbados continued to be affected by write offs related to prior year's transactions although the core business improved compared to prior year, showing a PBT of $1.3 million before adjustments compared to prior year.

Massy Finance GFC recorded significant profit growth and the loyalty processing company, Massy Card Trinidad also performed well.

The Consumer Finance LoB was guided by the following key areas of focus for achieving its statagy in 2015.

Increased penetration in vehicle financing

For the first time GFC was the number one financier within the Massy Motors dealerships now accounting for 14 percent of overall sales in Trinidad and Tobago, up from 9 percent in 2011. This was achieved through innovative promotions, strengthened relationships with the Massy Motors sales team and attractive financing offers.

Increased penetration in intra-Group insurance premium and commercial segments

GFC's products were also favourably impacted by improved financing for insurance packages and Massy Machinery's commercial customers.

Growth in the hire purchase and credit card business

Our private label credit card in Barbados continued to grow impressively, subsequent to re-launch, now standing at over 30,000 active cardholders. It is the largest 'closed loop' card within its segment. Extension from the non-food into the food-segment in Massy Stores has resonated well within the customer base and as such, consumer financing has grown in this area as well. Delinquency has been maintained at minimum levels. Conversely, the private label credit card in Trinidad and Tobago experienced a low registration rate and Massy Credit Plus Ltd. is actively working to strengthen the card's value proposition.

Growth of the hire purchase portfolio has slowed as customers have reduced discretionary spending resulting from tightened economic conditions in Barbados. In Trinidad, the hire purchase portfolio tripled in balances outstanding, with the addition of the Massy Stores SuperCentre in Trincity in the first quarter of the financial year.

Growth in remittance operations

The major achievement in this sphere was the strengthening of the compliance programme through the introduction of automated, transaction monitoring and reporting, which has now been rolled out in our Trinidad and Guyana operations. MoneyGram International Inc. (MoneyGram's) market share has also continued to grow in Trinidad and Guyana with the addition of new locations and through strong, seasonal marketing campaigns.

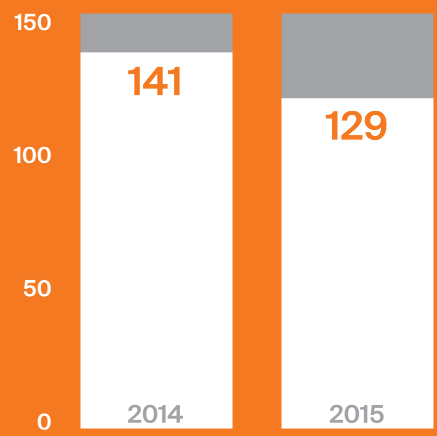
The company is also actively targeting the diaspora in New York and Canada to increase sends from these markets, thereby stimulating greater receives of foreign exchange. Shortage of foreign exchange has impacted on our Trinidad business. In Barbados, consumer finance assumed control of the Western Union Company (Western Union) portfolio in May 2015 and is executing a comprehensive programme with respect to compliance and business development.

Strengthening our compliance infrastructure

GFC and the Massy Remittance Services (Trinidad) Ltd., the last year saw intensive focus on the people and systems aspects of compliance. In this regard, we executed a number of significant improvement measures including:

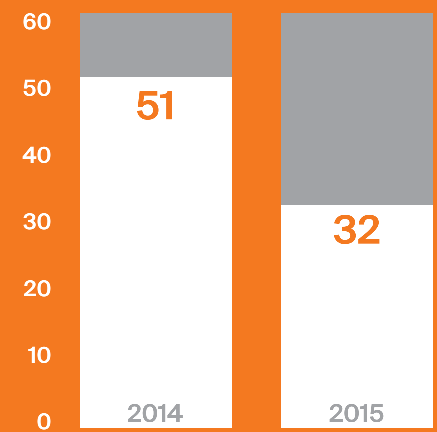
- Recruitment of an in-house attorney to serve as a compliance officer and corporate secretary
- Leveraging the expertise of our compliance officer in the remittance business in Trinidad to provide support and to develop a standardised regime across the major territories – Trinidad, Guyana and Barbados. The same approach will be used to roll out best practices in the other territories.

REVENUE TT$M



Decrease 2014-2015 -9%

PROFIT BEFORE REBRANDING COSTS AND TAX TT$M



Decrease 2014-2015 -37%

- Continuously engaging with the regulators to ensure full compliance and adherence to best practices within our sectors.

Expansion of the loyalty programme

Having successfully transitioned from the Smart Shopper programme to the Massy Card in 2014, the strong growth of the card was reflected in the record number of sign-ups over the past year, which included over 50,000 primary and secondary card holders. Loyalty has now shifted to the next phase of development through the partnership with an external provider who commenced analytics and segmentation of the loyalty base. Our loyalty programme will be launched in Barbados, Guyana and St. Lucia in the coming year.

CUSTOMER SERVICE AND EMPLOYEE BENCHMARK SURVEY

We commenced roll out of the Customer Service Management System in all companies across the region and we have rolled out findings from the group-wide Employee Benchmark Survey to strengthen our customer service and staff engagement initiatives. We will accelerate action on the priority items over 2016.

04 Insurance

BUSINESS UNIT COMPANY
Massy United Insurance Ltd.

E. Gervase Warner
President &
Group Chief Executive Officer
& Executive Chairman

OVERVIEW

Caribbean Insurance markets continue to be affected by world markets as well as regional conditions. On the supply side, continued strong financial performance by reinsurers worldwide, the absence of major catastrophes, and the injection of capital from alternative markets resulted in reasonably easy access to reinsurance capital by Caribbean insurers. This, compounded by the slow economic growth in Barbados and most of the Caribbean territories, resulted in further softening of the market, increased price competition among carriers and further deterioration of average rates. The impact of the falling oil prices on the Trinidad and Tobago economy puts a greater challenge on the company to achieve its growth aspirations in this market.

The Insurance Business Unit was guided by the following key areas of focus for achieving its strategy in 2015.

Achieving regional growth

Massy United Insurance continued to execute on its regional growth strategy and, as part of our strategy to increase our presence in the Trinidad and Tobago market and serve a wider customer base, the company established two additional service points at Massy Motors in Port of Spain and Tobago and another at the Massy SuperCentre in Trincity. These initiatives also reflect part of a wider collaborative effort to optimise synergies among Massy's consumer-facing businesses.

During the year, we also obtained operating licenses to further extend our reach in the Cayman Islands, Anguilla and British Virgin Islands. These operations are scheduled to commence in 2016. Through a relationship with a major regional bank, we established a BancAssurance Unit to distribute our insurance products across the Caribbean which will also be launched in the upcoming financial year.

Enhancing profitability and improving the agency model

We continue to review our agency model and as a result we have started the process of the conversion of some of our agencies into branches to achieve greater market focus, brand synergies and efficiencies. We made substantial progress on the conversion of two regional agencies, Guyana and Curacao, into branches. The Guyana branch will be launched in January 2016 and we anticipate that the Curacao branch will be launched shortly thereafter. We also established two new agency relationships in the Bahamas which have already shown strong growth potential during the financial year. In January 2015 we carried a substantial re-vamp of reinsurance treaties, incorporating improved terms, to better reflect our risk appetite. This resulted in enhanced profitability in the property line of business.

Improving efficiency and accountability

Progress was made during the year on the implementation of our New Core Insurance system and the improvement of our Information Technology infrastructure. These upgraded systems will relieve current pain points (e.g. reporting requirements), support our growth aspirations, drive process transformation and facilitate organisation redesign.

Our agency agreement across all territories was also re-negotiated to improve and standardise the governance structure across the region. Significant efforts were made in ensuring robust corporate governance and regulatory compliance across all 14 territories. We engaged in a targeted regional outreach exercise to review and strengthen our regulatory and compliance framework. This was done in an effort to ensure that Massy United Insurance meets its regulatory and statutory requirements and conducts adequate customer due diligence and client engagement. The process supports our compliance with the legislation across the network and will deepen our relationship with and understanding of our customers. To build a more robust oversight and governance framework, the company established oversight committees at both the managerial and board levels to manage, monitor and test the adequacy of our internal control mechanisms. We also collaborated with our Agency and Branch networks to further strengthen controls. Risk, governance and compliance are critical success factors of our business and we are committed to sustaining our outreach exercise into the new financial year.

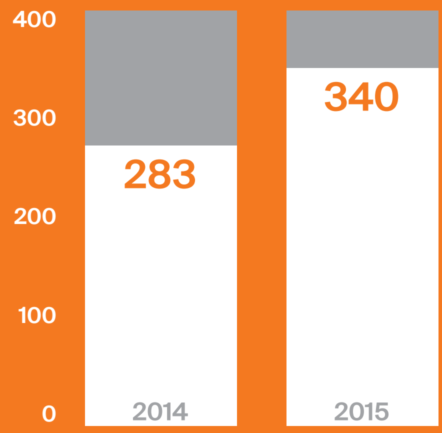
STRENGTHENING CUSTOMER SERVICE

We successfully implemented approximately 75 percent of the customer service improvement plan for calendar year 2015. As we continue to foster a culture focused on customer service, we have started communicating success stories and recognising employees who provide exceptional service and receive compliments from our customers. We believe that we have made positive steps towards reinforcing the objectives and the importance of the Customer Service Management System and will continue to consistently communicate this message to our teams and all levels of the organisation. Two key achievements during the period include the roll out of our customer service philosophy across the organisation and the implementation of an enhanced customer feedback system.

In August 2015, the Island of Dominica was severely impacted by Tropical Storm Erika, which caused substantial loss of life and property and had devastating impact on the people of Dominica. While the resulting claims had a negative impact on our profitability during the year, the impact of the storm provided Massy United Insurance the opportunity to deliver on its service motto, that is,***"Your trusted partner when it matters, It always matters"***. Our response to our affected clients was immediate and within weeks, we were able to settle the majority of claims.

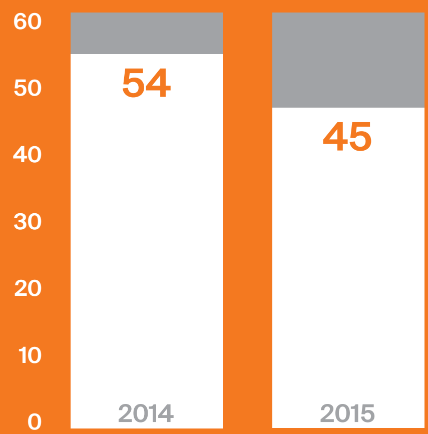
The company was successful in re-affirming its AM Best A- (Excellent) rating in December 2014 for the tenth consecutive year. This was a reflection of the financial strength of the company and its parent, the high quality of reinsurance support and the continued performance of its core Caribbean insurance portfolio.

REVENUE TT$M



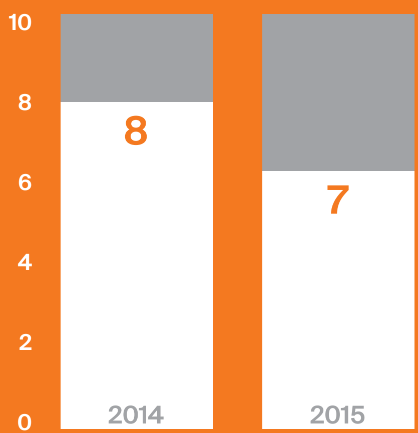
Increase 2014-2015 20%

PROFIT BEFORE REBRANDING COSTS AND TAX TT$M



Decrease 2014-2015 -17%

RONA % (PROFIT AFTER TAX/AVERAGE NET ASSETS)



RONA (Return on Net Assets)

* 2014 - 2015 % change based on segment results reported on Note 5 of the Consolidated Financial Statements.

04 Information Technology & Communications

BUSINESS UNIT COMPANIES

Massy Technologies (Trinidad) Ltd. ***(Holding Company)***
Massy Technologies InfoCom (Trinidad) Ltd.
Massy Technologies InfoCom (Jamaica) Limited
Massy Technologies InfoCom (Barbados) Ltd.
Massy Technologies InfoCom (Caribbean) Ltd.
Massy Technologies InfoCom (Guyana) Ltd.
Massy Technologies InfoCom (Antigua) Ltd.
Massy Technologies Applied Imaging (Trinidad) Ltd.
Massy Technologies Applied Imaging (Jamaica) Limited
Massy Communications Ltd.

Fenwick Reid
Group Senior Vice President
& Executive Chairman Massy ITC Business Unit

OVERVIEW

Despite economic challenges in key territories in the Caribbean, our continuing operations showed growth over the prior year. Our Massy Technologies Infocom Operations generally performed well over prior year with our Barbados operation leading the way with 37 percent revenue growth, despite the difficult economic conditions in that territory. Our Applied Imaging operations also showed improved revenues over prior year but was hampered by significantly reduced government spending in Trinidad and Tobago particularly in "builders works" projects. Massy Communications Ltd. met its budget targets while positioning itself for the launch of its Consumer Broadband and IPTV service.

The ITC Business Unit was guided by the following key areas of focus for achieving its strategy in 2015.

Expansion into Consumer Broadband/IPTV Business

A key strategy of the ITC business unit for the 2015 financial year was the execution of our Consumer Broadband and IPTV solution (Massy Internet • TV) in Trinidad and Tobago. Since 2006, Massy Communications has provided high-speed data over its fibre optic backbone network to business in Trinidad. Last year, the Group took the decision to extend that network to homes to provide consumers with the fastest, most reliable Internet and TV service possible. Through Massy Communications' fibre-based technology we will be able to offer superior internet speeds and TV packages, which will include the widest selection of channels, and the largest HD channels line-up than any other local provider. The fibre technology we are using enables our service to be of the highest quality in the marketplace. The product will enable customers to download larger files at faster speeds and enjoy streaming with minimal buffering downtimes or interruptions. We are also working toward setting the highest customer service benchmark in this industry, while allowing customers to earn and redeem Massy points when they register.

The service will be rolled out in phases; starting with communities nearest our Massy stores where we know affiliation for the brand is strongest. Our first phase of network build out is to communities in which our stores operate in Trinidad and Tobago - Glencoe, West Mall, Starlite Shopping Plaza, Alyce Glen, Maraval and Maraval Express in the North West region and Marabella and Gulf View in South Trinidad.

Managed print services growth across the Caribbean

Over the past year, the IPS regional team was able to achieve great strides in its strategic performance in Managed Print Services (MPS). In the region, MPS generated a 47 percent increase in revenue growth over the prior year. We were able to complete the implementation of the infrastructural requirement to manage all MPS contracts in Jamaica and in Trinidad and Tobago. Additionally, in Trinidad and Tobago we initiated a pilot project for the Service Delivery Manager Portfolio. This new portfolio will increase our services offered to the client, as well as track and deliver customer reports on the status of major client contracts. In Barbados, we also completed the analysis of business requirements for MPS.

For 2016, it is the intent to further grow our MPS portfolio by strengthening our existing programme in Jamaica and Trinidad; complete implementation in Barbados and introduce the services in Guyana. We will leverage our regional structure to close contracts with regional customers. Additionally, we will be offering new bundled services under the MPS program. Services will include auto toner replenishment; rules based printing for cost controls; redirecting print jobs to more low cost devices and maintaining document security.

Growth in IT Managed Services

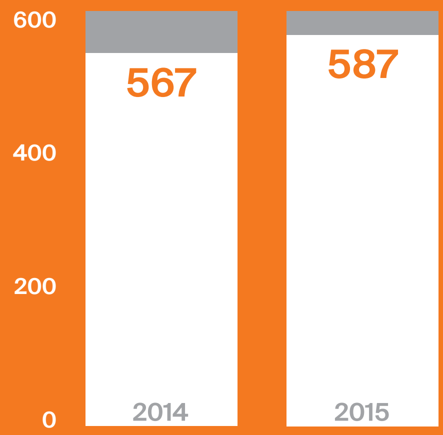
Our Managed Services focus has been on the expansion of skills and services to build a platform for sustainable revenue and growth. In particular, we placed emphasis on delivering collaboration application services, and cloud based security including Firewall, Anti-Virus, Anti-Spam, Intrusion Detection and Intrusion Prevention. We also focused efforts on developing Cloud based PBX solutions and the Data Centre physical space requirements that will allow remote monitoring, back-up and restore services, as well as additional application services in conjunction with our International Partners.

Growth in transaction based services

Our Surepay initiative continues to perform well with growth in Trinidad and Guyana as well as new franchises in St. Lucia. Surepay in Barbados continues to be the market leader in that territory with 37.5 percent market share. With the upgrade of its technology platform, Surepay will be able to provide a number of new and innovative service in the Internet and mobile space in the near future.

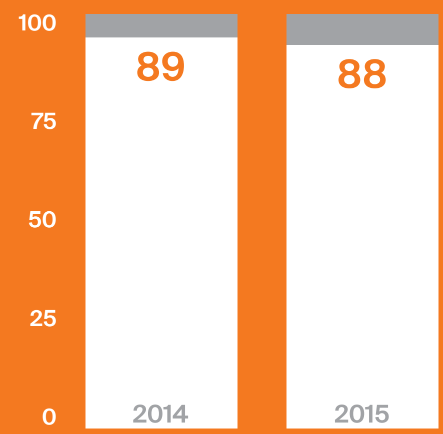
Financials

REVENUE TT$M



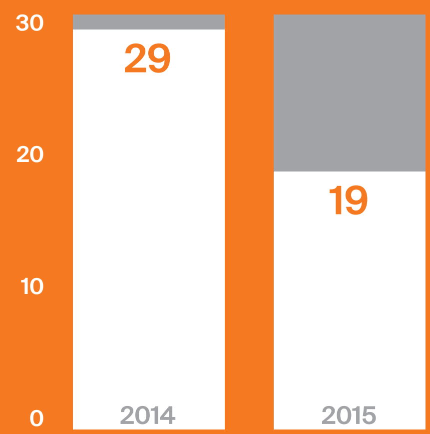
Increase 2014-2015 3%

PROFIT BEFORE REBRANDING COSTS AND TAX TT$M



Decrease 2014-2015 -1%

RONA % (PROFIT AFTER TAX/AVERAGE NET ASSETS)



RONA (Return on Net Assets)

* 2014 - 2015 % change based on segment results reported on Note 5 of the Consolidated Financial Statements.

Strengthening overseas investments in Latin America

Our investments in Latin America have shown some improvement over the past year with Colombia leading the way with significant performance improvements over prior year and the implementation of new technology solutions in its home market.

HSSE AND CUSTOMER SERVICE

Massy Technologies saw positive variances, ranging from 5 – 70 percent in its cumulative HSSE leading indicators pertaining to training, workplace inspections, audits, facilities risk assessments, drills and safety meetings. Two of its Trinidad and Tobago based companies, Massy Technologies Applied Imaging (Trinidad) Ltd. and Massy Communications were able to attain recertification of their high level STOW Certification while Massy Technologies InfoCom (Trinidad) Ltd. maintained its certification successfully during that period. Our regional offices in Barbados and Jamaica signed off on 30 HSSE policies which will contribute to laying the foundation for a robust safety management system in those territories. The safety culture initiatives saw the continuation of the quarterly HSSE Newsletters, the introduction of interactive Stress Management sessions and HSSE-centered townhall meetings. Looking forward, HSSE within Massy Technologies will see new innovative sessions introduced into its HSSE Training Matrix, continuation of its OSH centered medical surveillance programme and continued support to its regional offices.

The introduction of the Massy Customer Service Management System (CSMS) has been a catalyst for change at Massy Technologies. While customer-centricity has always been part of our corporate philosophy, the CSMS provides the opportunity to enhance and strengthen our ability to add value to our customers. Strategic planning, resulting in the development and implementation of a number of key activities over the past year, has augured well for the enhancement of the Customer Service focus in the organisation. Staff involvement in the development of the Massy Technologies Group Customer Service Philosophy has been aptly complemented by the development and establishment of the leadership engagement meetings, customer service department meetings and updates to the recruitment and orientation policy and procedures.

04 Other Investments

SUBSIDIARIES
BCB Communications Inc. *(Holding 51%)*
Massy Properties (Barbados) Ltd.
Massy Properties (Trinidad) Ltd.
Massy Realty (Trinidad) Ltd.
Roberts Manufacturing Company Limited
(Holding 50.5%)
Seawell Air Services Limited

ASSOCIATES
Caribbean Airport Services Ltd. *(Holding 49%)*
Signia Financial Group Incorporated *(Holding 20%)*

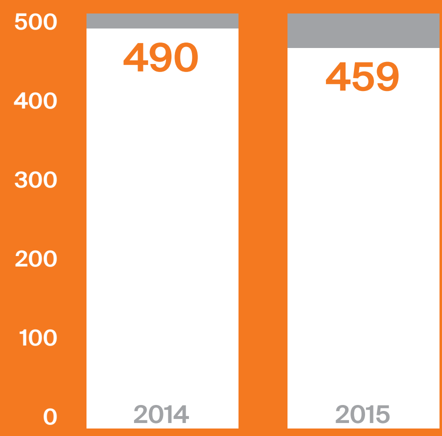
SUBSIDIARIES

BCB Communications Incorporated (BCB) (51 percent) recorded a decline in profit versus prior year as a result of decreased advertising activity by some of its affiliates. However, on the positive side, the reduction in affiliates advertising was somewhat offset by an increase in advertising activity by key external clients. BCB will continue to seek new growth opportunities locally, as well as leverage the growth of social media services as more clients look to incorporate this into their communications plans.

Massy Properties (Barbados) Ltd. experienced a decrease in profit this year versus prior year, primarily due to increased expenses and sluggish property sales. Expenses were higher as a result of government taxation in the form of a solid waste tax and an increase in land taxes. This was somewhat abated by an increase in rental income from a full year's operation of the fully tenanted Dome Mall and increased revenue from the real estate division (Massy Realty Ltd.). In the next financial year - with the recent completion of phase two of the Dome complex - there will be an additional 18,000 sq. ft. of commercial space available.

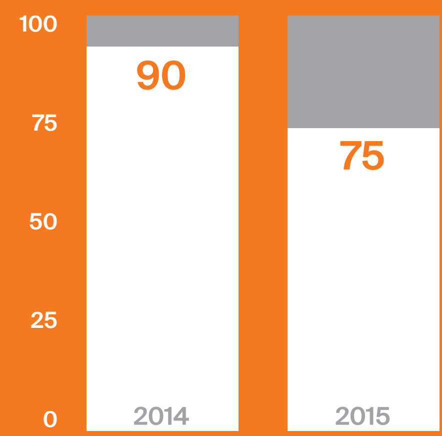
Massy Properties (Trinidad) Ltd. owns several commercial properties throughout Trinidad & Tobago and leases to both the public and private sector. Apart from Commercial Leasing, the Company provides Facility and Project Management services, Parking, Conference and Dining facilities to its tenants and the general public. Notwithstanding a tumultuous 2015 for Trinidad & Tobago, the Company surpassed the previous year's revenues and KPI targets, despite having less than 100 percent

REVENUE TT$M



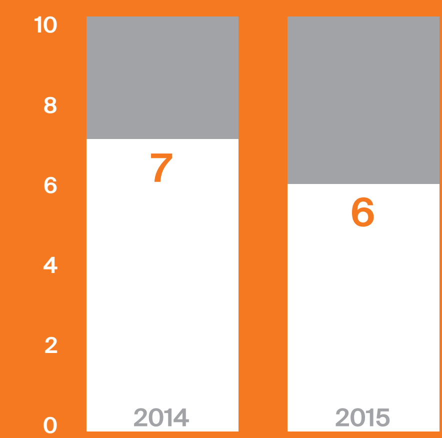
Decrease 2014-2015 -6%

PROFIT BEFORE REBRANDING COSTS AND TAX TT$M



Decrease 2014-2015 -17%

RONA % (PROFIT AFTER TAX/AVERAGE NET ASSETS)



RONA (Return on Net Assets)

* 2014 - 2015 % change based on segment results reported on Note 5 of the Consolidated Financial Statements.

occupancy for almost the entire year. The company continued to focus on robust cost controls whilst ensuring the buildings and equipment were well-maintained, with particular attention to excellent customer service delivery.

Massy Realty (Trinidad) Ltd. continues to provide real estate brokerage services as well as consultancy services to a number of clients. The downward pressures in the local economy, resulting from the contraction in the energy sector, have affected the commercial and residential rental markets, however market prices remain unaffected.

Roberts Manufacturing Company Limited (Roberts Manufacturing) 50.5 percent) had a disappointing year with decreased profit and sales. During the financial year - due to increased competition and softer commodity prices - the company passed on savings to customers in the form of price reduction. This assisted the livestock industry in making its products more price competitive against imports. In addition, Roberts Manufacturing has strengthened its quality assurance programme through the guidance of industry specialists and the company will continue to focus on growing its export business, through leveraging the strong brand equity of its products and the long-standing relationships with its distributors and customers.

Seawell Air Services Limited endured a challenging year with reductions in revenue from major customers. Cargo tonnage handled was below expectations and the number of flights handled fell short of expectations as well. Though costs were reduced in areas where management had control, the business made a loss at year end. Winter season 2015/16 promises to be much more active than the previous year and provided that the airlines' summer schedules are similarly healthy, an improved performance is anticipated in the coming year.

