

THE LIGHTHOUSE HOTEL PLC
Company Registration Number - PQ 73

INTERIM REPORT
Second Quarter

SIX MONTHS ENDED 30TH SEPTEMBER 2016

THE LIGHTHOUSE HOTEL PLC

CORPORATE INFORMATION

NAME OF COMPANY	The Lighthouse Hotel PLC Company Number PQ 73
LEGAL FORM	A Quoted Public Company with Limited Liability incorporated in Sri Lanka in 1994
BOARD OF DIRECTORS	N.J.H.M.Cooray - Chairman R.A.E.Samarasinghe - Managing Director N.T.M.S.Cooray (Ms) N.Wadugodapitiya C.S.R.S.Anthony Ranil de Silva E.P.A.Cooray A.M.Ondaatjie (Ms) C.Pathiraja (Dr) T.Nadesan A.T.P.Edirisinghe
SECRETARIES	Corporate Services (Pvt) Ltd 216, De Saram Place Colombo 10. Phone : 4718200
AUDITORS	Messrs Ernst & Young Chartered Accountants 201, De Saram Place Colombo 10.
HOTEL OPERATION & MARKETING	Jetwing Hotels Ltd "Jetwing House" 46/26, Navam Mawatha Colombo 2. Phone : 4709400 E-mail : resv.lighthouse@jetwinghotels.com Web : www.jetwinghotels.com
REGISTERED OFFICE	"Jetwing House" 46/26, Navam Mawatha Colombo 2.

THE LIGHTHOUSE HOTEL PLC

INVESTOR INFORMATION

Market Value of Shares	30.09.2016	30.09.2015
	(Rs.)	(Rs.)
Closing price on	54.00	61.00
Highest price recorded for the six months ending	62.30	66.80
Lowest price recorded for the six months ending	50.00	51.60
Highest price recorded for the three months ending	61.80	65.00
Lowest price recorded for the three months ending	51.70	60.80
Market Capitalisation (Rs.Mn.)	2,484	2,806

Ratios

Net assets per share	61.62	51.78
	(Rs 63.55 as at 31.03.2016)	

Share trading for the six months ended

Number of transactions	161	191
Number of shares traded	476,346	563,967
Value of shares traded (Rs.)	29,483,519	36,196,921

Twenty Largest Shareholders as at 30th September, 2016

Name of Shareholder	No of Shares as at 30.09.2016	%
01. JETWING HOTELS MANAGEMENT SERVICES (PVT) LTD	18,970,440	41.24
02. MERCANTILE INVESTMENTS AND FINANCE PLC	7,736,677	16.82
03. EMPLOYEES PROVIDENT FUND	5,084,800	11.05
04. BANK OF CEYLON- A/C NO - 2	4,500,000	9.78
05. MRS. A.M.J. COORAY	1,211,784	2.63
06. NATIONAL SAVINGS BANK	1,175,667	2.56
07. JETWING TRAVELS (PRIVATE) LIMITED	840,200	1.83
08. MS N.T.M.S. COORAY	789,803	1.72
09. MR. N.J.H.M. COORAY	748,803	1.63
10. DEE INVESTMENTS (PVT) LTD	669,600	1.46
11. JETWING ECO HOLIDAYS (PVT) LTD	595,984	1.30
12. THE NUWARA ELIYA HOTELS COMPANY PLC	520,123	1.13
13. MR. D.J. DE SILVA WIJEYERATNE	347,200	0.75
14. CONFIFI MANAGEMENT SERVICES (PRIVATE) LTD	275,900	0.60
15. CONFIFI INVESTMENTS (PVT) LTD	250,000	0.54
16. FERN HOLDINGS (PRIVATE) LIMITED	142,281	0.31
17. MISS. A.M. WIKRAMANAYAKE	105,754	0.23
18. MR. S. MENDIS	100,000	0.22
18. MR. H.W.M. WOODWARD	100,000	0.22
18. MR. I.A.R. PERERA	100,000	0.22
TOTAL	44,265,016	96.23

There were no non voting shares as at 30th September, 2016

The percentage of shares held by public as per Colombo Stock Exchange Rules as at 30th September, 2016 was 31.44%

Further the number of public shareholders as at 30th September, 2016 was 1,124.

