

Massy Holdings Ltd.

Unaudited Consolidated Financial Statements

31 March, 2019

Expressed in Thousands of Trinidad & Tobago Dollars

Massy Holdings Ltd.

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CHAIRMAN'S STATEMENT

For the Second Quarter (Q2) of the 2019 Financial Year (FY), Third Party Revenue of \$6.2 billion is essentially the same as for Q2 of the prior year. Group Profit Before Tax (PBT) of \$448 million is however 6.3% higher than PBT in Q2 prior year. Group Profit After Tax (PAT) increased by 5% from \$273 million to \$287 million. Earnings Per Share improved by 5.6% from \$2.52 in prior year to \$2.66 per share.

While PBT from Trinidad and Tobago remained relatively flat, contributions from Guyana, Colombia and Jamaica were the primary drivers of improvement. With an increase in PBT from Massy United Insurance, Barbados also showed positive growth. PBT from the Eastern Caribbean declined driven by a slow-down in Retail performance in St. Lucia. Commendable PBT improvement (31%) was delivered by the Automotive & Industrial Equipment Business Unit (BU) driven by improvements to most subsidiaries in the BU, and especially by Massy Motors in Trinidad and Colombia. The Financial Services BU also delivered commendable PBT growth (30%) driven by strong improvements by Massy United Insurance and our Remittance Service business in Guyana. Integrated Retail BU experienced a 6% PBT decline. Massy Stores in St. Lucia and Guyana and Massy Distribution in Trinidad, Barbados and USA posted moderate declines in PBT.

As the Group continues to pursue operational efficiencies, Infosys was retained in Q2 to conduct a diagnostic of support functions to optimize processes and systems across the Group. The diagnostic exercise identified several opportunities to improve efficiencies by automating and standardising processes within our Business Units as well as opportunities to centralise some activities to take advantage of economies of scale across the Group. A major transformation initiative will be launched, once the final recommendation and business case is developed and approved among Infosys, management and the Board. In the interim, cost containment and cost reduction efforts are producing results. Operating Expenses were held constant with prior year despite operations expansions in Colombia and inflationary trends in all territories.

Consistent with the Group's intent to increase its focus on its larger, more scalable Business Units to strengthen its competitive position and deepen its expertise in specific verticals, the Group sold Massy Security (Guyana) Inc to Amalgamated Security on March 7th 2019. Arising out of the Group's annual strategic planning exercise, the Group will give greater autonomy to its larger Business Units to pursue growth and performance improvement initiatives. The Group will also embark on an initiative to reduce its Head Office costs and set up a specific arm of its business to evaluate investments in attractive ventures which may not form part of its core operations and could eventually be resold. At this time, we believe it is important to create the right structures to focus executives on our core industries with the autonomy and support to improve performance and capture growth opportunities in our target geographies.

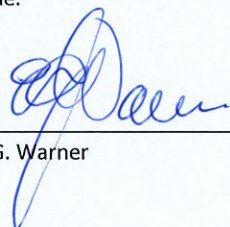
Given the Group's performance for the first half of FY 2019, Your Board of Directors has declared a Half Year Dividend of \$0.55, which represents a 5% increase over prior year.

Robert Bermudez
May 08, 2019

Massy Holdings Ltd.
Consolidated Statement of Financial Position
(Expressed in Thousands of Trinidad & Tobago dollars)

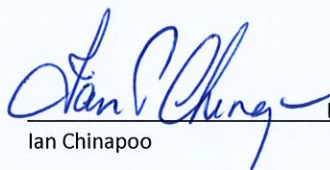
	UNAUDITED 31-Mar-19	UNAUDITED 31-Mar-18	AUDITED 30-Sep-18
	\$'000	\$'000	\$'000
Assets			
Non-Current Assets			
Property, plant and equipment and investment properties	2,836,306	2,828,402	2,850,741
Investments in associates and joint ventures	258,499	264,203	248,291
Financial assets	1,186,883	1,101,864	1,040,568
Other non-current assets	859,473	1,133,340	871,238
	5,141,161	5,327,809	5,010,838
Current Assets			
Cash and cash equivalents	1,546,283	1,375,313	1,626,132
Other current assets	5,242,434	6,275,240	5,840,220
	6,788,717	7,650,553	7,466,352
Total Assets	11,929,878	12,978,362	12,477,190
Equity and Liabilities			
Capital and reserves attributable to owners of the parent	5,505,373	5,166,510	5,384,821
Non-controlling interests	253,444	242,330	230,337
Total Equity	5,758,817	5,408,840	5,615,158
Non-Current Liabilities			
Borrowings	1,843,054	1,969,447	1,867,805
Deferred tax liabilities	240,106	237,610	235,788
Other non-current liabilities	381,993	413,428	363,409
	2,465,153	2,620,485	2,467,002
Current Liabilities			
Borrowings	420,291	325,695	452,611
Other current liabilities	3,285,617	4,623,342	3,942,419
	3,705,908	4,949,037	4,395,030
Total Equity and Liabilities	11,929,878	12,978,362	12,477,190

