

# City Lodge Hotel Group starts development of its 60th hotel - Town Lodge Windhoek

Issued by [City Lodge Hotel](#)

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The City Lodge Hotel Group grew its revenue by 14.6% to R1.5bn in the financial year to 30 June, 2016 and is on track to open three new African hotels in mid-to-late 2017.

## The City Lodge Hotels Limited – Annual results for year ended 30 June 2016

- Average occupancies 66%
- Revenue + 14.6% to R1.5bn
- Normalised diluted HEPS +13.2%
- African expansion on track – Town Lodge Windhoek, City Lodge Hotel Two Rivers (Nairobi), City Lodge Hotel Dar es Salaam expected to open in mid-to-late 2017

The City Lodge Hotel Group has begun the development of a 151-room Town Lodge hotel in Windhoek, Namibia, and is making good progress with the development of two new City Lodge branded hotels in Nairobi, Kenya, and Dar es Salaam, Tanzania.

Town Lodge Windhoek – which will be the 60th hotel in the group - is expected to open in July 2017, City Lodge Hotel Two Rivers (Nairobi) by July 2017 and City Lodge Hotel Dar es Salaam towards the end of the fourth quarter of 2017.

Announcing its results for the year ended 30 June, 2016, the group said final approvals are still being sought for the development of the 148-room City Lodge Hotel Maputo in Mozambique. It is hoped that construction will begin in the current quarter for completion in the first quarter of 2018.

Total revenue for the year grew by 14.6% to R1.5bn, boosted by a full year's contribution from City Lodge Hotel Waterfall City, the opening of the 90-room Road Lodge Pietermaritzburg in December 2016, the opening of the 147-room City Lodge Hotel Newtown in February and the first full year consolidation of the Courtyard Hotel brand.

Average occupancies for the year decreased by one percentage point to 66% with South African occupancies negatively impacted by low business confidence, poor consumer sentiment and negligible economic growth.

Normalised headline profit before tax increased by 12.4% to R511.8m while normalised headline earnings increased by 12.5% to R373.7m. Normalised diluted headline earnings per share rose by 13.2% to 859.9 cents. A final dividend of 248 cents was declared, taking the year's dividend distribution to 517 cents, up 12.4% on the previous year.

Chief executive Clifford Ross said the group continues to assess development opportunities in South Africa, Southern Africa and East Africa.



Town Lodge Windhoek - main entrance

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Town Lodge Windhoek

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While he said the group's 2017 financial year has started off with softer occupancies than in the previous year, mainly due to disruption to business travel from the recent local government elections, the upward occupancy trend that began in late 2011 is expected to resume with a limited number of new hotel rooms opening in the South African market.

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#### **City Lodge Hotel**

City Lodge Hotel Group has a variety of hotels dedicated to providing you with comfort at a level that suits you. With 5 Courtyard Hotels (480 rooms), 19 City Lodge Hotels (3281 rooms), 12 Town Lodges (1507 rooms) and 23 Road Lodges (2 272 rooms), the Group has a total of 7540 rooms and ranks among the 250 largest hotel chains in the world. We are dedicated to providing quality accommodation for business, leisure and 'bleisure' travellers in South Africa, Namibia, Botswana and Mozambique. From basic, functional rooms to magnificent luxury studios, we have the range and experience to give you unbelievable service and exceptional accommodation at a price you can afford and in a location near to where you want to be. Go to [www.clhg.com](http://www.clhg.com) for more information.

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