

**Trinidad Publishing Company Limited (PUB)**

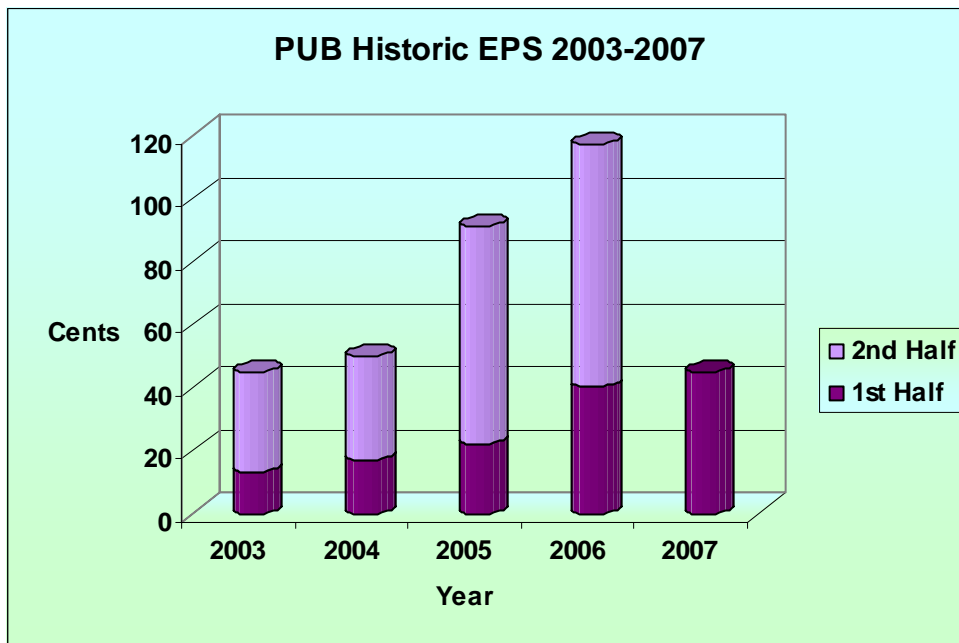
	<b>PUB</b>
<b>RECOMMENDATION</b>	<b>HOLD</b>
<b>Current Price</b>	<b>\$20.00</b>
<b>Running EPS</b>	<b>\$1.22</b>
<b>Projected EPS</b>	<b>\$1.30</b>
<b>P/E at Projected EPS</b>	<b>15.38 times</b>
<b>Projected Dividend</b>	<b>\$0.55</b>
<b>Dividend Yield at Estimated Dividend</b>	<b>2.75%</b>
<b>Return on Assets</b>	<b>16.71%</b>
<b>Return on Equity</b>	<b>21.68%</b>

*Results for the Half Year Ended June 30, 2007*

**Earnings Per Share**

For the Half Year Ended June 30, 2007, Trinidad Publishing Company Limited (PUB) reported Earnings Per Share (EPS) of 45 cents. This represented an increase of 12.50 per cent or 5 cents on the comparable period in FY06. **Figure 1** shows PUB's Historic EPS over the period 2003 to 2007.

**Figure 1**





## Financials

Turnover for HY07 rose to \$79.09 million, up on the corresponding period of FY06 by a marginal 1.60 per cent or \$1.25 million. Income Before Taxation amounted to \$24.26 million, an increase of \$3.42 million or 16.40 per cent on the previous fiscal year. The Effective Tax Rate for HY07 was 25.29 per cent compared to a Tax Rate of 23.81 per cent for HY06. Ultimately, Income After Taxation increased 14.14 per cent or \$2.25 million from \$15.88 million to \$18.13 million.

*Table 1 shows PUB's Half Year Financial Data for 2005-2007*

**Table 1**

Trinidad Publishing Limited (PUB) - Half Year Results							
	HY 2007 \$'000	\$ Change HY'06- HY'07	% Change HY'06- HY'07	HY 2006 \$'000	\$ Change HY'05- HY'06	% Change HY'05- HY'06	HY 2005 \$'000
Turnover	79,092	1,246	1.60%	77,846	24,821	46.81%	53,025
Income Before Taxation	24,264	3,418	16.40%	20,846	8,473	68.48%	12,373
Taxation	(6,137)	(1,173)	23.63%	(4,964)	(1,570)	46.26%	(3,394)
Income After Taxation	18,127	2,245	14.14%	15,882	6,903	76.88%	8,979
EPS (cents)	45	5	12.50%	40	18	81.82%	22
Dividend (cents)	15	0	0.00%	15	3	25.00%	12

