



(File No. 3886)
Incorporated in the Republic Of Mauritius

SUN RESORTS LIMITED

Profit and dividend announcement for the quarter and half year ended 30 June 2009 (Unaudited)

The Group unaudited results for the quarter and half year ended 30 June 2009 are as follows:

	THE GROUP			
	Quarter ended 30 June		Six months ended 30 June	
	2009 Rs'000	2008 Rs'000	2009 Rs'000	Restated 2008 Rs'000
Revenue	784,309	641,352	1,874,790	1,700,807
Other operating income	32,244	5,808	36,877	29,703
	816,553	647,160	1,911,667	1,730,510
Total operating expenses	738,415	684,043	1,559,367	1,472,251
Operating profit / (loss)	78,138	(36,883)	352,300	258,259
Finance costs	(58,299)	(55,699)	(128,096)	(118,637)
Closure cost	(20,207)	(59,847)	(20,207)	(59,847)
Profit on disposal of land	-	-	-	268,307
(Loss) / profit before taxation	(368)	(152,429)	203,997	348,082
Taxation	(1,256)	17,238	(16,327)	(12,043)
(Loss) / profit for the period	(1,624)	(135,191)	187,670	336,039
Other comprehensive income				
Exchange differences on translating foreign operations	(60,807)	42,449	67,172	(10,144)
Other comprehensive income for the period, net of tax	(60,807)	42,449	67,172	(10,144)
Total comprehensive income for the period	(62,431)	(92,742)	254,842	325,895
Profit/(Loss) attributable to:				
Equity holders of the parent	(1,639)	(135,206)	187,640	281,082
Minority interest	15	15	30	54,957
	(1,624)	(135,191)	187,670	336,039
Total comprehensive income attributable to:				
Equity holders of the parent	(62,446)	(92,757)	254,812	270,938
Minority interest	15	15	30	54,957
	(62,431)	(92,742)	254,842	325,895
Earnings / (loss) per share (Rs)				
- attributable to ordinary shareholders of the parent	(0.02)	(1.44)	2.00	3.00
- attributable to ordinary shareholders of the parent, as adjusted for non recurring profits	0.20	(0.80)	2.22	1.36

	THE GROUP			
	Quarter ended 30 June		Six months ended 30 June	
	2009 Rs'000	2008 Rs'000	2009 Rs'000	2008 Rs'000
Geographical revenue:				
Mauritius	565,115	409,621	1,217,496	1,159,807
Maldives	138,637	147,477	411,368	236,756
Others	112,801	90,062	282,803	333,948
Total revenue including other operating income	816,553	647,160	1,911,667	1,730,510
Geographical results:				
Mauritius	80,950	(49,047)	230,666	200,849
Maldives	2,867	8,400	125,856	37,896
Others	(5,679)	3,764	(4,222)	19,514
Operating profit	78,138	(36,883)	352,300	258,259
Segment revenue:				
Hotel operations - External sales	703,754	557,098	1,628,865	1,396,562
Hotel operations - Inter-segment sales	73,096	53,174	199,772	239,598
	776,850	610,272	1,828,637	1,636,160
Others - External sales	112,799	90,062	282,802	333,948
Elimination of inter-segment sales	(73,096)	(53,174)	(199,772)	(239,598)
Total revenue including other operating income	816,553	647,160	1,911,667	1,730,510
Segment results:				
Hotel operations	83,824	(30,029)	356,553	249,388
Others	(5,686)	(6,854)	(4,253)	8,871
Operating profit	78,138	(36,883)	352,300	258,259

	THE GROUP	
	30 Jun 09	31 Dec 08
	Unaudited Rs'000	Audited Rs'000
EQUITY AND LIABILITIES		
Shareholders' equity	4,204,599	3,996,688
Minority interest	1,191	1,161
Total equity	4,205,790	3,997,849
Loans	1,667,188	1,530,088
Debentures	279,000	310,000
Obligations under finance leases	52,315	61,210
Deferred tax liability	470,731	459,020
Retirement benefit obligations	111,978	109,977
Provisions	35,000	35,000
Non-current liabilities	2,616,212	2,505,295
Current liabilities	2,068,566	2,834,595
Total equity and liabilities	8,890,568	9,337,739
Non-current assets		
Property, plant and equipment	6,321,066	6,410,005
Operating equipment	107,611	122,631
Intangible assets	1,609,094	1,575,638
Other investments	10,047	10,047
Leasehold land prepayments	44,462	44,910
Other assets	46,071	46,071
	8,138,351	8,209,302
Current assets	752,217	1,128,437
Total assets	8,890,568	9,337,739