ASSOCIATES

Caribbean Airport Services Limited (49 percent) is owned by Seawell Air Services Limited and LIAT (1974) Limited and provides ground handling services at the V.C. Bird International Airport in Antigua. The Company made a small profit at the end of its last financial year on improved revenues and prospects for the future are very encouraging, with new contracts coming on stream for winter 2015/16.

Signia Financial Group Incorporated (20 percent) experienced a rise in profitability versus prior year. The company achieved an increase in Net Interest Income through focused marketing initiatives, apt and swift responses to market dynamics, and the rejuvenation of existing products to improve awareness and increase the customer's appetite. Quality advice and relationship management successfully assisted with the maintenance of delinquency levels significantly below the national average.

04 Trinidad & Tobago

REGIONAL PERFORMANCE

Massy's Trinidad operations recorded a modest increase in Revenue and flat growth in PBT, which reflected the country's overall economic slowdown in 2015.

An official recession was announced in December 2015, following four quarters of negative economic growth. Trinidad and Tobago continues to adjust to the effects of declining energy and energy related commodities prices which persisted throughout 2015. While these conditions are challenging, Massy has continued to find new ways to create value and grow in the current market.

This year the Group focused on operationalising its ecosystems in the local market by enhancing its customer offerings. We placed emphasis on growing our consumer finance and insurance businesses locally to develop the ecosystems in retail and automotive. We also continued our modernisation programme to upgrade and improve our Massy Stores locations.

In the coming year we will launch Massy Communications | Internet • TV, at selected locations, which will significantly enhance the value proposition of our ecosystems at those Massy Stores locations in Trinidad and Tobago.

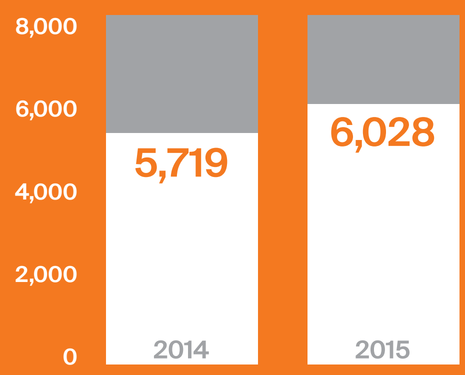
In constantly reviewing our strategic fit, we took the decision to attain full control of Best Auto Ltd. – the Volkswagen Dealership and we also divested Massy Shipping (Trinidad) Ltd. Our diversification strategy further progressed as the Group and its partners, Mitsubishi Corporation and Mitsubishi Gas Corporation made the financial investment decision to proceed with the construction of a Natural Gas to Petrochemicals plant at Union Industrial Estate, La Brea.

The Group continues to focus on leadership strengthening, developing a robust HSSE culture and full implementation of our CSMS to support our businesses for future growth and add value to our shareholders and stakeholders.

E. Gervase Warner
President & Group Chief Executive Officer

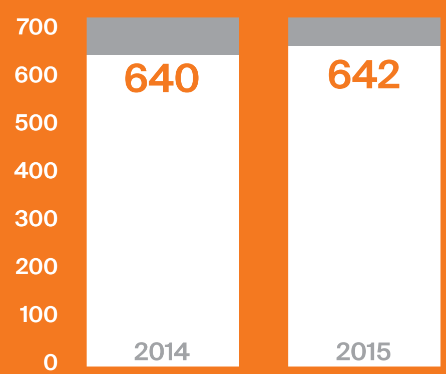
Financials

REVENUE TT$M



Increase 2014-2015 5%

PROFIT BEFORE REBRANDING COSTS AND TAX TT$M



Increase 2014-2015 0%

* 2014 - 2015 % change based on segment results reported on Note 5 of the Consolidated Financial Statements.

04 Barbados & Eastern Caribbean

REGIONAL PERFORMANCE

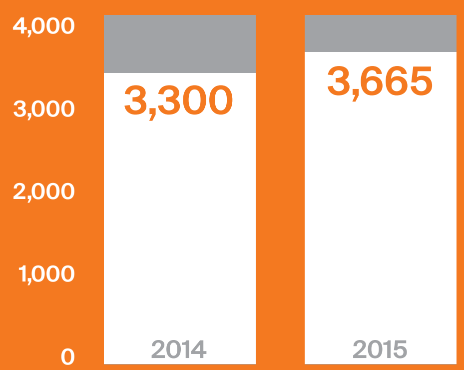
Massy's Barbados and Eastern Caribbean operations recorded an increase in Revenue and a reduction in PBT. This was primarily due to disappointing results from Roberts Manufacturing and Massy United Insurance.

Despite a strong period of tourist arrivals and the reduction in commodity import prices, Barbados' high debt burden and limited financing options have left the economy in a weak position. The government's continued pursuit of fiscal austerity, through the introduction of new taxes and the removal of tax allowances, has resulted in severely reduced disposable income and a low growth business environment. Notwithstanding this, our operating companies have performed creditably and must continue to focus on operational efficiency and improved productivity in this challenging economic climate.

The Group continues to review its asset portfolio and as a result, we have divested our shareholdings in Banks Holdings Ltd. and Magna Rewards Caribbean Inc. We however remain committed to growing and investing in our businesses in Barbados. This includes, but is not limited to, our planned new Massy Stores location at Kendal Hill and the renovation of the Massy Stores' Sunset Crest location.

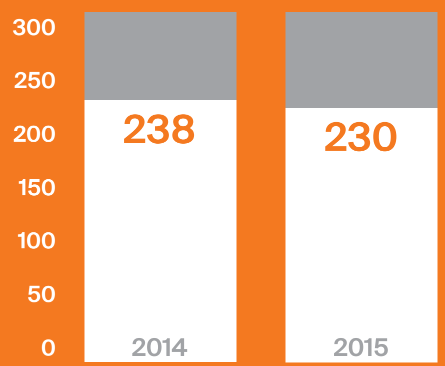
Beyond these tangible investments, the Barbados Group will continue its emphasis on leadership development, talent management, customer service, health and safety and achieving cost efficiencies, as we believe that focus on these areas is necessary for the continued development of our people and our businesses in the current climate.

REVENUE TT$M



Increase 2014-2015 11%

PROFIT BEFORE REBRANDING COSTS AND TAX TT$M



Decrease 2014-2015 -3%

* 2014 - 2015 % change based on segment results reported on Note 5 of the Consolidated Financial Statements.

Frere Delmas
Country Manager,
Massy Barbados

04 Guyana

REGIONAL PERFORMANCE

Earnings for the Guyana Group reflected the country's sluggish economic growth for most of the year due to a general decline in commodity prices and productivity issues in key sectors. The Group's diversified portfolio served to cushion the impact of a slowdown in its Distribution and Capital Goods businesses. The development of leadership capability continued to be a priority, in preparation for succession amongst some members of the executive team and restructuring of the Guyana businesses along industry lines.

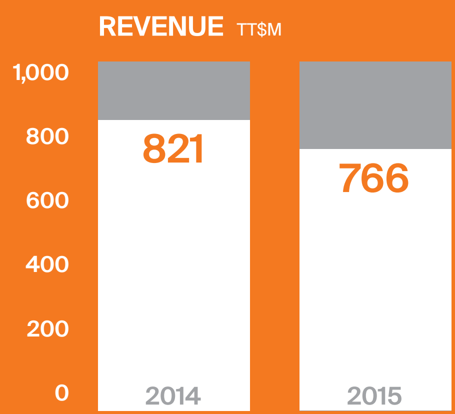
Growth of Guyana's economy was affected by a number of influences including the 6 percent decline in the average annual gold price and the termination of the Petro Caribe agreement. Despite these developments, 2015 marks the 10th consecutive year of positive real GDP growth of the Guyana economy.

There was a big improvement in the ownership of the HSSE management system and its values by the executives and management, which points towards a maturing culture within the group. Action taken to mitigate particular exposures have had positive results especially in the area of motor vehicular accidents, which showed a significant, 75 percent reduction in 2015. It was unfortunate that towards the end of the financial year there was a vehicular accident that resulted in the tragic death of a pedestrian.

The Guyana Group has made year-on-year progress with respect to the implementation of the CSMS, where the results of a comprehensive external audit reported improvement across all subsidiaries. The Group was also successful in embedding a strong feedback culture.

Deo Persaud
Country Manager
Massy Guyana

Financials



Increase 2014-2015 -7%

Decrease 2014-2015 -2%

* 2014 - 2015 % change based on segment results reported on Note 5 of the Consolidated Financial Statements.

04 Jamaica

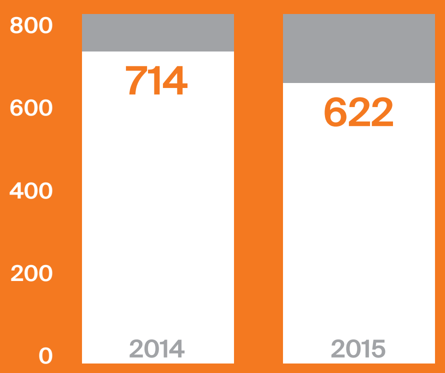
REGIONAL PERFORMANCE

Massy Jamaica operations ended the year, 2 percent down in earnings after adjusting for a 7 percent depreciation against the TT dollar.

During 2015, Jamaica continued the implementation of its Economic Recovery Programme and has now passed all nine (9) quarterly reviews under the Extended Fund Facility signed with the International Monetary Fund, based on improvements in a number of key macroeconomic indicators and successful implementation of agreed reforms. Partially influenced by lower energy costs, the inflation rate for the 2014/15 fiscal year was a record low 4 percent and continues to trend well for the current fiscal year. The prevailing lower energy costs has also contributed to increased business earnings and improving confidence in the economy. Economic growth still remains low at 1.1 percent, but there are a number of investments planned in tourism, business process outsourcing and the energy sector, including an LNG terminal, that will fuel an existing 120 MW power plant in Bogue, Montego Bay, that should positively impact future economic performance.

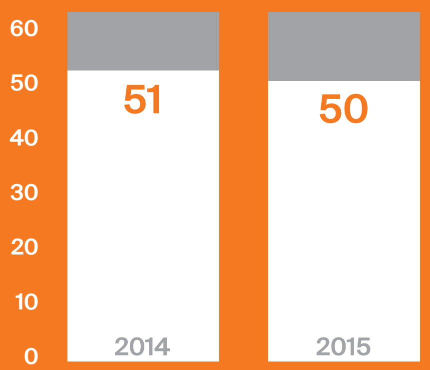
2016, will see our companies showing continued focus on organic growth in addition to interest in the country's energy related opportunities, whilst continuing in its operations to pay close attention to the areas of employee Health and Safety, and the delivery of optimal customer service.

REVENUE TT$M



Decrease 2014-2015 -13%

PROFIT BEFORE REBRANDING COSTS AND TAX TT$M



Decrease 2014-2015 -2%

* 2014 - 2015 % change based on segment results reported on Note 5 of the Consolidated Financial Statements.

Christian Maingot
Country Manager
Massy Jamaica

04 Colombia

REGIONAL PERFORMANCE

2015 marked the first full year of operations of Massy in Colombia - Massy Delima Grupo Automotriz S.A.S. and Massy Energy Colombia S.A.S., acquired in 2014. In this first year, we surpassed revenue and earnings expectations in TT dollars, despite a devaluation of the Colombian peso in the last year.

The year's performance was affected by the weakening of the Colombian peso against the American dollar with an annual devaluation of 56 percent. The main factor for the weakening of the peso has been the reduction in oil prices. This situation has impacted the inflation index which is 1.35 percent higher than the maximum target of the Central Bank. Despite these indicators, it is expected that the economy will have 3.1 percent GDP growth in 2015. In 2016 the economy is expected to grow at a similar pace, while facing some challenges, particularly with respect to inflation and potential further devaluation.

In the automotive business, on a yearly basis, vehicle unit sales have increased by 18.4 percent, outperforming the industry standard. The positive performance is mainly driven by the introduction of Massy know-how and the launch of new Mazda models. In parallel, the footprint of dealerships has increased in Cali, with the opening of a second Mazda dealership and expansion into the Coffee Zone with a Fiat dealership, while improving the Kia and Foton dealerships in Cali.

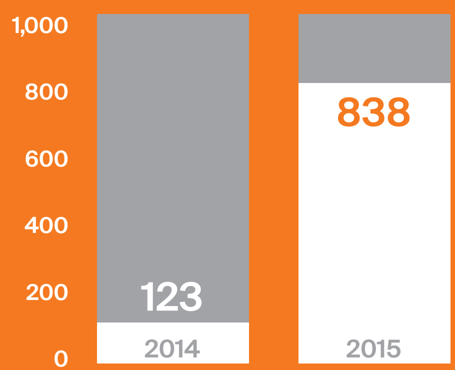
In the Energy business, a successful post acquisition transition was achieved, and we retained key personnel and contracts, as well as delivered a safe operation to our clients. We also surpassed sales and earnings expectations for the year, driven by the award of a contract with the new country refinery, and introduced new business services.

The Group will continue to pursue growth in Colombia through a combination of organic growth and the exploration of new investment opportunities.

Alberto Rozo
Country Manager
Massy Colombia

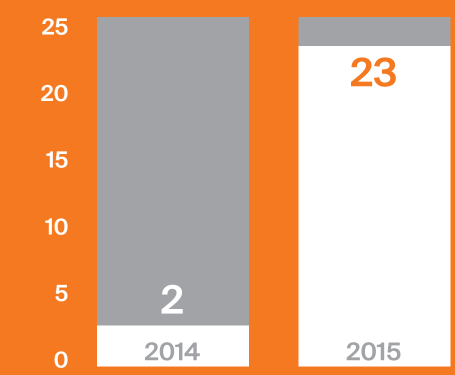
Financials

REVENUE TT$M



Increase 2014-2015 580%

PROFIT BEFORE REBRANDING COSTS AND TAX TT$M



Increase 2014-2015 815%

* 2014 - 2015 % change based on segment results reported on Note 5 of the Consolidated Financial Statements.

04 Executive Committee

David Affonso

Group Senior
Vice President
& Executive Chairman,
Distribution Line of
Business

Julie Avey

Group Senior
Vice President -
Human Resources

Earl Boodasingh

Group Executive
Vice President
& Executive Chairman,
Integrated Retail Line of
Business

Judith Bowen

Group Senior
Vice President
& Senior Legal Counsel

Everton Browne

Chief Administrative Officer,
Massy Barbados

Nisha Dass

Group Senior Vice President &
Chief Strategy & Business Development Officer

Frere Delmas

Group Executive Vice President &
Executive Chairman,
Integrated Retail Line of Business

Angela Hamel-Smith

Group Human Resource Manager

Executive Committee

Susan Hamel-Smith

Group Manager
Marketing &
Communications

Wendy Kerry

Corporate Secretary
& Legal Advisor

David O'Brien

Group Executive
Vice President &
Executive Chairman,
Automotive & Industrial
Equipment Business Unit

Thomas Pantin

Group Senior
Vice President &
Executive Chairman,
Retail Line of Business

Deo Persaud

Country Manager,
Massy Guyana Group

Paula Rajkumarsingh

Group Executive
Vice President &
Chief Financial Officer

Fenwick Reid

Group Senior
Vice President &
Executive Chairman,
Information, Technolgy &
Communications
Business Unit

Alberto Rozo

Country Manager,
Massy Colombia

Executive Committee

Eugene Tiah

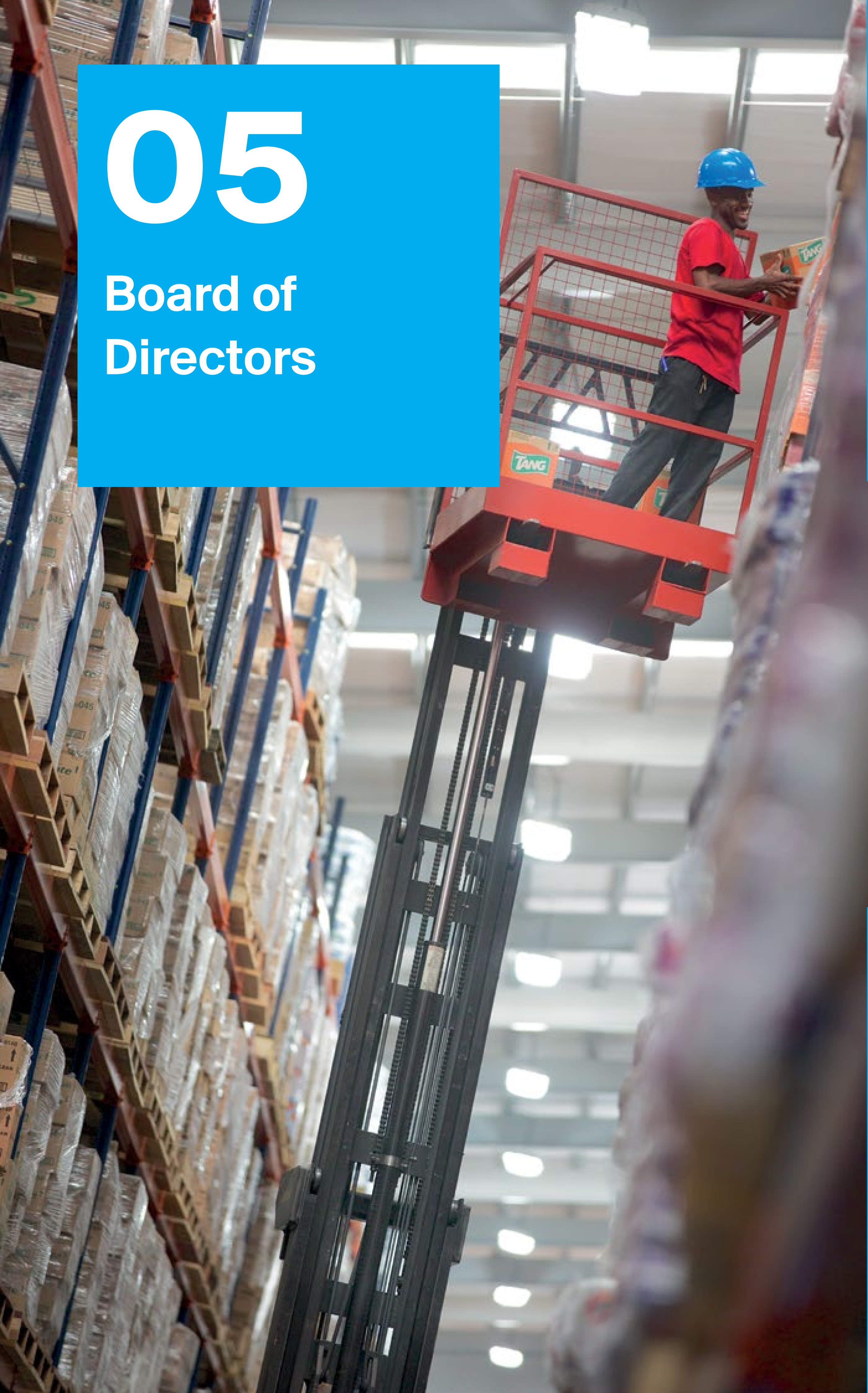
Group Senior
Vice President &
Executive Chairman,
Energy & Industrial Gases
Business Unit

Curtis Tobal

Executive Chairman,
Consumer Finance
Line of Business

E. Gervase Warner

President &
Group Chief Executive
Officer



05

Board of Directors

05 The Board of Directors

Robert Bermudez

Non-Executive Director & Chairman

Trinidad and Tobago Citizen

E. Gervase Warner

Executive Director, President & Group Chief Executive Officer

Trinidad and Tobago Citizen

Rolph Balgobin

Non-Executive Director

Trinidad and Tobago Citizen

Earl Boodasingh

Executive Director, Group Executive Vice President & Executive Chairman, Integrated Retail Business Unit

Trinidad and Tobago Citizen

Patrick Hylton

Non-Executive Director

Jamaica Citizen

G. Anthony King

Non-Executive Director

Barbados Citizen

William Lucie-Smith

Non-Executive Director

Trinidad and Tobago Citizen

David O'Brien

Executive Director,
Group Executive
Vice President &
Executive Chairman,
Automotive & Industrial
Equipment
Business Unit

Trinidad and Tobago Citizen

Board of Directors

Paula Rajkumarsingh

Executive Director, Group Executive Vice President & Group Chief Financial Officer

Trinidad and Tobago Citizen

Robert Riley

Non-Executive Director

Trinidad and Tobago Citizen

Gary Voss

Non-Executive Director

Trinidad and Tobago Citizen

Maxine Williams

Non-Executive Director

Trinidad and Tobago Citizen

Richard P. Young

Non-Executive Director

Trinidad and Tobago Citizen

ROBERT BERMUDEZ, *Chairman*

ROBERT BERMUDEZ is a Non-Executive Director who was elected to the Board of Massy Holdings Ltd. in 1997 and was appointed Chairman in July 2014. He also serves on the Company's Governance & Compensation Committee. For approximately 18 years he served as a Non-Executive Director at RBC Financial (Caribbean) Limited, which has a presence in 19 countries and territories across the Caribbean. He served as a Director on the Board of The Barbados Mutual Life Assurance Society (now known as Sagicor Life Inc.) for 8 years and prior to joining the Massy Board he served as a Non-Executive Director on the Boards of McEnearney-Alstons Limited (which merged with the ANSA Group to form what is the present ANSA McAL), The Trinidad Publishing Company Ltd. (now known as Guardian Media Ltd.) and the Caribbean Development Company Limited (now Carib Brewery Ltd.) – all three of which were publicly traded companies during his respective tenures. He was also President of the Trinidad and Tobago Manufacturers' Association and also served as Chairman of the Board of the Trinidad and Tobago Tourism Development Company Limited.

Mr. Bermudez' breadth and depth of experience as a Director and Chairman is extensive, as is his experience as an entrepreneur. He is the Chairman of the Board of Directors of the Bermudez Group of Companies and has led the growth of the Bermudez Group from a local family-owned business to a regional business throughout the Caribbean and in Latin America. He has a strong reputation for pragmatic and shrewd business judgment and has enjoyed a distinguished career in business in Trinidad and Tobago and the Caribbean.

E. GERVASE WARNER, *President & Group CEO*

E. GERVASE WARNER is an Executive Director of the Company and is the President & Group CEO of the Massy Group. Prior to his appointment in 2009, he also served as the Executive Chairman of the Group's Energy & Industrial Gases Business Unit. Prior to his Massy experience, Mr. Warner was a Partner at the international management consulting firm, McKinsey & Company, where he spent 11 years serving clients in the US, Latin America and Caribbean across a wide range of industries. He currently serves on the Trinidad and Tobago Board of Citigroup Merchant Bank Limited, the Arthur Lok Jack Graduate School of Business and United Way Trinidad and Tobago and is the Chairman of the Caribbean Breast Centre Limited.

Mr. Warner holds an MBA from the Harvard Graduate School of Business Administration. He also also holds BSE degrees in Electrical Engineering and Computer Science Engineering from the University of Pennsylvania. A past pupil of St. Mary's College, Mr. Warner received an Additional Scholarship from the Government of Trinidad and Tobago in 1983.

DR. ROLPH BALGOBIN

DR. ROLPH BALGOBIN is Executive Chairman of Quicksilver Convenience Limited.

He is a Non-Executive Director of the Massy Group, the NGC Distinguished Fellow in Innovation and Entrepreneurship at the University of the West Indies (UWI), a Director of the Arthur Lok Jack Graduate School of Business and President of the Trinidad and Tobago Manufacturers' Association (TTMA). He serves on the ratings committee of the Caribbean rating agency CariCRIS.

He is currently a member of the Economic Advisory Board for Trinidad and Tobago, and a member of a Cabinet appointed team to review and make recommendations on the performance of State Enterprises.

He previously served as an Independent Senator in the 8th, 9th and 10th Parliament of the Republic of Trinidad and Tobago and is a columnist for the Trinidad Express newspaper. Dr. Balgobin has also served as chairman of the Point Lisas Industrial Port Development Company (PLIPDECO), and as a director of the Telecommunications Company of Trinidad and Tobago, the Central Bank of Trinidad and Tobago and Youth Business Trinidad and Tobago. He led the technical team which pulled together the Vision 2020 National Strategic Plan for Trinidad and Tobago and sat as a member of the Steering Committee.

Dr. Balgobin holds degrees from the UWI, the University of Cambridge as well as Manchester University. He holds a certificate in corporate governance from the Caribbean Corporate Governance Institute and a postgraduate diploma in Corporate Governance from ACCA.

EARL BOODASINGH

EARL BOODASINGH is an Executive Director of Massy Holdings Ltd. He is an Executive Vice President and heads the Group's Integrated Retail Business Unit, which includes the Retail, Distribution and Consumer Finance lines of business.

Mr. Boodasingh joined the Group in 1981 and has held many senior positions across the company throughout his tenure. His career within the Group began at Neal & Massy Industries Limited, as a Cost and Management Accountant. He went on to hold the positions of Financial Comptroller and Financial Director for a number of companies and major divisions, including Massy Distribution and Massy Stores – both being divisions of Massy Integrated Retail Ltd. He later served as CEO for both divisions, consecutively. In 2002, he was appointed as the Transition Manager for H.D Hopwood & Company Limited in Jamaica.

In 2005, Mr. Boodasingh was appointed as the Executive Chairman of the Group's Automotive & Industrial Equipment Business Unit.

