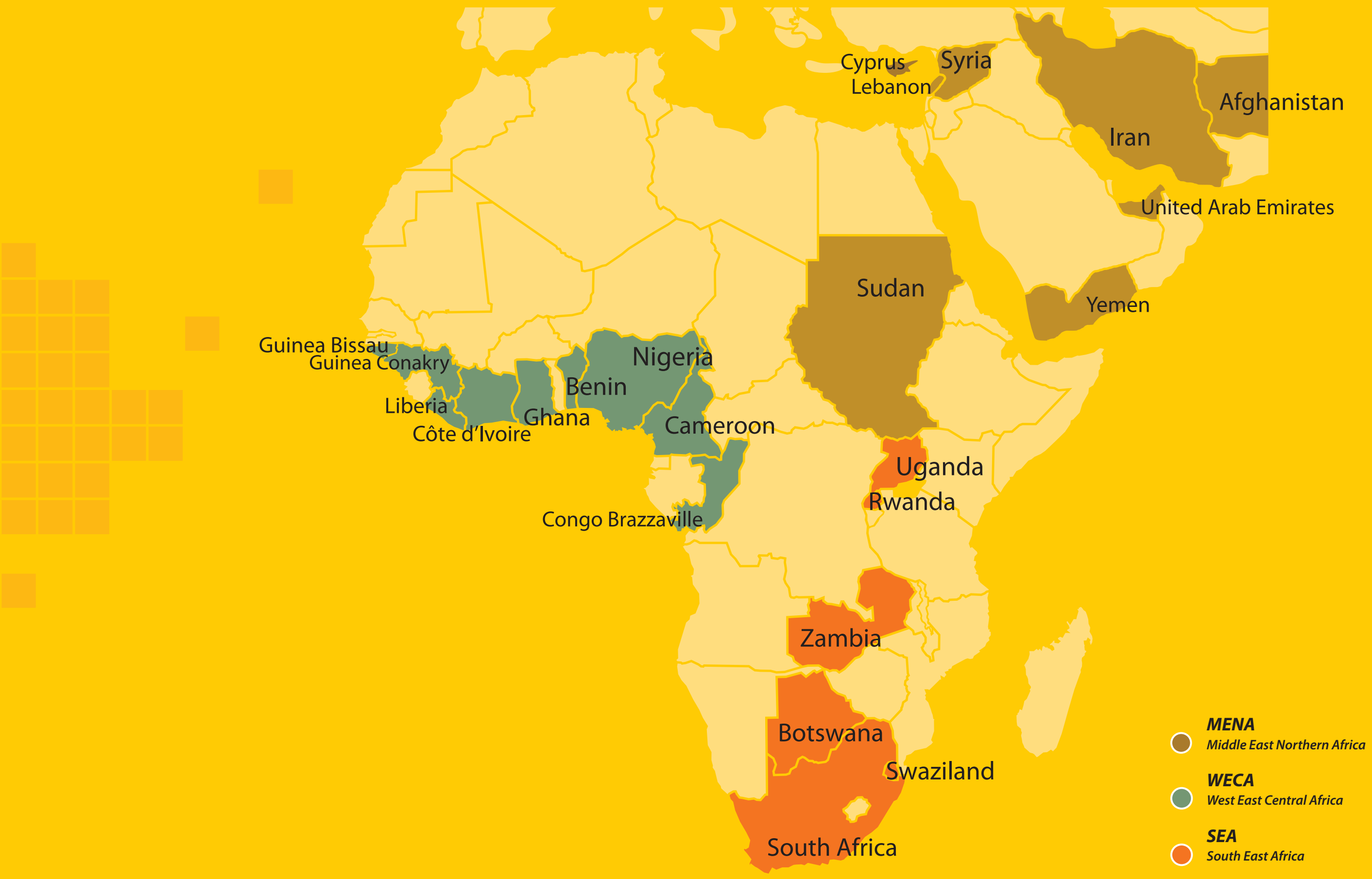
2011 Pioneering *the way*

MTN Group Limited

Interim results for the six months ended 30 June 2011

everywhere you go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Uganda
Rwanda
Congo Brazzaville
Zambia
Botswana
Swaziland
South Africa
MENA
Middle East Northern Africa
WECA
West East Central Africa
SEA
South East Africa

Group

Highlights

152,3 million

Group subscribers up 7,5%

470,1 cents

*Adjusted **HEPS** up 7,2%*

44,6%

***EBITDA margin** up 1,3 percentage points*

273 cents

Interim dividend per share

R19 494 million

Free cash flow[1] up 23,7%

65%

Payout ratio increased

[1] *EBITDA minus capex*

Results overview

Overview

The MTN Group Limited ("MTN" or "the group") continued to deliver a satisfactory operational performance for the six months with subscriber growth of 7.5%, revenue 9.4% higher on a constant currency basis and a 1.3 percentage points expansion in the earnings before interest, tax, depreciation and amortization ("EBITDA") margin to 44.6%. The EBITDA margin was buoyed by the profit on the sale of towers in Ghana. If excluded, along with the Conakry settlement, the margin of 44.0% is still higher than the prior year. The average rand:dollar exchange rate strengthened from R7.52 in the first half of 2010 to R6.80 in the current period, dampening the reported results. The constant currency reported numbers are those restated at the same average exchange rates that were applicable for the first half of 2010. Notwithstanding all the challenges, revenue increased by 1.0% to R56,542 million. There was strong subscriber growth in most of the group's operations including an encouraging performance in Sudan.

Political instability in Yemen and Syria continues to create a challenging business environment. Trading conditions in Cote d'Ivoire have improved following the disruptions in the first three months of the year. The dispute with the government of Guinea Conakry has been resolved.

