

CIEL Group reports satisfactory financial performance for the first semester 2014-2015

CIEL Limited, ("the Company"/"CIEL"), formerly known as Deep River Investment Limited ("DRI") is the company with and into which CIEL Investment Limited ("CIL") has been amalgamated effective as from 24 January 2014.

The unaudited "comparative" figures of the Company and of the Group for the half year and quarter ended 31 December 2014 presented herewith are those of DRI and are therefore not comparable with those of the current period, which are those of CIEL Limited.

GROUP CONSOLIDATED REVENUE

Rs 8.5bn

GROUP PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX

Rs 979m

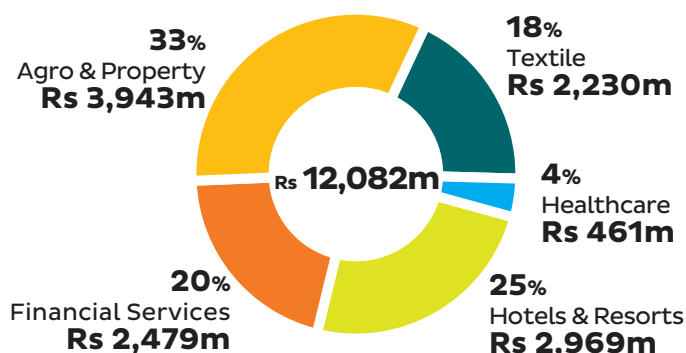
GROUP PROFIT AFTER TAX

Rs 726m

PROFIT ATTRIBUTABLE TO ORDINARY SHAREHOLDERS

Rs 343m

Investment Portfolio Allocation as at 31 December 2014



Group Profit before Exceptional Items and Tax

	UNAUDITED 6 Months 31 Dec 2014	UNAUDITED 6 Months 31 Dec 2013	PROFORMA 6 Months 31 Dec 2013	UNAUDITED Quarter 31 Dec 2014	UNAUDITED Quarter 31 Dec 2013	PROFORMA Quarter 31 Dec 2013
	Rs'm	Rs'm	Rs'm	Rs'm	Rs'm	Rs'm
Textile	410	331	331	176	131	131
Agro & Property	89	81	92	51	(25)	(16)
Hotels & Resorts	142	5	64	347	44	367
Finance	381	(8)	305	174	(20)	115
Healthcare	7	2	6	4	1	2
CIEL - Holding Company	21	17	17	45	32	32
Group Elimination	(71)	(154)	(93)	(71)	(151)	(81)
Profit before Exceptional Items and Tax	979	274	722	726	12	550

For information purposes, an unaudited proforma breakdown of the profit before exceptional items and tax has been prepared using the Group structure in place as at 30 June 2014. Constance Hotels (20% stake), which has been disposed of in August 2014, has been excluded from the above proforma.

Interest Bearing Debt

	THE GROUP		THE COMPANY	
	UNAUDITED As at 31 Dec 2014	AUDITED As at 30 Jun 2014	UNAUDITED As at 31 Dec 2014	AUDITED As at 30 Jun 2014
	Rs'000	Rs'000	Rs'000	Rs'000
Net borrowings (Debt)	7,338,013	7,700,310	562,256	524,513
Owners' Interest (Equity)	12,463,081	12,085,283	11,625,365	10,981,323
Gearing = Debt/(Debt + Equity)	37.1%	38.9%	4.6%	4.6%

Cluster Highlights

Textile

- Strong financial performance of the Woven cluster mainly driven by the Asian operations was the key driver to the Textile Group's improved profitability during the first half.
- Adverse currency movements (Euro/South African Rand) are a source of concern in the short to medium term. However, through better cost management and sustained profitability from Asian operations, the margin erosion is expected to be mitigated.

Agro & Property

- Decreasing sugar price together with a shortfall in sugar volumes following a two weeks strike and a lower extraction rate affected the first semester results of Alteo Ltd.
- Tanzanian operations performed well during the period under review with higher sales volume compared to the corresponding period in the prior year.
- Acquisition of a majority stake in Transmara Sugar Mill (Kenya) is expected to be completed in the coming months.
- Property development at Anahita recorded a much improved performance due to increased activity while at Ferney Ltd sales of land is progressing well.

Hotels & Resorts

- Occupancy rate at Sun Resorts Limited ("SRL") improved by 16.3% leading to an increase in turnover of 8.6% against same period last year, while profit before tax (excluding exceptional items) stood at Rs 147M (Rs 69M in corresponding period).
- The acquisition for Rs 926.4M of a 50% stake in Anahita Hotel Ltd, which owns the Four Seasons Resort Mauritius, was successfully completed in December 2014.
- The Rs 1,2bn Rights Issue at SRL was fully subscribed at the end of January 2015, enabling the Group to deleverage, innovate and pursue its strategy.

