MTN Group Limited

Annual financial results for the year ended 31 December 2019

Contents

* Constant currency information is on an IAS 17 basis after accounting for the impact of the pro forma adjustments

* Any forward-looking financial information disclosed in this results announcement has not been reviewed or audited or otherwise reported on by our external joint auditors

Certain information presented in these results constitutes pro forma financial information. The responsibility for preparing and presenting the pro forma financial information and for the completeness and accuracy of the pro forma financial information is that of the directors of the company. This is presented for illustrative purposes only. Because of its nature, the pro forma financial information may not fairly present MTN's financial position, changes in equity, and results of operations or cash flows. The pro forma IAS 17 and constant currency financial information contained in this announcement has been reviewed by the group's external auditors and their unmodified limited assurance report prepared in terms of ISAE 3420 is available for inspection at the company's registered office on weekdays from 09:00 to 16:00.

1. Certain financial information presented in these consolidated financial results has been prepared excluding the impact of hyperinflation and goodwill and asset impairments, tower profits, the Nigerian regulatory fine (consisting of the re-measurement impact when the settlement was entered into and the finance costs recognised as a result of the unwind of the initial discounting of the liability), gain on dilution of Jumia, impairment of investment in MEIH, gain on Travelstart disposal and impact of the adoption of IFRS 16 ("the pro forma adjustments") and constitutes pro forma financial information to the extent that it is not extracted from the segment disclosure included in the audited summary group financial statements for the year ended 31 December 2019. This pro forma financial information has been presented to eliminate the impact of the pro forma adjustments from the consolidated financial results to achieve a comparable YoY analysis. The pro forma adjustments have been calculated in terms of the group accounting policies disclosed in the consolidated financial statements for the year ended 31 December 2019, except for the changes in accounting policies as a result of the adoption of the accounting standards effective 1 January 2019.
2. Constant currency information has been presented to illustrate the impact of changes in currency rates on the group's results. In determining the change in constant currency terms, the prior financial reporting period's results have been adjusted to the current period average exchange rates determined as the weighted average of the monthly exchange rates. The measurement has been performed for each of the group's currencies, materially being that of the US dollar and Nigerian naira. The constant currency growth percentage has been calculated based on the prior year constant currency results compared to the current year results. In addition, in respect of MTN Irancell, MTN Sudan, MTN South Sudan and MTN Syria, the constant currency information has been prepared excluding the impact of hyperinflation. The economies of Sudan, South Sudan and Syria were assessed to be hyperinflationary for the period under review and hyperinflation accounting was applied.

The joint independent auditors' audit reports by PricewaterhouseCoopers Inc. and SizweNtsalubaGobodo Grant Thornton Inc. do not report on all of the information contained in this announcement/financial results. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the joint independent auditors' engagement they should obtain a copy of the unqualified joint independent auditors' audit reports on the summary group financial statements and the group annual financial statements together with the accompanying financial information from MTN's registered office. The directors of MTN take full responsibility for the preparation of this abridged report and the financial information has been correctly extracted from the underlying audited financial statements.

The key audit matters (pursuant to ISA 701) can be viewed via the full joint independent auditors' audit report and the annual financial statements at www.mtn.com/investors/financial-reporting/annual-results

The group's results are presented in line with the group's operational structure. This is South Africa, Nigeria, the Southern and East Africa and Ghana (SEAGHA) region, the West and Central Africa (WECA) region and the Middle East and North Africa (MENA) region and their respective underlying operations.

The SEAGHA region includes Ghana, Uganda, Zambia, Rwanda, South Sudan, Botswana (joint venture-equity accounted), eSwatini (joint venture-equity accounted) and Business Group. The WECA region includes Cameroon, Ivory Coast, Benin, Congo-Brazzaville, Liberia, Guinea Conakry and Guinea Bissau. The MENA region includes Iran (joint venture-equity accounted), Syria, Sudan, Yemen, and Afghanistan. The operation in Cyprus was disposed of and is no longer included in the results effective 4 September 2018.

Although Iran, Botswana and eSwatini form part of their respective regions geographically and operationally, they are excluded from their respective regional results because they are equity accounted for by the group.

Results overview for the year ended 31 December 2019

Highlights

Revenue grew
by 9,7%*

Subscribers increased
by 18,2 million
to 251 million

Service revenue grew
by 9,8%*

IFRS reported EBITDA margin improved by
6,4 percentage points (pp) to 42,3%
(up 1,2 pp* to 35,5%*)

IFRS reported EBITDA˜ (before once-off items) increased
by 34,3%
(up 13,6%*)

IFRS reported group HEPS at 468 cps,
up 38,9%
(up 61,7% under IAS 17)

Non-operational impacts (including IFRS 16 adoption)
lowered HEPS by 209 cps

Holding company (holdco) leverage
stable at 2,2 times

Final dividend
355 cps
in line with guidance

Medium-term
targets enhanced

Results overview

Group president and CEO, Rob Shuter comments:

"In 2019, the 25-year anniversary of MTN Group, we delivered solid operational execution and commercial momentum across most of our operations as well as a number of innovations that support greater digital and financial inclusion.

In challenging trading conditions, we maintained operating leverage with a 9,8% increase in service revenue and a 13,6%* increase in EBITDA. The group's EBITDA margin improved by 1,2 pp* to 35,5%* on an IAS 17 basis, in line with our medium-term guidance. Our holding company leverage remained stable at 2,2 times and we reduced our capex intensity to 17,5%, from 19,3%, also on an IAS 17 basis.*

The group's results were supported by double-digit growth in service revenue by both MTN Nigeria and MTN Ghana, while economic pressure, new data usage rules and a reassessment of recognition criteria for roaming revenue from Cell C impacted our performance in South Africa.

We advanced our work to build a digital operator, adding 18,2 million subscribers to reach a total base of 251 million, and recording 95 million active data users and 35 million active MoMo users. This growth is central to our belief that everyone deserves the benefits of a modern connected life. In support of this, we launched a US$20 smartphone during the year, following on from our US$20 smart feature phone developed in 2018.

To ensure Africa doesn't miss out on the instant messaging revolution, we launched our own instant messaging platform, Ayoba, in March 2019. Ayoba is now live in 12 markets and has registered two million monthly active users. Broadening our fintech offering remains a priority, and MoMo is now live in South Africa. In Nigeria, we received our super-agent licence and by December 2019 had 108 000 registered agents.

We delivered approximately R14 billion of asset realisations within the first 12 months of our three-year R15 billion asset realisation programme. We moved towards more localisation of operations, most notably with the listing of MTN Nigeria, and recorded progress on various regulatory issues, including the AGF matter on taxes in Nigeria. Relationships with stakeholders across our markets improved, and we reported our highest employee engagement score yet.

Inspired to harness the pioneering spirit that has built MTN over the last 25 years we remain committed to delivering on our strategy in a more agile way in close collaboration with our many partners, with whom we are #GoodTogether.

Given the progress and momentum we are seeing in our commercial, financial and strategic initiatives, we have enhanced our medium-term guidance framework. While we maintain our medium-term service revenue, EBITDA, capex and ROE objectives, we are increasing our medium-term (3 to 5 years) targets for our asset realisation programme to at least a further R25 billion and are reducing our holding company leverage target ratio to below 2,0 times."

Overview

MTN reported improved results and growth for the year ended 31 December 2019. We delivered service revenue growth ahead of inflation, with an acceleration in the year-on-year (YoY) trajectory in the second half of the year. This drove an increase in the margin on earnings before interest, taxation, depreciation and amortisation (EBITDA) and reduced capital expenditure (capex) intensity.

This outcome was delivered against challenging macroeconomic conditions, particularly in South Africa, with muted economic activity and the rand weakening against the US dollar.

Group service revenue increased by 9,8%* in constant currency terms. This was led by growth of 12,6%* in MTN Nigeria, 22,9%* in MTN Ghana and 0,4% in MTN South Africa. The performance of MTN South Africa was impacted by the implementation of ICASA's end-user subscriber regulations and a reassessment of revenue recognition criteria due to delayed payments under the network roaming agreement with Cell C.

As a result of the reassessment, and in compliance with IFRS 15, we have not recognised revenue amounting to R283 million as at 31 December 2019 for network roaming services provided to Cell C during the period. In total, MTN recognised R1,8 billion of revenue from Cell C (R0,9 billion in the second half of the year) and received cash of R2,5 billion during the year.

Voice revenue increased by 4,2%*, supported by customer growth as the group added 18,2 million subscribers to reach 251 million. We continued to benefit from our customer value management (CVM) initiatives and our bundled and subscription offers.

Data revenue grew by 22,4%* as we focused on improving affordability for customers through micro-bundling and reduced out-of-bundle (OOB) tariffs. The strong growth in data revenue was enabled by a 16,6 million increase in active data subscribers to 95 million; the expansion in 3G and 4G coverage to an additional 45 million and 69 million people respectively; as well as improvements in the quality of the data network across our footprint. We reduced the effective rate per megabyte across our markets by 34%, while average usage rose by 46% to 2,8GB per month. As part of our initiatives to accelerate smartphone adoption, we launched our $20 smartphone, following on from the similarly priced smart feature phone developed in 2018. By December 2019 we had a total of 121 million smartphones on our networks.

Digital revenue declined by 39,6%* in the year in which we completed our optimisation of traditional value-added services (VAS). We remain focused on accelerating digital adoption in our markets through our own platforms and via partnerships. Our instant messaging platform, Ayoba, was launched in March 2019 and has scaled to two million monthly active users. Ayoba was integrated into 12 MTN markets and is also available across multiple markets on the Google Play Store and via the Ayoba website as an OTT offering. MusicTime! is now live in six MTN markets.

Results overview continued

Fintech revenue increased by 27,0%*, enabled by growth of 7,5 million active Mobile Money (MoMo) users to a total of 35 million, generating a monthly ARPU of $1,15. The value of MoMo transactions in the year was US$96,1 billion, with 9 200 transactions processed per minute (up from 6 800 per minute in 2018). The launch of MoMo in South Africa and Afghanistan brings to 16 the number of markets in which we are currently live. In November we launched MTN Homeland, a mobile remittance application to facilitate money and airtime transfers from Europe to Africa and parts of the Middle East. By year-end, our lending marketplace MoMoKash had facilitated US$787 million in loans on behalf of banking partners. We are focused on building our base of merchants utilising MoMoPay, which is live in 10 markets with 200 000 active merchants. Our aYo joint venture recorded almost six million registered insurance policy holders.

Enterprise revenue increased by 8,4%*, supported by 22%* growth in MTN Nigeria. The trajectory of the enterprise business in MTN South Africa stabilised in the year and is now improving, having delivered positive YoY revenue growth in the fourth quarter.

Wholesale revenue grew by 63,2%*, driven by national roaming revenue in MTN South Africa, and solid growth in MTN GlobalConnect, where we signed up more key accounts and grew our application-to-person messaging services through the ***Y'ello***Connect platform. In addition to the changes in the treatment of Cell C revenues, the wholesale performance in the second half of the year was also impacted by the discontinuation of our roaming agreement with Telkom in South Africa that concluded in June 2019.

We invested capital expenditure (capex) of R32,9 billion on an IFRS reported basis (R26,3 billion under IAS 17), achieving 100% of our planned network rollout within a lower-than-guided capex envelope. This was enabled by our smart capex approach and unit price reductions. We rolled out a total of 5 795 3G and 10 895 4G sites and capex intensity reduced to 17,5% from 19,3% in 2018. We achieved the #1 position in network NPS in 14 of our markets.

