

MTN Group Limited

(Incorporated in the Republic of South Africa)

Registration number 1994/009584/06

Share code: MTN

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("MTN Group", "MTN" or "the Group")

Reviewed condensed interim financial results

for the six months ended 30 June 2014

MTN is a leading emerging markets mobile operator, connecting over 215 million people in 22 countries across Africa and the Middle East. We are committed to continuously improving our customers' experience and delivering a bold, new Digital World to them.

Highlights

- Group subscribers up 3,5% to 215,0 million
- Revenue increased by 10,7% (4,1%*) to R72 759 million
- MTN Nigeria revenue 21,5% (8,0%*) higher at R27 099 million
- MTN South Africa revenue 7,0% (3,4%**) lower at R19 157 million
- Data revenue increased by 38,9% (33,1%*) to R12 708 million
- Data users 7,3% higher at 88,5 million
- MTN Mobile Money subscribers up 24,3% to 18,4 million
- EBITDA increased by 19,6%*** (10,6%*) to R33 663 million
- EBITDA margin widened 3,5 percentage points to 46,3%***
- MTN Nigeria EBITDA increased by 11,3%**** to R16 280 million
- HEPS 9,0% up at 729 cents
- Interim dividend up 20,3% to 445 cents per share

Explanatory notes:

* Constant currency ("organic") information disclosed in these results is the responsibility of the Group's board of directors. The constant currency information has been presented to illustrate the impact of changes in currency rates on the Group's results and hence may not fairly present the Group's results of operations. In determining the change in constant currency terms, the current financial reporting period's results have been adjusted to the prior comparable period's average exchange rates determined as the average of the monthly exchange rates which can be found on www.mtn.com/investors. The measurement has been performed for each of the Group's currencies, materially being that of the US dollar and Nigerian naira. The organic growth percentage has been calculated by utilising the constant currency results compared to the prior year's results. The constant currency information presented here has not been reviewed or reported on by the Group's external auditors.

** Includes 2013 revenue adjustments for comparative purposes

*** Excluding profit from the sale of towers of R99 million (June 2013: R856 million)

**** Organic EBITDA growth excluding 2013 management fee adjustment

OVERVIEW

The MTN Group delivered a solid operational performance for the six-month period to 30 June 2014. Good growth was experienced in data and MTN Mobile Money usage but voice revenue continued to be impacted by aggressive competition, regulatory pressures and a weakening economic environment in key markets. MTN Nigeria delivered a robust performance in line with market expectations, however the South African operation remained under pressure and steps were taken to improve its performance. The Group continued to benefit from the ongoing investment in its network, which enhances MTN's offering and positions us well for sustained growth.

Group subscribers increased by 3,5% to 215,0 million. During the period we focused on reducing churn, offering competitive segmented offerings as well as improving network quality and capacity as key differentiators in our value proposition. Continued macro-economic weakness in some of our key markets, however, led to a decline in overall market net additions against the comparable prior period.

Reported revenue for the six months increased by 10,7%, supported by the continued weakness of the South African rand against our operating currencies, in particular the relatively stronger Nigerian naira, Central African franc and Ugandan shilling. On a constant-currency basis, revenue increased by 4,1%*. This was largely the result of 8,0%* revenue growth in MTN Nigeria, tempered by a 7,0% (3,4%***) revenue decline in MTN South Africa. The Large opco cluster delivered pleasing results in line with guidance, growing revenue by 13,4%*, with encouraging growth reported by operations in Ghana, Cameroon and Sudan. The Small opco cluster delivered a modest 5,7%* increase in revenue as conditions in Guinea Conakry, Liberia and Yemen remained challenging.

Although MTN Nigeria delivered a solid performance, the operation faced regulatory pressures and localised network performance challenges. Notwithstanding this, the operation remains on track to deliver solid results for the full year. MTN South Africa took aggressive steps to regain its competitive market position. While financial performance will continue to be subdued in the short term, the South African operation expects to resume positive subscriber and revenue growth over the next 6 months.

