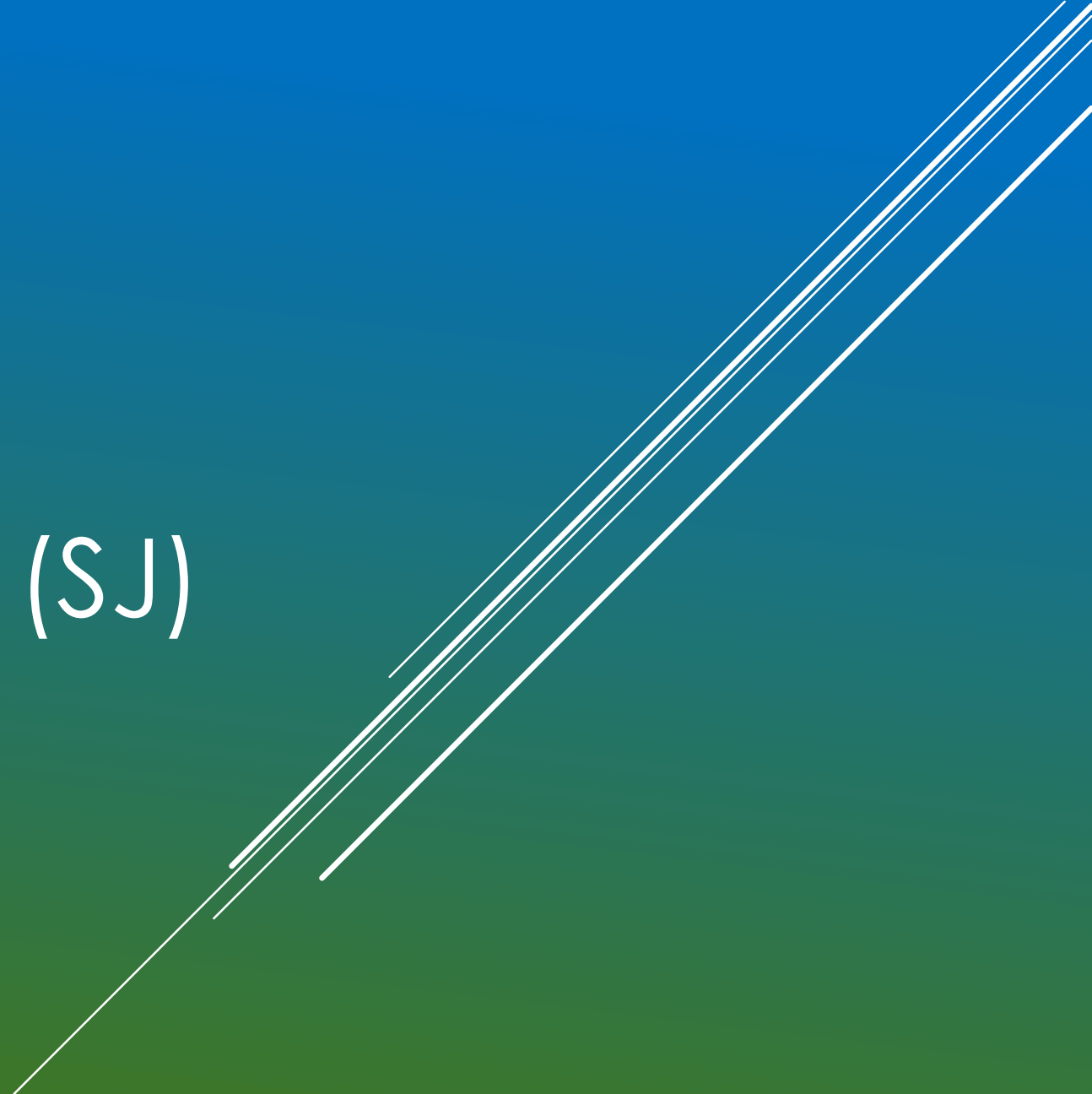


# SAGICOR GROUP (SJ)

Presented By Leovaughni Dillon



# OUTLINE FOR THIS PRESENTATION

Company Background

Key Jamaican Economic Indicators

SJ Financials

Valuation

Conclusion



# COMPANY BACKGROUND





SJ's field force wrote more than 1\$ million in life insurance on the first day of operations 1<sup>st</sup> June 1970



# SAGICOR GROUP PRODUCTS AND SERVICES



- Life Insurance
- Health Insurance
- Annuities
- Retirement products
- Pension Administration
- Investments Services



# KEY JAMAICAN ECONOMIC INDICATORS

## Unemployment

- Was reduced to 11.30% in July

## JMD/USD Depreciation

- 1.69% as at November 28, 2017 currently at \$126.30

## GDP growth

- PIOJ 3<sup>rd</sup> estimate economic growth of 0.9% over the same period last year