The various group initiatives maintained momentum over the period and assisted in improving margins while sourcing and growing new revenue streams. These initiatives include:

- Continued investment in transmission (undersea cables and fibre) and radio technologies (2G, WIMAX and 3G) as well as mobile data solutions and sourcing of appropriate handsets. These have enabled the group to increase data revenues (excluding SMS) by 24.1% to R3,558 million and total data revenues (including SMS) by 14.2% to R6,950 million.
- Mobile Money has been implemented in 12 countries. Nigeria is expected to introduce this utilising a partnership model. At 30 June 2011, there were 5.1 million registered mobile money subscribers, with Uganda and Ghana each accounting for 37% of the total.
- The shared services IT hub in the South and East African region is now operational and the procurement transformation project has gained momentum with cost savings targets being identified. Marketing and sponsorship costs have also been reviewed following the investments in the 2010 FIFA World Cup TM.
- The conclusion of the tower deal by MTN Ghana and the first closing of 400 towers in May 2011. This marked the start of true infrastructure sharing and opportunities to unlock value. Other projects of this nature are under consideration.

During the period under review, Mr Phuthuma Freedom Nhleko and Mr Douglas Denoon Balharrie Band resigned from the board effective 31 March 2011 and 11 March 2011 respectively.

Group financial review

Revenue

Table 1: Group Revenue spilt (R'000)

Country	2011	2010	% change	LC % change
South Africa	**18 143**	17 135	5,9	5,9
Nigeria	**16 538**	16 468	0,4	13,1
Ghana	**2 703**	2 813	(3,9)	11,9
Iran	**5 010**	4 468	12,1	28,2
Syria	**2 985**	3 344	(10,7)	0,4
Other	**11 163**	11 760	(5,1)	
Group	**56 542**	55 989	1,0	9,4

Group revenue increased by 1.0% to R56,542 million mainly due to strong growth in MTN's South African and Iranian operations of 5.9% and 12.1% respectively. This was offset by negative growth in Ghana and Syria and no growth in Nigeria. On a constant currency basis, growth was 9.4%. Local currency growth in Nigeria, Ghana and Iran increased by a healthy 13.1%, 11.9% and 28.2% respectively, despite increased competition. Airtime and subscription revenue remain the key contributors comprising 66.1% of the group's total revenue despite decreasing 2.8% year on year. Interconnect revenue grew by 3.8% as lower termination rates in South Africa were more than made up for by incoming traffic increases in Nigeria. Data growth, excluding SMS, increased by 24.1% to R3,558 million as most of the larger operations enhanced their propositions both from a network and product perspective. Data growth was still primarily driven by South Africa. Data revenue (excluding SMS) overtook SMS revenue for the first time and now contribute 6.3% and 6.0% respectively of total revenue.

Results overview

Table 2: Group revenue analysis (R'000)

Revenue	2011	2010	% change	Contribution to total revenue	Constant currency % change
Airtime and subscription	**37 401**	38 498	(2,8)	66,1	6,1
Interconnect	**8 630**	8 314	3,8	15,3	12,8
Data	**3 558**	2 866	24,1	6,3	28,7
SMS	**3 392**	3 217	5,4	6,0	14,1
Mobile handsets and accessories	**2 227**	1 631	36,5	3,9	37,8
Other	**1 335**	1 463	(8,8)	2,4	0,4
Group	**56 542**	55 989	1,0	100,0	9,4

Operating costs

Table 3: Cost analysis (R'000)

Cost	2011	2010	% change	As a % of revenue	Constant currency % change
Direct network and operating costs	**8 755**	8 320	5,2	15,5	9,6
Cost of handsets and accessories	**3 657**	2 992	22,2	6,5	3,3
Interconnect costs + roaming	**6 206**	6 191	0,2	11,0	7,1
Employees benefits	**2 975**	2 793	6,5	5,3	6,2
Selling, distribution and marketing costs	**6 615**	7 748	(14,6)	11,7	5,7
Other expenses	**3 131**	3 696	(15,3)	5,5	5,1
Group	**31 340**	31 740	(1,3)	55,4	5,0

Group operating costs decreased 1.3% mainly as a result of a 14.6% reduction in selling, distribution and marketing costs. These costs also include the R445 million profit on the sale of the towers as well as the R147 million Guinea Conakry settlement. On a constant currency basis, costs increased 5.0%, still below constant currency revenue growth and including a 9.6% increase in direct network operating costs.

EBITDA margin

Table 4: Group EBITDA (R'000) and margins (%)

Country	2011	2010	% change	% contribution to Group	LC % change	EBITDA margin
South Africa	**6 360**	5 815	9,4	25,2	9,4	35,1
Nigeria	**10 475**	10 096	3,8	41,6	16,8	63,3
Ghana	**1 485**	1 182	25,6	5,9	47,0	54,9
Iran	**2 103**	1 839	14,3	8,3	30,8	42,0
Syria	**764**	722	5,9	3,0	18,9	25,6
Other	**4 015**	4 595	(12,6)	15,9		36,0
Group	**25 202**	24 249	3,9	100,0	14,0	44,6

EBITDA increased by 3.9% to R25,202 million and by 14.0% on a constant currency basis. This was due to EBITDA increases on a local currency basis of 9.4% in South Africa, 16.8% in Nigeria and 30.8% in Iran.

Net finance costs

Table 5: Net finance costs (R'000)

Cost	2011	2010	% change
Net interest paid	**775**	1085	(28,6)
Net forex losses	**164**	957	(82,9)
Functional currency losses/(gains)	**414**	(70)	491,4
PUT option	**62**	226	(72,6)
Total	**587**	2198	(73,3)

Net finance costs decreased by 73.3% to R587 million (June 2010: R2,198 million) mainly due to a reduction in forex losses and an increase in functional currency gains, principally on cash balances held offshore in currencies other than the reporting currency, as well as lower net interest costs.

