



MTN Group Limited  
Annual results presentation  
For the year ended 31 March 2004



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- Strategic overview – Phuthuma Nhleko
- Operational overview – Phuthuma Nhleko
- Financial overview – Rob Nisbet

# Strategic overview

Phuthuma Nhleko



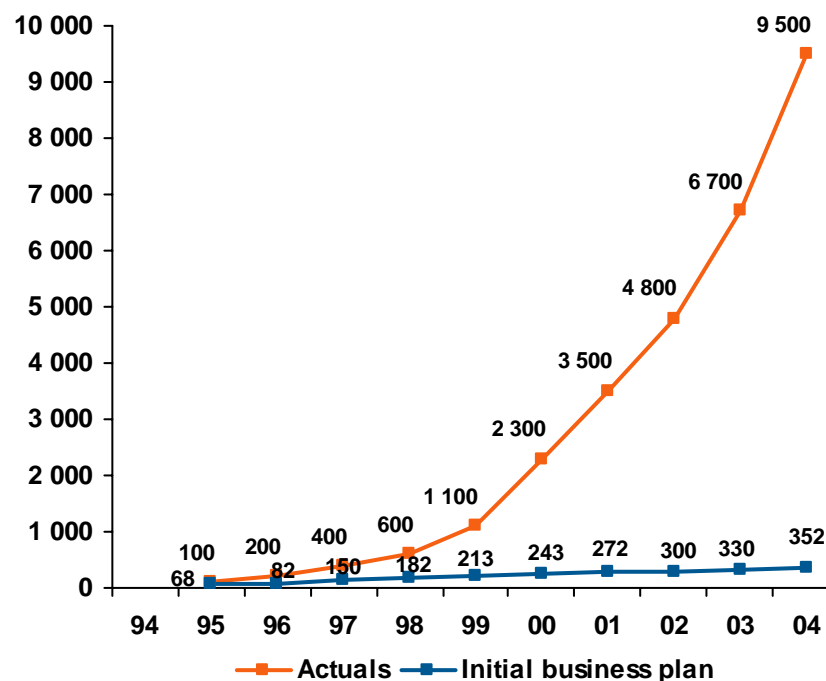
# Ten years of Y'ello freedom



- Mobile technology initially aimed at business sector, however, technology leap-frogged fixed line
- Introduction of pre-paid allowed mobile to become a mass market communication service with strong impact on economic, social and cultural life
- Mobile penetration on African continent reached 6,2% (compared to 3,0% fixed-line) and is expected to increase to 16,9% by 2009
- MTN now a multinational company rooted in Africa
- One of six listed emerging market (EMEA) mobile telecoms companies

## Achievement against expectation

MTN subscriber numbers ('000)



|                                      | Initial BP   | Actual        |
|--------------------------------------|--------------|---------------|
| • Staff complement (including temps) | 263          | 5 900         |
| • Revenue                            | R2,0 billion | R23,9 billion |
| • EBITDA                             | R0,9 billion | R9,0 billion  |



## Vision

*To be the leading provider of  
communication services in Africa*



# Building on our strengths



- **Market leadership**  
Number 1 branded telecoms provider in 5 out of 6 operations in Africa
- **Strategic vision**  
Focus on emerging markets – Africa and Middle East logical footprint
- **Management and staff**  
Strong intellectual capital in developing markets
- **Operational excellence**  
High quality network and distribution footprint established
- **Marketing**  
MTN Brand has higher recognition than Coke in 4 out of 6 operations
- **Innovation**  
Relevant innovation for respective markets happening

# Key objectives for 2003/2004



## • Strategic

- Establish efficient Group structure ✓
- Entrench operational market leadership ✓
- Speed-up network roll-out in Nigeria ongoing
- Pursue value enhancing expansion opportunities ongoing

## • Financial

- Maintain profitable growth in all operations ✓
- Restore EBITDA margin of SA to at least 30% ✓
- Secure funding for Nigeria network roll-out ✓
- Consolidate position in Cameroon ✓
- Net unhedged debt position reduced to US\$5 million (2003: US\$157 million) ✓
- Optimise return to shareholders ongoing

# Strategic priorities



- Live one brand, one group, one vision
- Identify and pursue value enhancing expansion opportunities to ensure continued growth and allow for diversification of earnings
- Aim to improve operational cost efficiency and to expand margin to take full advantage of scale across all operations
- Manage financial, economic and political risk inherent with international expansion
- Review capital structure of Group and Group companies to optimise returns to shareholders, eg dividend policy
- Leadership in innovation – first 3G call made



# Operational review






Phuthuma Nhleko



# MTN Group highlights

For the year ended 31 March 2004



- 9,5 million subscribers  42%
- R23,9 billion revenue  23%
- R9,0 billion EBITDA (37,6% EBITDA margin )  44%
- R4,3 billion profit after tax  94%
- 253,1 cents adjusted HEPS  77%
- 41 cents dividend per share
- Net cash position of R1,2 billion\*

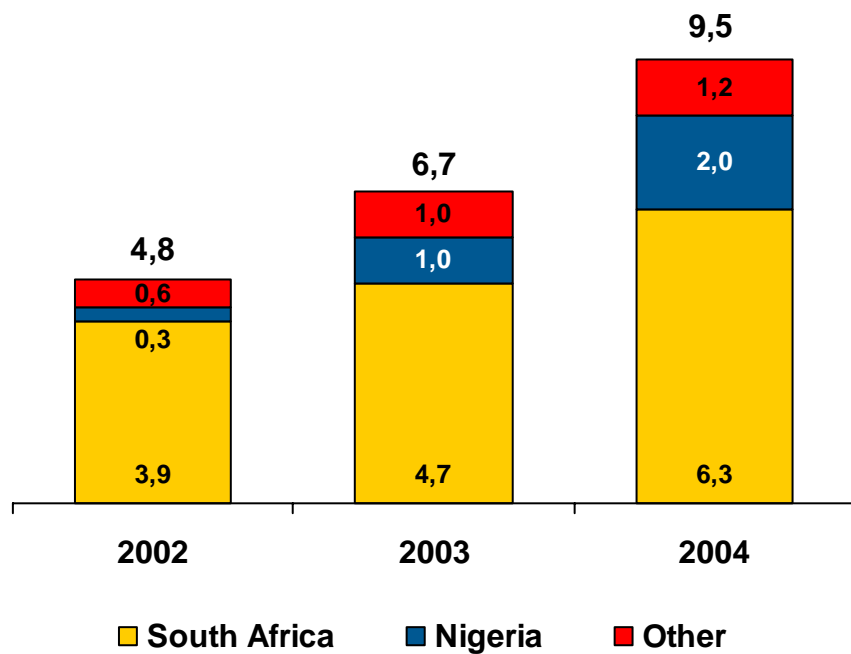
\* Including securitised cash deposits of R1,7 billion

# Subscriber growth



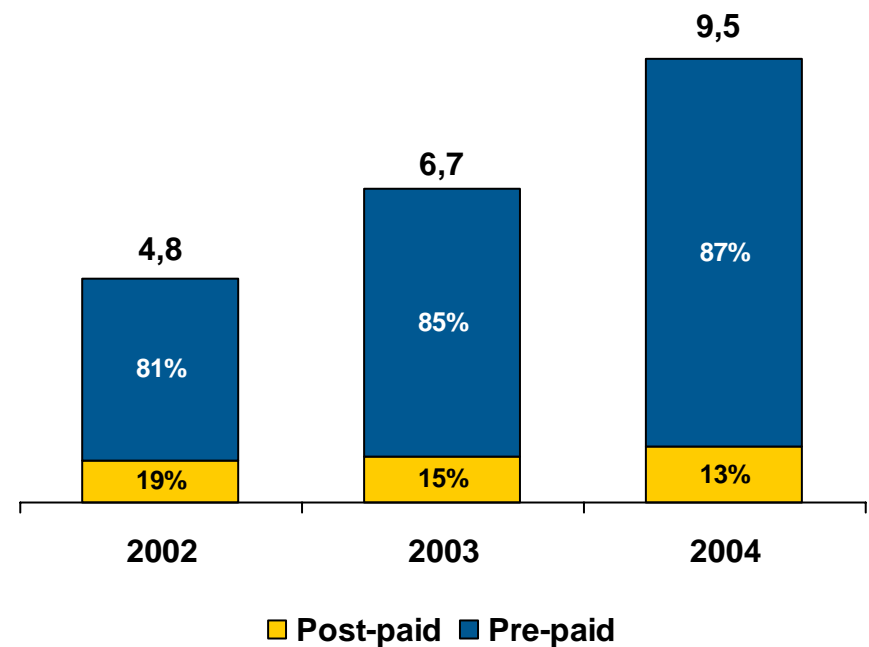
**Geographic subscriber mix**  
Million

34% of subscribers  
outside South Africa



**Pre-paid – Post-paid subscriber mix**  
%/million

87% of subscribers  
pre-paid



# Subscriber growth

## Total number of subscribers

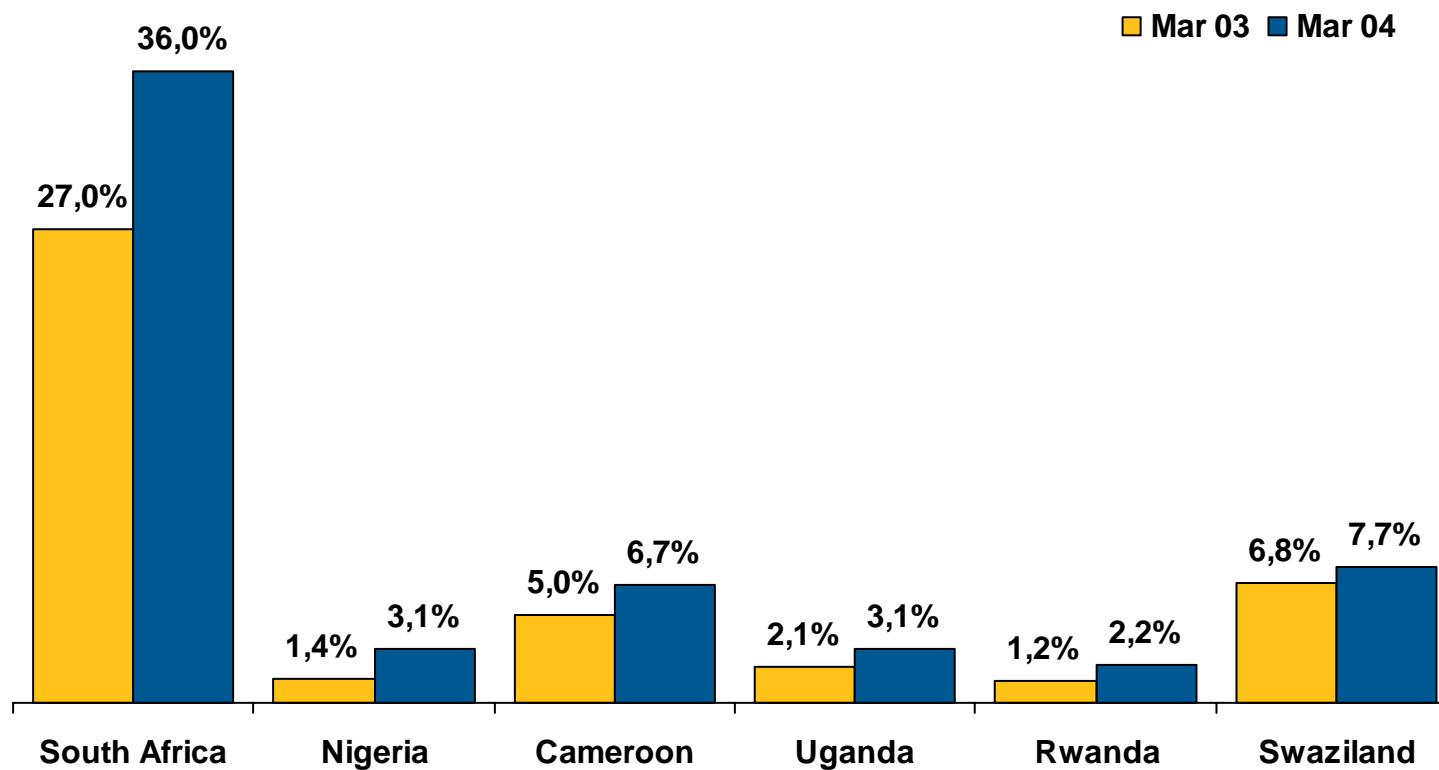


|                        | March 02         | March 03         | March 04         | Growth<br>03 – 04 |
|------------------------|------------------|------------------|------------------|-------------------|
| South Africa           | 3 877 000        | 4 723 000*       | 6 270 000*       | 33%               |
| Nigeria                | 327 000          | 1 037 000        | 1 966 000        | 90%               |
| Cameroon               | 224 000          | 431 000          | 581 000          | 35%               |
| Uganda                 | 222 000          | 363 000          | 495 000          | 36%               |
| Rwanda                 | 69 000           | 105 000**        | 146 000**        | 39%               |
| Swaziland              | 55 000           | 68 000           | 85 000           | 25%               |
| <b>TOTAL</b>           | <b>4 774 000</b> | <b>6 727 000</b> | <b>9 543 000</b> | <b>42%</b>        |
| MTN equity subscribers | 4 513 000        | 6 133 000        | 8 551 000        | 39%               |

