



# Vodacom interim results

For the six months ended  
30 September 2019



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IFRS 16 was adopted by the Group on 1 April 2019 with the cumulative retrospective impact reflected as an adjustment to equity on the date of adoption. As a result, information presented for the six months ended 30 September 2018 is presented under the previous statement IAS 17, while the period ended 30 September 2019 is presented in accordance with IFRS 16. The reported change reflected in this document is done on this basis while normalised growth adjusts for differences in reporting of the current year and the prior year, to give the reader a like-for-like comparison of underlying performance.

This presentation also contains forward-looking statements which are subject to risks and uncertainties because they relate to future events. These forward-looking statements include, without limitation, statements in relation to the Group's projected financial results. Some of the factors which may cause actual results to differ from these forward-looking statements are discussed on slide 39 of this presentation.

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# Purpose-led Vodacom | Connecting for a better future



Digital society



Inclusion for all



Planet



Education



Health & Wellness



Safety & Security



Jobs



Social



Targeted pricing



Connect South Africans for a better future by democratising access to key information & resources:

## INCLUSION FOR ALL

Create a **free-to-use platform** where customers can access critical services and resources that support their daily struggles and needs





# Highlights



**+3.9%**

Revenue

R44.4 billion

**R6.3bn**

Capex

+14.3% intensity

**+9.9%** (0.7%\*)

EBITDA

R18.2 billion

**+16.0%** (1.2%\*)

Operating profit

R12.9 billion

**115.0m**

Customers<sup>1</sup>

+5.8%

**61.3m**

Data customers<sup>1</sup>

+9.3%

**460cps**

HEPS

+18.9%

**440cps**

Total DPS

+11.4%

1. Including Safaricom

\* Normalised growth presents performance on a comparable basis. This excludes merger and acquisition activity, adjusting for trading foreign exchange, foreign currency fluctuation on a constant currency basis (using the current period as base) and IFRS 16 related adjustments





# South Africa | Growth returns

Key indicators	1H20	Reported % change	Normalised* % change
Service revenue (Rm)	25 797	0.3	
EBITDA (Rm)	13 916	0.8	(3.9)
Data customers ('000)	21 420	4.3	
4G customers ('000)	11 012	28.8	
Active smart devices ('000)	20 276	6.1	
Average GB per smart device	1.3	53.5	

## +4.2%

Q2 underlying service revenue growth

## +28.8%

Increase in 4G customers

## +54.6%

Data traffic growth

\* Normalised growth represents performance on a comparable basis. This excludes merger and acquisition activity, adjusting for trading foreign exchange, foreign currency fluctuation on a constant currency basis (using the current period as base) and IFRS 16 related adjustments.





# International | Sustained strong growth

Key indicators	1H20	Reported % change	Normalised* % change
Service revenue (Rm)	10 780	15.5	8.7
Data revenue <sup>1</sup> (Rm)	1 802	27.2	20.2
M-Pesa revenue (Rm)	1 937	37.4	28.9
EBITDA (Rm)	4 298	47.7	15.4
Customers ('000)	36 587	5.4	
M-Pesa customers ('000)	14 297	8.5	

## +15.5%

Service revenue growth

## 18.0%

M-Pesa revenue to Service revenue

## +2.0 million

customer net adds

1. Excluding integrated packages.

\* Normalised growth represents performance on a comparable basis. This excludes merger and acquisition activity, adjusting for trading foreign exchange, foreign currency fluctuation on a constant currency basis (using the current period as base) and IFRS 16 related adjustments.





# Safaricom | Strength underpinned

Key indicators	1H20 KES'bn	1H20 R'm	% change*
Service revenue	124	17 650	5.3
M-Pesa revenue	42	5 957	18.2
Net profit	35	5 064	14.4
Customers ('000)	34 570		15.5
Data customers ('000)	20 194		14.8
M-Pesa customers ('000)	23 611		12.4

## +18.2%

M-Pesa revenue growth

## +2.7 million

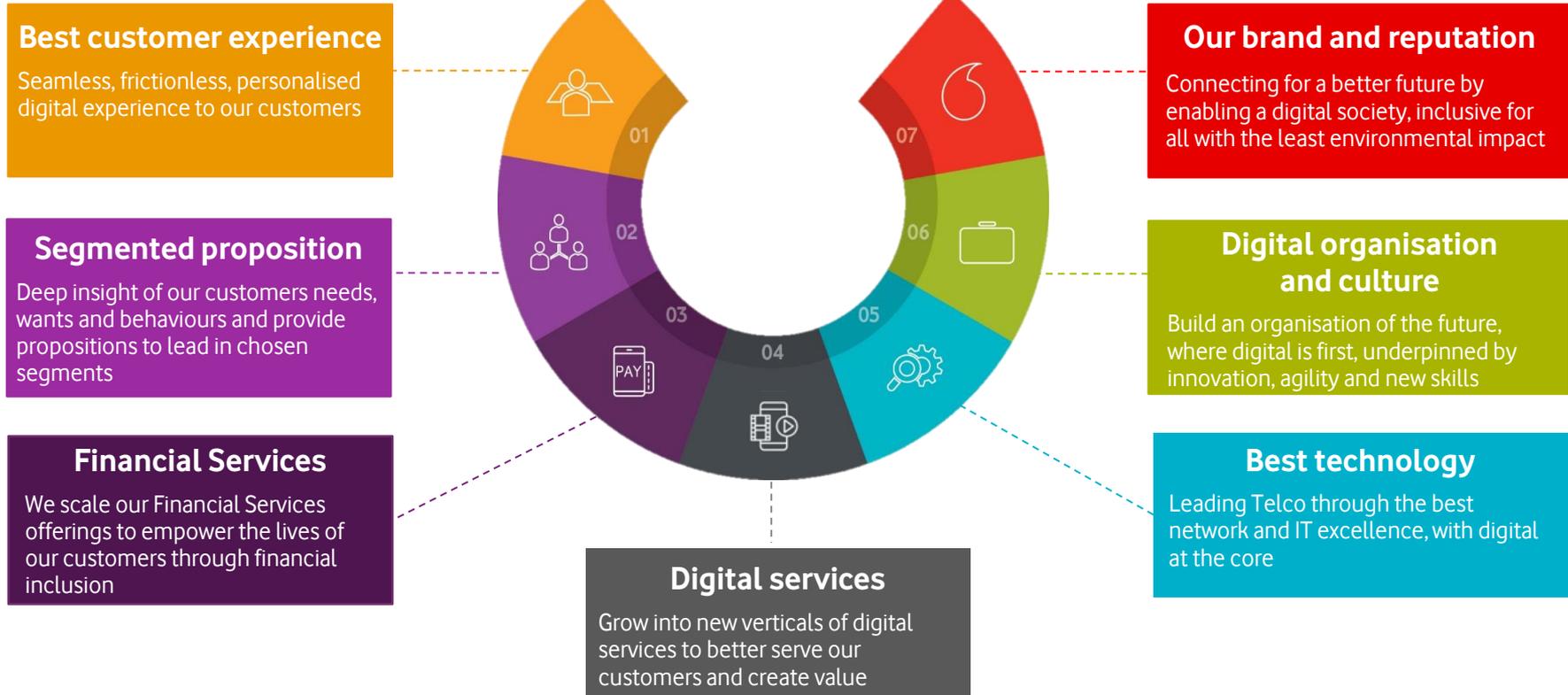
customer net adds

## +14.8%

Increased data customers

\* Normalised growth represents performance on a comparable basis. This excludes merger and acquisition activity, adjusting for trading foreign exchange, foreign currency fluctuation on a constant currency basis (using the current period as base) and IFRS 16 related adjustments.