Results overview

Taxation

Table 6: Taxation (R'000)

Tax	2011	2010	2009
STC and WHT	**1 238**	738	747
Deferred tax	**667**	1 359	396
Normal tax	**4 438**	3 333	3 345
Effective tax rate (%)	**36,95**	36,77	33,00

The Group reported an effective tax rate of 36.95% for the period compared to 36.77% in June 2010. The higher effective tax rate was mainly due to the Secondary Tax on Companies ("STC") on the dividend paid in April 2011, foreign withholding taxes and capital gains tax on the sale of towers in Ghana.

Earnings

The Group's attributable earnings per share ("EPS") increased by 15.9% from 30 June 2010 to 509.6 cents. Adjusted headline EPS increased by 7.2% to 470.1 cents which is lower than attributable EPS due to the reversal of the profit on the disposal of the towers in Ghana and a small increase in the reversal of the put options.

The Group continues to report adjusted headline EPS in addition to the attributable headline EPS. The adjustment is because of the International Financial Reporting Standards ("IFRS") requirement that the Group accounts for written put options held by non controlling shareholders in two of the Group's subsidiaries, which provides the non-controlling shareholders with the right to require the subsidiary or its holding company to acquire this shareholding at fair value.

Cashflow

Cash generated by operations decreased 1.9% while cash inflows from operating activities decreased by 16.7%, principally due to a 86.0% increase in dividends and lower net interest payments. Expenditure on property, plant and equipment (excluding software) of R5,580 million was 28.5% lower. The significant movement in investing activities was principally due to cash invested in T-bills in Nigeria. The result is a negative net movement in cash and cash equivalents of R4,310 million but a slightly higher cash and cash equivalents balance of R32,341 million.

Capital expenditure

Table 7: Capital expenditure analysis (R'000)

Country	Revised FY2011	Authorised FY2011	2011	2010
South Africa	**3 920**	3 920	**1 292**	1 014
Nigeria	**7 767**	7 784	**2 068**	2 532
Ghana	**1 227**	1 221	**137**	1 404
Iran	**1 377**	1 317	**413**	896
Syria	**1 207**	1 066	**86**	180
Rest	**6 667**	6 823	**1 712**	2 470
Group	**22 165**	22 131	**5 708**	8 496

Capital expenditure for the period of R5,708 million was 32.8% lower than the comparative period following delays in the rollout of certain capital expenditure projects and a R603 million currency impact. We expect to step up the pace of rollout in the second half of the year to make up for the delays. Full year capital expenditure guidance has been revised marginally up to R22,165 million.

Results overview

Net debt

Table 8: Net debt analysis (R'000)

Country	Cash and cash equivalents	Interest bearing liabilities	Intercompany eliminations	Net (cash) 2011	Net debt/(cash) 2010
South Africa	3 324	12 218	11 689	**2 795**	3 170
Nigeria	11 578	10 623		**955**	4 567
Ghana	544			**544**	477
Iran	4 648	3 244	2 515	**3 919**	2 505
Syria	4 233			**4 233**	3 611
Rest	3 651	10 057	3 661	**2 745**	2 449
Head office	12 845	13 811	1 151	**185**	7 983
Total	40 822	49 953	19 016	**9 885***	5 236

**Including R7,219 of investments*

The group is currently in a net cash position of R2,666 million (R9,885 including investments) because of its lower capital expenditure and improved EBITDA margins. Investments in liquid instruments such as USD-denominated T-bills in Nigeria are disclosed in other current assets and not included in cash and cash equivalents, resulting in an understatement of potentially available cash of R7,219 million. Good up-streaming of dividends and management fees from the various group companies during the period have resulted in a positive cash balance at the holding company level notwithstanding the reduction in holding company debt and the settlement of the final dividend.

South Africa

MTN South Africa delivered a sound performance for the period increasing its subscriber base by 5.1% to 19.8 million for the six months to 30 June 2011. This was mainly due to growth in the prepaid segment which increased its subscriber base by 5.0% to 16.2 million subscribers helped by MTN Zone Mahala offerings and strong promotional campaigns. These efforts also contributed to the increase in on-net traffic. The postpaid segment subscriber base grew by 5.7% to 3.6 million subscribers. Hybrid type packages continued to be the main contributor to postpaid growth, contributing 41% to the postpaid subscriber base at the end of the period. Following the registration deadline of 30 June 2011, MTN suspended 340,842 subscribers who had not been registered, of which 115,879 were reconnected by 31 July 2011.

Total revenue grew by 5.9% mainly due to the growth in airtime, subscription and data revenue. Data increased by 17.9%, excluding SMS. At 30 June 2011, there were 4.6 million 3G devices on the network of which 2.6million were smartphones. SMS revenue growth remained relatively robust at 8.5% while airtime and subscription revenue grew at 4.8% mainly due to strong growth in prepaid revenue offset by lower postpaid revenue. Interconnect revenue decreased 9.8% as a result of the lower interconnect rate. Peak mobile termination rates decreased again from 89c to 73c and off peak rates dropped from 77c to 65c on 1 March 2011. Blended average revenue per user ("ARPU") decreased by R18.5 to R133.8 per month mainly due to lower interconnect rates and the prepaid versus postpaid mix. Prepaid ARPU decreased by R12.4 to R99.8, while postpaid ARPU declined by R37.9 to R290.6 due to an increase in lower ARPU telemetry SIM cards diluting the postpaid base.

MTN South Africa recorded a 1.2 percentage point increase in its EBITDA margin to 35.1% after having successfully decreased commission and distribution costs as well as advertising, promotion and public relations costs. Maintenance costs remained stable.

