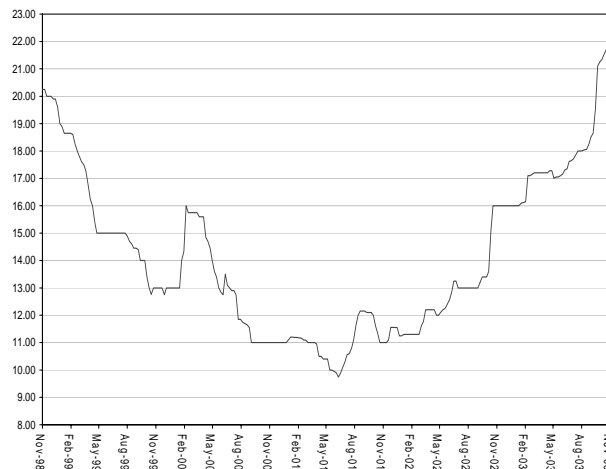




### ANSA McAl Limited

|               |                  |                  |                  |
|---------------|------------------|------------------|------------------|
| Recent Price  | \$ 27.00         | EPS(est. 2003)   | \$ 1.35          |
| 52 Wk Range   | \$ 17.00 - 27.00 | Div.(est. 2003)  | \$ 0.67          |
| Shares O/s    | 173,609,312      | Yield(est.2003)  | 2.48%            |
| Float         | 78,992,237       | P/E (est. 2003)  | 13.89 X          |
| Market Cap.   | \$ 4,687,451,424 | Fiscal Yr End    | December         |
| <b>ACTUAL</b> | <b>2002</b>      | <b>2001</b>      | <b>2000</b>      |
| P/E Ratio     | 12.9 X           | 10.5 X           | 11.8 X           |
| EPS           | \$ 1.23          | \$ 1.10          | \$ 0.93          |
| Div. Payout   | 50.00%           | 54.55%           | 59.14%           |
| ROE% (Avg)    | 15.05%           | 15.41%           | 15.48%           |
| ROA% (Avg)    | 4.88%            | 4.89%            | 4.84%            |
| B.V. / Share  | \$ 6.76          | \$ 5.76          | \$ 5.21          |
| LT Debt       | \$ 1,637,246,000 | \$ 1,743,762,000 | \$ 1,398,857,000 |
| Pref. Equity  | \$ 163,000       | \$ 163,000       | \$ 163,000       |
| Comm. Equity  | \$ 1,173,992,000 | \$ 999,721,000   | \$ 903,962,000   |



The second half is always the better half for the Group, this would be even evident this year because the new furnace at Carib Glass would be up and running in September. The Group is also confident that the balance of the year will bring in record levels of profit. We have adjusted our forecast to \$1.35 a share which at the current price gives a PE of 20.0. Thus we recommend a hold on this share.

#### The Company

The Company began in 1919, when Charles McEneaney obtained a franchise as a Ford dealer. By 1986, the Company had evolved to become McEneaney-Alstons Limited, and joined the ANSA Group to form what is the present ANSA McAl Limited. The Company, Trinidad & Tobago's largest conglomerate, comprises more than thirty subsidiaries engaged in trading, manufacturing, finance, insurance and the services industries. Its major subsidiaries include Carib Brewery (brewing), Carib Glass, ABEL/Bestcrete (manufacturing), Tatil (insurance), Consolidated Finance Company Ltd. (financial services), McEneaney Robinson, Diamond Motors and Classic Motors (retailing automotive), Alstons Marketing Company Ltd (distribution), Trinidad Lands Ltd. (real estate development), and Trinidad Publishing Company (media).

In 1998 the Group acquired Fleming's 50% interest in Fleming ANSA Merchant Bank and merged its operation with ANSA Finance to form ANSA Finance and Merchant Bank Ltd. The Group also acquired a 60% holding in West Indies Glass Co. Ltd. in Kingston, Jamaica.