\* Excludes application providers: 2004 – 70 000 (2003 – 42 000)

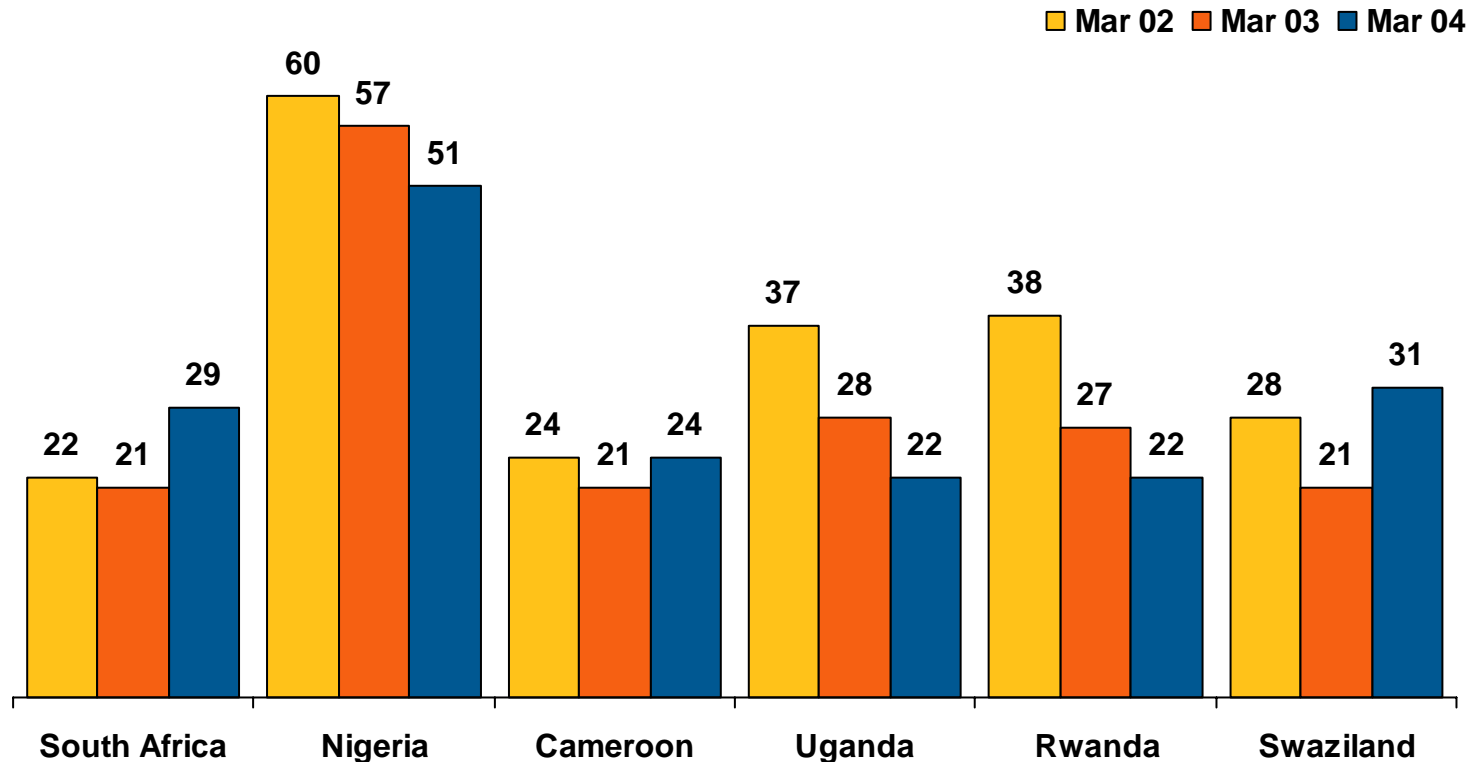
\*\* Includes subscribers in Supercell: 2004 – 40 000 (2003 – 26 000)

# Mobile market penetration (% estimate)



# Business performance

## ARPU (US\$ per month)

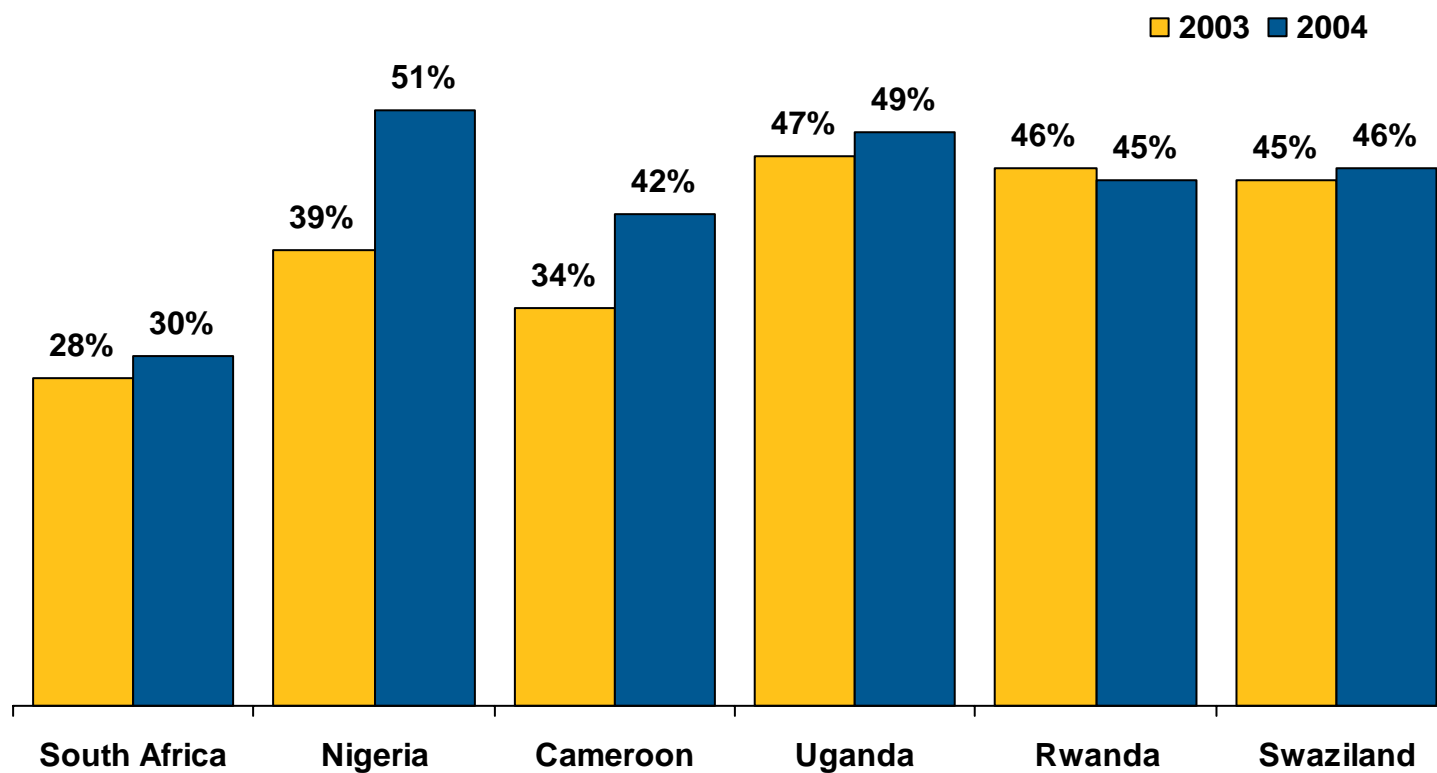


- ARPU decline of international operations impacted by currency devaluations
- SA trend stable, increase in US\$ terms due to strengthening of Rand

*Note: ARPU South Africa: 2004 – R203 (2003 – R206)  
ARPU in Nigeria excludes connection fee*