Capital expenditure for the period amounted to R1,292 million, with most projects substantially on track. MTN South Africa continued to enhance network capacity while improving power saving and focusing on environmental initiatives for sustainability. MTN South Africa also continued to migrate various voice bearing interfaces which allow for enhanced scalability and network simplicity. The Southern and Northern Gauteng fibre rollout ring, comprising 220km of fibre, has been completed and traffic from leased lines successfully migrated. The long distance fibre initiatives continues to progress, with 500km trenched on the Johannesburg to Durban route, 469km on the Johannesburg to Bloemfontein route and 296km on the Bloemfontein to Cape Town route. To further support its data strategy, MTN South Africa has also embarked on a pilot long term evolution (LTE) network which consists of 100 LTE-capable base stations. At the end of July 2011, 40.0% of the remaining capital expenditure guidance had been committed.

Nigeria

MTN Nigeria performed satisfactorily in the face of aggressive competition during the period under review. The company grew its subscriber base by 4.8% to 40.5 million. At 30 June 2011 MTN Nigeria had registered 50% of its subscriber base. The deadline for existing SIM registration remains 28 September 2011.

Results overview

Total revenue in naira grew by 13.1% driven mainly by airtime and subscription revenue growth as well as an increase in interconnect revenue. This was driven by an increase in traffic from other networks. Traffic patterns of our own subscribers remained 83% on-net. Data remains in its infancy in Nigeria, but showed strong growth due to an increased focus on data packages and promotions. Reported ARPU declined by 6.7% to $9.8 while local currency ARPU decreased by 5.1% from 31 December 2010.

MTN Nigeria increased its EBITDA margin by 2.0 percentage points from the previous period to 63.3%. This was a result of the operation's increased scale, combined with a continued effort to reduce operating costs. The reduction in transmission costs resulting from the commencement of the Main One undersea cable, as well as a decrease in marketing expenditure, were the primary contributors to the increased margin, while the decrease in general expenses also contributed.

The strong rand and a marginally weaker naira against the dollar, negatively affected and resulted in reported revenue growth of 0.4% to R16,538 million and a 3.8% increase in EBITDA to R10,475 million.

Capital expenditure was slower than planned mainly because of logistical delays in the delivery of equipment as well as political unrest in the Northern parts of the country. Capital expenditure for the period was R2,068 million. Rollout is expected to gain momentum in the second half of the year. Network quality was impacted temporarily in the first quarter by the "magic number" promotion which increased traffic volumes and was subsequently withdrawn. At the end of July 2011, 69.0% of the remaining capital expenditure guidance had been committed.

Iran

MTN Irancell continued to deliver solid results maintaining market share at 44%. The company recorded an 8.2% increase in its subscriber base from 31 December 2010 to 32.2 million. The lower price of SIM starter packs together with continued attractive promotions were the main contributors to growth over the period. Improvements in network quality and brand perception also contributed. To date the third operator has not yet been launched commercially.

Total rial revenue grew by 28.2% for the six months to June. This was mainly because of high growth in SMS revenue which increased by 56.8% thanks to the introduction of "the Farsi SMS service" in July last year, as well as a 25.8% increase in airtime and subscription revenue.

MTN Irancell recorded a 0.8 percentage point increase in its EBITDA margin to 42.0%. Cost containment initiatives in various areas included marketing and advertising expenses, distributor commissions and discounts, costs of handsets and accessories and maintenance. These cost efficiencies helped offset the effect of large hikes in the price of electricity and fuel costs that resulted from the withdrawal of government subsidies. Reported ARPU remained relatively flat at $7.9.
The proportionately consolidated results were dampened by the strong rand, resulting in a 12.1% increase in revenue to R5,010 million and a 14.3% increase in EBITDA to R2,103 million .

MTN Irancell continued to invest in its network although capital expenditure for the first six months was slower than expected due to delays in the delivery of equipment as well as the continued challenge of obtaining sites. MTN's 49% share of capital expenditure for the period amounted to R413 million. Population and geographic coverage increased to 79% and 22% respectively. MTN Irancell also augmented its WIMAX rollout, increasing customer confidence. At the end of June 2011, the company had 99 000 WIMAX customers. At the end of July 2011, 70.0% of the remaining capital expenditure guidance had been committed.

Ghana

MTN Ghana's performance was sound for the period. Subscribers increased by 9.6% to 9.6 million from December 2010 and market share remained stable at 53%. The company's good performance was mainly the result of attractive value propositions, "golden SIM" promotions, increased penetration into rural areas as well as enhanced data offerings. The regulator extended the deadline for SIM registration by three months to 30 September 2011. As at 30 June 2011, MTN Ghana had registered 90% of its subscriber base.

Total cedi revenue increased by 11.9% for the six months. This was mainly driven by 9.5% growth in airtime and subscription revenue as well as a 48.0% growth in interconnect revenue, resulting from lower off-net tariffs by competitors. SMS revenue decreased by 53.3% as a result of a required change in promotions. While reported ARPU decreased by 3.9% to $7.0, local currency ARPU increased marginally due to improved minutes of use.

MTN Ghana's EBITDA margin, before the profit from the sale of the towers, decreased to 38.7% from 42.0% in the prior period. This was mainly due to a 65.2% increase in interconnect costs as changes to traffic patterns resulted in increased off-net traffic as on-net traffic reduced marginally to

Results overview

81,0%. Direct network operating costs increased 51.9% because of higher electricity and diesel costs. Following the conclusion of a tower sharing arrangement, the first 400 towers were sold to the new entity in May 2011. Including the profit from this sale the EBITDA margin was 54.9%.

Due to the strong rand and exacerbated by the cedi's weakness against the dollar, revenue decreased by 3.9% to R2,703 million and EBITDA increased by 25.6% to R1,485 million (including the impact of the tower transaction).