Group EBITDA increased by 19,6% (10,6%*) to R33 663 million excluding the profit from the sale of towers. This reflects the success of the Group-wide cost-control initiatives, particularly in Nigeria where EBITDA increased by 11,3%****.

Capital expenditure for the period of R9 199 million reflected a decrease of 28,1% (32,7%*) from the same period in 2013. More than two thirds of the full year's capex budget has been committed. The Group's operations rolled out 1 716 2G and 2 232 3G sites, providing greater capacity, quality and faster data speeds on our 3G and LTE networks.

PROSPECTS

MTN has made substantial progress on many of its strategic themes over the period. The Group continues to improve operational and cost effectiveness with initiatives including the monetisation of passive infrastructure through tower deals across a number of key markets as well as *Project Next!*, the back-office transformation programme, which commenced a pilot in Ghana during the period. The shared services hub located in Johannesburg will be fully operational within 18 months and the

outsourcing of non-core network management services will be rolled out wherever clear and demonstrable efficiencies exist.

We continue to explore opportunities to expand our product offering outside of traditional voice and expect to increase our presence in the digital space by leveraging technology and maximising the opportunity of low internet penetration in many of our markets. The successful completion of the transactions with Africa Internet Holding (AIH) and Middle East Internet Holding (MEIH) positions the Group well to broaden our e-commerce platform and lifestyle offerings. Furthermore, we are well placed to continue the expansion of our MTN Mobile Money and broader financial services offerings and grow our innovative ICT solutions to corporate and SME customers. We remain committed to providing a distinct customer experience through value-driven and competitive initiatives and ongoing investment to improve network quality and capacity. We will continue to explore value-accretive M&A opportunities in line with our strategy.

In South Africa, we expect to build on the momentum gained in the second quarter to regain market share by providing innovative and affordable products to both our post-paid and pre-paid subscribers. The Nigerian operation will focus on meeting the significant market demand for financial services and mobile content with an expected positive impact on data revenue. Infrastructure sharing will be a priority for MTN South Africa and MTN Nigeria in increasing their operational effectiveness.

Any forward-looking information contained in this announcement has not been reviewed or reported on by the Company's external auditors.

SANCTIONS

MTN continues to work closely with all relevant authorities in managing US and EU sanctions against Iran, Syria and Sudan. International legal advisors have been appointed to assist the Group in remaining compliant with all applicable sanctions.

CHANGES TO THE BOARD OF DIRECTORS (the Board)

Ms KC Ramon was appointed as an Independent Non-Executive Director of the Board, effective 1 June 2014.

ACQUISITION OF AFRICA INTERNET HOLDING

The Group has acquired 33,3% of Africa Internet Holding (AIH), a joint venture between Rocket Internet and Millicom International Cellular, to develop internet businesses in Africa. The Group, Millicom International Cellular and Rocket International have become 33,3% shareholders in AIH. The Group expects to invest approximately EUR168 million over the next two to four years into AIH. The transaction closed on 1 July 2014.

EXPANSION OF LICENCE AGREEMENT IN IRAN

On 4 August 2014 Irancell Telecommunications Services Company (PJSC), the Group's joint venture in the Islamic Republic of Iran, entered into an arrangement to upgrade its licence agreement with the Communications Regulatory Authority in Iran to include 3G mobile broadband and higher standard (such as 4G) as well as obtain access to additional spectrum frequency for an amount of IRR 3000 billion, payable by March 2015 in four instalments which will be funded by the local operation.

SYRIA BUILD, OPERATE AND TRANSFER LICENCE

MTN Syria operates under a contractual service arrangement granted and controlled by the Syrian Telecommunications Establishment (STE). The contract known as a Build, Operate and Transfer (BOT) provides for revenue sharing between MTN Syria and the STE and requires the handing over of the network to the STE at the end of the licence period. Subsequent to the reporting period, the Group has made significant progress in converting the current BOT to a freehold licence. It is anticipated that this process will ultimately culminate in the awarding of the licence and termination of the related BOT contract. This process is expected to be concluded before the end of 2014 and it is estimated that the initial licence fee will be between SYP18 billion and SYP25 billion (which approximates one year's revenue share). This will be funded through cash balances maintained within the local operation.

