



MTN South Africa – Network Group

UBS Presentation – by Babak Fouladi (MTN Group CTIO)

# MTN South Africa – key network priorities

## 1 Focused Network Investment

Significant capex allocated to building a quality, high-speed data network

## 2 Customer Centric Strategy and Approach

Targeted design principles focused on customer experience

## 3 Network Growth and Improvement

Visible and significant improvement of the network KPIs

## 4 Integrated strategy

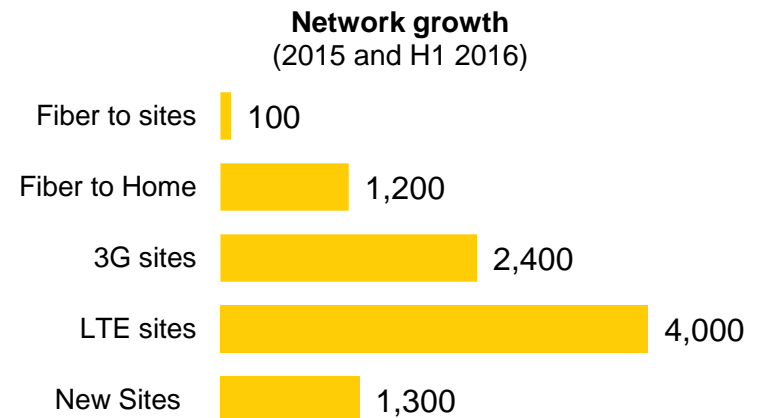
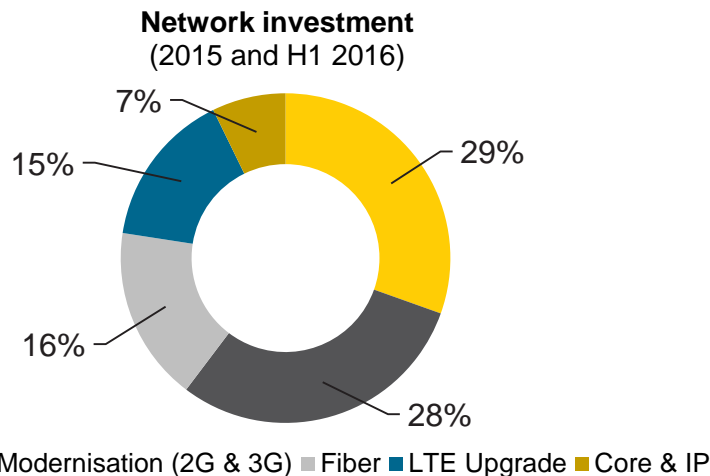
Continued investments to be made in 2017

# 1 MTN South Africa – focused network investment

Significant capex allocated to building a quality, high-speed data network

Improved network growth over the past 18 months to June 2016

- Spent R10 948m and R4 773 capex in 2015 and H1 2016 respectively
- Improved network expansion with approximately 1 300 new physical sites added
- Rolled out 4 000 LTE sites mainly in key cities
  - Average data throughput speeds up to 11-12 Mbps
  - Fibre investment for increased transmission and transport layer capacity
- Improved 3G coverage and quality
  - Approximately 2 400 new 3G sites rolled out
  - U900 layer added (on top of U2100) for greater coverage





## Targeted design principles focused on customer experience

### Targeted principles to deliver great results

- An enhanced customer centric model supported by improved network quality, capacity, speed
  - Monthly drive test and benchmarking
  - Customer centric KPIs (i.e. browsing speed, streaming success)
  - Focus on gated estates, highways and malls
- Focus on network operational stability
  - Effective manage power, transmission and power 'unavailability'
- Significant network optimisation
  - Site by site analysis and optimisation
  - Enhancement of software features (i.e. SON, ACP)
- Effective and efficient managed service processes
- Enhance internal network capacity and skills

