



NEW MAURITIUS HOTELS LIMITED

UNAUDITED INTERIM FINANCIAL REPORT FOR THE SEMESTER ENDED MARCH 31, 2016



GROUP STATEMENT OF PROFIT OR LOSS

	Semester ended 31.03.2016 Unaudited Rs.'000	Semester ended 31.03.2015 Unaudited Rs.'000 Restated	Quarter ended 31.03.2016 Unaudited Rs.'000	Quarter ended 31.03.2015 Unaudited Rs.'000 Restated	Year ended 30.09.2015 Audited Rs.'000 Restated
Revenue					
Hotel operations	4,679,211	3,949,725	2,283,285	1,994,568	6,758,408
Others	1,255,213	1,319,619	395,541	532,447	2,417,250
Total Revenue	5,934,424	5,269,344	2,678,826	2,527,015	9,175,658
Earnings from operating activities	1,516,369	1,210,300	589,550	499,371	1,240,944
Other income	3,624	6,154	3,168	3,842	132,446
Share of results of associates	(2,987)	11,647	(269)	9,302	13,956
Profit/(loss) on disposal of property, plant and equipment	10,385	5,060	6,351	3,647	(8,174)
Re-organisation costs	(13,059)	-	(3,016)	-	-
EBITDA	1,514,332	1,233,161	595,784	516,162	1,379,172
Finance costs	(455,972)	(417,518)	(280,295)	(341,197)	(940,718)
Finance revenue	114,351	206,166	28,933	232,166	377,661
Depreciation and amortisation	(290,045)	(276,919)	(107,209)	(124,224)	(542,261)
Impairment of goodwill	-	-	-	-	(5,883)
Provision for financial fraud	(115,210)	-	(115,210)	-	-
Profit before tax	767,456	744,890	122,003	282,907	267,971
Income tax (expense)/credit	(164,168)	54,074	(59,095)	77,163	(60,394)
Profit for the semester/ quarter/ year	603,288	798,964	62,908	360,070	207,577
Profit attributable to:					
Owners of the parent	578,998	772,474	60,968	355,747	168,978
Non-controlling interests	24,290	26,490	1,940	4,323	38,599
	603,288	798,964	62,908	360,070	207,577
Basic earnings per share (Rs)	1.20	1.60	0.13	0.73	0.35

GEOGRAPHICAL SEGMENTAL INFORMATION

Revenue					
Mauritius	4,669,658	4,108,664	2,270,957	2,000,098	6,833,926
Morocco	615,035	519,097	106,821	238,995	1,184,221
Others	649,731	641,583	301,048	287,922	1,157,511
	5,934,424	5,269,344	2,678,826	2,527,015	9,175,658
EBITDA					
Mauritius	1,528,768	1,205,130	694,028	549,410	1,452,063
Morocco	(61,148)	(22,418)	(100,287)	(24,260)	(62,866)
Others	46,712	50,449	2,043	(8,988)	(10,025)
	1,514,332	1,233,161	595,784	516,162	1,379,172

GROUP STATEMENT OF COMPREHENSIVE INCOME

	Semester ended 31.03.2016 Unaudited Rs.'000	Semester ended 31.03.2015 Unaudited Rs.'000	Quarter ended 31.03.2016 Unaudited Rs.'000	Quarter ended 31.03.2015 Unaudited Rs.'000	Year ended 30.09.2015 Audited Rs.'000
Profit for the semester/ quarter/ year	603,288	798,964	62,908	360,070	207,577
Other comprehensive (loss)/income for the semester/ quarter/year, net of tax	(46,830)	70,970	2,500	129,285	282,062
Total comprehensive income for the semester/ quarter/ year	556,458	869,934	65,408	489,355	489,639
Total comprehensive income attributable to:					
Owners of the parent	533,991	842,510	65,289	483,903	455,143
Non-controlling interests	22,467	27,424	119	5,452	34,496
	556,458	869,934	65,408	489,355	489,639

GROUP STATEMENT OF CHANGES IN EQUITY

	Shareholders' Interests Rs.'000	Non-controlling Interests Rs.'000	Total Equity Rs.'000
At October 1, 2014	13,191,794	74,257	13,266,051
Changes in equity for the semester			
Total comprehensive income for the semester	842,510	27,424	869,934
Dividends	-	(12,250)	(12,250)
At March 31, 2015	14,034,304	89,431	14,123,735
At October 1, 2015	13,646,937	59,067	13,706,004
Changes in equity for the semester			
Total comprehensive income for the semester	533,991	22,467	556,458
Dividends	(159,809)	(26,172)	(185,981)
At March 31, 2016	14,021,119	55,362	14,076,481

