



Second Quarter ended 31 December 2017 in Rs million

Rs. **2,861** ↑
20% - REVENUE

Rs. **714** ↑
40% - EBITDA*

Rs. **404** ↑
85% - PROFIT AFTER TAX

As at 31 December 2017 in Rs million

Rs. **32,480** ↑
11% - TOTAL ASSETS

Rs. **17,983** ↑
9% - TOTAL EQUITY

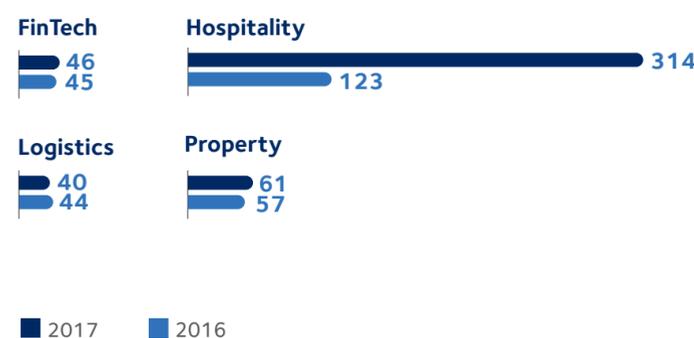
Rs. **10,614** ↑
15% - TOTAL BORROWINGS

* Excluding exceptional items

Key Indicators



PAT* for Second Quarter ended 31 December 2017 by Served Market in Rs million



Abridged Quarterly Results Ended 31 December 2017

Statement of Profit or Loss

In Rs million	Unaudited 3 months ended December		Unaudited 6 months ended December		Audited year ended June
	2017	2016	2017	2016	2017
Revenue	2,860.8	2,392.9	4,887.0	4,402.8	8,663.0
Profit from operations before finance costs	458.8	417.9	529.2	637.4	1,044.8
Finance costs	(142.9)	(134.4)	(286.3)	(269.5)	(538.7)
Fair value gain on investment properties	-	-	-	-	637.9
Share of results of associates and jointly controlled entities	148.1	0.6	87.8	(44.7)	(24.8)
Profit before exceptional items	464.0	284.1	330.7	323.2	1,119.2
Exceptional items					
Excess of fair value of net assets over settlement price	-	-	79.0	-	144.5
Profit (loss) on disposal of financial assets	-	-	53.9	-	(3.0)
Profit on sale of properties	1.5	1.6	1.5	4.7	9.3
Profit before taxation	465.5	285.7	465.1	327.9	1,270.0
Taxation	(61.8)	(67.9)	(60.3)	(98.1)	(145.5)
Profit for the period	403.7	217.8	404.8	229.8	1,124.5
Attributable to					
Owners of the parent	299.2	137.9	278.5	99.7	485.2
Non-controlling interests	104.5	79.9	126.3	130.1	639.3
	403.7	217.8	404.8	229.8	1,124.5
Earnings per share (EPS)	Rs 1.19	0.55	1.10	0.40	1.93
EPS excluding exceptional items	Rs 1.18	0.55	0.57	0.39	1.35
Number of ordinary shares used in calculation					252,045,300
Cash dividends per ordinary share	Rs 0.34	0.32	0.34	0.32	0.92
Net asset value per share (NAV)	Rs		40.73	36.90	40.83

Statement of Profit or Loss and Other Comprehensive Income

	Unaudited 3 months ended December		Unaudited 6 months ended December		Audited year ended June
	2017	2016	2017	2016	2017
Profit for the period	403.7	217.8	404.8	229.8	1,124.5
Other comprehensive income	(255.9)	(119.3)	(224.1)	(92.5)	947.2
Total comprehensive income	147.8	98.5	180.7	137.3	2,071.7
Attributable to					
Owners of the parent	45.4	15.1	66.1	2.6	1,081.7
Non-controlling interests	102.4	83.4	114.6	134.7	990.0
	147.8	98.5	180.7	137.3	2,071.7

