

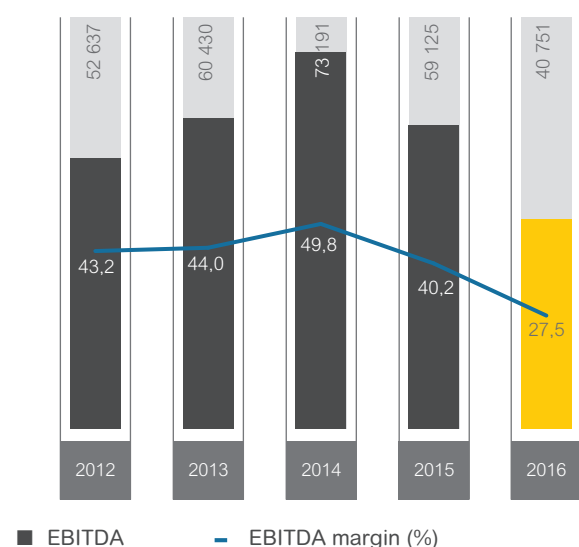
Five-year financial review

Income statement	2016 US\$m	CAGR ¹ %	2016 Rm	2015 Rm	2014 Rm	2013 Rm	2012 Rm
Revenue	10 123	5	147 920	147 063	146 930	137 270	121 867
Other income	23	(22)	335	8 409	7 928	1 327	894
Operating expenses	(6 638)	8	(97 005)	(87 060)	(81 667)	(78 167)	(70 124)
Nigeria regulatory fine	(698)	–	(10 499)	(9 287)	–	–	–
EBITDA	2 810	(6)	40 751	59 125	73 191	60 430	52 637
Depreciation and amortisation	(1 761)	13	(25 736)	(23 293)	(21 513)	(19 278)	(15 952)
Impairment of goodwill	(60)	(34)	(873)	(504)	(2 033)	–	–
Operating profit	989	(21)	14 142	35 328	49 645	41 152	36 685
Net finance costs	(718)	29	(10 495)	(3 010)	(3 668)	(1 234)	(3 790)
Net monetary gain	118	40	1 723	1 348	878	–	–
Share of profit or (loss) of associates and joint ventures after tax	(9)	(55)	(127)	1 226	4 208	3 431	3 008
Profit before tax	380	(38)	5 243	34 892	51 063	43 349	35 903
Income tax expense	(571)	(8)	(8 346)	(11 322)	(13 361)	(12 487)	(11 835)
(Loss)/profit attributable to	(191)		(3 103)	23 570	37 702	30 862	24 068
– Equity holders of the Company	(158)	(40)	(2 614)	20 204	32 079	26 751	20 704
– Non-controlling interests	(33)	(38)	(489)	3 366	5 623	4 111	3 364
Headline earnings	(96)	(48)	(1 409)	13 600	28 183	25 860	20 018

¹ Compound annual growth rate.

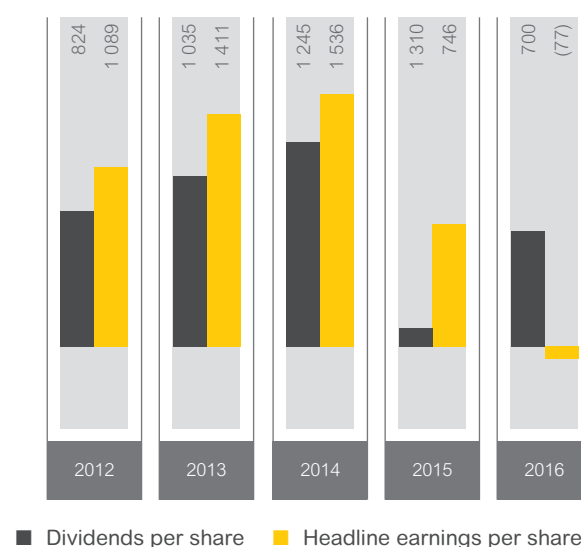
EBITDA

(R million)