The group's EBITDA margin in constant currency terms improved by 1,2 percentage points* (pp), driven by the 1,2 pp* and 4,8 pp* improvements delivered by MTN Nigeria and MTN Ghana respectively. This was tempered by a lower margin at MTN South Africa, impacted by ICASA's end-user regulations, the loss of Telkom roaming revenues in the second half and the changes in the treatment of Cell C revenues.

On an IFRS reported basis, the group's EBITDA margin was 42,3% compared to 35,9% in December 2018. It was impacted by the adoption of IFRS 16, foreign exchange gains on translation and the gain on dilution of our e-commerce venture Jumia upon listing as well as the profit on disposal of Travelstart and Amadeus.

On the back of the improved EBITDA performance, Group operating free cash flow increased by 59,9% on an IFRS reported basis (up 18,0% under IAS 17).

Basic earnings per share increased to 499 cents from 485 cents. These were negatively impacted by 77 cents or 13,4% because of the adoption of IFRS 16.

Reported headline earnings per share (HEPS) were 468 cents from 337 cents in December 2018. HEPS were negatively impacted in aggregate by 209 cents from the following items: 77 cents impact of IFRS 16 adoption; 8 cents relating to the Nigeria fine interest (from 36 cents in 2018); hyperinflation (excluding impairments) of 16 cents (from 45 cents in 2018); the impact of foreign exchange gains and losses of 78 cents (from 114 cents in 2018); impairment of the Iran receivable of 12 cents (2018: 0 cents) and divestments of 18 cents (-13 cents in 2018).

Return on equity (ROE) increased to 14,3% from 11,5% in December 2018, supported by the improvement in our service revenue performance and operational leverage, as well as progress made in optimising our portfolio.

Portfolio optimisation and asset realisation programme

Our asset realisation programme (ARP), launched in March 2019, aims to reduce debt, simplify our portfolio, reduce risk, improve returns and realise capital of at least R15 billion over three years (excluding the investment in IHS).

In the first half of 2019, we realised R2,1 billion through the sale of our shareholder loan in ATC Ghana to American Tower Corporation for R900 million and the sale of our interests in investment fund Amadeus and its associated holding in Travelstart for net proceeds of R1,2 billion. Jumia Technologies AG successfully raised capital and listed on the New York Stock Exchange, resulting in a dilution of our shareholding from 29,7% to 18,9%. At 31 December 2019, this investment was valued at R1,4 billion at an American Depositary Share (ADS) price of $6,73. As of 9 March 2020 the Jumia ADS price was $3,15.

In the year MTN Nigeria redeemed its preference shares as part of a process to simplify its capital structure. This resulted in proceeds, which have been received by MTN Group, of US$314 million (approximately R4,0 billion).

On 2 January 2020, we announced the agreement to dispose of our 49% equity holdings in Ghana Tower Interco B.V. and Uganda Tower Interco B.V. to AT Sher Netherlands Cooperatief U.A. for US$523 million in cash. On closing, MTN will record a profit on disposal of approximately R6,3 billion. The Tower Companies were classified as non-current assets held for sale from October 2019. At 10 March 2020 MTN had received, in cash, approximately R2,2 billion. The Group awaits the finalisation of regulatory approvals relating to the Ghana Tower Interco transaction, for which proceeds of R6,1 billion are expected, subject to those approvals, by the end of the first quarter of 2020, using a rand/US$ exchange rate of R16,08/$ at 9 March 2020.

Following the completion of these transactions, we will have realised approximately R14 billion within the first 12 months of the three-year ARP. MTN will use the proceeds to pay down US dollar debt and for general corporate purposes.

Regulatory and legal considerations

MTN Nigeria AGF matter

In January 2020, the Attorney General of the Federation (AGF) referred the matter of disputed back taxes to the tax and customs authorities and withdrew a demand for US$2 billion from MTN Nigeria. MTN Nigeria consequently withdrew its legal action against the AGF. We remain committed to building and maintaining cordial relationships with all regulatory authorities in Nigeria.

MTN Afghanistan anti-terrorism complaint

On 27 December 2019 a complaint for violation of the anti-terrorism act was filed in the United States District Court for the District of Columbia ("The Complaint"). The Complaint was filed on behalf of American service members and civilians, and their families, who were killed or wounded in Afghanistan between 2009 and 2017. The Complaint alleges that several Western businesses supported the Taliban by, inter alia, making payments to ensure the protection of their infrastructure. The defendants named in the complaint are six different groups one of which is MTN and certain of its subsidiary companies including MTN Afghanistan. MTN is reviewing the details of the complaint and is consulting its advisers and remains of the view that it conducts its business in a responsible and compliant manner in all its territories and will defend its position where necessary.

MTN South Africa Competition Commission inquiry

In December 2019 the Competition Commission of South Africa released the findings of its two-year data services market inquiry. We continue to engage constructively with the Commission on prepaid monthly data bundles of 1GB and below, life-line data connectivity (within parameters) and refreshing our offering for public benefit organisations. We remain committed to providing high quality, affordable data and connectivity to our customers and expect to announce further details shortly.

Radio spectrum is the digital highway upon which we depend to carry increasing mobile data at more cost-effective prices. This is acutely felt in South Africa, which has among the lowest spectrum allocation in all our MTN markets. The release of new spectrum in South Africa is urgently needed and will greatly assist our ability to service increased customer demand in a more cost-effective manner.

Licence renewals

Following the expiry of certain technology licences in 2019 in MTN Ghana, the Ghanaian regulator has renewed the 2G licence for 15 years. We have submitted applications for the renewal of our International Gateway and Fixed Access licences, which are pending approval. We expect these licences to be renewed in the coming months.

MTN Uganda was granted an extension of its existing operating licence to allow for the conclusion of negotiations around the terms for the licence renewal.

Dividends

The board has declared a gross final dividend of 355 cents per share, bringing the total dividend for the year to 550 cents per share up 10% from prior year.

Capex guidance 2020

Rm	Estimated (IFRS 16) 2020	Estimated leases 2020	**Estimated (IAS 17) 2020**	Capitalised (IFRS 16) 2019	Capitalised leases 2019	**Capitalised (IAS 17) 2019**	Capitalised 2018
South Africa	8 614	437	**8 177**	11 295	3 733	**7 562**	9 448
Nigeria	11 368	2 635	**8 733**	9 750	1 739	**8 011**	6 888
SEAGHA	5 279	558	**4 721**	5 554	575	**4 979**	3 801
WECA	3 101	185	**2 916**	3 231	432	**2 799**	3 281
MENA	2 203	324	**1 879**	1 989	48	**1 941**	2 215
Group, digital and GlobalConnect	2 074	–	**2 074**	834	1	**833**	457
Total	32 639	4 139	**28 500**	32 653	6 528	**26 125**	26 090
Hyperinflation	(220)	(220)	**–**	215	59	**156**	(72)
Total reported	32 419	3 919	**28 500**	32 868	6 587	**26 281**	26 018
Iran (49%)	4 021	–	**4 021**	2 568	85	**2 483**	3 716

The difference between IFRS 16 and IAS 17 is operating leases are now capitalised under IFRS 16.

Financial review

Headline earnings reconciliation

Rm	IFRS reported 2019	Impairment of goodwill, PPE and associates[1]	Gain on dilution of investment in JV/ Associate[2]	Profit on sale of Cyprus[3]	Other[4]	Headline earnings
2019						
Revenue	151 460	–	–	–	–	151 460
Other income	1 373	–	(1 151)	–	(61)	161
EBITDA	64 092	355	(1 151)	–	(61)	63 235
Depreciation, amortisation and impairment of goodwill	(32 800)	342	–	–	–	(32 458)
Profit from operations	31 292	697	(1 151)	–	(61)	30 777
Net finance cost	(15 184)	–	–	–	–	(15 184)
Hyperinflationary monetary gain	787	–	–	–	–	787
Share of results of associates and joint ventures after tax	705	–	(37)	–	–	668
Profit before tax	17 600	697	(1 188)	–	(61)	17 048
Income tax expense	(6 908)	–	–	–	–	(6 908)
Profit after tax	10 692	697	(1 188)	–	(61)	10 140
Non-controlling interests	(1 729)	–	–	–		(1 729)
Attributable profit	8 963	697	(1 188)	–	(61)	8 411
EBITDA margin	42,3%					41,8%
Effective tax rate	39,3%					40,5%
2018						
Revenue	134 560	–	–		–	134 560
Other income	3 186	–	(569)	(2 112)	(3)	502
EBITDA	48 246	(206)	(569)	(2 112)	(3)	45 356
Depreciation, amortisation and impairment of goodwill	(24 670)	312	–	–	–	(24 358)
Profit from operations	23 576	106	(569)	(2 112)	(3)	20 998
Net finance cost	(8 331)	–	–	–	–	(8 331)
Hyperinflationary monetary gain	290	–	–	–	–	290
Share of results of associates and joint ventures after tax	(527)	–	(134)	–	–	(661)
Profit before tax	15 008	106	(703)	(2 112)	(3)	12 296
Income tax expense	(5 430)	–	–	–	6	(5 424)
Profit after tax	9 578	106	(703)	(2 112)	3	6 872
Non-controlling interests	(859)	42	–	–	–	(817)
Attributable profit	8 719	148	(703)	(2 112)	3	6 055
EBITDA margin	35,9%					33,7%
Effective tax rate	36,2%					44,1%

Nigeria fine interest[5]	Hyper-inflation (excluding impair-ments)[6]	Impact of foreign exchange losses or gains[7]	Impair-ment of Iran receivable[8]	Divest-ments[9]	Impact of IFRS 16 (excluding hyper-inflation)[10]	Nigeria CBN reso-lution[11]	Adjusted 2019	% move-ment
–	(905)	–	–	–	–	–	150 555	12,8%
–	(6)	–	–	–	–	–	155	(68,8%)
–	(271)	–	–	–	(9 234)	–	53 730	17,5%
–	587	–	217	–	5 763	–	(25 891)	8,0%
–	316	–	217	–	(3 471)	–	27 839	27,8%
189	252	1 797	–	–	5 768	–	(7 178)	29,5%
–	(722)	–	–	–	(65)	–	–	–
–	466	–	–	–	17	–	1 151	(7,6%)
189	312	1 797	217	–	2 249	–	21 812	24,8%
–	1	(494)	–	–	(672)	–	(8 073)	30,3%
189	313	1 303	217	–	1 577	–	13 739	21,7%
(40)	(23)	93	–	320	(178)	–	(1 558)	14,9%
149	290	1 396	217	320	1 399	–	12 181	22,6%
								35,7%
								37,0%
–	174	–	–	(1 269)	–	–	133 465	
–	(4)	–	–	–	–	–	498	
–	35	–	–	(390)	–	744	45 745	
–	261	–	–	131	–	–	(23 966)	
–	296	–	–	(259)	–	744	21 779	
812	3	1 945	–	30	–	–	(5 541)	
–	(290)	–	–	–	–	–	–	
–	873	1 034	–	–	–	–	1 246	
812	882	2 979	–	(229)	–	744	17 484	
–	(38)	(761)	–	27	–	–	(6 196)	
812	844	2 218	–	(202)	–	744	11 288	
(172)	(38)	(172)	–	–	–	(158)	(1 356)	
640	806	2 046	–	(202)	–	586	9 932	
							34,3%	
							35,4%	

Results overview continued

1. Represents the exclusion of the impact of goodwill, PPE and joint venture impairments. 2019: In relation to impairments in MEIH (R342 million) and PPE (R355 million). 2018: In relation to goodwill impairment in MTN Yemen (R312 million) and reversal of the hyperinflation-related asset impairment in MTN Sudan (R306 million).
2. Represents the gain on dilution and disposal of the group's investments. In 2019: R1 188 million (Jumia: R1 039 million, MEIH: R37 million and a gain on disposal of TravelStart R112 million). 2018: Gain on dilution of investment in IIG (R569 million share in group and R134 million in Iran).
3. The profit on sale of MTN Cyprus (R2 112 million).
4. Release of a deferred gain of R19 million (2018: R23 million) in Ghana on the sale of tower assets during the prior period and offset by losses incurred on the disposal of items of property, plant and equipment.
5. Exclusion of finance cost recognised as a result of the unwind of the discounting of the financial liability created on conclusion of the Nigeria regulatory fine.
6. The impact of hyperinflation is excluded for the operations that are currently accounted for on a hyperinflationary basis (MTN Syria, MTN Sudan and MTN South Sudan) as well as those that have previously been accounted for on a hyperinflationary basis. The economy of Sudan was assessed to be hyperinflationary during 2018, and hyperinflation accounting has since been applied. Hyperinflationary accounting was applied previously in MTN Sudan, until 30 June 2016. The economy of Iran was assessed to no longer be hyperinflationary effective 1 July 2015 and hyperinflation accounting was discontinued from this date onwards. For this operation the impact of hyperinflation unwinds over time mainly through depreciation, amortisation or subsequent asset impairments.
7. Adjustment for the net forex losses impacting earnings for the respective periods (2019: R1 396 million; 2018: R2 046 million). This includes the impact of forex gains in Iran.
8. Represents the impairment of receivable due from Iran (R217 million).
9. Divestments in the group. 2019: Dilution of Ghana shareholding from 97,65% to 85,49%. 2018: Excluding impact of Cyprus operations.
10. Removing the impact of IFRS 16 to get to an IAS 17 view.
11. Represents the impact of the Nigeria CBN resolution (R744 million).

