

ABRIDGED UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2014

STATEMENT OF COMPREHENSIVE INCOME

	THE GROUP		THE COMPANY				Audited Year ended Dec 2013 Rs M
	Unaudited quarter ended Sep 2014 Rs M	Unaudited 9 months ended Sep 2014 Rs M	Unaudited quarter ended Sep 2014 Rs M	Unaudited quarter ended Sep 2013 Rs M	Unaudited 9 months ended Sep 2014 Rs M	Unaudited 9 months ended Sep 2013 Rs M	
	Revenue	368.8	921.4	368.4	374.0	921.0	
Gross profit	59.1	136.2	58.7	64.9	135.8	153.8	209.8
Other income	0.8	2.0	0.8	0.3	2.0	0.9	1.2
Overheads	(48.5)	(124.9)	(47.0)	(47.9)	(123.4)	(119.8)	(161.0)
Finance income	-	-	-	-	-	-	0.3
Finance costs	(0.4)	(1.4)	(0.4)	(0.1)	(1.4)	(1.1)	(1.2)
Profit before taxation	11.0	11.9	12.1	17.2	13.0	33.8	49.1
Taxation	(1.9)	(2.2)	(1.9)	(3.0)	(2.2)	(5.9)	(8.1)
Profit for the period	9.1	9.7	10.2	14.2	10.8	27.9	41.0
Other comprehensive income: Remeasurements of post-employment benefit obligations	-	-	-	-	-	-	(0.1)
Profit and total comprehensive income for the period	9.1	9.7	10.2	14.2	10.8	27.9	40.9
Profit for the period attributable to: Owners of the company	9.6	10.2	10.2	14.2	10.8	27.9	40.9
Non-controlling interests	(0.5)	(0.5)	-	-	-	-	-
	9.1	9.7	10.2	14.2	10.8	27.9	40.9
Basic and diluted earnings per share	Rs 2.73	2.90	2.89	4.00	3.06	7.88	11.60
Number of shares in issue	3,535,000	3,535,000	3,535,000	3,535,000	3,535,000	3,535,000	3,535,000

SEGMENT INFORMATION

	Unaudited quarter ended		Unaudited 9 months ended		Audited Year ended Dec 2013 Rs M
	Sep 2014 Rs M	Sep 2013 Rs M	Sep 2014 Rs M	Sep 2013 Rs M	
Revenue					
Horse racing	305.6	315.5	684.5	686.1	937.3
Foreign football matches	63.2	58.5	236.9	182.3	255.8
Total	368.8	374.0	921.4	868.4	1,193.1
EBITDA					
Horse racing	8.5	9.7	10.9	12.2	19.6
Foreign football matches	4.8	9.7	7.7	29.0	39.5
Total	13.3	19.4	18.6	41.2	59.1
Depreciation	(1.9)	(2.1)	(5.3)	(6.3)	(9.1)
Finance income	-	-	-	-	0.3
Finance costs	(0.4)	(0.1)	(1.4)	(1.1)	(1.2)
Profit before taxation	11.0	17.2	11.9	33.8	49.1
			Sep 2014 Rs M	Sep 2013 Rs M	Dec 2013 Rs M
Total assets					
Horse racing			92.1	90.6	82.0
Foreign football matches			22.7	22.7	22.4
TOTAL			114.8	113.3	104.4
Additions to non-current assets (other than financial instruments and deferred income tax assets)					
Horse racing			7.6	2.7	5.8
Foreign football matches			1.7	0.6	1.5
TOTAL			9.3	3.3	7.3
Total liabilities					
Horse racing			51.6	39.5	50.8
Foreign football matches			12.8	9.9	13.9
TOTAL			64.4	49.4	64.7

COMMENTS ON RESULTS

ACCOUNTING STANDARDS

The abridged unaudited financial statements for the period ended 30 September 2014 have been prepared using the same accounting policies as those adopted in the financial statements for the year ended 31 December 2013.

RESULTS

The Company's revenue for the quarter ended 30 September 2014 decreased by 15% to Rs 368.4 M (2013 – Rs 374.0 M) while its profit after tax decreased by 28.2% to Rs 10.2 M (2013 – Rs 14.2 M). The revenue for the nine months ended 30 September 2014 amounted to Rs 921.0 M (2013 – Rs 868.4 M) and the profit after tax to Rs 10.8 M (2013 – Rs 27.9 M).

