

MEDIA RELEASE

AIRPORTS COMPANY SOUTH AFRICA SUSPENDS EVALUATION OF RETAIL TENDERS

BEDFORDVIEW, 23 July 2018 – Airports Company South Africa has suspended evaluation of tenders for retail store opportunities while it considers the possible impact of a recent court judgment. Tenders for 78 retail store opportunities across the company's nine airports were published in April.

However, on 4 July 2018 in the South Gauteng High Court, Mr Justice Phillip Coppin, found that a tender published in 2017 by the company for car hire concessions was unlawful and invalid for being inconsistent with the Constitution. The judgment said that Airports Company South Africa had failed to apply section 217 of the Constitution and the framework legislation envisaged in that section.

The company says that in the light of this judgment and the impact it could have on the current tender for retail opportunities, it is suspending evaluation of bids. Airports Company South Africa will advise bidders of the next steps once it has further considered the way forward.

The retail opportunities are in existing retail spaces where contracts have expired and require new tender processes. These retail opportunities are in the sectors of food and beverage (26), fashion apparel (21), speciality stores (27), curios (2) and foreign exchange (2).

The tenders will be for retail spaces at O. R. Tambo International Airport (31), Cape Town International Airport (23) and King Shaka International Airport (15). A further nine opportunities are spread across Port Elizabeth, East London and George airports.

Airports Company South Africa remains resolutely committed to implementing official policy with respect to facilitating transformation through its procurement practices, but equally committed to carrying this out within the law.

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Notes to editors about Airports Company South Africa

Airports Company South Africa is the largest airport operator in Africa. Our mission is to develop and manage world-class airport infrastructure for the benefit of all stakeholders

We manage South Africa's nine principal airports.* In fulfilling this task, Airports Company South Africa enables more than 80 percent of South Africa's commercial air travel. Our airports process 40 million arriving and departing passengers a year.

In the 2016/17 financial year, Airports Company South Africa reported total revenue of R8.6 billion. Currently 63% of Airports Company South Africa revenue is derived from regulated tariffs for aircraft landing and parking fees and a passenger service charge. The remaining 37% is non-aeronautical revenue generated by airport retail, parking, property and other services.

Airports Company South Africa's global footprint extends to technical advisory services and support, airport management, and operating concessions in India, Brazil, Munich, and Ghana.

We also frequently feature among the winners of independently-judged global airport awards. In the 2017 Airports Service Quality awards presented by Airports Council International no less than four of our airports were honoured:

- King Shaka International Airport achieved first place in Best Airport by Region;
- Cape Town International Airport achieved third place in Best Airport by Region;
- Cape Town International Airport was named Best Airport in Africa (over 20 000 air traffic movements) in the Safety Awards;
- Bram Fischer International Airport achieved first place in Best Airport by Region in the under 2 million passengers category as well as Most Improved Airport; and
- Upington International Airport joined the 2016 Director's Roll of Excellence for being ranked in the top five airports for its category, size and region from 2006 to 2015.

For more information please visit www.airports.co.za.

*South African airports we operate are: O. R. Tambo International Airport, Cape Town International Airport, King Shaka International Airport, George Airport, Bram Fischer International Airport, Upington Airport, Kimberley Airport, Port Elizabeth Airport and East London Airport.

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