Statement of Financial Position

	Unaudited 31 December		Audited 30 June
	2017	2016	2017
ASSETS			
Non current assets			
Property, plant and equipment	9,166.5	8,063.0	9,009.9
Investment properties	10,977.9	10,909.4	11,193.9
Intangible assets	1,138.8	791.7	836.0
Investment in associates and jointly controlled entities	4,765.4	4,799.7	5,193.8
Investment in financial assets	987.0	644.6	676.8
Non-current receivables	104.0	54.3	68.6
Deferred expenditure	243.5	194.9	212.7
	27,383.1	25,457.6	27,191.7
Current assets			
Consumable biological assets	68.2	83.7	86.5
Inventories	354.5	337.0	278.3
Trade and other receivables	3,169.2	2,880.0	2,461.1
Bank balances and cash	922.0	561.6	888.1
	4,513.9	3,862.3	3,714.0
Assets classified as held for sale	582.5	-	453.1
	32,479.5	29,319.9	31,358.8
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	1,260.2	1,260.2	1,260.2
Reserves	9,006.8	8,039.3	9,031.0
Equity attributable to owners of the parent	10,267.0	9,299.5	10,291.2
Non-controlling interests	7,715.6	7,166.5	7,878.4
Total equity	17,982.6	16,466.0	18,169.6
Non current liabilities			
Borrowings	9,802.2	7,405.8	7,575.6
Deferred tax liabilities	545.3	420.8	518.7
Retirement benefit obligations	178.0	179.9	163.8
	10,525.5	8,006.5	8,258.1
Current liabilities			
Borrowings	811.3	1,797.0	1,915.6
Trade and other payables	2,991.2	2,927.2	2,680.2
Income tax liabilities	7.8	35.1	17.2
Provisions	-	7.4	7.4
Dividends payable	-	80.7	151.2
	3,810.3	4,847.4	4,771.6
Liabilities directly associated with assets classified as held for sale	161.1	-	159.5
	14,496.9	12,853.9	13,189.2
	32,479.5	29,319.9	31,358.8

Segment Analysis

	Revenue				Audited year ended June	Profit after taxation			
	Unaudited 3 months ended December		Unaudited 6 months ended December			Unaudited 3 months ended December		Unaudited 6 months ended December	
	2017	2016	2017	2016	2017	2016	2017	2016	2017
FinTech									
Corporate Services	116	73	182	144	302	26	16	35	32
Financial Services	4	1	8	3	5	15	32	26	48
Technology Services	79	94	154	179	343	5	(3)	4	(1)
	199	168	344	326	650	46	45	65	79
Hospitality									
Hotels	858	659	1,154	1,084	2,012	276	109	65	26
Travel	147	138	266	266	561	28	14	27	15
Leisure	136	-	254	-	-	10	-	15	-
	1,141	797	1,674	1,350	2,573	314	123	107	41
Logistics	1,021	948	1,933	1,801	3,491	40	44	83	94
Property									
Property Investments	336	307	654	583	1,239	89	76	188	156
Property Development and Agribusiness	170	177	289	352	736	(28)	(19)	(71)	(50)
	506	484	943	935	1,975	61	57	117	106
Corporate Office	55	61	108	119	241	(24)	(23)	(30)	(37)
Corporate Treasury	-	-	-	-	-	(34)	(30)	(71)	(58)
	2,922	2,458	5,002	4,531	8,930	403	216	271	225
Exceptional Items	-	-	-	-	-	1	2	134	5
	2,922	2,458	5,002	4,531	8,930	404	218	405	230
Group Elimination	(61)	(65)	(115)	(128)	(267)	-	-	-	-
Total	2,861	2,393	4,887	4,403	8,663	404	218	405	230

Comments on results

Group Performance

Group revenue for the quarter ended 31 December 2017 improved by 20% to Rs 2,861m (Q2 2017: Rs 2,393m) with positive growth rates across all served markets. This result includes the contribution of the recently acquired global businesses and the new Leisure sector. Overall PAT for the quarter increased by 85% to Rs 404m (Q2 2017: Rs 218m) mainly driven by the good performance of the Hotels sector which was affected last year by the exceptional adjustments of NMH.

Served Markets Highlights

FinTech

PAT for FinTech was Rs 46m (Q2 2017: Rs 45m). The results included the 6-month contribution of the newly acquired management company (Globefin) and our share of the results of Swan. This has more than offset the additional costs incurred for the launch of new services and a lower USD rate.

Hospitality

Hospitality recorded a good performance with a PAT of Rs 314m (Q2 2017: Rs 123m). The Hotel sector was the main contributor with much improved occupancy rates and Guest Night Spending for both Veranda and Heritage Resorts.