# Digital services | Unlocking OTT for everyone

Top Blockbusters

**1 million**  
Video Play customers

**14.8 million**  
Video on demand purchases

**1.9 million**  
App downloads

**5.6 million**  
subscribers

**343 000**  
subscribers

**Over 2 000**  
Games available





# Commercial progress: Transforming data to be more affordable and accessible

## More data

Data plus on postpaid consumer  
c40% more data

2017

complete

## Affordability for prepaid

New shorter validity bundles

2018

Added data to Power Hour 

4/5 bundle sales < 30 days

## Big bundles for sharing/ family

Big data bundles discounted 31%

2019

Data traffic +54%

## Improve customer experience

OOB rate cut and regulation

1 March 2019

OOB data revenue<sup>1</sup> down from 10% to 3.8%

## Even more value

c.25% reduction in data pricing (30 day bundles)

2Q 2020

**1GB**  
now only **R99**  
30-day bundle  
was R149

Added **1.5 million** data customers to **21.4 million**

Average data usage per smart device up **53.5%** to **1.3GB**

Data bundles sold up **7.9%** to **472 million**



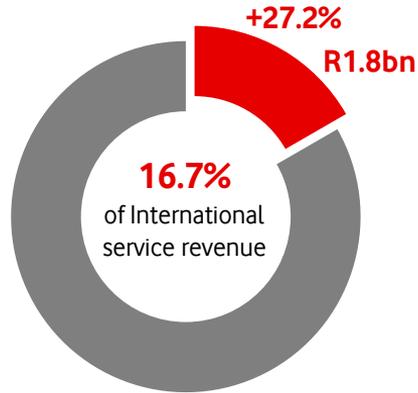
1. OOB data revenue as a % of Service revenue  
Interim results | 30 September 2019





# Commercial progress: International data | potential realising

## Data<sup>1</sup> contribution



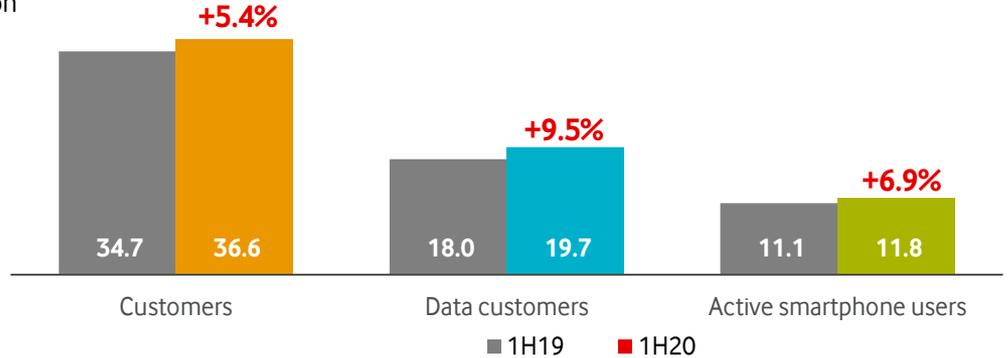
**R1.6bn** capital investment

Data traffic up **+30.2%**

1. Excluding integrated packages.

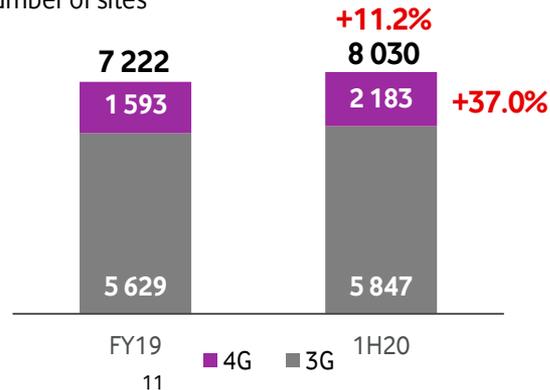
## Data users

Million



## Expanding data coverage

Number of sites

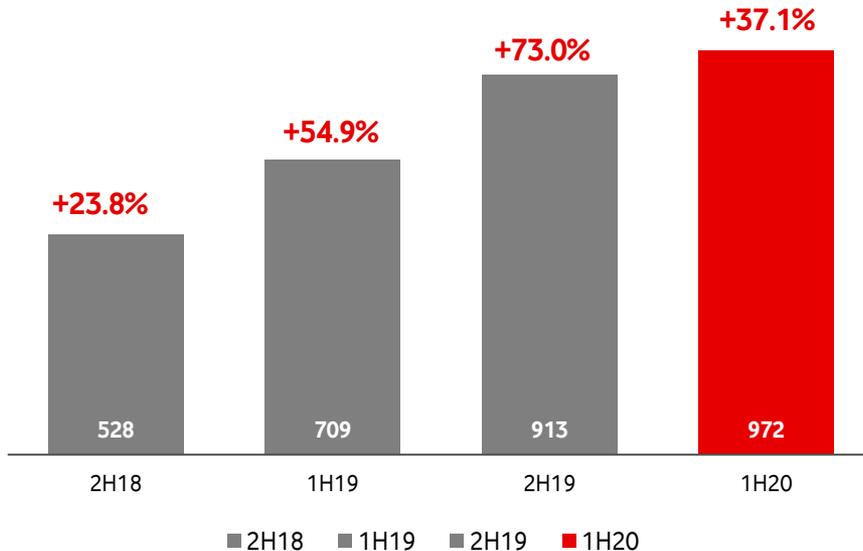




# Commercial progress: Financial services | expanding new services

## Financial services in South Africa

Financial services revenue (R million)



**VodaPay** launched in June

**R4.9 billion** airtime advanced with  
**9.9 million** customers engaged

Insurance revenue up **+21.8%**

Insurance policies up **+55.1%**  
to **1.6 million**

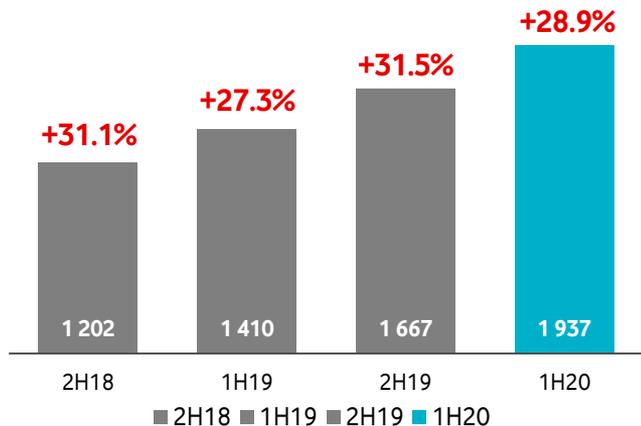




# Commercial progress: M-Pesa | continued momentum

## M-Pesa in International

M-Pesa revenue (R million)