On May 8th, 2019 the Board of Directors of Massy Holdings Ltd. authorized these consolidated financial statements for issue.



Director

E. G. Warner



Director

Ian Chinapoo

Massy Holdings Ltd.
Consolidated Income Statement
(Expressed in Thousands of Trinidad & Tobago dollars)

	UNAUDITED THREE MONTHS ENDED		UNAUDITED SIX MONTHS ENDED		AUDITED TWELVE MONTHS ENDED
	31-Mar-19 \$'000	31-Mar-18 \$'000	31-Mar-19 \$'000	31-Mar-18 \$'000	30-Sep-18 \$'000
Revenue	2,955,031	2,954,559	6,169,304	6,175,658	12,004,802
Operating profit after finance costs	204,496	179,512	401,730	383,159	795,211
Share of results of associates and joint ventures	12,788	12,135	46,447	38,493	78,853
Profit before tax	217,284	191,647	448,177	421,652	874,064
Income tax expense	(78,223)	(68,699)	(161,344)	(148,841)	(308,589)
Profit for the period	139,061	122,948	286,833	272,811	565,475
Profit attributable to owners of the parent	126,563	112,145	260,193	246,197	519,753
Profit attributable to non-controlling interests	12,498	10,803	26,640	26,614	45,722
Profit for the period	139,061	122,948	286,833	272,811	565,475
Earnings per share attributable to the owners of the parent (\$/cents):					
Basic earnings per share	1.29	1.15	2.66	2.52	5.32

Massy Holdings Ltd.
Consolidated Statement of Comprehensive Income
(Expressed in Thousands of Trinidad & Tobago dollars)

	UNAUDITED SIX MONTHS ENDED		AUDITED TWELVE MONTHS ENDED
	31-Mar-19 \$'000	31-Mar-18 \$'000	30-Sep-18 \$'000
Profit for the period	286,833	272,811	565,475
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
- remeasurement of defined benefit pension plans	-	-	13,561
	-	-	13,561
Items that may be subsequently reclassified to profit or loss			
- available for sale financial assets	-	45	-
- currency translation differences	20,208	5,148	(11,266)
	20,208	5,193	(11,266)
Other comprehensive income for the period, net of tax	20,208	5,193	2,295
Total comprehensive income for the period	307,041	278,004	567,770
Attributable to:			
Owners of the Parent	280,536	251,727	521,321
Non-controlling interests	26,505	26,277	46,449
Total comprehensive income for the period	307,041	278,004	567,770

Massy Holdings Ltd.
Consolidated Statement of Changes in Equity
(Expressed in Thousands of Trinidad & Tobago dollars)

	UNAUDITED SIX MONTHS ENDED		AUDITED TWELVE MONTHS ENDED
	31-Mar-19 \$'000	31-Mar-18 \$'000	30-Sep-18 \$'000
Balance at the beginning of the year	5,384,821	5,137,132	5,137,132
IFRS 9 Initial application adjustments for expected credit loss net of tax	-	(70,956)	(70,956)
Balance at beginning of year - restated	5,384,821	5,066,176	5,066,176
Profit attributable to owners of the Parent	260,193	246,197	519,753
Other comprehensive income	-	-	1,568
Dividends paid	(154,434)	(154,434)	(205,260)
Other reserve movements	14,793	8,571	2,584
	5,505,373	5,166,510	5,384,821

Massy Holdings Ltd.
Consolidated Statement of Cash Flows
(Expressed in Thousands of Trinidad & Tobago dollars)

