

GROUP ABRIDGED STATEMENT OF COMPREHENSIVE INCOME

	Quarter to 31st March		Nine months to 31st March		Year ended
	2015 Rs 000 (Un-audited)	2014 Rs 000 (Un-audited)	2015 Rs 000 (Un-audited)	2014 Rs 000 (Un-audited)	30th June 2014 Rs 000 (Audited)
Continuing Operations					
Revenue	1,451,757	1,182,490	3,546,344	3,075,902	3,970,747
Earnings before Interest, Tax, Depreciation and Amortisation	431,961	362,710	908,786	794,025	893,424
Depreciation and amortisation	(100,062)	(75,654)	(263,168)	(225,728)	(308,575)
Operating profit	331,899	287,056	645,618	568,297	584,849
Net finance costs	(68,634)	(73,046)	(201,191)	(214,616)	(250,045)
Results before closure costs	263,265	214,010	444,427	353,681	334,804
Closure costs	-	-	(25,300)	-	-
Share of results of associate	-	4,474	5,326	7,102	263
Profit before income tax	263,265	218,484	424,453	360,783	335,067
Taxation	(25,221)	(23,968)	(46,201)	(42,530)	(53,243)
Profit after taxation from continuing operations	238,044	194,516	378,252	318,253	281,824
Result after tax from discontinued operation	(22,129)	(3,672)	(11,195)	(419)	3,125
Profit for the period	215,915	190,844	367,057	317,834	284,949
Non-controlling interest	-	(8,215)	(7,064)	(13,813)	(13,687)
Profit attributable to the group	215,915	182,629	359,993	304,021	271,262
Other comprehensive income					
Movement for the period			306,718	(9,464)	484,363
Total recognised gain			666,711	294,557	755,625
Earnings per share					
- Continuing operations	1.74	1.64	3.06	2.68	2.36
- Continuing and discontinuing operations	1.58	1.61	2.97	2.67	2.38
Average number of shares	136,499,534	113,747,651	121,331,611	113,747,651	113,747,651
SEGMENTAL INFORMATION					
Segment revenue:					
Mauritius (Note 1)	788,468	611,357	1,857,371	1,588,948	1,806,097
Maldives	520,689	442,043	1,262,257	1,071,578	1,376,148
Reunion	142,600	129,090	426,716	415,376	788,502
Total revenue	1,451,757	1,182,490	3,546,344	3,075,902	3,970,747
Segment results:					
Mauritius (Note 1)	185,777	166,444	376,103	340,248	345,188
Maldives	154,074	128,307	272,790	230,016	246,861
Reunion	(7,952)	(7,695)	(3,275)	(1,967)	(7,200)
Operating profit	331,899	287,056	645,618	568,297	584,849

Note 1 : The results for the quarter and nine months ended 31st March 2015 are not comparable with 2014 as Nereide Ltd has been consolidated as a subsidiary as from 1st January 2015.

GROUP ABRIDGED STATEMENT OF FINANCIAL POSITION

	31st March 2015 Rs 000 (Un-audited)	31st March 2014 Rs 000 (Un-audited)	30th June 2014 Rs 000 (Audited)
ASSETS			
Non current assets			
Property, plant & equipment	9,119,978	7,405,416	7,925,902
Intangible assets	1,468,992	1,152,979	1,073,758
Investment in associated company	-	214,380	232,449
Other financial assets	5	36	5
Deferred tax assets	48,586	36,677	21,282
Retirement benefit asset	-	8,224	42
	10,637,561	8,817,712	9,253,438
Current assets	1,556,091	1,326,027	1,088,758
TOTAL ASSETS	12,193,652	10,143,739	10,342,196
EQUITY AND LIABILITIES			
Shareholders' interest	6,032,598	3,900,679	4,313,262
Non-controlling interest	-	115,564	123,472
Non-current liabilities	3,850,823	4,444,345	4,243,045
Current liabilities	2,310,231	1,683,151	1,662,417
TOTAL EQUITY AND LIABILITIES	12,193,652	10,143,739	10,342,196
Net Assets per Share	Rs 44.20	Rs 34.29	Rs 37.92
Net Assets per Share (including the market value of leasehold land)	Rs 59.05	Rs 48.64	Rs 54.94