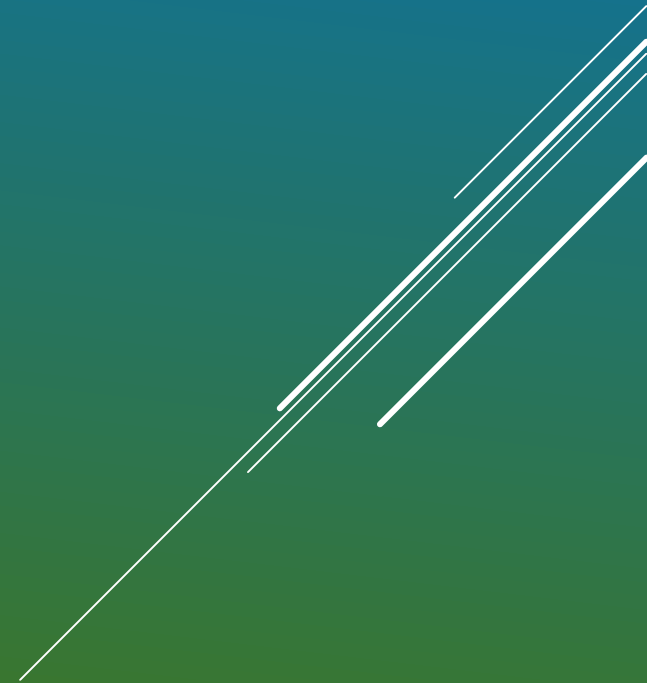
SJ FINANCIALS



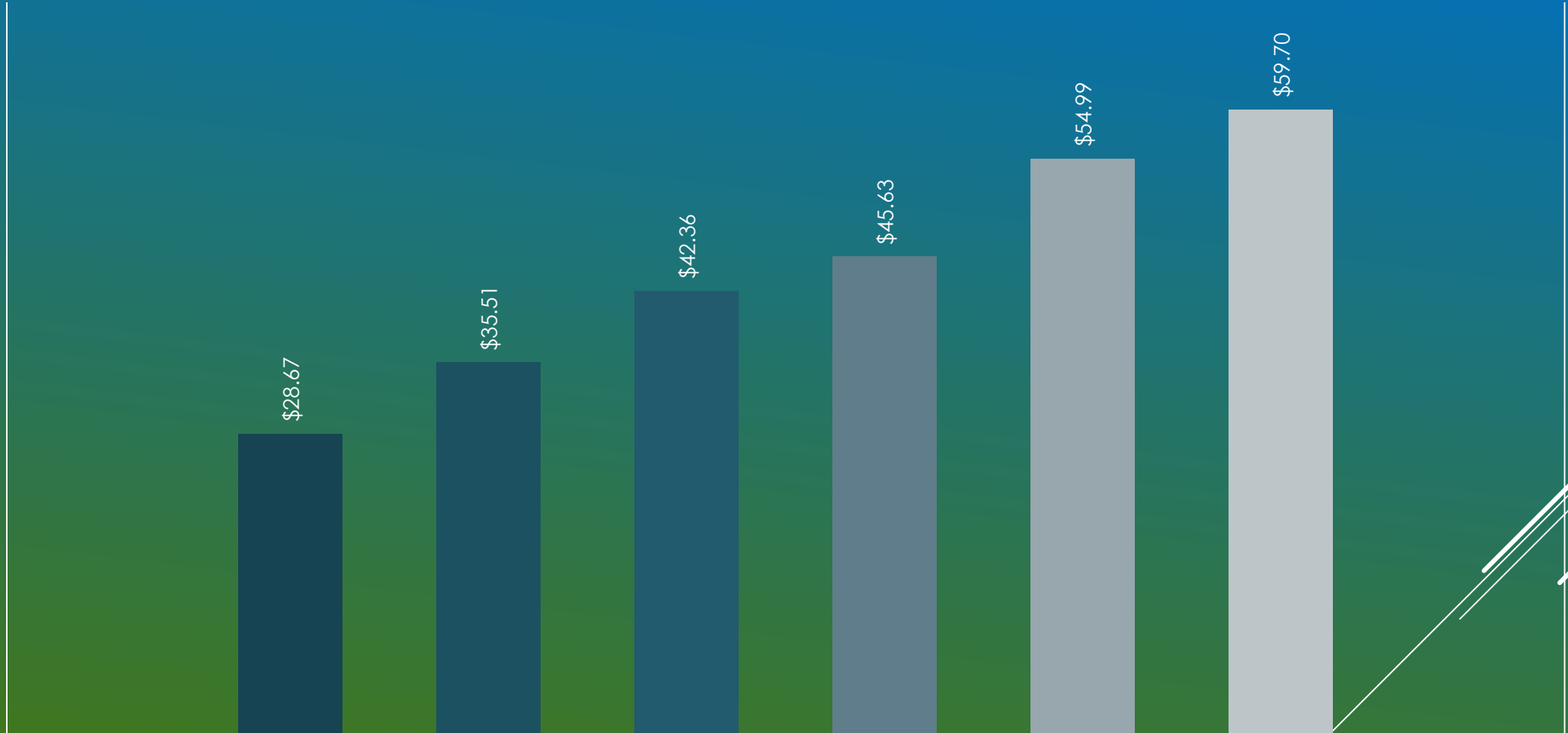




# KEY INCOME STATEMENT