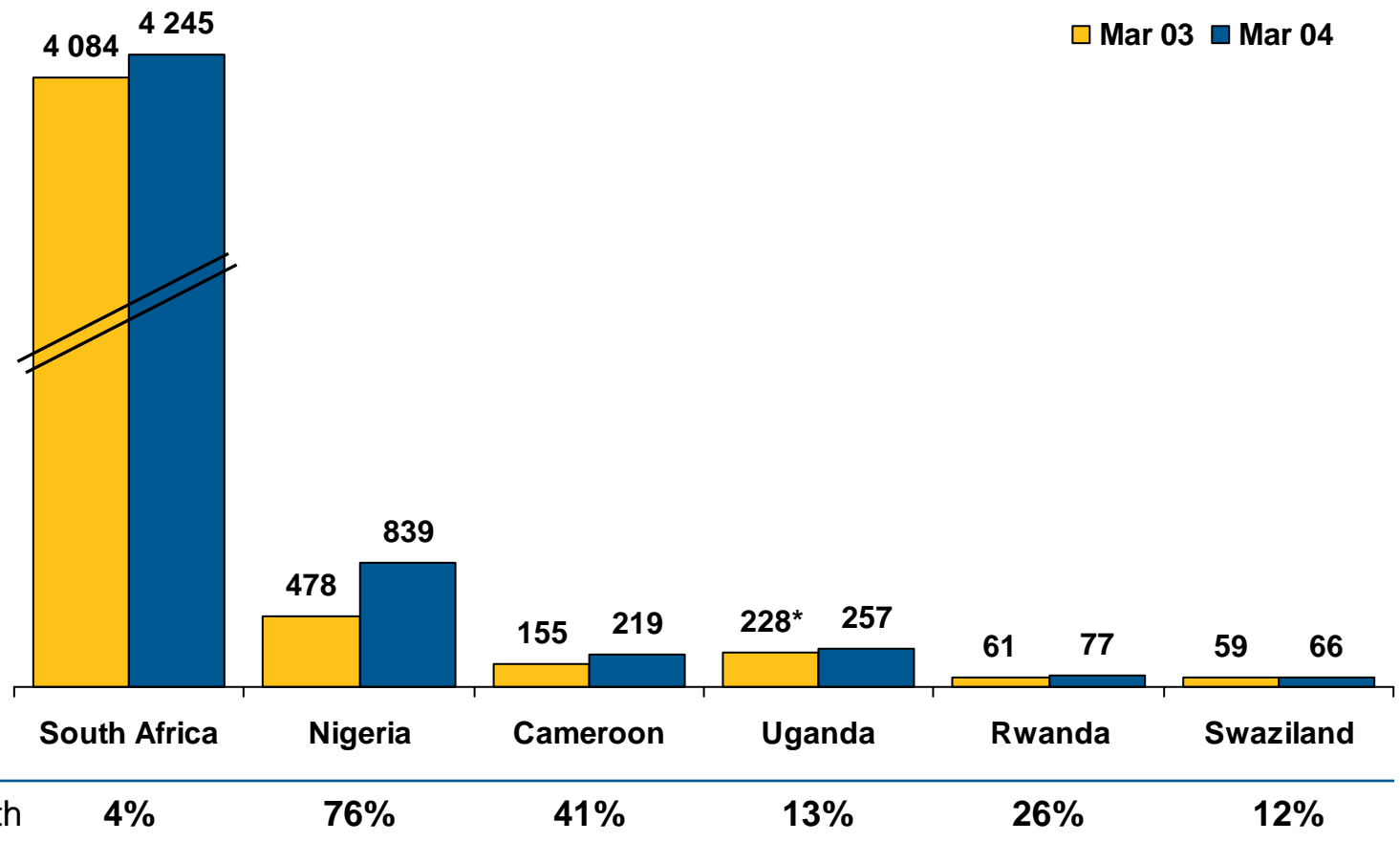
# Business performance

## EBITDA margin



# Network roll-out

## Number of sites

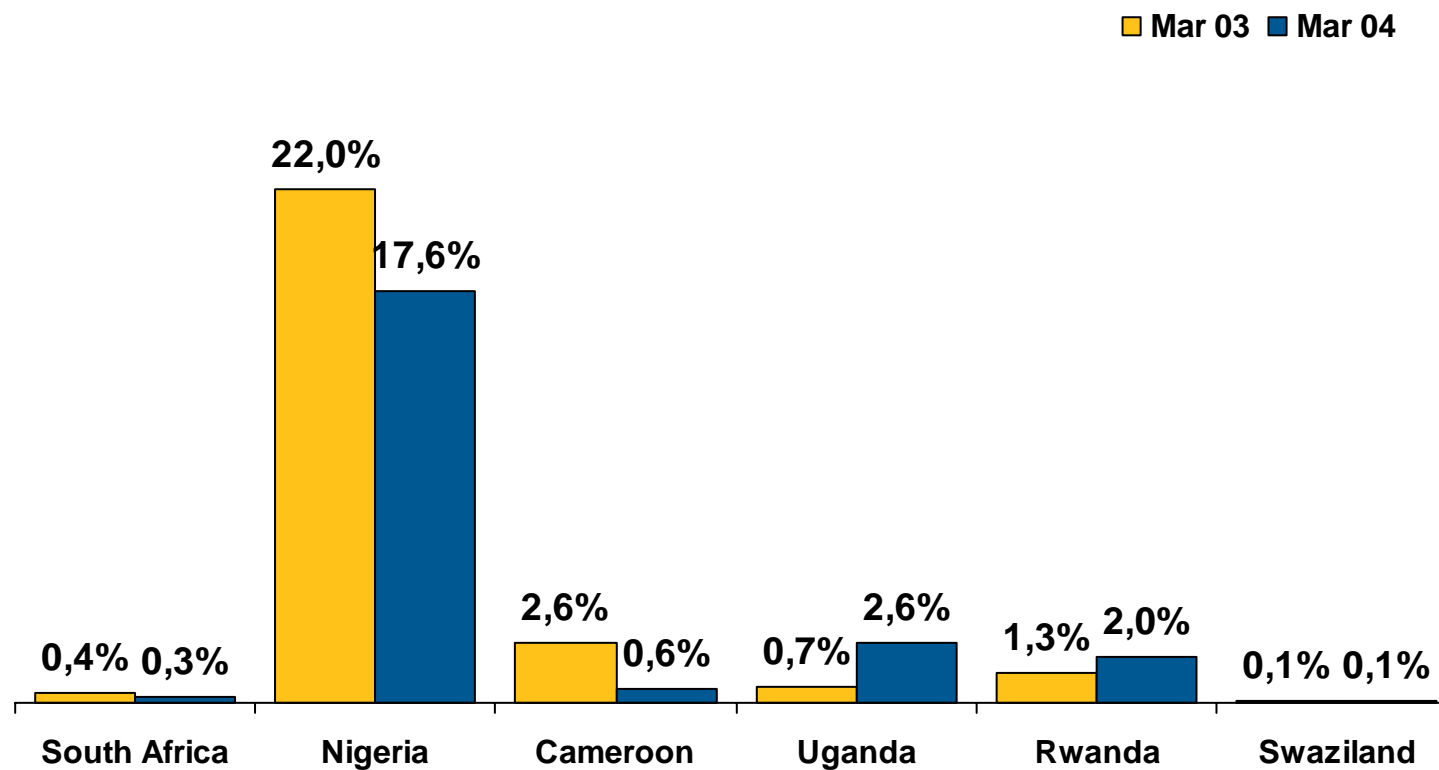


- Network roll-out in Nigeria behind expectations, logistical challenges identified and addressed

\* Restated to reflect dual MHz base stations as one base station

# Network quality

## Congestion ratio %



# Leadership in innovation

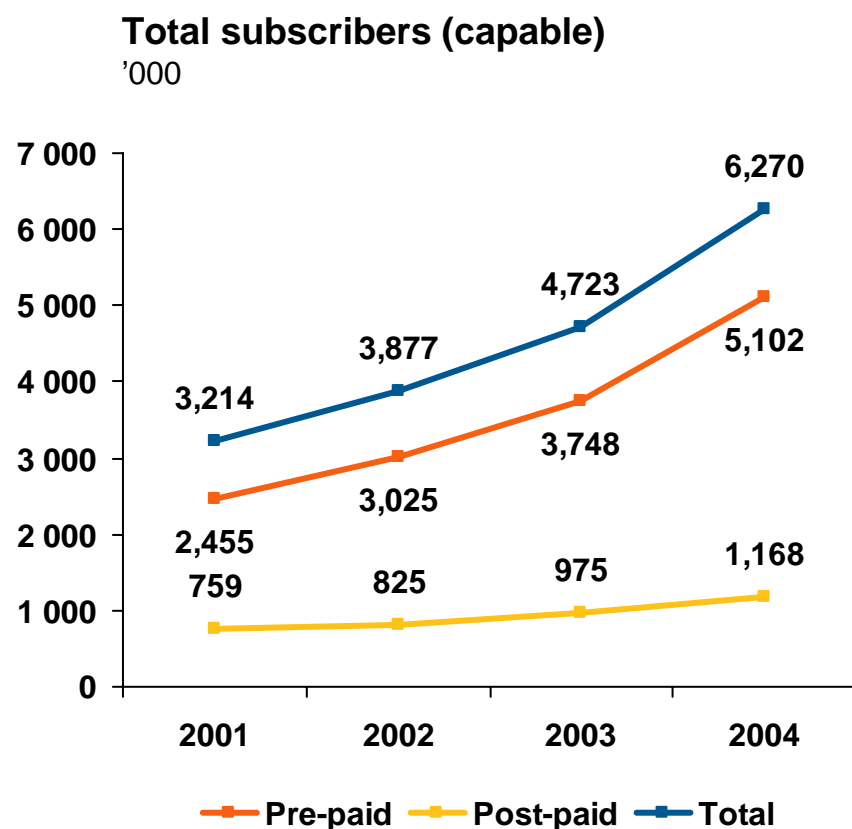


- Drive innovation initiatives across Group companies
  - Post-paid to pre-paid airtime transfer – world first
  - Value bundles (MyChoice Top-up) – SA first
  - Traffic cameras (mms applications) – SA first
  - Corporate mobility (seamless, secure mobile workforce connectivity) – SA first
  - Mobile Credit (mobile POS via credit pipe) – SA first
  - Cell secure (integrated mobile home security system) – SA first
  - MTN Villagephone – Uganda/Rwanda
  - MTN4U Loyalty programme – Nigeria

- South Africa
  - 3G licence temporarily awarded for testing
  - Number portability to be introduced in 2005 (guidelines still to be provided)
  - Convergence bill – currently re-drafted
  - Licencing of under-serviced areas once ICASA recommendation approved
- Nigeria
  - New telecoms law passed
  - Interconnect tariff intervention by NCC

# MTN South Africa

## Market environment



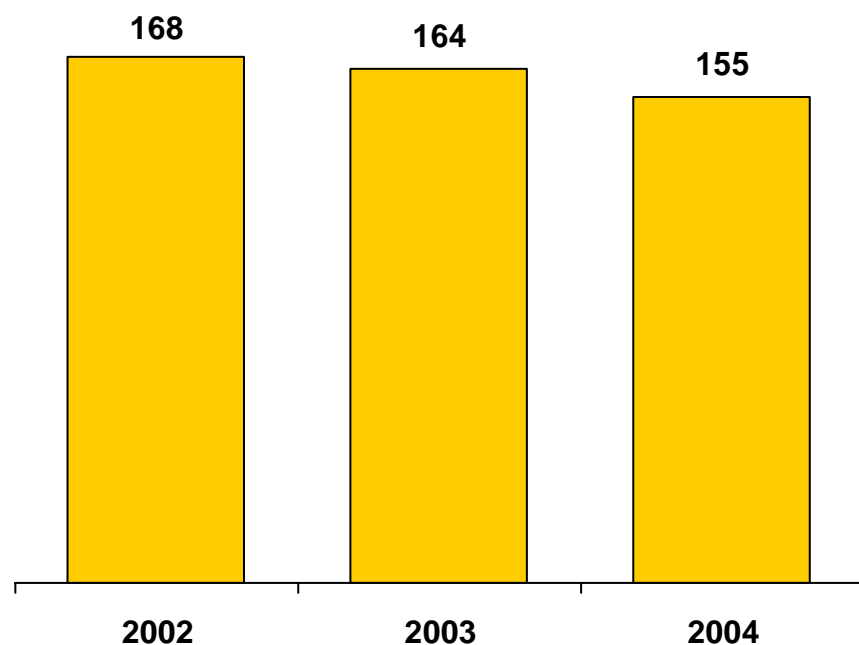
- Net add of 1,5 million subs for the year, exceeded expectations
- Pre-paid churn remains high in early 40-ies, while post-paid churn around 12 – 13%
- Brand awareness reached 99,5% – highest ever (Y'ello Summer Campaign)
- Addressable market size expected to reach 23 million\* by March 2005