Financial Services

- Improved performance during the semester from Bank One and MITCO together with sustained financial results from BNI, in Madagascar, lead to much improved financial results compared to prior year.

Healthcare

- MSCL has posted an improved performance compared to same period last year.

By Order of the Board

CIEL Corporate Services Ltd

Company Secretary

13 February 2015

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UNAUDITED CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	THE GROUP				THE COMPANY				
	6 Months 31 Dec 2014	6 Months 31 Dec 2013	Quarter 31 Dec 2014	Quarter 31 Dec 2013	6 Months 31 Dec 2014	6 Months 31 Dec 2013	Quarter 31 Dec 2014	Quarter 31 Dec 2013	
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	
Revenue	8,456,938	5,016,235	4,212,708	2,245,196	73,104	53,447	69,531	53,997	
Earnings Before Interests, Taxation, Depreciation and Amortisation (EBITDA)	1,371,277	447,951	895,014	191,571	32,559	31,051	52,202	42,115	
Depreciation and amortisation	(335,950)	(104,184)	(162,982)	(51,505)	-	-	-	-	
Earnings Before Interests and Taxation	1,035,327	343,767	732,032	140,066	32,559	31,051	52,202	42,115	
Finance costs	(199,480)	(51,300)	(99,297)	(30,600)	(11,139)	(14,444)	(7,489)	(9,699)	
Share of results of joint ventures net of tax	27,228	-	7,736	-	-	-	-	-	
Share of results of associates net of tax	115,455	(17,995)	85,830	(97,540)	-	-	-	-	
	978,530	274,472	726,301	11,926	21,420	16,607	44,713	32,416	
Exceptional items*	(94,273)	158,335	(17,711)	-	176,863	-	-	-	
Profit before taxation	884,257	432,807	708,590	11,926	198,283	16,607	44,713	32,416	
Taxation	(158,008)	(55,089)	(127,608)	(27,238)	(155)	(15)	(200)	(7)	
Profit/ (loss) for the period	726,249	377,718	580,983	(15,312)	198,128	16,592	44,513	32,409	
Other comprehensive income for the period	213,681	(50,035)	141,785	(8,737)	516,559	644,927	148,053	389,235	
Total comprehensive income for the period	939,930	327,683	722,768	(24,049)	714,687	661,519	192,566	421,644	
Profit/ (loss) attributable to : Owners of the Parent	342,936	215,315	280,743	(76,036)	198,128	16,592	44,513	32,409	
Non controlling interests	383,313	162,403	300,240	60,724	-	-	-	-	
	726,249	377,718	580,983	(15,312)	198,128	16,592	44,513	32,409	
Total comprehensive income attributable to:									
Owners of the Parent	458,165	180,952	340,338	(83,120)	714,687	661,519	192,566	421,644	
Non-controlling interests	481,765	146,731	382,430	59,071	-	-	-	-	
	939,930	327,683	722,768	(24,049)	714,687	661,519	192,566	421,644	
Earnings/ (loss) per share	Rs								
Weighted average no. of ord shares for EPS Calculation	000	1,521,588	778,943	1,521,588	767,563	1,521,588	778,943	1,521,588	767,563

* Exceptional item at Group level relates to restructuring, branding and costs associated with Sun Resorts' transaction with Shangri-La. At Company level, it relates to the profit on disposal of the 20% stake in Constance Hotel Services Limited.

UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY

THE GROUP	Stated Capital	Redeemable A Shares	Treasury Shares	Revaluation & Other Reserves	Retained Earnings	Total	Non Controlling Interests	Total Equity
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Balance at 1 July 2014	4,246,423	39,233	(270,999)	2,229,945	5,840,681	12,085,283	5,821,590	17,906,873
Total comprehensive income for the period	-	-	-	115,229	342,936	458,165	481,765	939,930
Dividends	-	-	-	(76,116)	(42,944)	(76,116)	(42,944)	(119,060)
Other movements	2,715	-	6,033	49,768	(62,767)	(4,251)	865,150	860,899
Balance at 31 December 2014	4,249,138	39,233	(264,966)	2,394,942	6,044,734	12,463,081	7,125,561	19,588,642
Balance at 1 July 2013	822,665	-	-	3,626,236	1,995,110	6,444,011	-	6,444,011
Total comprehensive income for the period	-	-	-	(34,363)	215,315	180,952	146,731	327,683
Effect of change of associate to subsidiary	-	-	-	(19,059)	40,554	21,495	1,867,397	1,888,892
Issue of Redeemable Restricted A Shares	-	39,233	-	-	(40,000)	(767)	-	(767)
Share buy back	-	-	(271,078)	-	-	(271,078)	-	(271,078)
Dividends	-	-	-	-	(30,703)	(30,703)	(40,140)	(70,843)
Balance at 31 December 2013	822,665	39,233	(271,078)	3,572,814	2,180,276	6,343,910	1,973,988	8,317,898
THE COMPANY	Stated Capital	Redeemable A Shares	Treasury Shares	Revaluation & Other Reserves	Retained Earnings	Total		
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000		
Balance at 1 July 2014	4,246,423	39,233	(270,999)	4,499,099	2,467,567	10,981,323		
Total comprehensive income for the period	-	-	-	516,559	198,128	714,687		
Employee share option scheme	2,715	-	6,032	(3,262)	-	5,485		
Dividends	-	-	-	-	(76,116)	(76,116)		
Other movements	-	-	-	-	(14)	(14)		
Balance at 31 December 2014	4,249,138	39,233	(264,967)	5,012,396	2,589,565	11,625,365		
Balance at 1 July 2013	822,665	-	-	2,732,616	313,841	3,869,122		
Total comprehensive income for the period	-	-	-	644,927	16,592	661,519		
Issue of Redeemable Restricted A Shares	-	39,233	-	-	(40,000)	(767)		
Share buy back	-	-	(271,078)	-	-	(271,078)		
Dividends	-	-	-	-	(30,703)	(30,703)		
Balance at 31 December 2013	822,665	39,233	(271,078)	3,377,543	259,730	4,228,093		