DATA



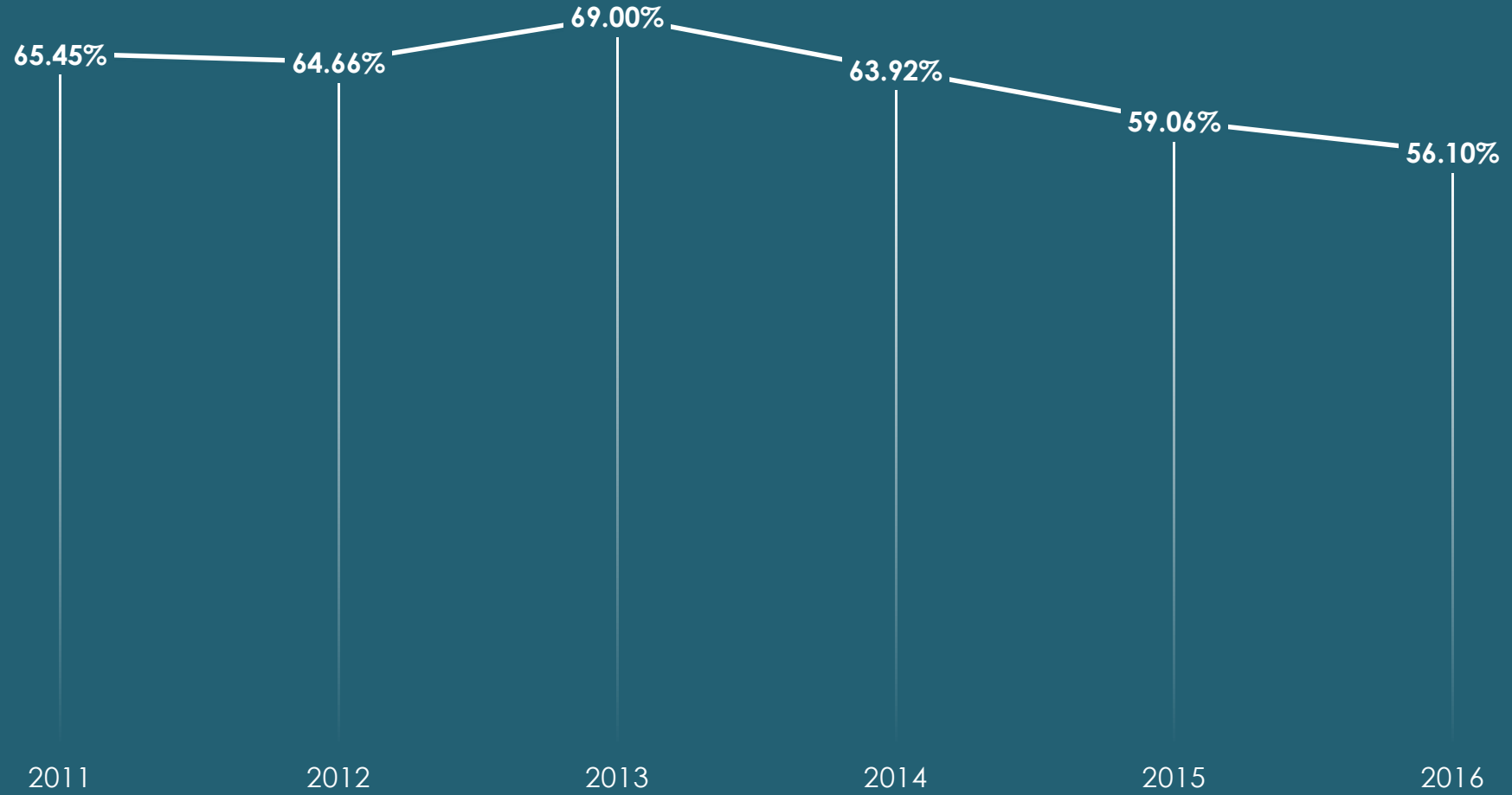
# SJ REVENUE



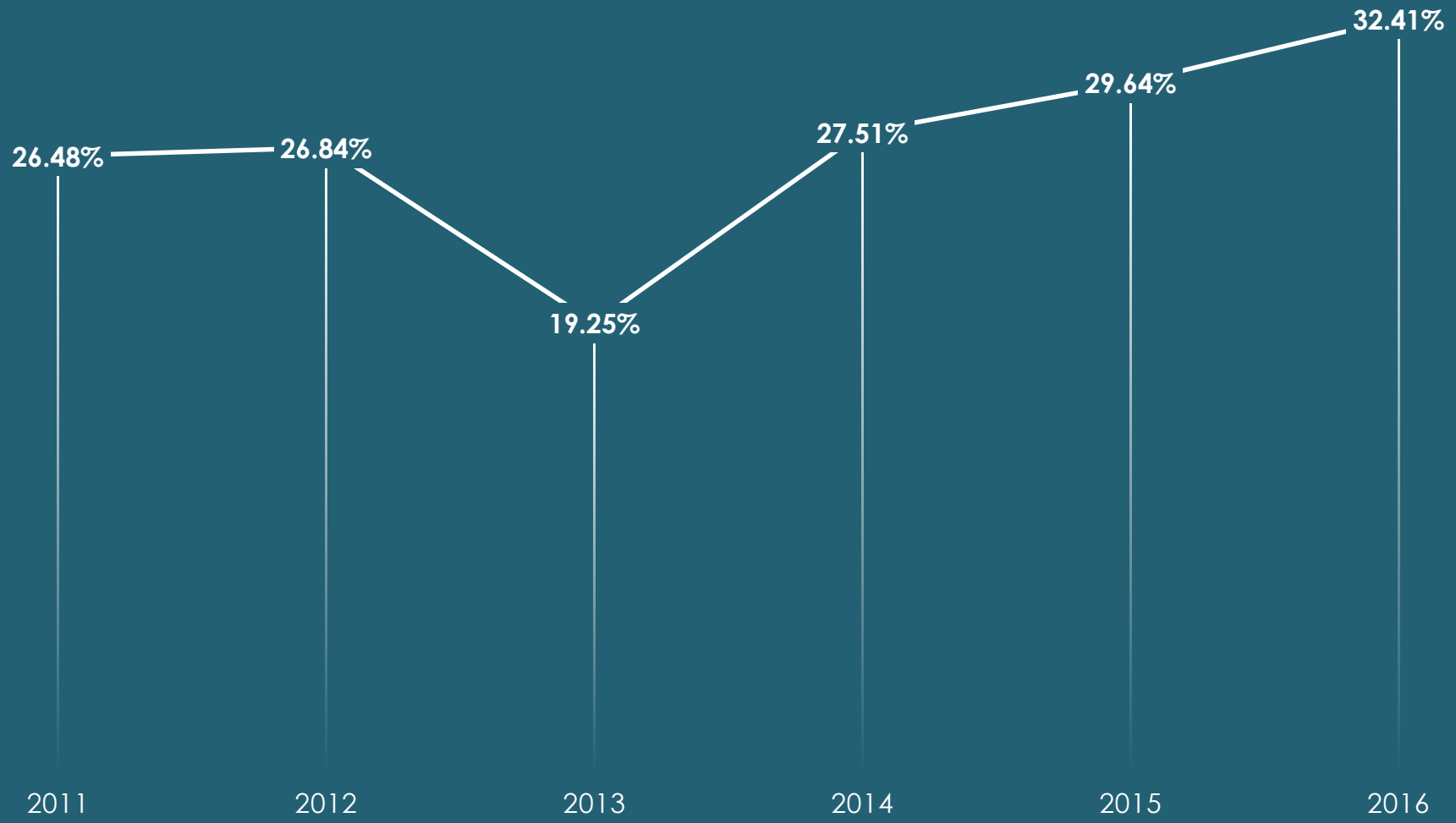
REVENUE (BILLIONS)

