

Tsogo Sun's earnings up 18% to 176.5c

Hotel and gaming group Tsogo Sun Holdings has delivered an 18% rise in adjusted headline earnings per share of 176.5c for the year to March, boosted by merger and acquisition activity undertaken as part of its growth strategy.



A US\$30m expansion is under way at Southern Sun Maputo, part of Tsogo Sun's growth strategy.

Image: [Trip Advisor](#)

Total income was up 9% to R10.8bn, with a 5% growth in gaming was assisted by 16% growth in hotel rooms revenue and 22% growth in food and beverage revenue.

Earnings before interest, income tax, depreciation, amortisation, property rentals, long-term incentives and exceptional items was up 8% to R4.2bn.

The declared final dividend of 60c per share was up 18% from a year ago.

Tsogo invested R2.4bn during the year as part of its growth strategy. Among other things, it started building the US\$30m expansion of Southern Sun Maputo.

The company said the continued improvement in trading performance across its operations during the year remained encouraging.

"The sustainability of this growth is uncertain due to the weaker second-half trading, ongoing macroeconomic pressure and weak consumer sentiment.

"Nevertheless, the group remains highly cash generative and continues to pursue significant opportunities to invest capital in its growth strategy," it said.

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