



## ABRIDGED FINANCIAL STATEMENT 2015

### CONSTANCE HOTELS SERVICES LTD AND ITS SUBSIDIARIES

Abridged audited financial statement for the year ended 31 December, 2015

#### STATEMENT OF PROFIT OR LOSS

(Rs'000)	THE GROUP		COMMENTS
	Dec 2015	Restated* Dec 2014	
	Audited	Audited	
Revenue	3,745,721	3,525,087	<p><b>1 Consolidation and Accounting Standards</b> The abridged financial statement for the year ended 31 December 2015 is audited by BDO &amp; Co. The financial statement complies with the Companies Act 2001 and has been prepared in accordance with International Financial Reporting Standards effective for the year under review.</p> <p><b>2 General Comments</b> The tourist arrivals increased in all our main hotel destinations of Mauritius, Maldives and Seychelles. Mauritius saw an appreciable growth of 10.9% in its tourist arrivals in 2015 reaching 1,151,723 compared to 1,039,968 in 2014 benefiting mainly from market diversification, favourable currency dynamics, the opening up of air access and an enriched value proposition. Seychelles had the highest growth rate in its tourist arrivals with 18.7% more tourists who visited the island in 2015 compared to 2014 whilst Maldives had a moderate growth of 2.4% with both internal and external factors slowing the growth rates experienced by the destination in recent years.</p> <p><b>3 Results</b> Overall the Group delivered a set of good results with progression in almost all metrics and financial results.</p> <p>Combined occupancy of all hotels owned and managed attained 78% compared to 72% in 2014, yielding satisfactory progression in the RevPAR and the TrevPAR. Group revenue stood at MUR 3,746m compared to MUR 3,525m last year, which translated into a consolidated EBITDA of MUR 1,068m (2014: MUR 1,060m). Overall a commendable performance considering that, in 2014, the Mauritius hotels hosted an exceptional event which contributed to EBITDA.</p> <p>Results of our Seychelles associate were adversely impacted by the weak EUR/SCR during 2015. As a consequence, the group recorded a share of loss from associates of MUR 35m (2014: loss MUR 13m).</p> <p>With the additional cash generated from the operations and the proceeds of the rights issue completed in 2014, finance costs were down to MUR 282m against MUR 360m the previous year, while taxation expense was MUR 79m against MUR 121m.</p> <p>Profit for the year reached MUR 230m (2014: MUR 149m).</p>
Earnings before interest, taxation, depreciation and amortisation	1,067,662	1,059,970	
Depreciation/amortisation	(441,789)	(416,396)	
Operating profit	625,873	643,574	
Finance costs	(282,119)	(359,732)	
Share of results of associated companies	(34,879)	(13,176)	
Profit before taxation	308,875	270,666	
Taxation	(78,976)	(121,176)	
Profit for the year	229,899	149,490	
Attributable to:			
Owners of the parent	208,193	130,783	
Non-controlling interest	21,706	18,707	
Earnings per share Rs.	229,899	149,490	
	1.90	1.69	

#### STATEMENT OF COMPREHENSIVE INCOME

(Rs'000)	THE GROUP	
	Dec 2015	Restated* Dec 2014
	Audited	Audited
Profit for the year	229,899	149,490
Other comprehensive income for the year	377,428	(3,817)
Total comprehensive income for the year	607,328	145,673
Attributable to:		
Owners of the parent	582,674	126,193
Non-controlling interest	24,654	19,480
	607,328	145,673

#### STATEMENT OF FINANCIAL POSITION

(Rs'000)	THE GROUP		
	Dec 2015	Restated* Dec 2014	Restated* Dec 2013
	Audited	Audited	Audited
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	6,998,107	6,705,756	6,791,708
Intangible assets	1,292,295	1,131,577	1,118,954
Investments in associated companies	701,454	725,326	691,808
Investments in available-for-sale financial assets	545	545	2,045
Deferred tax assets	67,348	43,357	31,585
<b>Current Assets</b>	9,059,749	8,606,561	8,636,100
<b>Total Assets</b>	12,588,023	964,654	888,316
	10,317,772	9,571,215	9,524,416
<b>Equity and Liabilities</b>			
Owners' interest	4,579,326	4,077,779	2,734,974
Non-controlling interest	29,947	16,317	15,891
Total equity	4,609,273	4,094,096	2,750,865
<b>Non-Current Liabilities</b>			
Borrowings	3,555,978	3,791,516	3,665,802
Deferred tax liabilities	59,732	50,382	55,458
Retirement benefit obligations	98,938	102,428	75,906
<b>Current Liabilities</b>	3,714,648	3,944,326	3,797,166
<b>Total Liabilities</b>	1,993,851	1,532,793	2,976,385
	5,708,499	5,477,119	6,773,551
<b>Total Equity and Liabilities</b>	10,317,772	9,571,215	9,524,416
Net Asset Value per share	41.76	37.19	42.76

#### STATEMENT OF CASH FLOW

(Rs'000)	THE GROUP	
	Dec 2015	Dec 2014
	Audited	Audited
Net cash from operating activities	489,027	601,901
Net cash used in investing activities	(281,813)	(114,900)
Net cash (used in)/from financing activities	(313,781)	877,649
(Decrease)/increase in cash and cash equivalents	(86,567)	1,364,650
Cash and cash equivalents at beginning of the year	(217,326)	(1,581,976)
Cash and cash equivalents at end of the year	(303,893)	(217,326)

