

## Massy Holdings Limited (MASSY) Results for the Half Year Ended March 31, 2019

### Key Points:

Massy Holdings Limited (MASSY) Business Unit performance varied for the half year:

- Massy Motors subsidiaries in Trinidad and Colombia performed very well, along with Massy United Insurance in Barbados and Massy Services in Guyana.
- Massy Motors plans to open a Nissan dealership in Guyana and is looking at other opportunities in Costa Rica.
- Massy Distribution in Trinidad and Barbados were negatively impacted by the economic climate in the respective countries as customers are becoming more prudent in shopping.
- Distribution / Integrated Retail revenue fell due to a change in accounting treatment for end of year bonus in St Lucia.
- A new Massy Store grocery at Movie Town Guyana is due to open in August 2019
- Financial Services – Massy United Insurance has a strong presence and market share in Jamaica.
- Some of Massy's key initiatives are: pursue growth, improve performance and operational efficiency.

### Basic Earnings Per Share (EPS):

MASSY reported HY19 EPS of \$2.66, up 5.56 per cent or \$0.14 per share on the corresponding period's EPS of \$2.52 in HY18.

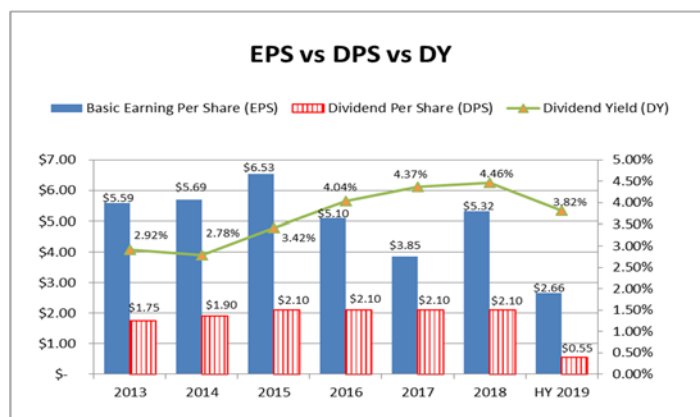
### Dividend:

The Board of Directors declared an interim dividend of \$0.55 per share. This dividend was paid on June 14, 2019 to shareholders on record as at May 31, 2019. Based on historic data the 2019 interim dividend payment of \$0.55 per share has been the highest over the past seven years.

Dividend	Interim	Final	Total	Dividend Yield
2019	0.55			3.82%
2018	0.52	1.58	2.10	4.46%
2017	0.52	1.58	2.10	4.37%
2016	0.51	1.59	2.10	4.04%
2015	0.51	1.59	2.10	3.42%
2014	0.51	1.39	1.90	2.78%
2013	0.50	1.25	1.75	2.92%

Financial Year End	September 30
<b>Sector</b>	<b>Conglomerates</b>
Symbol on TTSE	MASSY
Issued Share Capital	TTD97.74MM
Market Capitalization	\$4.61B
Current Price (June 22, 2019)	\$55.00
52 Week Price Range	\$44.14 - \$57.00
Trailing EPS	\$5.46
Price to Earnings Multiple	10.07x
Current Book Value/Share	\$56.33
Price to Book	0.98x
Return on Equity	10.09%
Return on Assets	4.70%

Basic EPS	Q1	Q2	Q3	Q4	Total
<b>2019</b>	1.37	1.29			<b>2.66</b>
<b>2018</b>	1.37	1.15	1.09	1.71	<b>5.32</b>
<b>2017</b>	1.42	1.17	0.39	0.87	<b>3.85</b>
<b>2016</b>	1.38	1.15	1.15	1.42	<b>5.10</b>
<b>2015</b>	1.47	1.29	1.19	2.58	<b>6.53</b>
<b>2014</b>	1.39	1.34	1.01	1.95	<b>5.69</b>
<b>2013</b>	1.36	1.32	1.31	1.60	<b>5.59</b>