*Table 2 shows PUB's Year End Financial Data for 2003-2006*

**Table 2**

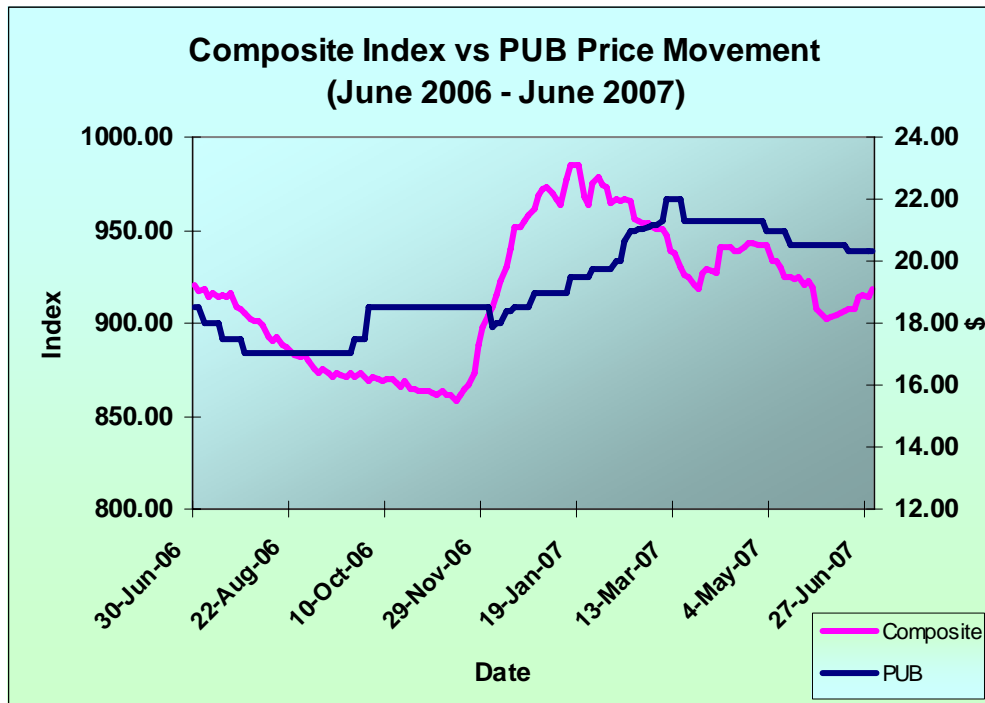
Trinidad Publishing Limited - Audited Year End Financials (2003-2006)							
	YE 2006	% Change '05-'06	YE 2005	% Change '04-'05	YE 2004	% Change '03-'04	YE 2003
Turnover	163,059	33.63%	122,021	23.11%	99,118	9.66%	90,387
Income Before Taxation	61,639	27.07%	48,509	74.86%	27,741	7.17%	25,884
<b>Taxation</b>	14,809	22.16%	12,123	58.31%	7,658	-1.67%	7,788
Net Income	46,830	28.70%	36,386	81.18%	20,083	10.98%	18,096
EPS	\$1.17	28.57%	\$0.91	82.00%	\$0.50	11.11%	\$0.45
Market Price @ Financial Year End (TT\$)	19.65	51.15%	\$13.00	30.00%	\$10.00	44.72%	\$6.91
P/E Ratio @ Financial Year End	\$16.79		14.29		20.00		15.36
Dividend	\$0.50	56.25%	\$0.32	14.29%	\$0.28	12.00%	\$0.25
Dividend Payout Ratio (%)	42.74		35.16		56.00		55.56
Dividend Yield (%)	2.54		2.46		2.80		3.62
Net Asset Value	\$4.12	22.99%	\$3.35	22.26%	\$2.74	9.16%	\$2.51
Market to Book Ratio	4.77		3.88		3.65		2.75
Return on Equity (%)	31.35%		29.87		19.11		19.00
Return on Assets (%)	25.68%		24.56		15.77		16.47
Shares Outstanding	40,000,000		40,000,000		40,000,000		40,000,000



### Share Price

As can be seen in **Figure 2** below, PUB's share price was fairly volatile over the 12-month period ended June 30, 2007. The share price started the period at \$18.49 and declined to a low of \$17.05 on July 26, 2006. The share continued to trade steadily at this low for approximately two months before beginning its ascent to a high of \$22.00 on March 7, 2007. The share then saw a slight drop and subsequently closed the 12-month period at \$20.34.

