



NEW MAURITIUS HOTELS LIMITED

INTERIM FINANCIAL REPORT FOR THE SIX MONTHS ENDED 31 MARCH, 2009

COMMENTS

Consolidation and Accounting Standards

The consolidated Financial Statements for the first six months ended 31 March 2009 have been prepared in accordance with IAS 34-Interim reporting. There has been no change in the accounting policies and methods that were adopted in the last Financial Statements.

Results

As anticipated, the severe world economic recession resulted in a marked decline in the activities of the local tourism industry. For period October 2008 to March 2009, tourist arrivals registered a negative growth of 6% whilst revenues for the same period fell by 14.5% in spite of the depreciation of the rupee. The contraction in arrivals was more pronounced during the second quarter (-10%) and this brought the local operators to discount significantly their room rates in an attempt to boost occupancy levels.

Occupancy rate at NMH hotels for the first and second quarters averaged 76% and 65% respectively as against 81% for both quarters last year. The average occupancy rate for the first semester thus dropped to 70% but it was gratifying to note that the average guest night spending remained similar to that of the previous year's corresponding period.

Revenue generated for the second quarter was 20% less at Rs1.935 billion, whilst attributable earnings was lower by 321m. Three factors led to this reduced performance, namely; the drop in occupancy (around Rs186m), the closure of the Trou aux Biches hotel in early January for reconstruction (around Rs45m) and increased finance charges due to additional borrowings taken for the Marrakech and Les Salines projects (around Rs90m). As a result, Revenue for the first six months ended 31 March 2009 declined by 13.9% to Rs 4.356 billion and attributable earnings by 31.8% to Rs 1.036 billion.

Efforts have been pursued to contain costs whilst maintaining high hospitality standards.

Outlook for the third quarter

The latest estimates for the third quarter ending 30 June 2009 indicate that earnings are likely to be slightly better than those realised last year, in spite of the closure of Trou aux Biches and Dinarobin Hotels. This is mainly attributable to the appreciation of the euro and to Easter holidays falling in April.

Due to a lack of visibility and certain risk factors that should be reckoned with, it would be hazardous to venture into a reliable estimate for the fourth quarter. There are, however, reasons to believe that earnings for that quarter may be more or less similar to those of the third quarter.

The interim financial report is issued pursuant to Listing Rule 12.20.

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

By Order of the Board

12th May 2009



NEW MAURITIUS HOTELS LIMITED

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INCOME STATEMENT

	THE GROUP				
	Semester ended	Semester ended	Quarter ended	Quarter ended	Year ended
	March 31,	March 31,	March 31,	March 31,	September 30,
	2009	2008	2009	2008	2008
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Revenue	4,356,021	5,057,754	1,935,330	2,420,708	8,099,921
Cost of inventories expensed	(510,811)	(589,247)	(234,474)	(297,795)	(1,049,014)
Staff costs	(1,088,198)	(1,151,520)	(534,021)	(607,033)	(2,180,044)
Depreciation of property, plant and equipment	(205,758)	(227,939)	(104,857)	(91,930)	(327,800)
Amortisation of intangible assets	(606)	(862)	(309)	(423)	(2,088)
Loss on disposal of property, plant and equipment	(1,110)	(5,193)	(1,397)	(5,767)	(5,262)
Other expenses	(1,158,697)	(1,171,472)	(559,764)	(564,065)	(2,247,323)
Finance revenue	22,813	21,019	4,949	11,336	43,225
Finance costs	(207,795)	(143,214)	(95,259)	(72,003)	(288,575)
Share of results of associated companies	4,572	9,773	3,051	4,817	(33,641)
Exceptional items	-	-	-	-	121,074
Profit before tax	1,210,431	1,799,099	413,249	797,845	2,130,473
Income tax expense	(159,201)	(262,469)	(45,266)	(114,782)	(240,360)
Profit for the semester / quarter / year	1,051,230	1,536,630	367,983	683,063	1,890,113
Attributable to:					
Equity holders of the parent	1,035,676	1,518,353	359,439	679,880	1,845,820
Minority interests	15,554	18,277	8,544	3,183	44,293
	1,051,230	1,536,630	367,983	683,063	1,890,113
Basic earnings per share (Rs)	6.42	9.41	2.23	4.21	11.43
SEGMENTAL INFORMATION					
Segment revenue:					
Hotel operations	3,690,462	4,305,515	1,627,851	2,105,549	6,784,004
Others	665,559	752,239	307,479	315,159	1,315,917
Total revenue	4,356,021	5,057,754	1,935,330	2,420,708	8,099,921
Segment results:					
Hotel operations	1,226,884	1,705,121	434,902	799,514	1,994,438
Others	163,957	206,400	65,606	54,181	293,952
	1,390,841	1,911,521	500,508	853,695	2,288,390
Finance revenue	22,813	21,019	4,949	11,336	43,225
Finance costs	(207,795)	(143,214)	(95,259)	(72,003)	(288,575)
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STATEMENT OF CASH FLOWS

