

MTN Group Limited  
(Incorporated in the Republic of South Africa)  
Registration Number 1994/009584/06  
Share code: MTN  
ISIN: ZAE000042164  
("MTN Group")

## **RELEASE OF SUBSCRIBER NUMBERS FOR THE QUARTER ENDED 30 September 2011**

MTN Group recorded 158 590 000 subscribers at 30 September 2011. This is a 4.1% increase for the quarter from 152 272 000 subscribers recorded at 30 June 2011. During the quarter, MTN has successfully maintained market share in most of its markets. Although social unrest remained a factor in some countries, Syria, Yemen and Cote d'Ivoire increased net connections during the quarter.

The analysis is presented on a regional basis. The subscriber bases of the three regions continue to grow at marginally different rates and as a result, when compared to June 2011, the subscriber contribution between the regions has remained relatively unchanged. South and East Africa (SEA) region contributed 23% (June 2011: 22%) of the Group's total subscribers, while West and Central Africa (WECA) and Middle East and North Africa (MENA) contributed 44% (June 2011: 45%) and 33% (June 2011: 33%), respectively.

The SEA region increased its subscriber base by 5.1% for the quarter. This satisfactory growth was attributable to South Africa which increased its subscriber base by 5.9% to 20,968,000 for the quarter and contributed 58% to the region's subscribers. Net connections for the South African operation reflected a strong improvement during the quarter. Postpaid connections, both classic and hybrid, improved through both independent retail and branded channels, largely due to improved stock availability and increased channel activity. Prepaid connections for the quarter totaled 1.036 million, almost double the rate achieved for the second quarter. Uganda increased its subscriber base by 3.7% to 7,508,000. During the period, revenue growth became a more important priority and tariffs were successfully increased. While subscriber growth was still satisfactory, there was a marginal loss in subscriber market share.

The WECA region increased its subscriber base by 2.8% for the quarter as a result of slower subscriber growth in Nigeria. Subscriber registration had a negative impact on connections as the GSM market declined from 82.7 million to 81.84 million subscribers during the third quarter. MTN Nigeria recorded a 1.4% increase in its subscriber base to 41,107,000, contributing 59% to the region's subscribers. Following the introduction of new pricing plans and segmented value proposition during August and September, net connection performance improved during the quarter, particularly in September when 459,000 net connections were recorded. The SIM registration deadline has been extended indefinitely. At the end of September 2011, 73% of the base had been registered by MTN Nigeria. MTN Nigeria received notice from the Nigerian Communications Commission ("NCC") that it, together with two other operators, had not complied with the NCC quality of service requirements. Further that MTN Nigeria had 30 days from 1 November 2011 to meet the set targets

as set out in the notice. Failure to comply will result in the NCC directive in the time frame given, will require all new sales of SIM cards to be stopped and the imposition of a financial penalty. MTN is engaged with the regulator on the content and consequences of the allegations. Ghana continued to show good growth and increased its subscriber base by 3.4% to 9,894,000, maintaining its leadership position.

The MENA region recorded a 5.3% increase in subscribers for the quarter. The growth within the region was mainly attributable to Iran which increased its subscribers by 3.5% to 33,314,000 and now contributes 64% of the region's subscribers. Syria increased its subscribers by 6.0% to 5,428,000 as the operation adjusted to the changing conditions resulting from the political turmoil in the country. Sudan made good progress and increased its subscriber base by 17% to 5,374,000 as initiatives continued gaining traction.

MTN South Africa's blended average revenue per user ("ARPU") remained stable at R133.8 compared to 30 June 2011. No material changes were made to the value proposition and average outgoing minutes of use increased marginally for the quarter. Nigerian ARPU in remained stable despite a marginal reduction in effective tariff. Ghana's ARPU in US \$ decreased by 1% due to local currency depreciation. Local currency ARPU's in Ghana and Iran remained relatively constant with stable effective tariffs and average outgoing minutes. Uganda showed a small upward trend in local currency ARPU as higher effective tariffs did not reduce outgoing minutes of use following the increase in tariffs during the quarter.

As markets mature, steady progress has continued in developing and implementing various group initiatives, particularly in the centralization of procurement, developing a data strategy to pursue the rapidly evolving market opportunity, and on various cost optimization opportunities. Although many data services initiatives are in early stages of execution, data growth continues to be robust across the group. Data contributes 21% (13% excluding SMS) and 6% (3% excluding SMS) of revenue (excluding handsets and accessory revenue in South Africa and Nigeria respectively, with Smartphone penetration a key enabler of data growth.