GROUP STATEMENT OF FINANCIAL POSITION

	As at 31.03.2016 Unaudited Rs'000	As at 30.09.2015 Audited Rs'000
ASSETS		
Non-current assets		
Property, plant and equipment	25,359,973	25,508,538
Investment properties	366,000	366,000
Intangible assets	1,698,780	1,696,073
Investment in associates	517,508	535,395
Available-for-sale financial assets	3,653	4,512
Deferred tax assets	208,929	209,877
Total non-current assets	28,154,843	28,320,395
Current assets	9,112,884	8,476,106
Total assets	37,267,727	36,796,501
EQUITY AND LIABILITIES		
Shareholders' interest	14,021,119	13,646,937
Non-controlling interests	55,362	59,067
Non-current liabilities	15,163,211	14,791,115
Current liabilities	8,028,035	8,299,382
Total equity and liabilities	37,267,727	36,796,501

GROUP STATEMENT OF CASH FLOWS

	Semester ended 31.03.2016 Unaudited Rs'000	Semester ended 31.03.2015 Unaudited Rs'000
Net cash flows generated from operating activities	496,329	526,197
Net cash flows used in investing activities	(131,613)	(362,311)
Net cash flows used in financing activities	(873,917)	(274,542)
Net decrease in cash and cash equivalents	(509,201)	(110,656)
Cash and cash equivalents at October 1,	(1,459,545)	(2,195,886)
Net foreign exchange difference	(25,291)	27,838
Cash and cash equivalents at March 31,	(1,994,037)	(2,278,704)

COMMENTS

Results for the second quarter (January to March 2016): Operating profits up by 18%; EBITDA up by 15%. PAT decreased as a result of lower finance revenue and higher deferred tax charge.

The improvement in operational performance recorded in the first quarter was maintained during the quarter under review. The number of guests hosted by the Group's hotels in Mauritius grew by 16.5% during the quarter, compared to a growth of 12.5% at national level. The continued joint efforts by the various stakeholders of the industry have created a momentum which is proving highly effective and beneficial to the industry and the Mauritian economy. With an increase in occupancy from 69% to 79% and a higher guest night spending of 2%, revenue from hotel operations (inclusive of Marrakech and Seychelles) recorded an improvement of 14%. Operating profits from hotel operations increased by 28% over last year's corresponding quarter.

The operations in Marrakech remained very challenging, with the hotel occupancy achieving below forecast occupancies and the pace of villas sales witnessing a significant slowdown.

After accounting for non-hotel operations, the Group recorded an increase in operating profit of 18% and an increase in EBITDA of 15%. PAT for the quarter was negatively impacted by unrealized losses arising from the translation of Euro loans into rupees.

Furthermore, last year's results benefited from significantly higher gains on currency transactions due to the higher volatility of the Mauritian rupee.

The provision for deferred tax on Mauritian operations was offset last year by the recognition of a deferred tax credit resulting from tax losses in Royal Palm Marrakech operations. No deferred tax credit was recognised during this period in respect of operations in Marrakech.

An insurance claim has been submitted to the Group's insurer in relation to the Rs 115m fraud recently reported.

As a matter of prudence, a provision for a potential loss arising from this fraud has been made in the accounts although the Board is confident that the Group will be adequately compensated.

Outlook

The bookings in hand for the second semester being significantly higher than last year, the Group expects the growth in operational performance to continue for the rest of the financial year. The setting up of the Beachcomber Hospitality Fund (under the Company's name Beachcomber Hospitality Investments Limited) is reaching its final stages and a communiqué will be issued by the Group in the next few weeks. This initiative will help in significantly reducing NMH's indebtedness and in giving the latter the means to materialise its expansion plans. The rebranding exercise is progressing satisfactorily. It will help in creating a new impetus for the Group and mobilise its 5,000 employees behind the Beachcomber brand.

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

09th May 2016



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HOTELS

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Trou aux Biches • Le Victoria • Le Canonnier • Le Mauricia
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