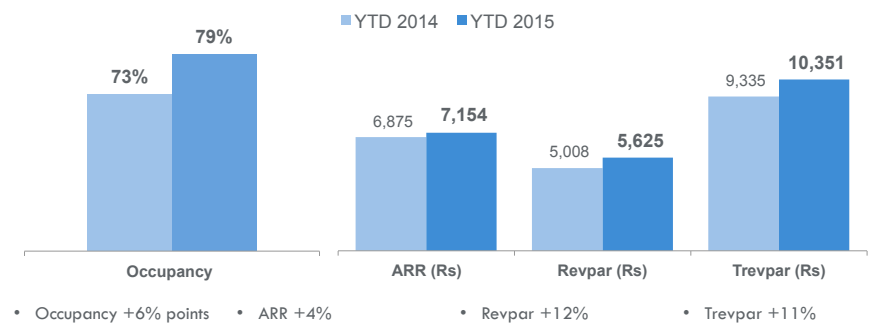
GROUP ABRIDGED STATEMENT OF CASH FLOWS

	31st March 2015 Rs 000	31st March 2014 Rs 000	30th June 2014 Rs 000
Net cash flows from operating activities	575,301	488,441	617,888
Net cash flows from investing activities	(256,695)	(210,355)	(150,130)
Net cash flows from financing activities	(446,136)	(362,616)	(629,584)
Net decrease in cash & cash equivalents	(127,530)	(84,530)	(161,826)
Cash and bank balance			
At beginning of period	(97,777)	64,049	64,049
Consolidation adjustment	(60,983)	-	-
At end of period	(286,290)	(20,481)	(97,777)

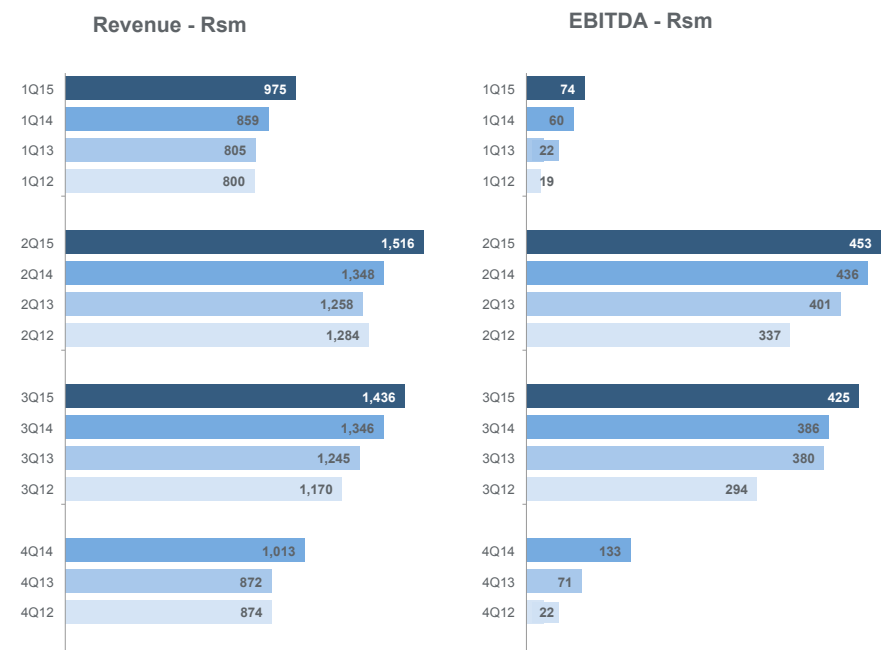
ABRIDGED STATEMENT OF CHANGES IN EQUITY

	31st March 2015 Rs 000	31st March 2014 Rs 000	30th June 2014 Rs 000
At beginning of period	4,313,262	3,606,122	3,606,122
Adjustment to NCI/Prior year adjustment	(93,330)	-	8,389
Total recognised gain	666,711	294,557	755,625
Issue of shares	1,145,955	-	-
Dividend	-	-	(56,874)
At end of period	6,032,598	3,900,679	4,313,262