IFRS 16 impacts

The following tables show the impact of adjusting the reported numbers for the impact of IFRS 16 to present our income statement, statement of financial position and statement of cash flows as at 31 December 2019 on an IAS 17 basis.

Line items that were not affected by the changes have not been included, as a result, the subtotals and totals disclosed cannot be recalculated from the numbers provided.

Income statement – IFRS 16 impacts

	Group			Adjustments[1]		
Rm	IFRS Reported	Adjustment	IAS 17	South Africa	Nigeria	Ghana
Direct network and technology operating costs and other operating expenses	(31 320)	(9 234)	(40 554)	(1 680)	(4 211)	(1 152)
EBITDA	64 092	(9 234)	54 858	(1 680)	(4 211)	(1 152)
Depreciation of right-of-use assets	(5 828)	5 763	(65)	1 216	2 269	647
Operating profit	31 292	(3 471)	27 821	(464)	(1 942)	(505)
Net finance costs	(15 184)	5 768	(9 416)	1 235	2 718	852
Net monetary gain	787	(65)	722			
Share of results of associates and joint ventures after tax	705	17	722	–	–	–
Profit before tax	17 600	2 249	19 849	771	776	347
Income tax expense	(6 908)	(672)	(7 580)	(216)	(252)	(84)
Profit after tax	10 692	1 577	12 269	555	524	263
Attributable to equity holders of parent	8 963	1 399	10 362			
Non-controlling interest	1 729	178	1 907			

[1] These are the adjustments to the three operations that were most significantly affected by the adoption of IFRS 16.

Statement of financial position – IFRS 16 impacts

Rm	Group			Adjustments[1]		
	IFRS Reported	Adjustment	IAS 17	South Africa	Nigeria	Ghana
Non-current assets	226 029	(44 202)	181 827	(13 248)	(18 907)	(3 822)
Property, plant and equipment	98 312	524	98 836	618		
ROU Asset	44 984	(44 984)	–	(13 866)	(19 170)	(3 822)
Interest in joint ventures	8 764	15	8 779	–	–	–
Deferred tax and other non-current assets	8 548	243	8 791		263	
Non-current prepayments				–		–
Current assets	75 444	4 075	79 519	372	3 456	45
Trade and other receivables	27 256	4 075	31 331	372	3 456	45
Total assets	302 311	(40 127)	262 184	(12 876)	(15 451)	(3 777)
Total equity	86 100	1 538	87 638	555	524	263
Equity	83 897	1 367	85 264	555	524	263
Non-controlling interest	2 203	171	2 374	–	–	–
Non-current liabilities	132 372	(41 314)	91 058	(12 670)	(18 217)	(3 787)
Lease liability – non-current	42 271	(41 828)	443	(12 886)	(18 456)	(3 787)
Deferred tax	11 644	514	12 158	216	239	–
Current liabilities	83 839	(351)	83 488	(761)	2 242	(253)
Lease liability – current	4 056	(4 009)	47	(761)	(1 346)	(361)
Trade and other payables	36 630	3 565	40 195	–	3 588	28
Other current and tax liabilities	12 015	93	12 108	–	–	80
Total equity and liabilities	302 311	(40 127)	262 184	(12 876)	(15 451)	(3 777)

Statement of cash flows – IFRS 16 impacts

Rm	Group			Adjustments[1]		
	IFRS Reported	Adjustment	IAS 17	South Africa	Nigeria	Ghana
Net cash generated from operating activities	36 289	(3 417)	32 872	(662)	(1 328)	(317)
Cash generated from operations	55 197	(8 688)	46 509	(1 919)	(3 838)	(1 093)
Interest paid	(13 014)	5 271	(7 743)	1 257	2 510	776
Net cash used in financing activities	(4 340)	3 417	(923)	662	1 328	317
Repayment of lease liability	(3 417)	3 417	–	662	1 328	317
Net increase in cash and cash equivalents	7 407	–	7 407	–	–	–

[1] These are the adjustments to the three operations that were most significantly affected by the adoption of IFRS 16.

Exchange rates

The weaker average rand and stronger Nigerian naira had a positive translation impact on rand-reported results, while the depreciation of the Iranian rial had a negative impact on rand-reported results. The average and closing naira remained flat against the US dollar YoY. The average rand weakened by 9,3% YoY against the US dollar and closed 2,9% stronger, positively impacting the balance sheet.

Revenue and service revenue

Table 1: Group revenue by country

	Actual Rm	Prior Rm	Reported % change	Constant currency % change	Contribution to revenue %
South Africa	45 447	44 658	1,8	1,8	30,0
Nigeria	46 696	37 971	23,0	12,6	30,8
SEAGHA	27 069	22 613	19,7	21,6	17,9
Ghana	13 820	11 860	16,5	22,9	9,1
Uganda	6 700	5 423	23,5	12,5	4,4
Other	6 549	5 330	22,9	29,5	4,3
WECA	21 821	20 223	7,9	2,9	14,4
Ivory Coast	6 917	7 158	(3,4)	(7,4)	4,6
Cameroon	5 389	4 959	8,7	3,3	3,6
Other	9 515	8 106	17,4	11,7	6,3
MENA	8 977	8 845	1,5	18,8	5,9
Syria	2 986	2 298	29,9	19,1	2,0
Sudan	1 903	1 698	12,1	50,2	1,3
Other	4 088	4 849	(15,7)	8,1	2,7
Head office companies and eliminations	545	76	–	–	0,4
Total	150 555	134 386	12,0	9,7	99,4
Hyperinflation	905	174	–	–	0,6
Total reported	151 460	134 560	12,6	9,7	100,0

Group revenue increased by 9,7%* and service revenue increased by 9,8%*, supported by growth in MTN Nigeria (up 12,6%*), MTN Ghana (up 22,9%*) and MTN Uganda (up 12,5%*). MTN Cameroon (up 3,3%*) reflected an improvement from previous service revenue declines and MTN South Africa showed marginal growth (up 0,4%). The performance of MTN South Africa was impacted by ICASA's end-user regulations, the loss of Telkom roaming revenues in the second half and the changes in the treatment of Cell C revenues. MTN Ivory Coast's service revenue declined by 7,3%*, with an improved performance in the second half of the year.

Group voice revenue grew by 4,2%* to R82,1 billion, data expanded by 22,4%* to R35,1 billion, fintech grew by 27,0%* to R10,1 billion and digital declined by 39,6%* to R2,4 billion. Enterprise and wholesale revenues grew by 8,4%* and 63,2%* respectively to R13,3 billion and R4,7 billion.

Results overview continued

Table 2: Group service revenue by country

	Actual Rm	Prior Rm	Reported % change	Constant currency %	Contribution to service revenue %
South Africa	**36 430**	36 269	0,4	0,4	25,7
Nigeria	**46 608**	37 893	23,0	12,6	32,9
SEAGHA	**26 754**	22 334	19,8	21,7	18,9
Ghana	**13 730**	11 789	16,5	22,9	9,7
Uganda	**6 639**	5 371	23,6	12,5	4,7
Other	**6 385**	5 174	23,4	30,0	4,5
WECA	**21 650**	20 067	7,9	2,9	15,3
Ivory Coast	**6 880**	7 115	(3,3)	(7,3)	4,9
Cameroon	**5 327**	4 902	8,7	3,3	3,8
Other	**9 443**	8 050	17,3	11,6	6,7
MENA	**8 940**	8 615	3,8	18,8	6,3
Syria	**2 986**	2 298	29,9	19,1	2,1
Sudan	**1 898**	1 692	12,2	50,2	1,3
Other	**4 056**	4 625	(12,3)	8,1	2,9
Head office companies and eliminations	**544**	77	–	–	0,4
Total	**140 926**	125 255	12,5	9,8	99,4
Hyperinflation	**904**	175	–	–	0,6
Total reported	**141 830**	125 430	13,1	9,8	100,0

Table 3: Group revenue analysis[1]

	Actual Rm	Prior Rm	Reported % change	Constant currency % change	Contribution to revenue %
Outgoing voice[2]	**70 549**	65 058	8,4	4,4	46,6
Incoming voice[3]	**10 905**	10 356	5,3	2,8	7,2
Data[4]	**34 878**	28 468	22,5	22,4	23,0
Digital[5]	**2 402**	3 938	39,0	(39,6)	1,6
Fintech[6]	**10 125**	7 851	29,0	27,0	6,7
SMS	**3 853**	3 275	17,6	13,5	2,5
Devices	**9 629**	9 130	5,5	7,7	6,4
Wholesale[7]	**4 714**	2 855	65,1	63,2	3,1
Other	**3 500**	3 455	1,3	1,9	2,3
Total	**150 555**	134 386	12,0	9,7	99,4
Hyperinflation	**905**	174	–	–	0,6
Total reported	**151 460**	134 560	12,6	9,7	100,0

1 Subsequent to the publication of the December 2018 full year results, the group has reviewed and aligned its revenue streams relating to its consumer, enterprise and wholesale business units with its current operating structure. The redefined segmentation has resulted in the reallocation of certain revenue streams and comparative numbers have been restated accordingly.
2 Excludes international roaming and wholesale.
3 Includes local and international roaming and excludes wholesale.
4 Includes mobile and fixed access data and excludes roaming and wholesale.
5 Includes Rich Media services, content VAS, eCommerce and mobile advertising.
6 Includes Xtratime and mobile financial services.
7 Includes domestic wholesale voice, SMS and data, leased lines and BTS rentals.

Results overview continued

Table 4: Group data revenue[1]

	Data revenue			
	Actual Rm	Prior[1] Rm	Reported % change	Constant currency % change
South Africa	**12 631**	12 001	5,2	5,2
Nigeria	**8 796**	5 647	55,8	42,7
SEAGHA	**6 143**	4 946	24,2	28,2
Ghana	**3 899**	3 102	25,7	32,5
Uganda	**1 035**	682	51,8	39,7
Other	**1 209**	1 162	4,0	8,9
WECA	**4 639**	3 540	31,0	25,2
Ivory Coast	**1 080**	891	21,2	16,5
Cameroon	**1 308**	1 048	24,8	18,9
Other	**2 251**	1 601	40,6	34,1
MENA	**2 584**	2 329	10,9	41,6
Syria	**1 003**	682	47,1	35,0
Sudan	**575**	459	25,3	66,7
Other	**1 006**	1 188	(15,3)	36,5
Head office companies and eliminations	**85**	5	–	–
Total	**34 878**	28 468	22,5	22,4
Hyperinflation	**233**	8	–	–
Total reported	**35 111**	28 476	23,3	22,4

[1] Includes mobile and fixed excess data and excludes roaming and wholesale.

