

Sagicor Financial Corporation Limited (SFC) Results for the First Quarter Ended March 31, 2019

Key Points:

- USA Business Segment generated premium growth, amplified by Sagicor's strategic decision to cease reinsuring its premiums to third parties.
- The Group benefited from significant net gains on investments measured at Fair Value through Other Comprehensive Income.
- Sagicor benefited from strong performance in each of its three operating segments.

Diluted Earnings Per Share (EPS):

SFC reported an EPS of US\$0.051, down 19.05 per cent or US\$0.012 per share on the corresponding period's EPS of US\$0.063 in Q118.

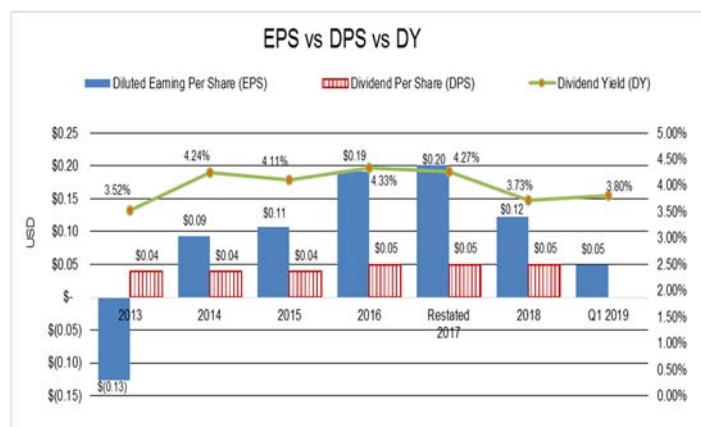
Dividend:

The Board of Directors declared a final dividend of US\$0.025 per share in 2018 (2017: US\$0.025). The final dividend will be paid on May 17, 2019 to shareholders on record as at April 16, 2019.

Diluted EPS	Q1	Q2	Q3	Q4	Total
2019	0.05				\$ 0.049
2018	0.06	0.02	0.02	0.02	\$ 0.12
2017 Restated	0.05	0.02	0.10	0.03	\$ 0.20
2017	0.04	0.02	0.09	0.08	\$ 0.23
2016	0.04	0.01	0.11	0.03	\$ 0.19
2015	0.03	-0.01	0.04	0.05	\$ 0.11
2014	0.01	-0.04	0.01	0.11	\$ 0.09

Dividend	Interim	Final	Total	Dividend Yield
2019				
2018	0.03	0.03	0.05	3.73%
2017	0.03	0.03	0.05	4.27%
2016	0.03	0.03	0.05	4.33%
2015	0.02	0.02	0.04	4.11%
2014	0.02	0.02	0.04	4.24%

Financial Year End	December 30
Sector	Non-Banking Finance
Symbol on TTSE	SFC
Issued Share Capital	306.56MM
Market Capitalization	TTD\$2.38B
Current Price (June 04, 2019)	TTD\$10.00
52 Week Price Range	TTD\$7.00 - TTD\$10.50
Trailing EPS	TTD\$0.86
Price to Earnings Multiple	11.63x
Current Book Value/Share	TTD\$13.99
Price to Book	0.71x
Return on Equity	10.06%
Return on Assets	0.83%



Balance Sheet as at March 31, 2019

	Q119	Q118	\$ Change	% Change	Change	YE18
	USD \$'000	USD \$'000	USD \$'000	Q119 - Q118	Q119 - Q118	USD \$'000
Total Assets	7,639,787	6,865,859	773,928	11.27%	↑	7,325,424
Total Liabilities	6,437,066	5,934,150	502,916	8.47%	↑	6,189,963
Total Equity	1,202,721	931,709	271,012	29.09%	↑	1,135,461
	7,639,787	6,865,859	773,928			7,325,424