DISPOSAL OF BASE STATION TRANSCEIVER STATIONS (BTS/TOWERS) IN NIGERIA

Subsequent to the period end the Group has advanced negotiations to sell its tower business in its operation in Nigeria, that includes 8 640 existing and 543 towers under development, to an entity that will be managed by a large mobile telecommunications infrastructure provider. The Group intends to retain a non-controlling interest of 51% with protective rights in the new entity and will enter into a lease agreement for the use of the tower infrastructure. The contractual agreements are expected to be finalised in due course and the transaction is expected to close in various tranches under customary closing conditions.

LEADING THE DELIVERY OF A “BOLD NEW DIGITAL WORLD”

We continue to make good progress in the execution of our strategy to lead the delivery of a “bold, new Digital World” to our customers. Over the medium term, our focus is to drive growth beyond voice, create a distinct customer experience and ensure that our scale provides a solid base from which to optimise costs.

During the period, we delivered on a number of initiatives towards achieving this.

VOICE

Voice revenue continued to face pressure as a result of aggressive price competition, lower mobile termination rates, particularly in South Africa and Nigeria, and lower traffic volumes in some markets. The total minutes across the Group remained stable at approximately 100 billion. These factors, together with the growing contribution of data to the revenue mix, resulted in a decline in voice’s contribution to total revenue from 74,1% in the first half of 2013 to 72,7% at end-June 2014. Despite these challenges, MTN remained competitive and successfully defended its market-leading position in 15 out of 22 operations.

DATA

Data services delivered consistently strong results across all of our markets, contributing 17,5% to total revenue, from 13,9% in the same period last year. Data traffic across the network grew by 84,8% to over 47 000 TB. The number of data users increased by 7,3% to 88,5 million as we expanded our 3G networks, enhanced the data product offering and stimulated the adoption of data-enabled devices and smartphones. At the end of June 2014, there were 38,5 million smartphones on our network, an increase of 31,6% from the same period last year. The launch of our own Steppa smartphone contributed to the availability of and access to affordable data-enabled devices.

FINANCIAL SERVICES

MTN Mobile Money and financial services are an increasingly important part of our service offering. The number of registered MTN Mobile Money subscribers grew by 24,3% to 18,4 million during the period, with a higher percentage of active users. Over the past few years, we have introduced a number of tailored financial products such as short-term insurance solutions, utility payments and remote payments for airline tickets. In South Africa, this has been extended beyond a mobile wallet and now includes a regulatory compliant bank account which allows transactions at any VISA point-of-sale and automated teller machine (ATM) within the country.

DIGITAL

During the period, MTN successfully concluded its investment in MEIH as part of the Group’s strategy to broaden its e-commerce platform. In line with this strategy, on 1 July 2014, the Group’s investment in AIH was concluded and various operations have identified areas of co-operation. Reviews are being conducted to select appropriate launch windows. The Group acquired an interest in Bidu, an online insurance price comparison and brokerage provider in Brazil, through the venture capital fund, Amadeus Digital Prosperity Fund IV.

ICT

We have made good progress in the provision of ICT services to our SME and corporate customers in all key markets where these are offered. The acquisition of 50% plus one share in Afrihost Proprietary Ltd (Afrihost), a leading internet service provider (ISP), will provide MTN South Africa with access to an established client base in both the SME and corporate segments as well as hosting and ISP best practices. The transaction is expected to be concluded before the end of 2014, pending regulatory approval. MTN Nigeria revised its enterprise business offering to include shared voice and data bundles between company employees through MTN Biz Plus, facilitating broader access to our enterprise solutions.

TRANSFORMING OUR OPERATING MODEL

The Group continues to leverage its scale and improve operational efficiency through the monetisation of passive infrastructure and the standardisation of back office processes. During the period we concluded tower deals in Rwanda and Zambia. Subsequent to the end of the period, the Group advanced negotiations to dispose of its towers in Nigeria to a telecoms infrastructure provider, while retaining an interest in the new entity. The Group continued to invest and restructure the organisation to ensure we have the appropriate skills to support growth in the digital and ICT segments of our business.