Headline earnings and dividends per share

(cents)

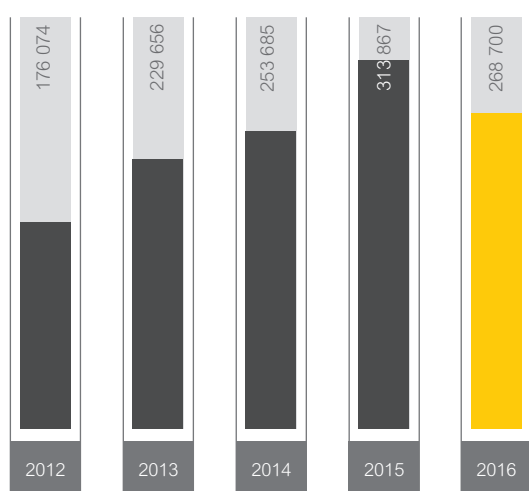


Statement of financial position	2016 US\$m	CAGR ¹ %	2016 Rm	2015 Rm	2014 Rm	2013 Rm	2012 Rm
Property, plant and equipment	6 969	7	95 633	106 702	87 546	92 903	73 905
Goodwill and intangible assets	3 587	9	46 473	55 887	36 618	37 751	32 594
Investments and loans	3 343	39	45 876	55 304	37 945	20 385	12 409
Deferred tax assets	81	(4)	1 107	542	1 109	2 044	1 291
Bank balances, deposits and cash	2 555	–	35 052	43 536	48 736	45 673	34 565
Other current assets	3 247	20	44 559	51 896	41 731	30 900	21 310
Total assets	19 582	11	268 700	313 867	253 685	229 656	176 074
Equity attributable to equity holders of the Company	7 461	4	102 380	146 369	128 517	116 479	89 006
Non-controlling interests	208	(7)	2 851	5 469	4 925	5 333	3 881
Total equity	7 669	3	105 231	151 838	133 442	121 812	92 887
Interest-bearing liabilities	6 337	28	86 954	75 171	53 279	46 025	32 084
Non-interest-bearing liabilities	4 916	12	67 456	73 817	55 952	48 349	42 392
Deferred tax liabilities	660	1	9 059	13 041	11 012	13 470	8 711
Total liabilities	11 913	18	163 469	162 029	120 243	107 844	83 187
Total equity and liabilities	19 582	11	268 700	313 867	253 685	229 656	176 074

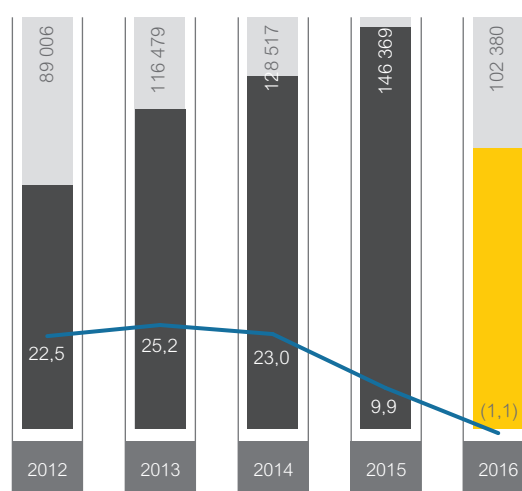
¹ Compound annual growth rate.

