MCK interim results for six months to 30 June 2026

New Zealand hotel owner and operator, Millennium & Copthorne Hotels New Zealand Limited (MCK), has today announced its unaudited results for the six months to 30 June 2026.

MCK Chairman Colin Sim was pleased by the increase in hotel revenue following a strong first quarter with that positive momentum carrying through into the second quarter.

"Despite ongoing global uncertainties, our hotels have done well over the past few months and we are pleased that the results we are announcing today reflect the hard work our teams have put in during the year to date as well as the benefit of refurbished product", he said.

A 15% increase in hotel revenue was the main contributor to the results which was reflected in a 58% increase in net profit before tax to $18m for the period (HY2025: $11.3m).

Mr. Sim noted that MCK's South Island hotels in particular had been the major contributor to the results.

"Queenstown continues to be the region which is outperforming the rest. We believe that this will continue to be the case for the time being and we are therefore allocating resources to ensure that our hotels can maximise their potential for the remainder of the year. Our key North Island properties in Rotorua, Auckland and the Bay of Islands are also performing well and experiencing positive demand trends and we will ensure that they are also in a position to perform strongly for the balance of 2026 and into 2027", he said.

MCK's Managing Director, Stuart Harrison, noted that MCK's results showed what could be done despite international turmoil.

"Focusing on improving the guest experience and our overall product have helped our hotels despite the current difficult global circumstances. We have a loyal customer base which is keen to stay with us across New Zealand and we are capitalising on their enthusiasm for our refreshed rooms and service offerings. It is heartening to know that Australia and New Zealand continue to be attractive and safe destinations for global tourism and we look forward to that continuing", he said.

MCK also saw contributions from its other property investments with two sales at the Zenith Residences were recorded in the period leaving four apartments remaining for sale. MCK is aiming to complete the sale of these remaining apartments within the calendar year subject to market conditions. When sold, this would conclude MCK's interest in the residential component of the Zenith Apartments leaving a small commercial office area remaining.

MCK is also looking at the sale of the land and buildings at the Copthorne Hotel Rotorua site as well as some under-utilised land around Copthorne Hotel Palmerston North. With various parties expressing interest, MCK has entered into conditional agreements to allow for due diligence to take place. MCK's intention is to settle any transactions before the end of the financial year and to use the sale proceeds for additional investment into its existing hotel portfolio. Market updates will be provided should these agreements become unconditional. The company is also reviewing its ground lease arrangements at Copthorne Hotel Auckland City.

MCK's majority owned property development subsidiary, CDL Investments New Zealand Limited (CDI) reported a result that was lower than its previous year in line with its guidance at its 2026 annual meeting. MCK does not expect CDI to be a major contributor to its FY2026 revenue and profit and will be monitoring market conditions carefully to ensure that its longer term performance is beneficial to MCK.

Results snapshot

Six months to 30 June	1H26	1H25
Average hotel occupancy across the Group	76.8%	70.0%
Group revenue	$88.8m	$79.30m
Profit before tax	$17.9m	$11.35m
Earnings per share (cents per share)	7.32c	4.20c

Outlook

MCK is looking to take the positive momentum seen to date into Q3 and Q4 of this year. With almost full inventory after refurbishment available to MCK and with improvements recorded in its rooms and food and beverage operations, Management and the Hotel Operations teams are looking to refine its rate and occupancy performance as cost pressures gradually reduce in line with global tensions.

Mr. Sim stated that MCK was aiming to improve on its FY25 results particularly through better performance from its hotel portfolio.

"Our New Zealand hotels continue to be the strongest contributor to our results so far and we want to ensure that the gains made in the first half of the year are not diluted. While we do expect that the results from our other business segments will impact our overall profit forecast for the year, we will focus on maximising our hotels' performance so that they finish the year as strongly as possible", he said.

Mr. Harrison also noted that MCK would be monitoring developments in tourism policy ahead of the November general election in New Zealand.

"While there appears to be a consensus amongst local and central government in favour of a nationwide bed tax, there is no agreement on the details such as the appropriate rate, who will collect it and how those funds will be utilised. MCK will be looking for certainty in these areas from whichever party or parties form the next government. There needs to be clear leadership and an unambiguous policy direction so that accommodation owners and operators like MCK and the wider tourism industry know exactly how things will proceed".

Mr. Harrison also noted the final decision of the Fast Track Panel in relation to the Downtown Carpark redevelopment project released last week and its potential impact on M Social Auckland.

"While the overall development will bring long term benefits to Auckland as a whole, there will be disruption and disturbances to M Social Auckland during the demolition and construction periods which will take years. We endeavoured to highlight these effects to the Panel in our submissions and while the Panel accepted some of our submissions, they have indicated that MCK will need to work with the developer during demolition and construction. We are carefully reviewing the Panel's decision and will look at what we can do on our site to protect our hotel as well as how we can potentially enhance it", he said.

ENDS

Issued by Millennium & Copthorne Hotels New Zealand Limited
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About Millennium & Copthorne Hotels New Zealand Limited
Millennium & Copthorne Hotels New Zealand Limited (NZX:MCK) is the only NZSX listed hotel owner – operator with 19 owned / leased / franchised hotels based in New Zealand under the Millennium, Grand Millennium, M Social, Copthorne and Kingsgate brands. MCK also owns The Mayfair Hotel Christchurch, a boutique hotel which is part of the exclusive Leng's Collection of hotels across the world. As part of the Millennium & Copthorne Hotels group, we are proud to be part of a global network of over 120 properties in gateway cities across Asia, Europe, North America, the Middle East and New Zealand.
MCK is also the majority shareholder in land developer CDL Investments New Zealand Limited (NZX:CDI) and also has property interests in Australia through its Kingsgate Group subsidiaries including a 50% ownership interest in the Sofitel Hotel Brisbane Central through a joint venture. For more information, visit our website: www.millenniumhotels.co.nz