Table 5: Group fintech revenue[2]

	Fintech revenue			
	Actual Rm	Prior Rm	Reported % change	Constant currency % change
South Africa	**1 021**	918	11,2	11,2
Nigeria	**1 407**	1 047	34,4	23,2
SEAGHA	**5 335**	4 283	24,6	25,6
Ghana	**2 795**	2 283	22,4	30,1
Uganda	**1 662**	1 323	25,6	13,9
Other	**878**	677	29,7	37,4
WECA	**2 207**	1 531	44,2	38,2
Ivory Coast	**850**	713	19,2	14,6
Cameroon	**524**	315	66,3	59,3
Other	**833**	503	65,6	58,4
MENA	**129**	72	79,2	81,7
Syria	**85**	46	84,8	70,0
Sudan	**–**	–	–	–
Other	**44**	26	69,2	109,5
Head office companies and eliminations	**26**	–	–	–
Total	**10 125**	7 851	29,0	27,0
Hyperinflation	**1**	1	–	–
Total reported	**10 126**	7 852	29,0	27,0

[2] Includes Xtratime and mobile financial services.

Table 6: Group digital revenue[3]

	Digital revenue			
	Actual Rm	Prior Rm	Reported % change	Constant currency % change
South Africa	1 045	1 523	(31,4)	(31,4)
Nigeria	177	945	(81,3)	(83,2)
SEAGHA	648	765	(15,3)	(11,7)
Ghana	531	661	(19,7)	(16,4)
Uganda	19	6	216,7	111,1
Other	98	98	–	8,9
WECA	304	464	(34,5)	(38,5)
Ivory Coast	191	350	(45,4)	(48,4)
Cameroon	47	62	(24,2)	(30,9)
Other	66	52	26,9	17,9
MENA	214	240	(10,8)	20,2
Syria	82	44	86,4	70,8
Sudan	69	89	(22,5)	4,5
Other	63	107	(41,1)	(1,6)
Head office companies and eliminations	14	1	–	–
Total	2 402	3 938	(39,0)	(39,6)
Hyperinflation	22	(17)	–	–
Total reported	2 424	3 921	(38,2)	(39,6)

[3] Includes Rich Media services, content VAS, eCommerce and mobile advertising.

Results overview continued

Costs

Table 7: Operating expenses analysis

	Actual IFRS 16 Rm	Actual IAS 17 Rm	Prior Rm	Reported % change	Constant currency % change	% of revenue
Handsets and other accessories	11 911	11 911	11 642	2,3	4,0	7,9
Interconnect	9 218	9 218	9 906	(6,9)	(9,2)	6,1
Roaming	599	599	761	(21,3)	(22,4)	0,4
Commissions	11 033	11 033	9 615	14,7	12,6	7,3
Government and regulatory costs	4 976	4 976	4 876	2,1	11,9	3,3
VAS/Digital revenue share	3 099	3 099	2 323	33,4	3,5	2,0
Service provider discounts	1 540	1 540	1 584	(2,8)	(2,8)	1,0
Network and IS maintenance	21 915	29 402	25 313	(13,4)	12,0	14,5
Marketing	3 409	3 049	3 252	4,8	3,7	2,3
Staff costs	10 562	10 562	9 505	11,1	9,9	7,0
Other OPEX	9 850	11 586	10 079	(2,3)	15,9	6,5
Total	88 112	97 335	88 856	(0,8)	7,1	58,2
CBN resolution	–	–	744			–
Hyperinflation	629	640	(101)			0.4
Total reported	88 741	97 975	89 499	(0,8)	7,1	58,6

Total costs increased by 7,1%*, mainly impacted by costs associated with the rollout of network sites and higher commission and distribution costs.

EBITDA

Table 8: Group EBITDA by country

	Actual IFRS 16 Rm	Actual IAS 17 Rm	Prior Rm	Reported % change	Constant Currency % change
South Africa	**16 972**	**15 292**	15 660	8,4	(2,3)
Nigeria	**25 149**	**20 938**	16 574	51,7	20,8
SEAGHA	**12 136**	**10 107**	7 865	54,3	30,6
Ghana	**7 014**	**5 862**	4 452	57,5	38,6
Uganda	**3 150**	**2 592**	1 980	59,1	19,6
Other	**1 972**	**1 653**	1 433	37,6	23,2
WECA	**6 081**	**5 106**	4 133	47,1	17,2
Ivory Coast	**1 814**	**1 338**	1 593	13,9	(20,3)
Cameroon	**1 635**	**1 403**	455	259,3	178,4
Other	**2 632**	**2 365**	2 085	26,2	8,8
MENA	**2 836**	**2 510**	2 510	13,0	20,8
Syria	**1 173**	**1 087**	909	29,0	10,2
Sudan	**677**	**661**	590	14,7	46,9
Other	**986**	**762**	1 011	(2,5)	18,9
Head office companies and eliminations	**(534)**	**(536)**	(727)	–	–
CODM EBITDA	**62 640**	**53 417**	46 015	36,1	13,6
CBN resolution	**–**	**–**	(744)		
Gain on dilution of investment in associates and joint ventures	**1 039**	**1 039**	569		
Gain on disposal of subsidiary	**112**	**112**	2 112		
Hyperinflation impact	**282**	**271**	271		
Tower sale profits	**19**	**19**	23		
CODM EBITDA before impairment of goodwill and joint ventures	**64 092**	**54 858**	48 246	32,8	13,6

Group EBITDA increased by 34,3% on an IFRS reported basis. Under IAS 17 group EBITDA increased 13,6%*, driven by increases of 15,7%*, 38,6%*, 19,6%* and 178,4%* in MTN Nigeria, MTN Ghana, MTN Uganda and MTN Cameroon respectively. This was diluted by the performance of MTN South Africa as well as a reduced contribution from MTN Ivory Coast. The group EBITDA margin increased by 1,2 pp* to 35,5%*.

Depreciation, amortisation and impairment of goodwill

Table 9: Group depreciation and amortisation

	Depreciation					Amortisation			
	Actual IFRS 16 Rm	Actual IAS 17 Rm	Prior Rm	Reported % change	Constant currency % change	Actual Rm	Prior[1] Rm	Reported % change	Constant currency % change
South Africa	8 197	6 981	6 570	24,8	6,3	1 123	1 137	(1,2)	(1,2)
Nigeria	8 168	5 899	5 160	58,3	44,9	1 196	975	22,7	12,2
SEAGHA	3 709	2 536	2 234	66,0	68,1	497	427	16,4	20,0
Ghana	1 870	1 223	1 078	73,5	84,2	266	229	16,2	23,7
Uganda	1 049	710	617	70,0	54,5	128	101	26,7	14,3
Other	790	603	539	46,6	54,0	103	97	6,2	18,4
WECA	4 635	3 792	3 841	20,7	15,0	1 118	1 024	9,2	(11,1)
Ivory Coast	1 444	1 025	945	52,8	46,7	499	446	11,9	7,3
Cameroon	1 525	1 322	1 324	15,2	9,9	185	174	6,3	1,6
Other	1 666	1 445	1 572	6,0	0,5	434	404	7,4	1,2
MENA	1 692	1 453	1 297	30,5	37,9	442	452	(2,2)	3,3
Syria	879	819	555	58,4	45,8	121	85	42,4	31,5
Sudan	177	167	189	(6,3)	28,3	25	29	(13,8)	13,6
Other	636	467	553	15,0	30,9	296	338	(12,4)	(5,7)
Head office companies and eliminations	403	391	379	–	–	680	601	–	–
Total	26 804	21 052	19 481	37,6	4,8	5 056	4 616	9,5	6,9
Hyperinflation	516	505	228	–	–	82	33	–	–
Total reported	27 320	21 557	19 709	38,6	4,8	5 138	4 649	10,5	6,9

The group depreciation charge increased by 4,8%* with the trajectory now beginning to normalise following the higher capex of the past few years. Amortisation costs increased by 6,9%*, after higher expenditure on software in the previous period.

Net finance costs

Table 10: Net finance cost

	Actual IFRS 16 Rm	Actual IAS 17 Rm	Prior Rm	Reported % change	Constant currency % change	% of revenue
Net interest paid	12 495	6 809	5 571	124,3	21,6	8,2
Net forex losses	2 245	2 166	1 945	15,4	16,0	1,5
Total	14 740	8 975	7 516	96,1	20,2	9,7
Nigeria regulatory fine interest unwind	189	189	812			0,1
Hyperinflation	255	252	3			0,2
Total reported	15 184	9 416	8 331	82,3	20,2	10,0

Net finance costs increased by 82,3% to R15,2 billion, largely due to the adoption of IFRS 16 (R5,8 billion). Net finance costs increased by 22,7% under IAS 17 on a like-for-like basis (excluding the impact of IFRS 16 and Nigeria regulatory fine interest unwind), due to an increase in MTN Nigeria debt to R15,8 billion from the R6,9 billion reported in December 2018.

Net forex losses increased by 24,4% to R2,4 billion (up 20,1% to R2,3 billion under IAS 17), largely a result of forex losses in South Sudan due to a higher rate on settlement of foreign-denominated creditor balances.

Share of results of associates and joint ventures after tax

We reported a positive contribution of R705 million from associates and joint ventures, compared to the negative of R527 million in December 2018. This is due to a higher profit contribution from MTN Irancell compared to 2018 when it was negatively impacted by the implementation of the Sana rate, as well as the recommencement of equity accounting for Mascom which had previously been held for sale. As of 12 April 2019, Jumia was no longer equity accounted. This contributed to lower losses from the digital group.

Taxation

Table 11: Taxation

	Actual IFRS 16 Rm	Actual IAS 17 Rm	Prior Rm	Reported % change	Constant currency % change	Contribution to taxation %
Normal tax	**5 947**	**6 066**	5 573	6,7	4,7	86,1
Deferred tax	**(100)**	**454**	(976)	89,8	146,6	(1,4)
Foreign income and withholding taxes	**1 060**	**1 060**	871	21,7	17,1	15,3
Total	**6 907**	**7 580**	5 468	26,3	32,3	100,0
Hyperinflation	**1**	**–**	(38)	–	–	–
Total reported	**6 908**	**7 580**	5 430	27,2	32,3	100,0

The reported effective tax rate was 39,3%, higher than the prior year's rate of 36,2% mainly due to higher unrecognised deferred tax credits on assessed losses, and other timing differences from MTN Guinea-Conakry, South Sudan, Liberia and Netherlands and higher withholding taxes driven by higher cash upstreamed in the period. For the year ended 31 December 2019, the group's reported taxation charge increased by 27,2% to R6 908 million.

Cash flow

Cash inflows generated from operations increased by 36,8% to R55,2 billion on an IFRS reported basis. Key cash outflows included cash capex of R27,0 billion and dividends paid to equity holders of R9,4 billion. Cash flow was also impacted by the final Nigeria fine payment (R4,4 billion) and the CBN resolution payment (R731 million).