PATRICK HYLTON

PATRICK HYLTON is a Non-Executive Director and is the Group Managing Director of Jamaica's largest commercial bank, the National Commercial Bank Jamaica Limited (NCB). His rise to national and international prominence began when he was appointed a leading role by the Government in the rehabilitation of the Jamaican financial sector during the mid-1990s. His wealth of experience in the financial services industry propelled him to the position of Managing Director of the Financial Sector Adjustment Company (FINSAC). His successful completion of that undertaking culminated in the national award of the Order of Distinction, Commander Class, being bestowed on him by the Prime Minister and Governor General of Jamaica in 2002. Mr. Hylton joined NCB in 2002 as Deputy Group Managing Director and in 2004, he was appointed Group Managing Director and has led the organisation to achieve record growth in profitability. Mr. Hylton is an Honours Graduate in Business Administration and an Associate of the Chartered Institute of Bankers (ACIB), London. He is a Past President of the Jamaica Bankers Association and in addition to being a Director of NCB; he is the Chairman of Harmonisation Limited, NCB Capital Markets Limited and the Mona School of Business and Management.

He sits on several boards including the Caribbean Information and Credit Rating Services (CariCRIS) and the Mona School of Business and Management (UWI).

He is an avid reader and sports enthusiast with track and field holding a special place.

G. ANTHONY KING

G. ANTHONY KING is a Non-Executive Director whose business career spans over 40 years, 28 of which were spent with the Group as an executive. Prior to his departure from the Group in October 2004, to take up the appointment as Chief Executive Officer of the Barbados Shipping & Trading Company Limited (BS&T), he chaired the Group's Eastern Caribbean Group of Companies. After the take-over of BS&T in 2008 by Massy Holdings Ltd., Mr. King became a Group Executive Vice President but also remained as BS&T's CEO. He played an instrumental role in co-ordinating the integration of BS&T's operations into the Group. With that process substantially complete, he retired as an executive of the Group during 2012. Mr. King is also a Director of other publicly traded companies in Barbados and of various private companies.

He has been associated with various private sector organisations, including serving as Past President of the Barbados Chamber of Commerce & Industry, a former Director of the Caribbean Association of Industry and Commerce and a former Trustee of the Barbados Youth Business Trust. He recently retired as a Director of the Barbados Private Sector Association, the umbrella private sector body in Barbados, but continues to participate in the community, as the Chairman of the Tourism Development Corporation in Barbados. Mr. King joined the Board of Massy Holdings Ltd. in December 2008.

WILLIAM LUCIE-SMITH

WILLIAM LUCIE-SMITH is a Non-Executive Director. He is a Chartered Accountant by profession and a former Senior Partner of PricewaterhouseCoopers (Trinidad & Tobago), where he led its Corporate Finance and Recoveries practice. Mr. Lucie-Smith has extensive experience in mergers and acquisitions, taxation and valuations and holds an MA degree from Oxford University in Philosophy, Politics and Economics. He currently serves as a Non-Executive Director on a number of boards, including Republic Bank Limited and Sagicor Financial Corporation.

DAVID O'BRIEN

DAVID O'BRIEN serves as an Executive Director. He is the Executive Chairman of the Group's Automotive & Industrial Equipment Business Unit and serves on a number of boards of Massy subsidiary companies. He joined the Group in 2006, during which time, he also served as the Executive Chairman of the Financial, Property and the Other Investments Business Unit. Prior to joining the Group, he held a number of senior positions at Sagicor Life Incorporated, including Investment Manager, Deputy General Manager and Executive Vice President & General Manager of Sagicor's Trinidad operations.

Mr. O'Brien has also held directorships on the boards of RGM Limited, DFL Caribbean Limited, and the Tourism and Development Company of Trinidad and Tobago. He was also the Chairman of the North Central Regional Health Authority, a member of the Multi-Sectorial Core Group for Trinidad and Tobago's Vision 2020 and Chairman of the committee to establish the National Policy for Disabled Persons.

PAULA RAJKUMARSINGH

PAULA RAJKUMARSINGH is an Executive Director and Group Chief Financial Officer. She is a Corporate Financial Executive, with over 12 years of experience at a senior management level. She currently serves as a Director on the Parent Board of CIBC First Caribbean International Bank in Barbados and Trinidad and Tobago. She is a Director of the Trinidad and Tobago Chamber of Industry and Commerce and serves as a Director for the St. Joseph Convent Cluny Board of Management. She previously served on the boards of the Sugar Manufacturing Company and a private equity fund.

ROBERT RILEY

ROBERT RILEY is a Non-Executive Director and Executive Director of Robert Riley Leadership and Energy Consulting, a London based international consulting firm working with CEOs and Executive Leadership teams to improve Leadership and Performance through assessment, coaching and experiential training in Africa, Asia and the Caribbean. Until March 2015, he was the Group Head of Safety and Operations Risk, Culture and Capability of BP PLC (London). His career with BP spanned over two decades, during which time he served as the Chairman and Chief Executive Officer of BP Trinidad & Tobago LLC, Business Unit Leader and Vice President of Law and Government Affairs. In 2009 he was conferred the degree of Doctor of Laws, Honoris Causa from the University of the West Indies for his contribution to energy sector development policy. Mr. Riley was awarded the Chaconia Gold medal for his contribution to national economic development in Trinidad and Tobago in 2003. He graduated with honours degrees in Law and Agriculture from the University of the West Indies and is an Attorney-at-Law.

He was elected to the Board of Massy Holdings Ltd. effective December 17, 2014.

GARY VOSS

GARY VOSS is a Non-Executive Director of Massy Holdings Ltd. and a former Chairman of Unilever Caribbean Limited. He joined Lever Brothers West Indies Limited in 1982 as Technical Director and was appointed Chairman and Managing Director in 1987. He retired from Unilever in 2001. His early career was spent with the (then) Texaco Pointe-a-Pierre refinery, the Caribbean Industrial Research Institute (CARIRI) and the Iron and Steel Company of Trinidad and Tobago (ISCOTT).

Mr. Voss' previous posts include Superintendent, Direct Reduction at ISCOTT, Head of Engineering at CARIRI, President of the Trinidad and Tobago Manufacturers' Association and President of the Caribbean Association of Industry and Commerce. He also served as a Director of RBC Financial (Caribbean) Limited and several of its subsidiaries up until October 2015.

Mr. Voss is a Chemical Engineer by profession and holds a Bachelor of Science degree with Honours from Birmingham University in the United Kingdom.

MAXINE WILLIAMS

MAXINE WILLIAMS is a Non-Executive Director and is the Global Director of Diversity at Facebook. In this role, she develops strategies to harness the unlimited potential of Facebook's talent while managing a high performing team of diversity programme managers from the company's headquarters in California. Prior to Facebook, she served as the Director of Diversity for a global law firm with a focus on cross-border expertise, particularly in international arbitration, project finance, banking and anti-trust. She was responsible for developing and implementing a global diversity plan for the multi-national law firm comprised of almost 2000 attorneys, two-thirds of whom were based in offices outside of the United States with clients in 115 countries around the world. As an attorney, she has represented clients in criminal, civil and industrial courts in Trinidad and Tobago and in the United Kingdom at the Privy Council. Ms. Williams has worked with multiple international organisations on development and human rights issues and has had a parallel career as a broadcast journalist and on-air presenter. Ms. Williams is a graduate of Yale University, she received her law degree with first class honors from Oxford University, where she was a Rhodes Scholar.

RICHARD P. YOUNG

RICHARD PETER YOUNG, appointed as a Non-Executive Director in December 2012, is a retired Finance professional with the designation of a Chartered Accountant. He has over 40 years' experience in Accounting, Auditing, Insurance and Banking, having operated at the leadership level of PricewaterhouseCoopers Trinidad & Tobago and Scotiabank Trinidad & Tobago.

He has served as President of the Institute of Chartered Accountants of Trinidad & Tobago, Chairman of the Trinidad & Tobago Stock Exchange and President of the Bankers Association of Trinidad & Tobago.

He is a Non-Executive Director of Sagicor Financial Corporation and currently Chairman of Catholic Media Services Limited.

05 Corporate Governance

BOARD REPORT

Strengthening the Framework for Effective Governance

In continuing efforts to further strengthen the framework for effective governance, the Board of Directors, on the recommendation of the Governance & Compensation Committee (G&C Committee), reviewed and adopted the Massy Holdings Ltd.Board of Directors' Charter on November 6, 2014.

Strengthening the composition and performance of the Board and Board Committees

Recruitment and Nomination

Massy Holdings Ltd.'s Board is comprised of thirteen Directors; nine Non-Executive and four Executive Directors. On October 31, 2015, Mr. Earl Boodasingh retired from the Company and the Board of Directors of the Company. On November 6, 2015, the Board, on the recommendation of the Governance & Compensation Committee, appointed Mr. Frere Delmas as a Director of the Company to fill the vacancy created by the retirement of Mr. Boodasingh.

Director Training

Over the past year, one Director successfully completed the Certificate in Corporate Governance Programme which was offered by the Caribbean Corporate Governance Institute. Three Directors are currently participating in this 4 part programme in 2015.

Directors serving on the Boards of Group subsidiary companies, which are required to comply with Anti-Money Laundering and Counter Financing of Terrorism legislation, received training on the duties, obligations and liabilities of directors.

Board, Committee and Director Evaluation

The Board and Committee Evaluation system is in the process of being reviewed to further, strengthen and enhance the system in 2016.

Strengthening Loyalty and Independence

The Board held 9 meetings for the year ended September 30, 2015 to discharge its responsibilities and the average number of Directors in attendance at the Meetings was 10.

Annually, Board Members and Senior Management, disclosed whether they directly or indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the Company.

Directors continue to be subject to performance reviews which include an assessment of sound and independent thought, judgement and contributions.

Enhanced Disclosure and Accountability

Massy Holdings Ltd.'s disclosure regime continues to be strong and disclosures are timely and accurate. Over the past year, in addition to quarterly and annual financial disclosures and disclosures regarding the Company's performance and activities, the Company filed and published five material change reports and notices within the prescribed time frame. Notices of these material changes were published in two newspapers in both Trinidad and Tobago and Barbados and also on the Company's website, where they remain archived and available for viewing.

Strengthening Stakeholder Relationships

The Company held its Annual Meeting of Shareholders in 2015 where substantive presentations were made regarding the Company's financial performance and strategic plans. At the Meeting, a proposal was also made to Shareholders to vote on de-listing from the Barbados Stock Exchange. Presentations were also made, prior to the Annual Meeting, to the Company's Barbados Registered Shareholders regarding the de-listing proposal. During these Meetings, the Chairman facilitated the questioning of the Board, Senior Management and the Auditors, by the Company's Shareholders.

BOARD COMMITTEE REPORTS

Massy Holdings Ltd.'s 2 Board Committees - the Audit Committee and the G&C Committee, again this year reviewed and approved their respective Charters. The Board continues to receive reports from the respective Committee Chairmen on the Committees' work and respective areas of oversight. In addition to these reports and as a matter of process, the Minutes of all Committee Meetings are tabled for note at Massy Holdings Ltd's., Board Meetings.

REPORT OF THE AUDIT COMMITTEE

Audit Committee Structure

The Massy Holdings Ltd. Audit Committee is comprised of 5 Directors, of which four are Non-Executive Directors. The Members of the Audit Committee as at September 30, 2015 were:

Mr. William Lucie-Smith (Chairman)

Dr. Rolph Balgobin
Mr. Patrick Hylton
Mr. Richard P. Young
Mr. E. Gervase Warner (Ex-Officio)

The Audit Committee Charter, the Internal Audit Charter and the Delegation of Authority for Non-Audit Services, provided by the External Auditor, were last reviewed and adopted by the Massy Holdings Ltd. Board on February 9, 2015. The report of the Audit Committee for 2015 follows.

Meetings
The Audit Committee held 6 meetings for the year ended September 30, 2015 to discharge its responsibilities.

Structure of Internal Audit
The appointed Group Internal Auditor is responsible for the overall Group Internal Audit Function and adherence to the International Standards for the Professional Practice of Internal Auditing of The Institute of Internal Auditors. The Group Internal Auditor reports administratively to the Group Chief Executive Officer and functionally to the Chairman of the Audit Committee and Internal Audit has unfettered access to the Audit Committee.

Independence of Internal Audit
The Audit Committee is satisfied that the Internal Audit function has been discharged in an objective and transparent manner. Further, the Audit Committee has satisfied itself that the performance of the function is not subject to management's undue influence.

Internal Control and The Internal Audit Function
The Massy Holdings Ltd. Board is responsible for the Company's system of internal controls and for reviewing its effectiveness. The ongoing monitoring of the adequacy and effectiveness of the Group's internal control systems is the primary responsibility of Internal Audit. The Audit Committee is satisfied that Management, by approved risk corrective actions, adequately remedied any weaknesses in internal controls highlighted in the internal audit reports.

External Audit
The Audit Committee reviewed and approved the External Auditor's approach to and scope of their examination of the financial statements for the 2015 financial year. The Members are satisfied that PricewaterhouseCoopers has planned the audit to obtain reasonable assurance that the financial statements are free of material misstatement and present a fair view of the financial position of the Group as at September 30, 2015 and the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Financial Statements
During 2015, the interim unaudited financial statements were presented to the Audit Committee at its quarterly meetings for review and recommendation for adoption by the Massy Holdings Ltd. Board. The Audit Committee is satisfied that the audited financial statements contained in this Annual Report are complete, consistent with information known to its Members and in conformity with appropriate accounting principles that have been consistently applied.

Whistle-Blower Reports
Internal Audit continues to play a central role in ensuring that whistle-blower procedures are effective and over the past year, conducted a number of whistle-blower investigations. In the coming year, the department will be further increasing its capacity in this regard. These reports as it related to non-financial whistle-blower matters continue to be cross-reported to the G&C Committee.

REPORT OF THE GOVERNANCE & COMPENSATION COMMITTEE

The Governance & Compensation Committee Structure
The G&C Committee is comprised of 5 Directors of which four are Non-Executive Directors. The Members of the G&C Committee as at September 30, 2015 were:
Mr. Gary Voss (Chairman)
Dr. Rolph Balgobin
Mr. G. Anthony King
Mr. Robert Bermudez (Ex-Officio)
Mr. E. Gervase Warner (Ex-Officio)

The G&C Committee's Charter was last reviewed and adopted by the Massy Holdings Ltd. Board on March 10, 2015. The objectives of the G&C Committee are to develop, implement and periodically review guidelines for appropriate corporate governance of the Massy Holdings Ltd. Group of Companies in furtherance of the Company's commitment to good corporate governance.

The G&C Committee's responsibilities include:

1 To review the size and composition of the Massy Holdings Ltd. Board and its Committees and to make recommendations for new appointments;
2 To review and make recommendations to the Massy

Holdings Ltd. Board in relation to the Company's written policies addressing matters such as ethics, business conduct, conflict of interest, disclosure, insider trading and whistle-blower protection;

3 To develop, implement and oversee an evaluation process for the Massy Holdings Ltd. Board, its Committees and individual Directors, to assess Board and Committee effectiveness;

4 Approval/oversight of the remuneration, performance and incentive awards of Senior Executives; and

5 Approval and oversight of the recruitment, engagement and promotion of Senior Executives of the Massy Holdings Ltd. Group.

Meetings

The G&C Committee held 4 meetings for the year ended September 30, 2015 and among its accomplishments for the year were:

- Review and recommendation for the approval of the Board; Company's Securities Trading and Corporate Disclosure Policies;
- Review of the Board, Board Committee and Director performance evaluation tools and system;
- Review of Executive Management Remuneration;
- Review and ratification of Independent Directors appointed to subsidiary company boards; and
- On-going oversight for 'non-financial' whistle blower matters and review of process for further strengthening and enhancement.

06

Corporate Requirements

06

Directors' Report

The Directors have pleasure in submitting their Report and the Audited Financial Statements for the financial year ended September 30, 2015

PRINCIPAL ACTIVITIES

The main activity is that of a Holding Company.

FINANCIAL RESULTS FOR THE YEAR

	2015
Profit attributable to shareholders	638,406
Dividends paid	(185,695)
Profit retained for the year	452,711
Other movements on revenue reserves	(23,931)
Balance brought forward	3,442,388
Retained earnings at end of year	3,871,168

DIVIDENDS

The Directors declared an interim dividend of $0.51 and then a final dividend of $1.59 per share, making a total dividend of $2.10 per share for the financial year. The final dividend will be paid on or after January 25, 2016 to Shareholders whose names appear on the Register of members of the Company at the close of business on January 8, 2016.

DIRECTORS

Pursuant to paragraph 4.4.1 and 4.6.1. of By-Law No. 1 of the Company, Messrs. Rolph Balgobin, William Lucie-Smith, David O'Brien and Robert Riley retire from the Board by rotation and being eligible offer themselves for re-election until the close of the third Annual Meeting following this appointment.

DIRECTORS' AND SENIOR OFFICERS' INTERESTS

These should be read as part of this report.

AUDITORS

The Auditors, PricewaterhouseCoopers, retire and being eligible offer themselves for re-appointment.

BY ORDER OF THE BOARD

Wendy Kerry

Corporate Secretary

December 21, 2015

DIRECTORS', SENIOR OFFICERS' & CONNECTED PERSONS' INTERESTS

Set out below are the Directors, Senior Officers and their connected persons with interests in the shares of Massy Holdings Ltd. and the holders of the ten (10) largest blocks of shares in the Company as at September 30, 2015.

Directors and Senior Officers	Position	Shareholding	Indirect Beneficial Shareholdings
Rolph Balgobin		6,525	Nil
Robert Bermudez		14,820	13,029
Earl Boodasingh		153,040	Nil
Patrick Hylton		Nil	Nil
Gerald Anthony King		75,000	Nil
William Lucie-Smith		Nil	22,897
David O'Brien		54,463	Nil
Paula Rajkumarsingh		145,017	Nil
Robert Riley		2,595	Nil
Gary Voss		Nil	Nil
Elliot Gervase Warner		161,588	Nil
Maxine Williams		Nil	Nil
Richard P. Young		2,000	Nil
David Affonso		10,317	Nil
Julie Avey		7,727	Nil
Judith Bowen		31,225	Nil
Everton Browne		Nil	118
Nisha Dass		7,056	Nil
Frere Delmas		19,409	Nil
Natasha Elias-Wilson		13,291	Nil
Angela Hamel-Smith		82,296	Nil
Susan Hamel-Smith		82,617	Nil
Wendy Kerry		1,483	Nil
Christian Maingot		Nil	Nil
Nisa Nathu Hari		2,994	Nil
Thomas Pantin		59,157	Nil
Doodnauth Persaud		29,492	Nil
Fenwick Reid		65,453	Nil
Alberto Rozo		Nil	Nil
Zyreene Sarafat		4,984	Nil
Baajnath Sirinath		25,640	Nil
Eugene Tiah		290	Nil
Curtis Tobal		24,788	Nil

HOLDERS OF THE TEN (10) LARGEST BLOCKS OF SHARES

	Shareholders	Number of Shares
1	National Insurance Board	19,801,051
2	RBC/RBTT Nominee Services Limited	10,221,719
3	RBC/RBTT Trust Limited	8,831,842
4	Republic Bank Limited	8,728,107
5	T&T Unit Trust Corporation	5,068,198
6	First Citizens Trust & Asset Management	4,377,547
7	Trintrust Limited	3,443,474
8	Guardian Life Of The Caribbean	2,120,431
9	Sagicor (Equity) Fund (Barbados)	1,350,347
10	Neon Liberty Lorikeet Master Fund Lp	1,244,775

NOTES

1 The Indirect Beneficial Shareholding of Directors and Senior Officers corresponds to the Trinidad & Tobago Stock Exchange Rules (Rule 600) regarding the shareholdings of persons connected to Directors and Senior Officers. It includes the indirect beneficial ownership/control of shares held by; (i) entities that a person owns/controls >50% shares, (ii) the Director's/Senior Officer's husband or wife, and (iii) the Director's/Senior Officer's minor children

2 RBC/RBTT Nominee Services Limited holds a non-beneficial interest in 10,221,719 shares for the Neal & Massy Group Pension Employee Share Ownership Plan.

3 Paula Rajkumarsingh, a Director (together with Curtis Lee Poy) holds a non-beneficial interest in 1,209,769 shares as a co-trustee of the Neal & Massy Group Profit Sharing Plan.

4 National Insurance Board Limited holds a substantial interest in the issued share capital of the Company. A substantial interest means one-tenth or more of the issued share capital of the Company.

5 There have been no changes to the Substantial Interests occurring between the end of the Company's financial year and one month prior to the date of the Notice convening the Annual Meeting.

6 There were no beneficial interests attached to any shares in the names of the Directors in the Company's subsidiary companies such shares being held by the Directors as nominees of the Company or its subsidiaries.

7 At no time during, or at the end of the financial year, were any material contracts or proposed material contracts granted by the Company, or any of its subsidiary companies, to any Director or Proposed Director of the Company.

06 Management Proxy Circular

REPUBLIC OF TRINIDAD AND TOBAGO

THE COMPANIES ACT, CH. 81:01
[SECTION 144]

1 **Name of Company:** MASSY HOLDINGS LTD.
Company No.: M 4805 (C)

2 **Particulars of Meeting:**
Ninety Second Annual Meeting of Shareholders of the above named Company to be held at the Ballroom, Hilton Trinidad and Conference Centre, 1B Lady Young Road, Port-of-Spain, Trinidad **at 10:00 a.m. on February 12, 2016**.

3 **Solicitation:**
It is intended to vote the Proxy solicited hereby (unless the shareholder directs otherwise) in favour of all resolutions specified therein.

4 **Any Director's statement submitted pursuant to Section 76(2):**
No statement has been received from any Director pursuant to Section 76(2) of the Companies Act, Ch. 81:01.

5 **Any Auditor's statement submitted pursuant to Section 171(1):**
No statement has been received from the Auditors of the Company pursuant to Section 171(1) of the Companies Act, Ch. 81:01.

6 **Any Shareholder's proposal submitted pursuant to Sections 116(a) and 117(2):**
No proposal has been received from any Shareholder pursuant to Sections 116(a) and 117(2) of the Companies Act, Ch. 81:01.

Date	Name and Title	Signature
December 21, 2015	**Wendy Kerry** Corporate Secretary	

06 Statement of Management's Responsibility

The accompanying consolidated financial statements of Massy Holdings Ltd. and its subsidiaries (the Group) were prepared by management, who is responsible for the integrity and fairness of the information presented. Management acknowledges its responsibility for the preparation of the consolidated financial statements annually and for establishing and maintaining an adequate internal control structure and procedures for financial reporting and safeguarding the assets of the Group.

It is management's responsibility to apply the appropriate accounting policies and make accounting estimates that are reasonable. Management is responsible for ensuring that the consolidated statements presented are a true and fair presentation of the state of affairs of the Group which includes ensuring that the controls over the information from which the consolidated statements are derived are designed and properly monitored in a manner which would allow accurate information to be provided. In addition, management is responsible for ensuring that the information presented is free from material misstatement whether due to fraud or error.

Management accepts responsibility for the annual consolidated financial statements as well as the responsibility for the maintenance of the accounting records and internal controls which form the basis of the consolidated financial statements. The consolidated financial statements of Massy Holdings Ltd. and its subsidiaries are prepared in accordance with International Financial Reporting Standards and the appropriate accounting policies have been established and applied in a manner which give a true and fair view of the Group's financial affairs and operating results.

In addition, it is noteworthy to mention that nothing has come to the attention of management to indicate that the Group will not remain a going concern for the next twelve months from the date of this statement.

E. Gervase Warner
President & Group
Chief Executive Officer

December 21, 2015

Paula Rajkumarsingh
Group Executive Vice
President & Group
Chief Financial Officer

December 21, 2015

07

Financials

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Independent Auditor's Report

To the shareholders of
Massy Holdings Ltd.

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Massy Holdings Ltd. and its subsidiaries, which comprise the consolidated statement of financial position as at 30 September 2015, and the consolidated income statement, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Massy Holdings Ltd. and its subsidiaries as at 30 September 2015, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

PricewaterhouseCoopers

22 December 2015
Port of Spain
Trinidad, West Indies

CB Wharfe (Senior Partner), L Awai, F Aziz Mohammed, BA Hackett, H Mohammed, NA Panchoo, SW Ramirez, A West

PricewaterhouseCoopers, PO Box 550, 11-13 Victoria Avenue, Port of Spain, Trinidad, West Indies
T: (868) 299 0700, F: (868) 623 6025, www.pwc.com/tt

07

Consolidated Statement of Financial Position

As at 30 September. Expressed in Thousands of Trinidad and Tobago dollars

	Notes	2015 $	2014 $
ASSETS			
Non-current assets			
Property, plant and equipment	6	**2,180,788**	1,978,607
Investment properties	7	**395,965**	390,342
Goodwill	8	**191,468**	206,524
Other intangible assets	9	**46,875**	50,475
Investments in associates and joint ventures	10	**310,586**	460,469
Financial assets	12	**626,527**	518,407
Deferred income tax assets	14	**67,353**	67,763
Instalment credit and other loans	15	**305,723**	255,184
Retirement benefit assets	16	**447,385**	438,759
		4,572,670	**4,366,530**
Current assets			
Inventories	17	**1,568,094**	1,536,992
Instalment credit and other loans	15	**153,514**	135,285
Trade and other receivables	18	**2,259,708**	2,062,175
Financial assets at fair value through profit or loss	13	**121,396**	122,202
Cash and cash equivalents	19	**1,743,379**	1,626,044
		5,846,091	**5,482,698**
Total assets		**10,418,761**	**9,849,228**
EQUITY			
Capital and reserves attributable to equity holders of the company			
Share capital	20	**748,860**	741,432
Retained earnings		**3,871,168**	3,442,388
Other reserves		**(266,071)**	(194,910)
		4,353,957	3,988,910
Non-controlling interests	22	**236,370**	235,652
Total equity		**4,590,327**	**4,224,562**

	Notes	2015 $	2014 $
LIABILITIES			
Non-current liabilities			
Borrowings	23	**1,864,929**	1,944,861
Deferred income tax liabilities	14	**178,431**	180,338
Customers' deposits	24	**41,233**	63,249
Retirement benefit obligations	16	**178,436**	141,580
Provisions for other liabilities and charges	25	**313,531**	278,330
		2,576,560	**2,608,358**
Current liabilities			
Trade and other payables	26	**1,840,149**	1,572,435
Liabilities on insurance contracts	27	**690,701**	633,330
Customers' deposits	24	**306,681**	210,124
Current income tax liabilities		**109,512**	77,973
Borrowings	23	**304,831**	522,446
		3,251,874	**3,016,308**
Total liabilities		**5,828,434**	**5,624,666**
Total equity and liabilities		**10,418,761**	**9,849,228**

The notes on pages 89 to 182 are an integral part of these consolidated financial statements.