**Figure 2**

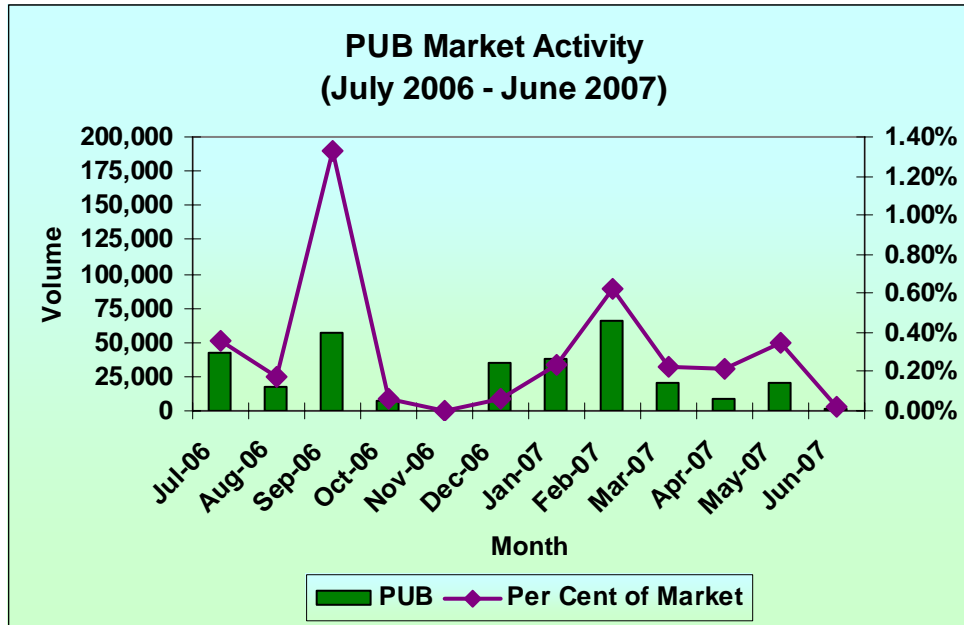


### Market Activity

**Figure 3** below shows the market activity for PUB over the 12-month period ended June 30, 2007. A total of 313,813 PUB shares traded with February 2007 being the most active as 65,581 shares changed ownership. November 2006 was the slowest month as no PUB shares traded. September 2006 saw the highest percentage of PUB shares (1.33 per cent) traded in relation to the rest of the market.



Figure 3



**Dividends**

The Directors are confident that this growth trend will continue to the end of the year and have approved an interim dividend of 15 cents per share, the same as last year.

**Chairman’s Comments**

In his Chairman’s Statement, Mr. Dennis Adrian Gurley, stated that all divisions in the group exceeded prior period results. Revenue and profitability targets for the first half were both exceeded. In addition, the Directors were confident that this growth trend will continue to the end of the year.

**Outlook & Recommendation**

Currently, PUB is trading at a price of \$20.00. We are revising our forecasted EPS downward to \$1.30 for FY07. At this revised forecast and the current price these shares are trading at a price to earnings multiple of approximately 15.38 times. At this time, we therefore recommend a **HOLD** on this share.

This document is based on information obtained from sources, which we believe to be reliable, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, West Indies Stockbrokers Limited. Expressions of opinion herein are subject to change without notice. This document is not, and should not be construed as, an offer or the solicitation of an offer to buy or sell securities. West Indies Stockbrokers Limited and or their officers, directors, and employees may own or have positions in any of the securities mentioned herein, and may from time to time add or dispose of any such securities. This document is for the information of clients only and is not for publication in the Press or elsewhere without the permission of West Indies Stockbrokers Limited. WISE is a subsidiary of RBTT Financial Holdings Limited

West Indies Stockbrokers Limited, 1<sup>st</sup> Floor Albion Plaza, 22-24 Victoria Avenue, Port of Spain, Trinidad (868) 623-4861 Fax (868)-627-5002 e-mail: [info@wisett.com](mailto:info@wisett.com) Member of the Trinidad and Tobago Stock Exchange Ltd.