MTN Ghana's rollout in the first half of the year was slower than planned because of the change in tower strategy. Total capital expenditure for the period was R137 million. Despite increased traffic on the network, MTN Ghana maintained high quality and sufficient capacity. At the end of July 2011, 61.0% of the remaining capital expenditure guidance had been committed.

Syria

MTN Syria's subscriber base increased by 4.6% from 31 December 2010 to 5.1 million. The market was dampened by the ongoing political unrest affecting the economy, customer behaviour and business efficiency. MTN Syria will continue to adopt a conservative market approach until clarity is obtained on the timing of the conversion of the build, operate and transfer arrangement into a free hold licence.

Syrian pound revenue increased only marginally, helped by 44.8% increase in data revenue (excluding SMS). Airtime and subscription revenue as well as interconnect revenue showed negative growth as a result of lower subscriber growth and obligatory network service interruptions. Reported ARPU declined by 13.9% to $14.1 and local currency ARPU decreased by 12.5%.

MTN Syria increased its EBITDA margin by 4.0 percentage points to 25.6%. This was mainly due to lower commissions resulting from lower revenue but also due to a reduction in direct network operating costs and marketing costs.

Due to the strong rand, revenue decreased by 10.7% to R2,985 million and EBITDA increased by 5.9% to R764 million.

MTN Syria's capital expenditure for the period was R86 million, a result of the delay in converting the licence. The network has also been put under pressure due to security risks associated with maintenance.

Subscriber guidance

Subscriber net additions guidance has been updated since that announced in May 2011 and is detailed below.

	Net additions 000's May 2011	Net additions 000's August 2011
South Africa	2 000	2 000
Nigeria	4 400	4 400
Ghana	900	1 300
Iran	4 200	4 200
Syria	500	500
Rest	6 435	7 700
Total	18 435	20 100

Supplementary information is available in the shareholder booklet on www.mtn.com.

For and on behalf of the Board

MC Ramaphosa
(Chairman)

RS Dabengwa
(Group President and CEO)

Fairland
17 August 2011

Results overview

Supplemental information

Table 9: SEA operational data sheet

	Sub total	South Africa	Uganda	Rwanda	Zambia	Botswana	Swaziland
Shareholding		100	97	55	86	53	30
Licence period		20	20	13	15	15	10
Market overview							
Population (m)	111,7	50,6	34,3	10,4	13,5	1,9	1,0
Mobile penetration		112	38	35	45	136	70
Market postion		2	1	1	2	1	1
Number of operators	21	4	7	2	3	3	2
Outgoing MOU (mins)		67					
Market size (m)(2016)	102,7	57	23,8	8,1	10	2,9	0,9
Operational data							
Subscribers	34 205	19 799	7 241	2 794	2 173	1 481	718
ARPU (USD)		19,8	3,4	3,6	4,7	10,1	13,9
Market share (%)		35	55	77	36	54	98,6

Table 10: WECA operational data sheet

	Sub total	Nigeria	Ghana	Cameroon	Cote d'Ivoire	Benin	Liberia	G. Bissau	G.Conakry	Congo B
Shareholding		76	98	70	65	75	60	100	75	100
Licence period		15	15	15	20	10	15	10	18	15
Market overview										
Population (m)	252	155,1	24,8	20,4	22,3	9,1	3,8	1,6	10,9	4,1
Mobile penetration		50	74	46,6	68	57	42	52	44	86
Market postion		1	1	1	1	1	1	1	1	1
Number of operators	40	5	5	3	5	5	5	3	5	4
Outgoing MOU (mins)		51	129							
Market size (m)(2016)	198,2	118,2	20,4	14,9	22,3	6,9	2,5	1,2	5,6	4,5
Operational data										
Subscribers	68 223	40 540	9 562	4 879	5 644	2 305	852	599	2110	1731
ARPU (USD)		9,8	7,0	7,6	5,8	8,7	10,4	7,1	4,7	9,4
Market share (%)		51	53	54	37	46	55	69	44	50

Table 11: MENA operational data sheet

	Sub total	Iran	Syria	Sudan	Yemen	Afghanistan	Cyprus
Shareholding		49	75	85	85	91	50
Licence period		15	15(BOT)	20	15	15	20
Market overview							
Population (m)	194,8	73,8	22,7	41,8	24,7	31	0,8
Mobile penetration		99	45	40	32	48	109
Market postion		2	2	2	1	1	2
Number of operators	20	3	2	4	4	4	3
Outgoing MOU (mins)		61	91				
Market size (m)(2016)	170,8	86,1	11,4	34,9	15,9	21,3	1,2
Operational data							
Subscribers	49 844	32 182	5 123	4 594	3 344	4 338	263
ARPU (USD)		7,9	14,1	4,6	5,7	4,8	33,0
Market share (%)		44	46	28	42	33	30

Table 11: Group data revenue analysis (R'000)

Country	**2011**	2010	% change	Contribution to Group total data revenue	Data as a % of Group revenue 2011
South Africa	**2 037**	1 727	17,9	57,3	3,6
Nigeria	**435**	188	131,6	12,2	0,8
Iran	**117**	86	36,8	3,3	0,2
Ghana	**55**	49	13,9	1,6	0,1
Syria	**161**	125	28,8	4,5	0,3
Other	**753**	691	9,0	21,2	1,3
Group	**3 558**	2 866	24,1	100,0	6,3

Results overview

Table 12: Group SMS revenue analysis (R'000)