■ 2011 ■ 2012 ■ 2013 ■ 2014 ■ 2015 ■ 2016

## % REVENUE FROM PREMIUMS AND ANNUITIES

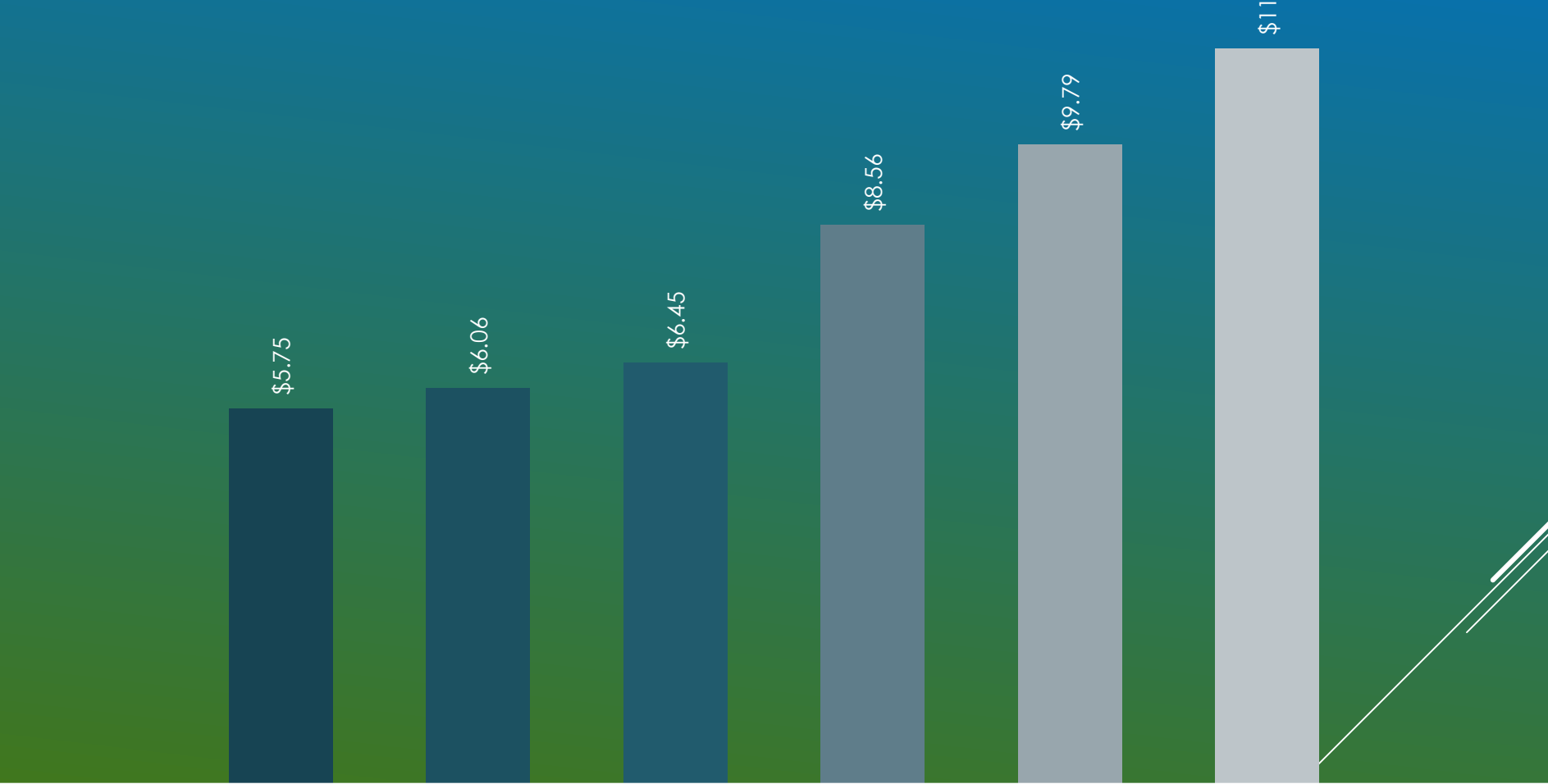


## % REVENUE FROM INVESTMENT