

WATERLOO INVESTMENT HOLDINGS LIMITED ANNOUNCES THE PUBLICATION OF THE COMPANY'S ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018.

August 27, 2018 – Waterloo Investment Holdings Limited (Bermuda – WIHL) (the “Company” or “WIHL”) announces the release of its Annual Report containing the audited consolidated financial statements for the Company as at and for the financial year March 31, 2018 and reports net income of \$8.5m in the year ended March 31, 2018 (2017 – net loss \$2.5m) and net income per ordinary share for the year of \$0.02 (2017 – net loss \$0.01).

At March 31, 2018 total assets were \$526.7m (March 31, 2017 - \$490.4m) and net assets were \$426.3m (March 31, 2017 - \$418.2m).

A copy of the Company’s Annual Report will be sent to all shareholders. A copy of the Annual Report will also be made available for download from the Company’s website: <http://www.wihl.com> or can be obtained from the Company’s Listing Sponsor, Estera Securities (Bermuda) Limited of Canon’s Court, 22 Victoria Street, Hamilton, HM12, Bermuda

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 an edible oil processing and distribution operation in Latin America and 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 Comprehensive Income (audited)

US dollars in millions except per share data

Year ended March 31	2018 \$m	2017 \$m
Financial Services		
Interest income	4.3	3.8
Interest expense	(0.3)	(0.4)
Net interest income	4.0	3.4
Provision for loan losses	(1.6)	1.7
Non-interest income	0.3	0.2
Non-interest expenses	(2.5)	(2.1)
Operating profit - Financial Services	0.2	3.2
Operating profit (loss) - Turks and Caicos Collection	0.5	(2.9)
Operating loss - Investments	(2.4)	(7.9)
Total operating loss	(1.7)	(7.6)
Associates	12.5	10.0
Corporate expenses	(2.3)	(3.4)
Corporate interest	-	(1.5)
Net profit (loss)	8.5	(2.5)
Other comprehensive income		
Translation adjustment reported by Associates	-	0.5
Comprehensive profit (loss)	8.5	(2.0)
Net profit (loss) per ordinary share (basic and diluted)	\$ 0.02	\$ (0.01)

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

At March 31	2018 \$m	2017 \$m
Assets		
Financial Services		
Cash, cash equivalents and due from banks	0.1	-
Interest-bearing deposits with correspondent banks	11.7	36.9
Investments - fixed income	81.2	22.5
Investments - equities	1.0	-
Loans - net	57.4	57.1
Property, plant and equipment - net	0.2	0.3
Other assets	0.8	0.2
Total Financial Services assets	152.4	117.0
Investments		
Cash, cash equivalents and due from banks	0.1	-
Loans - net	107.0	128.7
Other assets	22.3	19.6
Total Investments assets	129.4	148.3
Turks and Caicos Collection		
Cash, cash equivalents and due from banks	1.4	3.9
Property, plant and equipment - net	38.4	18.2
Other assets	8.2	6.5
Total Turks and Caicos Collection assets	48.0	28.6
Corporate		
Cash, cash equivalents and due from banks	2.6	2.0
Other current assets	1.1	1.3
Property, plant and equipment - net	2.4	2.5
Associates	190.8	190.7
Total Corporate assets	196.9	196.5
Total assets	526.7	490.4
Liabilities and shareholders' equity		
Financial Services		
Deposits	86.9	60.0
Interest payable	0.1	-
Current liabilities	0.8	0.2
Total Financial Services liabilities	87.8	60.2
Investment		
Current liabilities	0.1	0.1
Turks and Caicos Collection		
Current liabilities	7.8	7.0
Corporate		
Current liabilities	0.3	0.6
Long-term liabilities	4.4	4.3
Total Corporate liabilities	4.7	4.9
Total liabilities	100.4	72.2
Shareholders' equity		
Share capital	248.1	248.1
Additional paid-in capital	50.0	50.0
Treasury shares	(0.8)	(0.4)
Accumulated other comprehensive loss	(5.0)	(5.0)
Retained earnings	134.0	125.5
Total shareholders' equity	426.3	418.2
Total liabilities and shareholders' equity	526.7	490.4

Waterloo Investment Holdings Limited

Financial Information

Summarized Consolidated Statements of Cash Flows (audited)

US dollars in millions

Year ended March 31	2018 \$m	2017 \$m
Cash flows from operating activities		
Net income (loss)	8.5	(2.5)
Adjustments to reconcile net income (loss) to net cash provided (utilized) by operating activities:		
Depreciation	2.0	2.1
Provision for loan losses	8.9	6.4
Undistributed earnings of associates	(0.1)	(3.2)
Changes in assets and liabilities:		
Increase (decrease) in interest payable	0.1	(0.2)
Increase in other assets	(5.1)	(1.4)
Decrease (increase) in other current assets	0.2	(1.2)
Increase in other liabilities	1.1	0.9
Increase in long-term liabilities	0.1	-
Net cash provided by operating activities	15.7	0.9
Cash flows from investing activities		
Purchase of property, plant and equipment (net)	(22.0)	(8.1)
Decrease in interest-bearing deposits with correspondent banks	25.2	6.4
Increase in investments - fixed income	(58.7)	(22.5)
Increase in investments - equities	(1.0)	-
Decrease in loans to customers	12.6	16.1
Net cash utilized by investing activities	(43.9)	(8.1)
Cash flows from financing activities		
Increase in share capital	-	198.1
Increase in treasury shares	(0.4)	(0.3)
Decrease in long-term debt	-	(196.6)
Increase in deposits	26.9	6.1
Net cash provided by financing activities	26.5	7.3
Net change in cash, cash equivalents and due from banks	(1.7)	0.1
Cash, cash equivalents and due from banks at beginning of year	5.9	5.8
Cash, cash equivalents and due from banks at end of year	4.2	5.9
Cash - Financial Services	0.1	-
Cash - Investments	0.1	-
Cash - Turks and Caicos Collection	1.4	3.9
Cash - Corporate	2.6	2.0
	4.2	5.9

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