

Vodacom Group Limited fact sheet

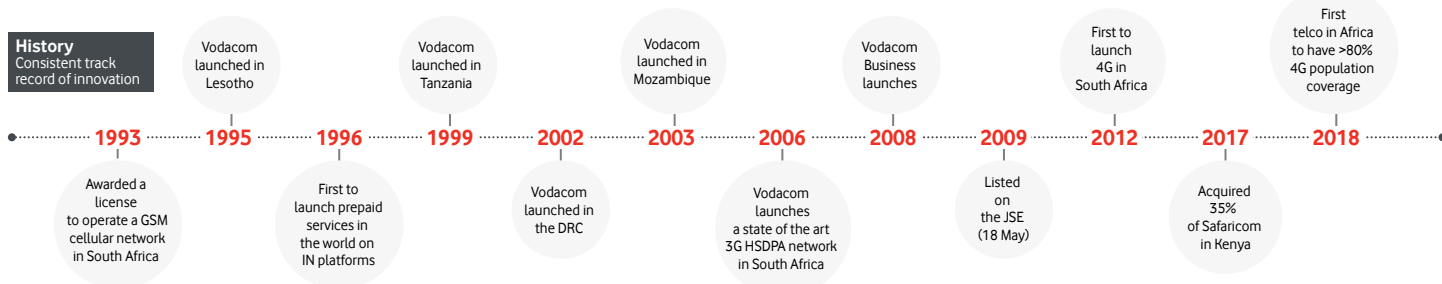
as at 31 March 2018

Vodacom is a leading African communications company providing a wide range of communication services, including mobile voice, messaging, data, financial and converged services to 103 million customers (including Safaricom). From our roots in South Africa, we have grown our mobile network business to include operations in Tanzania, the DRC, Mozambique, Lesotho and Kenya¹. Our mobile networks cover a total population of over 284 million² people. Through Vodacom Business Africa, we offer business managed services to enterprises in 32 countries. Vodacom is majority owned by Vodafone (64.5% holding), one of the world's largest communications companies by revenue, and is listed on the JSE in South Africa.



History

Consistent track record of innovation



Key people



Phillip Jabulani Moleketi (Jabu) (60)
Chairman of the Board

Jabu is non-executive chairman of Brait SA and the Development Bank of South Africa. He is a former Deputy Minister of Finance (2004-2008) and former MEC (Member of the Executive Council) of Financial and Economic Affairs in the Gauteng Provincial Government (1994-2004). He is a director of several companies listed on the JSE Limited. Jabu was appointed to the Vodacom Group Board in November 2009 and appointed Chairman of the Board in July 2017.



Mohamed Shameel Aziz Joosub (47)
Chief Executive Officer

Shameel is a former CEO of Vodafone Spain. He was previously the Managing Director of Vodacom South Africa and a Director of the Vodacom Group Board from 2000 until 2010 prior to his secondment to Vodafone Spain. Shameel joined Vodacom in March 1994 after completing his accounting training contract and has been Managing Director of a number of Vodacom companies since 1998. He was re-appointed to the Vodacom Group Board in September 2012 after his return from Spain.



Till Streichert (44)
Chief Financial Officer

Till held the role of Executive Director Finance at Vodacom South Africa from February 2014, and was subsequently appointed to the Vodacom Group Board as CFO of Vodacom Group, in August 2015. Prior to joining Vodacom, Till was the CFO at Vodafone Romania and held a number of senior finance and commercial roles in Romania, including Director of Channel Marketing, Logistics and Sales Operations, Director of Financial Planning/Reporting and Finance Operations. Till started his career working for the CEO of T-Mobile Germany before undertaking various senior roles at T-Mobile UK. He has also served as a strategy consultant at The Boston Consulting Group. Till was named CFO of the year 2017.

Non-executive Board members: Bafelelang Priscillah Mabelane, David Hugh Brown, John William Lorimer Otty, Marten Pieters, Michael Joseph, Ronald Adrianus Wilhelmus Schellekens, Sakumzi (Saki) Macozoma, Thoko Martha Mokgosi-Mwantembe, Vivek Badrinath.

Executive committee: Mohamed Shameel Aziz Joosub (CEO), Till Streichert (CFO), Andries Delport (Chief Technology Officer), Diego Gutierrez (Chief Operating Officer International Business), Errol van Graan (Chief Officer Commercial Operations), Jorge Mendes (Chief Officer Consumer Sales and Distribution), Matimba Mbungela (Chief Human Resources Officer), Nadya Bhettay (Chief Officer Strategy and New Business), Nkateko Nyoka (Chief Officer Legal and Regulatory), Nyimpini Mabunda (Chief Officer Consumer Business Unit), Takalani Netshitenzhe (Chief Officer Corporate Affairs), William Mzimba (Chief Officer Vodacom Business).

