

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

SUBSCRIBER AND AVERAGE REVENUE PER USER (ARPU) NUMBERS FOR THE QUARTER ENDED 31 MARCH 2012

MTN Group recorded 170 573 000 subscribers at 31 March 2012. This is a 3,7% increase for the quarter from 164 501 000 subscribers recorded at 31 December 2011. The Group delivered a satisfactory performance notwithstanding continued high levels of competition in key markets.

Consistent with the new management structure, this commentary includes detailed analysis of each of the five larger operations (MTN South Africa, MTN Nigeria, MTN Irancell, MTN Ghana and MTN Syria) and highlights from the rest of the operations. However, a schedule of subscriber and ARPU numbers for all operations is also given.

MTN South Africa contributed 13,3% to Group subscribers and delivered a sound performance in a mature market. It increased its subscriber base 3,2% for the quarter. The postpaid segment performed well, increasing its subscriber base by 4,4% mainly due to attractive data propositions. The prepaid segment increased its subscriber base by 2,9% despite increased competition. This was attributable to competitive promotions including the continued success of MTN Zone through improved informal distribution channels. Blended ARPU declined 7,9% mainly due to a reduction in interconnect rates to 56 cents in March 2012 from 73 cents previously. Postpaid and prepaid ARPU decreased 6,7% and 8,1% respectively.

MTN Nigeria contributed 25,1% to Group subscribers and increased its subscriber base by 3,0% for the quarter. Net connections of 1 258 000 were negatively impacted by a nationwide strike in January and aggressive competition. Slower net connections at the beginning of the year resulted in a marginal loss of MTN's share of the market. However, corrective measures enabled the operation to increase network capacity and improve net connections later in the quarter. No clarity has yet been provided on the deadline for SIM registration. The harmonizing of MTN Nigeria's database of registered subscribers with the NCC database is in progress. Local currency ARPU declined by 1,1% for the quarter.

MTN Irancell contributed 21,6% to Group subscribers. On a proportional basis, reflecting MTN's 49% ownership, its contribution was 11,9%. It continued to deliver a solid performance growing its subscriber base by 6,2% and increasing its share of the market for the quarter. This was mainly due to attractive value propositions including 2-in-1 SIM packs and various seasonal promotions. At the end of March, MTN Irancell recorded 213 000 WiMax customers. Local currency ARPU increased 3,7% due to improved network quality. The third mobile operator is expected to launch commercially in the second quarter of 2012.

MTN Ghana contributed 6,1% to Group subscribers, increasing its subscribers 2,3% for the quarter and maintaining market share in a competitive environment. This was

due to attractive promotions as well as the implementation of a regional structure to better manage sales and marketing. Local currency ARPU increased by 3,4% mainly because of revised value propositions. The deadline for SIM registration was 1 March 2012 resulting in a disconnection of 21 237 subscribers representing 2% of the subscriber base. The sixth mobile operator had its commercial launch at the end of April 2012.

MTN Syria contributed 3,3% to Group subscribers. Its performance continued to be hampered by civil unrest in the country, which resulted in a reduction of subscriber numbers of 23 000 subscribers and a decline in local currency ARPU of 8,5%.

The rest of MTN's operations contributed 30,5% to Group subscribers, representing an increase in users of 3,5%. MTN Uganda increased its subscriber base by 1,2% as the market slowed due to SIM registration. MTN Sudan continued to show good progress, increasing its subscriber base by 5,3% for the quarter attributable to attractive value propositions and improved distribution. MTN Cameroon also performed well and increased its subscriber base by 9,8%. This was attributable to a more aggressive informal distribution strategy and attractive value propositions. MTN Cote d'Ivoire increased its subscriber base marginally by 0,5% because of the removal of 200 000 non revenue generating SIM cards and lower gross connections due to SIM registration.

The Group continues to prioritise key initiatives to better manage the business as consumer trends evolve and competition intensifies. Data and related products and services continued to gain momentum. Data, including SMS, contributes 14,4% to revenue, driven mainly by MTN South Africa. Mobile Money has now been launched in 13 countries. At the end of March 2012, MTN had 6,2 million Mobile Money subscribers. Initiatives to optimise costs continue to be rolled out and the centralized procurement initiative is showing solid progress.