INCOME



# SJ PROFITS

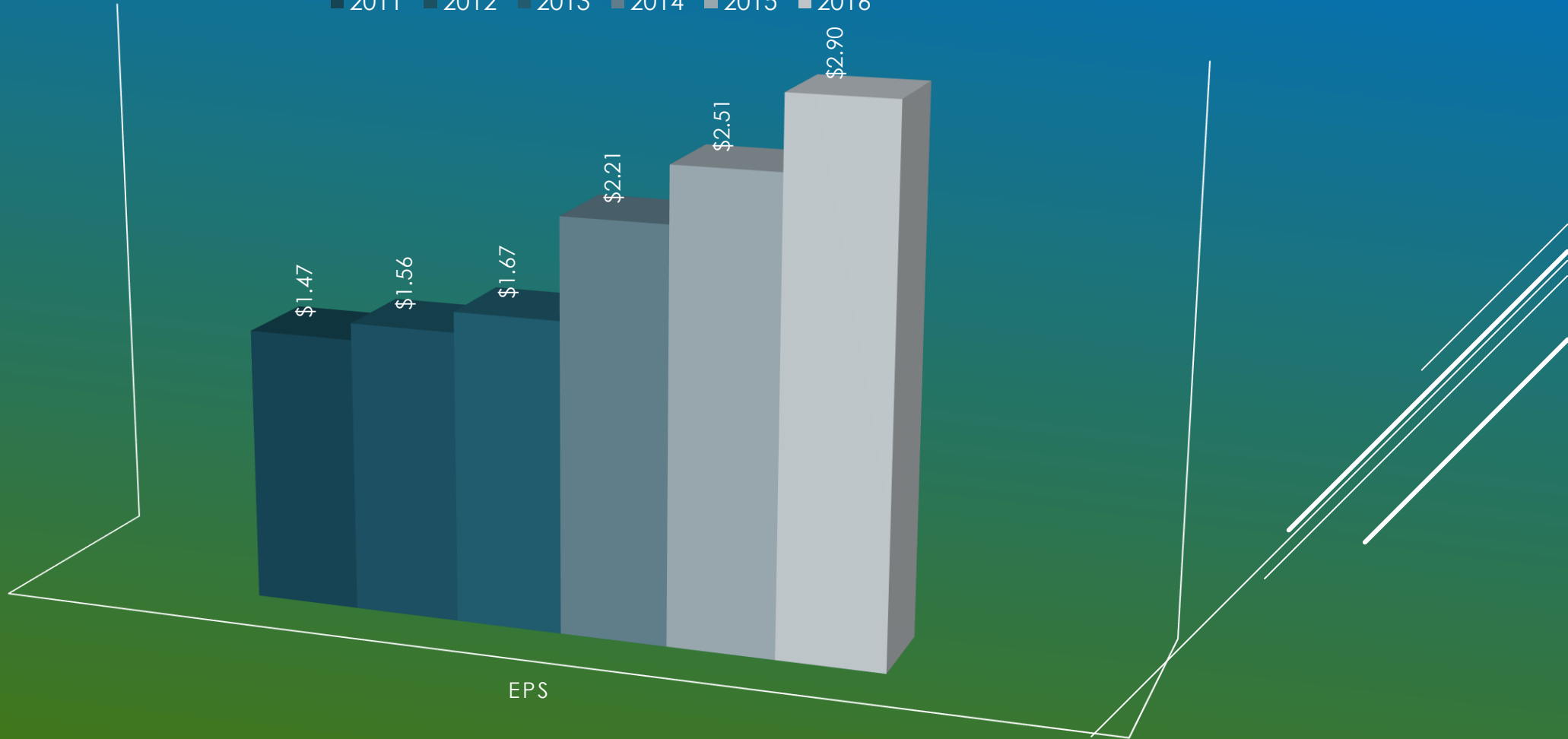
2011 2012 2013 2014 2015 2016



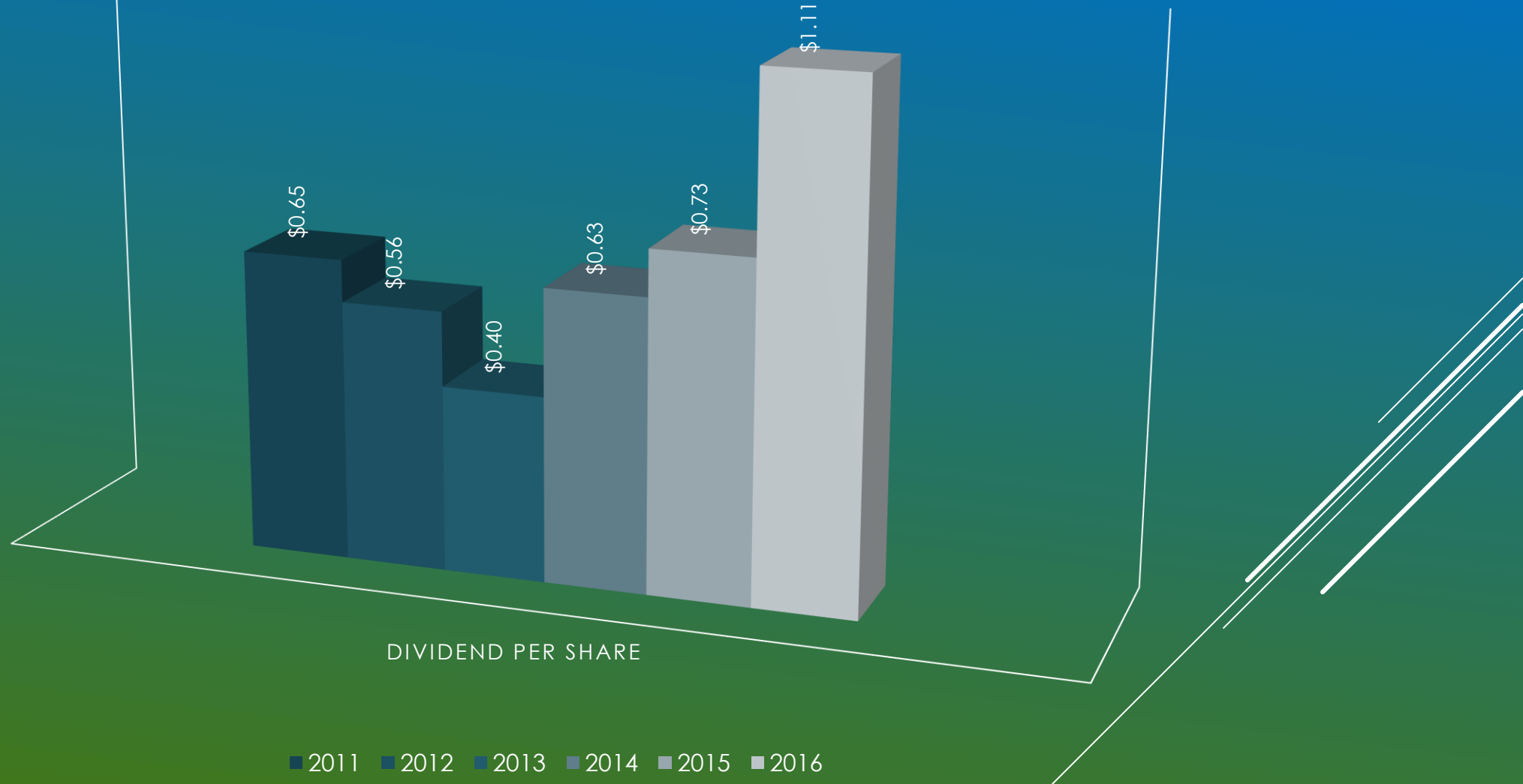
PROFITS (BILLIONS)