\* Excluding 4,5 million sim cards being part of 1 800 Mhz licence obligations

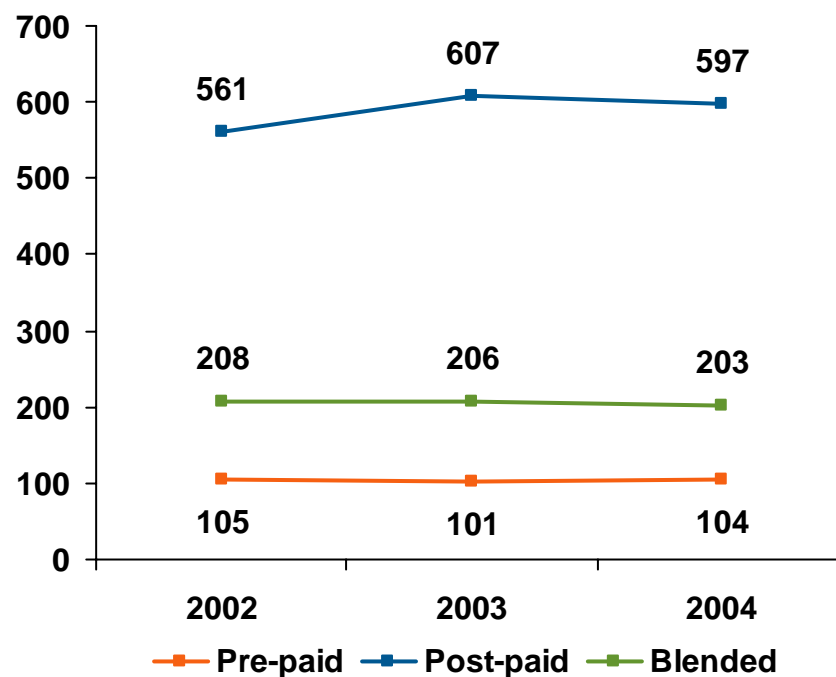
# MTN South Africa Usage and ARPU



**Average MOU per sub**  
(monthly)



**ARPU (blended)**  
Rand (monthly)



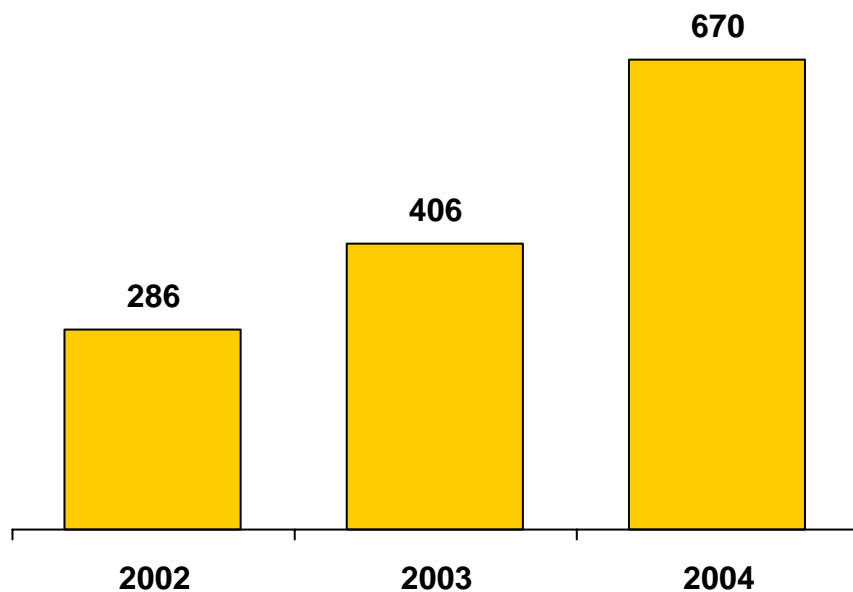
- Tariff increases of 5,5% for post-paid implemented in August 2003
- ARPU trend impacted by launch of MyChoice top-up product

# MTN South Africa

## Data developments



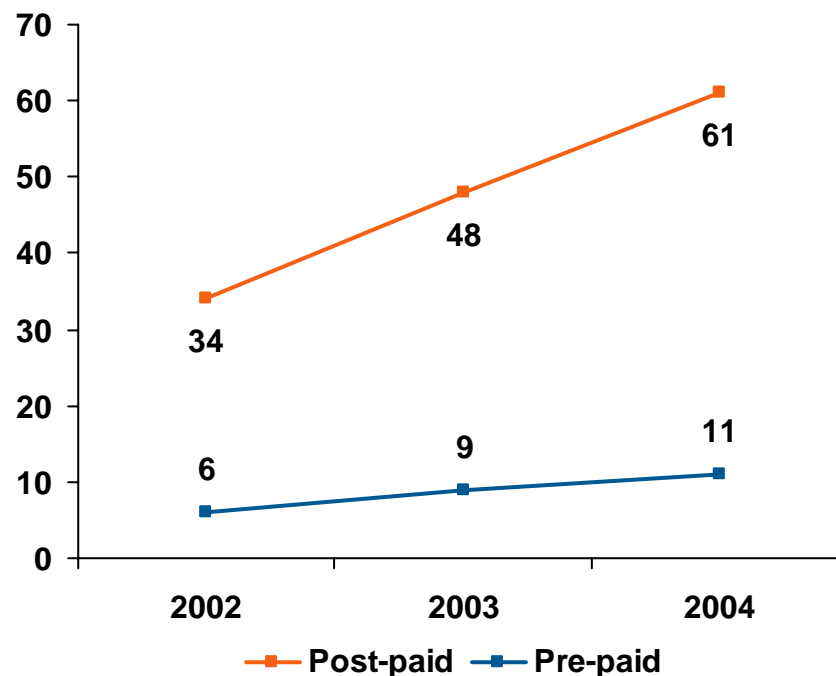
**Data revenue**  
R million



| Year | As % of MTN SA revenue* |
|------|-------------------------|
| 2002 | 3,2%                    |
| 2003 | 3,8%                    |
| 2004 | 5,0%                    |

\* Excludes handset revenue

**sms per month per user**  
Number



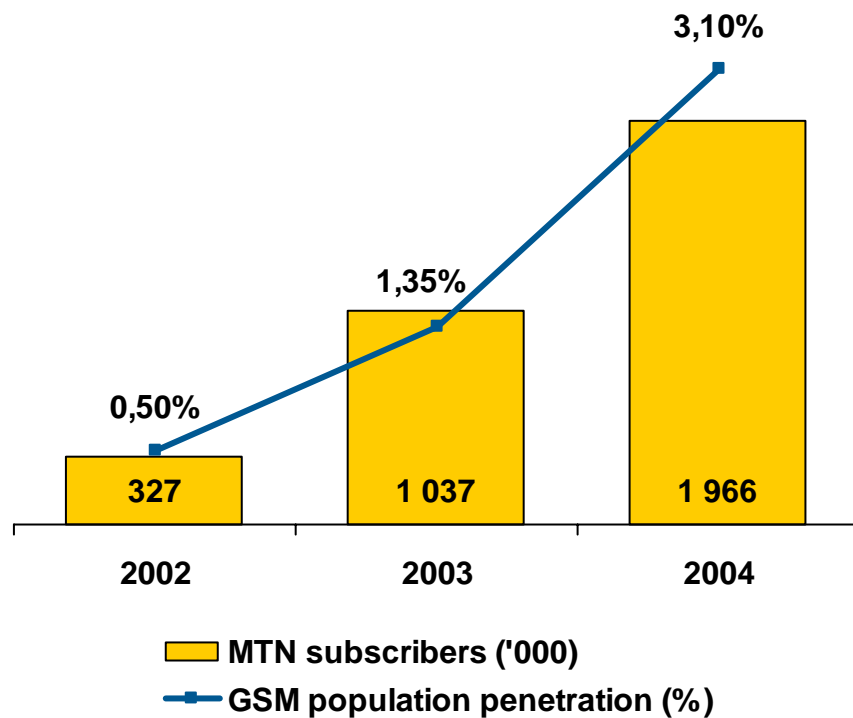
- sms contributes 96% of total data revenue
- sms utilisation: 74% for post-paid and 41% for pre-paid
- 3G licence awarded on temporary basis, testing is ongoing

# MTN Nigeria

## Market environment



### Nigerian subscriber market

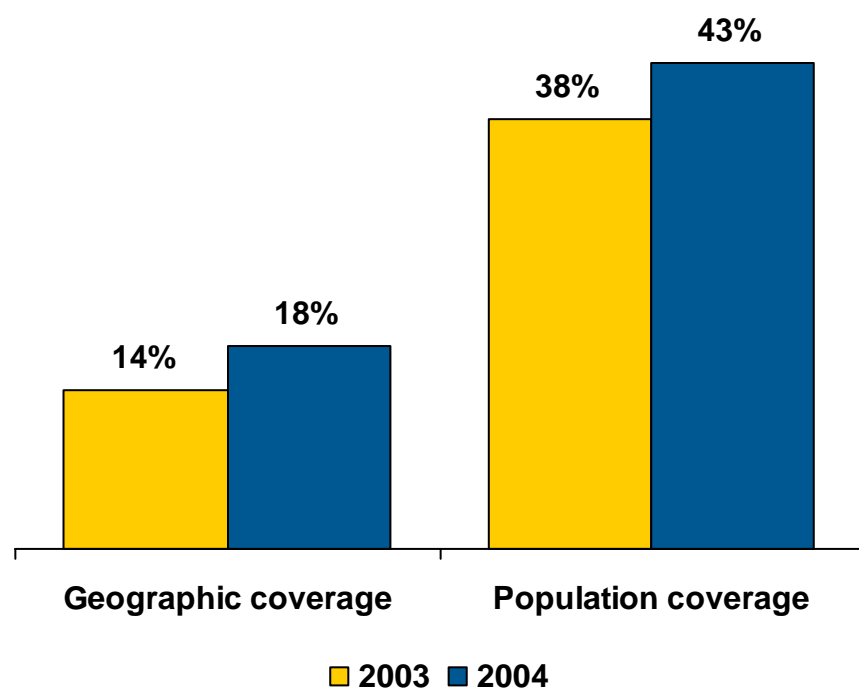


- Market demand continues to exceed supply, MTN suspended sales for close to 20 weeks during year
- Competitive environment remains strong with entrance of 4<sup>th</sup> operator end Aug 2003
- Tariff reductions between 3% (off-peak, off-net) and 22% (peak, on-net) introduced in Dec 2003
- Established MTN Foundation (CSI focused on poverty alleviation, health and education)

# MTN Nigeria Infrastructure



## Geographic and population network coverage % (estimate)



## Coverage map



- Network infrastructure
  - 839 sites and 16 switches as at March 04
  - Second phase of backbone transmission Y'ellobahn completed: total 4 500 km cover
  - Power grid - Y'ello watts
- Network coverage of over 80 cities and over 2 000 communities

# MTN Nigeria Challenges



- Highly deregulated, dynamic and fast growing market making network planning challenging
- Sourcing skilled technical resources for operating and maintaining complex telecoms systems challenging
  - Extensive training programme to build local skills base
- Unreliable basic support infrastructures such as roads, power, transmission
  - Y'ellobahn: consistently extended to provide own transmission
  - Y'elloWatts: 1 500 generators in service



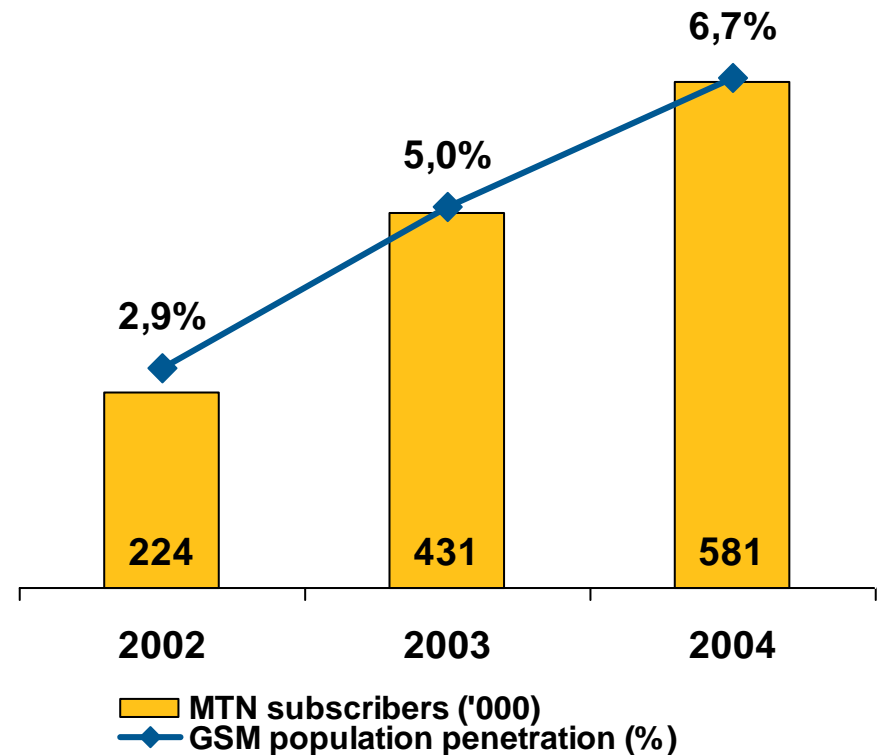
- Logistics/airfreight challenges and clearance through ports
- Significant import duties
- Security of property major focus

