



## MEDIA RELEASE

14 September 2018

Christchurch City Holdings has released their Annual Report today setting out their audited group financial results for the year ended 30 June 2018.

2018 marked the 25th anniversary of Christchurch City Holdings Ltd (CCHL). Jeremy Smith, the CCHL Chair said “This is a significant milestone for the Council owned entity that has returned over \$1.57 billion of capital and dividend payments to the Christchurch City Council over the last 25 years”. Mr Smith added that “over the same period, the asset value of CCHL through its trading companies has grown from some \$400m to over \$4 billion”.

For the year ended 30 June 2018, the group reported a consolidated profit of \$135.7m, a significant increase of 16.6% on last year. The improved result includes a gain of \$53m (FY 2017 \$36m) in relation to investment properties held by Christchurch International Airport Ltd (CIAL).

Total operating revenue for the group was \$1,043m in FY18 compared to \$997m in FY17. This 4.7% growth reflects gains of between 2% and 6% across the group, except for Enable Services Ltd (ESL) and EcoCentral Ltd (ECO). ESL recorded a 33% increase in revenue in line with expectations as it moves its focus to customer connections now the fibre network build is complete. ECO was the only entity that recorded a reduction in revenue as the company was impacted by the global collapse of recycling commodity prices.

The group’s net assets have increased by 6% from \$1,802m in FY17 to \$1,910m in FY18. CCHL CEO Paul Munro said “This increase in net assets reflects the value of the now completed Enable fibre network build, and value being generated from the continued property development programme at CIAL”. Mr Munro noted that “these investments have impacted on net debt for the group, with a \$323m increase in debt across the Group for the year to 30 June 2018”. Mr Munro added that “the level of net debt was also affected by the ongoing investment by LPC in the implementation of the Lyttelton Port Recovery Plan, and the capital release programme CCHL is currently undertaking in support of its parent, Christchurch City Council”.

Key non-financial highlights for the group during 2018:

- Orion New Zealand Ltd reduced the frequency and duration of power outages for the fourth consecutive year, and its reliability achievements rank in the top 20% of New Zealand lines companies.
- CIAL’s international passenger arrivals grew by 8.5%, while overall arrivals for New Zealand grew by 3.9%.
- Lyttelton Port Company Ltd has achieved record container volume whilst MidlandPort’s train service takes 700 truck trips off the road network each week, producing cost efficiencies and reducing carbon emissions.
- ESL completed its network build across greater Christchurch bringing world-class fibre to 200,000 homes, schools and businesses. Enable delivered the network 18 months ahead of schedule.
- City Care Ltd was awarded a significant five-year term, Full Facilities Maintenance contract for the maintenance and management of all community-owned Facilities and Parks in Auckland South.
- Red Bus Ltd announced the purchase of 3 Electric Buses on its Airport to City route.
- ECO’s retail shop has returned a pleasing result ahead of last year. EcoShop’s main function is to support the environment and the community by recovering product for resale and, hence, diverting it from the waste stream.
- Development Christchurch Ltd celebrated the opening of the beachside playground as part of the New Brighton Regeneration Project.

*Christchurch City Holdings Ltd (CCHL) is the commercial and investment arm of Christchurch City Council (the Council). It was incorporated on 12 May 1993 to act as the holding company for the Council’s commercial investments.*



**Christchurch  
City Holdings  
Limited**

*The company is responsible for managing the Council's investment in eight fully or partly-owned trading companies – Orion New Zealand Ltd, Christchurch International Airport Ltd, Lyttelton Port Company Ltd, Enable Services Ltd, City Care Ltd, Red Bus Ltd, EcoCentral Ltd and Development Christchurch Ltd. Six of these are 100% owned, the other two are majority owned by CCHL, being Orion (10.725% owned by Selwyn District Council) and Christchurch International Airport (25% owned by the Crown).*

For more details please refer to the attached Christchurch City Holdings Annual Report.

Any media enquiries should be directed to [info@cchl.co.nz](mailto:info@cchl.co.nz)