



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		Consolidated Geographical and Segmental Information	THE GROUP		Consolidated Statement of Changes in Equity (Abridged)	THE GROUP			
	Quarter ended 30 Sep			Quarter ended 30 Sep			Attributable to owners of the Company	Treasury shares	Non-controlling interests	Total equity
	2015 Unaudited Rs'000	2014 Unaudited Rs'000		2015 Unaudited Rs'000	2014 Unaudited Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	
Revenue	783,846	815,052	Geographical revenue:							
Other operating income	9,647	37,992	Mauritius	728,732	681,144					
Total revenue	793,493	853,044	Maldives	23,737	93,442					
Total expenses	(906,884)	(970,244)	Others	41,024	78,458					
Operating loss	(113,391)	(117,200)	Total revenue including other operating income	793,493	853,044	At 1 July 2014	6,720,351	(1,422,238)	1,803	5,299,916
Finance costs	(100,770)	(81,561)	Geographical results:			Issue of shares to non-controlling interest	-	-	865,150	865,150
Finance income	1,729	1,988	Mauritius	(270,396)	(191,759)	Total comprehensive income for the quarter	(121,985)	-	(757)	(122,742)
Share of loss of Associate	(3,102)	-	Maldives	(36,829)	(28,357)	At 30 September 2014	6,598,366	(1,422,238)	866,196	6,042,324
Loss before tax and non-recurring items	(215,534)	(196,773)	Others	(21,477)	(14,318)	At 1 July 2015	9,484,787	(1,432,030)	861,667	8,914,424
Closure costs and other non-recurring items	(169,402)	(76,562)	Loss for the quarter	(328,702)	(234,434)	Total comprehensive income for the quarter	(280,391)	-	(27,061)	(307,452)
Loss before tax	(384,936)	(273,335)	Segment revenue:			At 30 September 2015	9,204,396	(1,432,030)	834,606	8,606,972
Income tax credit	56,234	38,901	Hotel operations - External sales	743,243	766,332					
Loss for the quarter	(328,702)	(234,434)	Hotel operations - Inter-segment sales	29,283	58,627					
Other comprehensive income net of tax	21,250	111,692	Real estate	9,226	8,254					
Total comprehensive income	(307,452)	(122,742)	Others - External sales	41,024	78,458					
Total comprehensive income attributable to:			Elimination of inter-segment sales	(29,283)	(58,627)					
Owners of the Company	(280,391)	(121,985)	Total revenue including other operating income	793,493	853,044					
Non-controlling interests	(27,061)	(757)	Segment results:							
	(307,452)	(122,742)	Hotel operations	(309,388)	(221,797)					
Loss per share (Rs)	(2.38)	(2.37)	Real estate	2,163	1,681					
			Others	(21,477)	(14,318)					
			Loss for the quarter	(328,702)	(234,434)					

Consolidated Statement of Financial Position (Abridged)	THE GROUP		Consolidated Statement of Cash Flows (Abridged)	THE GROUP	
	30 Sep 2015	30 Jun 2015		Quarter ended 30 Sep	Quarter ended 30 Sep
	Unaudited Rs'000	Audited Rs'000		2015 Rs'000	2014 Rs'000
ASSETS			Operating profit before working capital changes	(176,746)	(78,862)
Non-current assets			Change in working capital	(738,878)	101,999
Property, plant and equipment	15,137,041	14,818,170	Cash (used in) / from operations	(915,624)	23,137
Operating equipment	97,800	104,568	Income taxes paid	(15)	(424)
Intangible assets	1,829,860	1,800,789	Net cash flows (used in) / from operating activities	(915,639)	22,713
Investments in Associates	812,900	815,092	Net cash flows (used in) / from investing activities	(411,418)	793,985
Other investments	5,550	5,550	Net cash flows from / (used in) financing activities	1,490,920	(678,431)
Leasehold rights and leasehold land prepayments	406,557	408,097	Net increase in cash and cash equivalents	163,863	138,267
Other financial assets	131,926	129,702	Cash and cash equivalents at 1 July	(281,506)	(92,667)
	18,421,634	18,081,968	Net cash and cash equivalents at 30 September	(117,643)	45,600
Current assets	1,192,184	1,153,339			
Total assets	19,613,818	19,235,307	Notes to the above		
EQUITY AND LIABILITIES			(i) 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.		
Shareholders' equity	7,772,366	8,052,757	The quarterly financial statements have been prepared in accordance with IAS 34 Interim Financial Statements		
Non-controlling interests	834,606	861,667	(ii) 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.		
Total equity	8,606,972	8,914,424	(iii) The quarterly financial statements to 30 September 2015 are unaudited.		
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	8,331,098			

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 resorts under renovation 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 TRRevPAR 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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