

Unilever Caribbean Limited Results for the Year Ended December 31, 2016

Earnings Per Share

Unilever Caribbean Limited (UCL) for the Year Ended December 31, 2016 (YE16) recorded Earnings Per Share (EPS) of \$1.62, down 4.71 per cent or \$0.08 on the previous year's EPS of \$1.70.

Financial Highlights (YE16 on YE15)

	YE16 \$'000	YE15 \$'000	\$ Change YE16 - YE15 \$'000	% Change YE16 - YE15
Revenue	566,302	548,584	17,718	3.23%
Cost of Sales	(337,891)	(332,298)	(5,593)	1.68%
Gross Profit	228,411	216,286	12,125	5.61%
Selling and Distribution Costs	(137,522)	(124,766)	(12,756)	10.22%
Administrative Expenses	(29,271)	(31,357)	2,086	-6.65%
Operating Profit	61,618	60,163	1,455	2.42%
Finance Income/(Costs) - Net	(289)	(270)	(19)	7.04%
Profit Before Taxation	61,329	59,893	1,436	2.40%
Taxation	(18,839)	(15,332)	(3,507)	22.87%
Profit After Taxation	42,490	44,561	(2,071)	-4.65%
Earnings Per Share	\$1.62	\$1.70	(\$0.08)	-4.71%

UCL's Revenue for YE16 grew 3.23 per cent or \$17.72MM to \$566.30MM from \$548.58MM in the previous fiscal year. Cost of Sales rose marginally, up 1.68 per cent or \$5.59MM from \$332.30MM in YE15 to \$337.89MM in YE16. As such, Gross Profit closed YE16 at \$228.41MM, up 5.61 per cent or \$12.13MM from YE15's total of \$216.29MM.

For the period under review, Selling and Distribution Costs increased 10.22 per cent or \$12.76MM to \$137.52MM from \$124.77MM in YE15. In contrast, Administrative Expenses declined 6.65 per cent or \$2.09MM from \$31.36MM (YE15) to \$29.27MM (YE16), Overall, UCL saw Operating Profit for YE16 grow by 2.42 per cent or \$1.46MM to \$61.62MM from \$60.16MM in YE15. Net Finance Costs rose 7.04 per cent or \$0.02MM from \$0.27MM in YE15 to \$0.29MM in YE16.

UCL recorded Profit Before Tax of \$61.33MM, a 2.40 per cent increase from the \$59.89MM reported in YE15. The Effective Tax Rate increased from 25.60 per cent in YE15 to 30.72 per cent in YE16. As such, Taxes rose from \$15.33MM (YE15) to \$18.84MM (YE16). Profit After Tax for the year amounted to \$42.49MM, down 4.65 per cent or \$2.07MM from \$44.56MM in YE15.

Revenue by Business Segment (YE16 on YE15)

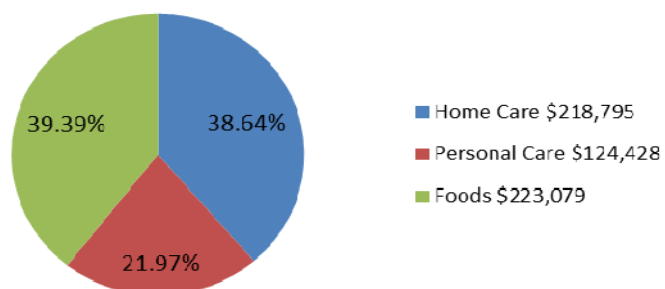
	YE16 \$'000	YE15 \$'000	\$ Change YE16 - YE15 \$'000	% Change YE16 - YE15
Home Care	218,795	213,827	4,968	2.32%
Personal Care	124,428	122,177	2,251	1.84%
Foods	223,079	212,583	10,496	4.94%
Total	566,302	548,587	17,715	3.23%

Profit Before Tax by Business Segment (YE16 on YE15)

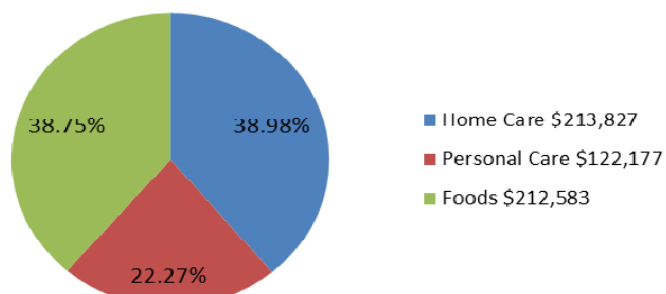
	YE16 \$'000	YE15 \$'000	\$ Change YE16 - YE15 \$'000	% Change YE16 - YE15
Home Care	10,916	5,390	5,526	102.52%
Personal Care	17,110	22,160	(5,050)	-22.79%
Foods	33,301	32,342	959	2.97%
Total	61,327	59,892	1,435	2.40%

Contribution to Revenue by Business Segment (YE16 and YE15)

Contribution to Revenue (YE16)

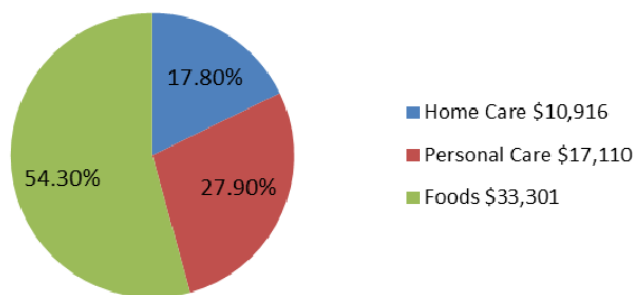


Contribution to Revenue (YE15)

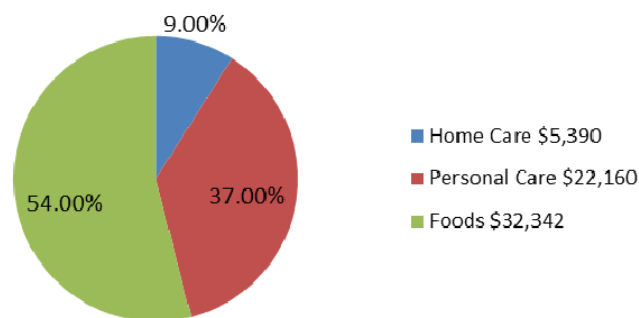


Contribution to Profit Before Tax by Business Segment (YE16 and YE15)

Contribution to Profit Before Tax (YE16)



Contribution to Profit Before Tax (YE15)



Dividends

The Board of Directors declared a final dividend of \$1.00 per share (2015: \$1.00) which when coupled with the interim dividend of \$0.25 brings the total dividend paid for fiscal 2016 to \$1.25 per share (2015: \$1.20). The final dividend will be paid on June 9, 2017 to shareholders on record as at May 26, 2017.

At the current price of \$53.51 the P/E ratio is 33.03 times which is above the manufacturing sector weighted average P/E of 23.26 times (excluding Guardian Media Limited and Trinidad Cement Limited). UCL's historic dividend yield is 2.34 per cent compared to the manufacturing sector weighted average dividend yield of 4.06 per cent.

Financial Year End	December 31
Symbol on TTSE	UCL
Issued Share Capital	26.24MM
Market Capitalization	\$1.57B
Current Price (as at May 8, 2017)	\$53.51
52 Week Price Range	\$51.37 - \$65.00
EPS	\$1.62
Price to Earnings Multiple	33.0 x
Current Book Value/Share	\$8.98
Price to Book	6.0 x
Return on Equity	19.0%
Return on Assets	9.7%
Dividend Yield	2.3%



**Equity Research
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