Point Lisas Industrial Port Development Corporation Limited

Condensed Consolidated Interim Financial Information

30 September 2018 (Expressed in Trinidad and Tobago Dollars)

Chairman's Report

I am pleased to report on the Corporation's financial performance for the nine months ended 30 September, 2018.

The Corporation's Group Profit before Tax, inclusive of Fair Value Gains, was $145.7M ($35.3M, 2017). Excluding the impact of Fair Value Gains on the tenanted Estate premises, the Corporation made a profit of $17.7M in 2018 as compared to $2.6M in 2017. The significant Fair Value Gains on the Estate resulted from thirty-seven (37) leases which were subject to Rent Reviews during the year.

Earnings per Share (EPS) stood at 352 cents (80 cents, 2017) while Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA) and excluding Fair Value Gains were $45.2M (2017: $31.7M).

Group Revenue increased by $19M (10%) due to increases in throughput of containerised cargo of 6,526 TEUs (5%) and 105,469 tonnes (57%) in general cargo volumes. Further analysis evidenced a 5% increase in exports and a 21% increase in transhipment of containerised cargo and a 2% increase in the import of containerised cargo. General cargo experienced a 37% increase in exports and a 58% increase in imports. The Estate revenue increased by 27% when compared to the same period for 2017, this was due mainly to retroactive renewals of expired leases.

The Group's total Assets increased by $134M to $2.95B at 30 September 2018, ($2.82B, 2017). Current ratio remained healthy at 2.80:1 as compared to 3.36:1 in 2017.

The implementation of Cost management measures has borne fruit in minimising expenditure as evidenced in these financial results and will remain in effect. New Revenue streams continue to be explored and implemented with the expectation that the outcome would yield the desired results to all our stakeholders.

In closing, I would like to give the assurance of the continued commitment of the Board, Management and Staff of PLIPDECO, in maintenance of its high standards of work ethics and safety thereby resulting in further growth and development.

Ian R. H. Atherly
Chairman

Condensed Consolidated Interim Statement of Financial Position

(Expressed in Trinidad and Tobago Dollars)

	30 September 2018 $'000	30 September 2017 $'000	31 December 2017 $'000
Assets			
Non-current assets			
Property, plant and equipment	765,785	756,007	760,811
Investment properties	1,996,673	1,864,497	1,869,233
Trade receivables	2,952	--	2,645
Deferred income tax assets	16,650	16,824	16,143
Financial assets at amortised cost	897	--	--
Financial assets at fair value through other comprehensive income	1,381	1,248	1,317
	2,784,338	2,638,576	2,650,149
Current assets	167,506	183,320	168,073
Total assets	2,951,844	2,821,896	2,818,222
Equity and liabilities			
Equity attributable to owners of the parent			
Stated capital	139,968	139,968	139,968
Unallocated ESOP shares	(32)	(32)	(32)
Investment revaluation reserve	443	311	--
Revaluation reserves	246,954	249,715	249,960
Retained earnings	2,152,490	2,006,089	2,011,613
	2,539,823	2,396,051	2,401,509
Non-current liabilities			
Long and medium-term liabilities	143,170	155,724	150,059
Retirement benefit obligation	28,008	31,429	28,360
Casual employee retirement benefit obligation	27,493	24,651	25,445
Deferred income tax liabilities	95,306	100,179	97,628
Deferred lease rental income	58,332	59,398	59,131
	352,309	371,381	360,623
Current liabilities	59,712	54,464	56,090
Total liabilities	412,021	425,845	416,713
Total equity and liabilities	2,951,844	2,821,896	2,818,222

On 1 November 2018, the Board of Directors of Point Lisas Industrial Port Development Corporation Limited authorised this condensed consolidated interim financial information for issue.

Mr. Prakash Ramnarine   Mr. Ian R. H. Atherly

Condensed Consolidated Interim Statement of Changes in Equity

(Expressed in Trinidad and Tobago Dollars)