	THE GROUP	
	Semester ended March 31, 2009	Semester ended March 31, 2008
	Rs'000	Rs'000
Net cash flows generated from operating activities	792,168	1,067,556
Investing activities		
Purchase of property, plant and equipment	(626,228)	(331,042)
Proceeds from sale of property, plant and equipment	1,021	5,360
Interest received	22,813	21,019
Net cash flows used in investing activities	(602,394)	(304,663)
Financing activities		
Proceeds from borrowings	500,000	1,031,766
Repayment of term loans	(121,893)	(296,059)
Repayment of finance lease liabilities	(9,245)	(23,974)
Interest paid	(207,795)	(143,214)
Dividends paid to equity holders of the parent	(484,271)	(484,271)
Dividends paid to minority shareholders	(22,638)	(15,758)
Net cash flows (used)/generated from financing activities	(345,842)	68,490
Net (decrease)/increase in cash and cash equivalents	(156,068)	831,383
Cash and cash equivalents at October 1,	(461,428)	145,624
Net foreign exchange difference	(17,130)	(60,176)
Cash and cash equivalents at March 31,	(634,626)	916,831



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BALANCE SHEET

	THE GROUP	
	As At March 31, 2009 Rs'000	As At September 30, 2008 Rs'000
ASSETS		
Non-current assets		
Property, plant and equipment	12,189,393	12,358,065
Investment properties	1,789,540	1,789,540
Intangible assets	1,595,440	1,633,225
Investment in associated companies	295,266	290,693
Available-for-sale investments	25,157	23,067
Employee benefit assets	35,987	35,843
	<u>15,930,783</u>	<u>16,130,433</u>
Current assets		
Inventories	326,153	327,193
Trade and other receivables	2,608,371	2,007,902
Cash in hand and at bank	1,121,123	718,963
	<u>4,055,647</u>	<u>3,054,058</u>
Total assets	<u>19,986,430</u>	<u>19,184,491</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent	10,189,630	9,883,657
Minority interests	67,381	73,698
Total equity	<u>10,257,011</u>	<u>9,957,355</u>
Non-current liabilities		
Borrowings	3,051,559	2,773,048
Deferred tax liability	1,334,278	1,295,197
	<u>4,385,837</u>	<u>4,068,245</u>
Current liabilities		
Trade and other payables	2,113,645	2,462,719
Borrowings	3,103,992	2,431,422
Income tax payable	125,945	264,750
	<u>5,343,582</u>	<u>5,158,891</u>
Total equity and liabilities	<u>19,986,430</u>	<u>19,184,491</u>



NEW MAURITIUS HOTELS LIMITED

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STATEMENT OF CHANGES IN EQUITY

THE GROUP	Attributable to equity holders of the parent Company						Minority Interests	Total equity
	Issued Capital	Fair value Reserves	Revaluation Reserves	Foreign Exchange Difference Reserves	Retained Earnings	Total		
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000		
Balance at October 1, 2007	1,724,361	1,443,455	2,938,687	(262,274)	3,311,553	9,155,782	84,647	9,240,429
Depreciation transfer for buildings	-	-	(24,200)	-	24,200	-	-	-
Tax effect of depreciation transfer for buildings	-	-	3,630	-	(3,630)	-	-	-
Net movement on cash flow hedges	-	-	-	(15,413)	-	(15,413)	-	(15,413)
Currency translation differences	-	-	-	(140,192)	-	(140,192)	(7,457)	(147,649)
Total income and expense for the semester recognised directly in equity	-	-	(20,570)	(155,605)	20,570	(155,605)	(7,457)	(163,062)
Profit for the semester	-	-	-	-	1,518,353	1,518,353	18,277	1,536,630
Total recognised income and expense for the semester	-	-	(20,570)	(155,605)	1,538,923	1,362,748	10,820	1,373,568
Dividends	-	-	-	-	(484,271)	(484,271)	-	(484,271)
Dividends of subsidiaries	-	-	-	-	-	-	(15,758)	(15,758)
Balance at March 31, 2008	1,724,361	1,443,455	2,918,117	(417,879)	4,366,205	10,034,259	79,709	10,113,968
Balance at October 1, 2008	1,724,361	1,455,080	3,027,301	(476,311)	4,153,226	9,883,657	73,698	9,957,355
Depreciation transfer for buildings	-	-	(5,836)	-	5,836	-	-	-
Tax effect of depreciation transfer for buildings	-	-	875	-	(875)	-	-	-
Net movement on cash flow hedges	-	-	-	(103,141)	-	(103,141)	-	(103,141)
Currency translation differences	-	-	-	(303,715)	-	(303,715)	767	(302,948)
Total income and expense for the semester recognised directly in equity	-	-	(4,961)	(406,856)	4,961	(406,856)	767	(406,089)
Profit for the semester	-	-	-	-	1,035,676	1,035,676	15,554	1,051,230
Total recognised income and expense for the semester	-	-	(4,961)	(406,856)	1,040,637	628,820	16,321	645,141
Dividends	-	-	-	-	(322,847)	(322,847)	-	(322,847)
Dividends of subsidiaries	-	-	-	-	-	-	(22,638)	(22,638)
Balance at March 31, 2009	1,724,361	1,455,080	3,022,340	(883,167)	4,871,016	10,189,630	67,381	10,257,011