



GODDARD ENTERPRISES LIMITED

CONSOLIDATED FINANCIAL HIGHLIGHTS FOR THE NINE MONTHS ENDED JUNE 30, 2015 UNAUDITED

Consolidated Statement of Income Highlights

	% Change	9 months to 30/06/15 Bds \$000's	9 months to 30/06/14 Bds \$000's	Audited Year ended 30/09/14 Bds \$000's
Revenue	4.1%	744,582	715,284	954,111
Profit from operations				
before the following:	-5.2%	41,228	43,470	50,126
Other gains/(losses) – net	102.8%	6,829	3,367	14,579
Profit from operations	2.6%	48,057	46,837	64,705
Finance costs	0.6%	(9,118)	(9,063)	(12,287)
Share of income of associated companies	3.1%	38,939	37,774	52,418
Income before taxation	-43.4%	3,316	5,862	6,569
Taxation	-3.2%	42,255	43,636	58,987
Net income for the period	-14.7%	(8,155)	(9,565)	(10,084)
	0.1%	34,100	34,071	48,903
Attributable to:				
Equity holders of the Company	-2.3%	23,050	23,581	36,402
Non-controlling interests	5.3%	11,050	10,490	12,501
	0.1%	34,100	34,071	48,903
Earnings per share – basic	-1.7%	39.4¢	40.1¢	62.1¢
Earnings per share – diluted	-1.5%	39.0¢	39.6¢	61.0¢

Consolidated Balance Sheet Highlights

	30/06/15 Bds \$000's	30/06/14 Bds \$000's	Audited 30/09/14 Bds \$000's
Current assets	389,809	379,221	380,151
Current liabilities	(236,247)	(237,414)	(239,677)
Working capital	153,562	141,807	140,474
Property, plant & equipment, financial investments & other non-current assets	527,854	533,263	540,071
Long term liabilities	(106,362)	(108,228)	(115,209)
Net assets employed	575,054	566,842	565,336
Equity			
Share capital	44,634	43,829	43,829
Other reserves	86,034	93,031	91,823
Retained earnings	342,806	324,022	326,069
	473,474	460,882	461,721
Non-controlling interests	101,580	105,960	103,615
	575,054	566,842	565,336

Consolidated Statement of Comprehensive Income Highlights

	9 months to 30/06/15 Bds \$000's	9 months to 30/06/14 Bds \$000's	Audited Year ended 30/09/14 Bds \$000's
Net income for the period	34,100	34,071	48,903
Other comprehensive income:			
Items net of tax that may be recycled to income in the future:			
Unrealised (losses)/gains on available-for-sale investments	(145)	1,414	751
Gains transferred to income on disposal of financial investments	(1,860)	(397)	(400)
Impairment of financial investments	–	187	302
Currency translation differences	(4,269)	(17,832)	(18,939)
Hyperinflationary adjustments	292	779	907
	(5,982)	(15,849)	(17,379)
Items net of tax that will not be recycled to income in the future:			
Increase/(decrease) of revaluation surplus	123	10	(261)
Remeasurement of employee benefits – group	–	–	(178)
Remeasurement of employee benefits – associated	1,103	–	199
	(4,756)	(15,839)	(17,619)
Other comprehensive loss for the period, net of tax	(4,756)	(15,839)	(17,619)
Total comprehensive income for the period	29,344	18,232	31,284
Attributable to:			
Equity holders of the Company	19,914	15,696	27,747
Non-controlling interests	9,430	2,536	3,537
	29,344	18,232	31,284

BOARD REVIEW FOR THE NINE MONTHS ENDED JUNE 30, 2015

GEL recorded a 4.1% increase in revenues for the first nine (9) months of its financial year over the corresponding period in the prior year. Top-line growth was achieved across all sectors except the Insurance, Ground Handling and Manufacturing sectors. A 37.0% gross margin was recorded for the review period in comparison to 37.5% for the comparative period in the prior year. The decline is mainly attributable to some challenges experienced in the Manufacturing Division.