# MTN Cameroon



- Strong financial performance, exceeding revenue and EBITDA targets
- Maintained leading market position despite strong competitive pressures in market
- Network capacity has been increased, including implementation of new state of the art switching and network control centres
- Finalised settlement with Camtel on long outstanding interconnect

Cameroonian subscriber market



# Highlights of Rest of Africa



- Uganda
  - Launched pre-paid fixed-line service, MTN village phone and Business Solution Centre
  - Achieved net additions in a competitive market
  - Declaring dividends to shareholders
- Rwanda
  - Extended network roll-out to commercially viable rural areas
  - Experienced increasing competitive pressures for Supercell operations in the DRC
  - Increased stake to 40% in MTN Rwanda
- Swaziland
  - Increased mobile share of total telecoms market to over 65%
  - Increased rural roll-out reaching close to 75% geographic coverage
  - Localised operations

# Looking ahead for 2005



- Key operational and strategic priorities for 2005
  - Identify and explore expansion opportunities
  - Focused efforts to dramatically improve customer centricity through brand leadership and improved customer service
  - Ensure accelerated Nigerian network roll-out to address market demands
  - Pursue margin expansion opportunities in SA
  - Drive operational efficiency across all group companies (appointment of COO)

# Dividend policy



- After thorough review of Group's growth prospects and financial forecasts as well as strong free cash generation by MTN South Africa, the Board of directors recommended to re-instate conservative dividend policy with a cover ratio on adjusted headline earnings of 6 times
- This will allow Group to retain sufficient cash to fund potential value enhancing expansion opportunities
- A final cash dividend of 41 cents per share was declared, amounting in total to R680 million
- Salient dates of declaration
  - Last day to trade cum dividend      Friday, 25 June 2004
  - Record date                              Friday, 2 July 2004
  - Payment date                              Monday, 5 July 2004

# Financial review

Rob Nisbet



# Issues impacting results



- **Rand appreciation**

- 27% (average – year on year)
- 20% (closing – year on year)

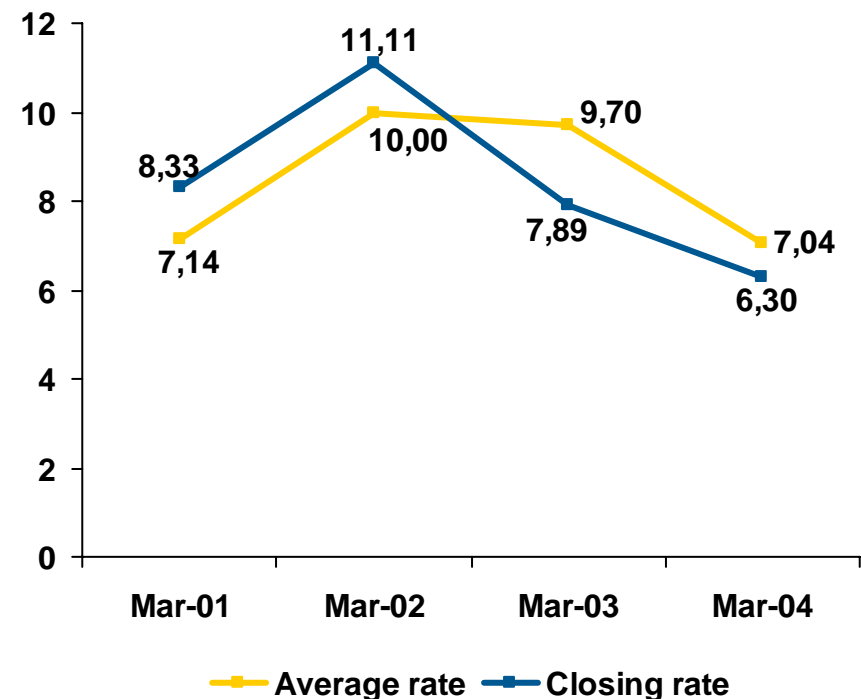
- **Accounting issues**

- Deferred tax asset of R226 million (net R174 million) in MTN Nigeria
- Additional depreciation charge of R190 million (net R143 million) in Nigeria due to change in estimate of useful life
- Consolidation of MTN Staff incentive share trust: 2004: R1 million (2003: R5 million)

- **Financial issues**

- Loss of R72 million on disposal of 4,5% stake in Nigeria
- Tax credit of R49 million (net R39 million) in Cameroon
- Connection fee in Nigeria R571 million (net R440 million) (US\$81 million)

Rand/US\$ exchange rate



**Full consolidation of MTN Nigeria (75%) and MTN Cameroon (70%) (80% of MTN Cameroon's economic risk still vests with the Group and is accounted for accordingly), proportionate consolidation of MTN Uganda (52%), MTN Rwanda (40%), MTN Swaziland (30%) and MTN Network Solutions (60%)**

# Exchange rates analysis



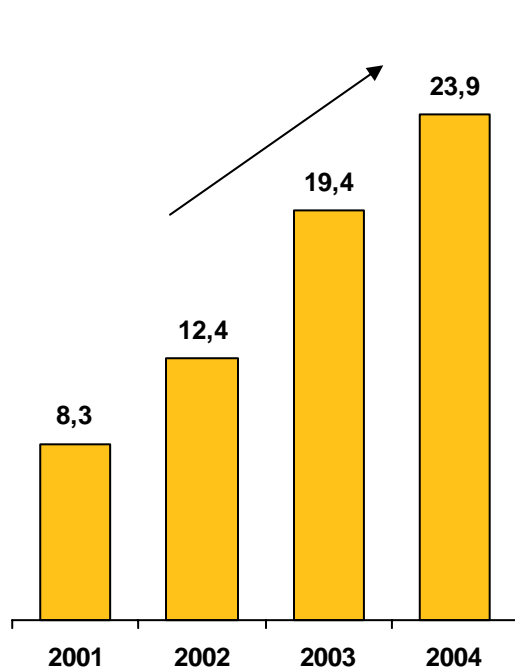
|                          | Average Exchange Rates |               |       | Closing Exchange Rates |               |       |
|--------------------------|------------------------|---------------|-------|------------------------|---------------|-------|
|                          | 2003                   | 2004          | % var | 2003                   | 2004          | % var |
| Rand per Dollar          | 9,70                   | <b>7,04</b>   | 27%   | 7,89                   | <b>6,30</b>   | 20%   |
| Nigerian Naira per Rand  | 13,16                  | <b>18,38</b>  | 40%   | 16,14                  | <b>21,21</b>  | 31%   |
| CFA per Rand             | 67,76                  | <b>80,61</b>  | 21%   | 76,72                  | <b>80,75</b>  | 5%    |
| Uganda Shilling per Rand | 197,34                 | <b>277,87</b> | 41%   | 249,68                 | <b>304,32</b> | 22%   |
| Rwanda Franc per Rand    | 53,50                  | <b>80,29</b>  | 50%   | 65,97                  | <b>93,82</b>  | 42%   |

# Financial trends



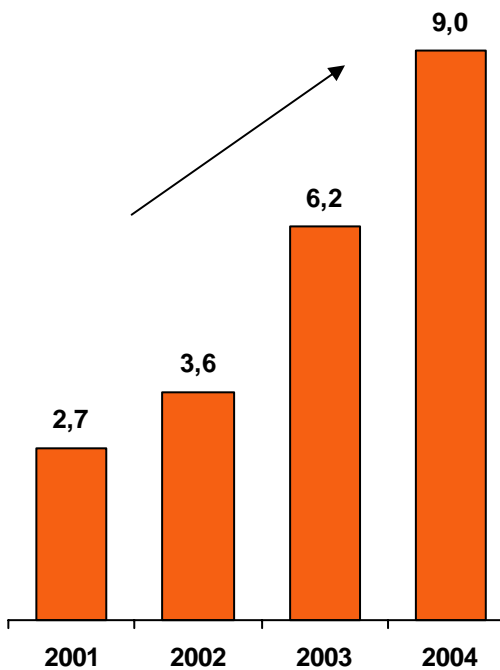
**Group revenue**  
R billion

**CAGR 01 – 04**  
**42%**



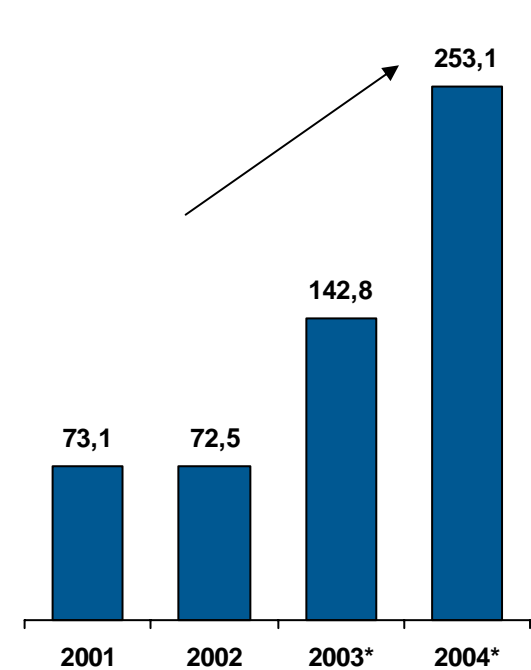
**Group EBITDA**  
R billion

**CAGR 01 – 04**  
**50%**



**Adjusted HEPS**  
cents

**CAGR 01 – 04**  
**51%**



\* *Unadjusted headline earnings 2004 – 263,7 cents (2003 – 151,1 cents)*  
*Adjustment made to eliminate deferred tax asset raised by MTN Nigeria*

# Income statement



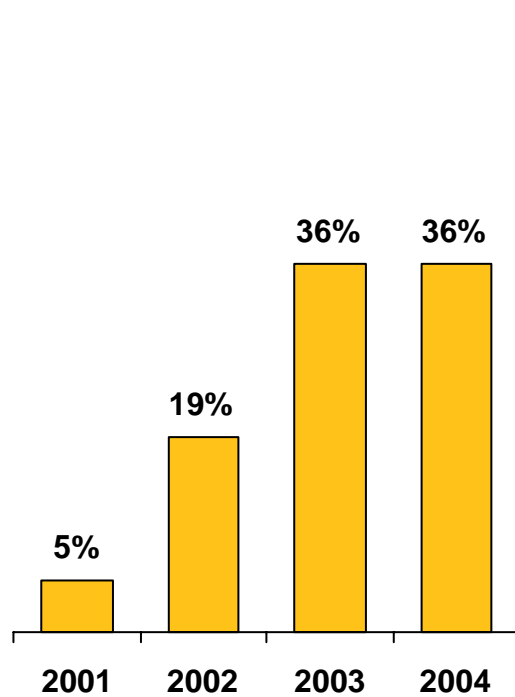
| For the year ended 31 March<br>R million     | 2004          | 2003*  | % change |
|--|---------------|--------|----------|
| <b>Revenue</b>                               | <b>23 871</b> | 19 405 | 23       |
| <b>EBITDA</b>                                | <b>8 983</b>  | 6 217  | 44       |
| <b>Profit from operations after goodwill</b> | <b>6 008</b>  | 3 737  | 61       |
| Net finance costs                            | (604)         | (828)  | 27       |
| Share of profits from associates             | 9             | 1      | –        |
| <b>Profit before taxation</b>                | <b>5 413</b>  | 2 910  | 86       |
| Taxation                                     | (1 101)       | (687)  | (60)     |
| <b>Profit after taxation</b>                 | <b>4 312</b>  | 2 223  | 94       |
| Minority interests                           | (612)         | (289)  | (112)    |
| <b>Attributable earnings</b>                 | <b>3 700</b>  | 1 934  | 91       |
| <b>Adjusted headline earnings</b>            | <b>4 188</b>  | 2 360  | 77       |
| <b>Adjusted HEPS (cents)</b>                 | <b>253,1</b>  | 143,3  | 77       |

