



# NEW MAURITIUS HOTELS LIMITED

## INTERIM FINANCIAL REPORT – QUARTER ENDED DECEMBER 31, 2013

### INCOME STATEMENT

	THE GROUP		
	Quarter ended	Quarter ended	Year ended
	31.12.2013	31.12.2012	30.09.2013
	Rs.'000	Rs.'000	Rs.'000
<b>Revenue</b>	<b>2,595,911</b>	2,518,595	7,818,863
Direct costs	(375,632)	(347,103)	(1,271,747)
Staff costs	(670,353)	(648,954)	(2,636,454)
Other expenses	(701,055)	(696,646)	(2,439,378)
Depreciation of property, plant and equipment	(120,864)	(127,527)	(505,244)
Amortisation of intangible assets	(1,014)	(989)	(3,952)
Profit on disposal of property, plant and equipment	374	975	9,433
Finance revenue	305	9,367	15,849
Finance costs	(145,031)	(146,186)	(609,491)
Other income	11,513	-	112,348
Share of results of associates	(326)	898	41,039
Pre-operational expenses re Marrakech project	(23,276)	(25,801)	(103,195)
<b>Profit before tax</b>	<b>570,552</b>	536,629	428,071
Income tax expense	(38,043)	(44,359)	(24,356)
<b>Profit for the quarter/year</b>	<b>532,509</b>	492,270	403,715
Profit attributable to:			
Owners of the parent	513,745	471,959	369,427
Non-controlling interests	18,764	20,311	34,288
	532,509	492,270	403,715
<b>Basic earnings per share (Rs)</b>	<b>3.18</b>	2.92	2.29
<b>SEGMENTAL INFORMATION</b>			
Segment revenue:			
Hotel operations	2,083,539	2,012,453	6,222,501
Others	512,372	506,142	1,596,362
Total revenue	2,595,911	2,518,595	7,818,863
Segment results:			
Hotel operations	639,293	608,288	887,064
Others	88,074	90,063	84,457
	727,367	698,351	971,521
Finance revenue	305	9,367	15,849
Finance costs	(145,031)	(146,186)	(609,491)
Other income	11,513	-	112,348
Share of results of associates	(326)	898	41,039
Pre-operational expenses	(23,276)	(25,801)	(103,195)
Profit before tax	570,552	536,629	428,071

### STATEMENT OF COMPREHENSIVE INCOME

	THE GROUP		
	Quarter ended	Quarter ended	Year ended
	31.12.2013	31.12.2012	30.09.2013
	Rs.'000	Rs.'000	Rs.'000
<b>Profit for the quarter/year</b>	<b>532,509</b>	492,270	403,715
<b>Other comprehensive income, net of tax:</b>			
Exchange differences			
on translating foreign operations	(16,254)	7,941	(33,289)
Available-for-sale financial assets	(894)	6,253	6,880
Cash flow hedges	(3,101)	(9,499)	7,361
Gains on revaluation of land and buildings	-	-	349,022
<b>Other comprehensive income for the quarter/year, net of tax</b>	<b>(20,249)</b>	4,695	329,974
<b>Total comprehensive income for the quarter/year</b>	<b>512,260</b>	496,965	733,689
Total comprehensive income attributable to:			
Owners of the parent	493,496	476,654	702,415
Non-controlling interests	18,764	20,311	31,274
	512,260	496,965	733,689

### STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the parent							Non-controlling Interests	Total equity
	Stated Capital	Retained Earnings	Foreign Exchange Difference Reserves	Available-for-sale financial assets	Revaluation Reserves	Other Reserves	Total		
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance at October 1, 2012	1,724,361	6,076,131	(1,024,901)	7,679	4,549,874	1,435,343	12,768,487	58,662	12,827,149
<b>Changes in equity for the quarter</b>									
Total comprehensive income for the quarter	-	471,959	(1,558)	6,253	-	-	476,654	20,311	496,965
Transfer to retained earnings	-	11,700	-	-	(11,700)	-	-	-	-
<b>Balance at December 31, 2012</b>	<b>1,724,361</b>	<b>6,559,790</b>	<b>(1,026,459)</b>	<b>13,932</b>	<b>4,538,174</b>	<b>1,435,343</b>	<b>13,245,141</b>	<b>78,973</b>	<b>13,324,114</b>
<b>Balance at October 1, 2013</b>	<b>1,724,361</b>	<b>7,132,162</b>	<b>(1,047,815)</b>	<b>14,559</b>	<b>4,861,628</b>	<b>624,583</b>	<b>13,309,478</b>	<b>68,915</b>	<b>13,378,393</b>
<b>Changes in equity for the quarter</b>									
Dividends	-	-	-	-	-	-	-	(20,290)	(20,290)
Total comprehensive income for the quarter	-	513,745	(19,355)	(894)	-	-	493,496	18,764	512,260
Transfer to retained earnings	-	11,200	-	-	(11,200)	-	-	-	-
<b>Balance at December 31, 2013</b>	<b>1,724,361</b>	<b>7,657,107</b>	<b>(1,067,170)</b>	<b>13,665</b>	<b>4,850,428</b>	<b>624,583</b>	<b>13,802,974</b>	<b>67,389</b>	<b>13,870,363</b>

