

Massy Holdings Limited

Results for the Half Year Ended March 31, 2016

Earnings Per Share

Massy Holdings Limited (MASSY) reported Earnings Per Share (EPS) of \$2.53 for the Half Year Ended March 31, 2016 (HY16). This represented a decline of 8.33 per cent or \$0.23 per share on the corresponding period's EPS of \$2.76 in FY15.

Financial Highlights (HY16 on HY15)

	HY16 \$'000	HY15 \$'000	\$ Change HY16 - HY15 \$'000	% Change HY16 - HY15	YE15 \$'000
Revenue	5,881,346	6,024,329	(142,983)	-2.37%	11,944,843
Operating Profit after Finance Costs - Net Share of Results of Associates and Joint Ventures	408,221	395,428	12,793	3.24%	878,537
	(9,647)	15,821	(25,468)	-160.98%	40,202
Profit before Rebranding Costs & Income Tax	398,574	411,249	(12,675)	-3.08%	918,739
Rebranding Costs	(886)	(515)	(371)	72.04%	359
Profit Before Taxation	397,688	410,734	(13,046)	-3.18%	919,098
Income Tax Expense	(126,880)	(119,113)	(7,767)	6.52%	(250,784)
Profit for the Period	270,808	291,621	(20,813)	-7.14%	668,314
Attributable to:					
Owners of the Parent	247,434	269,972	(22,538)	-8.35%	638,406
Non-Controlling Interest	23,374	21,649	1,725	7.97%	29,908
	270,808	291,621	(20,813)	-7.14%	668,314
EPS - Basic	\$2.53	\$2.76	(\$0.23)	-8.33%	\$6.53
EPS - Diluted	\$2.53	\$2.76	(\$0.23)	-8.33%	\$6.53

For HY16, Revenue declined by 2.37 per cent to \$5.88B from \$6.02B in HY15. Operating Profit After Finance Costs rose a moderate 3.24 per cent to \$408.22MM from the \$395.43MM reported in the corresponding half year period in 2015. Share of Results of Associates and Joint Ventures decreased from a Profit of \$15.82MM in HY15 to a Loss of \$9.65MM in HY16.

As stated by the Chairman, the decline in the Group's performance was mainly attributable to three factors:

- contraction in the energy sector
- general weakening of the Trinidad and Tobago economy
- the Group incurred a one-off maintenance charge for the joint venture air separation plant in Point Lisas which led to a loss of \$29MM

Overall the Group's Profit Before Tax fell 3.18 per cent to \$398.57MM from \$411.25MM in the comparable six month period in the previous year. Despite the decline in profits, the Group experienced growth from its overseas investments through its geographic diversification

initiatives. Profit Before Tax for HY16 from Barbados and the Eastern Caribbean, Jamaica and Colombia grew by 24 per cent, 18 per cent and 48 per cent respectively versus the prior year.

Strategic Initiatives

- The methanol and dimethyl ether (DME) plant construction with Mitsubishi Corporation and NGC partners continues and a loan drawdown from Japan Bank of International Cooperation is anticipated in the near future. The plant is expected to be fully operational in 2019.
- In the Information, Technology & Communications (ITC) Business Unit, the launch of the Massy Internet and TV service was successful and subscriber acquisitions are gaining momentum.
- Within the Retail Business Unit, the Group opened its first Massy Stores Supermarket in Guyana in March.

Revenue by Business Unit (HY16 on HY15)

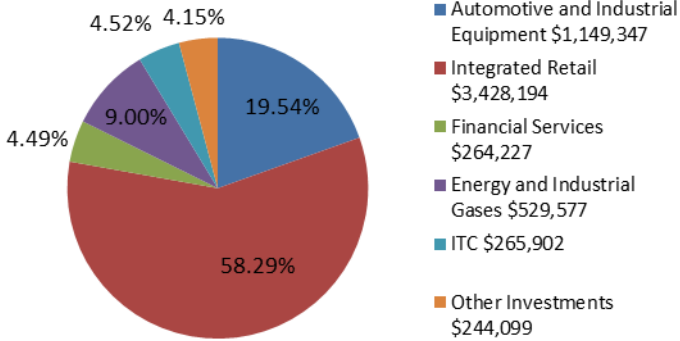
	HY16	HY15	\$ Change	% Change
	\$'000	\$'000	HY16 - HY15	HY16 - HY15
			\$'000	
Automotive and Industrial Equipment	1,149,347	1,193,706	(44,359)	-3.72%
Integrated Retail	3,428,194	3,357,755	70,439	2.10%
Financial Services	264,227	216,390	47,837	22.11%
Energy and Industrial Gases	529,577	758,613	(229,036)	-30.19%
ITC	265,902	263,918	1,984	0.75%
Other Investments	244,099	233,947	10,152	4.34%
Head Office and Other Adjustments	-	-	-	-
Total	5,881,346	6,024,329	(142,983)	-2.37%

Profit Before Rebranding Costs and Income Tax by Business Unit (HY16 on HY15)