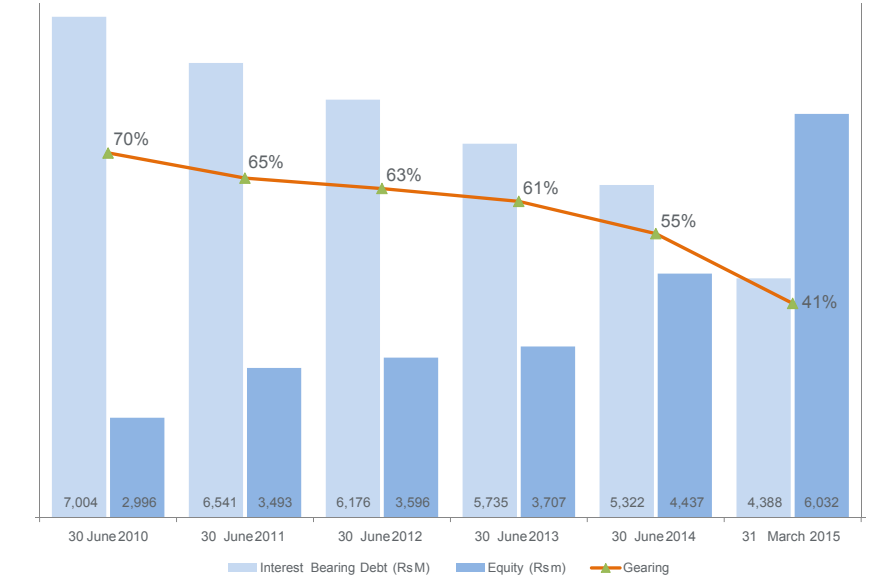
NINE MONTHS TO 31ST MARCH 2015 GROUP - REVENUE PERFORMANCE



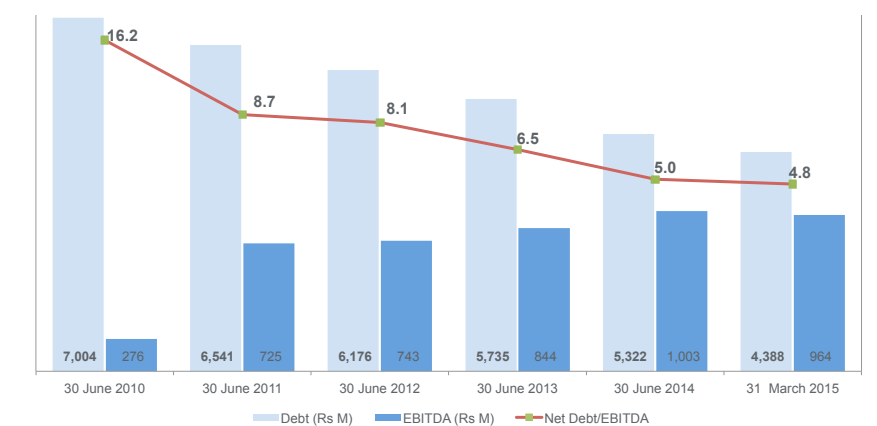
QUARTERLY GROWTH (YOY) SINCE LAUNCHING OF LUX* BRAND IN DECEMBER 2011



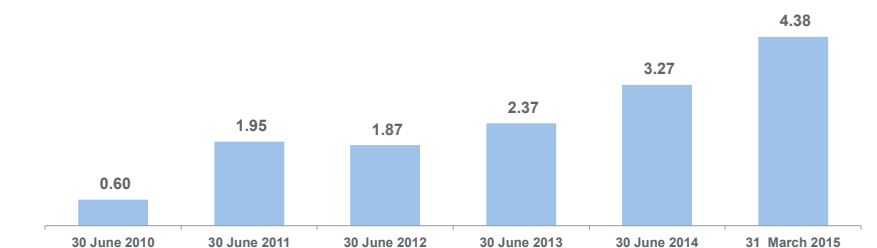
EVOLUTION OF EQUITY, DEBT AND GEARING



EVOLUTION OF DEBT, EBITDA AND NET DEBT / EBITDA RATIO



INTEREST COVER



Notes to the Financial Highlights

- The Financial Highlights have been prepared in accordance with International Financial Reporting Standards (IFRSs).
- The Financial Highlights have been prepared on the same basis as the accounting policies set out in the audited statutory Financial Statements of the Group for the period ended June 30, 2014, except for the adoption of relevant amendments to published Standards, Standards and Interpretations issued and effective for accounting period starting on July 1, 2014.
- The Financial Highlights are issued pursuant to Listing Rule 12.14 and published according to the Securities Act 2005.
- Copies of the Financial Highlights and the statement of direct and indirect interests of officers of the Company required under Rule 8 (2) (m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 are available free of charge, upon request, from the Company Secretary, at the Company's registered office, Lux Island Resorts Ltd, Pierre Simonet Street, Flôreal.
- The Board of Directors of Lux Island Resorts Ltd accepts full responsibility for the accuracy of the information contained in the Financial Highlights.

Environment

Tourist arrivals to Mauritius for the quarter ended 31st March 2015 amounted to 291,329 up by 11% on the corresponding quarter last year. Arrivals from Europe increased on last year by 13% and our main markets namely France, UK and Germany increased by 2%, 30% and 18% respectively. The Chinese market continues to perform well with arrivals for the quarter under review reaching 22,498 an increase of 25% on last year. In the Maldives the number of visitors for the quarter under review reached 329,968 increasing by 3% on last year.

For the nine months ended 31st March 2015, tourist arrivals to Mauritius amounted to 812,815 an increase of 4% on last year whilst in Maldives the number of tourists grew by 2% to reach 924,840.

Group Results