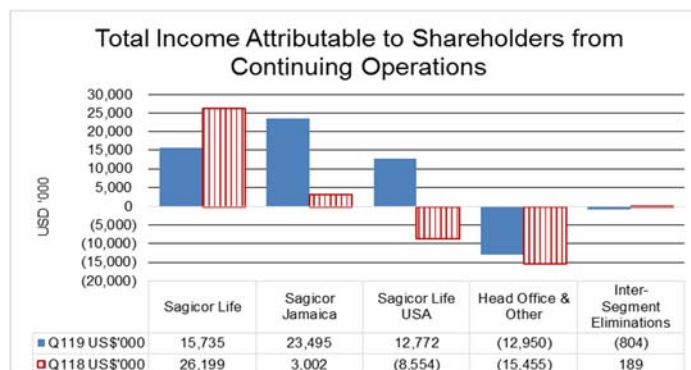
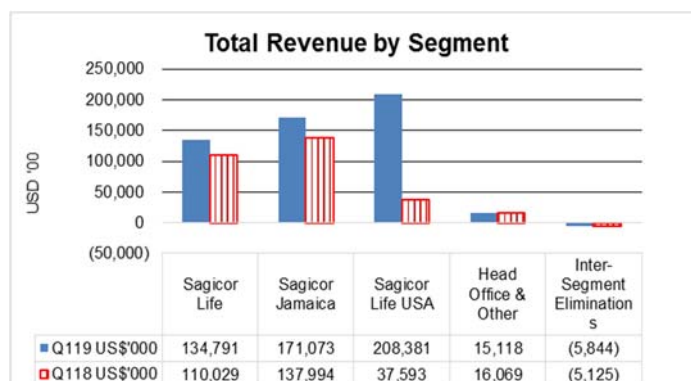
Income Statement as at March 31, 2019

	Q119	Q118	\$ Change	% Change	Change	YE18
	US\$'000	US\$'000	Q119 - Q118	Q119 - Q118		US\$'000
Revenue						
Net premium revenue	365,059	187,302	177,757	94.90%	↑	1,141,429
Net investment and other income	158,460	103,978	54,482	52.40%	↑	0
Reinsurance premium expense	0	0	0		→	(87,388)
Other revenue	0	0	0		→	430,220
Total revenue	523,519	291,280	232,239	79.73%	↑	1,484,261
Benefits and Expenses						
Benefits	347,835	132,092	215,743	163.33%	↑	765,326
Expenses	130,964	117,617	13,347	11.35%	↑	590,650
Total benefits and expenses	478,799	249,709	229,090	91.74%	↑	1,355,976
Income Before Taxes	44,720	46,851	(2,131)	-4.55%	↓	146,523
Income taxes	(12,370)	(8,381)	3,989	47.60%	↑	(50,702)
Net Income From Continuing Operations	32,350	38,470	(6,120)	-15.91%	↓	95,821
Net income/(loss) from discontinued operations	517	392	125	31.89%	↑	7,129
Net Income For The Period	32,867	38,862	(5,995)	-15.43%	↓	102,950
Net Income Attributable To:						
Common Shareholders						
From continuing operations	15,099	19,497	(4,398)	-22.56%	↓	36,521
From discontinued operation	517	392	125	31.89%	↑	7,129
	15,616	19,889	(4,273)	-21.48%	↓	43,650
Participating policyholders	248	8,187	(7,939)	-96.97%	↓	7,222
Non-controlling interests	17,003	10,786	6,217	57.64%	↑	52,078
	32,867	38,862	(5,995)	-15.43%	↓	102,950
Basic earnings per common share (cents):						
From continuing operations	4.9	6.4	(1.5)	-23.44%	↓	11.9
From discontinued operation	0.2	0.1	0.1	100.00%	↑	2.3
	5.1	6.5	(1.4)	-21.54%	↓	14.2
Fully diluted earnings per common share (cents):						
From continuing operations	4.9	6.2	(1.3)	-20.97%	↓	11.7
From discontinued operation	0.2	0.1	0.1	100.00%	↑	2.3
	5.1	6.3	(1.2)	-19.05%	↓	14.0

- Net Income for the period totaled \$32.87MM in Q119 down 15.43 per cent or \$6.00MM from \$38.86MM in Q118.
- Total Assets increased by 11.27 per cent or \$773.93MM to \$7.64B in Q119. Total Liabilities amounted to \$6.44B in Q119 and Total Equity increased by 29.09 per cent or \$271.01MM to close at \$1.20B.

The Sagicor Life USA segment was the major contributor to the Group's Total Revenue, followed by the Sagicor Jamaica segment. In third place was Sagicor Life segment.

The Sagicor Jamaica segment was the major contributor of the Group's Total Income Attributable to Shareholders from Continuing Operations. In second place was Sagicor Life, followed by Sagicor Life USA segment.



Financials:

****All figures are stated in United States dollars**

- Total revenue closed at \$523.52MM, up 79.73 per cent or \$232.24MM from Q118's total of \$291.28MM, this was mainly due to the growth in premiums in the USA Segment.
- Total Benefits and Expenses increased by 91.74 per cent or \$229.09MM to end at \$478.80MM in Q119, this was attributed to the consolidation of the Sagicor X Fund Group from October 1, 2018 and growth in premium income.
- Income Before Tax for Q119 stands at \$44.72MM, down 4.55 per cent or \$2.13MM from 46.85MM in Q118.
- The effective tax rate was 28 per cent a decrease from Q118 rate of 18 per cent.

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