Capital expenditure

Table 12: Capital expenditure

	Actual IFRS 16 Rm	Actual IAS 17 Rm	Prior Rm	Reported % change	Constant currency % change
South Africa	**11 295**	**7 562**	9 448	19,5	(20,0)
Nigeria	**9 750**	**8 011**	6 888	41,6	8,4
SEAGHA	**5 554**	**4 979**	3 801	46,1	31,6
Ghana	**2 850**	**2 705**	2 015	41,4	39,1
Uganda	**1 147**	**1 042**	793	44,6	18,9
Other	**1 557**	**1 232**	993	56,8	27,9
WECA	**3 231**	**2 799**	3 281	(1,5)	(18,6)
Ivory Coast	**918**	**844**	1 364	(32,7)	(40,2)
Cameroon	**573**	**509**	694	(17,4)	(28,0)
Other	**1 740**	**1 446**	1 223	42,3	9,5
MENA	**1 989**	**1 941**	2 215	(10,2)	(3,9)
Syria	**939**	**904**	935	0,4	(7,6)
Sudan	**430**	**430**	439	(2,1)	17,5
Other	**620**	**607**	841	(26,3)	(10,2)
Head office companies and eliminations	**834**	**833**	457	–	–
Total	**32 653**	**26 125**	26 090	25,2	(1,7)
Hyperinflation	**215**	**156**	(72)	–	–
Total reported	**32 868**	**26 281**	26 018	26,3	(1,7)

Financial position

Table 13: Net debt analysis

Rm	Cash and cash equivalents†	Interest-bearing liabilities	Inter-company eliminations	Net interest-bearing liabilities	**Net debt/ (cash) December 2019**	Net debt/ (cash) December 2018
South Africa	1 310	29 626	(29 626)	–	**(1 310)**	(872)
Nigeria	8 019	15 815	–	15 815	**7 796**	774
SEAGHA	2 241	8 973	(5 341)	3 632	**1 391**	2 012
Ghana	1 113	1 227	–	1 227	**114**	172
Uganda	311	734	–	734	**423**	826
Other	817	7 012	(5 341)	1 671	**854**	1 014
WECA	1 613	12 273	(4 003)	8 270	**6 657**	6 151
Ivory Coast	569	3 559	–	3 559	**2 990**	2 922
Cameroon	393	2 361	(375)	1 986	**1 593**	2 080
Other	651	6 353	(3 628)	2 725	**2 074**	1 149
MENA	2 042	4 426	(4 311)	115	**(1 927)**	(1 420)
Syria	534	1 774	(1 684)	90	**(444)**	(290)
Sudan	363	2 652	(2 627)	25	**(338)**	(160)
Other	1 145	–	–	–	**(1 145)**	(970)
Head office companies and eliminations	11 135	104 025	(37 577)	66 448	**55 313**	57 508
Total reported	26 360	175 138	(80 858)	94 280	**67 920**	64 153
Iran	1 647	1 334	–	1 334	**(313)**	473

† Includes restricted cash and current investments.

Group net debt increased to R67,9 billion from R63,5 billion. This was largely impacted by increased borrowings in the operating companies in an effort to optimise their capital structures; more specifically MTN Nigeria, MTN Ivory Coast as well as drawdowns on facilities for financing capex in other markets. The local currency funding raised in MTN Nigeria has provided it with capacity to settle the redemption of preference shares and still be able to manage its ongoing operational requirements.

Holdco borrowings decreased to R55,3 billion from R57,5 billion in December 2018. The decline was mainly due to an increased cash position as a result of the proceeds of the Nigeria preference share redemption received on 31 December 2019. The currency mix of MTN's debt improved slightly in 2019 to 50% US dollar/euro and 50% South African rand (2018: 51,6%, 48,4%). We expect the currency mix to improve over the next few months as we receive and apply the proceeds from the asset realisation programme. The overall holdco debt position is also expected to decline. Leverage ratios at the holdco improved to 2,2x from 2,3x in December 2018.

Operational review

MTN South Africa

- Service revenue increased by 0,4%
- Data revenue increased by 5,2%
- Fintech revenue increased by 11,2%
- Digital revenue decreased by 31,4%
- On an IFRS reported basis EBITDA increased by 8,4% to R17 billion (down 2,3% to R15,3 billion under IAS 17)
- On an IFRS reported basis EBITDA margin increased by 2,2 pp to 37,3% (down 1,5 pp to 33,6% under IAS 17)
- Capex investment of R11 295 million on IFRS reported basis (R7 562 million under IAS 17)

MTN South Africa recorded a stronger performance in the fourth quarter, supporting marginal growth in service revenue for the year despite a difficult operating environment. MTN South Africa continued to cash account for Cell C revenues in line with IFRS 15. MTN South Africa would have recorded service revenue growth of 1,2% if all Cell C roaming revenue had been recognised.

Service revenue growth was supported by growth in national roaming revenue but this was offset by a 4,1% reduction in consumer prepaid service revenue. The prepaid business came under pressure due to ICASA's end user subscriber service charter regulations (which came into effect on 1 March 2019) impacting out-of-bundle (OOB) data revenue.

Encouragingly, the consumer prepaid business showed an improvement in momentum in the second half of the year, with the decline in service revenue reducing to -2,6% compared to -5,5% in the first half to June 2019 due to price elasticity improving data revenue growth.

In order to drive distribution cost efficiencies, MTN South Africa discontinued the loss-generating prepaid 1GB acquisition promotion and similar incentives. This resulted in savings of over R80 million, but contributed to the churn of 2,3 million SIM cards, taking the subscriber base to 28,9 million.

The consumer postpaid business delivered service revenue growth of 3,1%, which slowed due to deteriorating economic conditions and muted additions due to stricter vetting rules aimed at reducing credit risk in the current challenging environment.

The stabilisation and improvement of the enterprise business was evidenced in a strong recovery in the fourth quarter, where the YoY trend in that quarter returned to growth. This helped to drive a reduction in the decline of enterprise service revenue to -3,7% for the year, from -11,3% in 2018, as we stabilised churn, added new corporate customers and continued to grow the ICT business.

On an IFRS reported basis, the EBITDA margin increased 2,2 pp to 37,3% due to a 3,8% reduction in operating expenses. Under IAS 17, the EBITDA margin declined by 1,5 pp, impacted by the reduction of OOB tariffs as well as a 10,8% increase in operating expenses. Operating expenses were driven primarily by increased network costs on the back of network expansion and external factors such as load shedding, battery theft and site vandalisation.

MTN South Africa's continued investment in the network led to its endorsement by MyBroadband as Best Network and Best ISP (Supersonic) of the year.

In January 2020, we launched Mobile Money in South Africa.

On 18 November 2019 MTN announced that MTN South Africa had signed a new long-form roaming and services agreement with Cell C, subject to certain conditions precedent. This is aligned to MTN's strategy to further develop the group's wholesale business and will allow both MTN and Cell C to harness greater efficiencies in providing telecommunications services, while supporting a more sustainable and competitive industry. Cell C remained current with the agreed payment arrangement during 2019.

MTN Nigeria

- Service revenue increased by 12,6%*
- Data revenue increased by 42,7%*
- Fintech revenue increased by 23,2%*
- Digital revenue decreased by 83,2%*
- EBITDA grew by 15,7%* to R20 938 million*
- EBITDA margin increased by 1,2 pp* to 44,8%*
- Capex investment of R9 750 million on an IFRS reported basis (R8 011 million under IAS 17)

MTN Nigeria delivered strong service revenue growth of 12,6%*, largely driven by increases in voice and data revenue. The strong commercial momentum in the second half of the year resulted in a 13,0% increase in service revenue compared to the 12,2% growth achieved in the first half.

The growth in voice revenue in the year was supported by higher unique voice subscribers, relatively stable tariffs and our targeted segment offerings using our customer value management toolkit.

Data revenue grew by 42,7%* in 2019, with an acceleration in the second half of the year to 52,5%* from growth of 31,8%* in the first half. This was achieved through a 34,9% growth in active data users to 25,2 million as well as in the number of smartphones on our network which increased by 5,3 million, bringing smartphone penetration to 41,8%. The strong data performance was also the result of numerous initiatives introduced in the year, including a data price revamp, consumer education, a re-farming of frequencies and accelerated 4G network expansion. We now have 4G coverage in 123 cities, assisting in driving data traffic growth of 85,9%.

We focused on building a sustainable active user base for our digital business, while improving the customer journey and experience on value-added services (VAS). On the back of these, we recorded 23,0%* growth in digital revenue on a sequential QoQ basis in the fourth quarter and we expect to see growth on a YoY basis going in to 2020.

Fintech revenue grew to represent a contribution of 3,0%* of service revenue (2018: 2,8%*). This was supported by increased adoption of the airtime lending service. In line with our strategy, we focused on building the fintech agent network, surpassing the milestone of 100 000 registered agents by the end of 2019.

Our enterprise business segment continued to deliver solid results, with revenue growth of 22,0%*.

IFRS reported EBITDA rose by 51,7% with a margin of 53,9% (under IAS 17: growth of 15,7%* with a 1,2 pp* margin improvement to 44,8%*). During the period, we made significant investment in our network to improve service quality and drive 4G expansion, which resulted in a 0,6 pp decrease in capex intensity to 17,2%.

Southern and East Africa and Ghana (SEAGHA)

- Service revenue increased by 21,7%*
- Data revenue increased by 28,2%*
- Fintech revenue increased by 25,6%*
- Digital revenue declined by 11,7%*

The **SEAGHA** region delivered an outstanding performance under some challenging circumstances.

MTN Ghana was a substantial contributor to the strong performance in SEAGHA, with service revenue up 22,9%*. This was underpinned by solid revenue growth from voice, data and MoMo. MTN Ghana delivered double-digit growth in voice revenue (up 19,4%*), driven by an increase in the number of active subscribers, CVM initiatives and improvements in the network. The strong growth in data revenue (up 32,5%*) was supported by increased active data users and the number of smartphones on the network, which drove higher data usage (traffic grew by 86%).

MoMo revenue in Ghana continued to grow strongly (up 28,2%*) in a year in which we marked its 10th anniversary in the market. MoMo's revenue contribution to service revenue rose to 18,6%, from 17,9%. Ghana's EBITDA margin improvement of 13,3 pp to 50,8% on an IFRS reported basis (up 4,8 pp* to 42,4%* under IAS 17) was supported by distribution efficiencies.

MTN Uganda also made a positive contribution, with service revenue up 12,5%*. Mobile data and MoMo both delivered double-digit revenue growth of 39,7%* and 13,9%* respectively. The phenomenal growth in data can be attributed to a 52,1% increase in active users and a 2,2 pp improvement in smartphone penetration to 21,4%. Likewise, MoMo growth benefited from an 18,8% expansion in its base of active users that was buoyed by focused CVM seeding campaigns. Voice revenue growth of 3,4%* was driven largely by a 12,2% increase in subscribers and higher minutes of use (MOU).

The rest of the SEAGHA portfolio also delivered satisfactory results with an improvement in second half momentum across the portfolio, and service revenue growth outstripping local inflation in most markets. Overall, the SEAGHA portfolio excluding MTN Ghana delivered service revenue growth of 20,4%* in 2019.

West and Central Africa (WECA)

- Service revenue increased by 2,9%*
- Data revenue increased by 25,2%*
- Fintech revenue increased by 38,2%*
- Digital revenue declined by 38,5%*

The WECA region delivered encouraging results, with service revenue growth up by 2,9%* for the year. It recorded an improvement in momentum in the second half of the year, when service revenue growth accelerated to 4,8%* compared with the 0,5%* reported in the first half. Within the portfolio, MTN Cameroon, MTN Benin, MTN Guinea-Conakry and MTN Liberia all delivered an acceleration in growth in the second half. We gained market and value share across our WECA portfolio, with fintech and data the key pillars of growth in this region.

MTN Cameroon delivered service revenue growth of 3,3%* for the year, with data and fintech yielding double-digit revenue growth (18,9%* and 59,3%* respectively). The overall performance was driven by strong increases in the subscriber bases for data (29,8%) and fintech (90,1%) despite the continued challenging environment marked by conflict in the Northwest/Southwest regions and a reduction in mobile termination rates.

