



# NEW MAURITIUS HOTELS LIMITED

## INTERIM FINANCIAL REPORT FOR THE NINE MONTHS TO JUNE 30, 2011

### INCOME STATEMENT

	THE GROUP				
	9 Months ended 30.06.2011 Rs.'000	9 Months ended 30.06.2010 Rs.'000	Quarter ended 30.06.2011 Rs.'000	Quarter ended, 30.06.2010 Rs.'000	Year ended 30.09.2010 Rs.'000
Revenue	5,961,200	5,494,776	1,452,031	1,353,471	6,833,209
Cost of inventories expensed	(763,776)	(733,323)	(215,417)	(208,974)	(938,007)
Staff costs	(1,793,919)	(1,597,364)	(621,808)	(521,258)	(2,076,824)
Other expenses	(1,826,312)	(1,635,883)	(570,497)	(470,797)	(2,052,589)
Depreciation of property, plant and equipment	(320,742)	(284,121)	(95,217)	(94,516)	(385,202)
Amortisation of intangible assets	(2,973)	(939)	(992)	(311)	(3,541)
Profit/(Loss)on disposal of property, plant and equipment	(1,145)	346	(1,191)	124	(120)
Impairment of goodwill	-	-	-	-	(58,734)
Finance revenue	10,557	11,003	1,459	6,590	19,715
Finance costs	(290,795)	(299,912)	(92,416)	(100,100)	(394,856)
Closure costs	(79,607)	(138,546)	-	(51,891)	(194,078)
Other income	-	-	-	-	89,187
Share of results of associated companies	25,206	3,060	1,164	1,452	(27,671)
Profit before tax	917,694	819,097	(142,884)	(86,210)	810,489
Income tax expense	(115,810)	(93,634)	18,918	7,950	(108,264)
Profit for the 9 months/ quarter/year	801,884	725,463	(123,966)	(78,260)	702,225
Profit attributable to: Owners of the parent	769,545	689,391	(133,047)	(94,477)	659,778
Non-controlling interests	32,339	36,072	9,081	16,217	42,447
	801,884	725,463	(123,966)	(78,260)	702,225
Basic earnings per share (Rs)	4.77	4.27	(0.82)	(0.59)	4.09

### SEGMENTAL INFORMATION

Segment revenue:					
Hotel operations	5,049,788	4,492,177	1,208,374	1,083,052	5,543,246
Others	911,412	1,002,599	243,657	270,419	1,289,963
Total revenue	5,961,200	5,494,776	1,452,031	1,353,471	6,833,209
Segment results:					
Hotel operations	1,071,717	910,168	(49,441)	(34,950)	949,140
Others	101,009	194,778	(3,650)	40,798	174,974
	1,172,726	1,104,946	(53,091)	5,848	1,124,114
Finance revenue	10,557	11,003	1,459	6,590	19,715
Finance costs	(290,795)	(299,912)	(92,416)	(100,100)	(394,856)
Share of results of associated companies	25,206	3,060	1,164	1,452	(27,671)
Other income	-	-	-	-	89,187
Profit before tax	917,694	819,097	(142,884)	(86,210)	810,489

### STATEMENT OF COMPREHENSIVE INCOME

	THE GROUP				
	9 Months ended 30.06.2011 Rs.'000	9 Months ended 30.06.2010 Rs.'000	Quarter ended 30.06.2011 Rs.'000	Quarter ended, 30.06.2010 Rs.'000	Year ended 30.09.2010 Rs.'000
Profit for the 9 months/ quarter/year	801,884	725,463	(123,966)	(78,260)	702,225
Other comprehensive income, net of tax:					
Exchange differences on translating foreign operations	21,497	(125,122)	(22,510)	2,506	(174,277)
Available-for-sale financial assets	(3,585)	(11,355)	2,391	1,792	1,906
Cash flow hedges	3,085	(28,456)	-	(10,515)	(25,540)
Share of other comprehensive income of associates	-	-	-	-	176,022
Other comprehensive income for the 9 months/ quarter/year, net of tax	20,997	(164,933)	(20,119)	(6,217)	(21,889)
Total comprehensive income for the 9 months/ quarter/year	822,881	560,530	(144,085)	(84,477)	680,336
Total comprehensive income attributable to:					
Owners of the parent	790,832	524,348	(152,994)	(100,554)	637,217
Non-controlling interests	32,049	36,182	8,909	16,077	43,119
	822,881	560,530	(144,085)	(84,477)	680,336

### STATEMENT OF CHANGES IN EQUITY

	Stated Capital	Retained Earnings	Foreign Exchange Difference Reserves	Available-for-sale financial assets	Revaluation Reserves	Other Reserve	Total	Non-controlling Interests	Total equity
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance at October 1, 2009	1,724,361	4,714,389	(780,553)	30,634	3,702,331	1,430,092	10,821,254	51,345	10,872,599
Changes in equity for the 9 months									
Dividends	-	(322,847)	-	-	-	-	(322,847)	(20,727)	(343,574)
Total comprehensive income for the 9 months	-	689,391	(153,687)	(11,355)	-	-	524,349	36,182	560,531
Transfer to retained earnings	-	8,925	-	-	(8,925)	-	-	-	-
Balance at June 30, 2010	1,724,361	5,089,858	(934,240)	19,279	3,693,406	1,430,092	11,022,756	66,800	11,089,556
Balance at October 1, 2010	1,724,361	5,007,279	(979,945)	32,540	3,853,644	1,417,033	11,054,912	45,214	11,100,126
Changes in equity for the 9 months									
Dividends	-	(242,135)	-	-	-	-	(242,135)	(18,478)	(260,613)
Total comprehensive income for the 9 months	-	769,545	24,872	(3,585)	-	-	790,832	32,049	822,881
Transfer to retained earnings	-	27,495	-	-	(27,495)	-	-	-	-
Balance at June 30, 2011	1,724,361	5,562,184	(955,073)	28,955	3,826,149	1,417,033	11,603,609	58,785	11,662,394