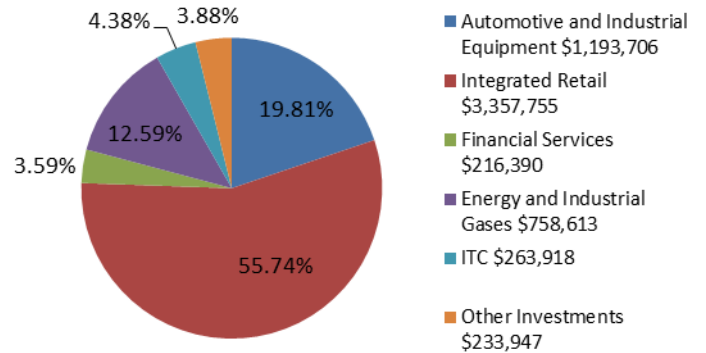
	HY16	HY15	\$ Change	% Change
	\$'000	\$'000	HY16 - HY15	HY16 - HY15
			\$'000	
Automotive and Industrial Equipment	94,079	126,778	(32,699)	-25.79%
Integrated Retail	180,990	184,019	(3,029)	-1.65%
Financial Services	51,057	28,290	22,767	80.48%
Energy and Industrial Gases	85,487	107,403	(21,916)	-20.41%
ITC	15,626	28,911	(13,285)	-45.95%
Other Investments	44,709	43,743	966	2.21%
Head Office and Other Adjustments	(73,374)	(107,895)	34,521	-31.99%
Total	398,574	411,249	(12,675)	-3.08%

Contribution to Total Revenue by Business Unit (HY16 and HY15)

Contribution to Total Revenue (HY16)

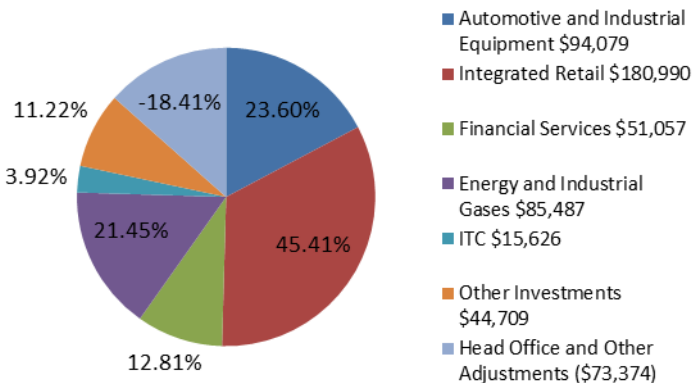


Contribution to Total Revenue (HY15)

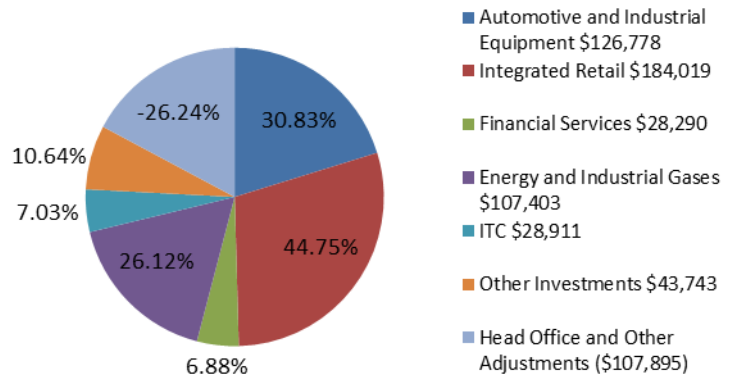


Contribution to Profit Before Rebranding Costs and Income Tax by Business Unit (HY16 and HY15)

Contribution to Profit Before Rebranding Costs and Income Tax (HY16)



Contribution to Profit Before Rebranding Costs and Income Tax (HY15)



At the current price of \$56.74 the trailing P/E ratio is 9.0 times and the historic dividend yield is 3.70 per cent.



**Equity Research
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Nancy Chen (Investment Analyst)
(868) 628-9473 Ext. 81006
nancy.chen@wisett.com

Financial Year End	September 30
Symbol on TTSE	MASSY
Issued Share Capital	97.74MM
Market Capitalization	\$5.36B
Current Price (as at July 28, 2016)	\$56.74
52 Week Price Range	\$47.98 - \$63.10
Trailing EPS	\$6.30
Trailing Price to Earnings Multiple	9.0 x
Current Book Value/Share	\$46.39
Price to Book	1.2 x
Return on Equity	11.1%
Return on Assets	4.7%
Dividend Yield	3.7%

West Indies Stockbrokers Limited

Member of the Trinidad and Tobago Stock Exchange Limited

P.O. Box 259, St. Clair Place, 8 Sweet Briar Road, Port of Spain, Trinidad W.I.

TEL: (868) 628-WISE (9473) FAX: (868) 622-5002 EMAIL: wiseinfo@wisett.com

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