
LUX* Resorts – Significant increase in profits and a dividend of 50 cents per share

May 15, 2014. LUX* Resorts, Floréal, Mauritius

LUX* Resorts unveiled its third quarter results on 15th May 2014, the highlights being a significant increase in revenue and profits over the past nine months, the advancement of the Group's project in UAE, and the signature of a treaty with a public Chinese company, Lijiang Yulong Tourism Corporation Limited, for the management of luxury hotels in the Yunnan province, on the famous Tea Horse Road. These facts were presented by the Group's Chairman, Arnaud Lagesse, and its CEO, Paul Jones, during a press conference held at the Le Labourdonnais Hotel, in Port-Louis.

The Chairman and the CEO stressed on the fact that, despite difficult market conditions and the Easter holidays occurring in April this year, the Group's third quarter results are outstanding, with pre-tax profits of Rs 215 million, an increase of 6% over the same period last year. The Group also recorded a total revenue of Rs 3.3 billion over the nine months ended March 31, 2014, a growth of 10% over last year.

LUX* Resorts adds that the EBITDA (Earnings before Interest, Taxes, Depreciation, and Amortization) for the nine months ended March 31, 2014 increased by 13% to reach Rs 814 million, while the operating profits augmented by 18% to reach Rs 574 million. Pre-tax profits increased by 51%, and the Groups Net profits improved by 45%, reaching Rs 304 million .

Between the 1st of July 2013 and the 31st of March 2014, the net cash from operating activities reached Rs 488 million, Rs 93 million more than last year. The Group repaid a total of Rs 359 millions in Term Loans. As at 31st of March 2014, Term Loans and Convertible Bonds were estimated at Rs 4.6 billion, compared to Rs 4.9 billion as at 30th of June 2013. The Group's debt in relation to its equity was of 57% on the 30th of June 2013, compared to 53% now, based on the hypothesis that bondholders will not convert their bonds into shares. If Convertible Bonds were treated as equity, the Group's gearing on the 31st of March 2014 would have been of 46%, compared to 51% on the 30th of June 2013. The coverage of interests (EBITDA costs, Finances) for the nine months ended March 31, 2014 was of 3.7 times, against 3 times last year.

The Chairman expressed his satisfaction during the presentation of the group's financial results, on Thursday. *"Our international development strategy paid-off: our project in Ajman, in the United Arab Emirates, is well underway and the constant demand in the region is a good sign for the future. Moreover, our contracts for the management of several hotels in the South Western part of China, along the famous Tea Horse Road, open the doors to China's promising market. The future looks exciting, but we need to work really hard to turn these into hotels of international repute,"* said Arnaud Lagesse.

The speakers also added that the buyers of the 12 villas of LUX* Belle Mare all paid a deposit, a transaction that will be taken into account this quarter. With regard to the sale of the Le Recif Hotel, in Réunion island, Paul Jones revealed that the discussions are progressing satisfactorily and that the shareholders will be informed of the fallout of these negotiations.

Commenting on the financial results, Paul Jones said that *“we are obviously extremely pleased with our financial performance and I would like to thank our teams, in Mauritius and abroad, who work tirelessly to ensure such results. I remember that our goal of reaching a double-digit growth on our EBITDA was considered totally unrealistic at the time. Yet, with rigorous work ethics, an intensive marketing campaign, a constant quest for innovation and motivated teams, we have proven that success is possible despite a difficult economic context.”*

The CEO also spoke of the Group’s projects in Mauritius. He said he was particularly proud of the renovation of LUX* Belle Mare. *“We implemented a renovation program for all our LUX* hotels, and the final phase of the renovation of LUX* Belle Mare will begin on the 1st of July 2014, according to the plans and specifications of Kelly Hoppen, the renowned interior decorator. Our aim is to improve the client’s experience, and we believe that when LUX* Belle Mare will reopen its doors in September, it will be one of the best luxury resorts in the Indian Ocean.”*

Economic prospects

There were 263,716 tourist arrivals in Mauritius for the quarter ended on the 31st of March 2014, a 1% decrease over last year. The arrivals from our main European markets, France and the UK, have declined by 4% and 5% respectively, while the arrivals from Réunion island, our second most important market after France, saw a decrease of 5%. This fall was compensated by the 18,034 arrivals from China, twice as many as last year.

Maldives continues its excellent performance with 321,561 tourist arrivals this quarter, a 10% increase over the corresponding period last year. Once again, the arrivals from China boosted these numbers, with a 24% increase over last year.

For the nine months ended March 31, 2014, 785,158 tourists visited Mauritius, 3% more than last year. In the Maldives, the number of tourist arrivals over the same period saw a 14% increase, reaching 907,096 passengers.

Dividend

The Board of Directors of LUX* has declared a dividend of Rs 0.50 per share payable to all shareholders registered by the 2nd of June 2014.

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LUX* Resorts is a collection of premium resorts, promising a differentiated approach to luxury, that is spontaneous and authentic. The resorts are conceived to Inspire, Surprise & Delight guests, by offering a distinctive and imaginative lifestyle vacation experience, where guests can celebrate island life and enjoy light living.

The resorts in the LUX* portfolio are LUX* Belle Mare, Mauritius; LUX* Le Morne, Mauritius; LUX* Grand Gaube, Mauritius; LUX* Maldives and LUX* Ile de la Réunion.

A LUX* Resort is a place where each moment matters. It’s where the ordinary is done extraordinarily. It’s a rest from which you return, both invigorated and inspired. Clear rather than cluttered, free rather than formal, spontaneous rather than predictable, LUX* Resorts are simpler and fresher, lightening, brightening and heightening the resort concept.

LUX* Resorts is a member of LUX* Island Resorts Co Ltd, which is listed on the Stock Exchange of Mauritius and is an affiliate member of GML (Groupe Mon Loisir), a major economic player in the Indian Ocean, leader of the “Top 100” Mauritian companies. GML is active in key sectors of the Mauritian economy, representing a portfolio of approximately 300 subsidiaries and associated companies.