

Massy Holdings Limited

Results for the First Quarter Ended December 31, 2016

Earnings Per Share

For the First Quarter Ended December 31, 2016 (Q117), Massy Holdings Limited (MASSY) recorded Earnings Per Share (EPS) of \$1.42, up 2.90 per cent or \$0.04 per share on the comparable EPS of \$1.38 in fiscal 2016.

Financial Highlights (Q117 on Q116)

	Q117 \$'000	Q116 \$'000	\$ Change Q117 - Q116 \$'000	% Change Q117 - Q116	YE16 \$'000
Revenue	3,089,036	3,095,591	(6,555)	-0.21%	11,534,060
Operating Profit after Finance Costs	209,584	208,084	1,500	0.72%	821,968
Share of Results of Associates and Joint Ventures	15,783	2,984	12,799	428.92%	(21,457)
Profit Before Taxation	225,367	211,068	14,299	6.77%	800,511
Income Tax Expense	(74,119)	(64,761)	(9,358)	14.45%	(264,351)
Profit for the Period	151,248	146,307	4,941	3.38%	536,160
Attributable to:					
Owners of the Parent	138,690	135,052	3,638	2.69%	498,557
Non-Controlling Interest	12,558	11,255	1,303	11.58%	37,603
	151,248	146,307	4,941	3.38%	536,160
EPS - Basic	\$1.42	\$1.38	\$0.04	2.90%	\$5.10
EPS - Diluted	\$1.42	\$1.38	\$0.04	2.90%	\$5.10

Revenue for Q117 fell marginally by 0.21 per cent or \$6.56MM to \$3.09B from \$3.10B in Q116. The Integrated Retail business segment, which accounted for 60.39 per cent of the Group's Revenue, saw an increase in revenue of 2.03 per cent from \$1.83B in Q116 to \$1.87B in Q117. Q117 on Q116, the Financial Services and ITC business segments also registered increases of 5.14 per cent and 10.56 per cent respectively. This was offset by declines in the Automotive and Industrial Equipment and Energy and Industrial Gases business segments which saw revenue decline by 4.48 per cent and 13.24 per cent respectively.

Despite the decline in Revenue, Operating Profit After Finance Costs rose 0.72 per cent or \$1.5MM from \$208.08MM in Q116 to \$209.58MM in Q117. The Share of Results of Associates and Joint Ventures increased by 428.92 per cent or \$12.80MM to \$15.78MM from \$2.98MM in the corresponding quarter in 2016.

As such, Profit Before Tax advanced 6.77 per cent or \$14.30MM from \$211.07MM in Q116 to \$225.37MM in Q117. This increase was mainly driven by improvements in the Integrated Retail, Financial Services and Energy and Industrial Gases business segments which posted increases of 10.94 per cent, 12.84 per cent and 10.87 per cent respectively. Overall the Group's Profit After Tax grew 3.38 per cent or \$4.94MM from \$146.31MM in Q116 to \$151.25MM in Q117.

While the Trinidad and Tobago market still remains the major contributor to MASSY's bottom line, the Group also benefited from growth in its Guyana and Jamaican markets, which is in line with its regional diversification efforts. Profit Before Tax for Q117 from Guyana and Jamaica rose 6.18 per cent and 5.91 per cent respectively versus the same period in the previous year.

Strategic Initiatives

- On January 31, 2017, Massy Motors completed the acquisition of a group of five car dealerships in Medellin and Bogota, Columbia. The dealerships represent Mazda, Volkswagen, Hyundai, Volvo and Renault brands. In combination with its dealerships in Cali, Massy Motors became Mazda's largest car dealer in Columbia through this transaction.

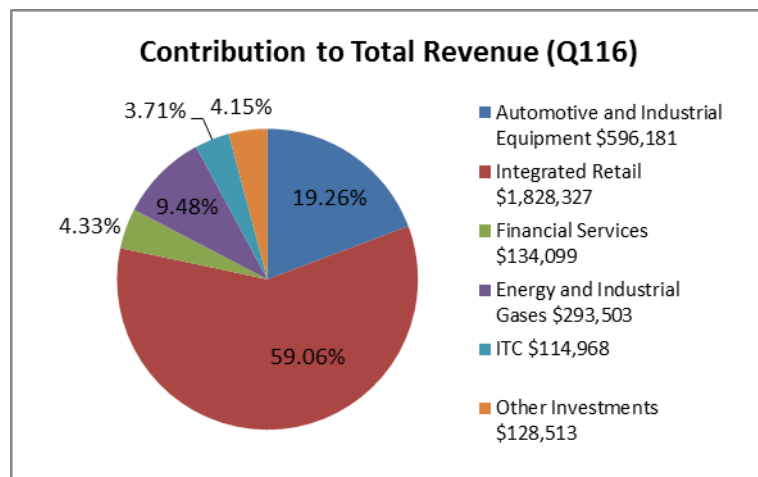
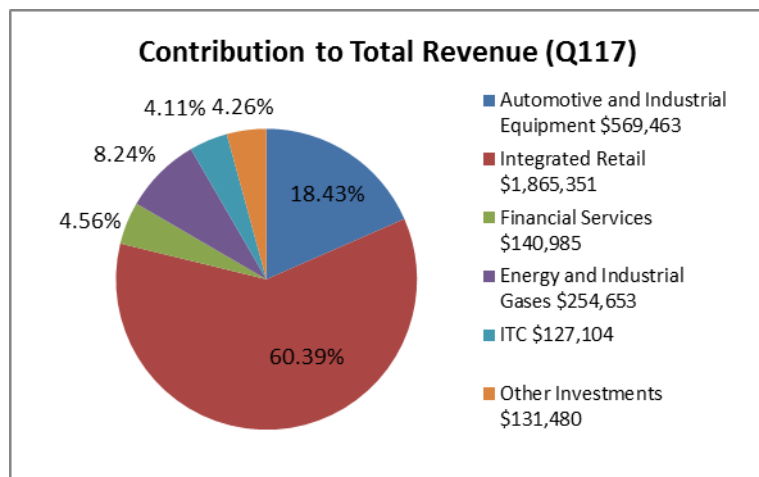
Revenue by Business Unit (Q117 on Q116)

