



CONSOLIDATED FINANCIAL HIGHLIGHTS FOR THE THREE MONTHS ENDED DECEMBER 31, 2016

Consolidated Statement of Income Highlights

	% Change	3 months To 31/12/16 Bds \$000's	3 months To 31/12/15 Bds \$000's	Audited Year ended 30/09/16 Bds \$000's
Revenue	0.2%	198,402	198,044	767,460
Profit from operations				
before the following:	-2.4%	16,699	17,107	62,381
Other gains/(losses) – net	35.8%	3,131	2,306	15,357
Profit from operations	2.1%	19,830	19,413	77,738
Finance costs	-7.5%	(2,605)	(2,817)	(10,642)
Share of income of associated companies	3.8%	17,225	16,596	67,096
Share of income of associated companies	460.8%	4,425	789	4,039
Income before taxation	24.5%	21,650	17,385	71,135
Taxation	39.1%	(3,973)	(2,857)	(14,674)
Net income for the period	21.7%	17,677	14,528	56,461
Attributable to:				
Equity holders of the Company	21.2%	12,996	10,720	37,809
Non-controlling interests	22.9%	4,681	3,808	18,652
	21.7%	17,677	14,528	56,461
Earnings per share – basic	25.0%	23.0¢	18.4¢	64.9¢
Earnings per share – diluted	26.1%	22.7¢	18.0¢	64.4¢

Consolidated Statement of Financial Position Highlights

	31/12/16 Bds \$000's	31/12/15 Bds \$000's	Audited 30/09/16 Bds \$000's
Current assets	346,897	360,916	351,313
Current liabilities	(205,151)	(219,638)	(202,739)
Working capital	141,746	141,278	148,574
Property, plant & equipment, financial investments & other non-current assets	590,614	549,612	554,094
Long term liabilities	(118,144)	(100,463)	(103,950)
Net assets employed	614,216	590,427	598,718
Equity			
Share capital	44,004	44,634	44,004
Other reserves	70,814	75,307	72,054
Retained earnings	400,738	377,100	387,834
	515,556	497,041	503,892
Non-controlling interests	98,660	93,386	94,826
	614,216	590,427	598,718

Consolidated Statement of Comprehensive Income Highlights

	3 months To 31/12/16 Bds \$000's	3 months To 31/12/15 Bds \$000's	Audited Year ended 30/09/16 Bds \$000's
Net income for the period	17,677	14,528	56,461
Other comprehensive income:			
Items net of tax that may be recycled to income in the future:			
Unrealised (losses)/gains on available-for-sale investments	(60)	180	1,111
Gains transferred to income on disposal of financial investments	–	–	(5)
Currency translation differences	(2,435)	(845)	(1,455)
Hyperinflationary adjustments	76	286	211
Items net of tax that will not be recycled to income in the future:	(2,419)	(379)	(138)
Increase of revaluation surplus	–	–	1,598
Remeasurement of employee benefits – group	–	–	3,087
Remeasurement of employee benefits – associated companies	(92)	(408)	487
Other comprehensive (loss)/income for the period, net of tax	(2,511)	(787)	5,034
Total comprehensive income for the period	15,166	13,741	61,495
Attributable to:			
Equity holders of the Company	11,468	10,038	42,095
Non-controlling interests	3,698	3,703	19,400
	15,166	13,741	61,495

Consolidated Statement of Cash Flows Highlights

	3 months To 31/12/16 Bds \$000's	3 months To 31/12/15 Bds \$000's	Audited Year ended 30/09/16 Bds \$000's
Income before taxation	21,650	17,385	71,135
Adjustments for non-cash items	954	7,036	27,199
	22,604	24,421	98,334
Non-cash working capital changes	(14,434)	(6,852)	33,623
	8,170	17,569	131,957
Net interest, taxation and pension contributions paid	(6,170)	(5,156)	(22,824)
Net cash from operating activities	2,000	12,413	109,133
Net cash used in investing activities	(38,562)	(4,883)	(14,815)
Net cash from/(used in) financing activities	18,526	(8,030)	(51,313)
Net (decrease)/increase in cash and cash equivalents	(18,036)	(500)	43,005
Cash and cash equivalents – beginning of year	96,845	53,840	53,840
Cash and cash equivalents – end of period	78,809	53,340	96,845