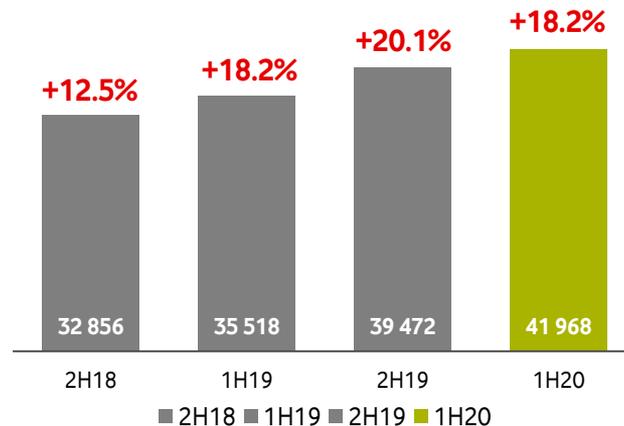
**US\$13.9 billion**  
processed monthly

**37.9 million**  
total M-Pesa customers

**R7.9 billion**  
total M-Pesa revenue

## M-Pesa in Safaricom

M-Pesa revenue (KES'm)



**18%** contribution to service revenue

M-Pesa customers up 8.5% to **14.3 million**

**39.1%** of customers using M-Pesa



**33.8%** contribution to service revenue

M-Pesa customers up 12.4% to **23.6 million**

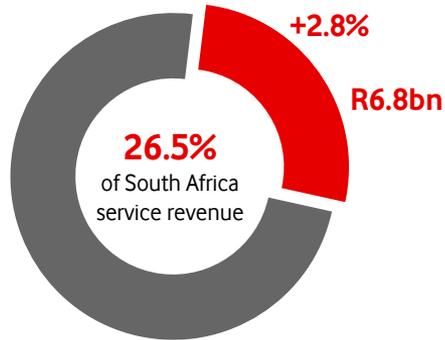
**68.2%** of customers using M-Pesa





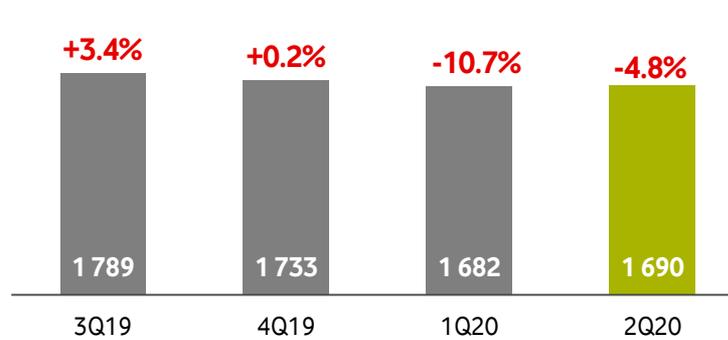
# Enterprise | Fixed growing strongly, mobile impacted by EUSSC

## SA Enterprise service revenue contribution



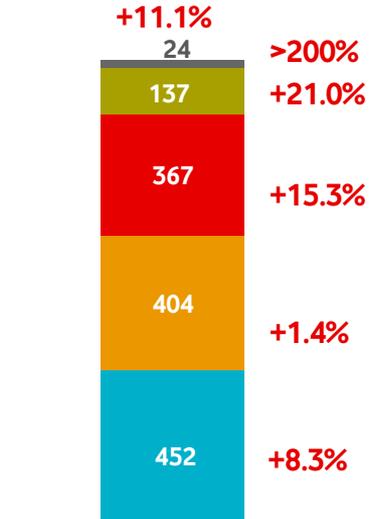
## SA Enterprise mobile revenue

R million



## SA fixed revenue per category

R million



- Transit & carrier
- Connectivity
- IPVPN
- Cloud and hosting
- Other

# SHAKE!UP





# New business update | IoT



## Competition Commission approved

Implementing solutions for Vodacom base stations to drive cost savings – to be scaled into other markets

## Collaborating with Vodacom sales channels to take IoT solutions to Vodacom customers

Unlocking industry depth through Vodacom channels, eg. mining and manufacturing

## Leveraging VGE global reach

### Internet in the car

Vodacom takes the wheel of Africa's first connected vehicle in partnership with Toyota and Netstar



**NETSTAR**

A SUBSIDIARY OF ALTRON

**4.6m**

IoT connections **+14.2%**



## New Business update | AWS



**Vodacom AWS Business Group**, Africa's only AWS Business Group launched

Vodacom has established its **AWS Cloud Centre of Excellence**

Vodacom is driving its open cloud ecosystem approach and has invited consulting partners to collaborate

Targeting premier partner status by 2020 - 4/5 training requirements achieved

180 employees in AWS classroom training

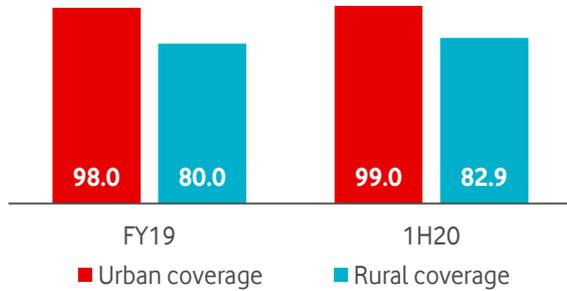




# Technology | Readyng the network

## SA network coverage

4G population coverage (%)



## 5G

Vodacom has demonstrated **Africa's first live, 5G data session** on a commercially ready 5G mobile phone and network

## 4G

4G Sites deployed across Vodacom International markets **>2170 Sites**



### API Gateway

**5** partners onboarded



### Tobi Chatbot

**>2.8 million** chats



**Gartner IT for Customers (IT4C)**  
Independent benchmark

**Vodacom #1**  
against mobile operators in South Africa



## South Africa

Spectrum

Competition Commission data market review

ICASA – Inquiry into mobile broadband services

## International

Tanzania biometric customer registration





# Financial review



# IFRS 16 | Impacts

R million	1H20	1H19	R million	1H20	1H19
<b>Income statement</b>			<b>Balance sheet</b>		
<b>Operating lease expenses</b>			<b>Right of use assets</b>		
Group	-	1 274	Group	10 982	-
South Africa	-	671	South Africa	5 498	-
International	-	603	International	5 731	-
<b>Depreciation right of use assets</b>			<b>Lease liabilities</b>		
Group	1 396	-	Group	11 473	-
South Africa	775	-	South Africa	5 898	-
International	552	-	International	5 869	-
<b>Finance costs</b>					
Group	650	-			
South Africa	270	-			
International	397	-			





# Group income statement

R million	1H20 (IFRS 16)	1H19 (IAS 17)	Reported % change	Normalised* % change
<b>Revenue</b>	<b>44 389</b>	<b>42 707</b>	<b>3.9</b>	<b>2.5</b>
Service revenue	36 003	34 552	4.2	2.5
<b>EBITDA</b>	<b>18 166</b>	<b>16 534</b>	<b>9.9</b>	<b>0.7</b>
EBITDA-aL	16 203	n/a	n/a	
Depreciation and amortisation	(6 967)	(5 316)	31.1	
Net profit from associate and joint venture	1 673	1 345	24.4	
<b>Operating profit</b>	<b>12 883</b>	<b>11 106</b>	<b>16.0</b>	<b>1.2</b>
Net finance charges	(1 600)	(952)	68.1	
<b>Profit before tax</b>	<b>11 283</b>	<b>10 154</b>	<b>11.1</b>	
Taxation	(3 084)	(3 365)	(8.4)	
<b>Net profit</b>	<b>8 199</b>	<b>6 789</b>	<b>20.8</b>	
<b>Attributable to:</b>				
Equity shareholders	7 834	6 564	19.3	
Non-controlling interests	365	225	62.2	
<b>EPS (cents)</b>	<b>461</b>	<b>386</b>	<b>19.4</b>	
<b>HEPS (cents)</b>	<b>460</b>	<b>387</b>	<b>18.9</b>	
Weighted average shares in issue (million)	1 698	1 699	-	

\* Normalised growth represents performance on a comparable basis. This excludes merger and acquisition activity, adjusting for trading foreign exchange, foreign currency fluctuation on a constant currency basis (using the current period as base) and IFRS 16 related adjustments.