	UNAUDITED SIX MONTHS ENDED		AUDITED TWELVE MONTHS ENDED
	31-Mar-19 \$'000	31-Mar-18 \$'000	30-Sep-18 \$'000
Cash flows from operating activities			
Profit before income tax	448,177	421,652	874,064
Share of results of associates and joint ventures	(46,447)	(38,493)	(78,853)
Adjustments for non-cash items	126,876	137,177	297,072
Operating profit before working capital changes	528,606	520,336	1,092,283
Net working capital changes	(190,135)	(243,662)	(121,210)
Cash generated from operations	338,471	276,674	971,073
Tax payments	(128,355)	(113,348)	(235,122)
Cash flows from operating activities	210,116	163,326	735,951
Investing activities	(77,503)	(198,127)	(488,033)
Financing activities	(199,164)	(135,743)	(177,947)
Increase/(Decrease) in short-term funds	(66,551)	(170,544)	69,971
Cash, cash equivalents and bank overdrafts at start of year	1,599,621	1,531,457	1,531,457
Translation difference on cash held	2,099	2,063	(1,807)
Cash, cash equivalents and bank overdrafts at end of year	1,535,169	1,362,976	1,599,621

Massy Holdings Ltd.
Segment Information
(Expressed in Thousands of Trinidad & Tobago dollars)

	Automotive and Industrial Equipment	Integrated Retail	Financial Services	Energy and Industrial Gases	ITC	Other Investments	Head Office and Other Adjustments	Total
Six Months Ended 31st March 2019								
Group revenue	1,338,120	3,648,677	335,403	641,913	269,047	284,640	-	6,517,800
Inter-segment revenue	(61,367)	(236,913)	(865)	(7,422)	(13,051)	(28,878)	-	(348,496)
Third party revenue	1,276,753	3,411,764	334,538	634,491	255,996	255,762	-	6,169,304
Operating profit/(loss) after finance costs	79,055	183,148	60,281	81,124	25,295	40,586	(67,759)	401,730
Share of results of associates and joint ventures	-	-	-	43,073	-	3,374	-	46,447
Profit before income tax	79,055	183,148	60,281	124,197	25,295	43,960	(67,759)	448,177
Six Months Ended 31st March 2018								
Group revenue	1,409,264	3,712,845	294,356	567,980	274,416	290,031	-	6,548,892
Inter-segment revenue	(61,497)	(248,921)	(881)	(8,626)	(16,564)	(36,745)	-	(373,234)
Third party revenue	1,347,767	3,463,924	293,475	559,354	257,852	253,286	-	6,175,658
Operating profit/(loss) after finance costs	60,521	195,527	46,467	88,715	28,030	42,588	(78,689)	383,159
Share of results of associates and joint ventures	-	-	-	38,189	-	304	-	38,493
Profit before income tax	60,521	195,527	46,467	126,904	28,030	42,892	(78,689)	421,652
	Group Revenue		Inter-Segment		Third-party revenue		Profit Before Tax	
	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18	Mar-19	Mar-18
Trinidad and Tobago	2,577,512	2,695,253	(127,318)	(152,627)	2,450,194	2,542,626	220,796	221,238
Barbados	1,537,432	1,535,319	(137,698)	(137,242)	1,399,734	1,398,077	108,396	105,751
Eastern Caribbean	677,189	684,518	(8,721)	(6,914)	668,468	677,604	53,777	59,826
Guyana	520,568	491,735	(21,586)	(14,681)	498,982	477,054	78,732	67,778
Jamaica	359,789	343,084	(2,795)	(2,542)	356,994	340,542	36,517	31,848
Colombia	754,781	695,441	-	-	754,781	695,441	16,207	11,265
Other	90,529	103,542	(50,378)	(59,228)	40,151	44,314	1,511	2,635
Head Office and other adjustments	-	-	-	-	-	-	(67,759)	(78,689)
	6,517,800	6,548,892	(348,496)	(373,234)	6,169,304	6,175,658	448,177	421,652

Notes:

All monetary amounts are stated in Trinidad and Tobago dollars. Highlights of the Unaudited Consolidated Financial Statements (Highlights) have been prepared in accordance with International Financial Reporting Standards. The Highlights do not include all information and disclosures required in the Annual Financial Statements, and should be read in conjunction with the Group's Annual Financial Statements as at 30th September 2018. For comparative purposes, adjustments and reclassifications to the prior year have been made to conform to the current year reporting.

These financial highlights can be accessed online at www.massygroup.com