

## Press release from the Cape Town International Convention Centre (CTICC)

25 October 2016  
For immediate release

### CTICC continues to deliver impressive results for Cape region

After a record-breaking year in 2015, the Cape Town International Convention Centre (CTICC) continued on its path of growth delivering another set of impressive financial results in 2016. The centre broke through the R200m revenue ceiling, generating R209m in revenue and R47m after tax profit, the highest in its 13-history. As a catalyst for economic growth, the centre also added R3.5bn to the national economy.

CTICC Chief Executive Officer, Julie-May Ellingson, presented the centre's outstanding financial and operational results at a press conference today (25 October 2016). The CTICC's annual results outline the company's performance for the 12 months from 1 July 2015 to 30 June 2016.

- Revenue rose by R12m on the previous year from R197 to R209m
- Operating profit increased from R60m to R67m
- EBITDA increased from R52m to R57m
- Net after-tax profit rose from R42m to R47m

"We are very pleased to announce that the CTICC has had another good year. Indeed, 2016 has been still better than our record-breaking 2015 year, despite the uncertain macro-economic conditions," said Ellingson.

Increased revenue, finance income and significant cost savings contributed to the improved performance. Expenditure was kept in line and substantial savings on indirect expenses were achieved through strict budgetary controls resulting in R17m savings across all cost categories.

The CTICC is an entity of the City of Cape Town which owns 67.8% of the company's shares. The remaining shares are held by the Western Cape Government (25.3%) and SunWest International (Pty) Ltd (6.9%). The CTICC met and surpassed all its key performance targets as agreed with the City of Cape Town.

### Cape Town International Convention Centre

Convention Square, 1 Lower Long Street,  
Cape Town 8001, South Africa  
Tel: +27 21 410 5000 Fax: +27 21 410 5001  
Email: [info@cticc.co.za](mailto:info@cticc.co.za)  
[www.cticc.co.za](http://www.cticc.co.za)

DIRECTORS: AM Boraine (Chairman), J Ellingson TRP (SA)(CEO), GM Fisher, F Parker (CA(SA))(CFO), S Myburgh de Gois, RSH Eksteen, SW Fourie, El Hamman (CA(SA)), BJ Lodewyk (CA(SA)), AA Mahmood, D Cloete.  
Cape Town International Convention Centre Company SOC Ltd (RF) (Convenco), Registration no. 1999/007837/30



The economic and social benefits derived from the operations of the CTICC continue on an upwards trajectory.

- The CTICC delivered the highest economic contribution to South Africa's GDP at R3.5bn
- R3bn was pumped into the Western Cape economy
- The total cumulative contribution since the centre opened its doors in 2003 has been R32.5bn to national GDP and R28.8bn to the Western Cape GGP

The centre's economic contribution also extends to the creation of employment opportunities:

- A total of 7 758 jobs were sustained across South Africa
- 3 233 direct jobs
- 4 525 indirect jobs

As part of her presentation, Ellingson provided shareholders with an overview of the CTICC East expansion project set to open in 2017. The centre and its shareholders invested a further R351m in the CTICC East expansion which will create a substantially increased offering to clients – effectively doubling the CTICC's exhibition space. The expansion project is a key way for the investors to raise the global competitiveness of Cape Town as a world class meetings and events destination and to spur economic growth in the region even further.

Bolstering the centre's contribution to the economic landscape is its growing contribution to SMME and B-BBEE development:

- 92.8% of CTICC's spend was with B-BBEE suppliers which equated to R522.4m, an increase of 6% on the prior year
- Procurement from SMMEs amounted to R166m or 70.9% of total procurement spend (excl. procurement for CTICC East project)
- Procurement from women-owned companies increased to 30% in 2016

As a strategic asset of its three shareholders; the CTICC was established 13 years ago to generate economic benefits for the region through the attraction of high-impact events. The CTICC hosted 504 events for the 2015/16 financial year:

- 39 of these were international conferences which represented a 22% rise compared to the year before
- 28 were national conferences
- 15 were exhibitions
- 19 were trade fairs
- 28 were banquets
- 37 were special events
- 338 were film shoots and other events

“The financial figures only tell part of the story. The CTICC's story is one of knowledge sharing, of expansion and about reaching out to our continent, our communities and, the world beyond.

These events made substantial connections and brought together people from all over the world to further their particular contributions to their fields and provide a platform for socio-economic growth not only in the city but in South Africa and the African continent as a whole," said Ellingson.

The event figures also speak to why the centre consistently garners top awards and recognition as a top event venue. Notably it received the SAACI Members Choice Award for Best Conference and Events Venue for three years in a row since 2014. The centre also received an 84% customer satisfaction rating from clients.

Corporate social responsibility remains core to the centre's triple bottom line reporting. The centre ran more than 20 corporate social investment activations during the financial year and spent R1.2 million investing in communities. Notably, in celebration of its 13<sup>th</sup> year operational year, the centre committed just under R400 000 to provide 13 students studying in the event and hospitality sector with bursaries.

"When they graduate, these students will be incorporated into the CTICC's Graduate Programme and given one-year employment contracts to gain valuable work experience," explained Ellingson.

In terms of sustainability reporting, the CTICC manages its commitment to environmental sustainability through its Nurture our World Programme. In the face of rising utilities costs and an ongoing drought the centre managed to reduce energy consumption by 3% and water usage by 5%. The centre also successfully diverted 85% (448 metric tonnes of waste) from city landfill.

Ellingson concluded: "Last year the focus of our reporting was set on how the CTICC drives the knowledge economy. We are still on that path. This year we have built on that foundation, focusing on our expansion and extension – both in physical terms in respect of our new CTICC East expansion and geographically in terms of how the CTICC provides platforms for the continent to showcase itself and share its growth and expertise with the world."

- ENDS -

For more information, contact Susan Davis, Corporate Communications Manager. Tel: 021 410 5000 or e-mail [media@cticc.co.za](mailto:media@cticc.co.za)

Attachment 1: Highlights of the CTICC's 2015/16 financial year.

Attachment 2: Picture: CTICC CEO Julie-May Ellingson

Attachment 3: Picture: The Cape Town International Convention Centre – signature shot