



NEW MAURITIUS HOTELS LIMITED

INTERIM FINANCIAL REPORT FOR THE NINE MONTHS ENDED JUNE 30, 2012

INCOME STATEMENT

	THE GROUP				
	9 Months ended	9 Months ended	Quarter ended	Quarter ended	Year ended
	30.06.2012	30.06.2011	30.06.2012	30.06.2011	30.09.2011
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Revenue	6,445,213	5,961,200	1,593,300	1,452,031	7,622,377
Cost of inventories expensed	(823,278)	(763,776)	(233,920)	(215,417)	(1,079,241)
Staff costs	(1,968,447)	(1,873,526)	(650,613)	(621,808)	(2,616,669)
Other expenses	(2,004,922)	(1,815,441)	(648,125)	(564,618)	(2,434,930)
Depreciation of property, plant and equipment	(369,606)	(320,742)	(113,676)	(95,217)	(420,740)
Amortisation of intangible assets	(2,851)	(2,973)	(946)	(992)	(3,912)
Profit/(loss) on disposal of property, plant and equipment	5,346	(1,145)	2,109	(1,191)	3,824
Finance revenue	44,574	10,557	8,904	1,459	92,168
Finance costs	(427,918)	(290,795)	(122,317)	(92,416)	(486,150)
Other income	-	-	-	-	143,033
Share of results of associated companies	(11,171)	25,206	(12,248)	1,164	24,398
Negative goodwill written back	-	-	-	-	5,895
Preliminary expenses written-off	(47,411)	(10,871)	(19,666)	(5,879)	(46,871)
Profit before tax	839,529	917,694	(197,198)	(142,884)	803,182
Income tax expense	(84,989)	(115,810)	24,873	18,918	(50,718)
Profit for the 9 months/quarter/year	754,540	801,884	(172,325)	(123,966)	752,464
Profit attributable to:					
Owners of the parent	726,819	769,545	(177,208)	(133,047)	726,552
Non-controlling interests	27,721	32,339	4,883	9,081	25,912
	754,540	801,884	(172,325)	(123,966)	752,464
Basic earnings per share (Rs)	4.50	4.77	(1.10)	(0.82)	4.50
SEGMENTAL INFORMATION					
Segment revenue:					
Hotel operations	5,327,313	5,049,788	1,287,621	1,208,374	6,230,240
Others	1,117,900	911,412	305,679	243,657	1,392,137
Total revenue	6,445,213	5,961,200	1,593,300	1,452,031	7,622,377
Segment results:					
Hotel operations	1,176,672	1,082,588	(37,282)	(43,562)	993,137
Others	104,783	101,009	(14,589)	(3,650)	77,572
	1,281,455	1,183,597	(51,871)	(47,212)	1,070,709
Finance revenue	44,574	10,557	8,904	1,459	92,168
Finance costs	(427,918)	(290,795)	(122,317)	(92,416)	(486,150)
Other income	-	-	-	-	143,033
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Profit before tax	839,529	917,694	(197,198)	(142,884)	803,182

STATEMENT OF COMPREHENSIVE INCOME

	THE GROUP				
	9 Months ended	9 Months ended	Quarter ended	Quarter ended	Year ended
	30.06.2012	30.06.2011	30.06.2012	30.06.2011	30.09.2011
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Profit for the 9 months/quarter/year	754,540	801,884	(172,325)	(123,966)	752,464
Other comprehensive income, net of tax:					
Exchange differences on translating foreign operations	(69,238)	21,497	23,054	(22,510)	(75,670)
Available-for-sale financial assets	(7,471)	(3,585)	(735)	2,391	(4,262)
Cash flow hedges	(12,102)	3,085	13,365	-	28,273
Gains on revaluation of land and buildings	-	-	-	-	765,583
Share of other comprehensive income of associates	-	-	-	-	11,880
Other comprehensive income for the 9 months/quarter/year, net of tax	(88,811)	20,997	35,684	(20,119)	725,804
Total comprehensive income for the 9 months/quarter/year	665,729	822,881	(136,641)	(144,085)	1,478,268
Total comprehensive income attributable to:					
Owners of the parent	637,780	790,832	(141,443)	(152,994)	1,453,797
Non-controlling interests	27,949	32,049	4,802	8,909	24,471
	665,729	822,881	(136,641)	(144,085)	1,478,268