Directors' shareholding.

Directors	Directors' Direct Share holding as at 30th September, 2016
Ms. N.T.M.S. Cooray	789,803
Mr. N.J.H.M. Cooray	748,803
Mr. R.A.E.Samarasinghe	50,000
Mr. R.de Silva	10,000
Mr. C.S.R.S.Anthony	1,000
Mr. A.T.P. Edirisinghe	1,000

There has been no change in the Directors' shareholding during the 6 months ended 30th September, 2016

THE LIGHTHOUSE HOTEL PLC
STATEMENT OF FINANCIAL POSITION

Audited as at 31.03.2016 Rs.'000		Unaudited as at 30.09.2016 Rs.'000	Unaudited as at 30.09.2015 Rs.'000
ASSETS			
Non - Current Assets			
2,934,916	Property, Plant and Equipment	2,903,376	2,540,673
2,364	Prepaid Lease Rent	2,348	2,379
1,170	Intangible Assets	871	1,242
-	Investment in Subsidiary	23,000	-
87,592	Other Non-Current Financial Assets	87,592	87,976
<u>3,026,042</u>		<u>3,017,187</u>	<u>2,632,270</u>
Current Assets			
29,680	Inventories	32,972	28,132
117,799	Trade and Other Receivables	105,021	84,385
2,500	Other Current Financial Assets	-	-
19,827	Cash at Bank and in Hand	6,188	10,480
169,806		<u>144,181</u>	<u>122,997</u>
<u>3,195,848</u>	Total Assets	<u>3,161,368</u>	<u>2,755,267</u>
EQUITY AND LIABILITIES			
Capital and Reserves			
460,001	Stated Capital	460,001	460,001
2,084,874	Reserves	2,084,874	1,696,305
378,241	Retained Earnings	289,759	225,416
<u>2,923,116</u>	Total Equity	<u>2,834,634</u>	<u>2,381,722</u>
Non-Current Liabilities			
30,763	Post-Employment Benefit Liability	29,611	28,420
60,867	Interest Bearing Loans & Borrowings	38,575	101,345
<u>91,630</u>		<u>68,186</u>	<u>129,765</u>
Current Liabilities			
125,798	Trade and Other Payables	120,576	109,714
50,577	Current portion of Interest-bearing Loans & Borrowings	134,777	131,694
4,727	Income Tax Payable	3,195	2,372
181,102		<u>258,548</u>	<u>243,780</u>
<u>272,732</u>	Total Liabilities	<u>326,734</u>	<u>373,545</u>
<u>3,195,848</u>	Total Equity and Liabilities	<u>3,161,368</u>	<u>2,755,267</u>

The Statement of Financial Position as at 30th September 2016, the Statement of Profit or Loss, Statement of Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement for the Six months then ended as well as the Income Statement for the three months are drawn up from the unaudited financial statements of the Company and they provide the information required by the Colombo Stock Exchange.

It is certified that the financial statements have been prepared in compliance with the requirements of the Companies Act No. 7 of 2007.


C.S.R.S Anthony
Director

The Board of Directors is responsible for the preparation and presentation of these financial statements.
Signed for and on behalf of the Board by,