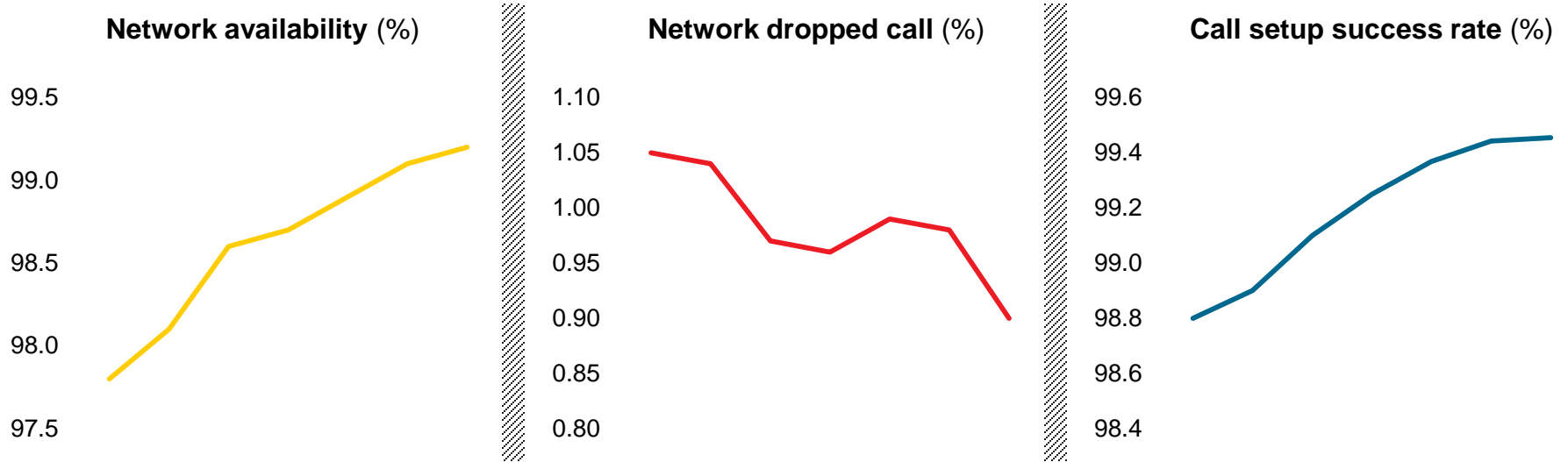
### Challenges

- Critical skills dependency
  - ✓ Focus on in-house skills in network planning and optimisation
- Power and vandalism
  - ✓ Battery and generator program in place
  - ✓ New security contract being negotiated
- Site acquisition
  - ✓ Stronger internal team working with dedicated vendor support



# 3 MTN South Africa – network growth and improvements

## Visible and significant improvement of the network KPIs



The latest [MyBroadband speed test results](#) show that MTN provides the fastest average mobile download speeds in South Africa



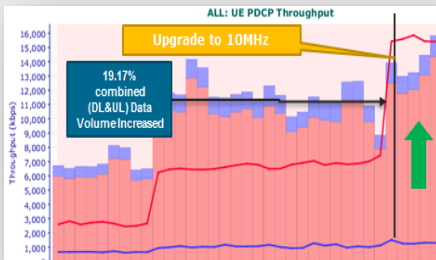
| Top Mobile and Wireless ISPs |         |           |                |              |
|------------------------------|---------|-----------|----------------|--------------|
| Rank                         | ISP     | Service   | Download Speed | Upload Speed |
| 1                            | MTN     | Mobile    | 23.46 Mbps     | 19.04 Mbps   |
| 2                            | Vodacom | Mobile    | 17.54 Mbps     | 7.45 Mbps    |
| 3                            | Telkom  | Fixed LTE | 10.59 Mbps     | 4.38 Mbps    |
| 4                            | Cell C  | Mobile    | 8.37 Mbps      | 4.11 Mbps    |
| 5                            | Telkom  | Mobile    | 8.02 Mbps      | 3.33 Mbps    |
| 6                            | iBurst  | Wireless  | 1.28 Mbps      | 0.38 Mbps    |

# 4 MTN South Africa – integrated strategy

## Continued network growth in 2017

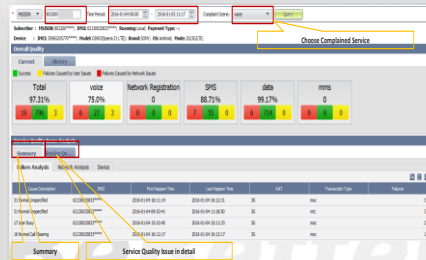
### Network growth

- 1 450 new sites planned
- LTE rollout across the country
- 2.6Mhz readiness
- Investment in backhaul and fibre-to-site



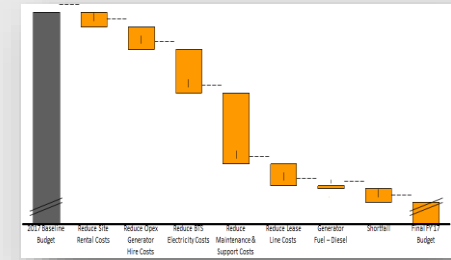
### Network excellence

- Customer experience management tool
- Broadband rollout
- Convergence and integration to a single core
- High availability



### Operational efficiency

- Review of all maintenance contracts, including manage service
- Negotiations on rentals and leases
- Best practices and MTN scale





Questions

*thank you*



*everywhere you go*



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