Total assets

(R million)



Equity (R million) and return (%)



- Equity attributable to equity holders of the Company
- Return on average shareholders' funds

■ ■ Five-year financial review continued

Statement of cash flows	2016 US\$m	CAGR¹ %	2016 Rm	2015 Rm	2014 Rm	2013 Rm	2012 Rm
Net cash inflows from operating activities	1 418	1	20 716	13 122	27 132	27 025	20 062
Net cash used in investing activities	(2 765)	14	(40 408)	(34 290)	(25 991)	(19 835)	(24 212)
Net cash from/(used in) financing activities	1 434	–	20 951	8 101	2 639	6 264	(5 280)
Net increase/(decrease) in cash and cash equivalents	87	–	1 259	(13 067)	3 780	13 454	(9 430)
Cash and cash equivalents at beginning of the year	2 207	1	34 139	43 072	39 577	22 539	33 074
Exchange gains/(losses) on cash and cash equivalents	(298)	64	(8 023)	4 134	(285)	3 584	(1 105)
Cash and cash equivalents at end of the year	1 996	5	27 375	34 139	43 072	39 577	22 539
<i>Statement of cash flows – extracts</i>							
Cash generated from operations	3 810	2	55 681	57 598	64 628	59 708	51 105
Dividends paid to equity holders of the Company	(1 354)	7	(19 792)	(23 506)	(20 527)	(16 187)	(14 919)
Acquisition of property, plant and equipment	2 046	10	(29 899)	(21 612)	(19 562)	(24 568)	(20 741)

¹ Compound annual growth rate.

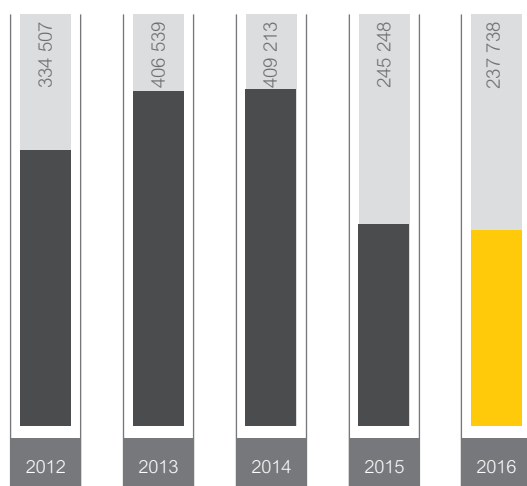
	CAGR		2016	2015	2014	2013	2012
Performance per ordinary share	%						
Basic earnings (cents)	–	(144)	1 109	1 752	1 460	1 126	
Diluted earnings (cents)	–	(144)	1 106	1 742	1 452	1 120	
Headline earnings (cents)	–	(77)	746	1 536	1 411	1 089	
Dividends (cents)	(4)	700	1 310	1 245	1 035	824	
Net asset value – book value (rand) ¹	4	54,3	79,3	69,5	62,2	47,3	
Returns and profitability ratios							
Return on assets (%) ²		4,9	12,4	20,5	20,3	21,0	
Return on average shareholders' funds (%) ³		(1,1)	9,9	23,0	25,2	22,5	
EBITDA margin (%)		27,5	40,2	49,8	44,0	43,2	
Adjusted free cash flow		5 483	29 514	47 785	30 266	23 810	
EBITDA multiple (times) ⁴		5	4,0	5,5	6,7	6,4	
Effective taxation rate (%)		159,2	32,4	26,2	28,8	33,0	
Solvency and liquidity ratios							
Gearing (%) ⁵		49,3	20,8	3,4	0,3	(2,7)	
Interest cover (times) ⁶		0,6	1,6	4,8	3,3	4,3	
Dividends cover (times) ⁷		(0,1)	0,6	1,2	1,4	1,3	
Net debt to EBITDA ⁸		1,3	0,5	0,1	–	–	
Operating cash flow/revenue (%)		37,6	39,2	44,0	43,5	41,9	
Share statistics							
Closing price (cents per share)	(8)	12 617	13 289	22 141	21 702	17 760	
Market capitalisation (Rm)	(8)	237 738	245 248	409 213	406 539	334 507	
US dollar to rand exchange rates							
Average	15	14,61	12,30	10,86	9,65	8,16	
Closing	14	13,72	15,47	11,55	10,52	8,47	

