

## Guardian Holdings Limited (GHL) Results for the Half Year Ended June 30, 2018

### Key Points:

Guardian Holdings Limited's ('GHL') adopted International Financial Reporting Standard No 9 in the first quarter which resulted in

- A write down of the carrying value of investments and the corresponding value of the Group Equity at January 1, 2018. This has been reviewed and adjusted in the second quarter as a result of the economic circumstance in Barbados.
- The accounting standard allows the accounting for unrealized profits and losses of certain portfolios of bonds in the Statement of Comprehensive Income when this treatment matches the logical business rules of how the assets are actually managed.

### Diluted Earnings Per Share (EPS):

GHL reported an EPS of \$0.93, up 12.05 per cent or \$0.10 per share on the corresponding period's EPS of \$0.83 in HY17.

EPS recorded in Q2 2018 (\$0.62) was the highest over the past six Q2 quarters.

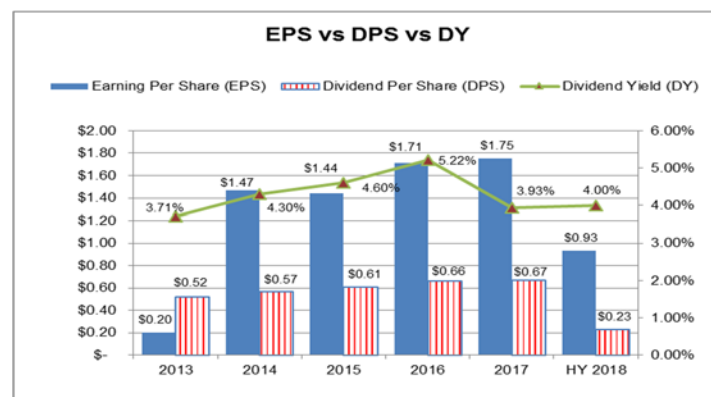
### Dividend:

The Board of Directors declared an interim dividend of \$0.23 per share which was the highest over the past six years. The interim dividend will be paid on September 12, 2018 to shareholders on record as at August 22, 2018.

Dividend	Interim	Final	Total	Dividend Yield
2018	0.23			4.00%
2017	0.22	0.45	0.67	3.93%
2016	0.21	0.45	0.66	5.22%
2015	0.19	0.42	0.61	4.60%
2014	0.17	0.40	0.57	4.30%
2013	0.15	0.37	0.52	3.71%

Financial Year End	December 30
<b>Sector</b>	<b>Non-Banking Finance</b>
Symbol on TTSE	GHL
Issued Share Capital	231.90MM
Market Capitalization	\$3.940B
Current Price (August 20, 2018)	\$16.60
52 Week Price Range	\$15.00 - \$18.00
Trailing EPS	\$1.85
Price to Earnings Multiple	8.97x
Current Book Value/Share	\$13.09
Price to Book	1.43x
Return on Equity	13.48%
Return on Assets	1.56%
Dividend Yield (August 20, 2018)	4.10%

Diluted EPS	Q1	Q2	Q3	Q4	Total
<b>2018</b>	0.31	0.62			<b>0.93</b>
<b>2017</b>	0.39	0.44	0.27	0.65	<b>1.75</b>
<b>2016</b>	0.27	0.43	0.42	0.59	<b>1.71</b>
<b>2015 Restated</b>	0.23	0.31	0.37	0.53	<b>1.44</b>
<b>2014</b>	0.37	0.42	0.44	0.24	<b>1.47</b>
<b>2013</b>	0.30	0.16	0.39	-0.62	<b>0.20</b>