The major shareholders in the company are ANSA Investments Limited 49.17% and TATIL Life Assurance Limited 5.34%.



## ANSA McAl Limited

### Update – Half-Year ended June 30, 2003.

ANSA McAl's profit attributable to shareholders for the six months ended June 30, 2003 was \$91.099 million, an increase of 10.94% over the corresponding figure in 2002 of \$82.112 million. Third party turnover increased marginally by 1.23% from \$1.114 billion in 2002 to \$1.128 billion in 2003. Operating income increased by 3.38% moving from \$191.964 million in 2002 to \$198.455 million in 2003. Finance cost grew marginally from \$50.291 million in 2002 to \$50.613 million in 2003. Profit before tax increased by 6.15% moving from \$141.897 million in 2002 to \$150.628 million in 2003. The effective tax rate declined from 31.28% in 2002 to 26.15% in 2003.

The Chairman attributed the slow growth in third party revenue to the sluggish economy, the closing of *The Wire* newspaper and the lower sales at Carib Glass because of the furnace fire. However on the positive side all other sectors performed creditably. Smirnoff Ice has had a very successful launch. The new car models are also performing very well.

Looking to the future the Group has placed greater emphasis on increasing efficiencies and this is already bearing fruit with operating margins increasing in the half despite the significant losses at Carib Glass. Burmac has won the contract to supply air-conditioning for the West Mall expansion. The Group is also entering the roll on roll off market through its Carmax franchise. Alstons Marketing is launching new products including the world famous Marlboro cigarette brand. The new glass furnace has a larger capacity and would be more efficient. It would produce light weight glass which is stronger than the old glass.

The Board of Directors has approved the payment of an interim dividend of 25¢ per share, the same as last year. The dividend would be paid on September 12, 2003 to shareholders on the register as at September 2, 2003.

**ANSA McAl Limited****Income Statement Analysis (TT\$ millions)**

|               | 2002      | 2001      | 2000      | 1999      | 1998      |
|---------------|-----------|-----------|-----------|-----------|-----------|
| Rev.          | 2,246.089 | 2,127.209 | 1,801.743 | 1,883.532 | 1,913.150 |
| Op. Inc.      | 326.550   | 316.764   | 265.415   | 261.854   | 334.892   |
| Depr.         | 112.490   | 104.470   | 76.282    | 75.941    | 60.332    |
| Int. Exp.     | 106.796   | 91.901    | 54.828    | 71.724    | 70.531    |
| Pretax Inc.   | 326.749   | 327.349   | 256.406   | 263.795   | 325.830   |
| Eff. Tax Rate | 24.49%    | 33.92%    | 31.55%    | 40.12%    | 30.89%    |
| Net Inc.      | 203.824   | 181.259   | 153.050   | 132.434   | 195.466   |

**Bal. Sheet & Other Fin. Data (TT\$ millions)**

|              |           |           |           |           |           |
|--------------|-----------|-----------|-----------|-----------|-----------|
| Cash         | 526.103   | 556.961   | 449.694   | 350.987   | 299.113   |
| Curr. Assets | 1,803.949 | 1,758.474 | 1,272.748 | 1,254.366 | 1,130.042 |
| Total Assets | 4,313.921 | 4,043.711 | 3,343.538 | 2,986.426 | 2,759.122 |
| Curr. Lia.   | 1,229.044 | 1,055.657 | 879.798   | 859.833   | 674.099   |
| LT Debt      | 1,620.040 | 1,743.762 | 1,398.507 | 1,214.467 | 1,174.334 |
| Common Eq.   | 1,173.992 | 999.884   | 904.130   | 749.488   | 748.431   |
| Total Cap.   | 4,232.990 | 3,985.295 | 3,343.538 | 2,986.426 | 2,759.122 |
| Cap Exp.     | 234.373   | 639.285   | 309.768   | 106.196   | 89.212    |
| Cash Flow    | 100.152   | -258.191  | -70.095   | -70.555   | 43.801    |

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