### STATEMENT OF FINANCIAL POSITION

	THE GROUP	
	As at 30.06.2011 Rs'000	As at 30.09.2010 Rs'000
ASSETS		
Non-current assets		
Property, plant and equipment	18,781,122	17,227,577
Investment properties	2,063,441	1,994,500
Intangible assets	1,874,066	1,684,706
Investment in associated companies	421,795	484,017
Available-for-sale investments	40,397	43,982
Employee benefit assets	59,668	60,435
	23,240,489	21,495,217
Current assets		
Inventories	1,492,989	311,744
Trade and other receivables	2,880,797	2,675,848
Cash in hand and at bank	548,062	496,953
	4,921,848	3,484,545
Total assets	28,162,337	24,979,762
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Stated capital	1,724,361	1,724,361
Retained earnings	5,562,184	5,007,279
Other components of equity	4,317,064	4,323,272
	11,603,609	11,054,912
Non-controlling interests	58,785	45,214
Total equity	11,662,394	11,100,126
Non-current liabilities		
Borrowings	9,180,375	6,422,717
Deferred tax liability	1,440,264	1,434,558
Total non-current liabilities	10,620,639	7,857,275
Current liabilities		
Trade and other payables	3,018,217	2,876,780
Borrowings	2,847,165	3,144,531
Income tax payable	13,922	1,050
Total current liabilities	5,879,304	6,022,361
Total liabilities	16,499,943	13,879,636
Total equity and liabilities	28,162,337	24,979,762

### STATEMENT OF CASH FLOWS

	THE GROUP	
	9 Months ended, 30.06.2011 Rs'000	9 Months ended 30.06.2010 Rs'000
Net cash flows generated from operating activities	825,432	575,755
Investing activities		
Purchase of property, plant and equipment	(1,805,390)	(2,003,322)
Purchase of intangible assets	-	(61,551)
Proceeds from sale of property, plant and equipment	3,517	6,954
Acquisition of subsidiary, net of cash acquired	(220,237)	-
Other income	10,557	11,002
Net cash flows used in investing activities	(2,011,553)	(2,046,917)
Financing activities		
Proceeds from borrowings	3,236,023	2,508,055
Repayment of term loans	(1,574,203)	(1,069,853)
Repayment of finance lease liabilities	(135)	(535)
Interest paid	(290,795)	(299,912)
Dividends paid to equity holders of the parent	(322,847)	(645,694)
Dividends paid to minority shareholders	(18,478)	(20,727)
Net cash flows from financing activities	1,029,565	471,334
Net decrease in cash and cash equivalents	(156,556)	(999,828)
Cash and cash equivalents at October 1,	(981,308)	(244,674)
Net foreign exchange difference	(14,469)	(38,522)
Cash and cash equivalents at June 30,	(1,152,333)	(1,283,024)

### COMMENTS

#### Results

During the quarter ended June 30, 2011, Group Revenue increased by 7.3% over last year to Rs1,452m. Staff costs and other expenses were impacted by additional manpower required for the Trou aux Biches hotel, by other local costs driven by inflation and by higher marketing expenses respectively. The loss of Rs124m suffered for the quarter under review exceeded that of last year by Rs45.7m, of which Rs33m are attributable to the airline catering unit.

Revenue for the nine months under review amounted to Rs5,961m, reflecting an increase of 8.5% over last year in spite of the shortfall in the airline catering business. In the prevailing environment of heavy price cutting in the industry, the Group succeeded, with the contribution of Trou aux Biches hotel and a better sales mix, to increase its average revenue per guest. The profit for the nine months exceeds that of last year by Rs76.4m, bringing basic earnings per share from Rs4.27 to Rs4.77.

#### Acquisition of Domaine Palm Marrakech (DPM)

In acquiring its partner's 50% share in April 2011, NMH has become the sole owner of DPM, the company engaged in the villas project in Morocco. The Statement of Financial Position of the Group now includes, under inventories and in accordance with the applicable accounting standards, the cost of land and construction works related to the villas for sale.

#### Prospects

The current low season proves to be more difficult than anticipated. The full year's results, however, could still be better than those of last year.

Earnings should improve further next year, particularly with the coming into full operation of the new Trou aux Biches hotel in respect of which feedback has been unanimously excellent.

*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. It also takes into account the acquisition of the remaining 50% stake in Domaine Palm Marrakech as from April 2011.*

*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, Robert Edward Hart 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

August 5, 2011



# beachcomber

## HOTELS

DREAM IS A SERIOUS THING

MAURITIUS • Royal Palm • Dinarobin • Paradis • Shandrani  
Trou aux Biches • Le Victoria • Le Canonnier • Le Mauricia  
Domaine de l'Harmonie (HOTEL & VILLAS) • SEYCHELLES  
Sainte Anne Resort • MOROCCO • Royal Palm Marrakech

WWW.BEACHCOMBER-HOTELS.COM