The levy on football betting at the rate of Rs 24,000 per outlet per week, initiated in January 2014, continues to impact negatively on our results, and amounted to Rs 6.5 M for the quarter and Rs 19.7 M for the nine months ended 30 September 2014.

During the year, the Company invested Rs 1.0 M for a 51% shareholding in a newly incorporated subsidiary, Megawin Ltd. The objective of the subsidiary is to develop gaming and wagering in Africa. At 30 September 2014 the subsidiary made a loss of Rs 1.1 M which has been taken into consideration in the Group's results. However, it is expected that Megawin Ltd will break-even as from January 2015.

STATEMENT OF FINANCIAL POSITION

	THE GROUP		THE COMPANY	
	Unaudited Sep 2014 Rs M	Unaudited 9 months ended Sep 2014 Rs M	Unaudited Sep 2014 Rs M	Audited Dec 2013 Rs M
	ASSETS			
Non current assets		93.5	93.8	89.1
Current assets		21.3	20.8	15.3
Total assets		114.8	114.6	104.4
EQUITY AND LIABILITIES				
Owners' interests		49.9	50.5	39.7
Non-controlling interests		0.5	-	-
Total equity and reserves		50.4	50.5	39.7
Non current liabilities		2.6	2.6	2.7
Current liabilities		61.8	61.5	62.0
Total equity and liabilities		114.8	114.6	104.4

STATEMENT OF CASH FLOWS

	THE GROUP		THE COMPANY	
	Unaudited 9 months ended Sep 2014 Rs M	Unaudited 9 months ended Sep 2014 Rs M	Unaudited 9 months ended Sep 2013 Rs M	Audited Year ended Dec 2013 Rs M
	Net cash from operating activities	10.6	11.6	30.5
Net cash used in investing activities	(8.0)	(8.3)	(3.0)	(6.9)
Net cash used in financing activities	(9.6)	(10.6)	0.4	(24.7)
Net (decrease)/increase in cash and cash equivalents	(7.0)	(7.3)	27.9	22.3
Cash and cash equivalents at the beginning of period	(1.7)	(1.8)	(24.0)	(24.0)
Cash and cash equivalents at the end of period	(8.7)	(9.1)	3.9	(1.7)

STATEMENT OF CHANGES IN EQUITY

	THE GROUP					
	Share Capital Rs M	Share Premium Rs M	Retained Earnings Rs M	Total Rs M	Non- controlling Interests Rs M	Total Equity Rs M
Balance as at 01 January 2014	24.7	1.2	13.8	39.7	-	39.7
Issue of shares to non-controlling interests	-	-	-	-	1.0	1.0
Profit and total comprehensive income for the period	-	-	10.2	10.2	(0.5)	9.7
Transaction with owners	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-
Balance as at 30 Sept 2014	24.7	1.2	24.0	49.9	0.5	50.4
THE COMPANY						
Balance as at 01 January 2013 (as previously reported)	24.7	1.2	9.8	35.7	-	35.7
Prior year adjustment	-	-	(1.9)	(1.9)	-	(1.9)
Balance as at 01 January 2013 (restated)	24.7	1.2	7.9	33.8	-	33.8
Profit and total comprehensive income for the period	-	-	27.8	27.8	-	27.8
Transaction with owners	-	-	0.4	0.4	-	0.4
Unclaimed dividends	-	-	0.4	0.4	-	0.4
Total transactions with owners	-	-	0.4	0.4	-	0.4
Balance as at 30 September 2013 (restated)	24.7	1.2	36.1	62.0	-	62.0
Balance as at 01 January 2014	24.7	1.2	13.8	39.7	-	39.7
Profit and total comprehensive income for the period	-	-	10.8	10.8	-	10.8
Transaction with owners	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-
Balance as at 30 Sept 2014	24.7	1.2	24.6	50.5	-	50.5

By order of the Board
Box Office Ltd

Secretaries
Date: 14 November 2014

The above abridged unaudited financial statements are issued pursuant to Listing Rule 12.20 and the Securities Act 2005.

The statement of direct and indirect interests of insiders of the Company required under Rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available upon request from the Secretary.

The Board of Directors of Automatic Systems Ltd, accepts full responsibility for the accuracy of the information contained in these abridged unaudited financial statements.

Copies of the abridged unaudited financial statements of the Company are available free of charge at the registered office of the Company c/o Box Office Ltd, 2nd floor, Nautica Commercial Centre, Black River, Mauritius.