

WATERLOO INVESTMENT HOLDINGS LIMITED ANNOUNCES RESULTS FOR THE SIX-MONTH PERIOD ENDED SEPTEMBER 30, 2018

November 7, 2018 – Waterloo Investment Holdings Limited (Bermuda – WIHL) (the “Company” or “WIHL”) reported net profit of \$6.6m for the six-month period ended September 30, 2018 (2017 – \$2.2m).

At September 30, 2018 total assets are \$534.9m (March 31, 2018 - \$526.7m) and shareholder’s equity is \$432.9m (March 31, 2018 - \$426.3m).

The Company also announces that it has acquired 92,000 ordinary shares in the Company at US\$0.30 per share. Following the transaction, the Company’s holding in treasury shares is 766,000 ordinary shares and the total number of the Company’s ordinary shares in issue, less the treasury shares held, is 494,738,000 ordinary shares.

Background

WIHL is an investment holding company incorporated in the British Virgin Islands. WIHL owns the British Caribbean Bank Limited, a financial services business in the Turks and Caicos Islands, a hotel management division, namely the Turks and Caicos Collection, and, through various subsidiaries, substantial other investment interests in the Turks and Caicos Islands, principally through secured loans. WIHL also holds an approximate 25 percent interest in a successful and market-leading edible oil processing and distribution operation in Latin America. The Company also has an investment in the form of secured loans to the largest port in Belize.

For further information contact:

Waterloo Investment Holdings Limited at 101 Governors Road, Leeward, Providenciales, Turks & Caicos Islands, B.W.I. or send an email via the Company’s web site <http://www.wihl.com>.

Waterloo Investment Holdings Limited

Financial Information

Summarized Consolidated Statements of Income (unaudited)

US dollars in millions except per share data

	6 months ended September 30, 2018	6 months ended September 30, 2017
Financial Services		
Interest income	2.7	1.9
Interest expense	(0.2)	(0.1)
Net interest income	2.5	1.8
Provision for loan losses	-	(0.1)
Non-interest income	-	0.1
Non-interest expenses	(1.4)	(1.2)
Operating profit - Financial Services	1.1	0.6
Operating loss - Turks and Caicos Collection	(1.5)	(0.1)
Operating profit (loss) - Investments	0.2	(3.9)
Total operating loss	(0.2)	(3.4)
Associates	8.1	7.0
Corporate expenses	(1.3)	(1.4)
Net profit	6.6	2.2
Profit per ordinary share: basic and diluted		
Net profit	\$0.01	\$0.00
Number of shares - (basic and diluted)	495.5m	496.1m

Waterloo Investment Holdings Limited
Financial Information
Summarized Consolidated Balance Sheets (unaudited)
US dollars in millions

	September 30 2018 \$m	March 31 2018 \$m
Assets		
Financial Services		
Cash, cash equivalents and due from banks	0.7	0.1
Interest-bearing deposits with correspondent banks	7.3	11.7
Investments – fixed income	74.0	81.2
Investments – equities	-	1.0
Loans – net	61.6	57.4
Property, plant and equipment – net	0.3	0.2
Other assets	3.9	0.8
Total Financial Services assets	147.8	152.4
Investments		
Cash, cash equivalents and due from banks	0.1	0.1
Loans – net	105.1	107.0
Other assets	23.1	22.3
Total Investments assets	128.3	129.4
Turks and Caicos Collection		
Cash, cash equivalents and due from banks	0.2	1.4
Property, plant and equipment – net	42.9	38.4
Other assets	11.5	8.2
Total Turks and Caicos Collection assets	54.6	48.0
Corporate		
Cash, cash equivalents and due from banks	0.1	2.6
Other current assets	2.8	1.1
Property, plant and equipment – net	2.4	2.4
Associates	198.9	190.8
Total Corporate assets	204.2	196.9
Total assets	534.9	526.7
Liabilities and shareholders' equity		
Financial Services		
Deposits	88.0	86.9
Interest payable	0.2	0.1
Current liabilities	1.5	0.8
Total Financial Services liabilities	89.7	87.8
Investments		
Current liabilities	0.4	0.1
Turks and Caicos Collection		
Current liabilities	7.3	7.8
Corporate		
Current liabilities	0.3	0.3
Long-term liabilities	4.3	4.4
Total Corporate liabilities	4.6	4.7
Total liabilities	102.0	100.4
Shareholders' equity		
Share capital	248.1	248.1
Additional paid-in capital	50.0	50.0
Treasury shares	(0.8)	(0.8)
Accumulated other comprehensive loss	(5.0)	(5.0)
Retained earnings	140.6	134.0
Total shareholders' equity	432.9	426.3
Total liabilities and shareholders' equity	534.9	526.7

Waterloo Investment Holdings Limited

Financial Information

Summarized Consolidated Statements of Cash Flows (unaudited)

US dollars in millions

6 months ended September 30	2018 \$m	2017 \$m
Cash flow from operating activities		
Net profit (loss)	6.6	2.2
Adjustments to reconcile net profit to net cash provided (utilized) by operating activities:		
Depreciation	1.6	0.9
Provision for loan losses	-	4.4
Undistributed earnings of associates	(8.1)	(1.5)
Increase in interest payable	0.1	-
Changes in assets and liabilities – net	(8.5)	(6.9)
Net cash utilized by operating activities	(8.3)	(0.9)
Cash flows from investing activities		
Purchase of property plant and equipment (net)	(6.2)	(2.2)
Decrease in interest-bearing deposits	4.4	23.7
Decrease (increase) in investments – fixed income	7.2	(32.8)
Decrease in investments – equities	1.0	-
(Increase) decrease in loans to customers	(2.3)	4.4
Net cash provided (utilized) by investing activities	4.1	(6.9)
Cash flows from financing activities		
Increase in treasury shares	-	(0.4)
Increase in long-term debt	-	0.1
Increase in deposits	1.1	3.1
Net cash provided by financing activities	1.1	2.8
Net change in cash, cash equivalents and due from banks	(3.1)	(5.0)
Cash, cash equivalents and due from banks at beginning of year	4.2	5.9
Cash, cash equivalents and due from banks at end of period	1.1	0.9

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