Consolidated Statement of Changes in Equity Highlights

Bds \$000's	Share capital	Other reserves	Retained earnings	Non-controlling interests	Total
Balance at October 1, 2015	44,634	75,581	366,788	95,844	582,847
Net income for the year	–	–	37,809	18,652	56,461
Other comprehensive (loss)/income	–	(3,548)	7,834	748	5,034
Investment in subsidiary company	–	–	–	3,493	3,493
Reduction in advances to non-controlling interests	–	–	–	(1,981)	(1,981)
Value of employee services	–	21	–	–	21
(Repurchase)/issue of common shares – net	(630)	–	(12,323)	–	(12,953)
Dividends declared	–	–	–	(21,930)	(21,930)
Dividends paid	–	–	(12,274)	–	(12,274)
Balance at September 30, 2016 (audited)	44,004	72,054	387,834	94,826	598,718
Net income for the period	–	–	12,996	4,681	17,677
Other comprehensive loss	–	(1,436)	(92)	(983)	(2,511)
Investment in subsidiary company	–	–	–	(133)	(133)
Increase in advances to non-controlling interests	–	–	–	269	269
Value of employee services	–	196	–	–	196
Balance at December 31, 2016 (unaudited)	44,004	70,814	400,738	98,660	614,216

BOARD REVIEW FOR THE THREE MONTHS ENDED DECEMBER 31, 2016

The Group's first quarter results were commendable as an increase in Share of income of associated companies resulted in a 25.0% increase in our earnings per share.

During the period, there was a marginal increase of 0.2% in our Revenue with only our Catering and Ground Handling Division recording top-line growth. Our investments in Colombia and Caracas were the main reasons for this increase. A gross margin of 44.7% was achieved during the quarter compared to 43.7% in the first quarter in the prior year. Our total selling, marketing and administrative expenses were 36.7% of Group's revenue versus 35.5% in the comparative period. In absolute dollars, these expenses increased by 3.5% as severance payments made as a result of some restructuring undertaken during the quarter increased our payroll costs. If we exclude these one-off costs, payroll would have increased by 3.5% as cost of living adjustments and government mandated increases in some Latin-American countries where we operate were given to employees. The increase in payroll costs despite the increase in gross profit resulted in a 2.4% decline in profit from operations before other gains/(losses) – net.

A 35.8% increase in other gains/(losses) – net resulted in overall profit from operations of \$19.8M, an increase of 2.1%. The increase in other gains/(losses) – net is attributed to a positive inflation adjustment in Venezuela and an increase in interest income. Due to the economic crisis in Venezuela, we are uncertain as to the future impact of the inflation adjustment.

Finance costs for the quarter declined by 7.5% as interest rates fell. Our Share of income of associated companies moved from \$789K to \$4.4M in this period. This resulted from an improved performance from our Joint Venture company, Caribbean Distribution Partners Limited (CDP), and our Insurance associate. Income from CDP for the period was \$3.8M compared with \$1.4M in the comparative period. This was attributed mainly to its investment in Vemco Ltd., a manufacturer and distributor of pasta and related condiments, and Pepsi-Cola Trinidad Bottling Company Ltd. in Trinidad. Both of these investments were made at the beginning of the period under review. CDP also recorded improved performances in its other distribution companies in Barbados and Trinidad.

Overall Net income for the quarter was \$17.7M; an increase of 21.7% with the portion Attributable to equity holders being \$13.0M; an increase of 21.2%. Earnings per share was 23¢ compared with 18.4¢; an increase of 25.0%.

At the end of the quarter, our net assets stood at \$614.2M or \$10.89 per share and our share price was \$9.01.

For the next three quarters, we expect to continue to reap the benefits of our recent restructuring exercise and continued geographic diversification as we execute our strategy. We recently hired a Mergers and Acquisitions Manager for the Group who is responsible for developing and executing the Group's investment strategy. With a debt to equity ratio of 34:66, good leverage capacity and investment opportunities, we are well poised for growth.

A final dividend of fifteen cents will be paid at the end of February.

A. Charles Herbert
Chairman
February 17, 2017

Anthony H. Ali
Managing Director