FINANCIAL REVIEW

REVENUE

Group revenue increased by 10,7% (4,1%*) to R72 759 million despite a 7,0% (3,4%***) contraction in the South African operation's revenue as competition intensified. MTN Nigeria's revenue growth maintained its positive momentum, increasing by 21,5% (8,0%*).

Revenue for the Large opco cluster increased by 13,5% (13,4%*), in line with guidance and supported by an improved performance in Cameroon (32,0% (9,2%*)) and Syria (1,2% (35,3%*)). The balance of the Large opco cluster faced weaker economic conditions, which slowed the pace of growth. MTN operations in Zambia, Congo-Brazzaville and Cyprus provided the impetus that boosted the performance of the Small opco cluster.

The movements in some of the major functional currencies positively impacted Group performance. Despite regaining some lost ground in the first half of 2014, the average rand exchange rate for the full six-month period was 16,2% weaker against the dollar than in the comparable period last year. Furthermore, the rand weakened by 10,5% against the Nigerian naira, by 18,2% against the CFA franc and by 15,6% against the Ugandan shilling, providing support to MTN Group's reported revenue.

Outgoing voice revenue increased by 10,5% (2,9%*) compared to the prior year and contributed 62,5% to total revenue. Performance was negatively affected by price competition in key markets, a contraction of 1,1% in voice traffic and lower voice tariffs, particularly in South Africa. The average price per minute (APPM) declined by 4,5% from the comparable period last year in US dollar terms across our operations.

Group data revenue (excluding SMS) increased by 38,9% (33,1%*), supported by an expanded 3G network, strong growth in data usage and an increase in smartphone adoption. Data's contribution to total revenue was 17,5%, 3,6 percentage points higher than the comparable period last year. MTN South Africa and MTN Nigeria were the largest contributors to data revenue and together accounted for 70,9% of total data revenue. MTN operations in Ghana, Uganda, Cameroon and Ivory Coast as well as the Small opco cluster also delivered good data revenue growth.

Group interconnect revenue declined marginally by 0,8% (7,5%*) following cuts in termination rates in our Nigerian and South African operations. These came into effect in April and May respectively. Interconnect revenue in South Africa may be further impacted by the regulatory review that is currently underway.

EBITDA

Group earnings before interest, taxation, depreciation and amortisation (EBITDA) increased by 19,6% (10,6%*) to R33 663 million, excluding the profit on tower sales. The Group EBITDA margin expanded by 3,5 percentage points to 46,3% as cost-containment initiatives gained traction throughout the Group. Distribution costs, inclusive of commissions, service provider discounts and marketing costs, were significantly reduced. Staff costs remained flat year-on-year.

The upward trend in the Group's EBITDA margin was supported by increased margins in Nigeria (1,9pp), Syria (2,4pp) and Sudan (3,5pp). MTN South Africa's EBITDA margin remained under pressure and contracted by 1,5**pp.

DEPRECIATION AND AMORTISATION

Depreciation increased by 20,7% as a result of the accelerated capex rollout in the second half of 2013, particularly in Nigeria and South Africa. Amortisation costs increased by 22,1%, driven by increased spending on software in Nigeria, Ghana and Uganda.

NET FINANCE COSTS

Net finance costs of R1 668 million increased sharply from the R88 million recorded in the comparable period of last year. This was largely due to foreign currency losses in the current year of R736 million versus foreign currency gains of R1 014 million in the prior period. Interest paid increased mainly due to the higher debt levels in Nigeria as the business invested in its capex programme. This was offset by higher interest received, due to higher cash balances held in Mauritius prior to the payment of the final dividend.

TAXATION

The Group's absolute taxation charge increased by 7,9% to R7 261 million and the effective tax rate increased by 0,5 percentage points to 31,7%. The increase is largely due to an increase in the income received by the Group from operations and related withholding tax payable.

EARNINGS

Basic headline earnings per share (HEPS) increased by 9,0% to 729 cents and attributable earnings per share (EPS) rose by 4,4% to 731 cents.

