

Scotiabank Trinidad and Tobago Limited (SBTT) Results for the First Quarter Ended January 31, 2019

Key Points:

- Scotiabank Trinidad and Tobago Limited's (SBTT) adopted IFRS 9 which covers classification and measurement of financial assets as well as impairment of financial assets in this quarter which resulted in a charge to retained earnings of \$76 MM on adoption of IFRS 9 due to re-measurement of impairment loss provisions
- The credit quality of SBTT loan portfolio continues to be strong as the ratio of non-accrual loans to total loans stood at 2.24% at the end of the period.
- In November 2018 Scotiabank its Canadian parent, confirmed its intention to enter into an agreement with Sagicor Financial Corporation Limited and Alignvest Acquisition II Corporation for the proposed acquisition of 100 per cent of Scotia Life T&T Limited subject to the receipt of all applicable regulatory approvals.

Earnings Per Share (EPS):

SBTT reported an EPS of \$1.05, up 26.94 per cent or \$0.22 per share on the corresponding period's EPS of \$0.82 in Q118.

EPS recorded in Q119 (\$1.05) was the highest over the past six Q1 quarters.

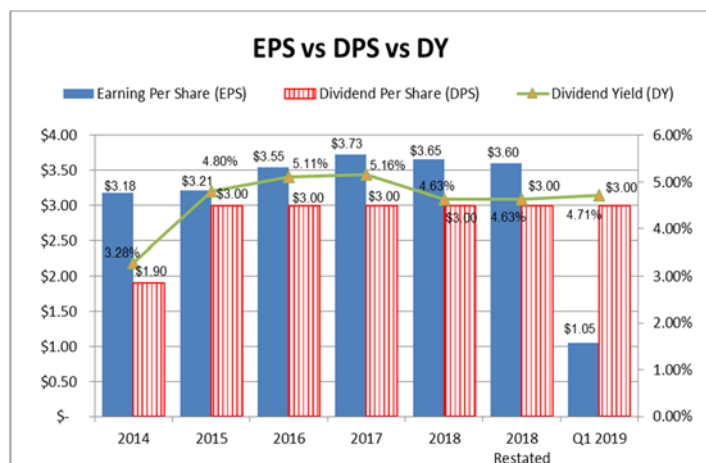
Dividend:

The Board of Directors declared a first quarter dividend of \$0.50 per share, which will be paid on April 12th, 2019 to shareholders on record as at March 22, 2019.

Dividend	1st Interim	2nd Interim	3rd Interim	4th Interim	Special	Total	Dividend Yield
2019	0.50						4.71%
2018	0.50	0.50	0.50	1.50	0.00	3.00	4.63%
2017	0.50	0.50	0.50	0.50	1.00	3.00	5.16%
2016	0.40	0.40	0.40	0.80	1.00	3.00	5.11%
2015	0.40	0.40	0.40	0.70	1.10	3.00	4.80%
2014	0.40	0.40	0.40	0.70	0.00	1.90	3.28%
2013	0.40	0.40	0.40	0.40	0.30	1.90	2.66%

Financial Year End	October 31
Sector	Banks
Symbol on TTSE	SBTT
Issued Share Capital	176.34MM
Market Capitalization	\$11.22B
Current Price (March 19, 2019)	\$63.52
52 Week Price Range	\$62.01 - \$67.50
Trailing EPS	\$3.82
Price to Earnings Multiple	16.64x
Current Book Value/Share	\$22.24
Price to Book	2.86x
Return on Equity	19.19%
Return on Assets	3.07%

EPS	Q1	Q2	Q3	Q4	Total
2019	1.046				
2018 Restated	0.824				3.60
2018	0.838	0.914	1.030	0.872	3.65
2017	0.966	0.921	0.985	0.857	3.73
2016	0.891	0.854	0.902	0.898	3.55
2015	0.764	0.708	0.892	0.849	3.21
2014	0.818	0.598	0.796	0.963	3.18