The statutory results of Lux Island Resorts Ltd (LIR) for the quarter under review are not comparable with those of last year due to the consolidation of Oceanide Limited, the Company which owns and operates the Tamassa hotel, as a subsidiary as from 1st January 2015. We are presenting and commenting below the performance of all hotels operated by LUX* for the quarter and nine months ended 31st March 2015.

Quarter ended 31 st March				Nine months ended 31 st March		
2015	2014	% Change		2015	2014	% Change
Rs m	Rs m			Rs m	Rs m	
1,451	1,281	13%	Turnover	3,767	3,353	12%
432	385	12%	EBITDA	937	862	9%
(100)	(85)	18%	Depreciation	(287)	(252)	14%
(68)	(76)	-11%	Finance Costs	(220)	(239)	-8%
264	224	18%	Profit before Income Tax	430	371	16%

Despite the ongoing challenges in some markets coupled with the weak Euro, the Group delivered commendable results for the quarter under review with both turnover and EBITDA improving significantly on last year.

The Group occupancy for the quarter was up by 5% points to reach 82% whilst ADR (Average Daily Rate) which was impacted by a weak Euro decreased by 2%. However, the Group's RevPAR (Room Revenue per Available Room) increased by 4% compared to last year. Total revenue for the quarter under review reached Rs 1.5bn up by 13% on the corresponding quarter last year whilst EBITDA (Earnings before Interest Tax Depreciation and Amortisation) went up by 12% to reach Rs 432m. The Depreciation charge for the quarter increased by Rs 15m due to the renovation of LUX* Belle Mare and the revaluation of the Group properties carried out at the end of June 2014. Net finance costs decreased by Rs 8m as a result of reduced borrowings and conversion of 95% of the Convertible Bonds into equity in December 2014. Group profit before income tax improved by 18% to Rs 264m.

The turnover of the Group for the nine months to 31st March 2015 reached Rs 4bn, a growth of 12% on last year whilst profit before income tax improved by 16% from Rs 371m to Rs 430m. Earnings per share (EPS) from continued operations for the nine months ended 31st March 2015 increased by 14% to Rs 3.06 calculated on the number of shares in issue during that period including the new shares issued on 31st December 2014 following the exchange of shares owned by the outside shareholders of Oceanide Ltd and LUX Island Resorts Maldives Ltd for shares in LIR. EPS in respect of continuing and discontinuing operations for the same period increased by 11% to Rs 2.97.