CASHFLOW

Cash inflows generated by operations increased by 17,3% to R30 078 million. The increase in cash generated and the reduction in net interest paid resulted in a 28,4% increase in cash flows from operations to R6 234 million.

CAPITAL EXPENDITURE

Capex decreased by 28,1% (32,7%*) to R9 199 million, of which R591 million related to foreign currency movements. We expect the capex roll-out for the remainder of the year to accelerate in most of our markets, however in some markets where there are changes in market conditions, it will reduce.

The Group capex steering committee regularly reviews the Group capex requirements and will inform stakeholders of any adjustments.

CASH BALANCE

The Group reported net debt of R4 927 million at the period end. This excludes R3 940 million (49%) of net cash in MTN Irancell, which is accounted for on an equity basis.

BUSINESS COMBINATIONS/ACQUISITION OF JOINT VENTURES

Acquisition of Middle East Internet Holding (MEIH)

The Group and Rocket Internet have formed a joint venture, Middle East Internet Holding (MEIH), to develop internet businesses in the Middle East, with the Group and Rocket Internet being 50% shareholders in MEIH. The Group invested EUR120 million consisting of a EUR40 million cash payment and EUR80 million contingent consideration into MEIH and the transaction closed on 20 May 2014.

Acquisition of Afrihost

During the period under review the Group agreed to acquire 50% and one share of Afrihost. Afrihost is an ISP and will provide MTN South Africa with access to an established client base in both the SME and corporate segments in addition to hosting and ISP best practices. This transaction remains subject to regulatory approval.

OPERATIONAL REVIEW

SOUTH AFRICA

- Revenue declined by 7,0% (3,4%**)
- Data revenue increased by 13,7%
- Interconnect revenue down by 30,4%
- EBITDA margin declined by 1,5** percentage points to 33,3%

MTN South Africa showed resilience in the face of significant market and operational challenges. Market share declined by 2,7 percentage points to 31,9% as competition intensified in the pre-paid segment. During the first quarter of 2014, the operation's subscriber base contracted by 825 000 subscribers and during the second quarter added 394 000 to reach 25,3 million subscribers at period-end.

The improvement in subscriber growth was largely a result of focused and targeted promotions to the pre-paid segment, which included the introduction of the widely successful "79 cents per minute" price plan. Other competitively priced voice and data bundle promotions included *MTN Sky*, *WOW*, *Happy Hour* and *Friends and Family*. Customers responded positively to these initiatives and for the second quarter of 2014, pre-paid traffic on the network grew by 33,5%. Despite these improvements, the pre-paid subscriber base declined by 4,3%, bringing the total pre-paid segment to 19,8 million. The post-paid segment (excluding telemetry SIMs) increased by 4,6% to 3,5 million. We expect a return to normalised growth in revenue and subscribers over the next 6 months.

Total revenue declined by 7,0% (3,4%**) to R19 157 million. This was mainly the result of lower outgoing voice revenue, which declined by 8,6% to R8 470 million. Incoming voice revenue declined by 30,4% as the impact of the mobile termination rates (MTR) reduction took effect during the second quarter. Data revenue, including MTN Business, increased by 13,7% to R4 483 million and contributed 23,4% to total revenue. This was a satisfactory result despite a decrease of 38,1% in the average price per megabyte given the aggressive price competition. Increased 3G coverage and competitive data bundles were the main contributors to this growth. The number of data users increased by 2,7% to 14,7 million and the operation had 5,3 million active smartphones on its network.

MTN South Africa made good progress in controlling costs and operating expenses declined 6,8%, underpinned by savings in distribution and marketing costs. Despite this, the EBITDA margin declined by 1,5** percentage points, largely as a result of the decline in revenue and an impairment relating to passive infrastructure of R172 million. We continue to review our cost structures, including employee costs, to ensure better alignment with revenue performance.

Capex for the period of R2 000 million was focused mainly on improving 3G capacity. During the period we added 220 new 2G sites and 400 co-located 3G sites. Our 3G population coverage had increased to 83,9% at the period end.