	THE GROUP	
	Six months ended 30 June	
	2009 Rs'000	2008 Rs'000
Cash generated from operations	555,081	213,600
Interest paid	(131,155)	(118,637)
Taxation paid	(58,972)	(9,167)
Net cash generated from operating activities	364,954	85,796
Net cash used in investing activities	(36,216)	(1,740,543)
Net cash generated from / (used in) financing activities	35,293	(343,836)
Net increase / (decrease) in cash and cash equivalents	364,031	(1,998,583)
Cash and cash equivalents at 1 January	(796,797)	737,500
Net cash and cash equivalents at 30 June	(432,766)	(1,261,083)

	THE GROUP		
	Shareholders' equity Rs'000	Minority interest Rs'000	Total equity Rs'000
	At 1 January 2008	3,594,779	71,866
Purchase of minority interests	-	(140,923)	(140,923)
Purchase of treasury shares	(5,520)	-	(5,520)
Movement on revaluation reserve	(15,853)	15,853	-
Ordinary dividend	(187,603)	-	(187,603)
Comprehensive income for the half year	270,938	54,957	325,895
At 30 June 2008	3,656,741	1,753	3,658,494
At 1 January 2009	3,996,688	1,161	3,997,849
Ordinary dividend	(46,901)	-	(46,901)
Comprehensive income for the half year	254,812	30	254,842
At 30 June 2009	4,204,599	1,191	4,205,790

Notes to the above:

- (i) The group's results for the quarter and half year ended 30 June 2009 have been prepared using the same accounting policies and methods adopted in the audited financial statements for the year ended 31 December 2008 and are in accordance with IAS 34- Interim Reporting.
- (ii) The results for the half year ended 30 June 2008 have been restated for the revaluation gain realised on disposal and accounted through equity.
- (iii) The group's principal activity is in the hotel industry and the business varies significantly depending on the seasonality. Therefore, in respect of the interim reporting, the first and last quarter of each year are significantly higher than the other two quarters as they relate to the high season.
- (iv) The results for the quarter and half year ended 30 June 2009 are not comparable to last year due to the following:
 - Coco Beach was closed on 1 May 2009.
 - Sugar Beach was closed for refurbishment from 1 April to 31 July 2008.
 - Kanuhura was acquired on 1 March 2008.

1. Comments on results

Group revenues for the quarter and half year amounted to Rs 784 million and Rs 1,875 million, representing an increase of 22% and 10% respectively over the corresponding period of 2008. The full contribution of Sugar Beach, which was closed for the second quarter of last year and the impact of the Easter peak period this quarter have more than compensated for the loss in revenues due to the Coco Beach closure as from 1 May 2009. Our group occupancy for the quarter was 65% against 68% in the same quarter last year mainly due to the effect of the economic recession in our main markets and the negative impact on the announced closure of Coco Beach for redevelopment on its operations in April. The group achieved an operating profit of Rs 78 million for the quarter compared to an operating loss of Rs 37 million for same quarter of last year while a 36 % increase was recorded for the six months period. Cash flow generated from operating activities in the first half of the year at Rs 365 million remains positive and was much higher than last year. Recurring profit for the six months attributable to the equity holders of the parent (adjusted for the closure cost and profit on disposal of land) amounted to Rs 208 million against Rs 128 million in 2008.

2. Le Coco Beach Redevelopment

Le Coco Beach was closed as planned on 1 May 2009. The company is now proceeding with the pull down of the buildings and the start of the construction of a 200 key four star plus resort which is targeted to be ready in November 2010.

3. Dividend

The directors have declared an interim dividend of Rs 0.50 (Rs 2.00 in 2008) per share. As previously announced, the Board has decided to reduce the interim dividend in order to make available sufficient internal cash for the redevelopment of the Coco Beach.

4. Prospects

Trading conditions still remain very difficult with low visibility in the coming months. In addition, as we are in the low season period, we expect that the high level of discounting on the market will affect rates. However, management is continuing to take every measure, including a cost saving plan, with a view to mitigate the loss in earnings in the third quarter.

For and on behalf of the Board

G. C. Dalais
Chairman

S. P. Rey
Secretary

23 July 2009

This notice is issued pursuant to Listing Rule 12.20.

The Board of Directors of Sun Resorts Ltd 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 5th floor, IBL House, Caudan, Port Louis, Mauritius.

Copies of this report are available to the public, free of charge, at the registered office of the Company.

Registered Office
IBL House, Caudan
Port Louis

Transfer Office
MCB Registry & Securities Ltd.
Sir William Newton Street
Port Louis