\* Restated for the inclusion of share trust

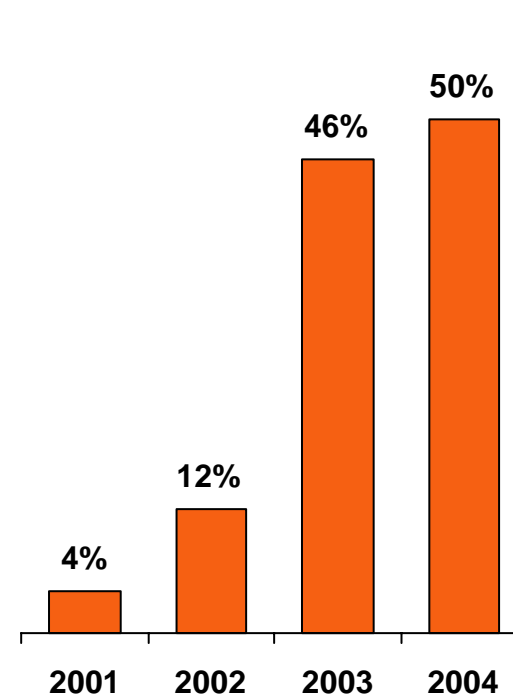
# International analysis



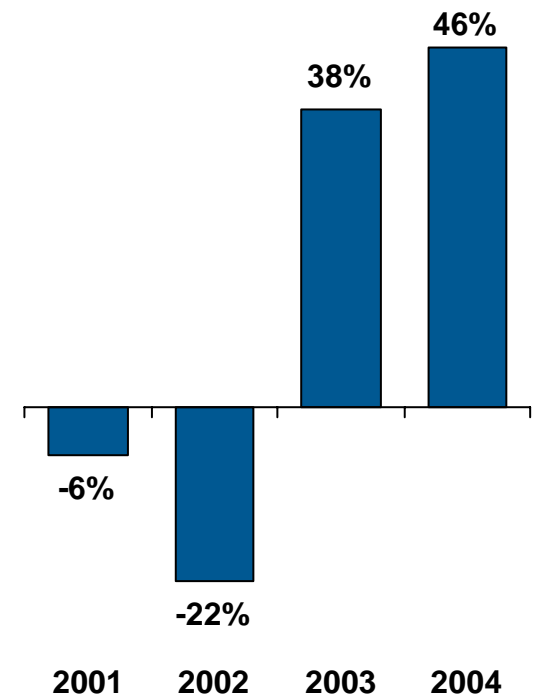
**Revenue contribution by International**  
%



**EBITDA contribution by International**  
%



**Adjusted HEPS contribution by International**  
%



- Strong results of international operations impacted by appreciating Rand against operating currencies

# Revenue analysis



| For the year ended 31 March<br>R million | 2004          | 2003   | % change<br>Rand | % change<br>LC |
|--|---------------|--------|------------------|----------------|
| <b>South Africa*</b>                     | <b>15 098</b> | 12 298 | 23               | 23             |
| <b>International</b>                     | <b>8 687</b>  | 6 972  | 25               | –              |
| Nigeria                                  | 6 973         | 5 361  | 30               | 83             |
| Cameroon                                 | 1 069         | 874    | 22               | 41             |
| Uganda                                   | 477           | 585    | (19)             | 20             |
| Rwanda                                   | 83            | 87     | (5)              | 33             |
| Swaziland                                | 70            | 58     | 21               | 21             |
| Mauritius/International                  | 15            | 7      | 114              | –              |
| <b>Other</b>                             | <b>86</b>     | 135    | (34)             | (34)           |
| <b>Total</b>                             | <b>23 871</b> | 19 405 | 23               | –              |

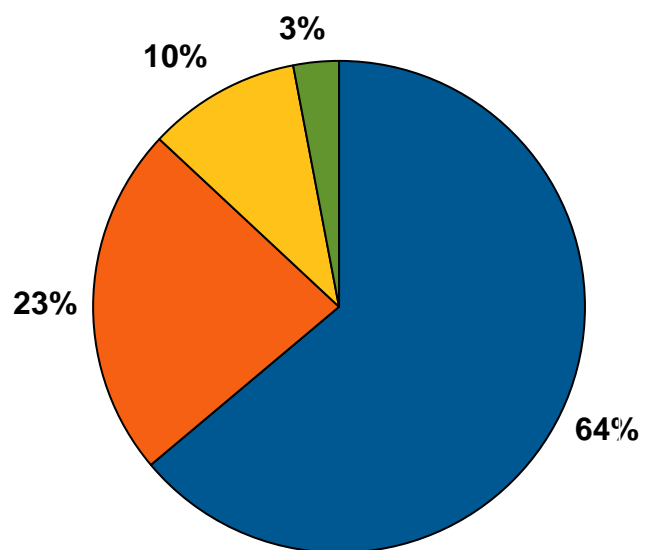
\* Including MTN Network Solutions

# Revenue analysis



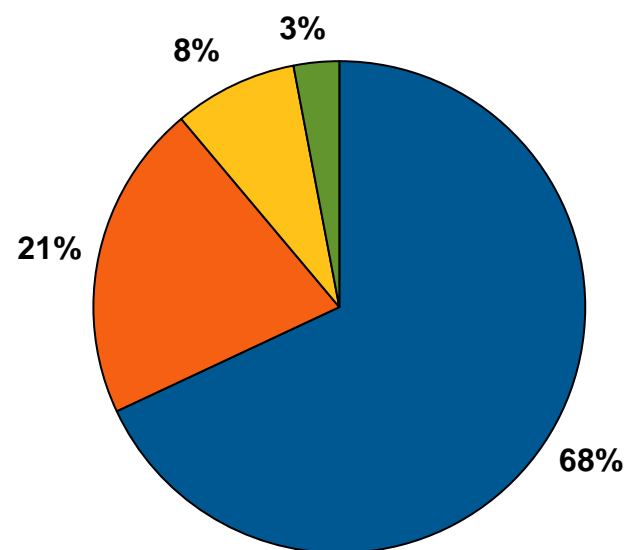
**2003**

100% = R19,4 billion



**2004**

100% = R23,9 billion



■ Subscriber spend ■ Interconnect  
■ Equipment ■ Connection

# EBITDA analysis



| For the year ended 31 March<br>R million | 2004         | 2003* | %<br>change<br>Rand | %<br>change<br>LC | 2004<br>EBITDA<br>margin % |
|--|--------------|-------|---------------------|-------------------|----------------------------|
| <b>South Africa**</b>                    | <b>4 514</b> | 3 389 | 33                  | 33                | 29,9                       |
| <b>International</b>                     | <b>4 461</b> | 2 842 | 57                  | –                 | –                          |
| Nigeria                                  | 3 557        | 2 088 | 70                  | 135               | 51,0                       |
| Cameroon                                 | 450          | 297   | 52                  | 73                | 42,1                       |
| Uganda                                   | 236          | 277   | (15)                | 24                | 49,5                       |
| Rwanda                                   | 37           | 40    | (8)                 | 5                 | 44,6                       |
| Swaziland                                | 32           | 26    | 23                  | 23                | 45,7                       |
| Mauritius/International                  | 149          | 114   | 31                  | –                 | –                          |
| <b>Other</b>                             | <b>8</b>     | (14)  | –                   | –                 | –                          |
| <b>Total</b>                             | <b>8 983</b> | 6 217 | 44                  | –                 | 37,6                       |

\* Restated for the inclusion of share trust

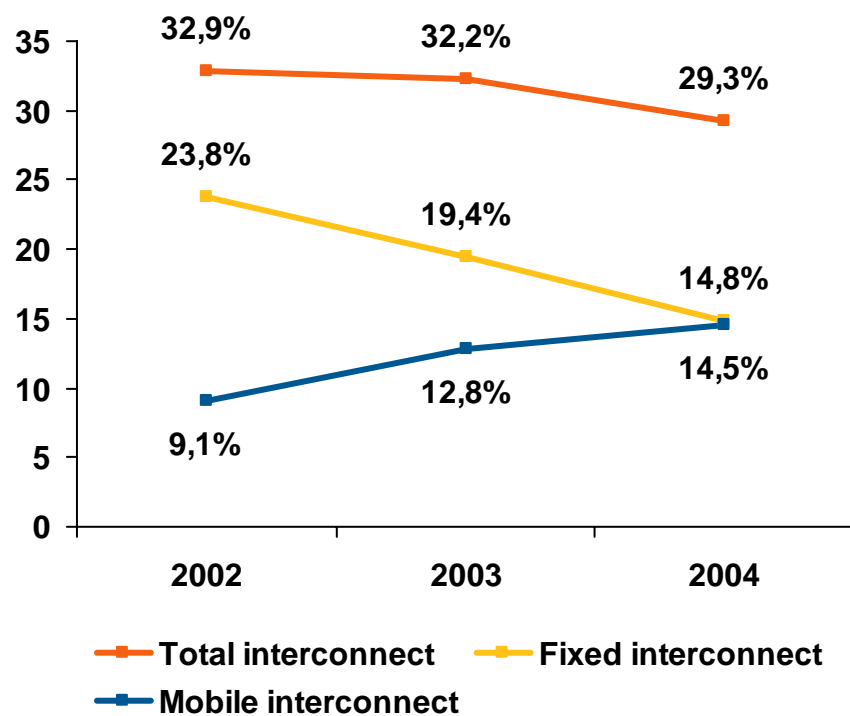
\*\* Including MTN Network Solutions

# MTN South Africa Interconnect



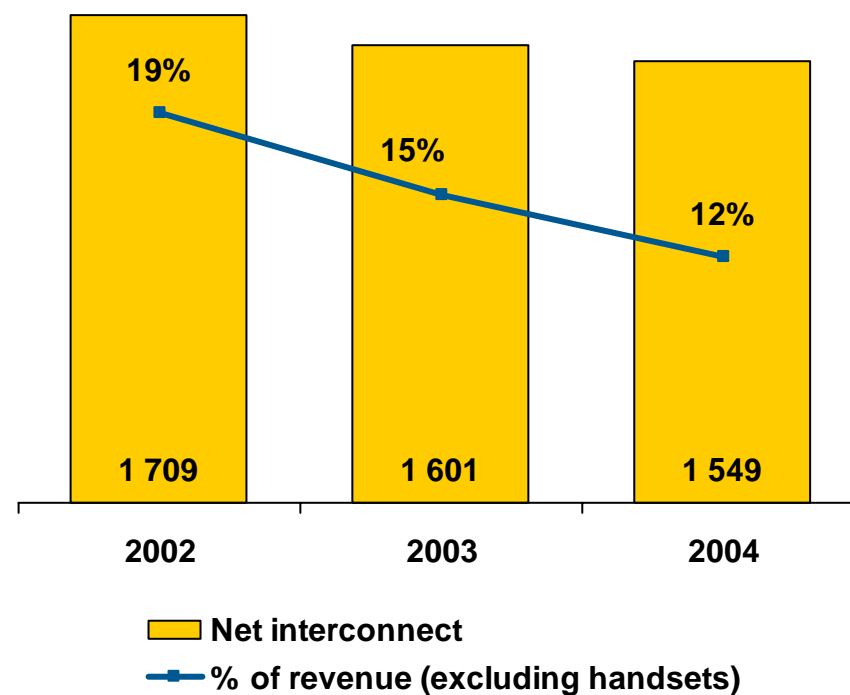
## Trends in interconnect revenue

% of revenue (excluding handsets)