On 21 December 2015 the Board of Directors of Massy Holdings Ltd. authorised these consolidated financial statements for issue.

E.G. Warner
Director

Robert Bermudez
Director

Paula Rajkumarsingh
Director

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Consolidated Income Statement

Year ended 30 September. Expressed in Thousands of Trinidad and Tobago dollars

	Notes	2015 $	2014 $
Revenue	5	**11,944,843**	**10,703,801**
Operating profit before finance costs and rebranding costs	28	**959,851**	880,801
Finance costs - net	30	**(81,314)**	(33,857)
		878,537	846,944
Share of results of associates and joint ventures	10	**40,202**	43,444
Profit before rebranding costs and income tax		**918,739**	890,388
Rebranding costs	5	**359**	(57,909)
Profit before income tax		**919,098**	832,479
Income tax expense	31	**(250,784)**	(232,380)
Profit for the year		**668,314**	600,099
Profit attributable to owners of the parent		**638,406**	555,003
Profit attributable to non-controlling interests	22	**29,908**	45,096
Profit for the year		**668,314**	**600,099**
Earnings per share attributable to the owners of the parent during the year (expressed in TT$ per share)			
Basic earnings per share	32	**6.53**	5.69
Diluted earnings per share	32	**6.53**	5.69
Dividends per share	21	**2.10**	1.90
Dividends paid per share	21	**1.90**	1.76

The notes on pages 89 to 182 are an integral part of these consolidated financial statements.

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Consolidated Statement of Comprehensive Income

Year ended 30 September. Expressed in Thousands of Trinidad and Tobago dollars

	Notes	2015 $	2014 $
Profit for the year		**668,314**	**600,099**
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
- remeasurement of defined benefit pension plans		**(19,199)**	13,084
		(19,199)	13,084
Items that may be subsequently reclassified to profit or loss			
- available for sale financial assets	12	**157**	1,666
- currency translation differences		**(79,238)**	(45,550)
		(79,081)	(43,884)
Other comprehensive loss for the year, net of tax		**(98,280)**	(30,800)
Total comprehensive income for the year		**570,034**	**569,299**
Attributable to:			
- owners of the parent		**547,524**	524,274
- non-controlling interests		**22,510**	45,025
Total comprehensive income for the year		**570,034**	**569,299**

The notes on pages 89 to 182 are an integral part of these consolidated financial statements.

07 Consolidated Statement of Changes in Equity

Year ended 30 September. Expressed in Thousands of Trinidad and Tobago dollars

	Notes	Share capital $	Other reserves $	Retained earnings $	Total $
Balance at 1 October 2014		741,432	(194,910)	3,442,388	3,988,910
Currency translation differences		–	(71,840)	–	(71,840)
Purchase of non-controlling interests		–	(149)	–	(149)
Other reserve movements		–	828	(4,732)	(3,904)
Net profit not recognised in consolidated income statement		–	–	(19,199)	(19,199)
Profit attributable to owners of the parent		–	–	638,406	638,406
Employee share grant - value of employee services		7,428	–	–	7,428
Transactions with owners:					
Dividends paid	21	–	–	(185,695)	(185,695)
Balance at 30 September 2015		**748,860**	**(266,071)**	**3,871,168**	**4,353,957**
Balance at 1 October 2013		717,746	86,306	3,046,736	3,850,788
Currency translation differences		–	(40,054)	–	(40,054)
Purchase of non-controlling interests		–	(239,473)	–	(239,473)
Other reserve movements		–	(1,689)	(948)	(2,637)
Net profit not recognised in consolidated income statement		–	–	13,084	13,084
Profit attributable to owners of the parent		–	–	555,003	555,003
Employee share grant - value of employee services		5,454	–	–	5,454
Shares to be issued under stock option plan		7,192	–	–	7,192
Transactions with owners:					
Issue of shares under stock option plan	20	11,040	–	–	11,040
Dividends paid	21	–	–	(171,487)	(171,487)
Balance at 30 September 2014		**741,432**	**(194,910)**	**3,442,388**	**3,988,910**

The notes on pages 89 to 182 are an integral part of these consolidated financial statements.

07 Consolidated Statement of Cash Flows

Year ended 30 September. Expressed in Thousands of Trinidad and Tobago dollars

	Notes	2015 $	2014 $
Cash flows from operating activities			
Operating profit after finance costs – net		**878,537**	846,944
Rebranding costs		**359**	(57,909)
Adjustments for:			
Dividends received from associated companies	10	**21,782**	18,777
Depreciation and impairment of property, plant and equipment and investment properties	6 and 7	**272,769**	257,510
Impairment of goodwill	8	**1,431**	1,431
Negative goodwill	35	**(29,540)**	–
Amortisation of other intangible assets		**3,562**	3,624
Gain on disposal of property, plant and equipment		**(33,749)**	(54,826)
Gain on disposal of subsidiary and associate		**(15,072)**	(2,140)
Increase in provision for instalment credit and other loans	15	**1,410**	2,094
Decrease/(increase) in market value of investments		**3,315**	(3,387)
Employee share grant scheme provision	20	**7,428**	5,454
Employee retirement and other benefits		**24,786**	23,732
Earnings before interest, tax, depreciation and amortisation		**1,137,018**	1,041,304
Changes in working capital:			
Increase in inventories		**(31,722)**	(108,847)
Increase in trade and other receivables		**(70,701)**	(195,107)
Increase in instalment credit and other loans		**(68,768)**	(60,488)
Increase/(decrease) in trade and other payables		**206,405**	(91,649)
Increase/(decrease) in liabilities on insurance contracts		**59,362**	(20,682)
Increase in customers' deposits		**74,541**	53,674
Cash generated from operations		**1,306,135**	618,205
Taxation paid		**(236,877)**	(222,964)
Net cash provided by operating activities		**1,069,258**	**395,241**

Consolidated Statement of Cash Flows

Year ended 30 September. Expressed in Thousands of Trinidad and Tobago dollars

	Notes	2015 $	2014 $
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment and investment properties		**71,525**	576,530
Proceeds from sale of other investments		**239,219**	46,087
Additions to property, plant and equipment and investment properties	6 and 7	**(525,345)**	(483,127)
Net increase in other investments, other intangibles, non-controlling interests and investments in associates and joint ventures		**(197,109)**	(424,286)
Acquisition of Massy Delima Grupo Automotriz S.A.S.		**–**	(37,498)
Acquisition of Gablewoods Supermart Limited		**–**	(60,133)
Acquisition of Massy Energy Fabric Maintenance		**–**	9,188
Acquisition of Massy Energy Colombia S.A.S.		**(19,591)**	–
Net cash used in investing activities		**(431,301)**	(373,239)
Cash flows from financing activities			
Proceeds, net of repayments from borrowings		**(297,808)**	690,303
Equity injection by non-controlling interest		**15,521**	–
Proceeds from issue of shares		**–**	18,232
Dividends paid to company's shareholders	21	**(185,695)**	(171,487)
Dividends paid to non-controlling interests	22	**(29,437)**	(33,114)
Net cash (used in)/provided by financing activities		**(497,419)**	503,934
Net increase in cash, cash equivalents		**140,538**	525,936
Cash, cash equivalents and bank overdrafts at beginning of the year		**1,613,504**	1,095,339
Effect of exchange rate changes on cash and bank overdrafts		**(25,191)**	(7,771)
Cash, cash equivalents and bank overdrafts at end of the year		**1,728,851**	**1,613,504**
Cash and short – term funds	19	**1,743,379**	1,626,044
Bank overdrafts and other short term borrowings	23	**(14,528)**	(12,540)
		1,728,851	**1,613,504**

The notes on pages 89 to 182 are an integral part of these consolidated financial statements.

07 Notes to the Consolidated Financial Statements

30 September 2015. Expressed in Thousands of Trinidad and Tobago dollars

1 GENERAL INFORMATION

Massy Holdings Ltd. (the 'Company'), was incorporated in the Republic of Trinidad and Tobago in 1923. The address of its registered office is 63 Park Street, Port of Spain, Trinidad. The Company and its subsidiaries, (together, the Group) is engaged in trading, manufacturing, service industries and finance in Trinidad and Tobago and the wider Caribbean region. The Company has a primary listing on the Trinidad and Tobago and Barbados Stock Exchange.

The principal subsidiaries are listed below with the percentage holding of the parent's (Massy Holdings Ltd.) effective shareholding where there is an intermediary company.

	Country of Incorporation	Percentage equity capital held
AUTOMOTIVE & INDUSTRIAL EQUIPMENT		
Massy Motors Ltd.	Trinidad and Tobago	100%
City Motors (1986) Limited	Trinidad and Tobago	100%
Massy Machinery Ltd.	Trinidad and Tobago	100%
Massy Automotive Components Ltd.	Trinidad and Tobago	100%
Massy Motors (Tobago) Ltd.	Trinidad and Tobago	100%
Master Serv Limited	Trinidad and Tobago	100%
Massy Industries (Guyana) Ltd.	Guyana	92.9%
Massy Delima Grupo Automotriz S.A.S.	Colombia	70%
Massy Pres-T-Con Holdings Ltd.	Trinidad and Tobago	86.08%
ENERGY & INDUSTRIAL GASES		
Massy Energy (Trinidad) Ltd.	Trinidad and Tobago	100%
Massy Energy Production Resources Ltd.	Trinidad and Tobago	100%
Massy Energy Engineered Solutions Ltd.	Trinidad and Tobago	100%
Massy Energy Fabric Maintenance Ltd.	Trinidad and Tobago	100%
Massy Energy Supply Chain Solutions Ltd.	Trinidad and Tobago	51%
Massy Gas Products (Trinidad) Ltd.	Trinidad and Tobago	100%
Massy Carbonics Ltd.	Trinidad and Tobago	83%
Massy Petrochemical Services Ltd.	Trinidad and Tobago	100%
Massy Gas Products (Jamaica) Limited	Jamaica	100%
Massy Gas Products (Guyana) Ltd.	Guyana	92.9%
Massy Energy Colombia S.A.S.	Colombia	100%

30 September 2015. Expressed in Thousands of Trinidad and Tobago dollars

1 GENERAL INFORMATION (continued)

	Country of Incorporation	Percentage equity capital held
INTEGRATED RETAIL		
Massy Integrated Retail Ltd.	Trinidad and Tobago	100%
Arvee Foodmaster Limited	Trinidad and Tobago	100%
Athabasca Limited	Trinidad and Tobago	100%
Massy Card Ltd.	Trinidad and Tobago	100%
Massy Credit Plus Ltd.	Trinidad and Tobago	100%
Gablewoods Supermart Limited	St. Lucia	100%
Massy Stores (Barbados) Ltd.	Barbados	100%
Massy Distribution (Jamaica) Limited	Jamaica	100%
Massy Distribution (Guyana) Inc.	Guyana	92.9%
Trident Forwarding Services Inc.	Barbados	100%
Massy Distribution (Barbados) Ltd.	Barbados	100%
Massy Gas Products (Barbados) Ltd.	Barbados	100%
Massycard (Barbados) Limited	Barbados	100%
Cargo Handlers Limited	Barbados	100%
Retail & Distribution International Inc.	St. Lucia	100%
Massy Distribution (St. Lucia) Ltd.	St. Lucia	100%
Knights Limited	Barbados	99.9%
Massy Remittance Services (Trinidad) Ltd.	Trinidad and Tobago	100%
Massy Finance GFC Ltd.	Trinidad and Tobago	100%
Magna Rewards Inc.	Barbados	90%
Magna Rewards (Jamaica) Limited	Jamaica	51.3%
Magna Rewards (St Lucia) Limited	St Lucia	51.3%
Magna Rewards (Trinidad) Limited	Trinidad and Tobago	51.3%
Magna Rewards Caribbean Inc.	Barbados	51.3%
TOURISM / HOSPITALITY		
Almond Resorts Inc.	Barbados	52%
Casuarina Holdings Inc.	Barbados	48.9%
INFORMATION TECHNOLOGY & COMMUNICATIONS AND OTHER SERVICES		
Massy Technologies InfoCom (Trinidad) Ltd.	Trinidad and Tobago	100%
Massy Technologies InfoCom (Antigua) Ltd.	Antigua	100%
Massy Technologies InfoCom (Barbados) Ltd.	Barbados	100%

1 GENERAL INFORMATION (continued)

	Country of Incorporation	Percentage equity capital held
INFORMATION TECHNOLOGY & COMMUNICATIONS AND OTHER SERVICES (continued)		
Massy Technologies InfoCom (Jamaica) Limited	Jamaica	100%
Massy Technologies (Guyana) Ltd.	Guyana	92.9%
Massy Communications Ltd.	Trinidad and Tobago	75%
Nealco Datalink Limited	Trinidad and Tobago	100%
Massy Technologies Applied Imaging (Trinidad) Ltd.	Trinidad and Tobago	100%
Massy Technologies Applied Imaging (Jamaica) Limited	Jamaica	100%
Massy Security (Guyana) Inc.	Guyana	92.9%
INSURANCE		
Massy United Insurance Ltd.	Barbados	100%
OTHER INVESTMENTS		
Massy Realty (Trinidad) Ltd.	Trinidad and Tobago	100%
Massy Properties (Trinidad) Ltd.	Trinidad and Tobago	100%
PEL Enterprises Limited	Barbados	100%
Massy (Barbados) Investments Ltd.	Barbados	100%
The Inter Regional Reinsurance Co. Limited	Cayman Islands	100%
Massy Properties (Barbados) Ltd.	Barbados	100%
Sunset Crest Holdings Inc.	Barbados	100%
Warrens Realty Inc.	Barbados	100%
Roberts Manufacturing Company Limited	Barbados	50.5%
T. Geddes Grant (Barbados) Limited	Barbados	100%
Massy Services (Guyana) Ltd.	Guyana	92.9%
Seawell Air Services Limited	Barbados	100%
BCB Communications Inc.	Barbados	51%
HEAD OFFICE		
Massy Ltd.	Trinidad and Tobago	100%
Massy (Barbados) Ltd.	Barbados	100%
Massy (Guyana) Ltd.	Guyana	92.9%

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and IFRIC interpretations. The consolidated financial statements have been prepared under the historical cost convention as modified by the revaluation of available-for-sale financial assets, financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

i) Standards, amendments and interpretations adopted by the Group

The Group has adopted the following new and amended standards and interpretations as of 1 October 2014:

- IFRS 10, 'Consolidated financial statements' (effective for annual periods beginning on or after 1 January 2013 although endorsed for annual periods on or after 1 January 2014). This standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements. The standard provides additional guidance to assist in determining control where this is difficult to assess. This new standard might impact the entities that a group consolidates as its subsidiaries.

- IFRS 11, 'Joint arrangements' (effective for annual periods beginning on or after 1 January 2013 although endorsed for annual periods on or after 1 January 2014). This standard provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. There are two types of joint arrangements: joint operations and joint arrangements. Joint operations arise where a joint operator has rights to the assets and obligations relating to the arrangement and hence accounts for its interest in assets, liabilities, revenue and expenses. Joint arrangements arise where the joint operator has rights to the net assets of the arrangement and hence equity accounts for its interest. Proportional consolidation of joint arrangements is no longer allowed.

- IFRS 12, 'Disclosures of interests in other entities' (effective for annual periods beginning on or after 1 January 2013 although endorsed for annual periods on or after 1 January 2014). This standard includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off-balance-sheet vehicles.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a Basis of preparation (continued)

i) Standards, amendments and interpretations adopted by the Group (continued)

- Amendments to IFRSs 10, 11 and 12 on transition guidance (effective for annual periods beginning on or after 1 January 2013 although endorsed for annual periods on or after 1 January 2014). These amendments also provide additional transition relief in IFRSs 10, 11 and 12, limiting the requirement to provide adjusted comparative information to only the preceding comparative period. For disclosures related to unconsolidated structured entities, the amendments will remove the requirement to present comparative information for periods before IFRS 12 is first applied.

- IAS 27 (revised 2011) 'Separate financial statements' (effective for annual periods beginning on or after 1 January 2013 although endorsed for annual periods on or after 1 January 2014). This standard includes the provisions on separate financial statements that are left after the control provisions of IAS 27 have been included in the new IFRS 10.

- IAS 28 (revised 2011) 'Associates and joint ventures' (effective for annual periods beginning on or after 1 January 2013 although endorsed for annual periods on or after 1 January 2014). This standard includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of IFRS 11.

- Amendment to IAS 32, 'Financial instruments' asset and liability offsetting (effective for annual periods on or after 1 January 2014). This amendment updates the application guidance in IAS 32, 'Financial Instruments: Presentation', to clarify some of the requirements for offsetting financial assets and financial liabilities on the balance sheet.

- Amendment to IAS 36, 'Impairment of assets' on recoverable amount disclosures (effective for annual periods on or after 1 January 2014). These amendments address the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.

- Amendment to IAS 19, 'Employee benefits', regarding defined benefit plans (effective for annual periods on or after 1 July 2014 although endorsed for annual periods on or after 1 February 2015). These amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary.

- Annual improvements 2013 (effective annual periods on or after 1 July 2014 although endorsed for annual periods on or after 1 February 2015). These amendments include changes from the 2011-13 cycle of the annual improvements project that affect 4 standards.
  - IFRS 1, 'First Time Adoption'.
  - IFRS 3, 'Business Combination'.
  - IFRS 13, 'Fair Value Measurement'.
  - IAS 40, 'Investment Property'.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a Basis of preparation (continued)

i) Standards, amendments and interpretations adopted by the Group (continued)

- IFRIC 21, 'Levies' (effective for annual periods beginning on or after 1 January 2014). This interpretation is on IAS 37, 'Provisions, contingent liabilities and contingent assets'. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy.

ii) Standards, amendments and interpretations that are not yet effective for the financial year beginning 1 October 2014 and not early adopted by the Group. The impact of the following standards has not yet been evaluated

- Amendment to IFRS 11, 'Joint Arrangements' (effective 1 January 2016) on acquisition of an interest in a joint operation. This amendment adds new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business. The amendment specifies the appropriate accounting treatment for such acquisitions.

- Amendments to IAS 16, 'Property, plant and equipment' and IAS 38, 'Intangible Assets', on depreciation and amortisation (effective 1 January 2016). In this amendment the IASB has clarified that the use of revenue based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The IASB has also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset.

- IFRS 14 'Regulatory Deferral Accounts' (effective 1 January 2016) permits first-time adopters to continue to recognise amounts related to rate regulation in accordance with their previous GAAP requirements when they adopt IFRS. However, to enhance comparability with entities that already apply IFRS and do not recognise such amounts, the standard requires that the effect of rate regulation must be presented separately from other items.

- Annual improvements 2012 (effective 1 July 2014). These amendments include changes from the 2010-12 cycle of the annual improvements project, that affect 7 standards:
  - IFRS 2, 'Share-Based Payment'
  - IFRS 3, 'Business Combinations'
  - IFRS 8, 'Operating Segments'
  - IFRS 13, 'Fair Value Measurement'
  - IAS 16, 'Property, Plant and Equipment'
  - IAS 24, 'Related Party Disclosures' and
  - IAS 38, 'Intangible Assets'

- Consequential amendments to: IFRS 9, 'Financial instruments' (effective 1 January 2018)
  - IAS 37, 'Provisions, Contingent Liabilities and Contingent Assets'
  - IAS 39, 'Financial Instruments' – Recognition and Measurement'.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a Basis of preparation (continued)

ii) Standards, amendments and interpretations that are not yet effective for the financial year beginning 1 October 2014 and not early adopted by the Group. The impact of the following standards has not yet been evaluated (continued)

- Annual improvements 2014 (effective 1 January 2016). These set of amendments impacts 4 standards:
  - IFRS 5, 'Non-current assets held for sale and discontinued operations' regarding methods of disposal.
  - IFRS 7, 'Financial Instruments: Disclosures', (with consequential amendments to IFRS 1) regarding servicing contracts.
  - IAS 19, 'Employee Benefits' regarding discount rates.
  - IAS 34, 'Interim financial reporting' regarding disclosure of information.

- Amendments to IAS 27, 'Separate Financial Statements' (effective 1 January 2016) on the equity method. These amendments allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements.

- Amendments to IFRS 10, 'Consolidated Financial Statements' and IAS 28, 'Investments in associates and joint ventures' (effective 1 January 2016). These amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

- IFRS 15 'Revenue from contracts with customers' (effective 1 January 2018) is a converged standard from the IASB and FASB on revenue recognition. The standard will improve the financial reporting of revenue and improve comparability of the top line in financial statements globally.

- IFRS 9 'Financial instruments' (effective 1 January 2018). This standard replaces the guidance in IAS 39. It includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the current incurred loss impairment model.

iii) Restatement of comparative information

The Group adjusted comparative information as follows:

a) *Segments* - as a result of changes in the classification of companies within the business units, prior year amounts were restated.

b) *Borrowings* - borrowings of $1.2bn included in "other secured advances" have been restated to be included as "unsecured advances".

c) *Commitments* - Lease commitments for the newly acquired Gablewoods Group were not included in the Group disclosure in the prior year.

The above changes have no impact on the statement of financial position as at 30 September 2014 and the statement of comprehensive income for the year ended 30 September 2014.

30 September 2015. Expressed in Thousands of Trinidad and Tobago dollars

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a Basis of preparation (continued)

iii) Restatement of comparative information (continued)

a) Segments

The following tables show the adjustments recognised for each individual line item. The overall total would not have been affected.