### Income Statement as at June 30, 2018

	HY18	HY17	\$ Change	% Change	Change	YE17
	\$'000	\$'000	HY18 - HY17	HY18 - HY17		
Gross written premiums	3,299,962	2,904,530	395,432	13.61%	↑	5,472,644
Net written premiums	2,216,679	2,004,348	212,331	10.59%	↑	3,326,948
Net income from insurance underwriting activities	389,634	210,495	179,139	85.10%	↑	403,099
Net income from investing activities	449,921	565,000	(115,079)	-20.37%	↓	1,190,957
Net income from brokerage activities	17,452	7,478	9,974	133.38%	↑	15,733
<b>Net income from all activities</b>	<b>857,007</b>	<b>782,973</b>	<b>74,034</b>	<b>9.46%</b>	<b>↑</b>	<b>1,609,789</b>
Net impairment gain on financial assets	(6,186)	0	(6,186)		↓	0
Operating expenses	(493,655)	(464,241)	29,414	6.34%	↑	(979,327)
Finance charges	(68,676)	(64,373)	4,303	6.68%	↑	(128,893)
<b>Operating profit</b>	<b>288,490</b>	<b>254,359</b>	<b>34,131</b>	<b>13.42%</b>	<b>↑</b>	<b>501,569</b>
Share of profit of associated companies	9,199	9,776	(577)	-5.90%	↓	18,646
<b>Profit before taxation</b>	<b>297,689</b>	<b>264,135</b>	<b>33,554</b>	<b>12.70%</b>	<b>↑</b>	<b>520,215</b>
Taxation	(84,903)	(63,570)	21,333	33.56%	↑	(109,924)
<b>Profit after taxation</b>	<b>212,786</b>	<b>200,565</b>	<b>12,221</b>	<b>6.09%</b>	<b>↑</b>	<b>410,291</b>
Amount attributable to participating policyholders	3,005	(6,687)	9,692	144.94%	↓	(1,142)
<b>Profit for the period</b>	<b>215,791</b>	<b>193,878</b>	<b>21,913</b>	<b>11.30%</b>	<b>↑</b>	<b>409,149</b>
Profit attributable to non-controlling interests	(832)	(523)	309	59.08%	↑	(2,540)
<b>Profit attributable to equity holders</b>	<b>214,959</b>	<b>193,355</b>	<b>21,604</b>	<b>11.17%</b>	<b>↑</b>	<b>406,609</b>
<b>EPS</b>						
Basic	\$ 0.93	\$ 0.83	\$0.10	12.05%	↑	\$ 1.75

### Balance Sheet as at June 30, 2018

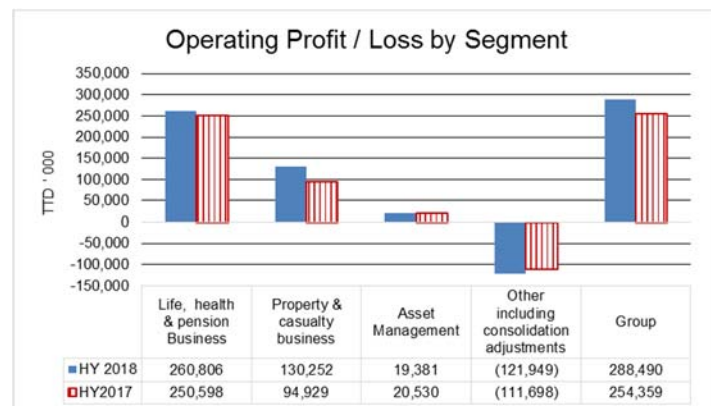
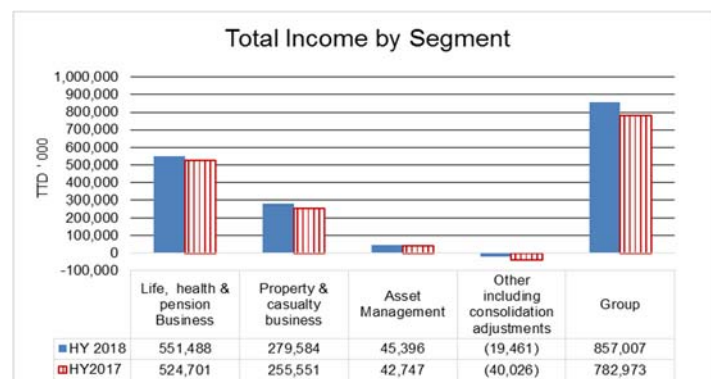
	HY18	HY17	\$ Change	% Change	Change	YE17
	\$'000	\$'000	HY18 - HY17	HY18 - HY17		
Total Assets	<b>27,217,887</b>	<b>25,348,016</b>	<b>1,869,871</b>	<b>7.38%</b>	↑	<b>27,886,363</b>
Total Liabilities	24,160,544	22,135,508	2,025,036	9.15%	↑	24,563,751
Total Equities	<b>3,057,343</b>	<b>3,212,508</b>	<b>(155,165)</b>	<b>-4.83%</b>	↓	<b>3,322,885</b>
	<b>27,217,887</b>	<b>25,348,016</b>	<b>1,869,871</b>			<b>27,886,636</b>

### Financials:

Net Income from all activities closed at \$857.00MM, up 9.46 per cent or \$74.03MM from HY17's total of \$782.97MM. Profit Before Tax for HY18 stands at \$297.69MM, up 12.70 per cent or \$33.56MM from \$264.14MM in HY17. Profit attributable to equity holders totaled \$214.96MM in HY18 up 11.17 per cent or \$21.60MM from \$193.36MM in HY17.

Total Assets increased by 7.38 per cent or \$1.87B to \$27.21B in HY18. Total Liabilities amounted to \$24.16B in HY18 and Total Equities decreased by 4.83 per cent or \$155.17MM to close at \$3.06B.

The Life, Health & Pension segment is the major contributor to the Group's Total Income and Operating Profit / Loss followed by Property & Casualty. In third place is the Asset Management segment.



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