

## **McCarthy Fleet Services on R1 Billion Expansion Drive**

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The Bidvest Group has signed an agreement to acquire Viamax Holdings (Pty) Limited, the fleet management and leasing business of Transnet Limited, for approximately R1 billion. The acquisition is subject to approval by the Competition Commission.

"The company will be incorporated into Bidvest's automotive division, McCarthy Limited, and managed and operated by its subsidiary, McCarthy Fleet Services (MFS)," said Brian Joffe, chief executive of Bidvest.

"In terms of the acquisition, the company has also secured the exclusive rights to manage Transnet's fleet for the next five years. The acquisition of Viamax will give McCarthy Fleet Services the necessary critical mass to make it one of the biggest fleet management operations in the country, with a combined book value of around R1.3 billion."

MFS' fleet will now consist out of more than 10 000 units ranging from passenger cars to heavy commercial vehicles, luxury buses and material handling equipment.

"MFS has increased its operational capacity from three regional offices to twenty-three around the country, incorporating all of Viamax's regional offices, workshops and personnel," said Brand Pretorius, chief executive of McCarthy Limited. "The growth prospects for the new enlarged fleet services business are promising and include the ability to meaningfully compete in the management of outsourced state-owned vehicle fleets, as well as the leasing and management of large corporate fleets."

According to Jolyon Nash, executive director at McCarthy responsible for McCarthy Fleet Services, MFS has substantially grown its business to around R320 million since its inception two years ago. "The acquisition of Viamax provided us with the unique opportunity to accelerate our growth and reach economies of scale which would have otherwise taken more than five years to achieve," said Nash.

There are numerous synergies with other companies within the McCarthy Group including vehicle, truck and heavy equipment sales through its numerous franchised dealers, servicing and parts, vehicle rentals through Budget Rent a Car, financing and insurance through McCarthy Financial Services, as well after market benefits such as roadside assistance and other Club McCarthy products.

"As a result, MFS is able to provide a total fleet solution, whether companies want to buy or sell, finance or lease a vehicle," said Nash. "One of the main benefits of being a relatively late entrant into the market is that we have been able to develop a modern web-enabled, server-based fleet management system, run by some of the most experienced and skilled people in the industry."

"McCarthy is a name that is synonymous with quality, service and value in the motor industry," said Pretorius. "Through the acquisition of Viamax, MFS will be able to provide a quality level of service and products to an even a broader market."

**Issued by Wilken Communication Management on behalf of McCarthy Limited**