# SAGICOR GROUP EPS

■ 2011 ■ 2012 ■ 2013 ■ 2014 ■ 2015 ■ 2016



# SAGICOR DIVIDEND HISTORY





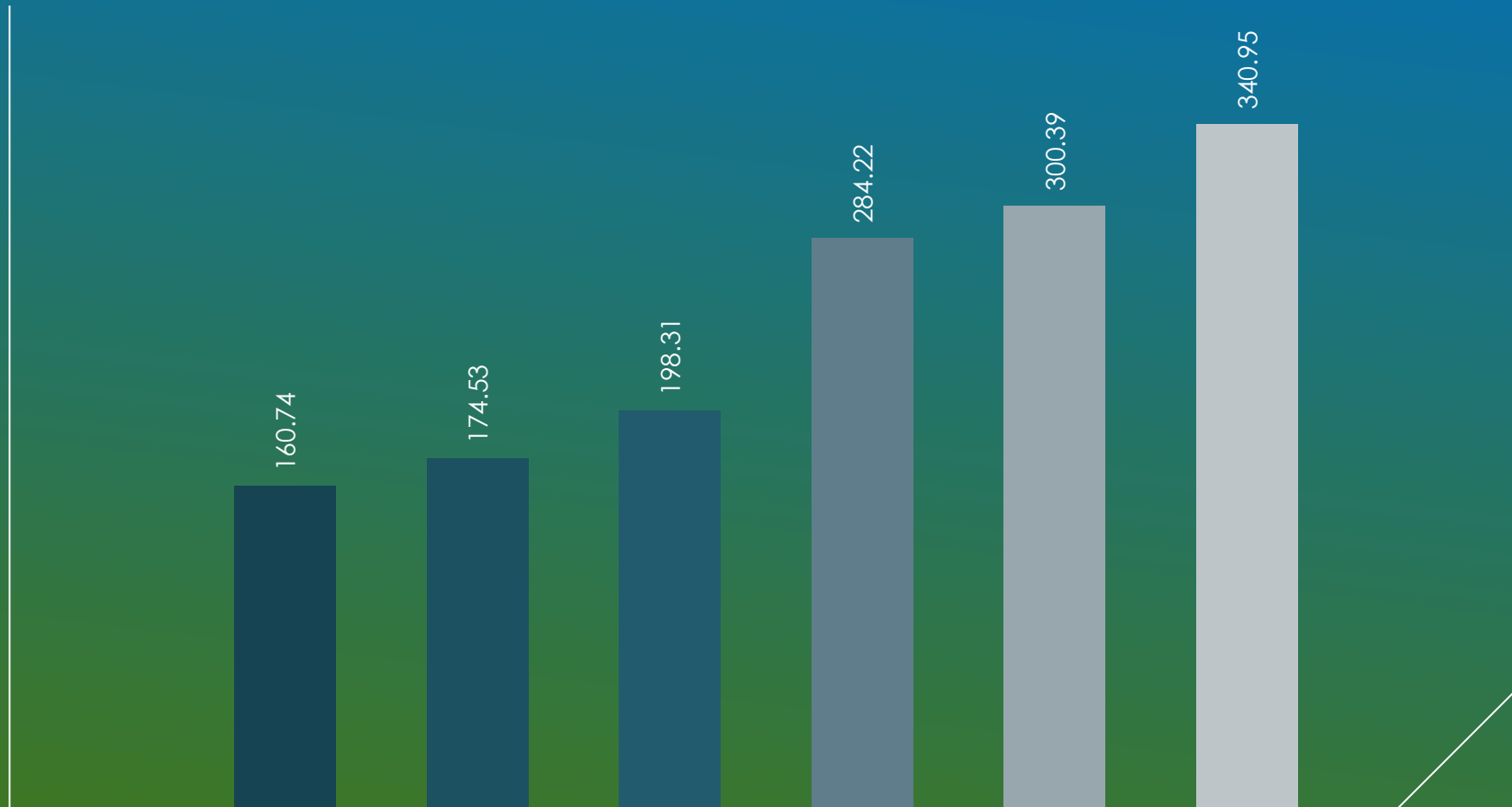
