



NEW MAURITIUS HOTELS LIMITED

UNAUDITED INTERIM FINANCIAL REPORT QUARTER ENDED DECEMBER 31, 2015



STATEMENT OF PROFIT OR LOSS

	THE GROUP		
	Quarter ended December 31, 2015 Rs.'000	Quarter ended December 31, 2014 Rs.'000	Year ended September 30, 2015 Rs.'000
Revenue	3,329,598	2,716,329	9,356,658
Direct costs	(703,008)	(511,596)	(2,166,722)
Staff costs	(818,190)	(757,039)	(3,092,693)
Other expenses	(817,624)	(762,765)	(2,675,299)
Earnings from operating activities	990,776	684,928	1,421,944
Other income	456	2,312	132,446
Finance revenue	52,156	104,218	196,661
Share of results of associates	(2,718)	2,346	13,956
Profit/(loss) on disposal of property, plant and equipment	4,034	1,413	(8,174)
EBITDA	1,044,704	795,218	1,756,833
Finance costs	(216,414)	(180,539)	(940,718)
Depreciation and impairment of property, plant and equipment	(180,063)	(149,914)	(536,380)
Amortisation of intangible assets	(2,773)	(2,781)	(5,881)
Impairment of goodwill	-	-	(5,883)
Profit before tax	645,454	461,984	267,971
Income tax expense	(105,074)	(23,090)	(60,394)
Profit for the quarter/year (PAT)	540,380	438,894	207,577
Profit attributable to:			
Owners of the parent	518,030	416,726	168,978
Non-controlling interests	22,350	22,168	38,599
	540,380	438,894	207,577
Basic earnings per share (Rs)	1.07	0.86	0.35

SEGMENTAL INFORMATION GEOGRAPHICAL

Revenue			
Mauritius	2,472,701	2,064,566	7,014,926
Morocco	508,215	280,102	1,184,221
Others	348,682	371,661	1,157,511
	3,329,598	2,716,329	9,356,658
EBITDA			
Mauritius	947,896	727,938	1,666,852
Morocco	39,139	1,842	70,887
Others	57,669	65,438	19,095
	1,044,704	795,218	1,756,833

BUSINESS SEGMENT

Revenue			
Hotel	2,469,926	2,017,157	6,939,408
Property	379,702	208,243	866,506
Others	479,970	490,929	1,550,744
	3,329,598	2,716,329	9,356,658
EBITDA			
Hotel	927,751	677,345	1,328,600
Property	38,634	21,283	307,582
Others	78,319	96,590	120,651
	1,044,704	795,218	1,756,833

STATEMENT OF COMPREHENSIVE INCOME

	THE GROUP		
	Quarter ended December 31, 2015 Rs.'000	Quarter ended December 31, 2014 Rs.'000	Year ended September 30, 2015 Rs.'000
Profit for the quarter/year	540,380	438,894	207,577
Other comprehensive (loss)/income, net of tax:			
<i>Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods:</i>			
Exchange differences on translation of foreign operations	(45,890)	(68,895)	309,236
Gain/(loss) on available-for-sale financial assets	(414)	831	686
Disposal of available for sale financial assets	-	9,750	(3,594)
Loss on cash flow hedges	(3,025)	-	(22,739)
<i>Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods:</i>			
Gains on revaluation of land and buildings	-	-	333,981
Remeasurement of retirement benefit obligations	-	-	(335,508)
Other comprehensive (loss)/income for the quarter/year, net of tax	(49,329)	(58,314)	282,062
Total comprehensive income for the quarter/year	491,051	380,580	489,639
Total comprehensive income attributable to:			
Owners of the parent	468,701	358,607	455,143
Non-controlling interests	22,350	21,973	34,496
	491,051	380,580	489,639

STATEMENT OF FINANCIAL POSITION

	THE GROUP	
	As At December 31, 2015 Rs'000	As At September 30, 2015 Rs'000
ASSETS		
Non-current assets		
Property, plant and equipment	25,385,289	25,508,538
Investment properties	361,000	366,000
Intangible assets	1,699,919	1,696,073
Investment in associates	519,191	535,395
Available-for-sale financial assets	4,098	4,512
Deferred tax assets	206,046	209,877
Total non-current assets	28,175,543	28,320,395
Current assets		
Inventories	4,952,931	4,752,530
Trade and other receivables	3,010,559	2,890,986
Other financial assets	7,908	10,408
Income tax prepaid	10,680	12,815
Cash in hand and at bank	856,960	809,367
Total current assets	8,839,038	8,476,106
Total assets	37,014,581	36,796,501
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Stated capital	5,000,000	5,000,000
Retained earnings	7,111,595	6,741,204
Other components of equity	1,844,234	1,905,733
	13,955,829	13,646,937
Non-controlling interests	76,418	59,067
Total equity	14,032,247	13,706,004
Non-current liabilities		
Convertible preference shares	1,755,115	1,755,115
Borrowings	10,588,657	10,401,739
Deferred tax liabilities	1,595,346	1,508,201
Employee benefit liabilities	1,120,739	1,126,060
Total non-current liabilities	15,059,857	14,791,115
Current liabilities		
Trade and other payables	3,066,564	3,189,614
Borrowings	4,851,026	5,106,639
Income tax payable	4,887	3,129
Total current liabilities	7,922,477	8,299,382
Total liabilities	22,982,334	23,090,497
Total equity and liabilities	37,014,581	36,796,501

