



ANSA McAL
GROUP OF COMPANIES

CHAIRMAN'S STATEMENT

Group revenues grew 4% to \$6,244 million (\$6,001 million – 2016). Profit before tax (PBT) was \$968 million (\$1,107 million – 2016).

The Group delivered strong operational results across the region, in spite of the sluggish economies in both Trinidad and Tobago and Barbados. Specifically, the returns from associated companies, which form a part of Barbados' earnings, declined by 19%. The Automotive and Media segments suffered from contracted consumer spending, resulting in greater discounting to maintain market share.

There were also one-off costs associated with the acquisition of Berger Paints in Trinidad, Barbados and Jamaica.

We are pleased, however, that net assets grew by 4% to \$7,861 million (\$7,585 million – 2016). Cash flow and all balance sheet metrics remain strong.

Our strategy for 2018 will be to continue our revenue growth whilst optimizing operating costs, thereby improving margins.

Your Directors have maintained the final dividend at \$1.20 per share (\$1.20 – 2016) which will be paid on 6 June, 2018. Together with the interim dividend of \$0.30 per share (\$0.30 – 2016), this brings the total dividend to \$1.50 per share (\$1.50 per share – 2016). This payout represents 41% of profit after tax.

In accordance with section 110 (1) (a) (i) of the Companies Act 1995, the Directors have fixed 21 May, 2018 as the Record Date for payment of the final dividend. The register of members will be closed on 24 May to 25 May, 2018 both days inclusive.

A. Norman Sabga
A. NORMAN SABGA
CHAIRMAN
by order of the board

David B. Sabga
DAVID B. SABGA
DEPUTY CHAIRMAN

	Manufacturing, packaging & brewing		Automotive, trading & distribution		Insurance & financial services		Media, retail, services & parent company		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Revenue										
Total gross revenue	2,676,666	2,415,675	2,549,560	2,662,094	873,548	816,510	1,037,285	1,056,912	7,137,059	6,951,191
Inter-segment	(255,693)	(255,064)	(43,103)	(58,056)	(32,821)	(49,667)	(560,960)	(587,794)	(892,577)	(950,581)
Third party revenue	2,420,973	2,160,611	2,506,457	2,604,038	840,727	766,843	476,325	469,118	6,244,482	6,000,610
Results										
Finance costs	9,416	677	3,838	3,519	35,069	36,372	1,211	925	49,534	41,493
Depreciation and amortisation	242,791	208,293	25,492	23,675	37,622	39,498	31,628	31,538	337,533	303,004
Impairments	-	-	205	-	-	(6,097)	-	-	205	(6,097)
Reportable segment profit before tax	443,891	454,614	125,067	192,424	309,539	330,772	89,218	129,475	967,715	1,107,285
Income tax expense	170,471	162,121	47,974	55,901	81,284	70,741	20,032	15,414	319,761	304,177
Share of results of associate and joint venture interests	-	-	-	-	-	-	26,751	32,933	26,751	32,933
Total Assets include										
Reportable Segment assets	3,157,697	2,627,088	1,473,825	1,736,693	6,400,010	6,523,481	3,318,179	2,982,391	14,349,711	13,869,653
Investment in associates and joint venture interests	-	-	-	-	-	-	159,372	147,063	159,372	147,063
Capital expenditure	239,158	226,714	68,815	40,122	77,013	60,945	69,504	67,232	454,490	395,013
Liabilities										
Reportable Segment liabilities	1,000,727	728,977	468,964	459,214	4,764,133	4,767,327	255,226	329,346	6,489,050	6,284,864

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

The accompanying notes form an integral part of these financial statements.

Note 1. Basis of preparation: The summary consolidated financial statements are prepared in accordance with criteria developed by management. Under management's established criteria, management discloses the summary consolidated statement of financial position, summary consolidated statement of income, summary consolidated statement of comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows. These summary consolidated financial statements are derived from the audited consolidated financial statements of ANSA McAL Limited and its subsidiaries for the year ended 31 December 2017, which are prepared in accordance with International Financial Reporting Standards. These summary consolidated financial statements have been extracted from the audited consolidated financial statements which will be available on ANSA McAL Limited's website.

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of ANSA McAL Limited

Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at 31 December 2017, the summary consolidated statement of comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows for the year then ended and related notes, are derived from the complete audited consolidated financial statements of ANSA McAL Limited and its subsidiaries (the "Group") for the year ended 31 December 2017.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, on the basis described in Note 2.

Summary Consolidated Financial Statements

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards ("IFRSs"). Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and auditor's report thereon.

The Audited Consolidated Financial Statements and Our Report Thereon

We expressed an unmodified opinion on the audited consolidated financial statements in our report dated 22 March 2018. That report also includes the communication of Key Audit Matters. Key Audit Matters are those matters that, in our professional judgment, were most significant in our audit of the consolidated financial statements of the current period.