	Stated capital $'000	Revaluation reserves $'000	Investment revaluation reserves $'000	Unallocated ESOP shares $'000	Retained earnings $'000	Shareholders' equity $'000
Nine months ended 30 September 2018						
Balance as at 1 January 2018	139,968	249,581	379	(32)	2,015,332	2,405,228
Change in accounting policy	--	--	--	--	(3,719)	(3,719)
Restated total equity at the beginning of the financial year	139,968	249,581	379	(32)	2,011,613	2,401,509
Transfer of revaluation reserve to retained earnings, net of tax	--	(2,627)	--	--	2,627	--
Comprehensive income						
- Profit for the period	--	--	--	--	139,439	139,439
Other comprehensive income						
- Change in the fair value of equity investments at fair value through other comprehensive income	--	--	64	--	--	64
- Transactions with owners –Dividends	--	--	--	--	(1,189)	(1,189)
Balance as at 30 September 2018	139,968	246,954	443	(32)	2,152,490	2,539,823
Nine months ended 30 September 2017						
Balance as at 1 January 2017	139,968	251,947	354	(32)	1,974,423	2,366,660
Transfer of revaluation reserve to retained earnings, net of tax	--	(2,232)	--	--	2,232	--
Comprehensive income						
- Profit for the period	--	--	--	--	31,812	31,812
Other comprehensive income						
- Change in the fair value of equity investments at fair value through other comprehensive income	--	--	(43)	--	--	(43)
- Transactions with owners –Dividends	--	--	--	--	(2,378)	(2,378)
Balance as at 30 September 2017	139,968	249,715	311	(32)	2,006,089	2,396,051

Condensed Consolidated Interim Statement of Comprehensive Income

(Expressed in Trinidad and Tobago Dollars)

	Three months ended 30 September 2018 $'000	Three months ended 30 September 2017 $'000	Nine months ended 30 September 2018 $'000	Nine months ended 30 September 2017 $'000
Revenue	75,860	64,303	208,662	189,767
Cost of providing services	(22,312)	(22,250)	(66,092)	(63,534)
Gross profit	53,548	42,053	142,570	126,233
Unrealised fair value gain on investment properties	71,250	355	128,020	32,765
Administrative expenses	(22,129)	(22,979)	(67,781)	(70,570)
Other operating expenses	(19,156)	(14,578)	(55,846)	(53,117)
Other income	161	1,075	505	1,461
Operating profit	83,674	5,926	147,468	36,772
Investment income	253	301	806	911
Finance costs	(873)	(694)	(2,551)	(2,337)
Profit before taxation	83,054	5,533	145,723	35,346
Income tax expense	(4,005)	(2,270)	(6,284)	(3,534)
Profit for the period	79,049	3,263	139,439	31,812
Other comprehensive income				
Items that may be subsequently reclassified to profit or loss				
Change in the fair value of equity investments at fair value through other comprehensive income	(78)	26	64	(43)
Total comprehensive income for the period	78,971	3,289	139,503	31,769
Earnings per share				
Basic earnings per share	200¢	8¢	352¢	80¢

Condensed Consolidated Interim Statement of Cash Flows

(Expressed in Trinidad and Tobago Dollars)

	Nine months ended 30 September 2018 $'000	Nine months ended 30 September 2017 $'000
Cash flows from operating activities		
Profit before taxation	145,723	35,346
Depreciation	25,104	26,697
Unrealised fair value gains on investment properties	(128,020)	(32,765)
Loss on disposal of property, plant and equipment	--	460
Decrease in deferred lease rental income	(3,312)	(3,182)
Net interest expense	1,745	1,426
Decrease/(increase) in inventory	1,782	(205)
(Increase)/decrease in receivables and prepayments	(14,718)	437
Increase/(decrease) in payables and accruals	859	(7,715)
Foreign exchange (gain)/loss on long and medium-term liabilities	(93)	37
Net movement in retirement benefit obligation	(352)	(251)
Net movement in casual employee retirement benefit obligation	2,048	2,151
Interest paid	(2,461)	(2,399)
Income tax paid	(4,517)	(3,229)
Net cash generated from operating activities	23,788	16,808
Cash flows from investing activities		
Additions to property, plant and equipment	(30,078)	(21,823)
Proceeds from sale of property, plant and equipment	--	326
Investment in bonds	(897)	--
Interest received	806	911
Net cash used in investing activities	(30,169)	(20,586)
Cash flows from financing activities		
Dividend paid	(1,189)	(2,378)
Repayment of long and medium-term liabilities	(6,815)	(6,801)
Net cash used in financing activities	(8,004)	(9,179)
Net decrease in cash and cash equivalents	(14,385)	(12,957)
Cash and cash equivalents, beginning of period	121,057	144,745
Effects of exchange rate changes on cash and cash equivalents	(90)	62
Cash and cash equivalents, end of period	106,582	131,850
Cash and cash equivalents		
Cash at bank and on hand	15,731	17,750
Bank overdraft	(1,279)	--
Short-term deposits	92,130	114,100
	106,582	131,850

You can find the complete set of financial information on our website at **www.plipdeco.com**