The unaudited condensed financial statements are issued pursuant to the listing rule 12.20 and the Securities Act 2005. The Board of Directors of CIEL Limited accepts full responsibility for the accuracy of the information contained in this report. Copies of the unaudited condensed financial statements are available, free of charge, upon request from the Company Secretary, 5th Floor, Ebène Skies, rue de l'Institut, Ebène. 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, 5th Floor, Ebène Skies, rue de l'Institut, Ebène.

CONDENSED STATEMENT OF FINANCIAL POSITION

	THE GROUP		THE COMPANY	
	UNAUDITED As at 31 Dec 2014	AUDITED As at 30 Jun 2014	UNAUDITED As at 31 Dec 2014	AUDITED As at 30 Jun 2014
	Rs'000	Rs'000	Rs'000	Rs'000
ASSETS				
Property, plant and equipment	14,229,065	14,262,323	-	-
Investment properties	1,084,136	1,083,451	-	-
Intangible assets	1,917,483	1,841,872	-	-
Investment in Financial assets	6,437,491	5,185,280	12,082,321	11,273,881
Leasehold rights and land prepayments	192,404	194,715	-	-
Other non current assets	207,436	322,523	109,663	66,105
Current assets	12,512,450	11,945,339	132,011	149,478
Non-current assets classified as held for sale	46,960	462,907	-	414,275
Total non specific banking assets	36,627,425	35,298,410	12,323,995	11,903,739
Total specific banking assets	9,642,836	8,781,633	-	-
TOTAL ASSETS	46,270,261	44,080,043	12,323,995	11,903,739
EQUITY AND LIABILITIES				
Capital and reserves				
Owners' interests	12,463,081	12,085,283	11,625,365	10,981,323
Non controlling interest	7,125,561	5,821,590	-	-
Current liabilities	8,573,678	7,971,179	690,630	914,416
Non current liabilities	4,908,147	5,679,545	8,000	8,000
Specific banking liabilities	13,199,794	12,522,446	-	-
TOTAL EQUITY AND LIABILITIES	46,270,261	44,080,043	12,323,995	11,903,739
NET ASSET VALUE PER SHARE Rs	8.19	7.95	7.64	7.22
NO OF SHARES IN ISSUE 000	1,522,311	1,521,084	1,522,311	1,521,084

UNAUDITED CONDENSED STATEMENT OF CASH FLOWS

	THE GROUP		THE COMPANY	
	6 Months 31 Dec 2014	6 Months 31 Dec 2013	6 Months 31 Dec 2014	6 Months 31 Dec 2013
	Rs'000	Rs'000	Rs'000	Rs'000
Net cash from operating activities	1,126,452	385,951	108,200	(35,895)
Net cash (used in)/ from investing activities	(1,085,171)	(804,150)	168,808	(243,252)
Net cash from/ (used in) financing activities	1,048,878	(339,593)	(254,753)	(353,345)
Increase/(Decrease) in cash and cash equivalents	1,090,159	(757,792)	22,255	(632,492)
Movement in cash and cash equivalents				
At 1 July	3,520,181	(45,790)	(500,513)	(45,790)
Increase/ (Decrease)	1,090,159	(757,792)	22,255	(632,492)
At 31 December	4,610,340	(803,582)	(478,258)	(678,282)
Cash and cash equivalents Banking segment	4,887,816	-	-	-
Non banking segment	(277,476)	(803,582)	(478,258)	(678,282)
	4,610,340	(803,582)	(478,258)	(678,282)