STATEMENT OF CHANGES IN EQUITY

	Stated Capital	Retained Earnings	Foreign Exchange Difference Reserves	Available-for-sale financial assets	Revaluation Reserve	Other Reserves	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, 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									
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)	-	-	-	-
Dividends	-	(242,135)	-	-	-	-	(242,135)	(18,478)	(260,613)
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
Balance at October 1, 2011	1,724,361	5,447,655	(1,025,901)	28,278	4,582,556	1,428,913	12,185,862	46,799	12,232,661
Changes in equity for the 9 months									
Total comprehensive income for the 9 months	-	726,819	(81,568)	(7,471)	-	-	637,780	27,949	665,729
Transfer to retained earnings	-	25,313	-	-	(25,313)	-	-	-	-
Dividends	-	-	-	-	-	-	-	(13,336)	(13,336)
Balance at June 30, 2012	1,724,361	6,199,787	(1,107,469)	20,807	4,557,243	1,428,913	12,823,642	61,412	12,885,054

STATEMENT OF FINANCIAL POSITION

	THE GROUP	
	As at	As at
	30.06.2012	30.09.2011
	Rs'000	Rs'000
ASSETS		
Non-current assets		
Property, plant and equipment	20,653,326	20,196,683
Investment properties	439,169	347,700
Intangible assets	1,703,351	1,710,384
Investment in associates	509,961	520,746
Available-for-sale financial assets	32,490	39,721
Employee benefit assets	25,810	26,721
	23,364,107	22,841,955
Current assets		
Inventories	3,102,195	3,089,708
Trade and other receivables	1,289,373	2,514,752
Other financial assets	33,848	15,903
Income tax prepaid	-	10,684
Cash in hand and at bank	745,386	782,004
	5,170,802	6,413,051
Total assets	28,534,909	29,255,006
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Stated capital	1,724,361	1,724,361
Retained earnings	6,199,787	5,447,655
Other components of equity	4,899,494	5,013,846
	12,823,642	12,185,862
Non-controlling interests	61,412	46,799
Total equity	12,885,054	12,232,661
Non-current liabilities		
Borrowings	8,389,203	9,315,370
Deferred tax liability	1,500,510	1,487,276
Total non-current liabilities	9,889,713	10,802,646
Current liabilities		
Trade and other payables	1,760,244	2,933,496
Borrowings	3,995,549	3,283,942
Income tax payable	4,349	2,261
Total current liabilities	5,760,142	6,219,699
Total liabilities	15,649,855	17,022,345
Total equity and liabilities	28,534,909	29,255,006

STATEMENT OF CASH FLOWS

	THE GROUP	
	9 Months ended	9 Months ended
	30.06.2012	30.09.2011
	Rs'000	Rs'000
Net cash flows generated from operating activities	1,400,643	1,277,186
Investing activities		
Purchase of property, plant and equipment	(728,252)	(2,257,144)
Proceeds from sale of property, plant and equipment	10,255	3,517
Acquisition of new subsidiaries, net of cash acquired	-	(220,237)
Investment income	8,937	10,557
Net cash flows used in investing activities	(709,060)	(2,463,307)
Financing activities		
Proceeds from borrowings	1,822,250	3,236,023
Repayment of term loans	(1,809,830)	(1,574,203)
Repayment of finance lease liabilities	(22,087)	(135)
Interest paid	(427,918)	(290,795)
Dividends paid to equity holders of the parent	(80,712)	(322,847)
Dividends paid to non-controlling interests	(13,336)	(18,478)
Net cash flows (used in)/ from financing activities	(531,633)	1,029,565
Net increase/(decrease) in cash and cash equivalents	159,949	(156,556)
Cash and cash equivalents at October 1,	(1,066,671)	(981,308)
Net foreign exchange difference	21,591	(14,469)
Cash and cash equivalents at June 30,	(885,131)	(1,152,333)

COMMENTS

Results

During the quarter under review, trading conditions in the industry were difficult as evidenced by an increase of only 1.6% in tourist arrivals. NMH, however, succeeded in achieving a 14% growth in its number of guest-nights sold, but unfavourable exchange rates and losses sustained by our associate companies contributed to increase losses to Rs172.325m.

The results for the first nine months ended June 30, 2012 were impacted by the adverse variance registered during the third quarter. As a consequence, profit dropped to Rs754.540m compared to Rs801.884m for the same period last year.

Outlook

The difficult trading conditions outlined above are likely to worsen due to the combined effects of:

- an increased disequilibrium between air and bed capacities;
- the economic problems prevailing on our source markets; and
- unfavourable exchange rates.

With this expected deterioration in market conditions and based on present trend in bookings, overall results for the current financial year are expected to be lower than those of last year.

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
7th August 2012



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HOTELS

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