The segment results for the year ended 30 September 2014 as previously reported:

	Automotive & Industrial Equipment $	Integrated Retail $	Insurance $	Energy & Industrial Gases $	Information Technology & Communications $	Other Investments $	Head Office & Other Adjustments $	Total $
Group revenue	2,338,981	6,588,225	282,794	940,434	652,992	580,681	1,657	**11,385,764**
Inter-segment revenue	(136,027)	(383,448)	–	(13,037)	(59,995)	(87,799)	(1,657)	**(681,963)**
Third party revenue	**2,202,954**	**6,204,777**	**282,794**	**927,397**	**592,997**	**492,882**	–	**10,703,801**
Operating profit/(loss) before finance costs and rebranding costs	238,175	362,218	22,638	179,008	103,302	102,924	(127,464)	**880,801**
Finance costs – net	(8,080)	(19,797)	31,416	1,253	(1,418)	(3,344)	(33,887)	**(33,857)**
	230,095	342,421	54,054	180,261	101,884	99,580	(161,351)	**846,944**
Share of results of associates and joint ventures before tax, net of impairment (Note 10)	978	4,106	184	43,141	(7,477)	2,512	–	**43,444**
Profit/(loss) before rebranding costs and income tax	231,073	346,527	54,238	223,402	94,407	102,092	(161,351)	**890,388**
Rebranding costs	(7,627)	(18,376)	(2,778)	(4,178)	(2,221)	(189)	(22,540)	**(57,909)**
Profit before income tax	223,446	328,151	51,460	219,224	92,186	101,903	(183,891)	**832,479**
Taxation	(60,716)	(79,366)	(13,074)	(58,088)	(25,644)	(18,715)	23,223	**(232,380)**
Profit/(loss) for the year	**162,730**	**248,785**	**38,386**	**161,136**	**66,542**	**83,188**	**(160,668)**	**600,099**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a Basis of preparation (continued)

iii) Restatement of comparative information (continued)

a) Segments (continued)

The segment assets and liabilities as at 30 September 2014 and capital expenditure as previously reported:

	Automotive & Industrial Equipment $	Integrated Retail $	Insurance $	Energy & Industrial Gases $	Information Technology & Communications $	Other Investments $	Head Office & Other Adjustments $	Total $
Total assets	1,370,536	3,057,368	1,245,714	832,499	495,327	1,636,188	1,211,596	**9,849,228**
Investments in associates and joint ventures (Note 10)	7,368	2,544	238	169,115	57,916	223,288	–	**460,469**
Total liabilities	584,129	1,145,120	755,620	216,419	236,514	388,356	2,298,508	**5,624,666**
Capital expenditure	150,569	177,190	11,348	33,756	26,460	98,773	(14,969)	**483,127**

Other segment items included in the consolidated income statement are as follows:-

Depreciation and impairment	97,873	70,458	3,150	29,103	28,097	26,026	2,803	**257,510**
Impairment of goodwill (Note 8)	–	1,431	–	–	–	–	–	**1,431**

30 September 2015. Expressed in Thousands of Trinidad and Tobago dollars

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a Basis of preparation (continued)

iii) Restatement of comparative information (continued)

a) Segments (continued)

The restatements required for segment results for the year ended 30 September 2014 are as follows:

	Automotive & Industrial Equipment $	Integrated Retail $	Insurance $	Energy & Industrial Gases $	Information Technology & Communications $	Other Investments $	Head Office & Other Adjustments $	Total $
Group revenue	–	(24,977)	–	55,686	(31,131)	422	–	–
Inter-segment revenue	–	13,522	–	(15,112)	5,344	(3,754)	–	–
Third party revenue	**–**	**(11,455)**	**–**	**40,574**	**(25,787)**	**(3,332)**	**–**	**–**
Operating profit/(loss) before finance costs and rebranding costs	–	17,239	–	230	(5,256)	(12,563)	350	–
Finance costs – net	–	282	–	(263)	(345)	326	–	–
	–	17,521	–	(33)	(5,601)	(12,237)	350	–
Share of results of associates and joint ventures before tax, net of impairment	–	–	–	–	–	–	–	–
Profit/(loss) before rebranding costs and income tax	–	17,521	–	(33)	(5,601)	(12,237)	350	–
Rebranding costs	–	(29)	–	–	66	(37)	–	–
Profit before income tax	–	17,492	–	(33)	(5,535)	(12,274)	350	–
Taxation	–	(5,699)	–	–	1,780	3,919	–	–
Profit/(loss) for the year	**–**	**11,793**	**–**	**(33)**	**(3,755)**	**(8,355)**	**350**	**–**

The segment results for the year ended 30 September 2014 as restated are shown on Note 5.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a Basis of preparation (continued)

iii) Restatement of comparative information (continued)

a) Segments (continued)

The restatements required for segment assets and liabilities for the year ended 30 September 2014 are as follows:

	Automotive & Industrial Equipment $	Integrated Retail $	Insurance $	Energy & Industrial Gases $	Information Technology & Communications $	Other Investments $	Head Office & Other Adjustments $	Total $
Total assets	–	1,704	–	27,305	(10,992)	(18,017)	–	–
Investments in associates and joint ventures	–	–	–	–	–	–	–	–
Total liabilities	–	(8,991)	–	14,276	(4,278)	(1,007)	–	–
Capital expenditure	–	91	–	666	(1,743)	986	–	–

Other segment items included in the consolidated income statement are as follows:-

Depreciation and impairment	–	(1,611)	–	1,777	(979)	813	–	–
Impairment of goodwill	–	–	–	–	–	–	–	–

The segment assets and liabilities for the year ended 30 September 2014 as restated are shown in Note 5.

30 September 2015. Expressed in Thousands of Trinidad and Tobago dollars

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a Basis of preparation (continued)

iii) Restatement of comparative information (continued)

b) Borrowings

	2014 As previously reported $	Restatement required	2014 As restated $
Fixed interest mortgage loans	49,679	–	49,679
Other secured advances	2,010,765	(1,212,469)	798,296
Unsecured advances	394,323	1,212,469	1,606,792
Bank overdrafts and other short term borrowings	12,540	–	12,540
Total borrowings	2,467,307	–	2,467,307
Less short term borrowings	(522,446)	–	(522,446)
Medium and long term borrowings	**1,944,861**	**–**	**1,944,861**

c) Commitments

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	2014 As previously reported $	Restatement required	2014 As restated $
No later than 1 year	51,736	11,629	63,365
Later than 1 year and no later than 5 years	145,952	44,022	189,974
Later than 5 years	146,791	32,763	179,554
	344,479	**88,414**	**432,893**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b Consolidation

i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a charge to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

Although the Group has only a 48.9% effective ownership interest in a company, this entity is treated as a subsidiary, as the Group is able to govern the financial and operating policies of the company by virtue of an agreement with the other investors.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b Consolidation (continued)

ii) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

iii) Associates and Joint ventures

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights.

Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition.

The Group's share of its associates' post acquisition profits or losses is recognised in the consolidated income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. Joint ventures are also accounted for using the equity method. The Group discontinues the use of the equity method from the date on which it ceases to have joint control over, or have significant influence in, a jointly controlled entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b Consolidation (continued)

iii) Associates and Joint ventures (continued)

Accounting policies of associates and joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.
Dilution gains and losses arising in investments in associates are recognised in the consolidated income statement.

c Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer who makes strategic decisions.

d Foreign currency translation

i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Trinidad and Tobago dollars, which is the Group's presentation currency.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income.

Translation differences on non-monetary financial assets and liabilities, such as equities held at fair value through profit or loss are recognised as part of the fair value gain or loss.

Translation differences on non-monetary items such as equities classified as available-for-sale financial assets are included in other reserves in equity.

Translation differences on debt securities and other monetary financial assets measured at fair value are included in foreign exchange gains and losses.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d Foreign currency translation (continued)

iii) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

a) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

b) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

c) all resulting exchange differences are recognised in the consolidated statement of comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to the consolidated statement of changes in equity. When a foreign operation is sold, exchange differences that were recorded in equity are recognised in the consolidated income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are included in assets and liabilities of the foreign entity and translated at the closing rate.

e Property, plant and equipment

Property, plant and equipment including land and buildings are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is de-recognised. All other repairs and maintenance are charged to the consolidated income statement during the financial period in which they are incurred.

Interest costs on borrowings to finance the construction of property, plant and equipment are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed.

Land is not depreciated.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e Property, plant and equipment (continued)

Depreciation is provided on the straight-line basis at rates estimated to write-off the cost of each asset over its expected useful life. In the case of motor vehicles, depreciation is based on cost less an estimated residual value. The estimated useful lives of assets are reviewed periodically, taking account of commercial and technological obsolescence as well as normal wear and tear, and depreciation rates are adjusted if appropriate.

Current rates of depreciation are:

Freehold property	-	2%
Leasehold property and improvements	-	2% to 20%
Plant and equipment	-	5% to 33.3%
Rental assets	-	25%
Furniture and fixtures	-	10% to 25%
Motor vehicles	-	10% to 25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are included in the consolidated income statement.

f Investment properties

Investment and development properties are owned or leased by the Group and held for long-term rental income and capital appreciation and exclude properties occupied by the Group.

Investment properties are stated at amortised cost, less impairment. Transaction costs are included on initial measurement. The fair values of investment properties are disclosed in Note 7. These are assessed using internationally accepted valuation methods, such as taking comparable properties as a guide to current market prices or by applying the discounted cash flow method. Like property, plant and equipment, investment properties are depreciated using the straight-line method.

The current rate of depreciation is 2%.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f Investment properties (continued)

Investment properties cease recognition as investment property either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. Gains or losses arising from the retirement or disposal of investment property are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated income statement in the period of the retirement or disposal.

g Intangible assets

i) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. Goodwill represents the goodwill acquired on acquisition of subsidiaries. Goodwill on acquisition of associates is included in 'Investments in Associates'. Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. Massy Holdings Ltd. allocates goodwill to each business segment in each country in which it operates (Note 8).

ii) Computer software

Costs associated with the maintenance of existing computer software programmes are expensed as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g Intangible assets (continued)

ii) Computer software (continued)

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which do not exceed three years.

iii) Brands

Brands acquired in a business combination are recognised at fair value at the acquisition date, and are amortised over seven to twenty years.

h Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

i Financial assets

Classification

The Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

i) Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the statement of financial position date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

i Financial assets (continued)

Classification (continued)

ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the statement of financial position date. These are classified as non-current assets. Loans and receivables are classified as 'trade and other receivables' and 'instalment credit and other loans' in the consolidated statement of financial position.

Instalment credit and other loans are stated at principal outstanding net of unearned finance charges and specific allowance for loan losses.

Interest from instalment credit is recognised as it accrues on the reducing balance amount at the annual percentage rate. Interest earned on other forms of financing is calculated as is appropriate to individual transactions.

iii) Held-to-maturity financial assets

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. Held-to-maturity financial assets are included in non-current assets.

iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the statement of financial position date.

j Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the consolidated income statement.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Unlisted equity securities for which fair values cannot be reliably measured have been recognised at cost less impairment. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

j Recognition and measurement (continued)

Financial assets are de-recognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within 'other (losses)/gains – net' in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the income statement as part of other income when the Group's right to receive payments is established.

Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognised in other comprehensive income.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the consolidated income statement as 'gains and losses from investment securities'. Interest on available-for-sale securities calculated using the effective interest method is recognised in the consolidated income statement. Dividends on available-for-sale equity instruments are recognised in the consolidated income statement when the Group's right to receive payments is established.

k Impairment of financial assets

i) Assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment, as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event'), and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be estimated reliably.

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

- significant financial difficulty of the issuer or obligor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- the Group, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
- it becomes probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties; or
- observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

k Impairment of financial assets (continued)

i) Assets carried at amortised cost (continued)

a) adverse changes in the payment status of borrowers in the portfolio; and
b) national or local economic conditions that correlate with defaults on the assets in the portfolio.

The Group first assesses whether objective evidence of impairment exists.

For the loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. The Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

ii) Assets classified as available-for-sale

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. For debt securities, the Group uses the criteria referred to above. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the consolidated income statement. Impairment losses recognised in the consolidated income statement on equity instruments are not reversed through the consolidated income statement. If, in a subsequent period, the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the consolidated income statement.

l Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

m Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined using the weighted average cost method. The cost of finished goods and work in progress comprise raw materials, direct labour, other direct costs and related production overheads, but excludes interest expense. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

n Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

o Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the consolidated statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

p Share capital

Ordinary shares with discretionary dividends are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any Group company purchases the company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the company's equity holders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the company's equity holders.

q Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

q Trade payables (continued)

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

r Insurance

i) Insurance and reinsurance contracts

Insurance and reinsurance contracts are defined as those containing significant insurance risk at the inception of the contract, or those where at the inception of the contract there is a scenario with commercial substance where the level of insurance risk may be significant.

The significance of insurance risk is dependent on both the probability of an insured event and the magnitude of its potential effect. Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime, even if the insurance risk reduces significantly during the period.

In the normal course of business, the Group seeks to reduce the losses to which it is exposed that may cause unfavourable underwriting results by re-insuring a certain level of risk with reinsurance companies. Reinsurance premiums are accounted for on a basis consistent with that used in accounting for the original policies issued and the terms of the reinsurance contracts.

Reinsurance contracts ceded do not relieve the Group from its obligations to policyholders. The Group remains liable to its policyholders for the portion re-insured, to the extent that the reinsurers do not meet the obligations assumed under the reinsurance agreements.

ii) Amounts receivable from reinsurance companies

Included in accounts receivable on the statement of financial position, are amounts receivable from reinsurance companies, which consist primarily of amounts due in respect of ceded insurance liabilities. Recoverable amounts are estimated in a manner consistent with the outstanding claims reserve or settled claims associated with the re-insured policies and in accordance with the relevant reinsurance contract.

If amounts receivable from reinsurance companies are impaired, the Group reduces the carrying amount accordingly and recognises an impairment loss in the consolidated income statement. A reinsurance asset is impaired if there is objective evidence that the Group may not receive all, or part, of the amounts due to it under the terms of the reinsurance contract.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

s Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date.

t Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the Group's subsidiaries, associates and joint ventures operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates and joint ventures, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

t Current and deferred income tax (continued)

The principal temporary differences arise from depreciation on property, plant and equipment, retirement benefits and tax losses carried forward. Deferred tax assets relating to the carrying forward of unused tax losses are recognised to the extent that it is probable that future taxable profit will be earned against which the unused tax losses can be utilised.

u Employee benefits

i) Pension obligations

Group companies operate various pension plans. The majority of the Trinidad and Tobago resident employees are members of either the Neal & Massy Group Pension Fund Plan, the Retirement Income Security Plan or the T. Geddes Grant Limited Pension Fund Plan.

The Neal & Massy Group Pension Fund Plan, contributions to which were frozen on 31 January,1990, is a defined contribution plan whose assets are held separately from those of the Group in an independently administered fund. The most recent actuarial valuation, at 31 March, 2014, revealed that the plan is adequately funded. There are certain benefits payable by the Neal & Massy Group Pension Fund Plan which fall within the scope of IAS 19 (revised) – Employee Benefits.

The Retirement Income Security Plan incorporates an employee stock ownership plan which is funded by contributions made by the employer, and is funded by the employees. Contributions to the Plan are accounted for on the accrual basis and the assets are held separately from those of the Group in independently administered funds.

T. Geddes Grant Limited Pension Fund Plan is a defined contribution plan whose assets are held separately from those of the Group in an independently administered fund. Contributions to the plan are accounted for on the accrual basis and are reviewed by independent actuaries on the basis of triennial valuations.

The majority of the employees of the overseas companies participate in either defined contribution or defined benefit pension plans which are separate from the Trinidad and Tobago plans.

A defined benefit plan is a pension plan that defines an amount of pension benefit to be provided, usually as a function of one or more factors such as age, years of service or compensation. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees benefits relating to employee service in the current and prior periods.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

u Employee benefits (continued)

i) Pension obligations (continued)

The asset and liability recognised in the consolidated statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the statement of financial position date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Actuarial gains and losses arising from experience adjustments, changes in actuarial assumptions and amendments to pension plans are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

ii) Other post-employment obligations

Certain Group companies provide post-retirement healthcare benefits to their retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans. Actuarial gains and losses arising from experience adjustments, and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which it arises. These obligations are valued annually by independent qualified actuaries.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

u Employee benefits (continued)

iii) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to a termination and when the entity has a detailed formal plan to terminate the employment of current employees without possibility of withdrawal. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

iv) Bonus plans

A liability for employee benefits in the form of bonus plans is recognised in other provisions when there is no realistic alternative but to settle the liability and at least one of the following conditions are met:

- there is a formal plan and the amounts to be paid are determined before the time of issuing the financial statements; or
- past practice has created a valid expectation by employees that they will receive a bonus/profit sharing and the amount can be determined before the time of issuing the financial statements.

Liabilities for bonus plans are expected to be settled within 12 months and are measured at the amounts expected to be paid when they are settled.

v Share-based payments

The Group operates equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments of the Group. The fair value of the employee services received in exchange for the allocation or grant of the shares is recognised as an expense under both the Employee Share Ownership Plan (“ESOP”) and the Performance Share Plan (“PSP”) for Executives only.

The total amount to be expensed for shares allocated under the ESOP is determined by reference to the market value and purchase price of the shares on the market at the point of purchase.

The total amount to be expensed, under the PSP, is determined by reference to the fair value of the shares granted:

- including any market performance conditions (for example, an entity’s share price); and
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

v Share-based payments (continued)

Non-market vesting conditions are included in assumptions about the number of shares that are expected to be granted and then vested. The total expense is recognised over the vesting period, which is the period over which all of the specified performance criterion and vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of shares that are expected to vest based on the performance criterion and any applicable non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated income statement, with a corresponding adjustment to equity.

When the share grants are due to be vested, the company issues new shares.

The grant by the company of shares to the Executives of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of Executive services received, is measured by reference to the grant date fair value and, is recognised over the vesting period.

w Provisions

Provisions for dismantlement costs, restructuring costs, legal claims and all other provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

x Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

x Revenue recognition (continued)

- **Sale of goods – wholesale**

  The Group manufactures and sells a range of products in the wholesale market. Sales of goods are recognised when a Group entity has delivered products to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery does not occur until the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the wholesaler, and either the wholesaler has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

  Sales are recorded based on the price specified in the sales contracts, net of the estimated volume discounts and returns at the time of sale. Accumulated experience is used to estimate and provide for the discounts and returns. The volume discounts are assessed based on anticipated annual purchases. No element of financing is deemed present as the sales are made with credit terms as specified for entities within the Group, which is consistent with the market practice.

- **Sale of goods – retail**

  The Group operates retail outlets for selling a range of products. Sales of goods are recognised when a Group entity sells a product to the customer. Retail sales are usually in cash or by credit card.

  It is the Group's policy to sell its products to the retail customer with a right to return within a stipulated number of days as required by the entities in the Group. Accumulated experience is used to estimate and provide for such returns at the time of sale.

- **Sale of services**

  The Group is engaged in providing a number of services. These services are provided on a time and material basis or as a fixed-price contract, with contract terms generally ranging from less than one year to three years.

  Revenue from time and material contracts, typically from delivering design services, is recognised under the percentage-of-completion method. Revenue is generally recognised at the contractual rates. For time contracts, the stage of completion is measured on the basis of labour hours delivered as a percentage of total hours to be delivered. For material contracts, the stage of completion is measured on the basis of direct expenses incurred as a percentage of the total expenses to be incurred.

  Revenue from fixed-price contracts for delivering design services is also recognised under the percentage-of-completion method. Revenue is generally recognised based on the services performed to date as a percentage of the total services to be performed.

2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

x **Revenue recognition** (continued)

- **Sale of services** (continued)

  Revenue from fixed-price contracts is generally recognised in the period the services are provided, using a straight-line basis over the term of the contract.

  If circumstances arise that may change the original estimates of revenues, costs or extent of progress toward completion, estimates are revised. These revisions may result in increases or decreases in estimated revenues or costs and are reflected in income in the period in which the circumstances that give rise to the revision become known by management.

- **Premium income**

  Premiums written are recognised on policy inception and earned on a pro-rata basis over the term of the related policy coverage. Estimates of premiums written as at the statement of financial position date but not yet received, are assessed based on estimates from underwriting or past experience and are included in premiums earned. Premiums ceded are expensed on a pro-rata basis over the term of the respective policy.

- **Rental income**

  Rental income from investment property leased out under an operating lease is recognised in the consolidated income statement on a straight-line basis over the lease term.

  Contingent rents, such as turnover rents, rent reviews and indexation, are recorded as income in the periods in which they are earned. Rent reviews are recognised when such reviews have been agreed with tenants.

- **Interest income**

  Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans and receivables is recognised using the original effective interest rate.

- **Dividend income**

  Dividend income is recognised when the shareholder’s right to receive payment is established.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

y Leases

Group is the lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated income statement on a straight-line basis over the period of the lease.

The Group leases certain property, plant and equipment. Leases of property, plant and equipment where, the Group has substantially all the risks and rewards of ownership, are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the consolidated income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

Group is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return. Assets leased out under operating leases are included in property, plant and equipment in the consolidated statement of financial position. They are depreciated over their expected useful lives on a basis consistent with similarly owned property, plant and equipment. Rental income (net of any incentives given to lessees) is recognised on a pattern reflecting a constant periodic rate of return on the lessor's net investment.

z Dividend distribution

Dividend distribution to the company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the company's directors.

3 FINANCIAL RISK MANAGEMENT

a Financial risk factors

The Group's activities expose it to a variety of financial risks. The Group's aim therefore is to achieve an appropriate balance between risk and return and minimise potentially adverse effects on the Group's financial performance. This is achieved by the analysis, evaluation, acceptance and management of the Group's risk exposure.

3 FINANCIAL RISK MANAGEMENT (continued)

a Financial risk factors (continued)

The Board of Directors is ultimately responsible for the establishment and oversight of the Group's risk management framework. The main financial risks of the Group relate to the availability of funds to meet business needs, the risk of default by counterparties to financial transactions, and fluctuations in interest and foreign exchange rates. The treasury function manages the financial risks that arise in relation to underlying business needs and operates within clear policies and stringent parameters. The function does not operate as a profit centre and the undertaking of speculative transactions is not permitted.

The Group's principal financial liabilities comprise bank loans, operating overdrafts and trade payables, which are used to finance Group operations. There are various financial assets such as trade receivables, investments, loans receivable, cash and short term deposits which emanate from its operations. The main risks arising from the Group's financial instruments are credit risk, liquidity risk, foreign currency risk and interest rate risk.

The following contains information relative to the Group's exposure to each of the above risks, including quantitative disclosures.

i) Market risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

a) Currency risk

The Group is exposed to foreign exchange risk arising from various currency exposures. The Group manages its foreign exchange risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions as well as holding foreign currency balances.

The values of debt, investments and other financial liabilities, denominated in currencies other than the functional currency of the entities holding them, are subject to exchange rate movements. The US $19,000 loan outstanding as at 30 September 2014 was repaid during the year and the USD foreign exchange position as at 30 September 2015 is not significant. A 2% change in USD rates would lead to a TT$43 (2014: TT$2,417) loss/gain in the consolidated income statement.

The assets and liabilities of the Colombian subsidiaries are denominated in Colombian Pesos and are translated into Trinidad and Tobago dollars at exchange rates prevailing at the date of the consolidated statement of financial position. Exchange differences arising are recognised in the consolidated statement of comprehensive income and are included in the consolidated translation reserve. A 10% devaluation in the Colombian Peso to the US dollar would result in TT$7,673 loss to the statement of comprehensive income.

3 FINANCIAL RISK MANAGEMENT (continued)

a Financial risk factors (continued)

i) Market risk (continued)

b) Interest rate risk

The Group's exposure to changes in market interest rates relates primarily to the long term debt obligations, with floating interest rates. The exposure to interest rate risk on cash held on deposit is not significant.

At the end of 2015, interest rates were fixed on approximately 98% of the borrowings (2014: 80%). The impact on the consolidated income statement to a 50 basis points change in floating interest rates is $199 in 2015 (2014: $2,442).

c) Price risk

The Group is exposed to equity securities price risk because of investments held by the Group and classified on the consolidated statement of financial position as available-for-sale. The Group is not exposed to commodity price risk. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

ii) Credit risk

The Group is exposed to credit risk, which is the risk that may arise from its customers, clients and counterparties failing to discharge their contractual obligations. The credit exposures arise primarily from the Group's receivables on sales, investments and cash held on deposit at various financial institutions.

The Group has no significant concentrations of credit risk and trades mainly with recognised, creditworthy third parties. It is the Group's policy that all customers trading on credit terms are subject to credit verification procedures. These procedures are elements of a structured credit control system and include an analysis of each customer's creditworthiness and the establishment of limits before credit terms are set. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. The maximum exposure is the carrying amount as disclosed in Note 11.

With respect to credit risk arising from the other financial assets of the Group, namely cash and cash equivalents and available-for-sale financial investments, the Group's exposure to credit risk arises principally from default of the counterparty.

3 FINANCIAL RISK MANAGEMENT (continued)

a Financial risk factors (continued)

iii) Liquidity risk

Liquidity risk is the risk which may arise if the Group is unable to meet the obligations associated with its financial liabilities when they fall due.

The Group's liquidity risk management process is measured and monitored by senior management. This process includes monitoring current cash flows on a frequent basis, assessing the expected cash inflows as well as ensuring that the Group has adequate committed lines of credit to meet its obligations.

The following is an analysis of the undiscounted contractual cash flows payable under financial liabilities. Undiscounted cash flows will differ from both the carrying values and the fair values.

Maturity analysis of financial liabilities

	Less than 1 year $	1 - 5 years $	More than 5 years $	Con-tractual cash flows $	Carrying amount $
2015					
Financial liabilities					
Bank overdraft and other short-term borrowings	14,528	–	–	14,528	14,528
Other borrowings	429,864	1,029,197	1,496,601	2,955,662	2,155,232
Customers' deposits	310,650	43,014	–	353,664	347,914
Trade payables	913,787	–	–	913,787	913,787
Liabilities on insurance contracts	690,701	–	–	690,701	690,701
Subtotal	**2,359,530**	**1,072,211**	**1,496,601**	**4,928,342**	**4,122,162**

30 September 2015. Expressed in Thousands of Trinidad and Tobago dollars

3 FINANCIAL RISK MANAGEMENT (continued)

a Financial risk factors (continued)

iii) Liquidity risk (continued)

Maturity analysis of financial liabilities (continued)

	Less than 1 year $	1 - 5 years $	More than 5 years $	Con-tractual cash flows $	Carrying amount $
2014					
Financial liabilities					
Bank overdraft and other short-term borrowings	12,540	–	–	12,540	12,540
Other borrowings	536,810	1,126,090	1,675,342	3,338,242	2,454,767
Customers' deposits	212,695	63,249	–	275,944	273,373
Trade payables	692,637	–	–	692,637	692,637
Liabilities on insurance contracts	633,330	–	–	633,330	633,330
Subtotal	**2,088,012**	**1,189,339**	**1,675,342**	**4,952,693**	**4,066,647**

b Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may vary the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (current and non-current borrowings) less cash and cash equivalents. Total capital is calculated as total equity as shown in the consolidated statement of financial position plus net debt.

3 FINANCIAL RISK MANAGEMENT (continued)

b Capital risk management (continued)

	2015 $	2014 $
Total borrowings (Note 23)	**2,169,760**	2,467,307
Less: Cash and cash equivalents (Note 19)	**(1,743,379)**	(1,626,044)
Net debt	**426,381**	841,263
Total equity	**4,590,327**	4,224,562
Total capital	**5,016,708**	**5,065,825**
Gearing ratio	**8%**	17%

c Fair value estimation

The Group uses the following hierarchy for determining and disclosing the fair value of financial assets and liabilities recorded at fair value in the consolidated financial statements based upon the level of judgement associated with the inputs used to measure their fair value. The hierarchical levels, from lowest to highest based on the amount of subjectivity associated with the inputs to fair valuation of these assets and liabilities are as follows:

Level 1 – Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date. The types of assets carried at level 1 fair value are equity and debt securities listed in active markets.

Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly. These inputs are derived principally from or corroborated by observable market data by correlation or other means at the measurement date and for the duration of the instruments' anticipated life.

The assets generally included in this fair value hierarchy are time deposits, foreign exchange and interest rate derivatives and certain investment funds. Foreign exchange derivatives and interest rate derivatives are valued using corroborated market data. The liabilities generally included in this fair value category consist of foreign exchange derivatives and options on equity securities.

Level 3 – Inputs that are unobservable for the asset or liability for which there are no active markets to determine a price. These financial instruments are held at cost being the fair value of the consideration paid for the acquisition of the investments, and are regularly assessed for impairment.

30 September 2015. Expressed in Thousands of Trinidad and Tobago dollars

3 FINANCIAL RISK MANAGEMENT (continued)

c Fair value estimation (continued)

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. The quoted market price used for financial assets held by the Group is the current bid price.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each statement of financial position date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

The following table presents the Group's assets that are measured at fair value at 30 September 2015:

Assets

	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets at fair value through profit or loss				
- Trading securities	121,396	–	–	**121,396**
Available-for-sale financial assets				
- Equity securities	15,594	–	94,044	**109,638**
- Debt securities	1,270	–	36,078	**37,348**
	138,260	**–**	**130,122**	**268,382**

3 FINANCIAL RISK MANAGEMENT (continued)

c Fair value estimation (continued)

The following table presents the Group's assets and liabilities that are measured at fair value at 30 September 2014:

Assets

	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets at fair value through profit or loss				
- Trading securities	122,202	–	–	**122,202**
Available-for-sale financial assets				
- Equity securities	15,355	–	32,604	**47,959**
- Debt securities	1,237	–	–	**1,237**
	138,794	**–**	**32,604**	**171,398**

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

i) Estimated impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2.g. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates as described in Note 8.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

a Critical accounting estimates and assumptions (continued)

ii) Impairment of property, plant and equipment and investment properties

When any indicators of impairment are identified, property, plant and equipment and investment properties are reviewed for impairment based on each cash generating unit. The cash generating units are individual assets. The carrying value of these assets are compared to the recoverable amount of the cash generating units, which are based either on value-in-use or fair value less cost to sell. Value-in-use calculations use pre-tax cash flow projections based on financial budgets approved by management covering a 5-year period. Cash flows beyond the 5-year period are extrapolated using the estimated growth rates which do not exceed the long-term average growth rates for the businesses in which the cash generating unit operates. Where fair values are used, these are provided by an independent professional valuator. Impairment losses are recognised in the consolidated income statement.

The assessment of whether indicators of impairment exist and the estimation of the recoverable amount both require the use of management judgement.

iii) Income taxes

The Group is subject to income taxes in several jurisdictions. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

iv) Fair value of financial instruments

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at each statement of financial position date. The Group uses discounted cash flow analyses for various available-for-sale financial assets that were not traded in active markets.

v) Revenue recognition

The Group uses the percentage-of-completion method in accounting for its sales of services. Use of the percentage-of-completion method requires the Group to estimate the services performed to date as a proportion of the total services to be performed.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

a Critical accounting estimates and assumptions (continued)

vi) Pension benefits

The present value of the pension obligations is determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation.

Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in Note 16.

vii) Liabilities on insurance contracts

Outstanding claims consist of estimates of the ultimate cost of claims incurred that have not been settled at the statement of financial position date, whether reported or not, together with related claims handling costs. Significant delays may be experienced in the notification and settlement of certain types of general insurance claims, such as general insurance business.

Estimates are calculated using methods and assumptions considered to be appropriate to the circumstances of the Company and the business undertaken. This provision, while believed to be adequate to cover the ultimate cost of losses incurred, may ultimately be settled for a different amount. It is continually reviewed and any adjustments are recorded in operations in the period in which they are determined.

b Critical judgements in applying the entity's accounting policies

Impairment of available-for-sale equity investments

The Group follows the guidance of IAS 39 to determine when an available-for-sale equity investment is impaired. This determination requires significant judgement. In making this judgement, the Group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of and short term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

5 SEGMENT INFORMATION

The Chief Operating Decision Maker (CODM) is the Chief Executive Officer (CEO). Management has determined the operating segments based on the reports reviewed by the CEO and the Board of Massy Holdings Ltd.

The CEO and the Board considers the business from both a geographic and business unit perspective. Geographically, management considers the performance of operating companies in Trinidad and Tobago, Barbados & Eastern Caribbean, Guyana, Jamaica and Colombia.

The Group is organised into six main business segments:
1) Automotive and Industrial Equipment;
2) Integrated Retail;
3) Insurance;
4) Energy and Industrial Gases;
5) Information Technology and Communications (ITC);
6) Other Investments.

The CEO and the Board assesses the performance of the operating segments based on a measure of profit before income tax, profit for the year and asset utilisation.

1) Automotive and Industrial Equipment

This segment derives its revenue mainly from the sale of new and used vehicles, spare parts and industrial equipment and also includes the manufacturing and sale of pre-stressed concrete products and the installation of deep foundations.

2) Integrated Retail

This segment derives its revenue mainly from the sale of retail and wholesale foods, general merchandise and distribution and logistics operations. It also includes a financing company that accepts deposits for fixed terms and grants instalment credit secured by assets.

3) Insurance

This segment includes our insurance company, Massy United Insurance Ltd. The Company acts as a primary insurer for property, motor, liability and marine risk within the Caribbean region.

4) Energy and Industrial Gases

This segment derives its revenue from the sale of gas and the provision of electrical, instrumentation and construction services for offshore platforms. Revenue is also generated from the supply of technical resources, valve services and technical equipment to the energy-based industries in Trinidad and Tobago and the region.

5) ITC

This segment derives its revenue mainly from the sale and rental of technology-based solutions, office interiors and the provision of long-distance communications.

5 SEGMENT INFORMATION (continued)

6) Other Investments

This segment earns revenue from consultancy, property management and other services.

Head Office and Other

The head office and other segment includes companies which provide management, advisory and several support services to relevant subsidiaries across the Group.

30 September 2015. Expressed in Thousands of Trinidad and Tobago dollars

5 SEGMENT INFORMATION (continued)

The Group's retirement benefit assets are deemed unallocated and are not considered to be segment assets but rather are managed by Head Office. These amounts are included in Head Office and Other Adjustments.

The segment results for the year ended 30 September 2014 as restated are as follows:

	Automotive & Industrial Equipment $	Integrated Retail $	Insurance $	Energy & Industrial Gases $	Information Technology & Communications $	Other Investments $	Head Office & Other Adjustments $	Total $
Group revenue	2,338,981	6,563,248	282,794	996,120	621,861	581,103	1,657	**11,385,764**
Inter-segment revenue	(136,027)	(369,926)	--	(28,149)	(54,651)	(91,553)	(1,657)	**(681,963)**
Third party revenue	**2,202,954**	**6,193,322**	**282,794**	**967,971**	**567,210**	**489,550**	**–**	**10,703,801**
Operating profit/(loss) before finance costs and rebranding costs	238,175	379,457	22,638	179,238	98,046	90,361	(127,114)	**880,801**
Finance costs – net	(8,080)	(19,515)	31,416	990	(1,763)	(3,018)	(33,887)	**(33,857)**
	230,095	359,942	54,054	180,228	96,283	87,343	(161,001)	**846,944**
Share of results of associates and joint ventures before tax, net of impairment (Note 10)	978	4,106	184	43,141	(7,477)	2,512	–	**43,444**
Profit/(loss) before rebranding costs and income tax	231,073	364,048	54,238	223,369	88,806	89,855	(161,001)	**890,388**
Rebranding costs	(7,627)	(18,405)	(2,778)	(4,178)	(2,155)	(226)	(22,540)	**(57,909)**
Profit before income tax	223,446	345,643	51,460	219,191	86,651	89,629	(183,541)	**832,479**
Taxation	(60,716)	(85,065)	(13,074)	(58,088)	(23,864)	(14,796)	23,223	**(232,380)**
Profit/(loss) for the year	**162,730**	**260,578**	**38,386**	**161,103**	**62,787**	**74,833**	**(160,318)**	**600,099**

5 SEGMENT INFORMATION (continued)

The segment assets and liabilities at 30 September 2014 and capital expenditure for the year then ended as restated are as follows:

	Automotive & Industrial Equipment $	Integrated Retail $	Insurance $	Energy & Industrial Gases $	Information Technology & Communications $	Other Investments $	Head Office & Other Adjustments $	Total $
Total assets	1,370,536	3,059,072	1,245,714	859,804	484,335	1,618,171	1,211,596	**9,849,228**
Investments in associates and joint ventures (Note 10)	7,368	2,544	238	169,115	57,916	223,288	–	**460,469**
Total liabilities	584,129	1,136,129	755,620	230,695	232,236	387,349	2,298,508	**5,624,666**
Capital expenditure	150,569	177,281	11,348	34,422	24,717	99,759	(14,969)	**483,127**

Other segment items included in the consolidated income statement are as follows:-

	Automotive & Industrial Equipment $	Integrated Retail $	Insurance $	Energy & Industrial Gases $	Information Technology & Communications $	Other Investments $	Head Office & Other Adjustments $	Total $
Depreciation and impairment (Notes 6 and 7)	97,873	68,847	3,150	30,880	27,118	26,839	2,803	**257,510**
Impairment of goodwill (Note 8)	–	1,431	–	–	–	–	–	**1,431**

30 September 2015. Expressed in Thousands of Trinidad and Tobago dollars

5 SEGMENT INFORMATION (continued)

The Group's retirement benefit assets are deemed unallocated and are not considered to be segment assets but rather are managed by Head Office. These amounts are included in Head Office and Other Adjustments.

The segment results for the year ended 30 September 2015 are as follows:

	Automotive & Industrial Equipment $	Integrated Retail $	Insurance $	Energy & Industrial Gases $	Information Technology & Communications $	Other Investments $	Head Office & Other Adjustments $	Total $
Group revenue	2,537,489	7,060,105	340,122	1,498,684	640,588	543,507	1,340	**12,621,835**
Inter-segment revenue	(150,857)	(371,930)	–	(14,288)	(53,894)	(84,683)	(1,340)	**(676,992)**
Third party revenue	**2,386,632**	**6,688,175**	**340,122**	**1,484,396**	**586,694**	**458,824**	**–**	**11,944,843**
Operating profit/(loss) before finance costs and rebranding costs	266,331	404,071	19,575	183,396	100,274	75,158	(88,954)	**959,851**
Finance costs – net	(10,368)	(36,733)	25,404	809	(4,381)	(2,232)	(53,813)	**(81,314)**
	255,963	367,338	44,979	184,205	95,893	72,926	(142,767)	**878,537**
Share of results of associates and joint ventures before tax, net of impairment (Note 10)	(2,932)	–	(74)	48,911	(7,640)	1,937	–	**40,202**
Profit/(loss) before rebranding costs and income tax	253,031	367,338	44,905	233,116	88,253	74,863	(142,767)	**918,739**
Rebranding costs	(373)	588	–	350	(116)	(74)	(16)	**359**
Profit before income tax	252,658	367,926	44,905	233,466	88,137	74,789	(142,783)	**919,098**
Taxation	(67,474)	(96,730)	(13,631)	(59,984)	(25,841)	(16,774)	29,650	**(250,784)**
Profit/(loss) for the year	**185,184**	**271,196**	**31,274**	**173,482**	**62,296**	**58,015**	**(113,133)**	**668,314**

5 SEGMENT INFORMATION (continued)

The segment assets and liabilities at 30 September 2015 and capital expenditure for the year then ended are as follows:

	Automotive & Industrial Equipment $	Integrated Retail $	Insurance $	Energy & Industrial Gases $	Information Technology & Communications $	Other Investments $	Head Office & Other Adjustments $	Total $
Total assets	1,320,047	3,409,178	1,359,748	1,261,751	594,287	1,283,532	1,190,218	**10,418,761**
Investments in associates and								
joint ventures (Note 10)	5,073	6,340	163	197,694	51,168	50,148	–	**310,586**
Total liabilities	547,319	1,375,380	902,353	387,311	202,295	410,505	2,003,271	**5,828,434**
Capital expenditure	187,005	137,124	11,157	34,862	134,941	17,676	2,580	**525,345**

Other segment items included in the consolidated income statement are as follows:-

	Automotive & Industrial Equipment $	Integrated Retail $	Insurance $	Energy & Industrial Gases $	Information Technology & Communications $	Other Investments $	Head Office & Other Adjustments $	Total $
Depreciation and impairment (Notes 6 and 7)	104,535	83,426	3,119	35,438	29,550	13,745	2,956	**272,769**
Impairment of goodwill (Note 8)	–	1,431	–	–	–	–	–	**1,431**

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5 SEGMENT INFORMATION (continued)

Inter-segment transfers or transactions are entered into under the normal commercial terms and conditions that would also be available to third parties. Capital expenditure comprises additions to property, plant and equipment and investment properties.

The Group's six business segments operate in five main geographical areas, even though they are managed on a regional basis.

The main operations occur in the home country of the company. The areas of operation are principally trading, manufacturing, service industries and finance.

	Third party revenue		Profit before income tax and rebranding costs		Total assets		Capital expenditure	
	2015 $	**2014 $**	**2015 $**	**2014 $**	**2015 $**	**2014 $**	**2015 $**	**2014 $**
Trinidad and Tobago	**6,027,621**	5,718,875	**641,743**	640,461	**5,120,127**	4,821,766	**405,546**	260,675
Barbados and Eastern Caribbean	**3,664,623**	3,299,616	**230,347**	237,787	**3,753,343**	3,782,957	**63,291**	154,248
Guyana	**766,485**	821,222	**119,455**	122,337	**518,189**	471,710	**32,662**	52,881
Jamaica	**622,190**	713,611	**49,504**	50,731	**398,466**	371,164	**19,864**	14,558
Colombia	**838,463**	123,254	**22,621**	2,473	**316,072**	111,615	**3,949**	729
Other	**25,461**	27,223	**(2,165)**	(2,050)	**312,564**	290,016	**33**	36
Head Office and Other Adjustments	**–**	–	**(142,766)**	(161,351)	**–**	–	**–**	–
	11,944,843	**10,703,801**	**918,739**	**890,388**	**10,418,761**	**9,849,228**	**525,345**	**483,127**
Rebranding costs			**359**	(57,909)				
Profit before income tax								
			919,098	**832,479**				

6 PROPERTY, PLANT AND EQUIPMENT

	Freehold property $	Leasehold property & improve-ments $	Plant & equipment $	Rental assets $	Furniture & fixtures $	Motor vehicles $	Capital work in progress $	Total $
At 30 September 2013								
Cost	1,052,287	189,188	1,136,964	477,940	164,538	173,269	75,383	**3,269,569**
Accumulated depreciation	(100,429)	(94,672)	(833,686)	(220,226)	(133,698)	(105,285)	–	**(1,487,996)**
Net book amount	**951,858**	**94,516**	**303,278**	**257,714**	**30,840**	**67,984**	**75,383**	**1,781,573**
Year ended 30 September 2014								
Opening net book amount	951,858	94,516	303,278	257,714	30,840	67,984	75,383	**1,781,573**
Additions	90,691	23,851	95,691	147,312	24,738	32,465	46,546	**461,294**
Acquisition of subsidiaries (Note 35)	94,173	11,106	29,939	–	6,368	3,817	–	**145,403**
Fair value adjustments	(944)	(20)	(3,755)	–	(289)	(134)	–	**(5,142)**
Disposals and adjustments	1,655	4,803	6,851	(51,733)	2,905	(3,246)	(17,555)	**(56,320)**
Translation adjustments	(11,761)	(209)	(8,611)	(137)	(480)	(738)	(652)	**(22,588)**
Transfer to investment properties	(81,993)	–	–	–	–	–	–	**(81,993)**
Transfer from capital work in progress	6	62	6,309	1,583	291	2,191	(10,442)	**–**
Depreciation charge	(18,051)	(10,953)	(77,927)	(97,826)	(14,849)	(24,014)	--	**(243,620)**
Closing net book amount	**1,025,634**	**123,156**	**351,775**	**256,913**	**49,524**	**78,325**	**93,280**	**1,978,607**
At 30 September 2014								
Cost	1,148,347	231,226	1,300,799	491,855	191,512	195,998	93,280	**3,653,017**
Accumulated depreciation	(122,713)	(108,070)	(949,024)	(234,942)	(141,988)	(117,673)	–	**(1,674,410)**
Net book amount	**1,025,634**	**123,156**	**351,775**	**256,913**	**49,524**	**78,325**	**93,280**	**1,978,607**

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6 PROPERTY, PLANT AND EQUIPMENT (continued)

	Freehold property $	Leasehold property & improve-ments $	Plant & equipment $	Rental assets $	Furniture & fixtures $	Motor vehicles $	Capital work in progress $	Total $
Year ended 30 September 2015								
Opening net book amount	1,025,634	123,156	351,775	256,913	49,524	78,325	93,280	**1,978,607**
Additions	17,122	27,747	118,195	184,318	23,319	34,359	117,412	**522,472**
Acquisition of subsidiaries (Note 35)	–	–	6,874	–	343	860	–	**8,077**
Disposals and adjustments	(643)	(2,343)	1,028	(35,836)	1,168	(3,577)	(434)	**(40,637)**
Translation adjustments	(10,135)	(1,100)	(767)	(79)	(2,455)	(904)	(243)	**(15,683)**
Transfer from capital work in progress	43,200	11,311	25,883	542	7,504	1,156	(89,596)	**–**
Depreciation charge	(19,588)	(11,493)	(89,595)	(108,208)	(17,927)	(25,221)	(16)	**(272,048)**
Closing net book amount	**1,055,590**	**147,278**	**413,393**	**297,650**	**61,476**	**84,998**	**120,403**	**2,180,788**
At 30 September 2015								
Cost	1,194,924	262,320	1,389,030	569,029	205,253	211,574	120,419	**3,952,549**
Accumulated depreciation	(139,334)	(115,042)	(975,637)	(271,379)	(143,777)	(126,576)	(16)	**(1,771,761)**
Net book amount	**1,055,590**	**147,278**	**413,393**	**297,650**	**61,476**	**84,998**	**120,403**	**2,180,788**

The net book amount of property, plant and equipment includes $135 (2014: $363) in respect of motor vehicles held under finance leases.

Depreciation expense of $126,589 (2014: $109,211) has been charged in cost of sales and $145,459 (2014: $134,409) in 'selling, general and administrative expenses' (Note 28).

7 INVESTMENT PROPERTIES

	2015 $	2014 $
At 30 September		
Cost	**440,510**	434,287
Accumulated depreciation and impairment	**(44,545)**	(43,945)
Net book amount	**395,965**	**390,342**
Opening net book amount	**390,342**	306,263
Adjustment to opening balance and other adjustments	**2,889**	(400)
Translation adjustments	**(1,959)**	(2,286)
Additions	**2,873**	21,833
Acquisition of subsidiary (Note 35)	**2,567**	–
Transfer of assets from property, plant and equipment	**–**	81,993
Depreciation	**(3,721)**	(3,506)
Impairment	**3,000**	(10,384)
Disposals	**(26)**	(3,171)
Closing net book amount	**395,965**	**390,342**

The fair value of the investment properties amounted to $489,855 (2014: $501,730) as valued by an independent, professionally qualified valuer taking into consideration current replacement costs, land tax valuations and other valuation techniques.

The property rental income earned by the Group during the year from its investment properties, amounted to $62,866 (2014: $38,759). Direct operating expenses arising on the investment properties which generated revenue during the year amounted to $21,168 (2014: $13,062). Direct operating expenses arising on the investment properties which did not generate revenue during the year amounted to $73 (2014: $419).

Depreciation and impairment expense has been charged in cost of sales.

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8 GOODWILL

	2015 $	2014 $
At 30 September		
Cost	**277,045**	277,866
Translation adjustments	**(13,371)**	(567)
Accumulated impairment	**(72,206)**	(70,775)
Net book amount	**191,468**	**206,524**
Year ended 30 September		
Opening net book amount	**206,524**	145,401
Adjustments	**(821)**	1,411
Translation adjustments	**(12,804)**	(567)
Additions (Note 35)	**–**	61,710
Impairment charge (Note 28)	**(1,431)**	(1,431)
Closing net book amount	**191,468**	**206,524**

Goodwill is allocated to the Group's cash-generating units ('CGUs') identified according to country of operation and business segment.

A segment-level summary of the goodwill allocation is presented below.

	2015 $		2014 $	
	Trinidad and Tobago	Overseas	Trinidad and Tobago	Overseas
Automotive and Industrial Equipment	**11,665**	**22,258**	11,665	34,911
Energy and Industrial Gases	**33,954**	**2,485**	34,776	2,485
Integrated Retail	**5,128**	**73,296**	6,559	73,383
Insurance	**–**	**39,411**	–	39,474
Other Investments	**–**	**3,271**	–	3,271
Total	**50,747**	**140,721**	**53,000**	**153,524**

The recoverable amount of cash generating units is determined based on value-in-use calculations.

These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period.

8 GOODWILL (continued)

Key assumptions used for value-in-use calculations:

	2015 Growth rate[1]	2015 Discount rate[2]	2014 Growth rate[1]	2014 Discount rate[2]
Automotive and Industrial Equipment	**1% - 3.6%**	**10% - 11.8%**	0% - 4%	10.9% - 11.8%
Energy and Industrial Gases	**1% - 17%**	**11.5% - 13.9%**	2% - 3%	11.5% - 15.7%
Integrated Retail	**3% - 5%**	**7.9% - 11%**	3%	8.9% - 9.6%
Other Investments	**2%**	**10.4%**	3%	10.4%
Insurance	**3%**	**12.6%**	5%	12.3%

[1] Weighted average growth rate used to extrapolate cash flows beyond the budget period.
[2] Pre-tax discount rate applied to the cash flow projections.

These assumptions have been used for the analysis of each CGU within the business segment. Management determined the budgeted gross margin based on past performance and its expectations for the market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risk relating to the relevant segments.

9 OTHER INTANGIBLE ASSETS

Intangibles represent brands and have been recognised at fair value at the acquisition date and are measured at carrying values less accumulated amortisation and impairment. No impairment has been recorded during the years presented.

	2015 $	2014 $
Cost	**59,972**	60,075
Translation adjustments	**(38)**	(168)
Additions	**–**	65
Accumulated amortisation	**(13,059)**	(9,497)
Net book amount	**46,875**	**50,475**

The amortisation charge is included in selling, general and administrative expenses.

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10 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

	2015 $	2014 $
Investment and advances	**145,930**	333,060
Share of post acquisition reserves	**164,656**	127,409
	310,586	**460,469**
Balance at beginning of year	**460,469**	430,378
Additional investments and advances	**5,680**	2,544
Share of results before tax	**40,202**	43,444
Share of tax	**(9,321)**	(14,029)
Dividends received	**(21,782)**	(18,777)
Disposal of associate	**(164,947)**	(2,465)
Gablewoods Supermart Ltd. - transferred from an associate to a subsidiary	**–**	(38,794)
Acquisition of an associate	**–**	64,500
Exchange differences	**(228)**	(3,984)
Other	**513**	(2,348)
Balance at end of year	**310,586**	**460,469**

The Group acquired a 20% stake in an IT services company based in Costa Rica in 2014. The acquisition cost to the Group was $64,500.

The share of results before tax includes $766 in 2015 (2014: $766) representing the impairment charge for goodwill in respect of acquisition of associates. Investments in associates at 30 September 2015 include goodwill of $18,969 (2014: $19,735), net of accumulated impairment of $9,192 (2014: $8,426).

The principal associate, Banks Holdings Limited, which is listed and incorporated in Barbados, was sold in 2015.

10 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (continued)

Analysis of position and results of the Group's investments in associates and joint ventures are as follows:

	2015 $	2014 $
Assets	**677,155**	899,333
Liabilities	**410,152**	414,072
Revenues	**853,128**	936,075
Net profit after tax	**30,881**	29,415

The Group has investments in associates whose year ends are not coterminous with 30 September. These are principally:

	Country of incorporation	Reporting year end
Massy Wood Group Ltd.	Trinidad and Tobago	31 December
G4S Holdings Trinidad Limited	Trinidad and Tobago	31 December
G4S Security Services (Barbados) Limited	Barbados	31 December

11 CREDIT QUALITY OF FINANCIAL ASSETS

Credit quality – investments

	Low risk $	Standard risk $	Sub-standard risk $	Impaired $	Total $
Investments					
2015	**326,318**	**419,532**	**2,073**	**–**	**747,923**
2014	384,468	255,182	959	–	640,609

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11 CREDIT QUALITY OF FINANCIAL ASSETS (continued)

Credit quality – other financial assets

	Fully performing $	Past due but not impaired $	Impaired $	Provision for impairment $	Total $
2015					
Instalment credit and other loans	417,960	41,518	7,023	(7,264)	459,237
Trade receivables	625,899	470,618	87,238	(85,747)	1,098,008
	1,043,859	**512,136**	**94,261**	**(93,011)**	**1,557,245**

	Fully performing $	Past due but not impaired $	Impaired $	Provision for impairment $	Total $
2014					
Instalment credit and other loans	365,081	25,194	7,765	(7,571)	390,469
Trade receivables	474,730	366,558	70,937	(74,384)	837,841
	839,811	**391,752**	**78,702**	**(81,955)**	**1,228,310**

The credit quality of other investments has been analysed into the following categories:

Low Risk	These comprise Sovereign Debt Investments where there has been no history of default.
Standard	These investments are current and have been serviced in accordance with the terms and conditions of the underlying agreements.
Sub-Standard	These investments are either greater than 90 days in arrears but are not considered to be impaired or have been restructured in the past year.
Impaired	These investments are non-performing.