Our selling, marketing and administrative expenses as a percentage of revenues are directly in line with those for the comparative prior year nine month period at 31.8%. The percentage recorded for the full financial year 2014 was 32.5%. The total selling, marketing and administrative expenses for the period increased by 4.2% which is marginally above our 4.1% increase in revenues.


Our profit from operations before other gains/(losses) – net declined by \$2.2M or 5.2% as a result of the drop in gross margin mentioned above.

Other gains/(losses) – net increased by \$3.5M, due to a write-back of a deposit liability we had in one of our subsidiaries in St. Lucia and a gain on sale of financial investments. This resulted in a 2.6% increase in profit from operations, however a decline in income mainly from our two Financial Services associates caused a 3.2% decrease in our income before taxation.

Our overall net income for the period was in line with prior period at \$34.1M, however earnings attributable to shareholders fell by \$531k or 2.3%. This resulted in earnings per share of 39.4 cents compared with 40.1 cents in the prior period representing a small decline of 1.7%.

At the end of the period, our net assets stood at \$575M or \$8.12 per share and our debt to equity ratio remained well within acceptable industry standards at 37:63.

Our recently announced Joint Venture arrangement with Agostini's Limited in the Food Division took effect from July 1. The effect of this will therefore be seen in our final quarter. We are very excited about the new opportunities which this partnership presents and expect future growth as we realise the benefits of certain synergies and capitalize on these opportunities which this partnership affords.


A. Charles Herbert
Chairman
August 17, 2015


Anthony H. Ali
Managing Director

Consolidated Statement of Cash Flows Highlights

	9 months to 30/06/15 Bds \$000's	9 months to 30/06/14 Bds \$000's	Audited Year ended 30/09/14 Bds \$000's
Income before taxation	42,255	43,636	58,987
Adjustments for non-cash items	21,535	8,745	19,809
	63,790	52,381	78,796
Non-cash working capital changes	(13,693)	2,163	10,058
	50,097	54,544	88,854
Net interest, taxation and pension contributions paid	(16,214)	(15,318)	(22,994)
Net cash from operating activities	33,883	39,226	65,860
Net cash used in investing activities	(14,210)	(2,835)	(18,746)
Net cash used in financing activities	(17,107)	(19,631)	(24,834)
Net increase in cash and cash equivalents	2,566	16,760	22,280
Cash and cash equivalents – beginning of year	50,482	28,202	28,202
Cash and cash equivalents – end of period	53,048	44,962	50,482

Consolidated Statement of Changes in Equity Highlights

Bds \$000's	Share capital	Other reserves	Retained earnings	Non-controlling interests	Total
Balance at October 1, 2013	44,557	100,899	308,030	111,828	565,314
Net income for the year	–	–	36,402	12,501	48,903
Other comprehensive (loss)/income	–	(9,194)	539	(8,964)	(17,619)
Acquisition of subsidiary	–	–	–	2,450	2,450
Investment in subsidiary company	–	–	–	167	167
Fair value of assets disposed of by non-controlling interests	–	–	–	(53)	(53)
Decrease in advances to non-controlling interests	–	–	–	(468)	(468)
Value of employee services	–	118	–	–	118
(Repurchase)/issue of common shares – net	(728)	–	(10,743)	–	(11,471)
Dividends declared	–	–	–	(13,846)	(13,846)
Dividends paid	–	–	(8,159)	–	(8,159)
Balance at September 30, 2014 (audited)	43,829	91,823	326,069	103,615	565,336
Net income for the period	–	–	23,050	11,050	34,100
Other comprehensive (loss)/income	–	(5,789)	2,653	(1,620)	(4,756)
Investment in subsidiary company	–	–	–	600	600
Fair value of assets disposed of by non-controlling interests	–	–	–	(8,485)	(8,485)
Increase in advances to non-controlling interests	–	–	–	1,380	1,380
Issue/(repurchase) of common shares – net	805	–	(786)	–	19
Dividends declared	–	–	–	(4,960)	(4,960)
Dividends paid	–	–	(8,180)	–	(8,180)
Balance at June 30, 2015	44,634	86,034	342,806	101,580	575,054