We are encouraged by MTN Ivory Coast's high-single-digit growth achieved in the fourth quarter, confirming the ongoing recovery, with the business regaining approximately 1,0 pp and 0,4 pp of market and value share respectively.

Excluding MTN Cameroon and MTN Ivory Coast, the WECA markets grew their revenue by an aggregate 11,6%*.

Middle East and North Africa (MENA) (excluding Iran)

- Service revenue increased by 18,8%*
- Data revenue increased by 41,6%*
- Fintech revenue increased by 81,7%*
- Digital revenue increased by 20,2%*

The MENA region delivered a strong performance despite geopolitical challenges, with an 18,8%* increase in service revenue for the year.

MTN Syria achieved service revenue growth of 19,1%* underpinned by a 35,0%* growth in data revenue. MTN Sudan grew its service revenue by 50,2%*, supported by a 41,7%* increase in voice revenue and 66,7%* growth in data revenue, despite internet disruptions during June and July. MTN Yemen also contributed positively to the MENA portfolio, growing service revenue by 14,2%* on the back of a 28,8%* increase in data revenue against a challenging macroeconomic backdrop and political instability.

Associates, joint ventures and investments

Telecoms operations

MTN Irancell delivered a solid result notwithstanding the challenges facing the business with the re-introduction of US sanctions, the depreciation of the currency and the high rate of inflation. Service revenue grew by 20,1%*, with voice up by 24,2%* and data revenue up by 23,2%*.

MTN Irancell's EBITDA declined by 28,1% on an IFRS reported basis (up 17,7%* under IAS 17). Invested capex was R2 568 million in the year. The 2018 reported results from Iran were negatively impacted on translation following the move to report exchange rates at the Sana rate as of August 2018. The average Sana rate in the reporting period was 95,2% weaker than the prior period. The value of the Irancell loan and receivable as at 31 December 2019 was R3,0 billion.

E-commerce investments

Following the **Jumia** IPO, at 31 December 2019 our 18,9% stake in Jumia was valued at R1,4 billion at an American Depositary Share (ADS) price of $6,73. As at 9 March 2020, the Jumia ADS price was at $3,15.

In the year, **Middle East Internet Holding (MEIH)** disposed of online grocery platform Wadi Grocery. Ride-hailing service Jeeny recorded a 54% YoY increase in ride numbers and cleaning service app Helpling reported an 81% YoY increase in the number of hours booked on its platform. At 31 December 2019, the asset was impaired by R342 million, of which R191 million was recognised at 30 June 2019.

Within IIG, ride-hailing app Snapp hit two million daily orders, to rank within the top ride-hailing apps globally. Food delivery app Snappfood's net merchandise value grew by 200% YoY. It is the market leader in Iran with 85% market share and over 10 000 partner restaurants. Snapptrip's net merchandise value grew by 416% YoY, making it #1 in the local hotel booking market.

These e-commerce holdings, while important investments, are not viewed as long-term strategic holdings for the group as MTN continues to implement its digital operator strategy.

Investments in tower companies
Our associate tower businesses – which include our 49% holdings in both **ATC Ghana and ATC Uganda** – contributed R82 million of associate earnings for 2019. On 31 December 2019 we concluded an agreement to dispose of these holdings. Since 28 October 2019, they have been classified as 'held for sale' in the statement of financial position. At 31 December 2019, the fair value of our 29% investment in IHS was recognised at R27,0 billion.

Prospects and guidance

Well positioned to deliver growth
Our markets are growth markets. Our infrastructure and investments, our established leading position as well as the characteristics of our markets – including significant population growth, low levels of smartphone penetration and data and digital adoption as well as large unbanked populations – ensure that we are well positioned for growth.

Guided by our well-defined BRIGHT strategy, we are optimising efficiencies, capex and cash flow as well as creating sustainable economic value, enhancing sustainable societies and ensuring eco-responsibility as we build a digital operator.

Following data price reductions in South Africa and Nigeria in 2019, we expect price elasticity to improve data revenue growth in 2020. In Nigeria, expansion of our 4G network and migration of incidental to active data users remain key priorities to drive data revenue growth.

We continue to work towards obtaining a payment service banking licence in Nigeria. We will further scale the basic mobile financial services products, deepen advanced services as well as increase our merchant base, as part of our plans to build a fintech ecosystem. Having met our initial milestone in Nigeria, we will sustain this momentum to grow our network of agents to 300 000 in 2020.

We will further strengthen and grow our digital offerings. We plan to continue to roll out Ayoba into our markets. We will also integrate payments into the Ayoba service as part of our broadening of the fintech business, as well as integrating Ayoba into MTN segmented offers. After launching our time-based music streaming service MusicTime! in six of our markets, we will expand market coverage and improve the offerings as well as build our digital marketing business.

In 2020 we will continue to invest in our networks to ensure we are ready for the digital revolution and plan to increase our capex spend by 13% to R28,5 billion.

Medium-term guidance
Given the pleasing progress and momentum we are seeing in our commercial, financial and strategic initiatives, we have reviewed and enhanced our medium-term (3 to 5 years) guidance framework.

We will maintain our target of double-digit growth in group service revenue in constant currency terms, MTN Nigeria's service revenue to grow above inflation with double-digit growth, and mid-single-digit growth in service revenue from MTN South Africa.

Over this period, we expect to continue to improve our group EBITDA margin through our ongoing efficiency programmes and delivering on our ROE target.

By leveraging historical investments, improved procurement processes and an increasing revenue contribution from our digital businesses, we expect the group capex intensity to improve steadily over the medium term on an IFRS reported basis.

Our asset realisation programme (ARP) has performed better than anticipated. We have therefore revised our medium-term target to secure at least a further R25 billion in asset realisations over the medium term. This is within the context of our localisation ambitions, MTN's portfolio of assets that have been identified as not long-term strategic and market conditions being conducive. We have further revised our holdco leverage ratio to 'below 2,0x' and remain focused on delivering on our capital allocation priorities as previously communicated.

The board remains committed to targeting growth of 10% to 20% in the dividend.

We note the developments around the coronavirus outbreak, which has been an unexpected shock for China's economy, as well as the global economy. While we acknowledge its potential impact on our supply chain, we continue to monitor developments and are developing contingency plans to mitigate the impact. Having assessed the impact on our supply chain, and assuming current conditions do not worsen, we do not currently anticipate a material impact on our near-term network rollout plans.

Management succession

The MTN group president and CEO Rob Shuter will step down from his role at the end of his fixed four-year contract in March 2021. Under his leadership significant progress has been made, including establishing and effectively communicating a clear vision and strategy, driving the resolution of a number of complex matters and delivering significant improvements in transformation, operational performance and staff morale.

The MTN board thanks Rob for the contribution he has made, and continues to make, to MTN. The board, led by the chairman, will manage the succession process and expects to conclude this during the year, thus enabling a seamless handover.

In other changes, the group chief technology and IT officer Charles Molapisi has been appointed to the group executive committee, reporting to the group president and CEO and the fixed contract of the group chief operations officer, Jens Schulte-Bockum, has been extended until 31 March 2022.

Board changes

Mcebisi Jonas assumed the position of chairman of MTN Group with effect from 15 December 2019, when Phuthuma Nhleko stepped down from the board. Alan Harper, Jeff van Rooyen and Koosum Kalyan also stepped down from the board on this date and Dr Khotso Mokhele assumed the responsibilities of lead independent director. We thank all departing directors for their valuable contribution over many years.

Declaration of final ordinary dividend

Notice is hereby given that a gross final dividend of 355 cents per share for the period to 31 December 2019 has been declared and will be paid out of reserves. The number of ordinary shares in issue at the date of this declaration is 1 884 269 758 (including 9 426 634 treasury shares held by MTN Holdings and 76 835 378 shares held by MTN Zakhele Futhi).

The dividend will be subject to a maximum local dividend tax rate of 20% which will result in a net dividend of 284 cents per share to those shareholders who bear the maximum rate of dividend withholding tax of 71 cents per share. The net dividend per share for the respective categories of shareholders for the different dividend tax rates is as follows:

0%	355,00 cents per share
5%	337,25 cents per share
7,5%	328,38 cents per share
10%	319,50 cents per share
12,5%	310,63 cents per share
15%	301,75 cents per share

These different dividend tax rates are a result of the application of tax rates in various double-taxation agreements as well as exemptions from dividend tax.

MTN Group Limited's tax reference number is 9692/942/71/8. In compliance with the requirements of Strate, the electronic settlement and custody system used by the JSE Limited, the salient dates relating to the payment of the dividend are as follows:

Declaration date	Wednesday, 11 March 2020
Last day to trade cum dividend on the JSE	Tuesday, 31 March 2020
First trading day ex dividend on the JSE	Wednesday, 1 April 2020
Record date	Friday, 3 April 2020
Payment date	Monday, 6 April 2020

No share certificates may be dematerialised or re-materialised between Wednesday, 1 April 2020 and Friday, 3 April 2020, both days inclusive. On Monday, 6 April 2020 the dividend will be transferred electronically to the bank accounts of certificated shareholders who make use of this facility.

In respect of those who do not use this facility, cheques dated Monday, 6 April 2020 will be posted on or about this date. Shareholders who hold dematerialised shares will have their accounts held by the Central Securities Depository Participant or broker credited on Monday, 6 April 2020.

For and on behalf of the board

MH Jonas
Group chairman

RA Shuter
Group president and CEO

RT Mupita
Group CFO

10 March 2020

Fairland

Date of Release 11 March 2020

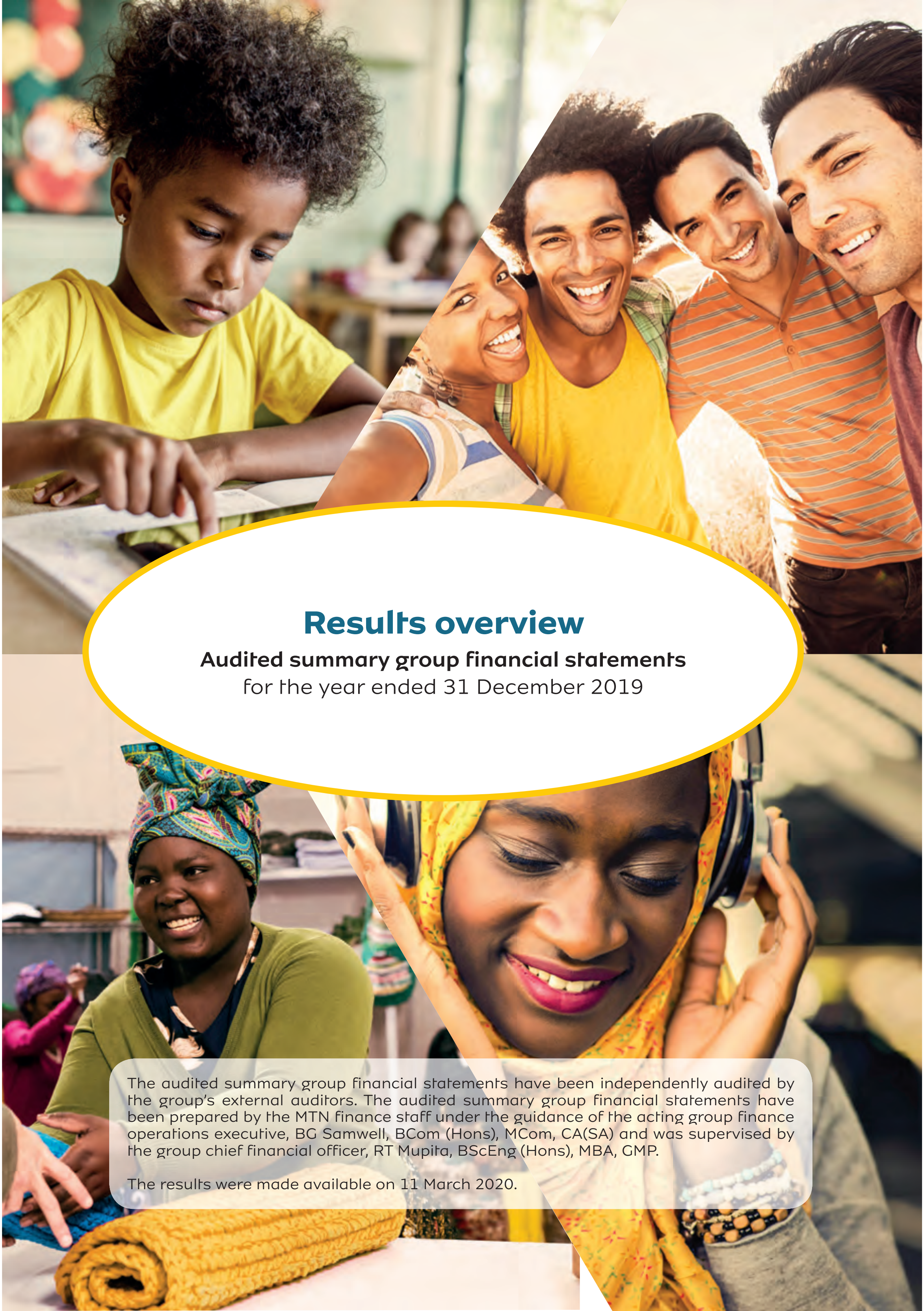
Lead sponsor
Tamela Holdings Proprietary Limited