12 FINANCIAL ASSETS

	2015 $	2014 $
Held to maturity	**121,156**	460,320
Loans and receivables	**358,385**	8,891
Available for sale	**146,986**	49,196
	626,527	518,407
Fair value through profit or loss (Note 13)	**121,396**	122,202
	747,923	**640,609**

a Financial assets – Held to maturity and loans and receivables

	Held maturity $	Loans and receivables $	Total $
2015			
Beginning of the year	460,320	8,891	469,211
Amortisation cost	(1,290)	(1,235)	(2,525)
Additions	15,568	38,613	54,181
Disposals	(2,821)	(36,162)	(38,983)
Other	(530)	(1,813)	(2,343)
Reclassified from held to maturity to loans and receivables	(350,091)	350,091	–
End of the year	**121,156**	**358,385**	**479,541**
2014			
Beginning of the year	438,302	7,369	445,671
Amortisation cost	(1,113)	–	(1,113)
Acquisition of subsidiary	2,350	–	2,350
Additions	51,368	2,093	53,461
Disposals	(26,491)	(502)	(26,993)
Other	(4,096)	(69)	(4,165)
End of the year	**460,320**	**8,891**	**469,211**

The fair value of held to maturity financial assets and loans and receivables approximate their carrying amounts.

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12 FINANCIAL ASSETS (continued)

b Financial assets – available-for-sale investments

	2015 $	2014 $
Beginning of the year	**49,196**	15,289
Exchange differences	**(1,793)**	(536)
Acquisition of subsidiary	**–**	34,094
Change in market value/impairment charge	**158**	904
Additions	**99,318**	19
Disposals	**(50)**	(2,240)
Net gains transferred from equity to other comprehensive income	**157**	1,666
	146,986	**49,196**
Available for sale investments include the following:		
Bonds and treasury bills	**1,270**	1,237
Quoted securities	**15,594**	15,355
Unquoted securities	**130,122**	32,604
	146,986	**49,196**
Available for sale investments are denominated in the following currencies:		
Trinidad & Tobago dollars	**209**	259
Barbados dollars	**12,521**	12,402
United States dollars	**100,826**	2,195
Other	**33,430**	34,340
	146,986	**49,196**

The maximum exposure to credit risk at the reporting date is the carrying value of the debt securities classified as available for sale.

13 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2015 $	2014 $
Beginning of the year	**122,202**	117,328
Exchange differences	**(384)**	(1,118)
Adjustment to opening balance	**(13)**	–
Change in market value/impairment charge	**(2,239)**	3,595
Additions	**37,929**	15,484
Disposals	**(36,099)**	(13,087)
	121,396	**122,202**

14 DEFERRED INCOME TAX

Deferred income taxes are calculated in full, on temporary differences under the liability method using a principal tax rate of 25% (2014: 25%).

The movement in the deferred income tax account is as follows:

	2015 $	2014 $
Deferred income tax liabilities		
Balance at beginning of year	**180,338**	169,393
Charge for the year	**2,877**	1,489
Exchange adjustment	**(907)**	(2,005)
Other movements	**(3,877)**	11,461
Balance at end of year	**178,431**	**180,338**

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14 DEFERRED INCOME TAX (continued)

The movement in the deferred tax liabilities during the year ended 30 September 2015 is as follows:

	30.09.14 $	Charge/(credit) to consolidated income statement $	Other movements $	30.09.15 $
Accelerated depreciation	71,537	4,526	(995)	**75,068**
Pension plan surplus	107,205	(319)	(5,908)	**100,978**
Other	1,596	(1,330)	2,119	**2,385**
	180,338	**2,877**	**(4,784)**	**178,431**

The movement in the deferred tax liabilities during the year ended 30 September 2014 is as follows:

	30.09.13 $	Charge/(credit) to consolidated income statement $	Other movements $	30.09.14 $
Accelerated depreciation	67,580	1,482	2,475	71,537
Pension plan surplus	101,403	(96)	5,898	107,205
Other	410	103	1,083	1,596
	169,393	**1,489**	**9,456**	**180,338**

Deferred income tax assets

The movement in the deferred tax assets during the year ended 30 September 2015 is as follows:

	2015 $	2014 $
Balance at beginning of year	**67,763**	76,421
Charge for the year	**(11,100)**	(7,554)
Other movements	**1,212**	(626)
Exchange adjustments	**(5,429)**	(478)
Acquisition of subsidiary	**14,907**	–
Balance at end of year	**67,353**	**67,763**

14 DEFERRED INCOME TAX (continued)

The movement in the deferred tax assets during the year ended 30 September 2015 is as follows:

	30.09.14 $	Charge to consolidated income statement $	Acquisition of subsidiary $	Other movements $	30.09.15 $
Accelerated depreciation	23,131	(962)	–	(7)	**22,162**
Tax losses carried forward	16,593	(8,177)	–	(33)	**8,383**
Other	28,039	(1,961)	14,907	(4,177)	**36,808**
	67,763	**(11,100)**	**14,907**	**(4,217)**	**67,353**

The movement in the deferred tax assets during the year ended 30 September 2014 is as follows:

	30.09.13 $	(Charge)/credit to consolidated income statement $	Other movements $	30.09.14 $
Accelerated depreciation	25,146	(1,035)	(980)	23,131
Tax losses carried forward	23,163	(6,805)	235	16,593
Other	28,112	286	(359)	28,039
	76,421	**(7,554)**	**(1,104)**	**67,763**

Deferred income tax assets are recognised for tax losses carry-forward to the extent that the realisation of the related tax benefit through the future taxable profits is probable.

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15 INSTALMENT CREDIT AND OTHER LOANS

These represent the instalment credit and other loans granted mainly by Massy Finance GFC Ltd.

	2015 $	2014 $
Amounts due within one year	**160,778**	142,855
Between two and five years	**264,733**	228,167
Over five years	**40,990**	27,018
	466,501	398,040
Provision for losses	**(7,264)**	(7,571)
	459,237	390,469
Due within one year	**(153,514)**	(135,285)
	305,723	**255,184**

a Sectorial analysis of instalment credit and other loans

	2015 $	2014 $
Consumer	**268,443**	214,210
Manufacturing	**8,915**	9,114
Distribution	**29,566**	28,483
Construction	**37,918**	28,908
Transport	**40,166**	41,822
Agriculture	**2,835**	4,369
Petroleum	**3,467**	2,033
Residential mortgages	**3,902**	1,671
Other	**64,025**	59,859
	459,237	**390,469**

b Provision for losses		
Balance at beginning of year	**7,571**	7,044
Charge for the year	**1,410**	2,094
Amount written off net of recoveries	**(1,717)**	(1,567)
Balance at end of year	**7,264**	**7,571**

The maximum exposure to credit risk at the reporting date is the carrying value of the instalment credit and other loans. The Group holds $512,991 (2014: $410,455) of collateral as security.

16 RETIREMENT BENEFIT ASSETS/OBLIGATIONS

	2015 $	2014 $
Retirement benefit assets		
Neal & Massy Group Pension Fund Plan	**390,342**	386,729
Overseas plans – Other	**57,043**	52,030
	447,385	**438,759**

The pension plans were valued by an independent actuary using the projected unit credit method.

Neal & Massy Group Pension Fund Plan

	2015 $	2014 $
The amounts recognised in the statement of financial position are as follows:		
Fair value of plan assets	**1,619,489**	1,628,338
Present value of obligation	**(1,101,280)**	(1,084,933)
	518,209	543,405
Unutilisable asset	**(127,867)**	(156,676)
Asset in the statement of financial position	**390,342**	**386,729**
Opening present value of defined benefit obligation	**1,084,933**	1,062,669
Current service cost	**20,179**	18,177
Interest cost	**53,805**	52,623
Actuarial (gains)/losses on obligation	**(22,612)**	(9,952)
Benefits paid	**(35,025)**	(38,584)
Closing present value of defined benefit obligation at 30 September	**1,101,280**	**1,084,933**
The movement in the fair value of plan assets for the year is as follows:		
Opening fair value of plan assets	**1,628,338**	1,583,271
Expected return on plan assets	**72,707**	70,417
Actuarial (losses)/gains on plan assets	**(46,531)**	13,234
Benefits paid	**(35,025)**	(38,584)
Closing fair value of plan assets at 30 September	**1,619,489**	**1,628,338**

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16 RETIREMENT BENEFIT ASSETS/OBLIGATIONS (continued)

Neal & Massy Group Pension Fund Plan (continued)

	2015 $	2014 $
The amounts recognised in the consolidated income statement are as follows:		
Current service cost	**20,179**	18,177
Net interest cost	**(18,902)**	(17,794)
Total included in other income	**1,277**	**383**
Actuarial (gains)/losses recognised in comprehensive income before tax	**(4,890)**	**(22,152)**
Movement in the asset recognised in the consolidated statement of financial position:		
Asset at beginning of year	**386,729**	364,960
Net pension expense	**(1,277)**	(383)
Actuarial gains	**4,890**	22,152
Asset at end of year	**390,342**	**386,729**

The principal actuarial assumptions used were:

	Per annum	Per annum
Discount rate	**5.0%**	5.0%
Future salary increases	**5.0%**	5.0%
Future pension increases – post retirement	**3.0%**	3.0%
Sensitivity:	**1% increase**	1% decrease
Discount rate ($)	**(162,032)**	**209,952**

16 RETIREMENT BENEFIT ASSETS/OBLIGATIONS (continued)

Neal & Massy Group Pension Fund Plan (continued)

Assumptions regarding future mortality experience are set based on advice from published statistics and experience in each territory.

	2015	2014
Plan assets are comprised as follows:		
Local equities/mutual funds	**44%**	43%
Local bonds/mortgages	**20%**	21%
Foreign investments	**30%**	29%
Deferred annuities/insurance policy	**4%**	4%
Short-term securities/cash/accrued income	**2%**	3%
The average life expectancy in years of a pensioner retiring at age 60 is as follows:		
Male	**82**	82
Female	**86**	86

Overseas plans – Other

	2015 $	2014 $
The amounts recognised in the statement of financial position are as follows:		
Fair value of plan assets	**203,361**	199,455
Present value of the defined benefit obligation	**(140,950)**	(129,630)
	62,411	69,825
Unutilisable asset	**(5,368)**	(17,795)
Asset recognised in the statement of financial position	**57,043**	**52,030**

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16 RETIREMENT BENEFIT ASSETS/OBLIGATIONS (continued)

Overseas plans – Other (continued)

The movement in the defined benefit obligation over the year is as follows:

	2015 $	2014 $
Opening present value of defined benefit obligation	**129,630**	126,438
Current service cost	**3,015**	2,967
Interest cost	**9,403**	8,977
Plan participant contributions	**2,998**	2,877
Actuarial losses on obligation	**4,256**	(2,411)
Liabilities extinguished on settlement/curtailment	**(358)**	(23)
Exchange differences on foreign plans	**(2,182)**	(3,915)
Benefits paid	**(5,812)**	(5,280)
Closing present value of defined benefit obligation	**140,950**	**129,630**

The movement in the fair value of plan assets for the year is as follows:

	2015 $	2014 $
Opening fair value of plan assets	**199,455**	195,008
Income from discount rate on utilisable plan assets	**13,885**	12,692
Actual return on assets greater than/(less than) above	**(4,821)**	(572)
Exchange differences on foreign plans	**(4,064)**	(7,267)
Employer contributions	**2,045**	1,997
Plan participant contributions	**2,998**	2,877
Administration expenses	**(325)**	–
Benefits paid	**(5,812)**	(5,280)
Closing fair value of plan assets at 30 September	**203,361**	**199,455**

The amounts recognised in the consolidated income statement are as follows:

	2015 $	2014 $
Current service cost	**3,015**	2,967
Net interest cost	**(4,482)**	(3,715)
Administration expenses	**325**	–
Curtailments and settlements	**(358)**	(23)
Total included in other income	**(1,500)**	**(771)**
Actual return on plan assets	**9,064**	**12,119**

16 RETIREMENT BENEFIT ASSETS/OBLIGATIONS (continued)

Overseas plans – Other (continued)

Movement in the asset recognised in the consolidated statement of financial position:

	2015 $	2014 $
Asset at beginning of year	**52,030**	46,803
Gain/(loss) recognised in retained earnings	**1,467**	5,810
Net pension income	**1,500**	771
Employer contributions	**2,045**	1,997
Exchange adjustment	**1**	(3,351)
Asset at end of year	**57,043**	**52,030**
Actuarial gains recognised in the comprehensive income before tax	**1,467**	**5,810**

The principal actuarial assumptions used were:

	Per annum	Per annum
Discount rate	**6%-9%**	6%-9.5%
Future salary increases	**5%-5.5%**	5%-5.5%
Future NIS increases	**4%-5.5%**	4%-5.5%
Future pension increases	**1%-5%**	1%-5%
Future bonuses	**0%-1%**	1%-2.5%

Assumptions regarding future mortality experience are set based on advice from published statistics and experience in each territory.

	2015 $	2014 $
Retirement benefit obligations		
Barbados Shipping & Trading (BS&T) – medical plan	**(79,066)**	(70,225)
Barbados Shipping & Trading (BS&T) – pension plan	**(57,967)**	(34,783)
Other plans	**(41,403)**	(36,572)
	(178,436)	**(141,580)**

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16 RETIREMENT BENEFIT ASSETS/OBLIGATIONS (continued)

Overseas plans - BS&T

The amounts recognised in the statement of financial position are as follows:

	2015 $	2014 $
Fair value of plan assets	**451,189**	473,031
Present value of the defined benefit obligation	**(509,156)**	(507,814)
Liability in the statement of financial position	**(57,967)**	**(34,783)**
The movement in the defined benefit obligation over the year is as follows:		
Opening present value of defined benefit obligation	**507,814**	504,079
Current service cost	**8,210**	8,288
Interest cost	**38,503**	38,317
Actuarial losses/(gains) on obligation	**(8,565)**	(5,360)
Exchange differences on foreign plans	**(1,597)**	(4,764)
Benefits paid	**(35,209)**	(32,746)
Closing present value of defined benefit obligation at 30 September	**509,156**	**507,814**
The movement in the fair value of plan assets for the year is as follows:		
Opening fair value of plan assets	**473,031**	468,182
Expected return on plan assets	**35,792**	35,553
Actuarial losses on plan assets	**(36,233)**	(9,626)
Administration expenses	**(491)**	(710)
Employer contributions	**15,790**	16,813
Exchange differences	**(1,491)**	(4,435)
Benefits paid	**(35,209)**	(32,746)
Closing fair value of plan assets at 30 September	**451,189**	**473,031**

16 RETIREMENT BENEFIT ASSETS/OBLIGATIONS (continued)

Overseas plans - BS&T (continued)

	2015 $	2014 $
The amounts recognised in the consolidated income statement are as follows:		
Current service cost	**8,210**	8,288
Net interest cost	**2,710**	2,763
Administration expenses	**491**	710
Expense recognised in the income statement	**11,411**	11,761
Actual return on plan assets	**(441)**	**25,928**
Liability at beginning of year	**(34,783)**	(35,897)
Expense recognised in other comprehensive income	**(27,562)**	(4,266)
Net pension expense	**(11,411)**	(11,761)
Contributions paid	**15,790**	16,813
Exchange adjustment	**(1)**	328
Liability at end of year	**(57,967)**	**(34,783)**

The principal actuarial assumptions used were:

	Per annum	Per annum
Discount rates	**7.75%**	7.75%
Future salary increases	**5.75%**	5.75%
Future NIS increases	**3.50%**	3.50%
Future pension increases - past service	**0.75%**	0.75%
Future pension increases - future service	**0.75%**	0.75%

Assumptions regarding future mortality experience were obtained from published statistics and experience in each territory.

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16 RETIREMENT BENEFIT ASSETS/OBLIGATIONS (continued)

Overseas plans - BS&T (continued)

The average life expectancy in years of a pensioner retiring at age 60 is as follows:

Male	**82**	82
Female	**86**	86

BS&T – medical plans

The principal actuarial assumptions used were:

	Per annum	Per annum
Discount rate	**7.75%**	7.75%
Annual increase in health care	**4.50%**	4.50%

17 INVENTORIES

	2015 $	2014 $
Finished goods and goods for resale	**1,202,225**	1,178,492
Goods in transit	**279,775**	260,876
Raw materials and consumables	**61,057**	65,884
Work in progress	**25,037**	31,740
	1,568,094	**1,536,992**

The cost of inventories recognised as expense and included in 'cost of sales' amounted to $7,586,594 (2014: $7,173,903).

18 TRADE AND OTHER RECEIVABLES

	2015 $	2014 $
Trade receivables	**1,160,480**	892,500
Receivables with related parties	**23,275**	19,725
Less: provision for impairment of receivables	**(85,747)**	(74,384)
Trade receivables - net	**1,098,008**	837,841
Other debtors and prepayments	**1,166,216**	1,246,244
Less: provision for impairment	**(4,516)**	(21,910)
Other debtors and prepayments – net	**1,161,700**	1,224,334
	2,259,708	**2,062,175**

Given the short-term nature of the trade and other receivables, the fair value approximates the carrying amount of these assets. There is no concentration of credit risk with respect to trade receivables, as the Group has a large number of regionally dispersed customers.

Aging analysis – financial assets

		Past due but not impaired			
	< 30 days $	31 - 60 days $	61 – 90 days $	> 90 days $	Total $
2015					
Trade receivables	**152,938**	**92,629**	**90,825**	**134,226**	**470,618**

	< 1 year $	1 - 2 years $	> 2 years $	Total $
Instalment credit and other loans	5,945	11,492	24,081	**41,518**

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18 TRADE AND OTHER RECEIVABLES (continued)

Aging analysis – financial assets (continued)

	Past due but not impaired < 30 days $	31 - 60 days $	61 – 90 days $	> 90 days $	Total $
2014					
Trade receivables	96,899	111,469	86,611	71,579	**366,558**

	< 1 year $	1 - 2 years $	> 2 years $	Total $
Instalment credit and other loans	4,809	3,947	16,438	**25,194**

Provision for impairment

	Opening balance $	Provision for impairment $	Written off during the year $	Unused provisions reserved $	Acquisition $	Closing balance $
2015						
Instalment credit and other loans	7,571	1,410	(952)	(765)	–	7,264
Trade receivables	74,384	22,453	(10,258)	(3,147)	2,315	85,747
Other debtors and prepayments	21,910	9,589	(7,276)	(19,707)	–	4,516
	103,865	**33,452**	**(18,486)**	**(23,619)**	**2,315**	**97,527**

	Opening balance $	Provision for impairment $	Written off during the year $	Unused provisions reserved $	Closing balance $
2014					
Instalment credit and other loans	7,044	2,094	(1,567)	–	7,571
Trade receivables	74,749	15,159	(14,339)	(1,185)	74,384
Other debtors and prepayments	4,810	17,896	(243)	(553)	21,910
	86,603	**35,149**	**(16,149)**	**(1,738)**	**103,865**

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above.

18 TRADE AND OTHER RECEIVABLES (continued)

Aging analysis – financial assets (continued)

The carrying amounts of the Group's trade and other receivables are reported in the following currencies:

	2015 $	2014 $
Trinidad and Tobago dollars	**954,531**	924,530
Barbados and Eastern Caribbean dollars	**1,047,086**	902,353
Jamaican dollars	**90,498**	86,389
Guyanese dollars	**97,531**	88,855
Colombian pesos	**24,157**	23,426
Other	**45,905**	36,622
	2,259,708	**2,062,175**

19 CASH AND CASH EQUIVALENTS

Cash at bank and in hand	**1,617,111**	1,494,672
Short-term bank deposits	**126,268**	131,372
	1,743,379	**1,626,044**

The effective interest rate on short-term bank deposits was 1% (2014: 1%). These deposits have an average maturity of less than 90 days.

Cash, cash equivalents and bank overdrafts include the following for the purposes of the cash flow statement:

Cash and cash equivalents	**1,743,379**	1,626,044
Bank overdrafts (Note 23)	**(14,528)**	(12,540)
Cash, net of bank overdrafts	**1,728,851**	**1,613,504**

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20 SHARE CAPITAL

	Number of shares #	Ordinary shares $	Total $
At 30 September 2014	97,741	741,432	741,432
Employee share grant –			
value of services provided	–	7,428	7,428
At 30 September 2015	**97,741**	**748,860**	**748,860**
At 30 September 2013	97,428	717,746	717,746
Employee share grant –			
value of services provided	–	5,454	5,454
Share options exercised	190	11,040	11,040
Shares to be issued	123	7,192	7,192
At 30 September 2014	**97,741**	**741,432**	**741,432**

The total authorised number of ordinary shares is unlimited with no par value. All issued shares are fully paid.

Share options

Effective 1 October 2004, the Company introduced an Executive Share Option Plan ("Plan"). Share options were granted to individuals employed by the Parent Company or its subsidiaries in a senior capacity including directors holding any executive office with the Company or any of its subsidiaries. The options were granted at the average market price of the shares, in the calendar month prior to the beginning of the applicable performance period and were exercisable at that price. Options were exercisable beginning three years from the date of grant and have a contractual option term of three years. When the options were exercised, the proceeds received net of any transaction costs were credited to share capital. 2014 was the last year for which share options were exercisable under this 2004 Plan, as the last tranche of options expired on 30 September 2014.

20 SHARE CAPITAL (continued)

Share options (continued)

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	2015 $ Options	2014 $ Options
At 1 October	–	417
Forfeited	–	(29)
Expired	–	(75)
Exercised (issued)	–	(190)
Exercised (to be issued)	–	(123)
At 30 September	–	–

Share options outstanding at the end of the year have the following expiry date and exercise prices:

	Exercise price $	Options 2015	Options 2014
Exercise date – 1 October			
2014	58.33	–	–
2015	–	–	–

No options were granted in 2015 and 2014.

Share grants

The Shareholders of Massy Holdings Ltd. approved a Performance Share Plan for the benefit and long-term incentive of selected Senior Executives of Massy Holdings Ltd. and its subsidiaries, under which shares may be granted to such Executives. The Plan was approved on 26 September 2013 and the first tranche of shares was awarded on 1 October 2013 for the Executive Performance Period of 1 October 2012 to 30 September 2013. The Award is a conditional right to receive a grant of shares which may only vest where the Base Share Price grows by a compound annual growth rate, approved each year by the Board of Directors, for a minimum period of three years.

The Base Share Price will be calculated based on the average market price of the shares, for the last ten trading days, in the calendar month immediately preceding the Grant Date. Shares may vest between three and six years from the Grant Date subject to, the applicable mandatory compound annual growth rate from the Base Share Price, which must be achieved to trigger the vesting and issue of the shares. The amount recognised in the income statement of $7,428 (2014: $5,454) is the best estimate of the Award value over its specified life – i.e. until vesting or expiry.

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20 SHARE CAPITAL (continued)

Share grants (continued)

Key assumptions are:

	2015	2014
- Share price growth	**5%**	5%
- Expected life (years)	**4.5**	4.5
- Expected volatility	**9.87%**	10.56%
- Annual dividend increase rate	**15%**	15%

21 DIVIDENDS PER SHARE

	2015 $	2014 $
Interim paid – 51 cents per share (2014 – 51 cents)	**49,849**	49,700
Final paid – 139 cents per share (2014 – 125 cents)	**135,846**	121,787
	185,695	**171,487**

On 21 December 2015 the Board of Directors of Massy Holdings Ltd. declared a final dividend per share of $1.59, bringing the total dividends per share for the financial year ended 30 September 2015 to $2.10 (2014 - $1.90).

22 NON-CONTROLLING INTERESTS

	2015 $	2014 $
Balance at beginning of year	**235,652**	174,684
Additions	**15,520**	79,061
Share of profit for the year	**29,908**	45,096
Purchase of non-controlling interests	**(431)**	(52,658)
Dividends	**(29,437)**	(33,114)
Other movements	**(14,842)**	22,583
Balance at end of year	**236,370**	**235,652**

23 BORROWINGS

	2015 $	2014 $
Secured advances and mortgage loans	**443,602**	847,975
Unsecured advances	**1,711,630**	1,606,792
Bank overdrafts and other short-term borrowings	**14,528**	12,540
Total borrowings	**2,169,760**	2,467,307
Less: short-term borrowings	**(304,831)**	(522,446)
Medium and long-term borrowings	**1,864,929**	**1,944,861**
Short-term borrowings comprise:		
Bank overdrafts and other short-term borrowings	**14,528**	12,540
Current loan instalments	**290,303**	509,906
	304,831	**522,446**

On 30 July 2014, Massy Holdings Ltd. issued a $1.2B TT Dollar Fixed Rate Bond. A private auction system was used to determine the issue size and cost of each series of the Bond issue. RBC Merchant Bank (Caribbean) Limited was the Arranger and RBC Trust (Trinidad & Tobago) Limited was the Trustee. The bond was issued at a premium. The face value of both series was $600M each with a tenor of 10 years (Series A) and 15 years (Series B) and a coupon of 4.00% and 5.25% respectively. Interest will be paid on a semi-annual basis in arrears and the principal will be repaid via a bullet payment at maturity.