## Net interconnect revenue

R million



# Profit after tax

(excluding Nigeria deferred tax asset)



| For the year ended 31 March<br>R million | 2004         | 2003* | % change<br>Rand | % change<br>LC |
|--|--------------|-------|------------------|----------------|
| <b>South Africa**</b>                    | <b>2 245</b> | 1 490 | 51               | 51             |
| <b>International</b>                     | <b>2 438</b> | 1 194 | 104              | —              |
| Nigeria***                               | 2 366        | 1 146 | 106              | 170            |
| Cameroon                                 | 219          | 102   | 115              | 149            |
| Uganda                                   | 104          | 116   | (10)             | 29             |
| Rwanda                                   | 18           | 19    | (5)              | 32             |
| Swaziland                                | 16           | 12    | 33               | 33             |
| Mauritius/International                  | (285)        | (201) | (42)             | —              |
| <b>Other</b>                             | <b>(1)</b>   | (29)  | —                | —              |
| <b>Corporate (Goodwill)</b>              | <b>(596)</b> | (593) | —                | —              |
| <b>Total</b>                             | <b>4 086</b> | 2 062 | 98               | —              |

\* Restated for the inclusion of share trust

\*\* Including MTN Network Solutions

\*\*\* Excluded deferred tax asset: 2004 – R226 million (2003 – R161 million)

# Balance sheet



| As at 31 March<br>R million               | 2004          | 2003*         | % change  |
|---|---------------|---------------|-----------|
| <b>ASSETS</b>                             |               |               |           |
| Non-current assets                        | 23 357        | 22 854        | 2         |
| Current assets                            | 8 643         | 5 303         | 63        |
| <b>Total assets</b>                       | <b>32 000</b> | <b>28 157</b> | <b>14</b> |
| <b>EQUITY AND LIABILITIES</b>             |               |               |           |
| Capital and reserves                      | 21 266        | 17 938        | 19        |
| Non-current liabilities                   | 4 376         | 4 056         | 8         |
| Current liabilities                       | 6 358         | 6 163         | 3         |
| <b>Total equity and liabilities</b>       | <b>32 000</b> | <b>28 157</b> | <b>14</b> |
| <b>Net debt / equity (excl. goodwill)</b> | <b>(10%)</b>  | <b>35%</b>    |           |

\* Restated for the inclusion of share trust

# Balance sheet analysis



| As at 31 March<br>R million         | Total         | South<br>Africa | Inter-<br>national | Other*       |
|-------------------------------------|---------------|-----------------|--------------------|--------------|
| <b>ASSETS</b>                       |               |                 |                    |              |
| Non-current assets                  | 23 357        | 4 921           | 8 708              | 9 728        |
| Current assets                      | 8 643         | 4 674           | 3 969              | -            |
| <b>Total assets</b>                 | <b>32 000</b> | <b>9 595</b>    | <b>12 677</b>      | <b>9 728</b> |
| <b>EQUITY AND LIABILITIES</b>       |               |                 |                    |              |
| Capital and reserves                | 21 266        | 5 282           | 6 256              | 9 728        |
| Non-current liabilities             | 4 376         | 911             | 3 465              | -            |
| Current liabilities                 | 6 358         | 3 402           | 2 956              | -            |
| <b>Total equity and liabilities</b> | <b>32 000</b> | <b>9 595</b>    | <b>12 677</b>      | <b>9 728</b> |

\* Includes MTN Group consolidation goodwill of R9,7 billion

# Cash flow statement



| For the year ended 31 March<br>R million         | 2004         | 2003         | % change   |
|--|--------------|--------------|------------|
| Net cash generated by operations                 | 10 027       | 6 813        | 47         |
| Net finance cost                                 | (509)        | (736)        | 31         |
| Taxation paid                                    | (921)        | (684)        | (35)       |
| Cash inflows from operating activities           | 8 597        | 5 393        | 59         |
| Cash outflows from investing activities          | (4 898)      | (4 391)      | (12)       |
|  | 3 699        | 1 002        |            |
| Cash (out) inflows from financing activities     | 233          | 187          | 25         |
| <b>Net movement in cash and cash equivalents</b> | <b>3 932</b> | <b>1 189</b> | <b>231</b> |

# Cash flow statement analysis



| For the year ended 31 March<br>R million             | Total          | South<br>Africa | Inter-<br>national | Other        |
|--|----------------|-----------------|--------------------|--------------|
| Net cash generated by operations                     | 10 027         | 4 873           | 5 154              | –            |
| Net finance cost                                     | (509)          | (54)            | (455)              | –            |
| Taxation paid  | (921)          | (809)           | (112)              | –            |
| <b>Cash inflows from operating activities</b>        | <b>8 597</b>   | <b>4 010</b>    | <b>4 587</b>       | <b>–</b>     |
| Acquisitions of PP&E                                 | (5 048)        | (1 073)         | (3 975)            | –            |
| Other investing activities                           | 150            | (800)           | 128                | 822          |
| <b>Cash outflows from investing activities</b>       | <b>(4 898)</b> | <b>(1 873)</b>  | <b>(3 847)</b>     | <b>822</b>   |
| <b>Cash in (out) flows from financing activities</b> | <b>233</b>     | <b>(351)</b>    | <b>1 406</b>       | <b>(822)</b> |
| <b>Net movement in cash and cash equivalents</b>     | <b>3 932</b>   | <b>1 786</b>    | <b>2 146</b>       | <b>–</b>     |

# Net debt in operations



| As at 31 March<br>R million | 2004           | 2003         | Y-o-y<br>change |
|-----------------------------|----------------|--------------|-----------------|
| <b>South Africa*</b>        | (1 875)        | 326          | 2 201           |
| <b>International</b>        | <b>686</b>     | <b>2 375</b> | <b>–</b>        |
| Nigeria                     | (24)           | 243          | 267             |
| Cameroon                    | 370            | 480          | 110             |
| Uganda                      | 68             | 64           | (4)             |
| Rwanda                      | 7              | 4            | (3)             |
| Swaziland                   | (6)            | 8            | 14              |
| Mauritius/International     | 271            | 1 576        | 1 305           |
| <b>Other</b>                | <b>2</b>       | <b>6</b>     | <b>–</b>        |
| <b>Total</b>                | <b>(1 187)</b> | <b>2 707</b> | <b>–</b>        |

\* Including MTN Network Solutions

# Capital expenditures



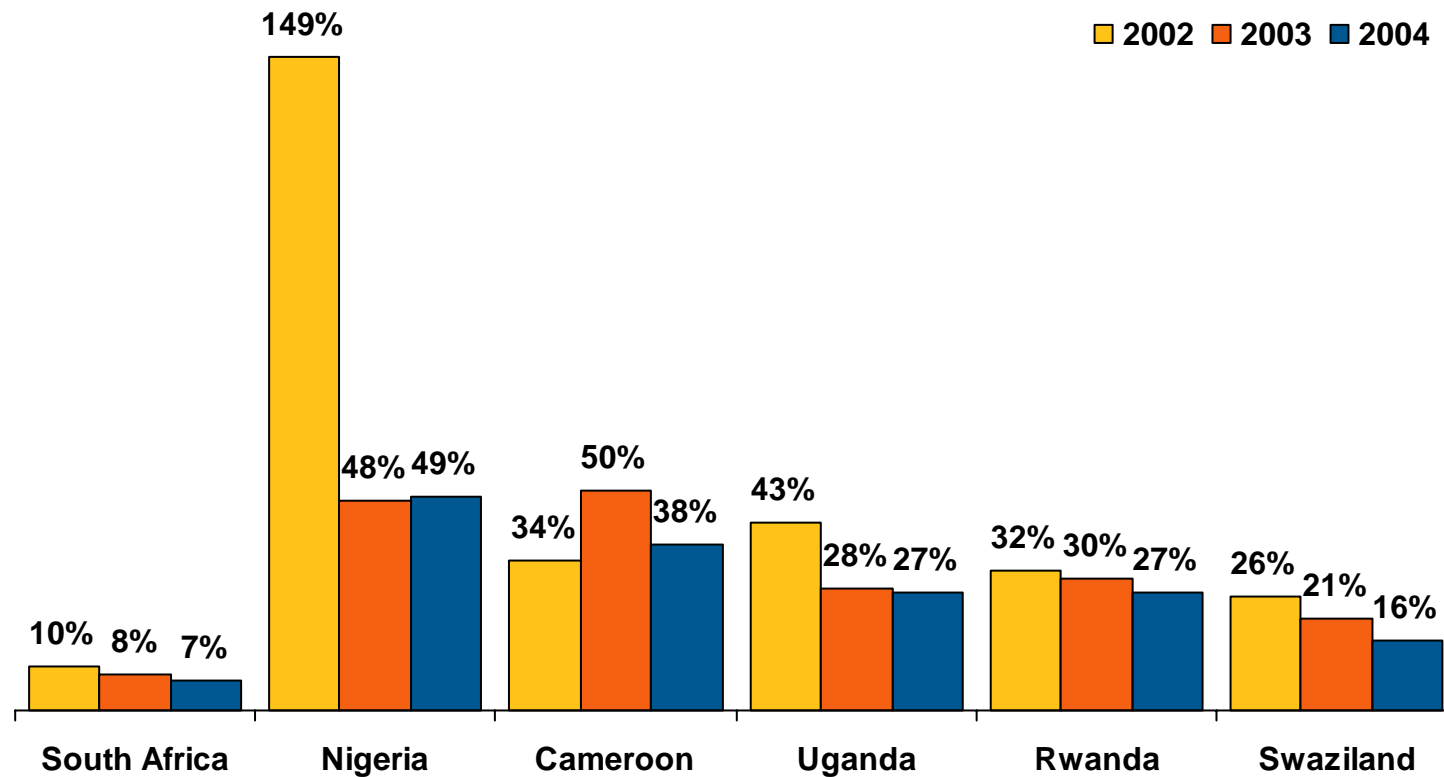
| For the year ended 31 March<br>R million | 2004         | Budget 2005* |
|--|--------------|--------------|
| <b>South Africa**</b>                    | 1 070        | 2 081***     |
| <b>International</b>                     | 3 975        | 7 421        |
| Nigeria                                  | 3 403        | 7 052        |
| Cameroon                                 | 410          | 202          |
| Uganda                                   | 129          | 124          |
| Rwanda                                   | 22           | 24           |
| Swaziland                                | 11           | 19           |
| Mauritius/International                  | –            | –            |
| <b>Other</b>                             | 3            | –            |
| <b>Total</b>                             | <b>5 048</b> | <b>9 502</b> |