Joint sponsor
JP Morgan Equities South Africa Proprietary Limited

Appendix

Definitions defined:

- ˜ EBITDA is defined as earnings before finance income and finance costs (which includes gains or losses on foreign exchange transactions), tax, depreciation and amortisation, and is also presented before recognising the following items: Impairment of joint venture and goodwill (MEIH); net monetary gain resulting from the application of hyperinflation; share of results of associates and joint ventures after tax; hyperinflation; tower sale profits; gain on disposal of subsidiary (MTN Cyprus); CBN resolution; and gain on dilution of investment in associates and joint ventures (Travelstart and Jumia). EBITDA after once-off items increased 32,8% on an IFRS reported basis
- Adjusted ROE is calculated based on reported group HEPS of 468 cps plus non-operational impacts of 209 cps
- Service revenue excludes device and SIM card revenue
- Data revenue is mobile and fixed access data and excludes roaming and wholesale
- Fintech includes Mobile Money (MoMo), insurance, airtime lending and ecommerce
- Mobile Money users are 30-day active users
- All financial numbers are year on year (YoY) unless otherwise stated
- All subscriber numbers are compared to the end of December 2018 unless otherwise stated
- All prior period financial and non-financial numbers have been adjusted for the disposal of MTN Cyprus for comparability purposes



Results overview

Audited summary group financial statements

for the year ended 31 December 2019

The audited summary group financial statements have been independently audited by the group's external auditors. The audited summary group financial statements have been prepared by the MTN finance staff under the guidance of the acting group finance operations executive, BG Samwell, BCom (Hons), MCom, CA(SA) and was supervised by the group chief financial officer, RT Mupita, BScEng (Hons), MBA, GMP.

The results were made available on 11 March 2020.

Independent auditors' report on the summary consolidated financial statements

TO THE SHAREHOLDERS OF MTN GROUP LIMITED

OPINION

The summary consolidated financial statements of MTN Group Limited, set out on pages 35 to 67 of the MTN Group Limited audited summary group financial statements for the year ended 31 December 2019, which comprise the summary consolidated statement of financial position as at 31 December 2019, the summary consolidated income statement and the summary statements of comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of MTN Group Limited for the year ended 31 December 2019.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the JSE Limited's (JSE) requirements for summary financial statements, as set out in note 3 to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summary consolidated financial statements and the auditors' report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditors' report thereon.

THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS AND OUR REPORT THEREON

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 10 March 2020. That report also includes communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period.

DIRECTORS' RESPONSIBILITY FOR THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the summary consolidated financial statements in accordance with the JSE's requirements for summary financial statements, set out in note 3 to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements.*

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: SN Madikane
Registered auditor
Johannesburg
10 March 2020

SizweNtsalubaGobodo Grant Thornton Inc

SizweNtsalubaGobodo Grant Thornton Inc.
Director: DH Manana
Registered auditor
Johannesburg
10 March 2020

Summary group income statement

for the year ended 31 December

	Note	2019 Rm	2018 Rm
Revenue	7	**151 460**	134 560
Other income		**1 373**	3 186
Direct network and technology operating costs		**(22 121)**	(25 370)
Costs of handsets and other accessories		**(11 929)**	(11 638)
Interconnect and roaming costs		**(9 897)**	(10 731)
Staff costs		**(10 597)**	(9 510)
Selling, distribution and marketing expenses		**(18 574)**	(16 798)
Government and regulatory costs		**(5 695)**	(4 889)
Impairment and write-down of trade receivables and contract assets		**(729)**	(810)
CBN resolution		**–**	(744)
Other operating expenses		**(9 199)**	(9 010)
Depreciation of property, plant and equipment		**(21 492)**	(19 709)
Depreciation of right-of-use assets		**(5 828)**	–
Amortisation of intangible assets		**(5 138)**	(4 649)
Impairment of goodwill and investments in joint venture	8	**(342)**	(312)
Operating profit		**31 292**	23 576
Net finance costs	9	**(15 184)**	(8 331)
Net monetary gain		**787**	290
Share of results of associates and joint ventures after tax	10	**705**	(527)
Profit before tax		**17 600**	15 008
Income tax expense		**(6 908)**	(5 430)
Profit after tax		**10 692**	9 578
Attributable to:			
Equity holders of the company		**8 963**	8 719
Non-controlling interests		**1 729**	859
		10 692	9 578
Basic earnings per share (cents)	11	**499**	485
Diluted earnings per share (cents)	11	**491**	478

Summary group statement of comprehensive income

for the year ended 31 December

	Note	2019 Rm	2018 Rm
Profit after tax		10 692	9 578
Other comprehensive income after tax			
Items that may be and/or have been reclassified to profit or loss:		(3 725)	(611)
Net investment hedges	17	515	(2 517)
Foreign exchange movement on hedging instruments		715	(3 497)
Deferred and current tax		(200)	980
Exchange differences on translating foreign operations including the effect of hyperinflation[1]		(4 240)	1 906
(Losses)/gains arising during the year	17	(4 415)	1 943
Reclassification of foreign currency translation differences on loss of control and joint control[1]		175	(37)
Items that will not be reclassified to profit or loss:			
Equity investments at fair value through other comprehensive income[1,2]		2 759	(8 030)
Gains/(losses) arising during the year		2 759	(8 030)
Other comprehensive income for the year		(966)	(8 641)
Attributable to:			
Equity holders of the company		(741)	(8 847)
Non-controlling interests		(225)	206
Total comprehensive income for the year		9 726	937
Attributable to:			
Equity holders of the company		8 222	(128)
Non-controlling interests		1 504	1 065
		9 726	937

[1] This component of other comprehensive income (OCI) does not attract any tax.
[2] Equity investments at fair value through other comprehensive income mainly relates to the group's investment in IHS Holding Limited (IHS Group) and Jumia Technologies AG (Jumia) (note 12).

Summary group statement of financial position

as at 31 December

	Note	2019 Rm	2018 Restated[1] Rm
Non-current assets		**226 029**	183 810
Property, plant and equipment		**98 312**	100 581
Intangible assets and goodwill		**36 866**	40 331
Right-of-use assets		**44 984**	–
Investments	12	**28 555**	24 025
Investment in associates and joint ventures		**8 764**	11 884
Deferred tax and other non-current assets		**8 548**	6 989
Current assets		**75 444**	70 266
Trade and other receivables		**27 256**	29 367
Other current assets		**9 092**	10 689
Restricted cash		**2 042**	2 153
Mobile Money deposits	5	**15 315**	12 835
Cash and cash equivalents		**21 739**	15 222
Non-current assets held for sale	19	**838**	2 759
Total assets		**302 311**	256 835
Total equity		**86 100**	88 226
Attributable to equity holders of the company		**83 897**	84 799
Non-controlling interests		**2 203**	3 427
Non-current liabilities		**132 372**	83 811
Interest-bearing liabilities	14	**78 457**	72 563
Lease liabilities		**42 271**	–
Deferred tax and other non-current liabilities		**11 644**	11 248
Current liabilities		**83 839**	84 798
Interest-bearing liabilities	14	**15 823**	12 438
Lease liabilities		**4 056**	–
Trade and other payables		**36 630**	47 747
Mobile Money payables	5	**15 315**	12 835
Other current and tax liabilities		**12 015**	11 778
Total equity and liabilities		**302 311**	256 835

[1] Restated for changes in accounting policies, refer to note 23 for details of restatements.

Summary group statement of changes in equity

for the year ended 31 December

	2019 Rm	2018 Rm
Opening balance at 1 January	**84 799**	93 804
Total comprehensive income	**8 222**	(128)
Profit after tax	**8 963**	8 719
Other comprehensive income after tax	**(741)**	(8 847)
Opening reserve adjustment for impact of hyperinflation	**–**	531
Transactions with owners of the company		
Transaction with non-controlling interests	**–**	1 666
Decrease in treasury shares	**–**	143
Cancellation of share-based payment	**–**	(295)
Share-based payment transactions	**331**	371
Dividends declared	**(9 362)**	(11 248)
Other movements	**(93)**	(45)
Attributable to equity holders of the company	**83 897**	84 799
Non-controlling interests	**2 203**	3 427
Closing balance at 31 December	**86 100**	88 226
Dividends declared during the period (cents per share)	**520**	625
Dividends declared after the period (cents per share)	**355**	325

Summary group statement of cash flows

for the year ended 31 December

	Note	2019 Rm	2018 Rm
Net cash generated from operating activities		**36 289**	32 389
Cash generated from operations		**55 197**	40 345
Interest received		**1 196**	2 130
Interest paid[1]		**(13 014)**	(7 001)
Dividends received from associates and joint ventures		**550**	1 942
Income tax paid		**(7 640)**	(5 027)
Net cash used in investing activities		**(24 542)**	(23 219)
Acquisition of property, plant and equipment		**(23 416)**	(24 224)
Acquisition of intangible assets		**(3 624)**	(3 972)
Increase in non-current investments and joint venture		**(71)**	(802)
Proceeds on sale of subsidiaries, net of cash disposed	20	**1 152**	3 986
Decrease in loan receivables		**942**	–
Realisation of bonds, treasury bills and foreign deposits		**396**	1 727
Net (increase)/decrease in restricted cash		**(12)**	6
Movement in other investing activities		**91**	60
Net cash used in financing activities		**(4 340)**	(11 123)
Proceeds from borrowings	15	**35 013**	25 219
Repayment of borrowings	15	**(23 662)**	(27 359)
Repayment of lease liabilities	23	**(3 417)**	–
Dividends paid to equity holders of the company		**(9 352)**	(11 236)
Dividends paid to non-controlling interests		**(1 460)**	(759)
Proceeds from the MTN Ghana initial public offering		**–**	3 057
Redemption of MTN Nigeria preference shares	21	**(1 243)**	–
Other financing activities		**(219)**	(45)
Net increase/(decrease) in cash and cash equivalents		**7 407**	(1 953)
Net cash and cash equivalents at beginning of the year		**14 967**	15 937
Exchange (losses)/gains on cash and cash equivalents		**(1 300)**	1 564
Net monetary (loss)/gain on cash and cash equivalents		**(82)**	34
Decrease/(increase) in cash classified as held for sale		**615**	(615)
Net cash and cash equivalents at end of the year		**21 607**	14 967

[1] Interest paid increased in 2019 as a result of adopting IFRS 16, refer to notes 9 and 23.