Country	2011	2010	% change	Contri-bution to Group total SMS revenue	SMS as a % of revenue 2011
South Africa	**1 294**	1 192	8,5	38,1	2,3
Nigeria	**533**	510	4,6	15,7	0,9
Iran	**1 010**	783	29,0	29,8	1,8
Ghana	**63**	157	201,4	1,9	0,1
Syria	**189**	212	569,2	5,6	0,3
Other	**303**	3	(55,7)	8,9	0,5
Group	**3 392**	3 217	5,4	100,0	6,0

Table 13: Net interconnect analysis (R'000)

Country	2011	2010	2011 contribution to Group interconnect
South Africa	**591**	689	20,1
Nigeria	**1 038**	485	35,2
Ghana	**195**	187	6,6
Iran	**1 001**	1 233	34,0
Syria	**80**	69	2,7
Other	**41**	86	1,4
Group	**2 946**	2 578	100,0

Table 14: Group depreciation and amortisation (R'000)

Country	Depreciation 2011	2010	% change	Amortisation 2011	2010	% change
South Africa	**2 744**	1 529	79,5	**337**	146	130,8
Nigeria	**5 011**	4 536	10,5	**192**	331	(42,0)
Ghana	**837**	504	66,1	**160**	725	(77,9)
Iran	**969**	452	114,4	**178**	141	26,2
Syria	**502**	639	(21,4)	**269**	269	0,0
Group	**13 248**	5 948	122,7	**2 157**	1 353	59,4

Table 15: Summary Exchange rates

	Average (EBITDA) 2011	Closing June 2010	% change	2011	December 2010	% change
Rand per USD	**6,80**	7,52	9,6	**6,76**	6,61	(2,3)
Naira per USD	**154,03**	150,74	(2,2)	**152,52**	152,11	(0,3)
Naira per ZAR	**22,58**	20,04	(12,7)	**22,56**	23,00	1,9
Iranian rials per USD	**10 474,32**	10 102,95	(3,7)	**11065**	10 356,00	(6,8)
Iranian rials per ZAR	**1 536,10**	1 342,92	(14,4)	**1637,05**	1 565,67	(4,6)
Ghanaian cedis per ZAR	**0,22**	0,19	(17,3)	**0,22**	0,22	0,0
Syrian pounds per ZAR	**6,95**	6,19	(12,3)	**7,06**	7,13	1,0

Condensed consolidated reviewed interim results in accordance with International Financial Reporting Standards ("IFRS")

The MTN Group's condensed consolidated reviewed interim results for the six months ended 30 June 2011 have been independently reviewed by the Group's external auditors. The preparation of the Group's condensed consolidated reviewed interim results was supervised by the Group Chief Financial Officer, Nazir Patel, BCom, BCompt (Hons), CA(SA).

These results were made available on 17 August 2011.

MTN

everywhere you go

Condensed consolidated income statement

	Six months ended 30 June 2011 Reviewed Rm	Six months ended 30 June 2010 Reviewed Rm	Financial year ended 31 December 2010 Audited Rm
Revenue	**56 542**	55 989	114 684
Direct network operating costs	**(8 755)**	(8 320)	(16 818)
Costs of handsets and other accessories	**(3 657)**	(2 992)	(6 819)
Interconnect and roaming	**(6 206)**	(6 191)	(12 593)
Employee benefits	**(2 975)**	(2 793)	(5 961)
Selling, distribution and marketing expenses	**(6 615)**	(7 748)	(14 741)
Other operating expenses	**(3 132)**	(3 696)	(10 215)
Depreciation of property, plant and equipment	**(6 293)**	(6 273)	(13 248)
Amortisation of intangible assets	**(1 142)**	(1 070)	(2 120)
Impairment of goodwill	**—**	—	(32)
Net finance costs	**(587)**	(2 198)	(4 094)
Share of results of associates after tax	**(14)**	59	52
Profit before tax	**17 166**	14 767	28 095
Income tax expense	**(6 343)**	(5 430)	(11 268)
Profit after tax	**10 823**	9 337	16 827
Attributable to:	**10 823**	9 337	16 827
Equity holders of the Company	**9 450**	8 094	14 300
Non-controlling interests	**1 373**	1 243	2 527
Basic earnings per share (cents)	**509,6**	439,7	776,2
Diluted earnings per share (cents)	**497,3**	433,5	764,5

Condensed consolidated statement of comprehensive income

	Six months ended 30 June 2011 Reviewed Rm	Six months ended 30 June 2010 Reviewed Rm	Financial year ended 31 December 2010 Audited Rm
Profit after tax	**10 823**	9 337	16 827
Other comprehensive income:			
Exchange differences on translating foreign operations	**1 277**	(468)	(9 811)
Cash flow hedges	**—**	77	77
Total comprehensive income for the period	**12 100**	8 946	7 093
Attributable to:			
Equity holders of the Company	**10 607**	7 791	5 059
Non-controlling interests	**1 493**	1 155	2 034
	12 100	8 946	7 093

Condensed consolidated statement of financial position

	30 June 2011 Reviewed Rm	30 June 2010 Reviewed Rm	31 December 2010 Audited Rm
Non-current assets	**99 505**	112 356	99 727
Property, plant and equipment	**63 224**	68 711	63 361
Goodwill, intangible assets and investments in associates	**31 918**	36 415	31 568
Other non-current assets	**4 363**	7 230	4 798
Current assets	**57 938**	47 204	54 234
Cash and cash equivalents	**32 760**	30 149	35 947
Restricted cash	**653**	585	285
Other current assets*	**24 525**	16 470	18 002
Assets of a disposal group classified as held for sale	**738**	—	825
ASSETS	**158 181**	159 560	154 786
Total equity	**78 140**	76 975	74 074
Non-current liabilities	**34 710**	32 590	33 995
Interest-bearing liabilities	**26 016**	23 536	24 857
Deferred tax and other liabilities	**8 694**	9 054	9 138
Current liabilities	**45 331**	49 995	46 717
Interest-bearing liabilities	**4 776**	12 434	10 471
Non interest-bearing liabilities	**40 555**	37 561	36 246
EQUITY AND LIABILITIES	**158 181**	159 560	154 786

