



Media release: 28 February 2023

STRONG HALF YEAR PERFORMANCE FOR CCHL GROUP

- **HY Net Profit \$53.3M – up 52% on HY 2022**
- **On track to pay \$32.4M dividend to Council**
 - **Group assets increased to \$5.4B**

Despite the lingering impacts of the pandemic and the effects of inflation and rising interest rates, Christchurch City Holdings Limited (CCHL) has seen strong performance from across the Group for the six months to 31st December 2022, putting it on track to provide more than \$32 million in dividends to Christchurch City Council in June 2023.

The CCHL Group includes the city's major infrastructure companies, Christchurch Airport, Lyttelton Port Company (LPC), Orion Group, Enable, EcoCentral and Citycare Group. The Group employs more than 3,000 people across Canterbury and around New Zealand.

For the six months to 31st December 2022, the Group recorded a net profit of \$55.3 million, a 52% increase on the same period last year. Total operating revenue for the six-month period was also up 34% to \$697 million.

These increases were driven by the airport's post-pandemic recovery and growth in Citycare's property and water businesses. The Group's other companies, Orion, LPC, Enable and EcoCentral, also continued to provide results in line with expectations.

As a result of this strong performance, CCHL is on track pay the Christchurch City Council its planned dividend of \$32.4m for the year.

Group assets increased from \$5 billion to \$5.4 billion relative to the same period last year, due to ongoing capital investment at Orion, LPC, and the Airport, and an uplift in asset and property valuations.

CCHL Acting Chair Alex Skinner says that despite persistent challenges in the post-pandemic environment, including rising interest rates, inflationary pressures, and resourcing constraints, the Group has continued to perform well.

"As Ōtautahi Christchurch re-engages with the world – highlighted by the return of cruise ships to the Port and international passengers through the Airport – we're seeing encouraging signs that activity in the region is returning to pre-pandemic levels," says Alex Skinner.

"Across the Group, we're also continuing to invest in the region, not only through managing and delivering vital infrastructure services but also in community support, employment and development opportunities and environmental initiatives."

Mr Skinner says there's also a strong focus on the future across the whole Group.

"As a Board, we were extremely pleased that Council was able to accept the strategic review at the end of last year, and direct CCHL to undertake a thorough assessment of our portfolio of assets and how best it can be managed in the future."

This work will take up to 12 months and be considered as part of the next Long Term Plan 2024-34. The community will be able to provide their input as part of this process.

Mr Skinner says the strong result also reflects the work of the Group's people, who have continued to demonstrate their commitment to the community.

"Reflecting the importance of our people within the Group, over the last six months, we've been working to strengthen opportunities for inclusion, to focus on health and safety, and best utilise the resources and expertise we have available across the Group through Te Whāriki, a digital platform that allows projects, expertise and professional mentoring opportunities to be shared."

Alex Skinner says he and the Board have been particularly proud of the way the Group has moved quickly to support communities in need after the devastating floods in Auckland and the impact of Cyclone Gabrielle across the North Island.

"This reflects the diverse nature and strength of our businesses and included Orion working with NEMA, the Defence Force and local power companies to provide key staff, vehicles and equipment – including generators, the airport managing diverted flights and providing support for those passengers stranded overnight, and Citycare Water tackling some of the major water management issues," says Alex Skinner.

"We will continue to assist with the immediate needs of affected communities where we can while strengthening our focus as a Group on the changing climate – one of the most significant challenges our community and region faces in the coming decades."

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