



SUN LIMITED Abridged Financial Statements for the first quarter (unaudited) ended 30 September 2015

Consolidated Statement of Profit or Loss and other Comprehensive Income (Abridged)	THE GROUP	
	Quarter ended 30 Sep	
	2015 Unaudited Rs'000	2014 Unaudited Rs'000
Revenue	783,846	815,052
Other operating income	9,647	37,992
Total revenue	793,493	853,044
Total expenses	(906,884)	(970,244)
Operating loss	(113,391)	(117,200)
Finance costs	(100,770)	(81,561)
Finance income	1,729	1,988
Share of loss of Associate	(3,102)	-
Loss before tax and non-recurring items	(215,534)	(196,773)
Closure costs and other non-recurring items	(169,402)	(76,562)
Loss before tax	(384,936)	(273,335)
Income tax credit	56,234	38,901
Loss for the quarter	(328,702)	(234,434)
Other comprehensive income net of tax	21,250	111,692
Total comprehensive income	(307,452)	(122,742)
Total comprehensive income attributable to:		
Owners of the Company	(280,391)	(121,985)
Non-controlling interests	(27,061)	(757)
	(307,452)	(122,742)
Loss per share (Rs)	(2.38)	(2.37)

Consolidated Statement of Financial Position (Abridged)	THE GROUP	
	30 Sep 2015	30 Jun 2015
	Unaudited Rs'000	Audited Rs'000
ASSETS		
Non-current assets		
Property, plant and equipment	15,137,041	14,818,170
Operating equipment	97,800	104,568
Intangible assets	1,829,860	1,800,789
Investments in Associates	812,900	815,092
Other investments	5,550	5,550
Leasehold rights and leasehold land prepayments	406,557	408,097
Other financial assets	131,926	129,702
	18,421,634	18,081,968
Current assets	1,192,184	1,153,339
Total assets	19,613,818	19,235,307
EQUITY AND LIABILITIES		
Shareholders' equity	7,772,366	8,052,757
Non-controlling interests	834,606	861,667
Total equity	8,606,972	8,914,424
Interest-bearing loans and borrowings	5,808,831	4,344,350
Deferred tax liability	811,471	866,611
Employee benefit liability	196,385	190,056
Non-current liabilities	6,816,687	5,401,017
Current liabilities	4,190,159	4,919,866
Total liabilities	11,006,846	10,320,883
Total equity and liabilities	19,613,818	19,235,307
Total net interest-bearing loans and borrowings	8,331,098	6,886,164

Consolidated Geographical and Segmental Information	THE GROUP	
	Quarter ended 30 Sep	
	2015 Unaudited Rs'000	2014 Unaudited Rs'000
Geographical revenue:		
Mauritius	728,732	681,144
Maldives	23,737	93,442
Others	41,024	78,458
Total revenue including other operating income	793,493	853,044
Geographical results:		
Mauritius	(270,396)	(191,759)
Maldives	(36,829)	(28,357)
Others	(21,477)	(14,318)
Loss for the quarter	(328,702)	(234,434)
Segment revenue:		
Hotel operations - External sales	743,243	766,332
Hotel operations - Inter-segment sales	29,283	58,627
	772,526	824,959
Real estate	9,226	8,254
Others - External sales	41,024	78,458
Elimination of inter-segment sales	(29,283)	(58,627)
Total revenue including other operating income	793,493	853,044
Segment results:		
Hotel operations	(309,388)	(221,797)
Real estate	2,163	1,681
Others	(21,477)	(14,318)
Loss for the quarter	(328,702)	(234,434)

Consolidated Statement of Cash Flows (Abridged)	THE GROUP	
	Quarter ended 30 Sep	
	2015 Rs'000	2014 Rs'000
Operating profit before working capital changes	(176,746)	(78,862)
Change in working capital	(738,878)	101,999
Cash (used in) / from operations	(915,624)	23,137
Income taxes paid	(15)	(424)
Net cash flows (used in) / from operating activities	(915,639)	22,713
Net cash flows (used in) / from investing activities	(411,418)	793,985
Net cash flows from / (used in) financing activities	1,490,920	(678,431)
Net increase in cash and cash equivalents	163,863	138,267
Cash and cash equivalents at 1 July	(281,506)	(92,667)
Net cash and cash equivalents at 30 September	(117,643)	45,600