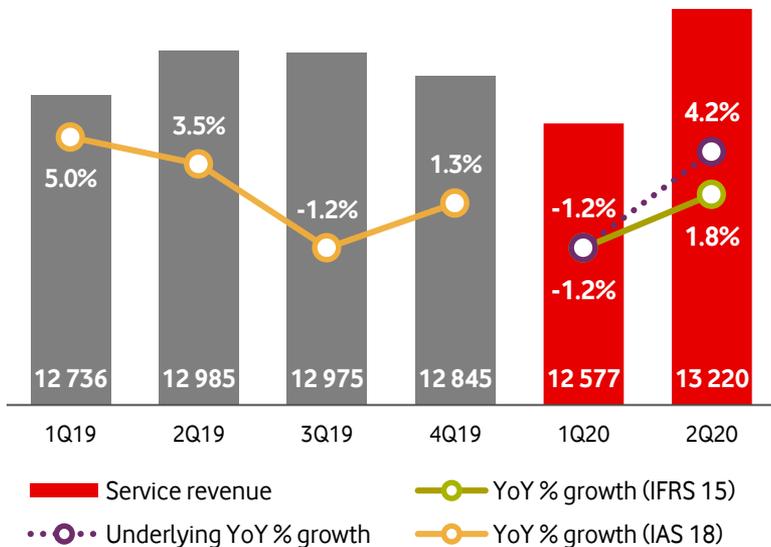




# Service revenue | SA growth recovery; International extended strong performance

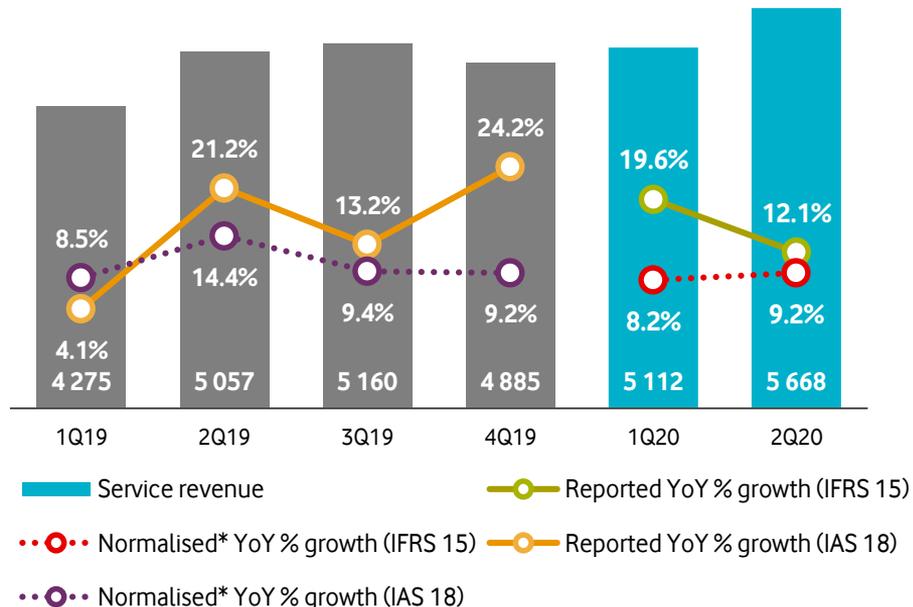
## South Africa

R million / %



## International

R million / %



Underlying growth is adjusting for the deferral release of R292 million in the prior year.

\* Normalised growth represents performance on a comparable basis. This excludes merger and acquisition activity, adjusting for trading foreign exchange, foreign currency fluctuation on a constant currency basis (using the current period as base) and IFRS 16 related adjustments.





# Group expenses | Well contained

## Group expenses<sup>1</sup>

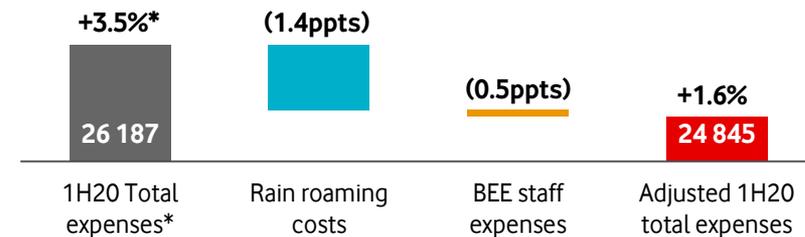
R million	1H20 (IFRS 16)	1H19 (IAS 17)	Reported % change	Normalised* % change
Direct expenses	16 161	15 331	5.4	
Operating expenses	10 051	10 895	(7.7)	
<b>Total expenses (incl. IFRS 16)</b>	<b>26 212</b>	<b>26 226</b>	<b>(0.1)</b>	<b>3.5</b>
Of which:				
South Africa	<b>20 036</b>	19 886	<b>0.8</b>	<b>4.3</b>
International	<b>6 800</b>	6 751	<b>0.7</b>	<b>3.8</b>

1. Includes IAS 17 operating lease expense in the prior year.

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## Group total expenses reconciliation

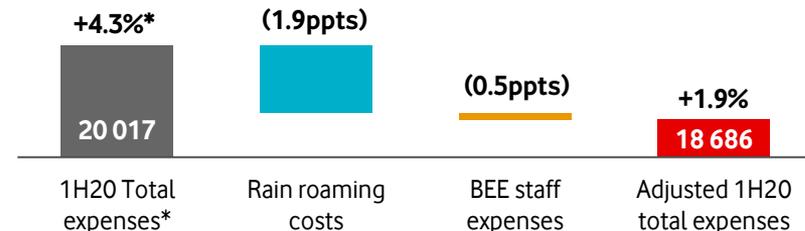
R million



Fit for growth delivery of almost R900 million savings offsetting 5% growth in network sites and inflationary increases