Definitions:

- ¹ Ordinary shareholders' interest divided by the number of ordinary shares in issue at year-end.
² Operating profit as a percentage of the average of the opening and closing balances of total assets.
³ Headline earnings as a percentage of the average of the opening and closing balances of ordinary shareholders' interest.
⁴ Market capitalisation less net (cash)/debt (interest-bearing liabilities less bank balances, deposits and cash) divided by EBITDA.
⁵ Net (cash)/debt as a percentage of total equity.
⁶ Operating profit divided by finance costs.
⁷ Headline earnings divided by total dividend.
⁸ Interest-bearing liabilities less cash, divided by EBITDA.

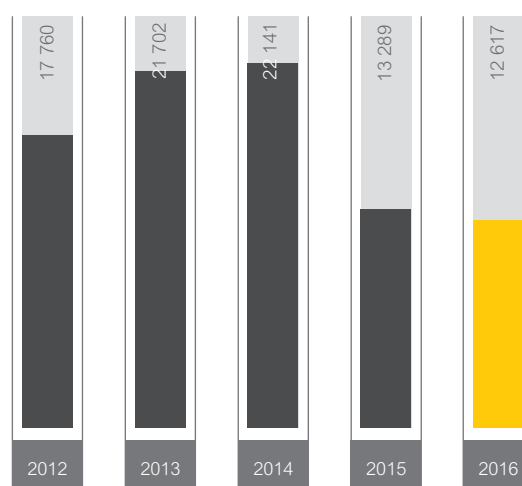
Market capitalisation

(R million)



Closing share price

(R)



■ ■ Five-year financial review continued

Non-financial information	CAGR					
	%	2016	2015	2014	2013	2012
Countries in which MTN has GSM licences		22	21	21	21	21
Subscriber numbers (million)	6	240,4	232,5	223,3	207,8	189,3
Group entities (excluding joint ventures)	3	163,9	183,6	176,8	163,9	146,4
Joint ventures	16	76,5	48,9	46,5	43,9	42,9
Countries in which MTN has largest market share		15	15	15	15	15
Total number of employees	(8)	19 466	21 084	22 204	25 424	26 716
Group entities (excluding joint ventures)	(8)	17 054	18 735	19 475	22 476	23 871
Joint ventures	(4)	2 412	2 349	2 729	2 948	2 845
CO ₂ emissions from energy use (tonnes)	11	1 606 174	1 589 888	1 531 527	1 520 895	1 040 723
Operational information						
South Africa						
Mobile penetration (%)	4	152	170	154	135	131
Market share (%)	(1)	36	34	34	35	38
Subscribers (million)	5	31	31	28	26	25
ARPU (ZAR) ¹	(7)	93	92	92	108	122
EBITDA margin (%)	(2)	33	33	32	35	35
Capex/revenue (%)	13	26	27	15	14	16
Nigeria						
Mobile penetration (%)		73	79	73	69	62
Market share (%)		48	45	49	49	48
Subscribers (million)	7	62	61	60	57	47
ARPU (US\$) ¹	(20)	4	6	6	7	9
EBITDA margin (%)		46	53	59	61	58
Capex/revenue (%)		18	10	16	30	36
Nigerian naira average foreign exchange rate	(2)	18,28	15,63	15,27	16,46	19,50
Nigerian naira closing foreign exchange rate	5	22,81	12,88	15,93	15,23	18,47
Ghana						
Mobile penetration (%)		121	114	102	99	91
Market share (%)		56	52	51	50	51
Subscribers (million)	12	19	16	14	13	12
ARPU (US\$) ¹	(14)	3	3	4	6	6
EBITDA margin (%) ²		41	40	37	38	37
Capex/revenue (%)		24	23	20	20	16
Ghanaian cedi average foreign exchange rate	5	0,27	0,30	0,27	0,21	0,23
Ghanaian cedi closing foreign exchange rate	7	0,31	0,25	0,28	0,22	0,22

¹ Annual ARPU.