NIGERIA

- Net subscriber additions of 1,7 million
- Revenue increased by 8,0%*
- Data revenue increased by 16,0%*
- EBITDA 11,3%**** higher
- EBITDA margin 1,9 percentage points up at 60,1%
- Launched MTN Mobile Money “Diamond Yellow” account

MTN Nigeria delivered pleasing results and maintained its market share by growing its subscriber base by 3,0%, bringing total subscribers to 58,4 million. Increased regulatory pressures, changes to the SIM registration platform and the ban on the sale of SIM cards for the month of March affected performance during the period. MTN Nigeria, however, remained focused on providing value-driven, segmented offerings and continued to invest in its network.

Total revenue increased by 8,0% with voice revenue increasing by 7,4%* in line with traffic growth on the network. Interconnect revenue increased by 7,7%* notwithstanding the 10% reduction in the mobile termination rate in April.

Data revenue increased by 16,0%*, bringing its contribution to total revenue to 16,7%. This growth was underpinned by the success of value-added services as volumes on our digital platforms grew strongly. At end-June 2014, the MTN Play platform had in excess of 33 million subscribers, having consistently recorded over 10 million downloads daily. The number of active 3G phones on the network increased by 45,0% to 8,1 million. In July 2014, the operation formally launched the MTN Diamond Yellow account, offering mobile financial services in partnership with a large domestic bank.

A well-executed cost-management strategy helped lift the EBITDA margin by 1,9 (1,8*) percentage points to 60,1% mainly due to a reduction in distribution costs. MTN Nigeria’s EBITDA increased by 11,3%****.

Capital expenditure of R3 189 million for the period was focused on improving network coverage and quality. During the period, 754 new 2G sites and 1 219 co-located 3G sites were added. To date, MTN Nigeria has committed 73% of its capex budget and in the second half of 2014, will accelerate network rollout.

To ensure compliance with regulations, MTN Nigeria rigorously monitors the KPIs set by the Nigerian Communications Commission.

LARGE OPCO CLUSTER

- Subscribers increased by 5,4% to 98,5 million
- Revenue 13,4%* higher in line with guidance
- Data revenue increased by 111,0%*
- EBITDA (excluding tower profits) 12,0%* up

MTN Irancell delivered a satisfactory performance, increasing its subscriber base by 3,2% to 42,7 million despite the impact of sanctions on growth in a highly penetrated market. Some positive economic trends are starting to emerge with the relatively stable average rate for the Iranian rial against the US dollar for the six months to June 2014 and the decline in Iran's month-on-month inflation rate in June 2014.

The results below exclude the effects of hyperinflation:

Total revenue increased by 13,8%* compared to the same period in the prior year. Outgoing voice revenue grew by 5,1%*, driven by an 8,0% increase in minutes of use (MOU) and a 4,3% decrease in the effective voice tariff. SMS revenue decreased by 0,3%* and data revenue grew by 110,7%* as average data consumed increased by 93,1% to 66 megabytes per subscriber. At end-June, data revenue contributed 16,4% to total revenue.

MTN Irancell will begin the rollout of a 3G network with LTE-capable frequency during the second half of 2014, following approval by the Communications Regulatory Authority. At the end of June 2014, the operation had 13,0 million active smartphones on its network and 12,6 million data users. The number of WiMax subscribers increased by 3,4% to 351 520 from December 2013.

MTN Irancell's EBITDA margin declined by 0,2 (0,2*) percentage points to 44,4% as the operation made good progress in mitigating the foreign currency risk associated with key vendor contracts. Operating expenses increased by 15,2%*, below the official inflation rate. MTN Irancell continued to focus its capex on improving the quality and capacity of the network. During the period it invested R1 818 million (representing 100% of the operation) and rolled out 274 new 2G sites.

MTN Ghana increased subscribers by 3,9% to 13,4 million and maintained its market share. This performance is notable as MTN Ghana faced tough competition and a declining macro-economic environment. The 40,0% decline in the average exchange rate of the Ghanaian cedi against the US dollar from the comparative prior period and higher inflation levels contributed to a slowdown in growth in the country. Despite this, the operation delivered a solid performance, supported by campaigns targeted at improving loyalty, driving data growth and increasing the uptake of MTN Mobile Money.