#### STATEMENT OF CHANGES IN EQUITY

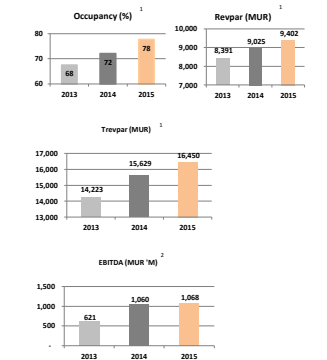
(Rs'000)	Attributable to owners of the parent				Non-controlling interest	Total
	Stated capital	Other reserves	Retained earnings	Owners' interest		
As previously reported - January 1, 2015	2,153,395	1,278,546	550,039	3,981,980	16,317	3,998,297
Prior year adjustment*	-	175,935	(80,136)	95,799	-	95,799
As restated - January 1, 2015	2,153,395	1,454,481	469,903	4,077,779	16,317	4,094,096
Profit for the year	-	-	208,193	208,193	21,706	229,899
Other comprehensive income for the year	-	374,481	-	374,481	2,948	377,428
Transfer to retained earnings	-	(6,307)	7,420	1,113	-	1,113
Dividend	-	-	(82,240)	(82,240)	(11,024)	(93,264)
Balance at December 31, 2015	2,153,395	1,822,655	603,276	4,579,326	29,947	4,609,273
As previously reported - January 1, 2014	936,783	1,507,494	411,890	2,856,167	15,891	2,872,058
Prior year adjustment*	-	(39,792)	(81,401)	(121,193)	-	(121,193)
As restated - January 1, 2014	936,783	1,467,702	330,489	2,734,974	15,891	2,750,865
Profit for the year - Restated*	-	-	130,783	130,783	18,707	149,490
Other comprehensive income for the year - Restated*	-	(4,590)	-	(4,590)	773	(3,817)
Transfer to retained earnings	-	(8,631)	8,631	-	-	-
Net proceeds from Rights Issue	1,216,612	-	-	1,216,612	-	1,216,612
Dividend to non-controlling interest	-	-	-	-	(19,054)	(19,054)
Balance at December 31, 2014	2,153,395	1,454,481	469,903	4,077,779	16,317	4,094,096

#### GEOGRAPHICAL INFORMATION

(Rs'000)	Revenue from external customers		Non-current assets	
	Dec 2015	Dec 2014	Dec 2015	Restated* Dec 2014
	Audited	Audited	Audited	Audited
Mauritius	1,715,111	1,582,943	4,619,189	4,540,494
Maldives	2,030,610	1,942,144	4,440,560	4,066,067
Total	3,745,721	3,525,087	9,059,749	8,606,561

\* Group figures for the financial year 2013 and 2014, have been restated to reflect the net deferred tax liability not recognised previously by an associate and the effect of exchange difference on intangible assets and property, plant and equipment of some foreign entities within the Group.

The statement of direct and indirect interests of insiders pursuant to rule 8(2)(m) of the Securities (Disclosure obligations of Reporting Issuers) Rules 2007 is available free of charge upon request from the Company Secretary, La Gaie'te Services Ltd, 5th Floor, Labarna House, 35 Sir William Newton Street, Port Louis. The financial statement is issued pursuant to DEM Listing Rule 18 and Securities Act 2005. The Board of Constance Hotels Services Ltd accepts full responsibility for the accuracy of this financial statement. Copies of this abridged audited financial statement are available to the public free of charge at 5th floor, Labarna House, 35 Sir William Newton Street, Port Louis, Mauritius.



1. Operational performance of all hotels owned and managed as at 31<sup>st</sup> December  
2. 2013 Figures consolidate EBITDA of Hotelwell as from 02 July.

#### 4. Outlook

Overall, the outlook for the first quarter of 2016 and the year looks promising, whilst acknowledging the various business challenges and geopolitical events that may adversely affect the performance of the industry.

In Mauritius, revenue generated for the first quarter of 2016 looks quite positive with both of our properties being very well positioned in the market place and each one maintaining its leading position in its respective market segment. Looking ahead both properties are well set to achieve targets as the tourism environment in Mauritius casts confidence.

For the Maldives, we expect a good first quarter 2016 due to the application of a favourable rate mix. Although less buoyant, the Maldives remains an attractive destination and our objective for 2016 will be geared towards achieving a fair market share and appreciable revenue.

As for the Seychelles, the first quarter is encouraging. The forecast in arrivals for this destination is positive and no major deviations from expectations are anticipated.

#### 5. 2016 Projects

Constance Belle Mare Plage in Mauritius will be closed from June for six weeks to undertake a renovation and an extension of 24 additional rooms. Constance Lemuria Seychelles will be closed from September for two months for a renovation.

#### 6. Dividends

An interim dividend of 50 cents per share has been declared by the Board of Directors for the financial year ending 31 December 2016 in respect of all shareholders registered in the books of the Company on 20 April 2016 and will be paid on or about 17 May 2016.

#### By order of the Board

La Gaie'te Services Ltd  
Secretary

30 March 2016