² Excluding profit on tower sales.

Five-year financial review continued

FIVE-YEAR REVIEW

Operational information	CAGR %	2016	2015	2014	2013	2012
Iran						
Mobile penetration (%)		127	123	120	114	113
Market share (%)		46	47	46	47	47
Subscribers (million)	4	48	46	44	41	41
ARPU (US\$) ¹	(15)	4	4	4	4	7
EBITDA margin (%)		39	41	43	43	44
Capex/revenue (%)		31	31	27	19	9
Iranian rial average foreign exchange rate	6	2 120	2 266	2 390	2 554	1 686
Iranian rial closing foreign exchange rate	(5)	2 355	1 947	2 342	2 356	2 905
Syria						
Mobile penetration (%)		80	84	82	81	59
Market share (%)		45	42	44	44	45
Subscribers (million)	–	6	6	6	6	6
ARPU (US\$) ¹	(24)	3	4	4	5	9
EBITDA margin (%)		32	18	19	17	23
Capex/revenue (%)		49	37	10	28	11
Syrian pound average foreign exchange rate	40	32,41	21,64	15,43	13,57	8,34
Syrian pound closing foreign exchange rate	39	37,71	21,76	17,15	13,67	10,22
Cameroon						
Mobile penetration (%)		72	69	73	69	62
Market share (%)		57	56	59	59	56
Subscribers (million)	9	10	9	10	7	7
ARPU (US\$) ¹	(11)	3	4	4	6	6
EBITDA margin (%) ²		33	36	43	46	46
Capex/revenue (%)		35	33	14	19	19
Cameroon Communauté Financière Africaine franc average foreign exchange rate	(10)	40,23	46,67	45,77	51,96	62,20
Cameroon Communauté Financière Africaine franc closing foreign exchange rate	(6)	45,34	39,02	46,94	45,23	58,70
Ivory Coast						
Mobile penetration (%)		117	109	84	79	77
Market share (%)		33	32	39	38	36
Subscribers (million)	12	9	8	8	7	6
ARPU (US\$) ¹	(9)	4	5	6	7	6
EBITDA margin (%) ²		33	34	39	41	40
Capex/revenue (%)		24	13	19	15	22
Côte d'Ivoire Communauté Financière Africaine franc average foreign exchange rate	(10)	40,55	47,00	45,81	51,50	62,31
Côte d'Ivoire Communauté Financière Africaine franc closing foreign exchange rate	(6)	45,56	39,81	46,94	45,23	58,70

¹ Annual ARPU.

² Excluding profit on tower sales.

■ ■ Five-year financial review continued

Non-financial information	CAGR %	2016	2015	2014	2013	2012
Uganda						
Mobile penetration (%)		48	44	47	44	41
Market share (%)		53	51	57	54	53
Subscribers (million)	7	11	9	10	9	8
ARPU (US\$) ¹	(11)	2	2	3	4	4
EBITDA margin (%)		30	34	39	36	36
Capex/revenue (%)		14	18	13	12	13
Uganda shilling average foreign exchange rate	(6)	232,52	253,16	240,06	264,66	303,08
Uganda shilling closing foreign exchange rate	(4)	261,73	217,67	239,02	239,81	312,26
Sudan						
Mobile penetration (%)		56	67	69	73	73
Market share (%)		35	34	36	34	32
Subscribers (million)	(2)	7	8	9	9	8
ARPU (US\$) ¹	1	3	3	2	2	3
EBITDA margin (%)		32	35	34	32	28
Capex/revenue (%)		34	24	52	43	62
Sudanese pound average foreign exchange rate	-	0,43	0,47	0,53	0,50	0,43
Sudanese pound closing foreign exchange rate	(2)	0,48	0,39	0,52	0,54	0,52

¹ Annual ARPU.