## South Africa total expenses reconciliation

R million



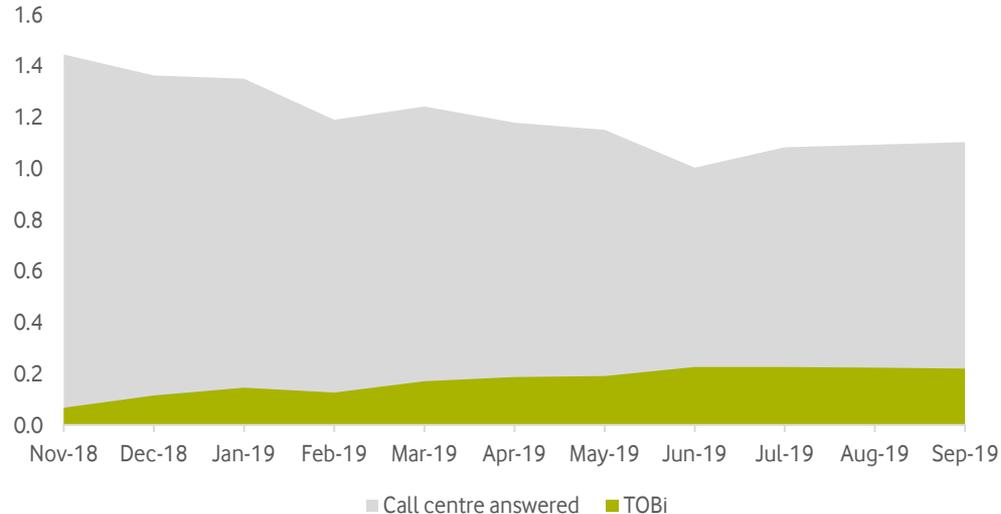


# Costs | TOBi savings



## Call centre volumes

million



**25%** total call volume reduction

Almost **800 000** TOBi chats per month

TOBi containment almost **70%** and improving every month

TOBi engagement is a **fraction of the cost** of a traditional call

Targeting savings from call volume reduction  
**c.R50 million for FY20**





# Big data | Journey of getting smarter

## Faster delivery

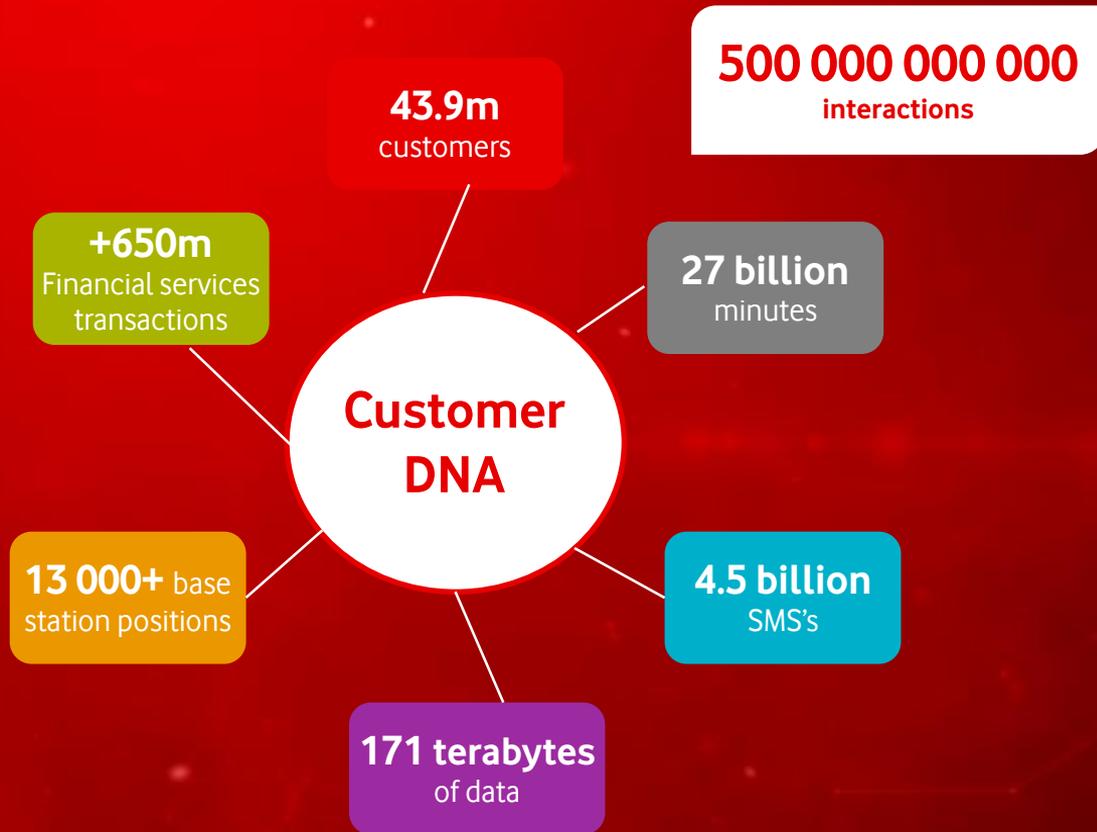
- Shorter development time
- Rapid iteration and experimentation

## Build once use many

- AI & Platform enriched customer profile
- AI Decision Engine
- Open APIs to use multiple times

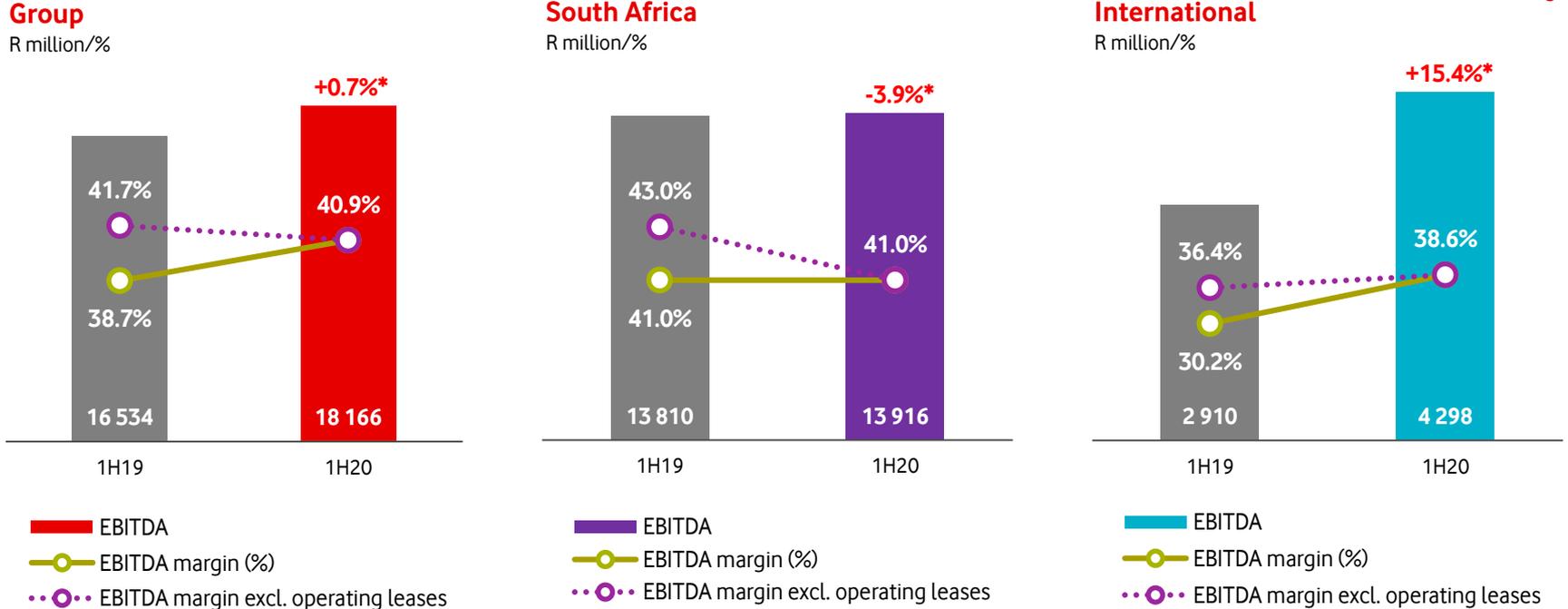
## Embed and expand expertise

- Data science centre of excellence
- Data scientists deployed across the business
- Training technical teams





# Group EBITDA | International performance improving



\* Normalised growth represents performance on a comparable basis. This excludes merger and acquisition activity, adjusting for trading foreign exchange, foreign currency fluctuation on a constant currency basis (using the current period as base) and IFRS 16 related adjustments.





