

**GAMMA-CIVIC LTD**  
**ABRIDGED UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE QUARTER AND HALF YEAR ENDED 30 JUNE 2014**

**GROUP STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Quarter ended 30 June 2014 Rs Unaudited	Quarter ended 30 June 2013 Rs Unaudited	Half year ended 30 June 2014 Rs Unaudited	Half year ended 30 June 2013 Rs Unaudited
Revenue	1,381,285,205	1,148,117,901	2,590,673,214	2,288,834,934
Operating (loss)/profit	(171,919)	12,537,171	17,777,908	57,578,251
Finance costs	(31,469,779)	(23,859,072)	(47,998,051)	(53,543,426)
Share of profit of associates and joint venture	39,041,478	26,877,466	73,365,512	51,712,628
Profit before taxation	7,399,780	15,555,565	43,145,369	55,747,453
Taxation	(5,605,842)	(16,087,359)	(14,881,825)	(29,038,868)
<b>Profit/(loss) for the period</b>	<b>1,793,938</b>	<b>(531,794)</b>	<b>28,263,544</b>	<b>26,708,585</b>
<b>Other comprehensive loss for the period</b>	<b>(60,496,692)</b>	<b>(6,457,342)</b>	<b>(39,839,295)</b>	<b>(20,463,877)</b>
<b>Total comprehensive (loss)/income for the period</b>	<b>(58,702,754)</b>	<b>(6,989,136)</b>	<b>(11,575,751)</b>	<b>6,244,708</b>
(Loss)/profit attributable to:				
-Owners of the company	(9,980,151)	6,759,343	20,129,875	35,441,367
-Non-controlling interests	11,774,089	(7,291,137)	8,133,669	(8,732,782)
	<b>1,793,938</b>	<b>(531,794)</b>	<b>28,263,544</b>	<b>26,708,585</b>
Total comprehensive (loss)/income attributable to:				
-Owners of the company	(72,500,386)	2,731,997	(29,058,939)	22,033,509
-Non-controlling interests	13,797,632	(9,721,133)	17,483,188	(15,788,801)
	<b>(58,702,754)</b>	<b>(6,989,136)</b>	<b>(11,575,751)</b>	<b>6,244,708</b>
Number of shares in issue	133,250,000	133,250,000	133,250,000	133,250,000
Dividend per share	-	-	0.72	-
(Loss)/earnings per share	(0.07)	0.05	0.15	0.27

**GROUP STATEMENT OF FINANCIAL POSITION**

	30 June 2014 Rs Unaudited	31 December 2013 Rs Audited
<b>ASSETS</b>		
Non-current assets	3,807,018,224	3,868,189,488
Current assets	1,602,928,159	1,173,188,030
<b>Total assets</b>	<b>Rs 5,409,946,383</b>	<b>5,041,377,518</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Stated capital	133,250,000	133,250,000
Share premium	86,482,579	86,482,579
Retained earnings	2,140,666,583	1,693,661,984
Other reserves	583,610,723	567,787,450
<b>Equity attributable to owners of the company</b>	<b>2,944,009,885</b>	<b>2,481,182,013</b>
Non-controlling interests	(55,386,283)	(96,353,775)
<b>Total equity</b>	<b>2,888,623,602</b>	<b>2,384,828,238</b>
Non-current liabilities	1,116,103,737	1,096,432,626
Current liabilities	1,405,219,044	1,560,116,654
<b>Total equity and liabilities</b>	<b>Rs 5,409,946,383</b>	<b>5,041,377,518</b>

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**GROUP STATEMENT OF CHANGES IN EQUITY**

	Stated capital Rs	Share premium Rs	Retained earnings Rs	Other reserves Rs	Total Rs
Balance at 1 January 2013	133,250,000	86,482,579	1,489,223,163	351,521,903	2,060,477,645
Profit for the period	-	-	35,441,367	-	35,441,367
Other comprehensive loss for the period	-	-	-	(13,407,858)	(13,407,858)
Total comprehensive income/(loss) for the period	-	-	35,441,367	(13,407,858)	22,033,509
Revaluation surplus of associate realised on depreciation	-	-	226,813	(226,813)	-
Balance at 30 June 2013	Rs 133,250,000	86,482,579	1,524,891,343	337,887,232	2,082,511,154
Balance at 1 January 2014	133,250,000	86,482,579	1,693,661,984	567,787,450	2,481,182,013
Profit for the period	-	-	20,129,875	-	20,129,875
Other comprehensive (loss)/income for the period	-	-	(66,146,150)	16,957,336	(49,188,814)
Total comprehensive (loss)/income for the period	-	-	(46,016,275)	16,957,336	(29,058,939)
Revaluation surplus of associate realised on depreciation	-	-	1,134,063	(1,134,063)	-
Partial disposal of subsidiaries	-	-	587,826,811	-	587,826,811
Dividend	-	-	(95,940,000)	-	(95,940,000)
Balance at 30 June 2014	Rs 133,250,000	86,482,579	2,140,666,583	583,610,723	2,944,009,885

**GROUP STATEMENT OF CASH FLOWS**

	Half year ended 30 June 2014 Rs Unaudited	Half year ended 30 June 2013 Rs Unaudited
Net cash from operating activities	19,918,380	114,620,202
Net cash generated from/(used in) investing activities	632,771,842	(8,333,205)
Net cash used in financing activities	(104,183,601)	(85,722,087)
Net increase in cash and cash equivalents	548,506,621	20,564,910
Cash and cash equivalents at beginning of period	21,158,897	(41,681,720)
Cash and cash equivalents at end of period	Rs 569,665,518	(21,116,810)

