

STATEMENT OF PROFIT OR LOSS			
	THE GROUP		
	3 months to Mar 2016 Unaudited	3 months to Mar 2015 Unaudited	12 months to Dec 2015 Audited
(Rs'000)			
Revenue	1,179,513	1,106,439	3,745,721
Earnings before interest, taxation, depreciation and amortisation	480,032	481,040	1,067,662
Depreciation/amortisation	(125,673)	(122,624)	(441,789)
Operating profit	354,359	358,416	625,873
Finance costs	(76,632)	(72,559)	(282,119)
Share of results of associated companies	7,071	(25,037)	(34,879)
Profit before taxation	284,798	260,820	308,875
Taxation	(19,333)	(20,701)	(78,976)
Profit for the period/year	265,465	240,119	229,899
Attributable to:			
Owners of the parent	260,556	234,500	208,193
Non-controlling interest	4,909	5,619	21,706
	265,465	240,119	229,899
Earnings per share Rs.	2.38	2.14	1.90

STATEMENT OF COMPREHENSIVE INCOME			
	THE GROUP		
	3 months to Mar 2016 Unaudited	3 months to Mar 2015 Unaudited	12 months to Dec 2015 Audited
(Rs'000)			
Profit for the period/year	265,465	240,119	229,899
Other comprehensive income for the period/year	(33,125)	(252,860)	377,429
Total comprehensive income for the period/year	232,340	(12,741)	607,328
Attributable to:			
Owners of the parent	227,943	(21,092)	582,674
Non-controlling interest	4,397	8,351	24,654
	232,340	(12,741)	607,328

STATEMENT OF FINANCIAL POSITION			
	THE GROUP		
	3 months to Mar 2016 Unaudited	3 months to Mar 2015 Unaudited	12 months to Dec 2015 Audited
(Rs'000)			
Assets			
Non-Current Assets			
Property, plant and equipment	6,917,862	6,534,401	6,998,107
Intangible assets	1,260,549	1,035,477	1,292,295
Investments in associated companies	916,133	801,292	701,454
Investments in available-for-sale financial assets	545	545	545
Deferred tax assets	67,347	43,358	67,348
	9,162,436	8,415,073	9,059,749
Current Assets	1,253,159	987,481	1,258,023
Total Assets	10,415,595	9,402,554	10,317,772
Equity and Liabilities			
Owners' interest	4,752,442	3,906,061	4,579,326
Non-controlling interest	34,344	24,668	29,947
Total equity	4,786,786	3,930,729	4,609,273
Non-Current Liabilities			
Borrowings	3,517,129	3,877,348	3,555,978
Deferred tax liabilities	58,830	50,938	59,732
Retirement benefit obligations	98,937	102,427	98,938
	3,674,896	4,030,713	3,714,648
Current Liabilities	1,953,913	1,441,112	1,993,851
Total Liabilities	5,628,809	5,471,825	5,708,499
Total Equity and Liabilities	10,415,595	9,402,554	10,317,772
Net Asset Value per share	43.34	35.62	41.76

STATEMENT OF CASH FLOW			
	THE GROUP		
	3 months to Mar 2016 Unaudited	3 months to Mar 2015 Unaudited	12 months to Dec 2015 Audited
(Rs'000)			
Net cash generated from operating activities	325,216	294,303	489,027
Net cash used in investing activities	(283,822)	(23,629)	(261,813)
Net cash used in financing activities	(72,437)	(202,442)	(313,781)
(Decrease)/increase in cash and cash equivalents	(31,043)	68,232	(86,567)
Cash and cash equivalents at beginning of the period/year	(303,893)	(217,326)	(217,326)
Cash and cash equivalents at end of the profit/year	(334,936)	(149,094)	(303,893)

STATEMENT OF CHANGES IN EQUITY						
THE GROUP	Attributable to owners of the parent					
	Stated capital	Other reserves	Retained earnings	Owners' interest	Non-controlling interest	Total
(Rs'000)						
Balance at January 1, 2016	2,153,395	1,822,655	603,276	4,579,326	29,947	4,609,273
Total comprehensive income for the period	-	(32,613)	260,556	227,943	4,397	232,340
Dividend	-	-	(54,827)	(54,827)	-	(54,827)
Balance at March 31, 2016	2,153,395	1,790,042	809,005	4,752,442	34,344	4,786,786
Balance at January 1, 2015	2,153,395	1,278,546	550,039	3,981,980	16,317	3,998,297
Total comprehensive income for the period	-	(255,592)	234,500	(21,092)	8,351	(12,741)
Dividend	-	-	(54,827)	(54,827)	-	(54,827)
Balance at March 31, 2015	2,153,395	1,022,954	729,712	3,906,061	24,668	3,930,729
Balance at January 1, 2015 - Restated	2,153,395	1,454,481	469,903	4,077,779	16,317	4,094,096
Total comprehensive income for the year	-	374,481	208,193	582,674	24,654	607,328
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

GEOGRAPHICAL INFORMATION						
THE GROUP	3 months to Mar 2016			3 months to Mar 2015		
	Mauritius	Maldives	Total	Mauritius	Maldives	Total
(Rs'000)						
Revenue	523,626	655,887	1,179,513	475,082	631,357	1,106,439
Operating profit	168,186	186,173	354,359	184,053	174,363	358,416

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 Gaieté Services Ltd, 5th Floor, Labama House, 35 Sir William Newton Street, Port Louis. The financial statements are issued pursuant to DEM Listing Rule 17 and Securities Act 2005. The Board of Constance Hotels Services Ltd accepts full responsibility for the accuracy of these financial statements. Copies of these abridged unaudited financial statements are available to the public free of charge at 5th floor, Labama House, 35 Sir William Newton Street, Port Louis, Mauritius.