The gearing of the Group at 31st March 2015 stood at 41% compared to 50% in June 2014 which is below the industry average. The cash flow generated by the Group for the nine months to 31st March 2015 reached Rs 575m and the Group paid down debt for an amount of Rs 446m. The ratio of net debt to EBITDA which was 16, five years ago, is today down to less than 5. This ratio is very healthy and the Group is now in a strong position to meet its financial commitments and future expansion plans.

The Net Assets per share as at 31st March 2015 was Rs 44.20 compared to Rs 37.92 at the beginning of the financial year and would go up to Rs 59.05 if the market value of leasehold land of the Group is taken into consideration.

The movement in other comprehensive income for the period is in respect of net gain recognized on translation of foreign subsidiaries at end of March 2015.

The table below summarizes the performance of our hotels by destination compared to corresponding period last year:

Quarter ended 31 st March 2015					Nine months ended 31 st March 2015			
Mauritius	Reunion	Maldives	The Group		Mauritius	Reunion	Maldives	The Group
+6%	+5%	-1%	+5%	Occupancy (points)	+8%	+2%	+4%	+6%
-4%	-7%	+10%	-2%	ADR	+2%	-4%	+13%	+4%
+3%	+1%	+9%	+4%	Rev PAR	+12%	-1%	+19%	+12%

Strategy

In line with our growth strategy which is focused on managing resorts and hotels rather than owning the assets, the Group disposed of 100% of its shareholding in SAS Le Recif, which owns and operates hotel Le Recif in Reunion Island on the 1st April 2015. Subsequent to the disposal, LIR through its subsidiary Lux Hospitality Ltd (LHL) signed a long term Hotel and Management Services agreement with the new owner to market and manage the hotel. The results of Hotel Le Recif for the quarter and nine months to 31st March 2015 as well as the adjustments made to bring the assets to their fair values have been accounted as discontinued operations in the abridged financial statements.

LHL has also signed with the buyer of Le Recif, a long term Management Services Agreement and a Technical Services Agreement in connection with the design, development and management of a five star luxury resort comprising of 82 pool villas at St Philippe on the South coast of Reunion Island. Construction works have already started and the opening date of the resort, to be branded LUX* is scheduled for 2016.

Furthermore, the Group is in advanced discussions with a developer in the Maldives for the development and management of a five star luxury resort of 60 keys in the Maldives. Construction will start shortly and opening is scheduled for 2016.

It is important to note that at time of writing, the Group has signed with third party owners long term management contracts for 571 rooms, 400 of which will open end 2016/beginning 2017. Our portfolio which was 100% owned and managed two years ago will grow to 1,877 rooms by end of 2016 of which 32% will be managed under the LUX* brand for third party owners.

Investing for Growth

Although our strategy is described as 'asset-light', we are focussed on the premiumization of our owned properties. The Board has approved an amount of USD 25m for the renovation of LUX* Maldives which will be undertaken in two phases. The financing has already been secured and the first phase which comprises of the refurbishment of The East Water Villas will be undertaken between June and September 2015. These water villas being isolated on one side of the island should not impact on the hotel operations. The renovation of the remaining water villas, rooms and public areas will be carried out next year between May and September and the hotel will be closed during that period. The Board is confident that the fully renovated LUX* Maldives will be able to maintain and improve on its already outstanding results.

Future outlook

The Global Economic Environment remains uncertain. We are however encouraged by the increase in arrivals particularly from Europe and the double digit growth in the number of tourists from China. We welcome the measures announced by the Mauritius Ministry of Tourism to boost arrivals during the coming low season as well as all efforts to improve connectivity and the visibility of Mauritius.

We are pleased to report that both occupancy and ADR held on the books for the current quarter are ahead of last year. Therefore, providing there is no significant deterioration in the environment and notwithstanding the increase in the number of shares in issue, we are confident that we will post double digit growth in Earnings per Share for the financial year ending June 30th 2015.

By order of the Board

LUX Hospitality Ltd
Company Secretary

13th May 2015.