# Finance charges and debt | Gearing impacted by IFRS 16

## Group net finance charges

R million	1H20 (IFRS 16)	1H19 (IAS 17)	% change
Finance income	456	325	40.3
Finance cost	(1 546)	(1 440)	7.4
Interest on lease liabilities	(650)	-	n/a
Net finance costs	(1 740)	(1 115)	56.1
Net gain on remeasurement and disposal of financial instruments	140	163	(14.1)
<b>Net finance charges</b>	<b>(1 600)</b>	<b>(952)</b>	<b>68.1</b>
<b>Average cost of debt<sup>1</sup> (%)</b>	<b>7.7</b>	<b>8.2</b>	

R650 million finance costs relating to lease liabilities recognised under IFRS 16

1. Excluding operating leases

## Group net debt

R million	1H20 (IFRS 16)	FY19 (IAS 17)
Cash balances including overdraft	6 075	11 066
Current borrowings	(14 844)	(10 603)
Non-current borrowings	(32 585)	(23 641)
Other financial instruments	(3)	(176)
<b>Net debt</b>	<b>(41 357)</b>	<b>(23 354)</b>
<b>Net debt/EBITDA (times)</b>	<b>1.1</b>	<b>0.7</b>
<b>Net debt (excl. lease liabilities)</b>	<b>(29 884)</b>	<b>(23 354)</b>
<b>Net debt/EBITDA-aL (times) (excl. lease liabilities)</b>	<b>0.9</b>	<b>0.7</b>

New loan of R1.5 billion from Vodafone Luxembourg  
Lease liabilities under IFRS 16 had a 0.2 times effect on net debt/EBITDA

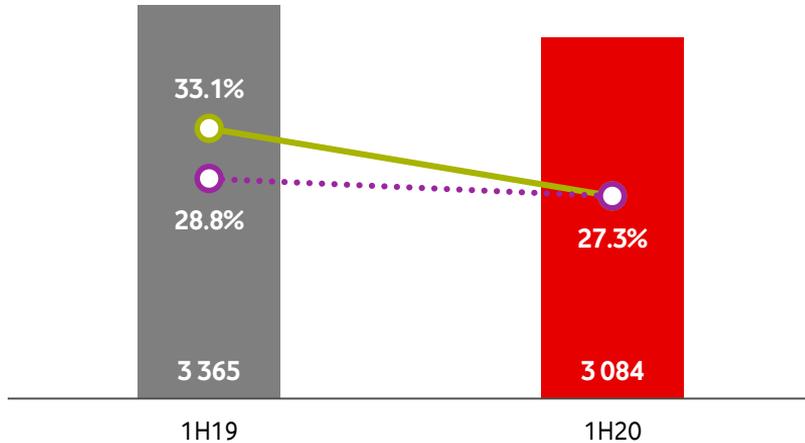




# Group tax | ETR normalising

## Group effective tax

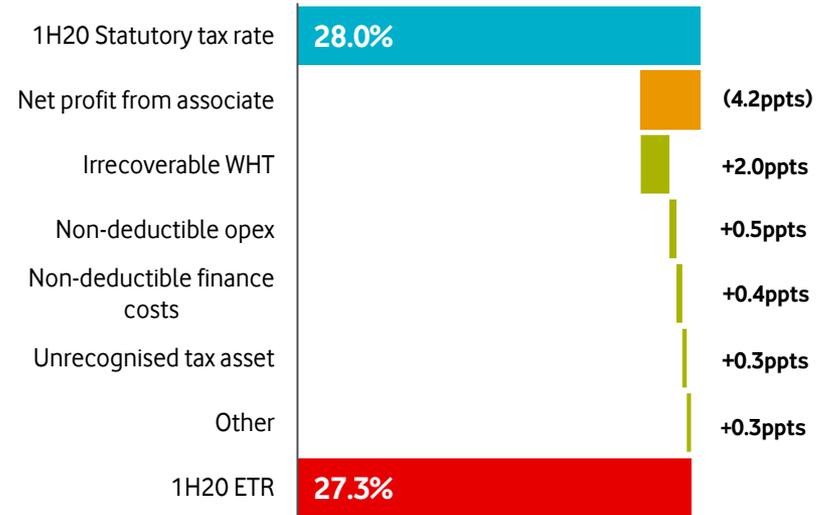
R million/%



- Taxation
- Reported effective tax rate
- Adjusted effective tax rate (excl. BEE)

## Reconciliation to effective tax rate

%



- ETR benefitting from Safaricom inclusion

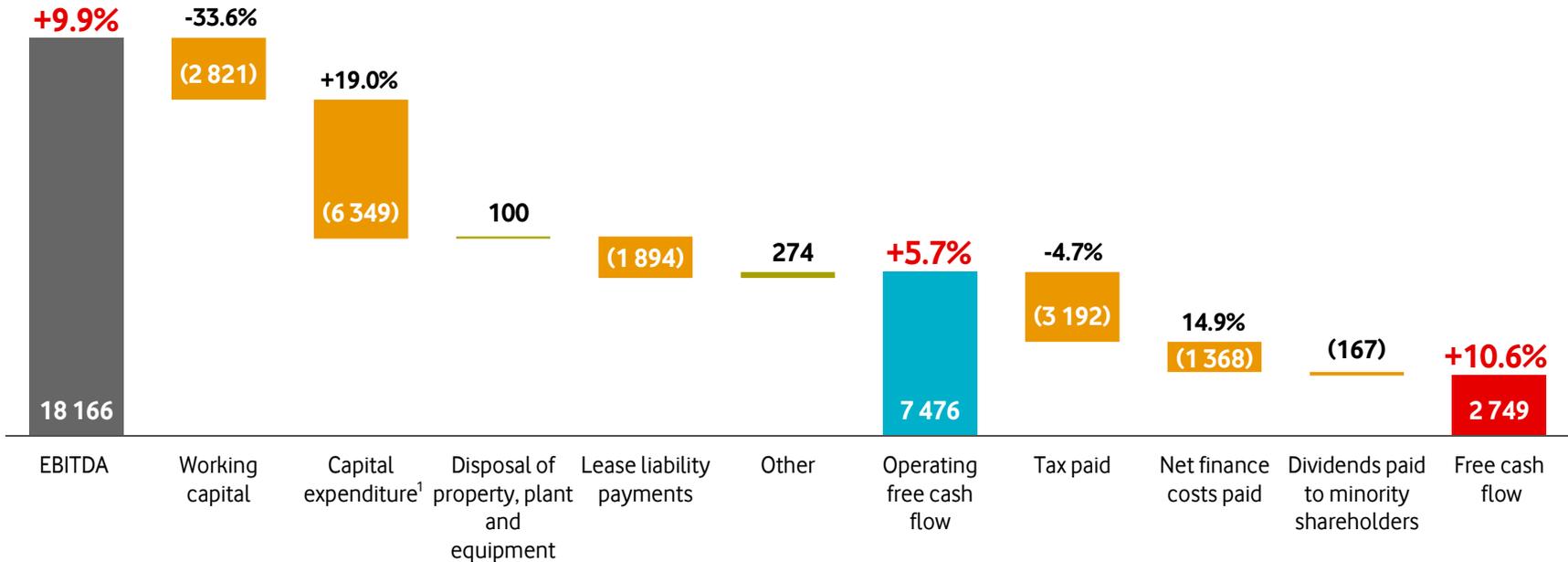




# Cash flow | Free cash flow +10.6%

## Group free cash flow

R million



1. Capital expenditure comprises the purchase of property, plant and equipment and intangible assets, other than license and spectrum payments. Purchases of customer bases are excluded from capital expenditure.

