



## Sanyati expands telecoms infrastructure business with Meyker acquisition

By: Christy van der Merwe

Published: 4 Dec 07 - 11:10

AltX-listed, black-empowered civil engineering and construction firm Sanyati Holdings on Tuesday announced the acquisition of the Meyker Group, for R220-million.

The capability and earnings enhancing acquisition is in line with the company's objective of regional expansion, and is at this stage subject to specified conditions precedent.

Sanyati, which operates mainly in KwaZulu-Natal and the Northern Provinces, would now extend its footprint into the Meyker Group's customer base of corporate clients and local government in the Free State, Northern Cape, Northern Province, and Botswana.

The Meyker Group's expertise in the provision of telecommunications infrastructure has resulted in ongoing projects to expand fibre-optics networks in South Africa. The group specialises in the provision of ground works, earth moving, mobile crushing, sealing, road construction, the building of dams and laying of optical fibre cables, and its clients include Transtel, MTN, Vodacom, Eskom, as well as the Free State and Northern Cape provincial governments.

"As a result of the increasing number of telecommunications operators and consequent industry expansion, demand for the Meyker Group's niche skills is strong, and it accordingly has a number of ongoing projects to expand the country's fibre-optic networks. This market, which also extends to other industries that require aerial lines such as rail and electricity, delivers high net profitability and is expected to contribute significantly to Sanyati's bottom line," said Sanyati CEO **Rick Jackson**.

The Meyker Group is also part of a joint venture, which was recently awarded the contract for the upgrade of the Bloemfontein stadium for the 2010 FIFA World Cup.

Sanyati completed acquisitions of Ruthcon Civil Contractors and GEM Earthworks earlier this year, which expanded the group's footprint into Gauteng, Mpumalanga and the Eastern Cape.

In the interim period that ended in August, Sanyati reported that it had grown revenue by 105% owing to its acquisitions and subsequent involvement in a number of significant projects. The company also declared a doubling of net profit, from R11,3-million in 2006 to R22,9-million for the period.

Copyright© Creamer Media (Pty) Ltd. All rights reserved.

Tel: +27(0)11 622 3744 | Fax +27(0)11 622 9350 | [newsdesk@engineeringnews.co.za](mailto:newsdesk@engineeringnews.co.za)  
<http://www.engineeringnews.co.za>