Upstreaming of cash from all key operating companies, other than Syria, has continued successfully. This is in line with the strategy of increasing returns to shareholders and ultimately providing the flexibility to improve the capital structure. Increases in the level of capital expenditure will not meaningfully impact on this.

Approximately 90% of the full year guidance for capital expenditure is projected to be capitalized by year end. The bulk of the orders for the remaining 10% will still be placed in 2011, but capitalized in 2012.

**Revised 2011 net additions guidance**

	August (000')	October (000')
South Africa	2,000	2,700
Nigeria	4,400	3,200
Ghana	1 300	1,500
Iran	4 500	4,400
Syria	500	730
Rest	7 700	9,300
	20 100	21,830

## Subscriber Numbers

	Jun-11	Sep-11	% change	Contribution %
	Subs '001	Subs '001		
<b>SEA</b>				
South Africa	19,799	20,968	5.9%	58%
<i>Post-paid</i>	3,555	3,688	3.7%	10%
<i>Pre-paid</i>	16,244	17,280	6.4%	48%
Uganda	7,241	7,508	3.7%	21%
Mascom - Botswana	1,481	1,509	1.9%	4%
Rwanda	2,794	2,864	2.5%	8%
Zambia	2,173	2,383	9.7%	7%
Swaziland	718	710	-1.1%	2%
<b>Sub total</b>	<b>34,206</b>	<b>35,942</b>	<b>5.1%</b>	<b>22.7%</b>
<b>WECA</b>				
Nigeria	40,540	41,107	1.4%	59%
Ghana	9,562	9,894	3.4%	14%
Cameroon	4,879	5,464	12.0%	8%
Cote d'Ivoire	5,644	5,944	5.3%	9%
Benin	2,305	2,300	-0.2%	3%
Conakry	2,110	2,183	3.5%	3%
Congo- Brazzaville	1,731	1,729	-0.1%	2%
Liberia	852	939	10.2%	1%
Bissau	599	587	-2.0%	1%
<b>Sub total</b>	<b>68,222</b>	<b>70,147</b>	<b>2.8%</b>	<b>44.2%</b>
<b>MENA</b>				
Iran	32,182	33,314	3.5%	64%
Syria	5,123	5,428	6.0%	10%
Sudan	4,594	5,374	17.0%	10%
Afghanistan	4,338	4,412	1.7%	8%
Yemen	3,344	3,693	10.4%	7%
Cyprus	263	280	6.2%	1%
<b>Sub total</b>	<b>49,844</b>	<b>52,501</b>	<b>5.3%</b>	<b>33.1%</b>
<b>Total</b>	<b>152,272</b>	<b>158,590</b>	<b>4.1%</b>	<b>100%</b>

## ARPU

	Jun-11	Sep-11	% change	LC % change
	YTD ARPU	YTD ARPU		
SEA	US \$	US \$		
South Africa (R)	134.0	134.0	n/a	0%
Post-paid (R)	291.0	291.0	n/a	0%
Pre-paid (R)	99.8	100.0	n/a	0%
Uganda	3.4	3.3	-3%	2%
Mascom - Botswana	10.1	10.3	2%	3%
Rwanda	3.6	3.8	6%	6%
Zambia	4.7	5.0	6%	9%
Swaziland	13.9	13.9	0%	0%
<b>WECA</b>				
Nigeria	9.8	9.8	0%	0%
Ghana	7.0	6.9	-1%	0%
Cameroon	7.6	7.5	-1%	-1%
Cote d'Ivoire	5.8	5.8	0%	0%
Benin	8.7	8.8	1%	1%
Conakry	4.7	4.7	0%	0%
Congo-Brazzaville	9.4	9.8	4%	4%
Liberia	10.4	10.1	-3%	-3%
Bissau	7.1	6.9	-3%	-4%
<b>MENA</b>				
Iran	7.9	7.9	0%	2%
Syria	14.1	14.3	1%	1%
Sudan	4.6	4.4	-4%	-4%
Afghanistan	4.8	4.8	0%	3%
Yemen	5.7	5.8	2%	6%
Cyprus	33.0	31.6	-4%	-4%

Subscribers are customers who have participated in a revenue generating activity in the last 90 days. ARPU is the monthly weighted average revenue per subscriber. Revenue includes interconnect fees and excludes connection fees and visitor roaming revenue, and this is divided by the weighted average subscriber base over the period.

South Africa subscribers and ARPU's include community service payphones into pre-paid and application providers into post-paid.

Fairland  
27 October 2011

Sponsor  
Deutsche Securities (SA) (Proprietary) Limited