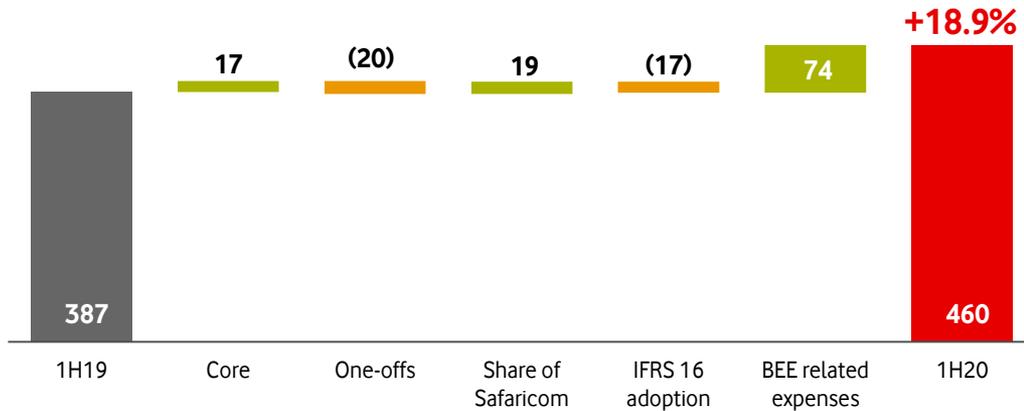




# HEPS | Affected by BEE; boosted by Safaricom

## Headline earnings per share

Cents



**+18.9%**

460

- One-offs impacted Core growth by 20cps
- One-offs include:
  - Prior year deferral release R292 million
  - BEE staff expense R113 million
  - IFRS 15 adjustment R177 million

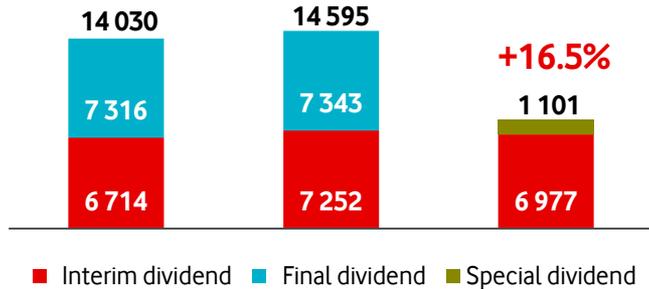




# Shareholder returns | Dividend boost to shareholders

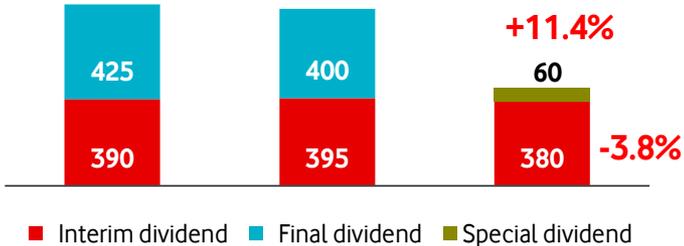
## Total dividend declared

R million



## Total dividend per share declared

Cents



## Dividend policy and final dividend calculation

90% of pre-Safaricom headline earnings	R6 483 million @ 90%	R5 836 million
Flow through of Safaricom cash dividend (net of withholding tax)	R2 267 million @ 50%	R1 138 million
<b>Total interim dividend declared</b>		<b>R6 974 million</b>
Number of shares		1 836 million
<b>Interim dividend per share</b>		<b>380cps</b>
<b>Special dividend</b>		<b>60cps</b>

**440cps**

1. @ 6.99 KES/ZAR, net of withholding tax





## Targets | Confirmed

### Group service revenue

Mid-single digit

### Group operating profit

Mid-to-high single digit

### Group capital intensity

13.0% to 14.5% of Group revenue



These targets are on average, over the next three years and are on a reported basis in constant currency, excluding spectrum purchases, exceptional items and any merger and acquisition activity. Targets are based on IFRS 15 disclosure, as well as the prospective adoption of IFRS16 : Leases.



# Priorities



**Spectrum**

**Customer engagement**

**New platforms**

**Digital Vodacom**

**Financial services growth**

**Partnerships**

**SHAKE!UP**

「Q&A」



	South Africa	Tanzania	DRC	Mozambique	Lesotho	Safaricom
Population <sup>‡</sup> (million)	58	61	87	31	2	52
GDP per capita <sup>‡</sup> (USD)	91 471	1 028	586	464	1 133	1 836
GDP growth estimate <sup>‡</sup> 2019 (%)	1.3	6.5	4.5	3.7	1.0	5.2
Ownership (%)	100	75 <sup>§</sup>	51	85	80	34.94 <sup>‡</sup>
Licence expiry period	2029	2031	2028/2032/2026/ 2021/2038 <sup>μ</sup>	2038	2036	2022/2024/2026 <sup>°</sup>
Customers (thousand)	43 857	14 755	12 995	7 279	1 558	34 570
ARPU (rand/month)	85 <sup>Δ</sup>	39 <sup>Δ</sup>	48 <sup>Δ</sup>	62 <sup>Δ</sup>	71 <sup>Δ</sup>	89 <sup>β</sup>
ARPU (local currency/month)	85 <sup>Δ</sup>	6 050 <sup>Δ</sup>	3.3 <sup>Δ</sup>	261 <sup>Δ</sup>	71 <sup>Δ</sup>	625 <sup>β</sup>
Minutes of use per month	124	180	34	133	85	n/a

<sup>‡</sup> The Bureau of Economic Research for SA and Business Monitor International for all other countries (Extraction date: 15 October 2019).

<sup>¶</sup> GDP per capita in ZAR for SA.

<sup>§</sup> In September 2019 Vodacom Group finalised its acquisition of an additional 588 million shares in Vodacom Tanzania from Mirambo Limited, increasing its stake from 61.6% to 75%.

<sup>‡</sup> Vodacom Group Limited owns 87.5% of Vodafone Kenya Ltd, which in turn holds 39.93% of Safaricom Plc, giving Vodacom an effective holding in Safaricom of 34.94%.

<sup>μ</sup> 2028 (2G licence), 2032 (3G licence), 2026 (wimax licence) and 2021 (VSAT licence), 2038 (4G licence).