### STATEMENT OF FINANCIAL POSITION

	THE GROUP	
	As at	As at
	31.12.2013	30.09.2013
	Rs'000	Rs'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	23,135,018	22,681,483
Investment properties	480,900	480,900
Intangible assets	1,705,587	1,707,528
Investment in associates	524,357	524,683
Available-for-sale financial assets	25,127	26,021
Employee benefit asset	3,587	12,962
	25,874,576	25,433,577
<b>Current assets</b>		
Inventories	4,219,421	4,150,415
Trade and other receivables	2,834,993	2,520,765
Income tax prepaid	38,928	46,348
Cash in hand and at bank	814,264	849,316
	7,907,606	7,566,844
<b>Total assets</b>	<b>33,782,182</b>	<b>33,000,421</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Stated capital	1,724,361	1,724,361
Retained earnings	7,657,107	7,132,162
Other components of equity	4,421,506	4,452,955
	13,802,974	13,309,478
Non-controlling interests	67,389	68,915
<b>Total equity</b>	<b>13,870,363</b>	<b>13,378,393</b>
<b>Non-current liabilities</b>		
Borrowings	10,155,398	10,112,954
Deferred tax liability	1,460,827	1,464,362
Employee benefit liability	-	9,167
<b>Total non-current liabilities</b>	<b>11,616,225</b>	<b>11,586,483</b>
<b>Current liabilities</b>		
Trade and other payables	2,627,796	3,048,690
Borrowings	5,667,798	4,986,855
<b>Total current liabilities</b>	<b>8,295,594</b>	<b>8,035,545</b>
<b>Total liabilities</b>	<b>19,911,819</b>	<b>19,622,028</b>
<b>Total equity and liabilities</b>	<b>33,782,182</b>	<b>33,000,421</b>

### STATEMENT OF CASH FLOWS

	THE GROUP	
	Quarter ended	Quarter ended
	31.12.2013	31.12.2012
	Rs'000	Rs'000
<b>Net cash flows generated from operating activities</b>	<b>281,767</b>	273,807
<b>Investing activities</b>		
Purchase of property, plant and equipment	(532,760)	(253,191)
Proceeds from sale of property, plant and equipment	4,251	450
Dividend received	6	-
Interest received	305	9,367
<b>Net cash flows used in investing activities</b>	<b>(528,198)</b>	<b>(243,374)</b>
<b>Financing activities</b>		
Proceeds from borrowings	670,480	256,182
Repayment of term loans	(291,612)	(306,218)
Repayment of finance lease liabilities	(19,456)	(13,106)
Interest paid	(230,785)	(238,086)
Dividends paid to equity holders of the parent	(161,424)	-
Dividends paid to minority shareholders	(20,290)	-
<b>Net cash flows used in financing activities</b>	<b>(53,087)</b>	<b>(301,228)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(299,518)</b>	<b>(270,795)</b>
Cash and cash equivalents at October 1,	(1,247,119)	(971,797)
Net foreign exchange difference	(7,511)	253
Cash and cash equivalents at December 31,	(1,554,148)	(1,242,339)

### COMMENTS

#### Results

During the quarter under review, Group Revenue increased over last year's by 3.1% to Rs2,596 million mainly on account of the hotels recording a 5.2% higher average occupancy. This compares favourably with the 3% growth in arrivals at national level and more than compensated the 2% fall in average revenue per guest due to a less advantageous market mix. Profit for the period improved over the previous year's by 8.2% to Rs533 million.

#### Outlook

At the time of writing, the bookings in hand indicate that the positive trend noted during the first quarter will be at least maintained during the coming months. Despite the fact that Easter will fall in April this year compared to March last year, results for the second quarter should improve on last year's driven inter alia by the increase in air seat capacity brought by Air Mauritius on the China route and by Emirates airline with a daily A380 flight from Dubai.

As scheduled, the hotel in Marrakech opened with 44 keys on 26 December 2013 and is expected to operate at full capacity towards the end of April 2014. Phase one of the project is nearing completion and, as of date, 39 of the 93 villas have already been sold and are being delivered gradually. The profit thereon will be recognized during the current financial year as and when the titles will pass to the buyers.

*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

17<sup>th</sup> February 2014



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## HOTELS

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