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For immediate release

**CTICC releases strong financial results, confirms value to economic growth, showcases new expansion**

CTICC



The Cape Town International Convention Centre (CTICC) once again confirmed its value to SA's economic growth and the business tourism industry at the release of its annual financial and operational results on Tuesday, 24 October.

The CTICC generated R216 million in revenue, R47 million in after-tax profits, contributed R3.7 billion to the national economy, sustained 7 824 jobs, hosted 482 events and 416 733 delegates during its financial year ended 30 June 2017. The centre also achieved its fifth consecutive unqualified "clean" audit.

"It's on the basis of these positive results that I am delighted to confirm that as a state-owned company, the CTICC remains a highly positive asset to our public and private sector investors," said Julie-May Ellingson, Chief Executive Officer of the CTICC.

The results presentation was held in CTICC 2, the centre's recently completed expansion.

### **Record breaking revenues**

For the third consecutive year, the CTICC delivered record-breaking revenues which rose to R215.6 million from R209 million the previous year. The centre reported an operating profit of R57.4 million and delivered an after tax profit of R43.4 million.

As a government entity the CTICC's mandate is to maximize socio-economic benefits to the city and region by attracting and hosting business tourism events. As a result of its



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operations, the CTICC contributed R3.7 billion to the South African economy (GDP) and R3.1 billion to the Western Cape regional economy (GGP).

Due to the centre's operations, 7 824 jobs were sustained in Cape Town and South Africa. Commented Ellingson: "In an economy that is shedding jobs, this is something we are particularly proud of."

The CTICC's economic contribution also includes almost R2 billion to household income. Said Ellingson: "In difficult economic times, when households are battling to make ends meet, contributions to household income are vital. The CTICC has contributed a total of R18.5 billion to household income since its inception."

### **Over 480 events hosted**

The CTICC continues to host an impressive number of events, attracting local and international professionals and delegates to Cape Town. Of the 482 events hosted in 2016/17, 36 were international conferences, 40 were national conferences, 15 were exhibitions and consumer shows, 17 were trade fairs, 288 events included film shoots, product launches, seminars and other corporate events, 28 were banquets and 58 were special events such as music concerts, cultural shows, religious services, and sport events. Overall, the CTICC welcomed 416 733 delegates and generated a total of 789 809 visitor days to the region.

"The events we host do not only promote and drive business tourism on our continent but showcase a rich diversity of industry and growth sectors ranging from medical and information technology to tourism, agri-processing, property, renewable energy, and retail. We pride ourselves on providing a world-class platform for associations, businesses, organisations and communities to meet and share ideas, experiences, and knowledge," said Ellingson.

### **CTICC remains number one in Africa**

As new convention centres open across the world, Cape Town and the CTICC remains a destination of choice for international meetings.

"The CTICC attracted 31 000 visitors to the 36 international conferences it hosted this year. This remains the highest number of international conferences held at any convention centre in Africa," said Ellingson.



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These international conferences drive a key macroeconomic benefit: foreign exchange earnings. International delegates, exhibitors and visitors to conferences at the CTICC generated R1.3 billion in foreign exchange earnings in 2016/17.

Ellingson said that the economic benefits the CTICC generates can only increase with the opening of its new expansion: "We will no longer have to turn conferences and especially international conferences away due to limited venue space as our expansion now allows us to host more national and international events and make an event greater contribution to Cape Town's reputation as a global business destination."

### **Reducing environmental impact**

The CTICC made further strides in reducing the environmental impact of meetings and events. It diverted over 502 tonnes of waste from city landfills through its extensive recycling and upcycling initiatives and achieved an 84% diversion of waste from landfill. The centre's energy consumption was further reduced by 6% (43 300 kWh) on the previous year and peak average usage has also been further reduced by 4.5% from the previous year.

In addition, the CTICC implemented a range of water conservation measures during the year in the face of the ongoing drought in the province. These included the installation of water storage tanks to store up to 85 000 litres of grey water and rain water for use around the venue complex, electronic sub-metering to detect and fix water leaks immediately, and an awareness campaign to educate clients, staff and delegates on water conservation.

"We have also reduced the flow rate of the water in our washbasins and installed soft touch taps as a pilot programme to further reduce usage. The pilot has been successful and we will be rolling these taps out across the centre," Ellingson announced.

### **Driving skills development in the hospitality industry**

The CTICC also made significant investments in staff training and youth skills development. It spent nearly R3 million in training permanent and temporary staff members with over 4 500 hours of training recorded in the financial year.

The centre also runs two youth programmes – a student and graduate programme – and provided 23 young people with invaluable work experience to kick-start their careers in the industry. With CTICC work experience under their belts, two CTICC graduates, also



earned a once-in-a-lifetime opportunity to work at Disney World, Florida, one of the world's top vacation resorts.

### **Expanding its reach with CTICC 2**

The CTICC held its annual results presentation in CTICC 2, the centre's new facility situated opposite the original building, now called CTICC 1.

According to Executive Mayor of Cape Town, Patricia de Lille, the CTICC expansion is at the heart of the City's Foreshore Freeway Precinct Project that promises to bring residential and economic opportunities closer together, not only enlivening the Foreshore area but also addressing apartheid-era spatial planning.

The expansion, an investment of over R800 million by the CTICC and its two majority shareholders (the City of Cape Town and Western Cape Government), is also testimony to public sector confidence in the future and progress of Cape Town and the economic growth of the region, explained Ellingson.

CTICC 2 adds 6 exhibition halls, 9 formal meeting suites and rooms and two rooftop terraces to the centre's inventory and can be used as an extension of CTICC 1 or an exclusive facility. CTICC 2 successfully hosted its first event – the 21<sup>st</sup> Annual Congress of the SA Council of Shopping Centres in September 2017.

The new centre uses an array of advanced technology including an individualized lighting system, state of the art CCTV security, energy saving devices and venue control systems. It also optimizes the use of natural light through expansive UV tempered glazing. These measures ensures the building operates as cost effectively and in the most environmentally sustainable way possible.

Ellingson continued: "CTICC 2 has many balconies and terraces – all with harbour or mountain views which our local and internal clients and delegates are sure to enjoy. The next phase of the project will be to connect our two buildings with a skybridge which will span Heerengrach Avenue and will be completed within the coming year."

### **58 International events already secured**

The CTICC's forward book of international events is strong. Together with the Cape Town & Western Cape Convention Bureau, the CTICC won 16 international conference bids in



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the past financial year alone and has already secured 58 major international events up until 2022, ten of which will take place in CTICC 2.

The centre is looking forward to hosting its first consumer exhibition, MamaMagic – The Baby Expo, in CTICC 2 from 27 to 29 October. Following this event, Africa's largest technology gathering, AfricaCom, will be hosted across the entire CTICC venue complex for its 20<sup>th</sup> edition from 7 to 9 November.

Ellingson continued: "Any discussion on our forward book would not be complete without mentioning the World Ophthalmology Congress which promises to attract 15 000 delegates to the CTICC and Cape Town in 2020. This will be the largest conference ever to be hosted in Cape Town and would not have been possible without the CTICC expansion."

"Winning these bids show the potential of the CTICC expansion and also the vital role the convention centre plays in developing the knowledge economy and supporting South African and African participation in global issues, while at the same time ensuring direct economic benefit to the citizens of Cape Town and the Western Cape," Ellingson concluded.



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