Notes to the above

- The Group's statements for the quarter ended 30 September 2015 have been prepared using the same accounting policies and methods adopted in the audited financial statements for the 18 months ended 30 June 2015 except for changes in standards and interpretations adopted by the Group during the period. However, none of these changes have had an impact on the reported financial position or results of the Group. The quarterly financial statements have been prepared in accordance with IAS 34 Interim Financial Statements.
- The Group's principal activity is in the hospitality industry. Hence, performance is subject to seasonality and varies significantly from quarter to quarter. Therefore, in respect of interim reporting, the results in the second and third quarters of each financial year are significantly higher than the other two quarters, as they relate to the high season.
- The quarterly financial statements to 30 September 2015 are unaudited.

Consolidated Statement of Changes in Equity (Abridged)	THE GROUP			
	Attributable to owners of the Company Rs'000	Treasury shares Rs'000	Non-controlling interests Rs'000	Total equity Rs'000
At 1 July 2014	6,720,351	(1,422,238)	1,803	5,299,916
Issue of shares to non-controlling interest	-	-	865,150	865,150
Total comprehensive income for the quarter	(121,985)	-	(757)	(122,742)
At 30 September 2014	6,598,366	(1,422,238)	866,196	6,042,324
At 1 July 2015	9,484,787	(1,432,030)	861,667	8,914,424
Total comprehensive income for the quarter	(280,391)	-	(27,061)	(307,452)
At 30 September 2015	9,204,396	(1,432,030)	834,606	8,606,972

Comments

In a seasonally low quarter, tourist arrivals to Mauritius posted an encouraging 14.7% growth against same period last year, while the Maldives recorded a 3.6% increase.

The impact of the closures of Le Touessrok, the Four Seasons Resort in July 2015, and Kanuhura since 1 August 2015 have affected significantly the results of this quarter.

Excluding these closures and on a like-for-like basis, the Group improved its room occupancy to 74.5%, a 4.5% point gain versus the comparable period in the prior year. Group RevPAR and TRevPAR improved by 12.3% and by 7.7% respectively and operating expenses decreased by 6.3% compared to same quarter in 2014.

Operating losses were reduced by 3% from Rs 117 million to Rs 113 million. Net finance costs were up 24.5%, mainly due to the direct consequence of the acquisition and consolidation of Anahita Hotel Ltd (Four Seasons Resort) as a subsidiary in the quarter.

The loss before tax and non-recurring items stood at Rs 215 million compared to a Rs 197 million loss in the corresponding quarter of 2014.

Taking into account closure costs associated with the three resorts mentioned above and other non-recurring items totalling Rs 169 million, the loss after tax stood at Rs 385 million compared to Rs 234 million in the first quarter 2014.

Outlook

While forward bookings show strong holdings across all of our Mauritius resorts including at the Shangri-La's Le Touessrok Resort & Spa which reopened on 1 November 2015, the closure costs associated with Kanuhura will continue, as expected, to weigh significantly on the Group's financial results in the coming quarters.

In this transition period, the Company remains firmly committed to the timely execution of the 2014-2019 strategic plan.

By Order of the Board
CIEL Corporate Services Ltd
Company Secretary
5 November 2015

This announcement is issued pursuant to Listing Rule 12.20 and the Securities Act 2005. The Board of Directors of Sun Limited accepts full responsibility for the accuracy of the information contained in this report. The statement of direct and indirect interests of officers of the Company required under rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available upon request from the Secretary, free of charge at CIEL Corporate Services Ltd, Ebène Skies, Ebène, Mauritius. Copies of this report are available to the public, free of charge, at the Registered Office of the Company.

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