# KEY BALANCE SHEET DATA





# TOTAL ASSETS

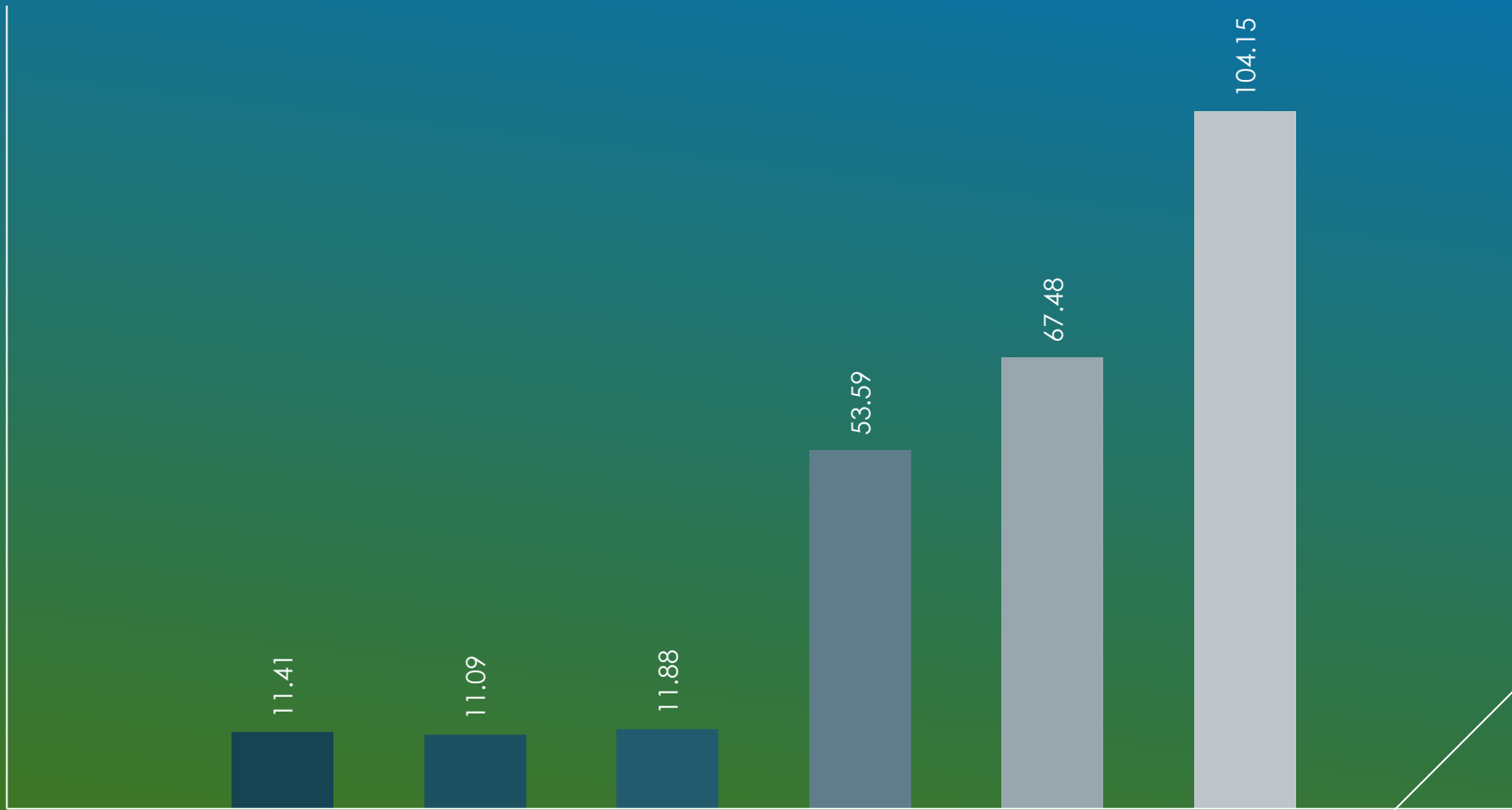
■ 2011 ■ 2012 ■ 2013 ■ 2014 ■ 2015 ■ 2016



