

## Scotiabank Trinidad and Tobago Limited (SBTT) Results for the Year Ended October 31, 2019

### Key Points:

- Scotiabank Trinidad and Tobago Limited (SBTT) launched the ATMs- Intelligent Deposit Machines (IDMs), Scotiabank Alerts, new customer queuing system and EVM Visa debit chip card during the 2018 - 2019 fiscal.
- SBTT continues to focus on improving the customer's experience across all segments and digital strategies which will enhance effectiveness and better position themselves to meet the changing need of clients.
- The flagship branch, Scotia Centre was transformed into a new digital space that was designed to provide customers with the ability to receive more value added advice and solutions.

### Earnings Per Share (EPS):

SBTT reported an EPS of \$3.79, up 4.29 per cent or \$0.16 per share on the corresponding period's EPS of \$3.63 in YE18.

EPS recorded in Q419 (\$0.82) was the lowest over the past seven Q4's.

### Dividend:

The Board of Directors declared a final dividend of \$1.50 per share, which was paid on January 3<sup>rd</sup>, 2020 to shareholders on record as at December 13<sup>th</sup>, 2019.

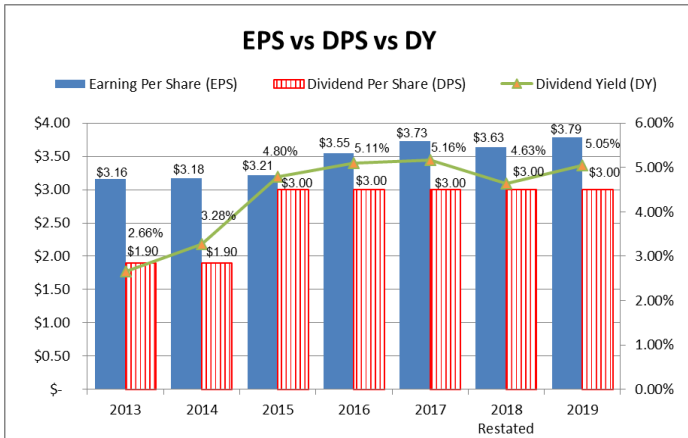
### Summary:

- SBTT's average dividend yield over the last five years is 4.95 per cent (see Dividend Table), making it one of the top dividend shares in the Banking Sector as well as the overall market.
- SBTT has had little capital appreciation over the last five years, moving from \$62.01 on January 23, 2015 to \$63.91 as at January 24, 2020.
- Going forward SBTT is concentrating on improving its customer service as well as cost containment as revenue would remain challenged in a low growth economic environment and increasing loan impairments. The pending sale of the insurance operations to Sagicor Financial would also have an effect on its profitability, albeit small.

EPS	Q1	Q2	Q3	Q4	Total
2019	1.046	0.898	1.025	0.821	3.79
2018 Restated	0.824	0.914	1.016	0.880	3.63
2018	0.838	0.914	1.030	0.872	3.65
2017	0.966	0.921	0.985	0.857	3.73
2016	0.891	0.854	0.902	0.898	3.55
2015	0.764	0.708	0.892	0.849	3.21
2014	0.818	0.598	0.796	0.963	3.18
2013	0.814	0.725	0.759	0.862	3.16

Dividend	1st Interim	2nd Interim	3rd Interim	4th Interim	Special	Total	Dividend Yield
2019	0.50	0.50	0.50	1.50	0.00	3.00	5.05%
2018	0.50	0.50	0.50	1.50	0.00	3.00	4.63%
2017	0.50	0.50	0.50	0.50	1.00	3.00	5.16%
2016	0.40	0.40	0.40	0.80	1.00	3.00	5.11%
2015	0.40	0.40	0.40	0.70	1.10	3.00	4.80%
2014	0.40	0.40	0.40	0.70	0.00	1.90	3.28%
2013	0.40	0.40	0.40	0.40	0.30	1.90	2.66%

Financial Year End	October 31
<b>Sector</b>	<b>Banks</b>
Symbol on TTSE	SBTT
Issued Share Capital	176.34MM
Market Capitalization	\$10.80B
Current Price (January 24, 2020)	\$61.99
52 Week Price Range	\$63.91 - \$58.31
Trailing EPS	\$3.79
Price to Earnings Multiple	16.36x
Current Book Value/Share	\$23.72
Price to Book	2.86x
Return on Equity	16.31%
Return on Assets	2.74%



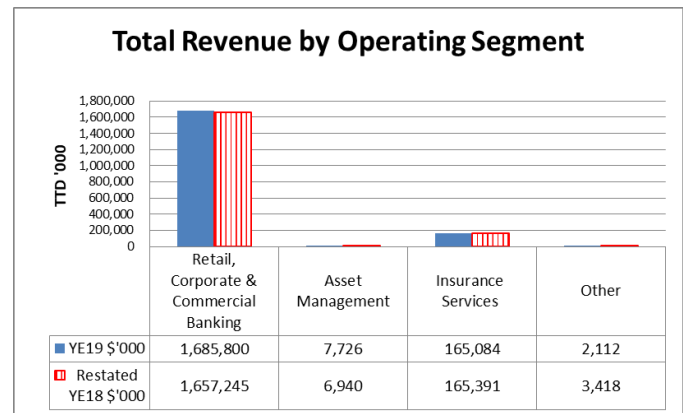
- Total Assets increased by 8.71 per cent or \$2.36B to \$25.41B in YE19.
- Total Liabilities amounted to \$21.23B in YE19 and Total Equity increased by 4.21 per cent or \$169.00MM to close at \$4.18B.