COMMENTS

1 Consolidation and Accounting Standards

The abridged financial statements for the first quarter ended 31 March 2016 are unaudited. The accounting policies and standards used in the preparation of these abridged unaudited financial statements are consistent with those used in the audited financial statements for the year ended 31 December 2015. This interim report complies with IAS 34.

2 General Comments

2016 started with a positive trend in tourist arrivals in all our main hotel destinations, particularly with Mauritius and Seychelles experiencing double digit growth for the quarter. 327,836 tourists visited our island in the first quarter 2016 compared to 291,329 in 2015 representing a 12.5% increase. Similarly Seychelles also achieved a commendable 11.1% increase in its arrivals, with 73,262 tourists in the quarter versus 65,916 for the same period last year. Despite the launching of ‘Visit Maldives Year 2016’ campaign by the Maldives government , the destination experienced a modest growth of 4.3 % during this peak period and the market continues to show signs of softening.

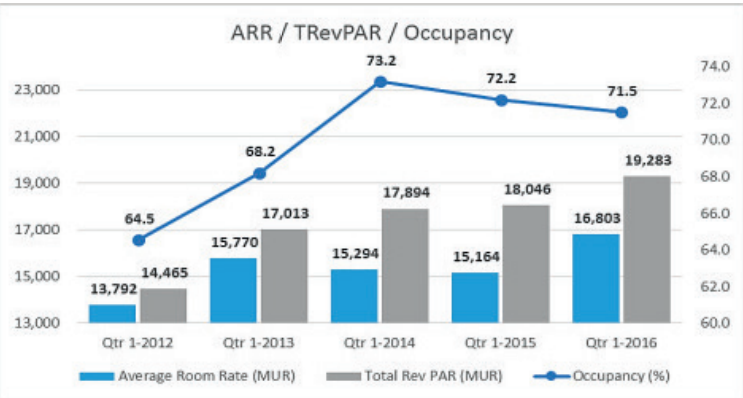
3 Results

The first quarter 2016, built on the good performance of 2015, saw satisfactory progress in almost all key measures. Combined occupancy of all hotels owned and managed was 72%, almost at par with first quarter of 2015, generating satisfactory progression in ARR and TrevPAR. Group revenue stood at MUR 1,180 m for the first three months of 2016 (2015Q1: MUR 1,106 m). This resulted in EBITDA of MUR 480 m compared to MUR 481 m for the same period last year, representing an EBITDA margin of 41% and 43% respectively. This fall in EBITDA margin was mainly attributable to the adverse foreign currency fluctuations during the quarter.

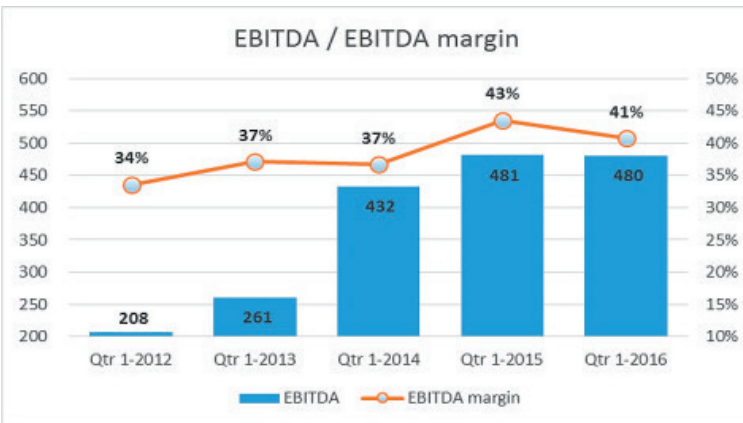
With improvement in associates performance coupled with a slight appreciation of the EURO versus the Seychelles Rupee and US Dollar, the Group recorded a share of profit from associates of MUR 7 m (2015Q1: loss MUR 25 m).

After accounting for finance costs of MUR 77 m (2015Q1: MUR 73 m) and taxation of MUR 19 m (2015Q1: MUR 21 m), profit for the period reached MUR 265m (2015Q1: MUR 240m).

Operational performance of all hotels owned and managed as at 31st March



EBITDA/EBITDA margin for quarters as at 31st March



4. Outlook

Whilst the hospitality sector enters the low season in Mauritius and Maldives and mid-season in Seychelles, our principal destinations continue to show positive signs for the second quarter, and the rest of the year despite the ongoing challenges facing the industry .

Notwithstanding our announced closure of Constance Belle Mare Plage next June for renovation, and the addition of new rooms, the second quarter is looking promising for both of our Mauritian properties. In the Maldives, we are entering the more difficult low season with a weaker market and rate challenges from our competitors. Our objective for 2016 is to sustain a fair share of market and revenue. In the Seychelles, business for the second quarter 2016 remains in line with targets and we expect this trend to continue for the rest of the year.

By order of the Board

La Gaieté Services Ltd
Secretary

12 May 2016