TOTAL ASSETS

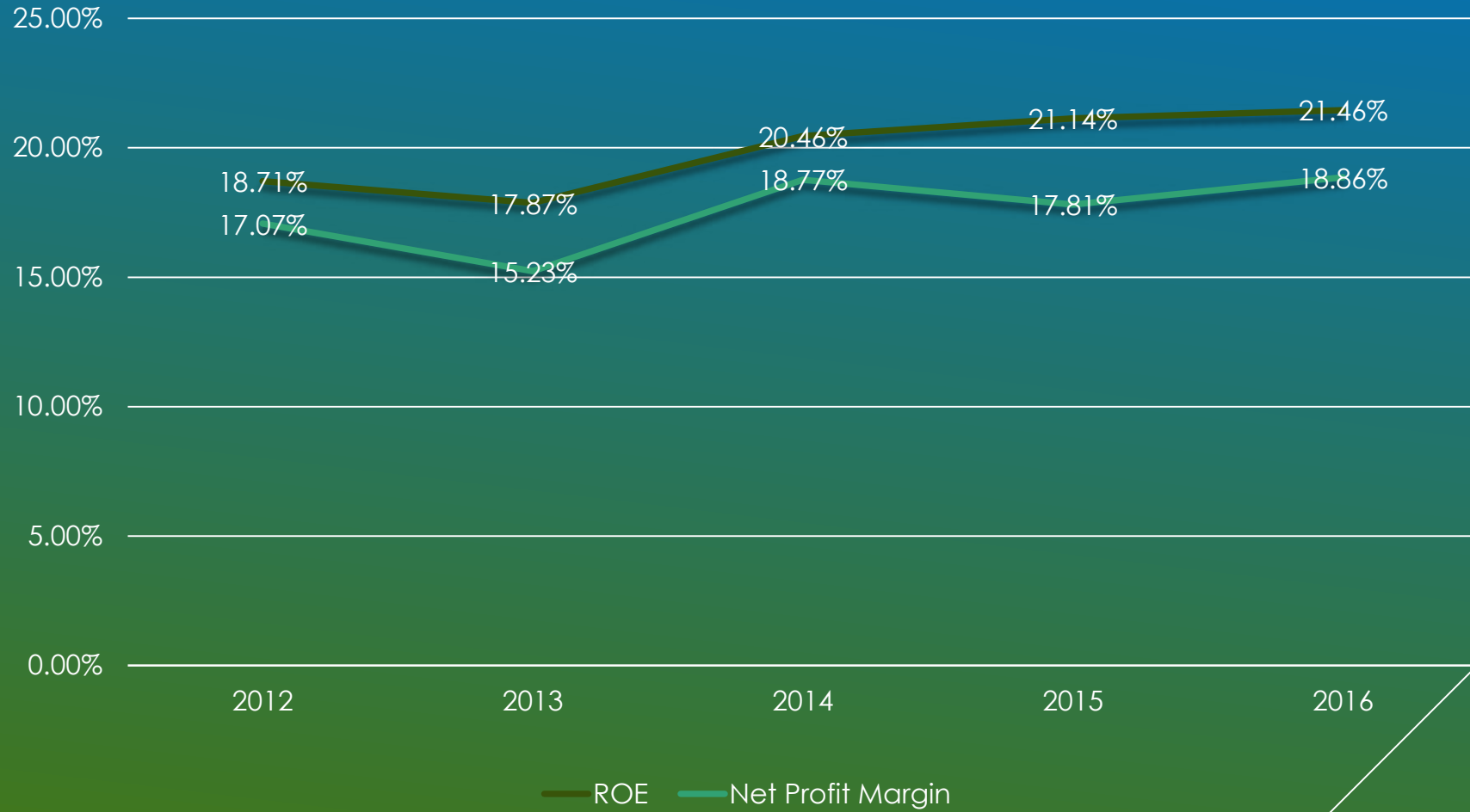
# CUSTOMER DEPOSITS

■ 2011 ■ 2012 ■ 2013 ■ 2014 ■ 2015 ■ 2016



CUSTOMER DEPOSITIS AND OTHER ACCOUNTS

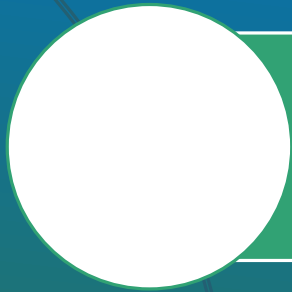
# Sagicor Group



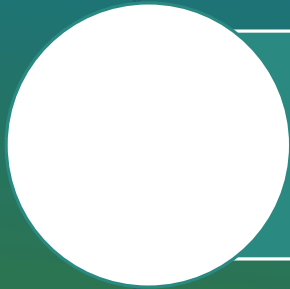


VALUATION

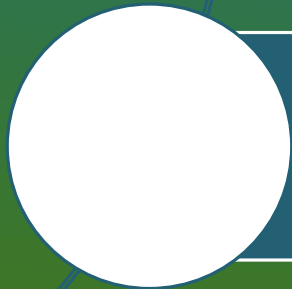




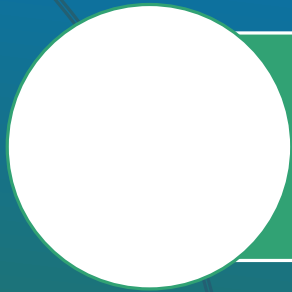
Discounted Free Cash Flow



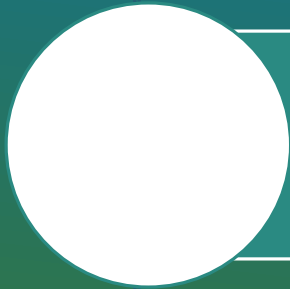
Capital Asset Pricing Model



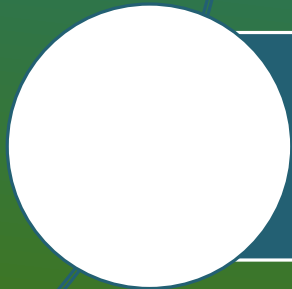
Main Market P/E of 17x



Estimated 2018 EPS \$5.03



Key Drivers



12M Price Target \$41.68



CONCLUSION



## Economy

Improving Jamaican Economic Outlook

## Consistency

Consistent Earnings/Profit Growth

## Currently Undervalued

P/E below peers and Main Market and has significant room for growth