Income Statement as at January 31, 2018

	Q119	Restated Q118	\$ Change	% Change	Change	Restated YE18
	\$'000	\$'000	\$'000	Q119 - Q118		\$'000
Income						
Net Interest Income	331,663	320,961	10,702	3.33%	↑	1,288,538
Other Income	122,533	123,935	(1,402)	-1.13%	↓	544,456
Total Revenue	454,196	444,896	9,300	2.09%	↑	1,832,994
Non-Interest Expenses	191,386	174,146	17,240	9.90%	↑	736,963
Income Before Taxation & Loan Loss	262,810	270,750	(7,940)	-2.93%	↓	1,096,031
Net Impairment loss on financial assets	35,628	48,680	(13,052)	-26.81%	↓	147,898
Income Before Taxation	227,182	222,070	5,112	2.30%	↑	948,133
Provision for Taxation	42,760	76,703	(33,943)	-44.25%	↓	313,351
Income After Taxation	184,422	145,367	39,055	26.87%	↑	634,782
EPS (cents)	104.6	82.4	22.2	26.94%	↑	360.0

Balance Sheet as at January 31, 2018

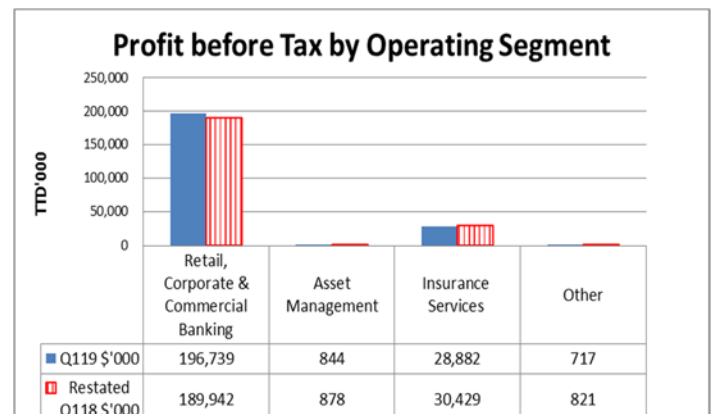
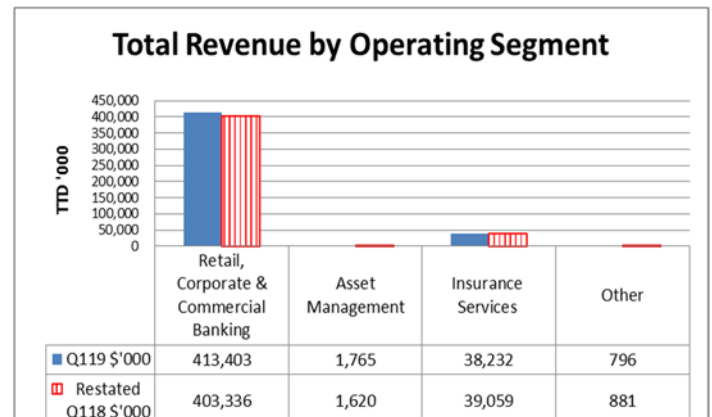
	Q119	Restated Q118	\$ Change	% Change	Change	Restated YE18
	\$'000	\$'000	\$'000	Q119 - Q118		\$'000
Total Assets	24,401,222	23,652,834	748,388	3.16%	↑	23,361,349
Total Liabilities	20,479,235	19,885,917	593,318	2.98%	↑	19,359,516
Total Equity	3,921,987	3,766,917	155,070	4.12%	↑	4,001,833
	24,401,222	23,652,834	748,388			23,361,349

Financials:

- Total revenue closed at \$454.20MM, up 2.09 per cent or \$9.3MM from Q118's total of \$444.90MM, this was due to the growth in the retail and commercial loan portfolios.
- Non-Interest Expenses increased by 9.90 per cent or \$17.24MM to end at \$191.39MM in Q119.
- Income Before Taxation for Q119 stands at \$227.18MM, up 2.30 per cent or \$5.11MM from \$222.07MM in Q118.
- Income After Taxation totaled \$184.42MM in Q119 up 26.87 per cent or \$39.05MM from \$145.37MM in Q118.
- Total Assets increased by 3.16 per cent or \$748.39MM to \$24.40B in Q119.
- Total Liabilities amounted to \$20.48B in Q119 and Total Equity increased by 4.12 per cent or \$155.07MM to close at \$3.91B.

The Retail, Corporate & Commercial Banking segment was the major contributor to the Group's Total Revenue, followed by the Insurance Services segment. In third place was the Asset Management segment.

The Retail, Corporate & Commercial Banking segment was the major contributor to the Group's Profit before Tax. In second place was Insurance Services, followed by the Asset Management segment.



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