**Included in other current assets are bonds of R190 million, treasury bills of R6,004 million and foreign currency deposits of R1,025 million which have been included in the calculation of net debt.*

Condensed consolidated statement of changes in equity

	30 June 2011 Reviewed Rm	30 June 2010 Reviewed Rm	31 December 2010 Audited Rm
Opening balance	**74 074**	72 866	72 866
Total comprehensive income for the period	**12 100**	8 946	7 093
Dividends paid*	**(8 158)**	(4 689)	(9 083)
Shares issued during the year	**2**	2	11
Transactions with non-controlling interests	**—**	—	60
Zakhele transaction	**—**	—	2 847
Other reserves	**122**	(150)	280
Closing balance	**78 140**	76 975	74 074
**Dividends per share (cents)*	***349,0***	*192,0*	*343,0*

Condensed consolidated statement of cash flows

	Six months ended 30 June 2011 Reviewed Rm	Six months ended 30 June 2010 Reviewed Rm	Financial year ended 31 December 2010 Audited Rm
Cash inflows from operating activities	**12 720**	15 269	34 728
Cash outflows from investing activities	**(12 280)**	(7 206)	(15 701)
Cash outflows from financing activities	**(4 750)**	(1 801)	(2 055)
Net movement in cash and cash equivalents	**(4 310)**	6 262	16 972
Cash and cash equivalents at beginning of year	**35 907**	22 646	22 646
Effect of exchange rate changes	**744**	174	(3 711)
Cash and cash equivalents at end of period	**32 341**	29 082	35 907

Segmental analysis

	Six months ended 30 June 2011 Reviewed Rm	Six months ended 30 June 2010 Reviewed Rm	Financial year ended 31 December 2010 Audited Rm
REVENUE			
South and East Africa	**21 058**	20 563	42 502
West and Central Africa	**24 526**	24 721	49 887
Middle East and North Africa	**10 817**	10 660	22 008
Head office companies	**141**	45	287
	56 542	55 989	114 684
EBITDA			
South and East Africa	**7 185**	7 070	14 556
West and Central Africa	**13 998**	13 375	27 683
Middle East and North Africa	**3 684**	3 323	7 393
Head office companies	**335**	481	(2 095)
	25 202	24 249	47 537
PAT			
South and East Africa	**3 811**	3 773	7 511
West and Central Africa	**6 394**	5 773	12 003
Middle East and North Africa	**1 590**	1 605	3 740
Head office companies	**(972)**	(1 814)	(6 427)
	10 823	9 337	16 827

Notes to the condensed consolidated interim financial information

1. Independent review by the auditors

The condensed consolidated interim financial information has been reviewed by our joint auditors PricewaterhouseCoopers Inc. and SizweNtsaluba VSP, who have performed their review in accordance with the International Standards on Review Engagements 2410. A copy of their unqualified review report is available for inspection at the registered office of the Company.

2. General information

MTN Group Limited (the "Group") carries on the business of investing in the telecommunications industry through its subsidiary companies, joint ventures and associate companies.

3. Basis of preparation

The condensed consolidated interim financial information (interim financial information) was prepared in accordance with International Financial Reporting Standards ("IFRS"), the presentation and disclosure requirements of IAS 34 Interim Financial Reporting, the AC500 Standards as issued by the Accounting Practices Board or its successor, the Listings Requirements of the JSE Limited and the requirements of the South African Companies Act, No 71 of 2008, on a basis consistent with the prior year.

4. Accounting policies

The accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 December 2010, as described in the annual financial statements. During the period under review, the Group adopted all the IFRS and interpretations that were effective and deemed applicable to the Group. None of these had a material impact on the results of the Group.

5. Acquisition of 49% interest in TowerCo Ghana

During the period, MTN Dubai acquired a 49% holding in TowerCo for a cash consideration of USD60,5 million (R409 million). The equity interest is accounted for under IAS 28 Investment in Associates.

Notes to the condensed consolidated interim financial information

6. Headline earnings per ordinary share

The calculations of basic and adjusted headline earnings per ordinary share are based on basic headline earnings of R8 788 million (2010: R7 954 million) and adjusted headline earnings of R8 718 million (2010: R 8 072 million) respectively, and a weighted average number of ordinary shares in issue of 1 871 686 073 (2010: 1 840 551 451).

Reconciliation between net profit attributable to the equity holders of the Company and headline earnings

	Six months ended 30 June 2011 Reviewed Rm Net**	Six months ended 30 June 2010 Reviewed Rm Net**	Financial year ended 31 December 2010 Audited Rm Net**
Net profit attributable to Company's equity holders	**9 450**	8 094	14 300
Adjusted for:			
Profit on disposal of non-current assets	**(637)**	(48)	(132)
Reversal of impairment of property, plant and equipment and other non-current assets	**(25)**	(92)	(157)
Basic headline earnings	**8 788**	7 954	14 011
Adjustment:			
Reversal of put options in respect of subsidiaries:			
– Fair value adjustment	**(275)**	(114)	(172)
– Finance costs	**240**	242	471
– Forex	**97**	98	(277)
– Non-controlling shareholders share of profits	**(132)**	(108)	(272)
Adjusted headline earnings	**8 718**	8 072	13 761

6. Headline earnings per ordinary share *(continued)*

Reconciliation between net profit attributable to the equity holders of the Company and headline earnings