Notes:

1. As at 7 August 2017 associate holding in Safaricom of 34.94%.

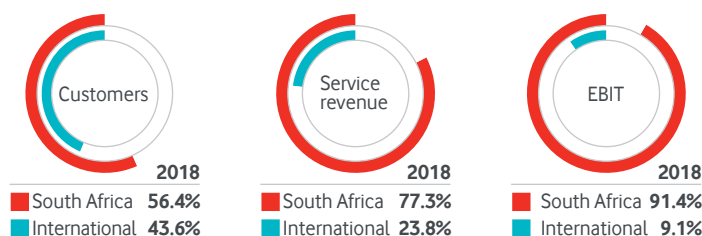
2. Total population including Kenya.

* Normalised growth which presents performance on a comparable basis. This excludes merger and acquisition activity and adjusting for trading foreign exchange and foreign currency fluctuations on a constant currency basis (using the current year as base).

Key financials

Rm	Year ended 31 March		Year-on-year % change	
	2018	2017	Reported	Normalised*
Revenue	86 370	81 278	6.3	7.8
Service revenue	70 632	68 286	3.4	5.1
EBITDA	32 898	31 238	5.3	
EBIT	23 109	22 126	4.4	2.8
Net profit from associate and joint venture [^]	1 507	1	-	
Operating profit	24 252	21 750	11.5	3.0
Net profit	15 562	13 126	18.6	
Capital expenditure	11 594	11 292	2.7	
Operating free cash flow	21 117	19 555	8.0	
Free cash flow	14 195	11 403	24.5	
Headline earnings per share (cents)	923	923	-	
Total dividend per share (cents) ³	815	830	(1.8)	

Contribution % – As at 31 March 2018



Shareholder return for the year ended 31 March 2018

Vodacom	ZAR	6.2
	USD	20.2
MTN	ZAR	3.3
	USD	17.0
Telkom	ZAR	(24.3)
	USD	(14.3)

Source: Factset 1 April 2017 to 31 March 2018.

Group medium-term targets⁴

Service revenue	EBIT	Capex intensity
Mid-single digit	Mid-to-high single digit	12% – 14%

3. Declared.

4. These targets are on average over the next three years and are on a normalised basis in constant currency. The above targets assume broadly stable currencies in each of our markets and stable macro and regulatory environments. Excluding effects from IFRS 15 and IFRS 16 implementation.

Our strategic objectives



Segmented Propositions

We will develop a deep insight of our customers' needs, wants and behaviours, and provide propositions to lead in chosen segments.



Best Customer Experience

We will provide a seamless, frictionless, personalised, digital experience to our customers.



Best Technology

We will be the leading telco through the best network and IT excellence, with digital at the core.



Digital Organisation and Culture

We will build an organisation of the future where digital is first for all employees, underpinned by innovation, agility and new skills.



Our Brand and Reputation

We will be a purpose-driven brand with a deserved reputation for leadership in driving social progress through transformational solutions.

South Africa



Ownership	100% ¹
Population ² (estimate)	57.4 million
GDP growth estimate ²	1.4%
Customers	41.6 million
ARPU ³ (local currency per month)	R101
Licence expiry period	2029
Service revenue market share	50.7%
Coverage ⁵	99.9%

Tanzania



Ownership	61.6% ⁶
Population ² (estimate)	59.1 million
GDP growth estimate ²	6.5%
Customers	12.9 million
ARPU ³ (local currency per month)	TZS6 086
Licence expiry period	2031
Customer market share	32.1%
Coverage ⁵	88.3%

DRC



Ownership	51%
Population ² (estimate)	84 million
GDP growth estimate ²	2.7%
Customers	11.8 million
ARPU ³ (local currency per month)	US\$2.9
Licence expiry period ⁴	2028/2032
Customer market share	38.9%
Coverage ⁵	49.8%

Mozambique



Ownership	85%
Population ² (estimate)	30.5 million
GDP growth estimate ²	3.6%
Customers	6.1 million
ARPU ³ (local currency per month)	MZN241
Licence expiry period ⁴	2018/2026
Customer market share	50.3%
Coverage ⁵	48.5%