STATEMENT OF CASH FLOWS

	THE GROUP	
	Quarter ended 31.12.2015 Rs'000	Quarter ended 31.12.2014 Rs'000
Net cash flows generated from operating activities	396,775	263,917
Net cash flows used in investing activities	(293,321)	(234,624)
Net cash flows used in financing activities	(262,215)	(328,656)
Net decrease in cash and cash equivalents	(158,761)	(299,363)
Cash and cash equivalents at October 1,	(1,459,545)	(2,195,886)
Net foreign exchange difference	(18,131)	(24,289)
Cash and cash equivalents at December 31,	(1,636,437)	(2,519,538)

STATEMENT OF CHANGES IN EQUITY

THE GROUP	Attributable to owners of the parent							Non-controlling Interests	Total Equity
	Stated Capital	Retained Earnings	Foreign Exchange Difference Reserves	Available-for-sale Financial Assets Reserves	Revaluation Reserves	Other Reserves	Total		
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
At October 1, 2014	1,724,361	6,857,400	(1,472,143)	13,878	5,443,715	624,583	13,191,794	74,257	13,266,051
Changes in equity for the quarter									
Total comprehensive income for the quarter	-	416,726	(58,950)	831	-	-	358,607	21,973	380,580
Transfer to retained earnings	-	10,375	-	-	(10,375)	-	-	-	-
Dividends	-	-	-	-	-	-	-	(12,250)	(12,250)
At December 31, 2014	1,724,361	7,284,502	(1,531,093)	14,709	5,433,340	624,583	13,550,401	83,980	13,634,381
At October 1, 2015	5,000,000	6,741,204	(1,183,733)	10,970	2,453,913	624,583	13,646,937	59,067	13,706,004
Changes in equity for the quarter									
Total comprehensive income for the quarter	-	518,030	(48,915)	(414)	-	-	468,701	22,350	491,051
Transfer to retained earnings	-	12,170	-	-	(12,170)	-	-	-	-
Dividends	-	(159,809)	-	-	-	-	(159,809)	(4,999)	(164,808)
At December 31, 2015	5,000,000	7,111,595	(1,232,648)	10,556	2,441,743	624,583	13,955,829	76,418	14,032,247

COMMENTS

Results for the quarter:
Operating profits up by 45%, PAT up by 23%

The Group recorded a significant improvement in its results for the first quarter of the 2015/16 financial year. With the exception of Ste Anne Resort, all hotel and non-hotel operations posted improved results. The Royal Palm Marrakech, in spite of a notable improvement in performance, recorded losses. On the back of occupancy rate of 74% (65% last year) and an increase in guest night spending of 8.4%, turnover was up by 23%, operating profit by 45%, EBITDA by 31% and PAT by 23%. The lower growth in EBITDA and PAT compared to operating profit stems mainly from lower gain on translation of Euro loans into rupees and a much higher tax charge. It is worth noting that, excluding the local market and crews, the number of guests hosted by the Group's hotels in Mauritius increased by 13.7% during the quarter whilst at national level the growth in tourist arrivals was 11.1%. The various measures taken by the authorities and all partners of the industry are clearly yielding good results.

Outlook

Although the operations in Marrakech will continue to be challenging, the improvement in results for the second quarter to March 2016 should be in line with that of the first quarter. EBITDA is expected to be close to the Rs 2bn mark for the first semester subject to profit/loss arising from the translation of currency loans. Bookings in hand for the traditionally low season months of the second semester are very encouraging.

Good progress is being made on the setting up of the Beachcomber Hospitality Fund. This initiative, the details of which will be communicated soon, aims at reducing the Group's indebtedness and will help finance the planned new hotel at Les Salines, Black River.

Further to the « *Beachcomber: Au coeur des valeurs* » exercise carried out over the last few months, the Group has embarked on an important rebranding exercise aimed at mobilizing the 5,000 members of the Beachcomber team behind shared values and objectives. This exercise will help in refining Beachcomber's image and in communicating a clear and powerful message to the market.

The interim financial report is unaudited and has been prepared using the same accounting policies as the last audited annual financial statements, except for the adoption of amendments to published standards and interpretations issued which are now effective.

The interim financial report is issued pursuant to Listing Rule 12.20 and the Securities Act 2005.

The statement of direct and indirect interests of Directors and Senior Officers pursuant to section 8(2)(m) Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available free of charge at the registered office of the Company, Beachcomber House, Botanical Garden Street, Curepipe.

Copies of this report are available free of charge at the head office of the Company.

The Board of Directors accepts full responsibility for the accuracy of the information contained in this report.

By Order of the Board
12th February 2016



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