Total borrowings include secured liabilities of $368,658 (2014: $798,296).

Bank borrowings are secured by the land and buildings of the Group.

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23 BORROWINGS (continued)

The exposure of the Group's borrowings to interest rate changes and the contractual repricing dates at the statement of financial position dates are as follows:

	2015 $	2014 $
6 months or less	**14,528**	12,540
6-12 months	**290,303**	509,906
1-5 years	**289,537**	350,416
Over 5 years	**1,575,392**	1,594,445
	2,169,760	**2,467,307**

The carrying amount and fair value of the borrowings are as follows:-

	Carrying amount		Fair value	
	2015 $	2014 $	2015 $	2014 $
Secured advances and mortgage loans	**443,602**	847,975	**443,602**	847,975
Unsecured advances	**1,711,630**	1,606,792	**1,711,630**	1,606,792
	2,155,232	**2,454,767**	**2,155,232**	**2,454,767**

The carrying amounts of short-term borrowings and current borrowings approximate their fair value.

The maturity of borrowings is as follows:		
Payable within one year	**304,831**	522,446
Payable between two and five years	**289,537**	350,416
Payable between six and ten years	**976,085**	992,787
Payable over ten years	**599,307**	601,658
	2,169,760	**2,467,307**

Interest charges on secured and unsecured loans vary from 1.75% to 13.71% (2014: 1.75% to 10.9%) per annum.

23 BORROWINGS (continued)

The effective interest rates were as follows:

	2015			2014		
	US$ %	TT$ %	Other %	US$ %	TT$ %	Other %
Secured advances and mortgage loans	**4.00**	**1.75 -10.00**	**4.27 - 13.71**	2.20 -10.00	1.75 - 10.50	6.00 - 10.90
Unsecured advances	**3.45**	**4.00 - 5.25**	**3.25 - 9.40**	2.00 - 3.80	2.00 - 9.00	3.25 - 9.19
Bank overdrafts and other short term borrowings	**–**	**6.50 - 9.00**	**7.53 - 25.24**	–	7.50 - 7.75	12.00

The carrying amounts of the Group's borrowings are denominated in the following currencies:

	2015 $	2014 $
US dollars	**2,175**	139,837
Barbados dollars	**306,284**	390,794
Trinidad & Tobago dollars	**1,756,366**	1,850,651
Other	**104,935**	86,025
	2,169,760	**2,467,307**

24 CUSTOMERS' DEPOSITS

These represent the deposits for fixed terms accepted mainly by Massy Finance GFC Ltd.

	2015 $	2014 $
Payable within one year	**306,681**	210,124
Payable between two and five years	**41,233**	63,249
	347,914	**273,373**

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24 CUSTOMERS' DEPOSITS (continued)

Sectorial analysis of deposit balances

	2015 $	2014 $
Private sector	**89,593**	49,644
Consumers	**258,321**	223,729
	347,914	**273,373**

25 PROVISIONS FOR OTHER LIABILITIES AND CHARGES

The Company maintains a self-insured program covering portions of Group life and consequential loss insurance. The amounts in excess of the self-insured levels are fully insured; subject to certain limitations and exclusions. The Company accrues its estimated liability for these self insured programs, including estimates for insured but not reported claims, based on known claims and past claims history. The remaining balance for provisions for other liabilities and charges stem from accruals for outstanding tax claims or assessments.

26 TRADE AND OTHER PAYABLES

	2015 $	2014 $
Trade creditors	**913,787**	692,637
Other payables	**926,362**	879,798
	1,840,149	**1,572,435**

27 LIABILITIES ON INSURANCE CONTRACTS

The major classes of general insurance written by the Group's insurance operations include motor, property, and other miscellaneous types of general insurance. Risks under these policies usually cover a twelve month duration. Liabilities comprise:

Outstanding claims	**313,436**	318,477
Unearned premiums	**377,265**	314,853
	690,701	**633,330**

27 LIABILITIES ON INSURANCE CONTRACTS (continued)

Movement in outstanding claims reserve may be analysed as follows:

	Insurance liabilities 2015 $	Reinsurers' share 2015 $	Insurance liabilities 2014 $	Reinsurers' share 2014 $
Beginning of the year	**318,477**	**107,935**	314,235	93,910
Exchange adjustment	**(1,003)**	**(339)**	(2,937)	(878)
Claims incurred	**179,451**	**37,859**	178,792	83,635
Claims paid	**(183,489)**	**(111,094)**	(171,613)	(68,732)
	313,436	**34,361**	**318,477**	**107,935**

Movement in the unearned premium reserve may be analysed as follows:

	Insurance liabilities 2015 $	Reinsurers' share 2015 $	Insurance liabilities 2014 $	Reinsurers' share 2014 $
Beginning of the year	**314,853**	**229,200**	345,946	223,504
Exchange adjustment	**(989)**	**(721)**	(3,234)	(2,088)
Premiums written in the year	**826,813**	**525,069**	711,463	502,878
Premiums earned in the year	**(763,412)**	**(503,721)**	(739,322)	(495,094)
	377,265	**249,827**	**314,853**	**229,200**

The reinsurers' share of outstanding claims and unearned premium reserves are included in accounts receivable. Claims reserves comprise provisions for claims reported by policyholders and claims incurred but not yet reported and are established to cover the ultimate cost of settling the liabilities in respect of claims that have occurred and are estimated based on known facts at the statement of financial position date. Outstanding claims reserves are not discounted for the time value of money.

The principal assumption underlying the estimates is past claims development experience. This includes assumptions in respect of average claims costs and claims numbers for each accident year. In addition, larger claims are separately assessed by loss adjusters. Judgement is used to assess the extent to which external factors such as judicial decisions and government legislation affect the estimates. The ultimate liabilities will vary as a result of subsequent developments. Differences resulting from reassessment of the ultimate liabilities are recognised in subsequent periods.

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27 LIABILITIES ON INSURANCE CONTRACTS (continued)

Claims development table

Gross	2006 $	2007 $	2008 $	2009 $	2010 $	2011 $	2012 $	2013 $	2014 $	2015 $	Total $
At end of accident year	105,066	157,752	286,852	131,532	149,174	273,657	130,520	141,623	174,358	208,347	
One year later	111,390	157,499	276,199	199,465	187,017	329,529	167,098	149,404	143,857		
Two years later	111,185	170,159	276,137	209,472	230,796	328,943	166,932	143,629	–		
Three years later	110,768	170,512	278,839	204,454	229,689	327,823	147,972	–	–		
Four years later	106,218	162,581	271,674	202,585	228,239	333,615	–	–	–		
Five years later	106,755	160,571	269,988	199,379	229,211	–	–	–	–		
Six years later	106,487	157,882	269,309	196,512	–	–	–	–	–		
Seven years later	105,497	157,617	269,858	–	–	–	–	–	–		
Eight years later	105,774	157,996	–	–	–	–	–	–	–		
Nine years later	105,968	–	–	–	–	–	–	–	–		
	105,968	157,996	269,858	196,512	229,211	333,615	147,972	143,629	143,857	208,347	**1,936,965**
Cumulative payments to date	98,749	145,634	302,315	249,163	130,766	312,022	123,506	123,519	106,851	87,837	**1,680,362**
Liability recognised	7,219	12,362	(32,457)	(52,651)	98,445	21,593	24,466	20,110	37,006	120,510	**256,603**
Liability in respect of prior years											**56,833**
Total liability											**313,436**
Net favourable (unfavourable) development	(903)	(244)	16,994	(64,979)	(80,037)	(59,958)	(17,452)	(2,006)	30,501		

27 LIABILITIES ON INSURANCE CONTRACTS (continued)

Claims development table (continued)

Net claims	**2006 $**	**2007 $**	**2008 $**	**2009 $**	**2010 $**	**2011 $**	**2012 $**	**2013 $**	**2014 $**	**2015 $**	**Total $**
At end of accident year	92,411	103,222	156,352	129,189	146,637	133,586	97,016	86,312	108,045	159,700	
One year later	90,354	101,703	166,740	185,737	161,910	204,769	105,774	96,417	105,545	–	
Two years later	91,784	103,193	169,382	185,858	204,786	206,789	111,070	90,368	–	–	
Three years later	90,879	105,084	175,576	181,680	203,644	206,340	115,674	–	–	–	
Four years later	87,423	108,870	169,773	179,534	202,787	212,798	–	–	–	–	
Five years later	87,158	107,046	168,031	176,681	203,659	–	–	–	–	–	
Six years later	87,069	105,066	167,388	173,923	–	–	–	–	–	–	
Seven years later	86,342	104,788	167,934	–	–	–	–	–	–	–	
Eight years later	86,613	104,239	–	–	–	–	–	–	–	–	
Nine years later	86,807	–	–	–	–	–	–	–	–	–	
	86,807	104,239	167,934	173,923	203,659	212,798	115,674	90,368	105,545	159,700	**1,420,647**
Cumulative payments to date	79,595	92,908	200,874	226,974	106,348	111,592	89,606	146,307	68,741	61,437	**1,184,382**
Liability recognised	7,212	11,331	(32,940)	(53,051)	97,311	101,206	26,068	(55,939)	36,804	98,263	**236,265**
Liability in respect of prior years											**42,810**
Total liability											**279,075**
Net favourable (unfavourable) development	5,603	(1,017)	(11,585)	(44,734)	(57,022)	(79,212)	(18,658)	(4,056)	2,501		

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28 OPERATING PROFIT BEFORE FINANCE AND REBRANDING COSTS

	2015 $	2014 $
Revenue	**11,944,843**	10,703,801
Cost of sales	**(8,749,872)**	(7,720,716)
Gross profit	**3,194,971**	2,983,085
Selling, general and administrative expenses	**(2,404,390)**	(2,272,439)
Other income	**169,270**	170,155
	959,851	**880,801**

Selling, general and administrative expenses include the following:

	2015 $	2014 $
Staff costs	**971,633**	881,621
Depreciation	**145,459**	134,409
Impairment charge – investment properties	**(3,000)**	10,384
Impairment of goodwill	**1,431**	1,431
Amortisation of other intangible assets	**3,562**	3,624
Directors' fees	**3,151**	2,989
Operating lease rentals	**85,580**	72,141

29 STAFF COSTS

Staff costs included in cost of sales, selling, general and administrative expenses are as follows:

	2015 $	2014 $
Wages and salaries and termination benefits	**1,407,173**	1,079,019
Share based compensation	**7,428**	5,454
Pension costs	**38,912**	22,804
	1,453,513	**1,107,277**

Average number of persons employed by the Group during the year:

	2015	2014
Full time	**9,222**	8,591
Part time	**1,556**	1,970
	10,778	**10,561**

30 FINANCE COSTS – NET

	2015 $	2014 $
Interest expense	**118,528**	85,245
Interest income	**(37,214)**	(51,388)
Finance costs – net	**81,314**	**33,857**

31 INCOME TAX EXPENSE

	2015 $	2014 $
Trinidad and Tobago subsidiaries	**169,630**	140,430
Overseas subsidiaries	**71,833**	77,921
Associated companies	**9,321**	14,029
	250,784	**232,380**

The Group's effective tax rate of 27% (2014 – 28%) differs from the statutory Trinidad and Tobago tax rate of 25% as follows:

Profit before income tax	**919,098**	**832,479**
Tax calculated at a tax rate of 25%	**229,774**	208,120
Effect of different tax rates in other countries	**15,999**	13,952
Expenses/(income) not subject to tax not deductible for tax purposes	**(4,418)**	(333)
Business levy/green fund levy/withholding tax	**12,491**	11,277
Adjustments to prior year tax provisions	**(3,062)**	(636)
Tax charge	**250,784**	**232,380**

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32 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	2015 $	2014 $
Profit attributable to shareholders	**638,406**	555,003
Weighted average number of ordinary shares in issue (thousands)	**97,741**	97,455
Basic earnings per share ($ per share)	**6.53**	5.69

Shares exercised but not issued were excluded from the calculation of weighted average number of ordinary shares for diluted earnings per share.

Profit attributable to owners of the parent	**638,406**	555,003
Weighted average number of ordinary shares for diluted earnings Per share (thousands)	**97,741**	97,455
Diluted earnings per share ($ per share)	**6.53**	5.69

33 CONTINGENCIES

At 30 September 2015 the Group had contingent liabilities in respect of bonds, guarantees and other matters arising in the ordinary course of business amounting to $519,035 (2014: $152,780).

Massy Holdings Ltd. entered into guarantees with Mitsubishi Heavy Industries Ltd. (MHI), under which it guaranteed payment of 10% of Caribbean Gas Chemical Limited's payment obligations to MHI under the contracts for the engineering procurement and construction of the methanol and DME plants. MHL's maximum liability under guarantees is $372,368.

Group companies are defendants in various legal actions. In the opinion of the directors, after taking appropriate legal advice, the outcome of such actions will not give rise to any significant loss.

34 COMMITMENTS

Capital commitments

Capital expenditure contracted at the consolidated statement of financial position date but not yet incurred is as follows:

	2015 $	2014 $
Property, plant and equipment	**247,120**	**41,893**

Operating lease commitments - where a Group Company is the lessee:

The Group leases various retail outlets, offices and warehouses under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

The Group also leases various plant and machinery under cancellable operating lease agreements. The Group is required to give a six-month notice for the termination of these agreements.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	2015 $	2014 $
No later than 1 year	**50,497**	63,365
Later than 1 year and no later than 5 years	**151,775**	189,974
Later than 5 years	**225,458**	179,554
	427,730	**432,893**

Operating lease commitments - where a Group company is the lessor:

Less than one year	**55,288**	36,776
One year to five years	**35,510**	38,456
Over five years	**–**	16,864
	90,798	**92,096**

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35 BUSINESS COMBINATIONS

Massy Energy Colombia S.A.S. (MEC)

Massy Energy (Barbados) Ltd., a Massy Group Company, acquired 100% of the shares of Wood Group PSN Colombia S.A, (WGPSN) on 7 October 2014. Following acquisition, the company changed its name on 8 October 2014 to Massy Energy Colombia S.A.S. (MEC). The share purchase and sale agreement is dated 3 October 2014 between Wood Group Engineering North Sea Ltd., Wood Group Holdings International Ltd. and Massy Energy (Barbados) Ltd.

The following table summarises the consideration paid, the fair value of assets acquired and liabilities assumed at the acquisition date:

	2015 $
Consideration paid	
Consideration for shares purchased	**74,314**
Total consideration	**74,314**
Recognised amounts of identifiable assets acquired and liabilities assumed:	
Cash and cash equivalents	**54,723**
Property, plant and equipment and investment properties	**10,644**
Inventories	**1,596**
Deferred tax asset	**14,907**
Trade and other receivables	**188,084**
Trade and other payables	**(148,199)**
Total identifiable net assets	**121,755**
Share purchase agreement adjustment	**(1,476)**
Working capital adjustment	**(16,425)**
Negative goodwill	**(29,540)**

35 **BUSINESS COMBINATIONS** (continued)

Massy Energy Colombia S.A.S. (MEC) (continued)

The revenue and profit included in the consolidated income statement since 7 October 2014 contributed by MEC was $581,965 and $16,177 respectively. The assets and liabilities presented above, used a combination of independent valuations and book value.

Massy Delima Grupo Automotriz S.A.S. (MDLGA S.A.S.)

Massy International Limited, itself a wholly owned subsidiary of Massy Transportation Group Ltd., acquired 70% of MDLGA S.A.S. on 1 April 2014.

Massy International Limited entered into a Memorandum of Agreement which is a binding agreement created to allow for the eventual purchase of two additional dealerships. No specific contingent consideration asset or liability has been identified as at year end.

The share purchase agreement includes a put and call option. At this point management's assessment is that the likelihood of either party exercising their option is remote. As such no financial liability is recognised in the results of the Group.

The 30 September 2014 financial statements previously recorded the acquisition as provisional, with preliminary estimates recorded. The details have been updated and reflect the final numbers at fair value at the acquisition date.

The following table summarises the consideration paid, the fair value of assets acquired and liabilities assumed at the acquisition date:

	2015 $	2014 $
Consideration paid		
Cash	**41,960**	41,960
Bank overdrafts and other short-term borrowings	**–**	–
Total consideration	**41,960**	**41,960**

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35 BUSINESS COMBINATIONS (continued)

Massy Delima Grupo Automotriz S.A.S. (MDLGA S.A.S.) (continued)

Recognised amounts of identifiable assets acquired and liabilities assumed:

	2015 $	2014 $
Cash and cash equivalents	**4,462**	4,462
Property, plant and equipment	**9,960**	9,960
Goodwill	–	35,659
Investment	**2,552**	2,552
Inventories	**19,874**	19,874
Trade and other receivables	**35,408**	35,408
Trade and other payables	**(20,564)**	(20,564)
Borrowings	**(26,339)**	(26,339)
Total identifiable net assets	**25,353**	**61,012**
Total identifiable net assets acquired – 70%	**17,747**	**42,708**
Negative goodwill	–	(748)
Goodwill acquired from Massy Delima Grupo Automotriz S.A.S.	–	35,659
Negative goodwill on consolidation	–	(748)
Goodwill	**24,213**	**34,911**

The revenue and profit included in the consolidated income statement for the period 1 April 2014 to September 2014 was $123,253 and $2,473 respectively.

The revenue and profit included in the consolidated income statement for the period ended 30 September 2015 was $256,498 and $6,444 respectively.

The assets and liabilities presented above, are based on book value.

35 BUSINESS COMBINATIONS (continued)

Gablewoods Supermart Limited (GSL)

Shares previously held by Massy (Barbados) Ltd., which represented a 37% interest in GSL were transferred to Massy Integrated Retail Ltd. prior to 31 December 2013. On 31 December 2013 Massy Integrated Retail Ltd. acquired the remaining 63%.

The following table summarises the consideration paid, the fair value of assets acquired and liabilities assumed at the acquisition date:

	2015 $	2014 $
Consideration paid		
Previously held interest	**38,794**	38,794
Cash	**82,224**	82,224
Pre acquisition dividend	**(5,201)**	(5,201)
Total consideration	**115,817**	**115,817**
Recognised amounts of identifiable assets acquired and liabilities assumed:		
Cash	**16,890**	16,890
Property, plant and equipment	**135,443**	135,443
Goodwill	**9,027**	9,027
Investment in securities	**33,921**	33,921
Inventories	**84,091**	84,091
Trade and other receivables	**26,737**	26,737
Trade and other payables	**(84,295)**	(84,295)
Borrowings	**(62,200)**	(62,200)
Minority interest	**(61,569)**	(61,569)
Total identifiable net assets	**98,045**	98,045
Goodwill	**17,772**	**17,772**

No acquisition related costs were incurred for the year ended 30 September 2015 (2014:$1,492).

30 September 2015. Expressed in Thousands of Trinidad and Tobago dollars

35 BUSINESS COMBINATIONS (continued)

Gablewoods Supermart Limited (GSL) (continued)

The revenue included in the consolidated income statement for the period 31 December 2013 to September 2014 contributed by GSL was $736,858. GSL also contributed profit of $35,356 over the same period. The revenue included in the consolidated income statement for the period ended 30 September 2015 contributed by GSL was $1,027,597. GSL also contributed profit of $57,836 over the same period.

The assets and liabilities presented were based on a combination of management and independent valuations and book value.

36 RELATED PARTY TRANSACTIONS

The ultimate parent of the Group is Massy Holdings Ltd. (incorporated in the Republic of Trinidad and Tobago).

The following transactions were carried out with related parties:

		2015 $	2014 $
a	**Sales of goods**		
	Associates	**30,018**	**31,491**

Goods are sold on the basis of the price lists in force with non-related parties.

		2015 $	2014 $
b	**Purchases of goods**		
	Associates	**166,142**	**153,296**
	Goods purchased from entities controlled by non-executive directors	**121,793**	**135,384**

Goods are bought on the basis of the price lists in force with non-related parties.

		2015 $	2014 $
c	**Key management compensation**		
	Salaries and other short-term employee benefits	**102,442**	92,083
	Post-employment benefits	**6,659**	5,985
	Share-based compensation	**7,428**	5,454
		116,529	**103,522**

36 RELATED PARTY TRANSACTIONS (continued)

The following transactions were carried out with related parties: (continued)

d Year-end balances arising from sales/purchases of goods/services

	2015 $	2014 $
Receivables from related parties:		
Associates	**11,976**	17,492
Payables to related parties:		
Associates	**31**	331

e Loans to associates

	2015 $	2014 $
Beginning of year	**27,008**	25,024
Loans advanced during year	**17,631**	7,202
Loans repayments received	**(2,332)**	(5,829)
Interest charged	**461**	673
Interest received	**(94)**	(62)
End of the year	**42,674**	**27,008**

f Loans from associates

	2015 $	2014 $
Beginning of year	–	–
Loans advanced during year	–	29,000
Loan repayments received	–	(29,000)
Interest charged	–	60
Interest received	–	(60)
End of the year	–	–

g Total loans to other related parties

	2015 $	2014 $
Beginning of year	**3,617**	76
Loans advanced during year	**6,500**	2,000
Loan repayments received	–	(2,000)
Interest charged	**11,459**	9,092
Interest received	**(9,199)**	(5,551)
End of the year	**12,377**	**3,617**

37 SUBSEQUENT EVENTS

Subsequent to the end of the Financial Year 2015, the Group purchased 50% of Best Auto Limited and disposed its shareholding in Magna Rewards Caribbean Inc. (51.3%).

07

Five Year Review

For Financial Years ending 2011-2015. Expressed in Thousands of Trinidad and Tobago dollars

	Sep-11	Sep-12	Sep-13	Sep-14	Sep-15
Income Statement Information					
Third party revenue	8,497,341	9,146,488	9,391,521	10,703,801	11,944,843
Operating profit before finance costs and rebranding costs	646,878	793,781	809,731	880,801	959,851
Finance costs	(47,806)	(46,107)	(32,139)	(33,857)	(81,314)
Share of results of associates and joint ventures	40,578	54,175	47,665	43,444	40,202
Profit before tax	639,650	801,849	825,257	832,479	919,098
Effective tax rate	30.5%	32.2%	27.6%	27.9%	27.3%
Profit for the year from continuing operations	444,356	543,987	597,428	600,099	668,314
Loss for the year from discontinued operations	(473,828)	(49,875)	–	–	–
Profit/(loss) for the year	(29,472)	494,112	597,428	600,099	668,314
Profit attributable to owners of the parent	98,121	470,809	542,782	555,003	638,406
Basic earnings per share - from continuing operations ($.¢)	4.17	5.13	5.59	5.69	6.53
Basic loss per share - from discontinued operations ($.¢)	(3.15)	(0.26)	–	–	–
Total earnings per share ($.¢)	1.02	4.87	5.59	5.69	6.53
Balance Sheet Information					
Non current assets	3,336,869	3,464,299	3,862,735	4,366,530	4,572,670
Current assets	4,169,731	4,394,662	4,428,484	5,482,698	5,846,091
Assets of disposal group classified as held for sale	703,658	590,473	577,890	–	–
Total assets	8,210,258	8,449,704	8,869,109	9,849,228	10,418,761
Non current liabilities	1,612,962	1,507,870	1,272,537	2,608,358	2,576,560
Current liabilities	2,807,189	2,928,853	3,117,991	3,016,308	3,251,874
Liabilities of disposal group classified as held for sale	563,222	491,913	453,109	–	–
Total liabilities	4,983,373	4,928,636	4,843,637	5,624,666	5,828,434
Shareholder's equity	3,007,823	3,385,307	3,850,788	3,988,910	4,353,957
Non-controlling interests	219,062	135,761	174,684	235,652	236,370
Equity	3,226,885	3,521,068	4,025,472	4,224,562	4,590,327
Cash	1,123,142	1,304,737	1,112,557	1,626,044	1,743,379
Debt	1,417,855	1,455,976	1,309,949	2,467,307	2,169,760

Five Year Review

For Financial Years ending 2011-2015. Expressed in Thousands of Trinidad and Tobago dollars

	Sep-11	Sep-12	Sep-13	Sep-14	Sep-15
Balance Sheet Quality Measures					
Working Capital	1,362,542	1,465,809	1,310,493	2,466,390	2,594,217
Current Ratio	1.49	1.50	1.42	1.82	1.80
Quick Ratio	1.03	1.07	1.00	1.31	1.32
Total debt to shareholder's equity	47.1%	43.0%	34.0%	61.9%	49.8%
Total debt to shareholder's equity and debt	32.0%	30.1%	25.4%	38.2%	33.3%
Cash Flow Information					
Cash flow from operating activities	521,538	698,106	504,068	395,241	1,069,258
Cash flow from investing activities	(278,893)	(301,563)	(380,169)	(373,239)	(431,301)
Cash flow from financing activities	(181,957)	(212,523)	(313,985)	503,934	(497,419)
Net increase/(decrease) in cash, cash equivalents before exchange rate changes	60,688	184,020	(190,086)	525,936	140,538