Lesotho



Ownership	80%
Population ² (estimate)	2.3 million
GDP growth estimate ²	3.5%
Customers	1.4 million
ARPU ³ (local currency per month)	LSL70
Licence expiry period	2036
Customer market share	92.6%
Coverage ⁵	97.3%

Kenya

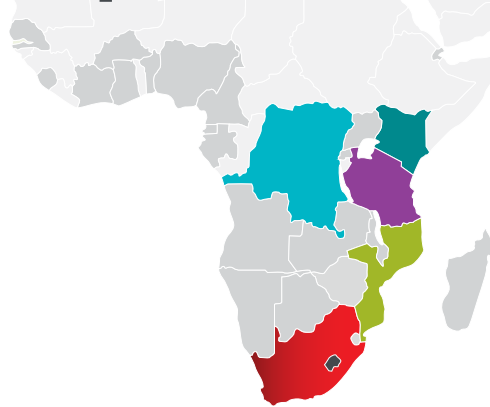


Ownership	35%
Population ² (estimate)	51.0 million
GDP growth estimate ²	5.4%
Customers	29.6 million
ARPU ³ (local currency per month)	KSH685
Licence expiry period	2024
Customer market share	69.1%
Coverage ⁵	96%

Vodacom Business Africa

Angola	Djibouti	Malaysia	Singapore
Benin	Equatorial Guinea	Mauritius	South Africa
Botswana	France	Mozambique	Swaziland
Burkina Faso	Gabon	Namibia	Tanzania
Cameroon	Ghana	Nigeria	Uganda
Côte d'Ivoire	Kenya	Rwanda	United Kingdom
Democratic Republic of Congo (DRC)	Lesotho	Senegal	Zambia
	Madagascar	Sierra Leone	Zimbabwe
	Malawi		

Where we operate



Notes:

- 6.25% held indirectly through structured entities which are consolidated in terms of IFRS 10: Consolidated Financial Statements as part of the BBBEE transaction.
- Bureau for Economic Research (BER) and the Economist Intelligence Unit (EIU). Gross Domestic Profit (GDP) relates to real GDP growth.
- Total average revenue per user (ARPU) is calculated by dividing the average monthly service revenue by the average monthly active customers during the period.
- 2018/2028 relates to the 2G licence and 2026/2032 relates to the 3G licence.
- 2G coverage.
- In August 2017 Vodacom Tanzania Ltd successfully listed 25% of shares through an IPO on the Dar es Salaam stock exchange, thereby diluting the Vodacom Group shareholding in the Company.



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Calendar

- 17 July 2018 > Group AGM
- 19 July 2018 > Q1 results
- 12 November 2018 > Interim results

Ticker symbol

ADR code	VDMCY
Stock exchange	JSE Limited
Shares in issue	1 721 413 781
Freefloat	30.25% ¹
Transfer agent	Computershare

VOD

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1. Including 11.09% holding by PIC.

Forward-looking statements

This factsheet contains 'forward-looking statements', which have not been reviewed or reported on by the Group's auditors, with respect to the Group's financial condition, results of operations and businesses and certain of the Group's plans and objectives. In particular, such forward-looking statements include statements relating to: the Group's future performance; future capital expenditures, acquisitions, divestitures, expenses, revenues, financial conditions, dividend policy, and future prospects; business and management strategies relating to the expansion and growth of the Group; the effects of regulation of the Group's businesses by governments in the countries in which it operates; the Group's expectations as to the launch and roll out dates for products, services or technologies; expectations regarding the operating environment and market conditions; growth in customers and usage; and the rate of dividend growth by the Group.

Forward-looking statements are sometimes, but not always, identified by their use of a date in the future or such words as 'will', 'anticipates', 'aims', 'could', 'may', 'should', 'expects', 'believes', 'intends', 'plans' or 'targets'. By their nature, forward-looking statements are inherently predictive, speculative and involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future, involve known and unknown risks, uncertainties and other facts or factors which may cause the actual results, performance or achievements of the Group, or its industry to be materially different from any results, performance or achievement expressed or implied by such forward-looking statements. Forward-looking statements are not guarantees of future performance and are based on assumptions regarding the Group's present and future business strategies and the environments in which it operates now and in the future.

All subsequent oral or written forward-looking statements attributable to the Group or any member thereof or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statements above and below. Vodacom expressly disclaims any liability in respect of the content of any forward looking statement and also expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein or to reflect any change in their expectations with regard thereto or any change in events, conditions or circumstances on which any such forward-looking statement is based.