\* Including roll-out from prior year budget

\*\* Including MTN Network Solutions

\*\*\* Including head office development

# Capex to revenue



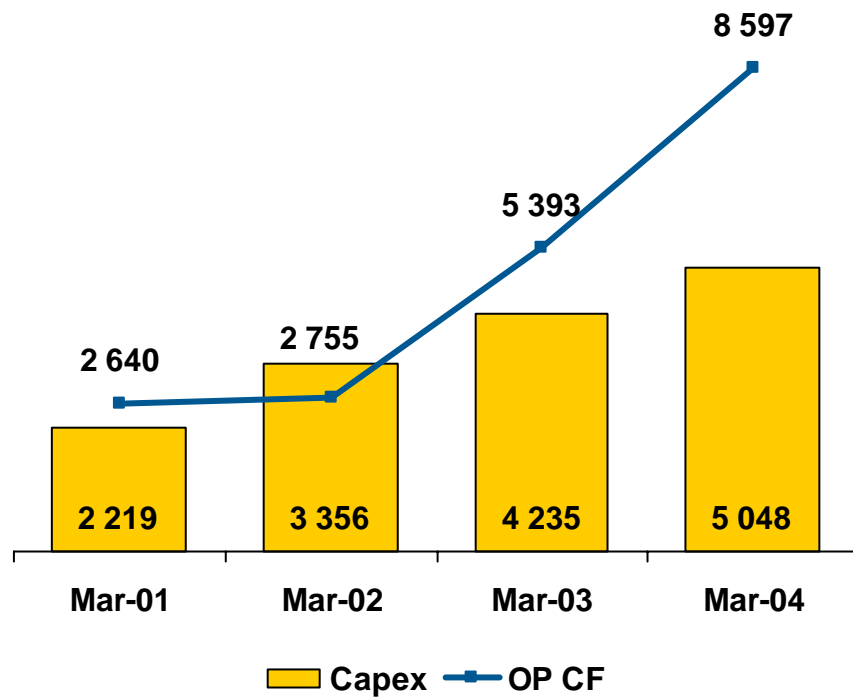
- South African capex to revenue expected to stay in 8 –10% range
- Nigerian capex to revenue to remain at high levels

# Ratios



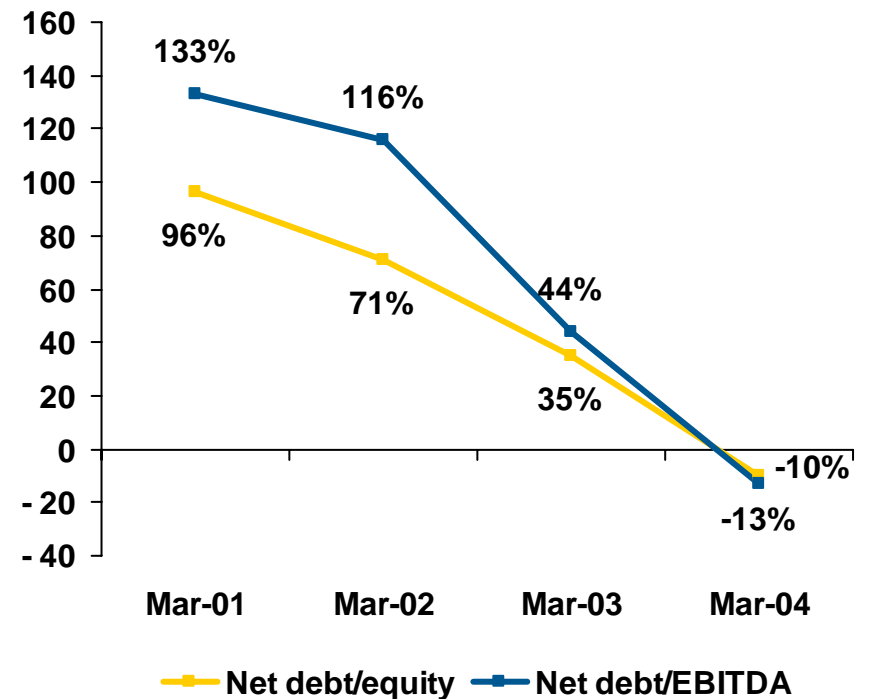
## Operating cash flows: capex

R million



## Solvency ratios

%



- Significant amount of free cash generated by operations
- Capital structure for Group at sub-optimal levels

# Notice



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Annexure



# Income statement



| For the year ended 31 March<br>R million      | 2004          | 2003*         | % change  |
|---|---------------|---------------|-----------|
| <b>Revenue</b>                                | <b>23 871</b> | <b>19 405</b> | <b>23</b> |
| <b>EBITDA</b>                                 | <b>8 983</b>  | <b>6 222</b>  | <b>44</b> |
| <b>Profit from operations before goodwill</b> | <b>6 607</b>  | <b>4 333</b>  | <b>52</b> |
| <b>Profit from operations after goodwill</b>  | <b>6 008</b>  | <b>3 742</b>  | <b>61</b> |
| Net finance costs                             | (604)         | (833)         | 28        |
| Share of profits from associates              | 8             | 1             |           |
| <b>Profit before taxation</b>                 | <b>5 413</b>  | <b>2 910</b>  | <b>86</b> |
| Taxation                                      | (1 101)       | (687)         | (60)      |
| <b>Profit after taxation</b>                  | <b>4 312</b>  | <b>2 223</b>  | <b>94</b> |
| Minority Interests                            | (612)         | (289)         |           |
| <b>Attributable earnings</b>                  | <b>3 700</b>  | <b>1 934</b>  | <b>91</b> |

\* Restated for the inclusion of share trust

# Income statement



| For the year ended 31 March              | 2004         | 2003*        | % change  |
|--|--------------|--------------|-----------|
| <b>Attributable earnings (R million)</b> | <b>3 700</b> | <b>1 934</b> | <b>91</b> |
| <b>Basic headline earnings</b>           | <b>4 362</b> | <b>2 488</b> | <b>75</b> |
| Reversal of deferred tax credit          | (174)        | (128)        |           |
| <b>Adjusted headline earnings</b>        | <b>4 188</b> | <b>2 360</b> | <b>77</b> |
| <b>Adjusted HEPS (cents)</b>             | <b>253,1</b> | <b>143,3</b> | <b>77</b> |
| Wireless telecommunications              | 253,1        | 145,1        | 74        |
| South Africa                             | 135,8        | 90,7         | 50        |
| International                            | 117,3        | 54,4         | 116       |
| <b>Satellite communications</b>          | <b>—</b>     | <b>(1,8)</b> |           |

\* Restated for the inclusion of share trust

# Balance sheet

## Assets



| As at 31 March<br>R million   | 2004          | 2003*         | % change  |
|-------------------------------|---------------|---------------|-----------|
| <b>Non-current assets</b>     | <b>23 357</b> | <b>22 854</b> | <b>2</b>  |
| Property, plant and equipment | 11 042        | 9 374         | 18        |
| Goodwill                      | 9 753         | 10 298        | (5)       |
| Intangible assets             | 1 646         | 2 263         | (27)      |
| Investment and loans          | 560           | 746           | (25)      |
| Deferred taxation and others  | 356           | 173           | 106       |
| <b>Current assets</b>         | <b>8 643</b>  | <b>5 303</b>  | <b>63</b> |
| Bank balances                 | 3 648         | 1 551         | 135       |
| Securitised cash deposits     | 1 688         | 586           | 188       |
| Other current assets          | 3 307         | 3 166         | 4         |
| <b>Total assets</b>           | <b>32 000</b> | <b>28 157</b> | <b>14</b> |

\* Restated for the inclusion of share trust

# Balance sheet

## Equity and liabilities



| As at 31 March<br>R million                 | 2004          | 2003*         | % change  |
|---|---------------|---------------|-----------|
| <b>Capital and reserves</b>                 | <b>21 266</b> | <b>17 938</b> | <b>19</b> |
| Ordinary shareholders' interest             | 19 848        | 17 056        | 16        |
| Minority interest                           | 1 418         | 882           | 61        |
| <b>Non-current liabilities</b>              | <b>4 376</b>  | <b>4 056</b>  | <b>8</b>  |
| Long-term liabilities                       | 3 710         | 3 249         | 14        |
| Deferred taxation                           | 666           | 807           | (18)      |
| <b>Current liabilities</b>                  | <b>6 358</b>  | <b>6 163</b>  | <b>3</b>  |
| Non-interest bearing liabilities            | 5 919         | 4 563         | 30        |
| Interest bearing liabilities                | 439           | 1 600         | (73)      |
| <b>Total equity and liabilities</b>         | <b>32 000</b> | <b>28 157</b> | <b>14</b> |
| <b>Net debt / equity (exclud. goodwill)</b> | <b>(10%)</b>  | <b>35%</b>    |           |

\* Restated for the inclusion of share trust

# Balance sheet

## Asset analysis



| As at 31 March<br>R million               | Total         | South<br>Africa | Inter-<br>national | Other*       |
|---|---------------|-----------------|--------------------|--------------|
| <b>Non-current assets</b>                 | <b>23 357</b> | <b>4 921</b>    | <b>8 708</b>       | <b>9 728</b> |
| Tangible assets                           | 11 042        | 4 741           | 6 301              | –            |
| Intangible assets (incl goodwill)         | 11 399        | 66              | 1 605              | 9 728        |
| Other non-current assets                  | 916           | 114             | 802                | –            |
| <b>Current assets</b>                     | <b>8 643</b>  | <b>4 674</b>    | <b>3 969</b>       | <b>–</b>     |
| Bank balances (incl securitised deposits) | 5 336         | 2 323           | 3 013              | –            |
| Other current assets                      | 3 307         | 2 351           | 956                | –            |
| <b>Total assets</b>                       | <b>32 000</b> | <b>9 595</b>    | <b>12 677</b>      | <b>9 728</b> |

\* Includes MTN Group consolidation goodwill of R 9,8 billion

# Balance sheet

## Equity and liabilities analysis



| As at 31 March<br>R million         | Total         | South<br>Africa | Inter-<br>national | Other*       |
|-------------------------------------|---------------|-----------------|--------------------|--------------|
| <b>Capital and reserves</b>         | <b>21 266</b> | <b>5 282</b>    | <b>6 256</b>       | <b>9 728</b> |
| <b>Non-current liabilities</b>      | <b>4 376</b>  | <b>911</b>      | <b>3 465</b>       | <b>–</b>     |
| Long-term liabilities               | 3 710         | 332             | 3 378              | –            |
| Deferred taxation                   | 666           | 579             | 87                 | –            |
| <b>Current liabilities</b>          | <b>6 358</b>  | <b>3 402</b>    | <b>2 956</b>       | <b>–</b>     |
| Non-interest bearing liabilities    | 5 919         | 3 284           | 2 635              | –            |
| Interest bearing liabilities        | 439           | 118             | 321                | –            |
| <b>Total equity and liabilities</b> | <b>32 000</b> | <b>9 595</b>    | <b>12 677</b>      | <b>9 728</b> |

\* Includes MTN Group consolidation goodwill of R 9,8 billion

# Analysis of net debt position



| As at 31 March 2004<br>R million | Total          | Interest<br>bearing<br>liabilities* | Cash and<br>cash<br>equivalent |
|----------------------------------|----------------|-------------------------------------|--------------------------------|
| <b>South Africa**</b>            | <b>(1 875)</b> | <b>447</b>                          | <b>2 322</b>                   |
| <b>International</b>             | <b>686</b>     | <b>3 699</b>                        | <b>3 013</b>                   |
| Nigeria                          | (24)           | 2 066                               | 2 090                          |
| Cameroon                         | 370            | 751                                 | 381                            |
| Uganda                           | 68             | 84                                  | 16                             |
| Rwanda                           | 7              | 11                                  | 4                              |
| Swaziland                        | (6)            | 5                                   | 11                             |
| Mauritius/International          | 271            | 782                                 | 511                            |
| Other                            | 2              | 3                                   | 1                              |
| <b>Total</b>                     | <b>(1 187)</b> | <b>4 149</b>                        | <b>5 366</b>                   |

\* Including long-term borrowings, short-term borrowings and overdrafts

\*\* Including MTN Network Solutions