Logistics

PAT for Logistics was Rs 40m (Q2 2017: Rs 44m). The sector registered an improvement in overseas freight forwarding and shipping activities. However, this was more than offset by a lower USD rate, a decreased performance in the local depot, sugar-related activities, and a reduced transport activity in Kenya.

Property

Property posted a PAT of Rs 61m (Q2 2017: Rs 57m). The Property Investments sector performed better with the full-operation of Phoenix Mall, and an increase in 5-year renewal rates of Bagatelle Mall. On the other hand, the results of the Property Development & Agribusiness sector were mainly affected by a lower volume and price of sugar.

Results for the six months to December 2017

Group revenue for the six months to December 2017 amounted to Rs 4,887m (Dec-16: Rs 4,403m) and PAT, excluding exceptional items, was Rs 271m (Dec-16: Rs 225m).

Dividends

On 09 November 2017, the Board declared an interim dividend of Rs 0.34 (Dec-16: Rs 0.32) per share.

Outlook

Irrespective of any fair value adjustments, the Group expects better results for the financial year.

By order of the Board 09 February 2018

Statement of Changes in Equity

	Share capital	Revaluation and other reserves	Retained earnings	Attributable to owners of the parent	Non-controlling interests	Total
	At 1 July 2016	1,260.2	2,981.2	5,235.7	9,477.1	6,942.8
Effect on issue of shares	-	-	-	-	137.2	137.2
Dividends	-	-	(231.9)	(231.9)	(214.8)	(446.7)
Profit for the year	-	-	485.2	485.2	639.3	1,124.5
Other comprehensive income for the year	-	662.5	(66.0)	596.5	350.7	947.2
Transfers	-	(11.2)	11.2	-	-	-
Movement in reserves	-	7.7	(14.4)	(6.7)	-	(6.7)
Changes in ownership interests in subsidiaries that do not result in a loss of control	-	-	(48.1)	(48.1)	26.0	(22.1)
Acquisition and deconsolidation of group companies	-	6.8	12.3	19.1	(2.8)	16.3
At 30 June 2017	1,260.2	3,647.0	5,384.0	10,291.2	7,878.4	18,169.6
At 1 July 2017	1,260.2	3,647.0	5,384.0	10,291.2	7,878.4	18,169.6
Dividends	-	-	(85.7)	(85.7)	(117.7)	(203.4)
Profit for the period	-	-	278.5	278.5	126.3	404.8
Other comprehensive income for the period	-	(152.1)	(60.3)	(212.4)	(11.7)	(224.1)
Transfers	-	(11.7)	11.7	-	-	-
Changes in ownership interests in subsidiaries that do not result in a loss of control	-	-	(4.6)	(4.6)	(18.0)	(22.6)
Acquisition and deconsolidation of group companies	-	-	-	-	(141.7)	(141.7)
At 31 December 2017	1,260.2	3,483.2	5,523.6	10,267.0	7,715.6	17,982.6

Statement of Cash Flows

	Unaudited 6 months ended December		Audited year ended June
	2017	2016	2017
Cash generated from operations before working capital changes	725.2	785.5	1,364.2
Working capital changes	(394.3)	(419.2)	(186.4)
Cash generated from operations	330.9	366.3	1,177.8
Cash used in other operating activities	(64.9)	(38.5)	(68.4)
Net cash from operating activities	266.0	327.8	1,109.4
Net cash used in investing activities	(564.6)	(622.0)	(1,054.7)
Net cash from (used in) financing activities	274.6	(265.3)	(244.4)
Net decrease in cash and cash equivalents	(24.0)	(559.5)	(189.7)
Cash and cash equivalents - opening	431.4	616.5	616.5
Cash and cash equivalents of subsidiary classified as held for sale	-	-	3.6
Effects of exchange rate on cash and cash equivalents	1.6	(22.0)	1.0
Cash and cash equivalents - closing	409.0	35.0	431.4

The abridged financial statements of the Group are unaudited and have been prepared using the same accounting policies as the audited statements for the year ended 30 June 2017, except for the adoption of amendments to published standards and interpretations issued which are now effective.

These financial statements are issued pursuant to Listing Rule 12.20 and the Securities Act 2005.

Copies of the statement of direct and indirect interests of Officers pursuant to rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 and the financial statements are available free of charge upon request made to the Company Secretary at the registered office of Rogers and Company Limited. The Board of Directors of Rogers and Company Limited accepts full responsibility for the accuracy of the information contained in these financial statements.