Total revenue increased by 13,7%*, supported by the 180,0%* growth in data revenue. Data contributed 17,4% to total revenue, underpinned by a 4,7% increase in data users to 7,1 million. The efforts to grow MTN Mobile Money yielded positive results with MTN Mobile Money revenue increasing by 287,3%*, albeit off a low base. At end-June, the service had over 2,6 million registered customers and increasing usage levels. Outgoing voice revenue increased by 2,4%*, supported by a price increase despite lower MOU.

MTN Ghana's EBITDA margin declined by 0,3 (+0,2*) percentage points to 38,7%, excluding the profit from tower sales, due largely to higher lease costs following the tower transaction as well as the sharp increase in fuel and other US dollar-denominated expenses, a consequence of the weaker economic environment. This decline was partially offset by the reversal of management fees. Excluding this reversal, the EBITDA margin declined by 3,3 percentage points to 35,7%.

Capex amounted to R597 million. The operation rolled out 30 2G sites and 58 3G co-located sites to improve coverage and capacity on the network.

MTN Cameroon surpassed 10 million subscribers, growing its subscriber base by 17,5% to 10,2 million subscribers and increasing its market share by 3,2 percentage points to 62,5%. The strong performance was supported by a well-executed churn management strategy and innovative offerings.

Total revenue grew by 9,2%* despite increased competition. This performance was achieved as a result of a strong expansion in data revenue, which increased by 61,0%* and contributed 7,8% to total revenue despite the absence of a 3G licence. MTN's attractive data bundles and value-added services such as *Mobile Surf Mini* and *Magic Voice* were the main contributors to growth in data revenue. Voice revenue increased by 7,0%* as traffic increased by 17,3% and the effective tariff remained stable.

The operation continued to focus on the MTN Mobile Money offering, which had 1,4 million registered subscribers at the end of the period. The expanded distribution network of over 2 000 merchants, competitively priced products and increased activity levels resulted in revenue increasing by 191,5%*.

MTN Cameroon's EBITDA margin decreased by 3,2 percentage points to 42,4%, excluding profit from the sale of towers, largely as a result of higher lease rental costs following the tower transaction. Capex amounted to R373 million and the operation remains on track to meet full-year guidance of R697 million. During the period, MTN Cameroon rolled out 77 2G sites and made improvements to quality and capacity at high traffic sites in the main cities.

MTN Ivory Coast delivered a satisfactory performance, growing subscribers by 9,4% to 7,7 million and increasing its market share by 1,5 percentage points to 39,4%, despite aggressive competition. This was driven by compelling value propositions, which attracted new customers and reduced churn levels.

Total revenue increased by 5,1%*, supported by data revenue growth of 91,1%*. Voice revenue grew by 4,2%* despite lower MOU offset by an increase in the retail tariff.

MTN Mobile Money started gaining momentum as active subscribers grew by 39% over the period. The distribution network now has more than 3 000 merchants with a focus on expanding the rural footprint.

The operation's EBITDA margin excluding profit on tower sales declined by 0,4 (0,4*) percentage points to 37,5%. This was impacted by the introduction of an additional levy on revenue. The ongoing focus on cost efficiency resulted in a 5,8%* decrease in operating expenses.

MTN Ivory Coast invested R584 million on its capex programme, rolling out 66 new 2G sites and 44 co-located 3G sites in the period. Accelerating the rollout of 3G coverage and improving network quality remain key focus areas for the remainder of the year.

MTN Uganda delivered a good performance, increasing its subscriber base by 12,6% to 9,9 million and increasing market share by 3,3 percentage points to 56,8%. The consistent focus on bundled and segmented offerings across voice and data underpinned this growth.

Total revenue increased by 6,8%*, benefiting from a 54,7%* increase in data revenue. At end-June, data contributed 24,7% to total revenue, supported by increased investment in the 3G network and improved data speeds in the major centres. Price increases were partly offset by lower international incoming voice traffic and lower MOU on the network.