	Six months ended 30 June 2011 Reviewed R Net**	Six months ended 30 June 2010 Reviewed R Net**	Financial year ended 31 December 2010 Audited R Net**
Reconciliation of headline earnings per ordinary share (cents)			
Attributable earnings per share (cents)	**509,6**	439,7	776,2
Adjusted for:			
Profit on disposal of non-current assets	**(34,4)**	(2,6)	(7,1)
Reversal of impairment of property, plant and equipment and other non-current assets	**(1,3)**	(5,0)	(8,5)
Basic headline earnings per share (cents)	**473,9**	432,1	760,6
Reversal of put options in respect of subsidiaries	**(3,8)**	6,5	(13,6)
Adjusted headline earnings per share (cents)	**470,1**	438,6	747,0
Diluted headline earnings per share (cents)	**462,1**	425,9	748,9
Number of ordinary shares in issue:			
– Weighted average ('000)	**1 871 686**	1 840 551	1 844 321
– At period end ('000)	**1 884 610**	1 840 616	1 884 529

*** Amounts are stated after taking into account non-controlling interests.*

Adjusted Headline Earnings adjustments

Put options in respect of subsidiaries

IFRS requires the Group to account for written put options held by non-controlling shareholders of certain of the Group subsidiaries, which provides the non-controlling shareholders with the right to require the subsidiaries to acquire their shareholding at fair value. Prior to the implementation of IFRS, the shareholdings were treated as non-controlling shareholders interest in the subsidiaries as all risks and rewards associated with these shares, including dividends, accrued to the non-controlling shareholders.

IAS 32 requires that in the circumstances described in the previous paragraph:

(a) the present value of the future redemption amount be reclassified from equity to financial liabilities and that the financial liability so reclassified subsequently be measured in accordance with IAS 39;

(b) in accordance with IAS 39, all subsequent changes in the fair value of the liability together with the related interest charges arising from present valuing the future liability be recognised in profit and loss;

(c) the non-controlling shareholder holding the put option no longer be regarded as a non-controlling shareholder but rather as a creditor from the date of receiving the put option.

Although the Group has complied with the requirements of IAS 32 and IAS 39 as outlined above, the board of directors has reservations about the appropriateness of this treatment in view of the fact that:

(a) the recording of liabilities for the present value of the future strike price of the written put options result in the recording of liabilities that is inconsistent with the framework, as there is no present obligation for the future strike price;

(b) the shares considered to be subject to the contracts are issued and fully paid up, have the same rights as any other issued and fully paid up shares and should be treated as such;

(c) the written put options meet the definition of a derivative and should therefore be accounted for as derivatives in which case the liabilities and the related fair value adjustments recorded through the income statement would not be required.

	30 June 2011 Reviewed Rm	30 June 2010 Reviewed Rm	31 December 2010 Audited Rm
7. Capital expenditure incurred	**5 708**	8 496	19 446
8. Contingent liabilities and commitments			
Contingent liabilities – upgrade incentives	**936**	930	941
Operating leases – non-cancellable	**326**	579	349
Finance leases	**281**	328	303
Other	**777**	664	491
9. Commitments for property, plant and equipment (including software)	**16 457**	15 103	22 131
10. Cash and cash equivalents			
Bank balances, deposits and cash	**32 760**	30 149	35 947
Call borrowings	**(419)**	(1 067)	(40)
	32 341	29 082	35 907

	30 June 2011 Reviewed Rm	30 June 2010 Reviewed Rm	31 December 2010 Audited Rm
11. Interest-bearing liabilities			
Call borrowings	**419**	1 067	40
Short-term borrowings	**4 357**	11 367	10 431
Current liabilities	**4 776**	12 434	10 471
Long-term borrowings	**26 016**	23 536	24 857
	30 792	35 970	35 328

12. Events after reporting period

The International Finance Corporation (IFC) has exercised its rights in respect of the put option it held in MTN Nigeria and has put these shares to MTN Mauritius. The acquisition cost amounted to USD390 million and payment was made on 15 August 2011. MTN Mauritius has indirectly made available 0,4% of these shares to the local shareholders of MTN Nigeria for purchase at the same price as acquired from the IFC.

In 2010, MTN Ghana (Scancom Limited) concluded a deal with American TowerCompany (ATC) to dispose of 1 876 sites to TowerCo Ghana in three phases. The first phase was concluded on 6 May 2011, whereby 400 sites were transferred in terms of the agreement. The second phase of the transaction took place on 11 August 2011 whereby a further 770 sites were transferred. The final phase is expected to be completed before 31 December 2011 when the remaining sites will be transferred.

Registration number: 1994/009584/06 ***ISIN code:*** ZAE 000042164 ***Share code:*** MTN

Directorate: MC Ramaphosa (Chairman), RS Dabengwa* (Group President and CEO), NI Patel*, KP Kalyan, AT Mikati, MJN Njeke, JHN Strydom, AF van Biljon, J van Rooyen, MLD Marole, NP Mageza, A Harper **Executive*

Group secretary: SB Mtshali, 216 – 14th Avenue, Fairland, 2195 ~ Private Bag 9955, Cresta, 2118

Registered office: 216 – 14th Avenue, Fairland, 2195

American Depository Receipt (ADR) programme: Cusip No. 62474M108 ADR to ordinary share 1:1

Depository: The Bank of New York, 101 Barclay Street, New York NY 10286, USA

Office of the South African registrars: Computershare Investor Services (Proprietary) Limited (Registration number: 2004/003647/07) ~ 70 Marshall Street, Marshalltown, Johannesburg, 2001 ~ PO Box 61051, Marshalltown, 2107

Joint auditors: PricewaterhouseCoopers Inc., 2 Eglin Road, Sunninghill, 2157 ~ Private Bag X36, Sunninghill, 2157 and SizweNtsaluba VSP , 20 Morris Street East, Woodmead, 2191 ~ PO Box 2939, Saxonwold, 2132

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