### Income Statement for the period ended March 31, 2019

			\$ Change	%		YE18 \$'000
	HY19 \$'000	HY18 \$'000	HY19 - HY18 \$'000	Change Change		
Revenue	6,169,304	6,175,658	(6,354)	-0.10%	↓	12,004,802
Operating Profit after Finance Costs	401,730	383,159	18,571	4.85%	↑	795,211
Share of Results of Associates & JV	46,447	38,493	7,954	20.66%	↑	78,853
<b>Profit Before Taxation</b>	<b>448,177</b>	<b>421,652</b>	<b>26,525</b>	<b>6.29%</b>	<b>↑</b>	<b>874,064</b>
Income Tax Expense	(161,344)	(148,841)	12,503	8.40%	↑	(308,589)
<b>Profit for the Period</b>	<b>286,833</b>	<b>272,811</b>	<b>14,022</b>	<b>5.14%</b>	<b>↑</b>	<b>565,475</b>
Attributable to:						
Owners of the Parent	260,193	246,197	13,996	5.68%	↑	519,753
Non-Controlling Interest	26,640	26,614	26	0.10%	↑	45,722
	<b>286,833</b>	<b>272,811</b>	<b>14,022</b>	<b>5.14%</b>	<b>↑</b>	<b>565,475</b>
EPS - Basic	\$2.66	\$2.52	\$0.14	5.56%	↑	\$5.32

### Balance Sheet as at March 31, 2019

			\$ Change	% Change		YE18 \$'000
	HY19 \$'000	HY18 \$'000	HY19 - HY18 \$'000	Change Change		
Total Assets	<b>11,929,878</b>	<b>12,978,362</b>	<b>(1,048,484)</b>	<b>-8.08%</b>	↓	<b>12,477,190</b>
Total Liabilities	6,171,061	7,569,522	(1,398,461)	-18.47%	↓	6,862,032
Total Equity	<b>5,758,817</b>	<b>5,408,840</b>	<b>349,977</b>	<b>6.47%</b>	↑	<b>5,615,158</b>
	<b>11,929,878</b>	<b>12,978,362</b>	<b>(1,048,484)</b>			<b>12,477,190</b>

### Financials:

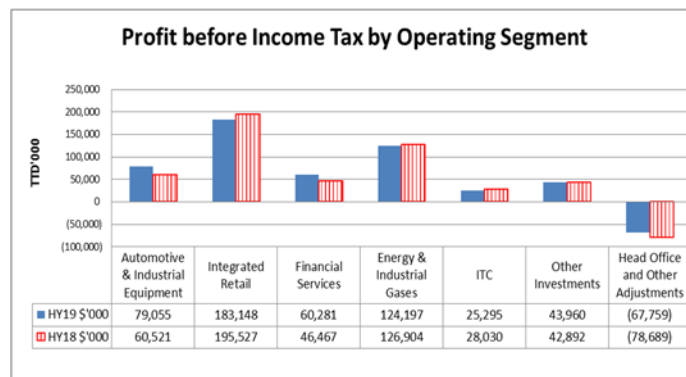
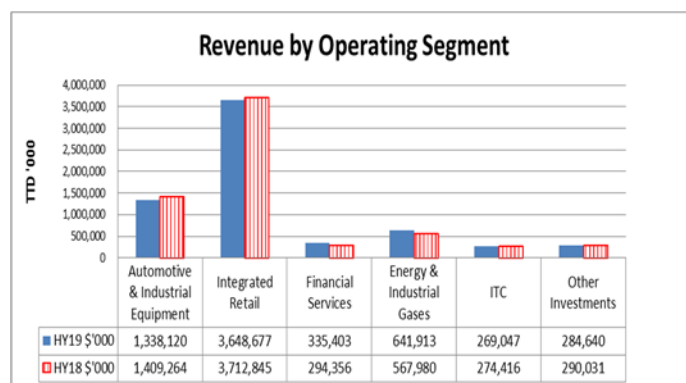
- Revenue relatively was flat and closed at \$6.17B, down 0.10 per cent or \$6.35MM from HY18's total of \$6.18B.
- Profit Before Tax for HY19 stands at \$448.18MM, up 6.29 per cent or \$26.53MM from \$421.65MM in HY18.
- The effective tax rate increased from 35 per cent to 36 per cent in HY19.
- Profit attributable to equity holders totaled \$286.83MM in HY19 up 5.14 per cent or \$14.02MM from \$272.81MM in HY18.

Total Assets decreased by 8.08 per cent or \$1.05B to \$11.93B in HY19. Total Liabilities amounted to \$6.17B in HY19 and Total Equity increased by 6.47 per cent or \$349.98MM to close at \$5.76B.

The Integrate Retail segment was the major contributors to the Group's Revenue. Automotive & Industrial Equipment segment followed and in third place was the Energy & Industrial Gases segment.

The Integrated Retail segment was the major contributor of the Group's Profit Before Taxation. In second place was the Energy & Industrial Gases segment, followed by the Automotive & Industrial Equipment segment.

At the current price of \$55.00 the trailing P/E ratio is 10.07 times which is below the conglomerate sector weighted average P/E of 13.49 times. Massy's dividend yield is 3.82 per cent compared to the conglomerate sector weighted average dividend yield of 3.24 per cent.



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