The Retail, Corporate & Commercial Banking segment was the major contributor to the Group's Total Revenue, followed by the Insurance Services segment. In third place was the Asset Management segment.

The Retail, Corporate & Commercial Banking segment was the major contributor to the Group's Profit before Tax. In second place was Insurance Services, followed by the Asset Management segment.

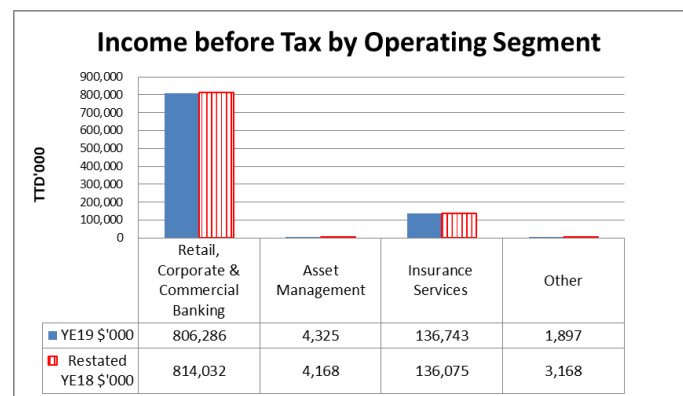
### Income Statement as at October 31, 2019

	YE19 \$'000	Restated YE18 \$'000	\$ Change YE19 - YE18 \$'000	% Change YE19 - YE18	Change	YE17 \$'000
<b>Net Interest and Other Income</b>						
Net Interest Income	1,326,018	1,288,538	37,480	2.91%	↑	1,244,236
Net Other Income	534,704	544,456	(9,752)	-1.79%	↓	481,210
<b>Total Revenue</b>	<b>1,860,722</b>	<b>1,832,994</b>	<b>27,728</b>	<b>1.51%</b>	<b>↑</b>	<b>1,725,446</b>
<b>Total Non-Interest Expenses</b>						
Total Non-Interest Expenses	767,125	736,963	30,162	4.09%	↑	685,669
<b>Income Before Taxation &amp; Loan Loss</b>	<b>1,093,597</b>	<b>1,096,031</b>	<b>(2,434)</b>	<b>-0.22%</b>	<b>↓</b>	<b>1,039,777</b>
Net Impairment loss on financial assets	144,346	138,588	5,758	4.15%	↑	105,597
<b>Income Before Taxation</b>	<b>949,251</b>	<b>957,443</b>	<b>(8,192)</b>	<b>-0.86%</b>	<b>↓</b>	<b>934,180</b>
Provision for Taxation	280,923	316,677	(35,754)	-11.29%	↓	276,516
<b>Income After Taxation</b>	<b>668,328</b>	<b>640,766</b>	<b>27,562</b>	<b>4.30%</b>	<b>↑</b>	<b>657,664</b>
<b>EPS (cents)</b>	<b>379.0</b>	<b>363.4</b>	<b>15.6</b>	<b>4.29%</b>	<b>↑</b>	<b>372.9</b>



### Balance Sheet as at October 31, 2019

	YE19 \$'000	Restated YE18 \$'000	\$ Change YE19 - YE18 \$'000	% Change YE19 - YE18	Change	YE17 \$'000
<b>Total Assets</b>	<b>25,409,018</b>	<b>23,373,349</b>	<b>2,035,669</b>	<b>8.71%</b>	<b>↑</b>	<b>23,374,563</b>
<b>Total Liabilities</b>	<b>21,226,910</b>	<b>19,360,250</b>	<b>1,866,660</b>	<b>9.64%</b>	<b>↑</b>	<b>20,438,927</b>
<b>Total Equity</b>	<b>4,182,108</b>	<b>4,013,099</b>	<b>169,009</b>	<b>4.21%</b>	<b>↑</b>	<b>3,893,074</b>
	<b>25,409,018</b>	<b>23,373,349</b>	<b>2,035,669</b>			<b>24,332,001</b>



### Financials:

- Total revenue closed at \$1.33B, up 2.91 per cent or \$37.48MM from YE18's total of \$1.29B, this was due to the growth in the corporate and commercial loan portfolios.
- Total Non-Interest Expenses increased by 4.09 per cent or \$30.16MM to end at \$767.13MM in YE19.
- Income Before Taxation for YE19 stands at \$949.25MM, down 0.86 per cent or \$8.19MM from \$957.44MM in YE18.
- Income After Taxation totaled \$668.33MM in YE19 up 4.30 per cent or \$27.56MM from \$640.77MM in YE18.



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