<sup>°</sup> 2022 (3G licence), 2024 (2G licence), 2026 (4G licence)

<sup>Δ</sup> Total ARPU is calculated by dividing the average monthly service revenue (including fixed line and other service revenue) by the average monthly customers during the period.

<sup>β</sup> Total ARPU is calculated by dividing the average monthly service revenue (excluding fixed line and other service revenue) by the average active monthly customers during the period.





# Impact of foreign exchange

## Revenue

YoY % growth

1H20	Reported	Normalised*
South Africa	0.8	0.8
International	15.6	8.7
Group	3.9	2.5

## Service revenue

YoY % growth

1H20	Reported	Normalised*
South Africa	0.3	0.3
International	15.5	8.7
Group	4.2	2.5

## Average YTD exchange rates

	1H20	1H19	% change
USD/ZAR	14.54	13.37	8.8
ZAR/MZN	4.29	4.48	(4.2)
ZAR/TZS	158.29	170.80	(7.3)
EUR/ZAR	16.24	15.73	3.2
ZAR/KES	7.05	7.57	(6.9)

## EBITDA

YoY % growth

1H20	Reported	Normalised*
South Africa	0.8	(3.9)
International	47.7	15.4
Group	9.9	0.7

\* Normalised growth which presents performance on a comparable basis. This excludes merger and acquisition activity, trading forex and adjusting for foreign currency fluctuation on a constant currency basis (using the current period as base).





# EBITDA-aL reconciliation

## EBITDA-aL

R'm

1H20	Group	South Africa	International
EBITDA	18 166	13 916	4 298
Depreciation – right of use assets	(1 313)	(775)	(552)
Finance costs – lease liabilities	(650)	(269)	(395)
EBITDA-aL	16 203	12 872	3 351

### EBITDA-aL

Earnings before interest, taxation, depreciation and amortisation, impairment losses, profit/loss on disposal of investments, property, plant and equipment, and intangible assets, profit/loss from associate and joint venture, restructuring cost and BEE income/charge, after depreciation on right of use assets and finance costs related to lease liabilities. The Group's definition of EBITDA-aL may not be comparable with similarly titled measures and disclosures by other companies.





# Definitions

<b>Customers</b>	Customers are based on the total number of mobile customers using any service during the last three months. This includes customers paying a monthly fee that entitles them to use the service even if they do not actually use the service and those customers who are active whilst roaming.
<b>Data customers</b>	Data customers are based on the number of unique users generating billable data traffic during the month. Also included are users on integrated tariff plans, or who have access to corporate APNs, and users who have been allocated a revenue generating data bundle during the month. A user is defined as being active if they are paying a contractual monthly fee for this service or have used the service during the reported month.
<b>ARPU</b>	Total ARPU is calculated by dividing the average monthly service revenue by the average monthly active customers during the period.
<b>Contribution margin</b>	Revenue less direct expenses as a percentage of revenue.
<b>EBITDA</b>	Earnings before interest, taxation, depreciation and amortisation, impairment losses, profit/loss on disposal of investments, property, plant and equipment, and intangible assets, profit/loss from associate and joint venture, restructuring cost and BEE income/charge.
<b>Free cash flow</b>	Cash generated from operations less additions to property, plant and equipment and intangible assets, proceeds on disposal of property, plant and equipment and intangible assets, tax paid, net finance charges paid and net dividends received/paid and movements in amounts due to M-Pesa account holders.
<b>HEPS</b>	Headline earnings per share.
<b>International</b>	International comprises the segment information relating to the non-South African-based cellular networks in Tanzania, the Democratic Republic of Congo, Mozambique and Lesotho as well as the operations of Vodacom International Limited (Mauritius) and Vodacom Business Africa Group (Pty) Limited and its subsidiaries.
<b>MOU</b>	Minutes of use per month is calculated by dividing the average monthly minutes (traffic) during the period by the average monthly active customers during the period.
<b>Normalised growth (*)</b>	Normalised growth which presents performance on a comparable basis. This excludes merger and acquisition activity, trading forex and adjusting for foreign currency fluctuation on a constant currency basis (using the current period as base) and IFRS 16 related adjustments, to show a like-for-like comparison of results.
<b>Operating free cash flow</b>	Cash generated from operations less additions to property, plant and equipment and intangible assets other than licence and spectrum payments and purchases of customer bases, net of proceeds on disposal of property, plant and equipment and intangible assets, other than license and spectrum payments and disposals of customer bases.
<b>South Africa</b>	Vodacom (Pty) Limited, a private limited liability company duly incorporated in accordance with the laws of South Africa and its subsidiaries, joint ventures and SPV's.





## Forward-looking statements

This presentation which sets out the interim results for Vodacom Group Limited for the year ended 30 September 2019 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" (including in their negative form). 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 may or may not occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. These factors include, but are not limited to, the following: changes in economic or political conditions in markets served by operations of the Group; greater than anticipated competitive activity; higher than expected costs or capital expenditures; slower than expected customer growth and reduced customer retention; changes in the spending patterns of new and existing customers; the Group's ability to expand its spectrum position or renew or obtain necessary licences; the Group's ability to achieve cost savings; the Group's ability to execute its strategy in fibre deployment, network expansion, new product and service roll-outs, mobile data, Enterprise and broadband; changes in foreign exchange rates, as well as changes in interest rates; the Group's ability to realise benefits from entering into partnerships or joint ventures and entering into service franchising and brand licensing; unfavourable consequences to the Group of making and integrating acquisitions or disposals; changes to the regulatory framework in which the Group operates; the impact of legal or other proceedings; loss of suppliers or disruption of supply chains; developments in the Group's financial condition, earnings and distributable funds and other factors that the Board takes into account when determining levels of dividends; the Group's ability to satisfy working capital and other requirements; changes in statutory tax rates or profit mix; and/or changes in tax legislation or final resolution of open tax issues.

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.

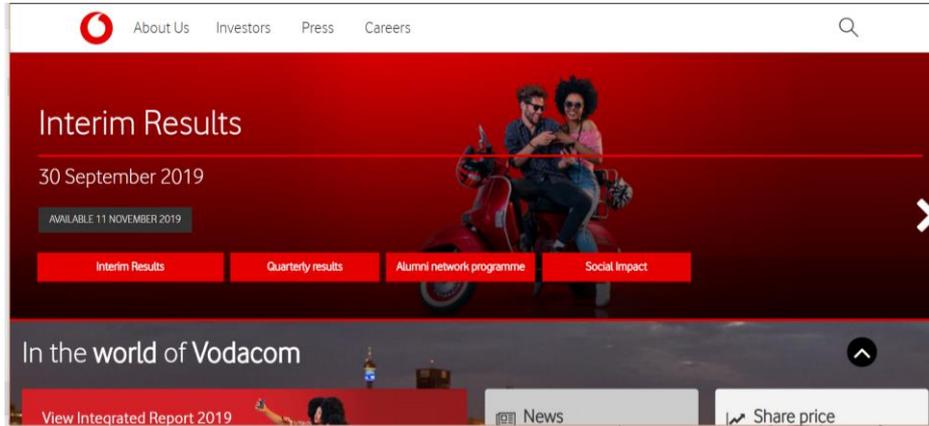




## More information

Visit our website for more information

<http://www.vodacom.com>



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## FY20 upcoming dates

**Q3 results**

4 February 2020

**FY20 results**

11 May 2020

