

# Telematics to pursue global expansion

## Company posts 'pleasing' results, despite slower vehicle sales

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RELEASING financial results for the year to March, fleet management and vehicle-tracking firm MiX Telematics said yesterday it was serious about its global expansion ambitions.

CEO Stefan Joselowitz, who has moved to the US, said he wanted to see the group's international business account for 75% of its total revenue in the medium term.

"MiX Telematics operates globally and is intent on growing its international presence strongly into the future," Joselowitz said.

The South African unit contributed 56% of the total revenue, which grew 39% to R958m for the year, he said.

Over the reporting period, adjusted headline earnings per share rose 25% to 15,9c and the group declared a dividend of 4c.

Joselowitz said the results were "very pleasing" given the global economic climate and the

depressed vehicle market. "These results would have been good in any normal year, but in the year that we have just endured, they are particularly pleasing."

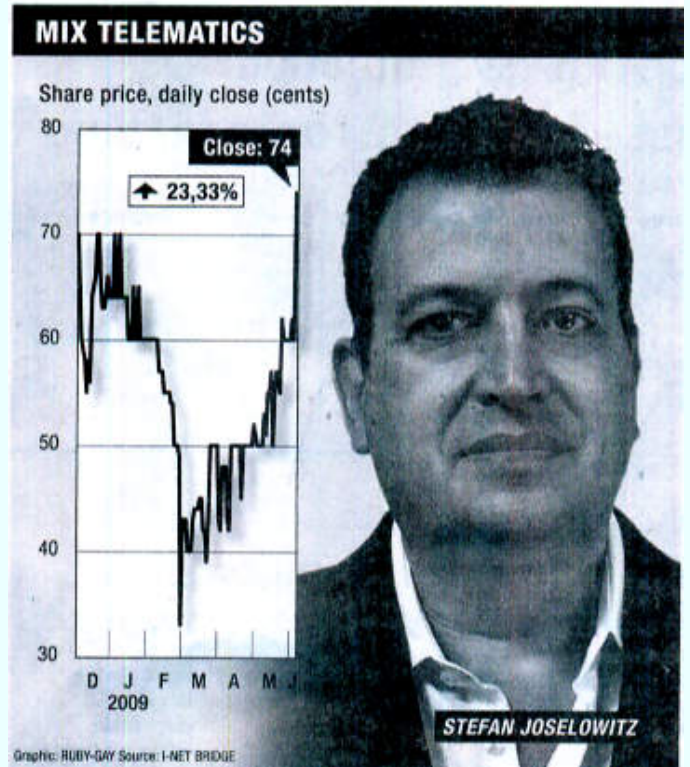
He said cash generation from operating activities remained "strong" at R139m. The net debt position dropped from R154m to R89m, while net gearing declined to 14% from 26%.

Joselowitz said there was no immediate plan for acquisitions on the group's radar. But he said if a bargain came along, the company would consider it.

He also said the company had no foreign listing plans as it was still too small. It would consider other stock exchanges once it was much bigger.

MiX Telematics, he said, sought to diversify away from SA, which had become a mature market.

Recently the company made a string of acquisitions, including OmniBridge RSA and OmniBridge Europe in 2007; Tripmaster in August last year; and SafeDrive



International (SDI) in September last year.

Tripmaster and SDI contributed combined revenues of R119m to the group and a combined net profit after tax of R15m.

Certain intangible assets that had arisen on the initial acquisition of MiX Telematics Europe were impaired by R10,2m to their fair value.

Joselowitz admitted that the slowdown in vehicle sales had affected the company.

He said the management team had evolved this year and now had a much more international focus.

Joselowitz said he had overall group responsibility as CEO and was also directly overseeing the

group's acquisition of Tripmaster, based in Dallas.

Director Terry Buzer had moved to the UK and would be CEO in charge of the UK and Europe group interests.

"Simon Williams, who joined us with the acquisition of SDI, had moved to Dubai and is heading that operation from this important hub.

"Our management team has gone through a tough transition to achieve this international focus, but has adapted to the new structure well," Joselowitz said of the new management team that would also see Riette Botha running the Africa business and Steven Evans taking charge as chief financial officer.

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