



UNILEVER CARIBBEAN LIMITED

Unaudited Financial Statements

for the Period ended 30 September 2017

Expressed in Trinidad & Tobago Dollars

CHAIRMAN'S REVIEW

Sluggish local economic and reduced consumer spending impeded the company's growth for the reported period. This adverse situation was aggravated by the impact of hurricanes Irma & Maria that ravaged some of our key markets. The difficult business conditions also had a negative impact on a couple of our key distributors. This unfortunate situation temporarily affected turnover and cash levels. As a result, sales declined by 14% for the period ending September to TT\$350 million and profit before tax closed at TT\$10 million.

Regardless of these less than desirable conditions, the company remains committed and will continue the strategic investment of TT\$54 million in the upgrade of our manufacturing site. These major improvements will allow more efficient production, particularly of environmentally friendly, no phosphate detergents—such as our well know "Breeze" brand and the recently launched "Surf" detergent—as well as more strict safety compliance. I expect Unilever Caribbean Limited's sterling record of two years without recordable incidents to be continued at this enhanced site.

At Board level, I am very pleased to welcome Mr. John De Silva as our Managing Director. I am very confident that under Mr. De Silva's leadership, the team will successfully realise the benefit of all the efforts and investment that has taken place in the last couple of years and take it to new heights. I wish to thank Ms. Lucy Walsh, who completed her assignment as Managing Director on October 31st. Also parting from the Board were Mr. Mark Beepath, Finance Director and Company Secretary, and Ms. Enid Blasini. I thank them both for their contributions and welcome Ms. Nanda Persad, Finance Director and Company Secretary, and Mr. Alejandro Graterol, Regional Supply Chain Director, as their replacements. We look forward to work with this reinvigorated leadership cadre.


Pablo Garrido
Chairman

UNAUDITED STATEMENT OF FINANCIAL POSITION

	UNAUDITED 30 SEP 17 \$'000	UNAUDITED 30 SEP 16 \$'000	AUDITED 31 DEC 16 \$'000
ASSETS			
Non-current assets			
Property, plant and equipment	143,346	109,674	121,188
Retirement benefit asset	46,248	31,536	48,055
Deferred tax asset	7,737	6,597	7,614
	197,331	147,807	176,857
Current assets			
Inventories	61,553	75,597	60,451
Trade and other receivables	118,754	136,054	149,201
Due from related companies	2,739	3,675	1,853
Taxation recoverable	12,473	9,789	1,624
Cash at bank and in hand	28,599	66,822	57,386
	224,118	291,937	270,515
Total assets	421,449	439,744	447,372
EQUITY AND LIABILITIES			
EQUITY			
Share capital	26,244	26,244	26,244
Property revaluation surplus	35,643	35,284	35,643
Retained earnings	154,624	147,744	173,865
Total equity	216,511	209,272	235,752
Non-current liabilities			
Retirement and termination obligations	25,790	26,387	25,396
Deferred taxation	31,572	20,778	24,816
	57,362	47,165	50,212
Current liabilities			
Trade and other payables	85,066	92,181	79,676
Provisions for other liabilities	8,518	5,886	7,790
Due to parent and related companies	53,992	85,240	73,942
	147,576	183,307	161,408
Total liabilities	204,938	230,472	211,620
Total equity and liabilities	421,449	439,744	447,372



John De Silva, Managing Director



Nanda Persad, Finance Director

NOTES TO THE FINANCIAL STATEMENTS:

1. Basis of preparation: These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).
2. Significant account policies: The principal accounting policies adopted in the preparation of these financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2016.

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

	UNAUDITED 3 MONTHS ENDED 30 SEP 17 \$'000		UNAUDITED 9 MONTHS ENDED 30 SEP 17 \$'000		AUDITED YEAR ENDED 31 DEC 16 \$'000
Turnover	108,664	136,334	350,294	409,416	566,302
Cost of sales	(72,462)	(82,590)	(224,426)	(240,811)	(337,891)
Gross profit	36,201	53,744	125,867	168,605	228,411
Selling and distribution costs	(30,201)	(38,237)	(93,563)	(106,085)	(137,522)
Administrative expenses	(5,527)	(7,074)	(21,878)	(22,184)	(29,271)
Operating profit	473	8,432	10,427	40,336	61,618
Finance income/(costs)- net	(61)	(73)	(306)	(197)	(289)
Other expenses	(172)	0	(172)	0	0
Profit before taxation	240	8,360	9,949	40,139	61,329
Taxation	(71)	(2,090)	(2,946)	(10,035)	(18,839)
Profit after taxation	169	6,270	7,003	30,104	42,490
Other comprehensive income					
Unrecognised actuarial gains	0	0	0	0	19,623
Revaluation of property	0	0	0	0	512
Related tax	0	0	0	0	(6,041)
Total comprehensive income for the period	169	6,270	7,003	30,104	56,584
Earnings per share	\$0.01	\$0.24	\$0.27	\$1.15	\$1.62

UNAUDITED STATEMENT OF CASH FLOWS

	UNAUDITED 3 MONTHS ENDED 30 SEP 17 \$'000		UNAUDITED 9 MONTHS ENDED 30 SEP 17 \$'000		AUDITED YEAR ENDED 31 DEC 16 \$'000
Operating activities					
Profit before taxation	240	8,360	9,949	40,139	61,329
Adjustment for items not affecting working capital	2,347	1,336	11,115	5,545	9,576
Operating profit before working capital changes	2,588	9,696	21,064	45,684	70,905
Net decrease/(increase) in working capital	7,679	10,730	1,504	(6,725)	(24,804)
Cash flows from operating activities	10,266	20,426	22,568	38,959	46,101
Taxation & interest paid (net of refunds)	881	(3,208)	(10,507)	(10,692)	(14,892)
Net cash inflows from operating activities	11,147	17,218	12,061	28,267	31,209
Investing activities					
Purchase of plant and equipment	(17,448)	(12,509)	(27,727)	(20,472)	(32,850)
Net cash outflows from investing activities	(17,448)	(12,509)	(27,727)	(20,472)	(32,850)
Financing activity					
Dividends paid	0	(6,561)	(13,121)	(32,805)	(32,805)
Increase in cash and cash equivalents	(6,301)	(1,852)	(28,787)	(25,010)	(34,446)
Cash and cash equivalents at beginning of period	34,900	68,674	57,386	91,832	91,832
Cash and cash equivalents at the end of period	28,599	66,822	28,599	66,822	57,386
Represented by:					
Cash at bank and in hand	28,599	66,822	28,599	66,822	57,386

UNAUDITED STATEMENT OF CHANGES IN EQUITY

	Share Capital \$'000	Property Revaluation Surplus \$'000	Retained Earnings \$'000	Total Equity \$'000
Balance as at 1 January 2017	26,244	35,643	173,865	235,752
Total comprehensive income for the period	-	-	7,003	7,003
Dividends	-	-	(26,244)	(26,244)
Balance as at 30 September 2017	26,244	35,643	154,624	216,511
Balance as at 1 January 2016	26,244	35,284	150,445	211,973
Total comprehensive income for the period	-	-	30,104	30,104
Dividends	-	-	(32,805)	(32,805)
Balance as at 30 September 2016	26,244	35,284	147,744	209,272