Responsibilities of Management for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements in accordance with IFRSs.

Auditor's Responsibilities for the Audit of the Summary Consolidated Financial Statements

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures which were conducted in accordance with International Standards on Auditing (ISA) 810 (Revised), "Engagements to Report on Summary Financial Statements".

Ernst & Young

Port of Spain
TRINIDAD
22 March 2018

SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	\$'000 UNAUDITED THREE MONTHS ENDED 31-Dec-17	\$'000 UNAUDITED THREE MONTHS ENDED 31-Dec-16	\$'000 AUDITED YEAR ENDED 31-Dec-17	\$'000 AUDITED YEAR ENDED 31-Dec-16
Profit for the period/year	231,129	275,318	647,954	803,108
Other comprehensive income:				
Re-measurement (losses)/gains on defined benefit plans (net)	(13,020)	9,285	(13,020)	8,787
Currency translation differences	(5,670)	(4,853)	5,345	26,249
Other comprehensive (losses)/gains for the period/year	(18,690)	4,432	(7,675)	35,036
Total comprehensive income for the period/year	212,439	279,750	640,279	838,144
Total comprehensive income attributable to:				
Equity holders of the parent	178,680	246,469	536,680	725,474
Non-controlling Interests	33,759	33,281	103,599	112,670
	212,439	279,750	640,279	838,144

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	\$'000 STATED CAPITAL	\$'000 RESERVES	\$'000 NON-CONTROLLING INTERESTS	\$'000 TOTAL
Balance as at 1 January 2017	175,316	6,601,906	807,567	7,584,789
Total comprehensive income for the year	-	536,680	103,599	640,279
Transfers and other movements	-	(2,763)	(23)	(2,786)
Net movement in unallocated shares	-	(1,095)	-	(1,095)
Acquired in business combination	-	-	34,756	34,756
Acquisition of non-controlling interest	-	-	(7,011)	(7,011)
Dividends to equity holders	-	(258,649)	-	(258,649)
Dividends of subsidiaries	-	-	(129,622)	(129,622)
Balance as at 31 December 2017	175,316	6,876,079	809,266	7,860,661
Balance as at 1 January 2016	175,305	6,066,867	737,785	6,979,957
Total comprehensive income for the year	-	725,474	112,670	838,144
Transfers and other movements	-	45,551	(409)	45,142
Net movement in unallocated shares	-	5,206	-	5,206
Value of equity settled share based compensation	11	-	-	11
Dividends to equity holders	-	(241,192)	-	(241,192)
Dividends of subsidiaries	-	-	(42,479)	(42,479)
Balance as at 31 December 2016	175,316	6,601,906	807,567	7,584,789

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

	\$'000 AUDITED YEAR ENDED 31-Dec-17	\$'000 AUDITED YEAR ENDED 31-Dec-16
Profit before taxation	967,715	1,107,285
Adjustment for items not affecting working capital	177,451	118,512
Operating profit before working capital changes	1,145,166	1,225,797
Net change in working capital	471,036	80,088
Cash flows from operating activities	1,616,202	1,305,885
Other cash applications	(212,379)	(191,187)
Net cash flows from operating activities	1,403,823	1,114,698
Investing activities	(941,958)	(541,039)
Financing activities	(189,732)	(356,796)
Net increase in cash and cash equivalents	272,133	216,863
Net foreign exchange differences	316	11,355
Cash and cash equivalents at the beginning of the year	1,683,678	1,455,460
Cash and cash equivalents at the end of the year	1,956,127	1,683,678

Note: Cash and cash equivalents includes amounts held at our subsidiary financial institutions. For the year ended 31 December 2017 this amounted to \$643 million (2016: \$766 million).

Note 2. Significant accounting policies: These summary consolidated financial statements have been prepared in accordance with the accounting policies set out in "Note 2" of the 31 December 2017 audited consolidated financial statements consistently applied from period to period. The Group has adopted all new and revised accounting standards and interpretations that are mandatory for annual accounting periods on or after 1 January 2017 and which are relevant to the Group's operations.

Note 3. Acquisition: On 24 July, 2017 the Group acquired 100% of the issued share capital of Lewis Berger (Overseas) Holdings Ltd (LBOH) a privately owned, UK domiciled company. LBOH owns the controlling interest in the Caribbean businesses of Berger Paints Trinidad, Jamaica and Barbados. The Company announced its intention to issue take-over bids in Trinidad & Tobago and Jamaica in accordance with the regulations in the respective jurisdictions by 23 August, 2017 as a consequence of its ownership of the shares of Berger Paints Trinidad Limited and Berger Paints Jamaica Limited

Note 4. Stated Currency: Rounded to the nearest thousand Trinidad & Tobago dollars