N.J.H.M. Cooray
Chairman


R.A.E. Samarasinghe
Managing Director

1st November 2016
Colombo

THE LIGHTHOUSE HOTEL PLC

STATEMENT OF PROFIT OR LOSS

Audited year ended 31.03.2016 Rs.'000		Unaudited 6 months ended 30.09.2016 Rs.'000	Unaudited 6 months ended 30.09.2015 Rs.'000	Variance Favourable (Unfavourable)	Unaudited 3 months ended 30.09.2016 Rs.'000	Unaudited 3 months ended 30.09.2015 Rs.'000	Variance Favourable (Unfavourable)
836,072	Revenue	333,742	317,928	5%	193,595	169,472	14%
(154,831)	Cost of Sales	(66,052)	(72,863)	9%	(35,516)	(36,492)	3%
681,241	Gross Profit	267,690	245,065	9%	158,079	132,980	19%
2,083	Other Income & Gains	414	-	100%	160	-	100%
(33,917)	Marketing & Promotional Expenses	(11,055)	(12,794)	14%	(4,710)	(6,638)	29%
(450,714)	Administrative Expenses	(219,810)	(207,311)	-6%	(116,620)	(106,511)	-9%
(9,050)	Finance Cost	(3,707)	(4,352)	15%	(2,533)	(2,652)	4%
536	Finance Income	710	398	78%	205	127	61%
(12,426)	Exchange Gain/(Loss) from Conversion of Foreign Currency Loan	(1,292)	(8,341)	85%	54	(7,855)	101%
177,754	Profit Before Tax	32,950	12,665	160%	34,635	9,451	183%
(15,634)	Income Tax Expenses	(6,432)	(6,003)	-7%	(3,721)	(3,163)	-18%
162,120	Net Profit for the Period	26,518	6,662	298%	30,914	6,288	266%
3.52	Earnings per share for the period (Basic)-Rs.	0.58	0.14		0.67	0.14	

Notes

- Operating profit is after Charging following Depreciation 84,479 **43,227** 41,953
- Stated Capital Issued and fully paid 460,001 460,001 46,000,000 Ordinary Shares
- These interim financial statements have been prepared in accordance with the accounting policies set out in the Annual Report for the year ended 31.03.2016 and are also in compliance with Sri Lanka Accounting Standard (LKAS) 34 - Interim financial reporting.
- There are no significant contingent liabilities as at 30th September 2016.
- Figures in brackets indicate deductions.
- Information published for the six months to 30th September, 2015 has been reclassified to conform with the current presentation where applicable.
- There are no distinguishable components to be identified as segments for the Company.
- The Company paid the final recommended dividend of Rs. 2.50 per share for the year ended 31st March 2016, on 12th July, 2016 after it was approved at the Annual General Meeting held on 30th June, 2016. Total dividend payment amounted to Rs.115,000,000/- subject to 10% dividend tax.
- Five months of the period under review relates to the off-season of the tourism industry in Sri Lanka.
- Company incorporated (in Sri Lanka) a fully owned subsidiary namely Unawatuna Properties (Pvt) Ltd on 16/08/2016 to construct a 36 roomed hotel in Unawatuna at an estimated Project cost of Rs 350 Mn. Accordingly, LHH have made a total equity investment of Rs 23,000,100/- as at 30.09.2016. The effect to these Interim Financial Statements had the Consolidated Financial Statements were prepared by the LHH would be as follows:

	2016
Impact to the Profit or Loss for the period	Nil
Impact to the Statement of Financial Position	
- Net Assets	Nil
- No circumstances have arisen since the reporting date, which would require adjustments to or disclosure in the Financial Statements other than, an equity investment of Rs. 26,999,900/- in Unawatuna Properties (Pvt) Ltd.

THE LIGHTHOUSE HOTEL PLC

STATEMENT OF COMPREHENSIVE INCOME

Audited Year ended 31.03.2016 Rs.'000		Unaudited 6 months ended 30.09.2016 Rs.'000	Unaudited 6 months ended 30.09.2015 Rs.'000
162,120	Net Profit for the period	26,518	6,662
	Other Comprehensive Income	-	-
	<i>Other Comprehensive Income to be reclassified to Statement of Profit or Loss in subsequent periods :</i>		
(384)	Loss on Available for Sale-Financial Instruments	-	-
	<i>Other Comprehensive Income not to be reclassified to Statement of Profit or Loss in subsequent periods :</i>		
(2,633)	Actuarial Losses on Post-Employment Benefit Liabilities	-	-
388,953	Revaluation Surplus of Freehold Land	-	-
<u>385,936</u>	Other Comprehensive Income for the Period	<u>-</u>	<u>-</u>
<u>548,056</u>	Total Comprehensive Income for the Period	<u>26,518</u>	<u>6,662</u>