MTN Mobile Money continued to perform well and recorded a 20,7% increase in registered users from December 2013. At end-June 2014 it had 6,2 million users. Revenue from MTN Mobile Money grew by 39,4%*, supported by an expanded agent distribution network of over 30 000 merchants and monthly transaction volumes of over 28,5 million.

MTN Uganda's EBITDA margin remained stable at 36,9%. Capex in the period amounted to R407 million, with the rollout of 117 new 2G sites and 130 co-located 3G sites significantly improving quality and capacity on the network.

MTN Syria continued to operate under very challenging conditions that impacted on network availability and subscriber acquisition. The operation recorded a 3,0% decrease in subscribers to 5,7 million for the period. Sustained efforts to ensure improved network performance enabled revenue to increase by 35,3%* given higher traffic volumes and a higher effective tariff. Data revenue increased by 151,2%* from the comparable prior period, bringing its contribution to 22,0% of total revenue. MTN Syria's EBITDA margin expanded by 2,4 (2,5*) percentage points to 18,8%. Employee safety is a priority and we continuously monitor the operating environment to ensure this.

MTN Sudan increased its subscriber base by 1,3% to 8,8 million. Market share contracted to approximately 33,0% with performance affected by the weak economic environment, higher churn rate and the reclassification of registered subscribers as required by the regulator. Total revenue increased by 17,3%* and the EBITDA margin expanded by 3,5 (3,5*) percentage points to 33,6%. Data revenue continued to show good growth, increasing by 114,8%* from the prior comparable period. Capex amounted to R481 million for the period.

REVISED SUBSCRIBER NET ADDITION GUIDANCE FOR 2014

	'000
South Africa	1 500
Nigeria	5 000
Large opco cluster	8 050
Iran	2 500
Ghana	900
Cameroon	2 000
Ivory Coast	1 000
Sudan	400
Syria	(250)
Uganda	1 500
Small opco cluster	2 700
Total	17 250

Declaration of interim ordinary dividend

Notice is hereby given that a gross interim dividend of 445 cents per share for the period to 30 June 2014 has been declared payable to MTN shareholders. The number of ordinary shares in issue at the date of this declaration is 1 848 298 679.

The dividend will be subject to a maximum local dividend tax rate of 15% which will result in a net dividend of 378.29548 cents per share to those shareholders that bear the maximum rate of dividend withholding tax of 66.70452 cents per share and STC credits amounting to 0.303223 cents per share will be utilised. The net dividend per share for the respective categories of shareholders for the different dividend tax rates is as follows:

0%	445.00000 cents per share
5%	422.76516 cents per share
7.5%	411.64774 cents per share
10%	400.53032 cents per share
12.5%	389.41290 cents per share
15%	378.29548 cents per share

These different dividend tax rates are a result of the application of tax rates in various double taxation agreements as well as exemptions from dividend tax.

MTN Group Limited's tax reference number is 9692/942/71/8. In compliance with the requirements of Strate, the electronic settlement and custody system used by the JSE Limited, the salient dates relating to the payment of the dividend are as follows:

Last day to trade cum dividend on the JSE	Friday, 22 August 2014
First trading day ex dividend on the JSE	Monday, 25 August 2014
Record date	Friday, 29 August 2014
Payment date	Monday, 1 September 2014

No share certificates may be dematerialised or re-materialised between Monday, 25 August 2014 and Friday, 29 August 2014, both days inclusive. On Monday, 1 September 2014, the dividend will be transferred electronically to the bank accounts of certificated shareholders who make use of this facility.

In respect of those who do not use this facility, cheques dated Monday, 1 September 2014 will be posted on or about that date. Shareholders who hold dematerialised shares will have their accounts held by the Central Securities Depository Participant or broker credited on Monday, 1 September 2014.

The MTN Board confirms that the Group will satisfy the solvency and liquidity test immediately after completion of the dividend distribution.

For and on behalf of the Board

PF Nhleko
Chairman

RS Dabengwa
Group President and CEO

Fairland

7 August 2014

For further information on MTN results please refer to the Investor Relations section on the Group's website: www.mtn.com/investors