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Sanyati's 105% increase in revenue 'as forecast'

Lihle Z Mtshali

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Durban civil engineering and construction group Sanyati Holdings is not surprised by its 105percent leap in revenue and said its growth was in line with its forecasts.

The black-empowerment company, which listed on the Johannesburg Securities Exchange's alternative exchange, AltX, in June last year, released its interim results yesterday for the six months to August and said revenue had more than doubled to R396-million.

Profit attributable to shareholders grew by 102percent to R22.8-million.

Rick Jackson, Sanyati's chief executive, said: "We were expecting this type of revenue growth because we made an acquisition during the financial year."

Sanyati bought Ruthcon, a civil engineering company in Gauteng, and GEM Earthworks, which operates in Mpumalanga and the Eastern Cape.

Jackson said: "Though the bulk of the group's contracts, 62percent, is in KwaZulu-Natal, 22percent of our projects are in Gauteng, with the balance spread over Mpumalanga, Eastern Cape and Zambia."

A joint venture with the Ilembe Consortium, in Durban, by the group's civils coastal division for work on the King Shaka International Airport, has netted the company R1.9-billion worth of work.

The division was the biggest contributor to the group's bottom-line growth in revenue of R215-million, delivering profit of R6.7-million.

Jackson said the company would change its structure and that its eight individually branded companies would be incorporated into Sanyati Construction.

Sanyati's share price fell 4.89percent yesterday, but Jackson said that was not a cause for alarm because the company was in a closed trading period.

Its investors were waiting for an announcement in the next few weeks about the future of the company.



GOING UP: Construction work in the Johannesburg CBD — 22percent of Sanyati Holdings' projects are now in Gauteng Picture: Moeketsi Moticoe

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