THE LIGHTHOUSE HOTEL PLC

STATEMENT OF CHANGES IN EQUITY

	Stated Capital Rs.'000	Revaluation Reserve Rs.'000	Available for Sale Reserve Rs.'000	Special Reserve Rs.'000	Retained Earnings Rs.'000	Total Rs.'000
Balance as at 01st April 2015	460,001	369,922	712	1,325,671	310,754	2,467,060
Profit for the Period	-	-	-	-	6,662	6,662
Other Comprehensive Income	-	-	-	-	-	-
Total Comprehensive Income	-	-	-	-	6,662	6,662
Dividends - Rs. 2.00 per share	-	-	-	-	(92,000)	(92,000)
Balance as at 30th September, 2015	<u>460,001</u>	<u>369,922</u>	<u>712</u>	<u>1,325,671</u>	<u>225,416</u>	<u>2,381,722</u>
Balance as at 01st April 2016	460,001	758,875	328	1,325,671	378,241	2,923,116
Profit for the Period	-	-	-	-	26,518	26,518
Other Comprehensive Income	-	-	-	-	-	-
Total Comprehensive Income	-	-	-	-	26,518	26,518
Dividends - Rs. 2.50 per share	-	-	-	-	(115,000)	(115,000)
Balance as at 30th September, 2016	<u>460,001</u>	<u>758,875</u>	<u>328</u>	<u>1,325,671</u>	<u>289,759</u>	<u>2,834,634</u>

THE LIGHTHOUSE HOTEL PLC

CASH FLOW STATEMENT

Audited Year ended 31.03.2016 Rs.'000		Unaudited 6 months ended 30.09.2016 Rs.'000	Unaudited 6 months ended 30.09.2015 Rs.'000
Cash Flows from Operating Activities			
177,754	Profit before Tax	32,950	12,665
Adjustments for			
84,479	Depreciation	43,227	41,953
30	Amortization of Prepaid Lease Rental	15	15
(536)	(Income) from Investments-Interest Income	(710)	(398)
4,313	(Profit)/Loss on Disposal of Property Plant & Equipment	(766)	(115)
9,050	Finance Costs	3,707	4,352
4,663	Provision for Defined Benefit Plans	3,707	4,380
1,666	Allowance for Doubtful Debts	-	-
(2,083)	Write-back of Sundry Payables	-	-
427	Amortization of Intangible Assets	300	355
12,426	Exchange (Gain)/Loss from conversion of foreign currency loans	1,292	8,341
292,188	Operating Profit before Working Capital Changes	83,722	71,548
129	(Increase)/Decrease in Inventories	(3,292)	1,677
(4,560)	(Increase)/Decrease in Trade and Other Receivables	12,778	30,520
13,566	Increase/(Decrease) in Trade and Other Payables	(5,221)	(4,601)
301,323	Cash Generated from Operations	87,987	99,144
(14,051)	Income Tax Paid	(7,965)	(6,775)
(9,050)	Finance Cost Paid	(3,707)	(4,352)
(1,482)	Defined Benefit Plan Costs Paid net of transfers	(4,859)	(910)
276,741	Net Cash from Operating Activities	71,456	87,107
Cash Flows from/(Used in) Investing Activities			
(124,432)	Acquisition of Property, Plant & Equipment	(12,776)	(72,172)
179	Proceeds from Sale of Property, Plant & Equipment	1,854	164
536	Interest Income	710	398
-	Investment in Unawatuna Properties (Pvt) Ltd	(23,000)	-
(2,500)	Net Investment in Other Current Financial Asset	2,500	-
(319)	Acquisition of Intangible Assets	-	(319)
(126,534)	Net Cash Flows from/(Used in) Investing Activities	(30,712)	(71,929)
Cash Flows from/(Used in) Financing Activities			
(64,729)	Repayment of Interest Bearing Loans & Borrowings	(22,992)	(21,289)
(92,000)	Dividends Paid	(115,000)	(92,000)
(156,729)	Net Cash Flows Used in Financing Activities	(137,992)	(113,289)
(6,523)	Net Increase/(Decrease) in Cash & Cash Equivalents	(97,248)	(98,111)
21,347	Cash and Cash Equivalents at the beginning of the period	14,825	21,347
14,825	Cash and Cash Equivalents at the end of the period	(82,423)	(76,764)
19,827	Cash and Bank Balance	6,188	10,480
(5,002)	Bank Overdraft	(88,611)	(87,244)
14,825		(82,423)	(76,764)