**GROUP SEGMENT INFORMATION**

**(a) Segment**

	Contracting Rs	Investments Rs	Lottery Rs	Corporate Services and Others Rs	Eliminations Rs	Total Rs
Revenue	Rs 934,767,452	68,603,956	1,578,187,670	737,145,714	(728,031,578)	2,590,673,214
Result	Rs 43,985,130	(241,587,962)	129,871,727	380,199,618	(294,690,605)	17,777,908

**(b) Geographical**

	Mauritius Rs	Madagascar Rs	Eliminations Rs	Total Rs
Revenue	Rs 2,593,565,997	3,859,903	(6,752,686)	2,590,673,214
Non-current assets	Rs 3,583,418,558	23,924,787	-	3,607,343,345

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**COMMENTS**

**Performance Highlights**

Group performance for the half year ended 30 June 2014 was as follows:

**Group Statement of Profit or Loss and Other Comprehensive Income**

Revenue	Net Profit after Taxation
Jun 2014: Rs2,591M	Jun 2014: Rs28M
Jun 2013: Rs2,289M	Jun 2013: Rs27M

**Group Statement of Financial Position**

Total Assets	Total Equity
Jun 2014: Rs5,410M	Jun 2014: Rs2,889M
Dec 2013: Rs5,041M	Dec 2013: Rs2,385M

The Group has made a profit after tax of Rs28M for the half year ended 30 June 2014. Our core businesses in Contracting, Building Materials and Lottery in Mauritius delivered profits despite the difficult economic conditions.

In June 2014, Lottotech Ltd was successfully listed on the Official List of the Stock Exchange of Mauritius Ltd. The sale of 18.75% shareholding in Lottotech Ltd resulted in a gain of Rs588M to the Group. This gain has been recognised directly into retained earnings.

The Group has made a provision of Rs111M in respect of additional retirement obligations for qualifying executive directors, out of which Rs78M has been recognised in Other Comprehensive Income. The remainder (Rs33M) has been expensed in the current period.

**Contracting**

Our Contracting business comprises the Roads, Building and Civil Engineering Divisions and remains at the core of our group strategy. It continues to deliver profits despite the difficult economic conditions.

**Lottery**

Overall, Lottotech Ltd has delivered a strong financial performance during the half year ended 30 June 2014. This is mainly due to an exceptionally high number of Loto rollovers. During this period, the advertised jackpot reached Rs120m for the first time in its history. Loto established new sales records on weekly, monthly and quarterly basis. The performance of the instant game category was satisfactory during the first quarter of the year but was below expectations during the second quarter.

**Investments**

The Investments segment relates mainly to our Real Estate business. Our Real Estate portfolio comprises a bank of prime land as well as some premium offices. There is much untapped value in our land bank and we are still continuing at looking to develop it in the forthcoming years to unlock its value.

**Corporate Services and Others**

The Corporate Services and Others segment relates mainly to the investment holding company, Gamma-Civic Ltd and the ceased operations of Reel Mada SA, a licensed lottery operator in Madagascar. Reel Mada SA is a direct subsidiary of Gamma-Civic Ltd. For the period under review, Reel Mada SA has adversely affected the overall performance of the Group.

**Building Materials and Hotel (Joint Venture/Associates)**

The building materials and cement businesses remain pillars of the group operations. Despite the challenging environment in the construction industry, our building materials and cement businesses have delivered a significant proportion of the group profits.

Morning Light Co Ltd is an associate company of Gamma-Civic Ltd and owns the "Hilton Mauritius Resort & Spa", a resort hotel of international standard. The hotel is managed and operated by Hilton International, the worldwide hotel group. The hotel has been closed for renovation since 1 June 2014 and is expected to re-open in October 2014. Due to the ongoing renovation, the financial performance of the hotel is being affected.

**Future Outlook**

The environment in which our businesses operate remains very challenging. The Board is monitoring the situation closely and the respective companies will take further action if business conditions deteriorate. We remain cautiously confident in our ability to grow earnings over the short to long term whilst continuing to create value for our shareholders. The long term growth and sustainability of Gamma Group remains our focus.

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**Earnings per share**

The calculation of earnings per share is based on the profit attributable to the owners of the company of Rs20,129,875 (Jun 2013: Rs35,441,367) and the number of the shares in issue of 133,250,000 (Jun 2013: 133,250,000).

**Dividend**

For the financial 18 month period ended 31 December 2013, a final dividend of Rs0.72 per share was declared on 27 March 2014 and paid in June 2014.

**Others**

The financial information set out above for the quarter and half year ended 30 June 2014 is unaudited and has been prepared in compliance with International Financial Reporting Standards.

Copies of the above abridged unaudited financial statements are available, free of charge, upon request made to the Company Secretary, at the registered office of the company, Level 3, Alexander House, 35 CyberCity, Ebene, or can be viewed on the company's website [www.gamma.mu](http://www.gamma.mu).

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 made to the Company Secretary, at the registered office of the company.

By Order of the Board

Intercontinental Secretarial Services Ltd  
Company Secretary

8 August 2014

*These abridged unaudited financial statements are issued pursuant to Listing Rule 12.20 and Rule 8 of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007.*

*The Board of Directors of Gamma-Civic Ltd accepts full responsibility for the accuracy of the information contained in these abridged unaudited financial statements.*

[www.gamma.mu](http://www.gamma.mu)

BRN: C06001228