	Q117	Q116	\$ Change	% Change
	\$'000	\$'000	Q117 - Q116	Q117 - Q116
			\$'000	
Automotive and Industrial Equipment	569,463	596,181	(26,718)	-4.48%
Integrated Retail	1,865,351	1,828,327	37,024	2.03%
Financial Services	140,985	134,099	6,886	5.14%
Energy and Industrial Gases	254,653	293,503	(38,850)	-13.24%
ITC	127,104	114,968	12,136	10.56%
Other Investments	131,480	128,513	2,967	2.31%
Head Office and Other Adjustments	-	-	-	-
Total	3,089,036	3,095,591	(6,555)	-0.21%

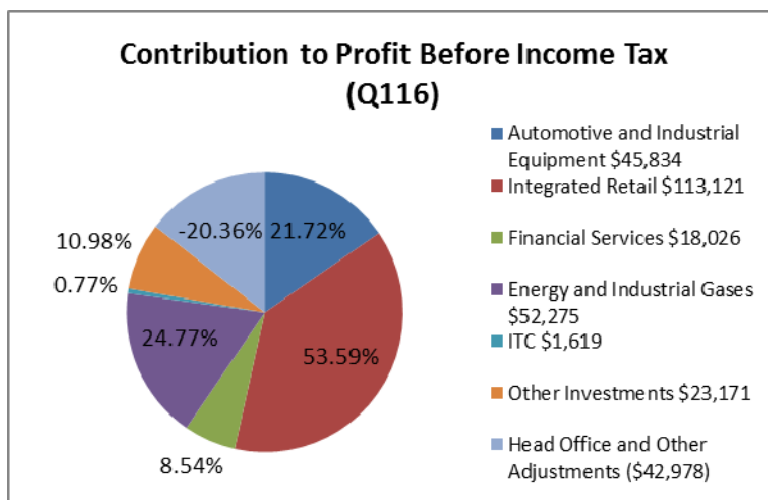
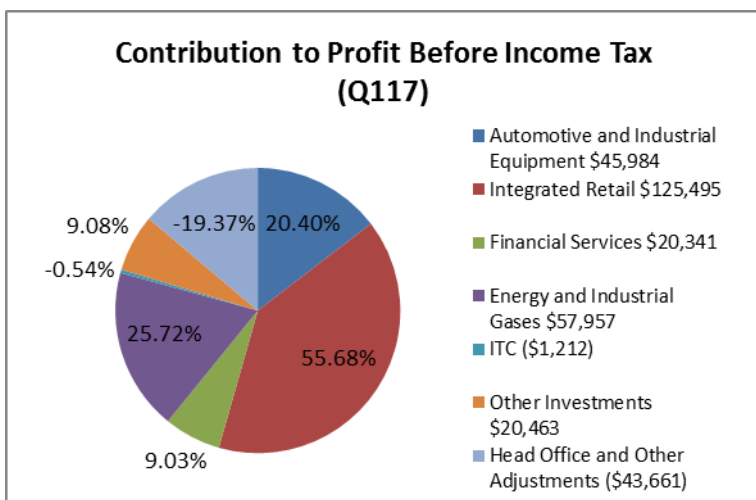
Profit Before Income Tax by Business Unit (Q117 on Q116)

	Q117	Q116	\$ Change	% Change
	\$'000	\$'000	Q117 - Q116	Q117 - Q116
			\$'000	
Automotive and Industrial Equipment	45,984	45,834	150	0.33%
Integrated Retail	125,495	113,121	12,374	10.94%
Financial Services	20,341	18,026	2,315	12.84%
Energy and Industrial Gases	57,957	52,275	5,682	10.87%
ITC	(1,212)	1,619	(2,831)	-174.86%
Other Investments	20,463	23,171	(2,708)	-11.69%
Head Office and Other Adjustments	(43,661)	(42,978)	(683)	1.59%
Total	225,367	211,068	14,299	6.77%

Contribution to Total Revenue by Business Unit (Q117 and Q116)



Contribution to Profit Before Income Tax by Business Unit (Q117 and Q116)



At the current price of \$53.00 the trailing P/E ratio is 10.31 times compared to the conglomerate sector weighted average P/E of 13.50 times. MASSY's historic dividend yield is 3.96 per cent compared to the conglomerate sector weighted average dividend yield of 2.53 per cent.



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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	\$5.08B
Current Price (as at February 15, 2017)	\$53.00
52 Week Price Range	\$47.98 - \$61.45
Trailing EPS	\$5.14
Trailing Price to Earnings Multiple	10.3 x
Current Book Value/Share	\$50.52
Price to Book	1.0 x
Return on Equity	11.4%
Return on Assets	5.0%
Dividend Yield	4.0%

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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