Network quality and capacity remains a key imperative for the Group. The majority of the operations continued to aggressively rollout network and achieved satisfactory progress for the quarter.

Revised 2012 net additions guidance

	December 2011 (000')	March 2012 (000')
South Africa	2,900	2,900
Nigeria	4,000	4,000
Iran	4,000	5,000
Ghana	950	950
Syria	450	450
Rest	8,000	8,000
Total	20,300	21,300

Subscriber numbers

	Dec-11	Mar-12	Change	Contribution
	Subs '000	Subs '000		
South Africa	22,033	22,735	3.2%	13.3%
<i>Post-paid</i>	3,834	4,004	4.4%	2.3%
<i>Pre-paid</i>	18,199	18,731	2.9%	11.0%
Nigeria	41,641	42,899	3.0%	25.1%
Iran (100%)	34,681	36,831	6.2%	21.6%
Ghana	10,156	10,394	2.3%	6.1%
Syria	5,716	5,693	-0.4%	3.3%
Sub total	114,227	118,552	3.8%	69.5%
Rest of operations				
Uganda	7,629	7,725	1.2%	4.5%
Sudan	6,013	*6,334	5.3%	3.7%
Cameroon	5,800	6,367	9.8%	3.7%
Côte d'Ivoire	6,305	6,337	0.5%	3.7%
Afghanistan	4,768	4,952	3.9%	2.9%
Yemen	3,880	4,035	4.0%	2.4%
Zambia	2,704	2,946	9.0%	1.7%
Rwanda	2,889	2,899	0.4%	1.7%
Benin	2,399	2,488	3.7%	1.5%
Guinea-Conakry	1,987	1,977	-0.5%	1.2%
Congo – Brazzaville	1,672	1,634	-2.2%	1.0%
Botswana	1,584	1,603	1.2%	0.9%
Liberia	1,006	1,045	3.9%	0.6%
Swaziland	767	788	2.8%	0.5%
Guinea-Bissau	591	608	2.9%	0.4%
Cyprus	280	283	0.8%	0.2%
Sub total	50,274	52,022	3.5%	30.5%
Total subscribers	164,501	170,573	3.7%	100.0%

ARPU

	Dec-11	Mar-12	% change**	LC % change
	YTD ARPU	YTD ARPU		
		US\$		
South Africa (R)	134.2	123.5	-7.9%	-7.9%
Post-paid (R)	286.3	267.2	-6.7%	-6.7%
Pre-paid (R)	101.4	93.2	-8.1%	-8.1%
Nigeria	9.7	9.4	-3.5%	-1.1%
Iran	7.9	7.5	-5.8%	3.7%
Ghana	7.0	6.6	-5.6%	3.4%
Syria	13.9	10.4	-25.7%	-8.5%
Rest of operations				
Uganda	3.50	3.99	14.1%	8.5%
Sudan	4.5	*3.7	-16.8%	-11.5%
Cameroon	7.3	6.4	-11.5%	-6.7%
Côte d'Ivoire	6.0	6.1	1.8%	7.7%
Afghanistan	4.7	4.5	-4.4%	1.2%
Yemen	6.1	6.2	2.0%	-2.6%
Zambia	5.2	4.4	-14.2%	-8.1%
Rwanda	3.8	3.8	0.6%	1.8%
Benin	8.8	8.0	-9.1%	-3.5%
Guinea-Conakry	4.8	5.6	17.4%	18.2%
Congo - Brazzaville	9.8	10.3	4.8%	11.3%
Botswana	10.0	8.5	-14.8%	-9.2%
Liberia	9.9	9.2	-7.6%	-7.6%
Swaziland	13.57	10.83	-20.2%	-14.3%
Guinea-Bissau	6.5	5.4	-17.0%	-11.7%
Cyprus	32.3	27.0	-16.4%	-11.2%

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 ARPUs include community service payphones into pre-paid and application providers into post-paid.

* Does not include South Sudan.

** %s are based on actual and not rounded figures