Notes to the summary group financial statements

for the year ended 31 December 2019

1. INDEPENDENT AUDIT

The summary group financial statements have been derived from the audited group financial statements. The directors of the company take full responsibility for the preparation of the summary group financial statements and that the financial information has been correctly derived and are consistent in all material respects with the underlying audited group financial statements. The summary group financial statements for the year ended 31 December 2019 have been audited by our joint auditors PricewaterhouseCoopers Inc. and SizweNtsalubaGobodo Grant Thornton Inc., who have expressed an unmodified opinion thereon. The auditors also expressed an unmodified opinion on the group financial statements from which the summary group financial statements were derived. A copy of the auditors' report on the group financial statements is available for inspection at the company's registered office or can be downloaded from the company's website: www.mtn.com/investors/financial-reporting/annual-results, together with the financial statements identified in the auditors' report.

2. GENERAL INFORMATION

MTN Group Limited (the company) carries on the business of investing in the telecommunications industry through its subsidiary companies, joint ventures, associates and related investments.

3. BASIS OF PREPARATION

The summary group financial statements are prepared in accordance with the requirements of the JSE Limited Listings Requirements for preliminary financial statements and the requirements of the Companies Act applicable to summary financial statements. The summary financial statements were prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee (APC) and the Financial Pronouncements as issued by the Financial Reporting Standard Council (FRSC), and to also, as a minimum, contain the information required by IAS 34 *Interim Financial Reporting*.

The accounting policies applied in the preparation of the group financial statements from which the summary group financial statements were derived, are in terms of IFRS and are consistent with those accounting policies applied in the preparation of the previous group financial statements, unless otherwise stated.

The summary group financial statements should be read in conjunction with the group financial statements for the year ended 31 December 2019, which have been prepared in accordance with IFRS. A copy of the full set of the audited group financial statements is available for inspection from the company secretary at the registered office of the company or can be downloaded from the company's website: www.mtn.com/investors/financial-reporting/annual-results.

Notes to the summary group financial statements

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4. PRINCIPAL ACCOUNTING POLICIES

The accounting policies applied in the preparation of the group financial statements from which the summary group financial statements are derived, are in terms of IFRS and are consistent with those accounting policies applied in the preparation of the previous consolidated annual financial statements except as described below.

The group has adopted IFRS 16 *Leases* (IFRS 16) and IFRIC 23 *Uncertainty over Income Tax Treatments* (IFRIC 23) with effect from 1 January 2019. In addition, the group changed its accounting policy with regards to Mobile Money deposits and payables as well as the classification of uncertain income tax liabilities during the current financial year. Refer to note 23 for details. A number of other new standards are effective from 1 January 2019, but they do not have a material effect on the group's financial statements.

5. CRITICAL ACCOUNTING JUDGEMENTS

5.1 Accounting for Mobile Money (MoMo) deposits and payables

Significant judgement

Limited accounting guidance exists in IFRS relating to MoMo customers' balances held with banks. The group previously recognised MoMo balances based on its assessment of the risks and rewards relating to the underlying financial asset. The group's exposure to credit risk on the financial assets held with the various banks was considered a key factor in the overall evaluation as any credit risk assumed potentially exposed the group to refund MoMo customers in the event of any bank failure.

As a result of the uncertain and evolving legal and regulatory environment, this assessment has become increasingly complex and dependent on legal interpretations that are largely untested in the respective markets in which the group operates. The group has, however, noticed in its larger MoMo markets that, as the MoMo products mature and the regulatory and legal positions are codified, the underlying exposure to its MoMo customers is clarified ultimately resulting in the MoMo balances being recorded on the statement of financial position.

As the group operates in a number of markets where the legal and regulatory position relating to MoMo has not been clarified, the judgement was made to recognise all MoMo liabilities, representing the obligation which exists in the ordinary course to refund the customer for deposits made, and the related MoMo balances held with the banks on the statement of financial position.

	2019 Rm	2018 Restated[1] Rm
South Africa	**6**	–
Nigeria	**31**	31
SEAGHA	**10 907**	9 455
Ghana	**8 266**	7 134
Uganda	**1 824**	1 624
Other SEAGHA	**817**	697
WECA	**4 371**	3 349
Ivory Coast	**1 863**	1 716
Cameroon	**1 512**	969
Other WECA	**996**	664
MENA	*	*
Sudan	*	*
	15 315	12 835

* Amounts less than R1 million.

[1] Restated for changes in accounting policies, refer to note 23 for details of restatements.

5. CRITICAL ACCOUNTING JUDGEMENTS continued

5.2 MTN SA revenue recognition

Cell C Limited (Cell C) and Mobile Telephone Networks Proprietary Limited (MTN SA) entered into a network roaming agreement in 2018. Following delayed payments by Cell C during the first half of 2019, the group concluded that a significant change in facts and circumstances occurred as defined in terms of IFRS 15 *Revenue from Contracts with Customers* (IFRS 15), and the network roaming agreement with Cell C no longer met the definition of a contract for revenue recognition purposes in terms of IFRS 15. As a result, MTN SA did not recognise all revenue accrued on satisfied performance obligations. Revenue was only recognised on completed services based on the non-refundable consideration received. MTN SA collected R2 513 million from Cell C during 2019. As at 31 December 2019, R283 million of revenue for satisfied performance obligations remains unrecognised.

On 18 November 2019, the group announced that MTN SA had signed a new long-form roaming agreement with Cell C, subject to certain conditions precedent. Cell C continues to work on its recapitalisation and liquidity challenges, which if adequately resolved, would result in a change in the group's accounting treatment of Cell C roaming revenues back to an accounting methodology of recognising revenue as performance obligations are satisfied.

6. HYPERINFLATION

The financial statements (including comparative amounts) of the group entities whose functional currencies are the currencies of hyperinflationary economies are adjusted in terms of the measuring unit current at the end of the reporting period.

The group has classified the economies of Syria, South Sudan and Sudan as hyperinflationary effective 2014, 2016 and 2018 respectively.

In 2015, the Iranian economy was assessed to no longer be hyperinflationary and hyperinflation accounting was discontinued effective 1 July 2015. The group's results from Irancell Telecommunications Company Services (PJSC) (Irancell) includes expenses resulting from the discontinuation of hyperinflation accounting mainly relating to the subsequent depreciation of assets that were historically written up under hyperinflation accounting. The additional income statement charge reduced equity-accounted earnings from Irancell by R466 million (2018: R873 million).

The impact of hyperinflation on the segment analysis is as follows:

	2019		
	Revenue Rm	Operating (loss)/profit Rm	Capex Rm
Syria	–	(250)	–
Sudan	626	(120)	106
South Sudan (included in other SEAGHA)	279	54	109
	905	(316)	215
Major joint venture – Irancell	–	(621)	–

Notes to the summary group financial statements

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6. HYPERINFLATION continued

	2018		
	Revenue Rm	Operating (loss)/profit Rm	Capex Rm
Syria	9	(74)	–
Sudan	(109)	75	(67)
South Sudan (included in other SEAGHA)	274	9	(5)
	174	10	(72)
Major joint venture – Irancell	–	(1 164)	–

7. SEGMENT ANALYSIS

The group has identified reportable segments that are used by the group executive committee (chief operating decision maker (CODM)) to make key operating decisions, allocate resources and assess performance. The reportable segments are largely grouped according to their geographic locations and reporting lines to the CODM.

The group's underlying operations are clustered as follows:

- South Africa;
- Nigeria;
- South and East Africa and Ghana (SEAGHA);
- West and Central Africa (WECA); and
- Middle East and North Africa (MENA).

South Africa and Nigeria comprise the segment information for the South African and Nigeria-based cellular network services providers respectively.

The SEAGHA, WECA, and MENA clusters comprise segment information for operations in those regions which are also cellular network services providers in the group.

Operating results are reported and reviewed regularly by the CODM and include items directly attributable to a segment as well as those that are attributed on a reasonable basis, whether from external transactions or from transactions with other group segments.

A key performance measure of reporting profit for the group is CODM EBITDA. CODM EBITDA is defined as earnings before finance income and finance costs (which includes gains or losses on foreign exchange transactions and a loss on revision of cash flows from a joint venture), tax, depreciation and amortisation, and is also presented before recognising the following items:

- impairment of joint venture and goodwill (note 8);
- net monetary gain resulting from the application of hyperinflation;
- share of results of associates and joint ventures after tax (note 10);
- hyperinflation (note 6);
- tower sale profits;
- CBN resolution;
- gain on dilution of investment in associate and joint venture (note 10); and
- gain on disposal of subsidiary (note 20).

These exclusions have remained unchanged from the prior year, apart from loss on revision of cash flows from a joint venture and impairment of joint venture.

Irancell proportionate results are included in the segment analysis as reviewed by the CODM and excluded from reported results for revenue, CODM EBITDA and capex due to equity accounting for joint ventures. The results of Irancell in the segment analysis exclude the impact of hyperinflation accounting.

Notes to the summary group financial statements

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for the year ended 31 December 2019

7. SEGMENT ANALYSIS continued

REVENUE	Network services Rm	Mobile devices Rm	Interconnect and roaming Rm
2019			
South Africa	27 926	9 017	4 381
Nigeria	39 545	88	4 995
SEAGHA	18 333	315	1 757
Ghana	9 275	90	915
Uganda	4 463	61	409
Other SEAGHA	4 595	164	433
WECA	16 240	171	2 280
Ivory Coast	4 535	37	899
Cameroon	4 248	62	457
Other WECA	7 457	72	924
MENA	7 520	37	1 006
Syria	2 745	–	51
Sudan	1 335	5	472
Other MENA	3 440	32	483
Major joint venture – Irancell[1]	6 715	104	526
Head office companies and eliminations[2]	215	1	(496)
Hyperinflation impact	679	1	193
Irancell revenue exclusion	(6 715)	(104)	(526)
Consolidated revenue	110 458	9 630	14 116

[1] Irancell proportionate results are included in the segment analysis as reviewed by the CODM. This is, however, excluded from IFRS reported results due to equity accounting for joint ventures.

[2] Head office companies and eliminations consist mainly of the group's central financing activities, management fees and dividends received from segments as well as inter-segment eliminations.

Digital and fintech Rm	Other Rm	Revenue from contracts with customers Rm	Interest revenue Rm	Total revenue Rm
2 066	1 635	45 025	422	45 447
1 584	484	46 696	–	46 696
5 983	681	27 069	–	27 069
3 326	214	13 820	–	13 820
1 681	86	6 700	–	6 700
976	381	6 549	–	6 549
2 511	619	21 821	–	21 821
1 041	405	6 917	–	6 917
571	51	5 389	–	5 389
899	163	9 515	–	9 515
343	71	8 977	–	8 977
167	23	2 986	–	2 986
69	22	1 903	–	1 903
107	26	4 088	–	4 088
539	106	7 990	24	8 014
40	776	536	9	545
23	9	905	–	905
(539)	(106)	(7 990)	(24)	(8 014)
12 550	4 275	151 029	431	151 460

Notes to the summary group financial statements

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7. SEGMENT ANALYSIS continued

REVENUE	Network services[1] Rm	Mobile devices Rm	Interconnect and roaming[1] Rm
2018			
South Africa	28 421	8 389	3 720
Nigeria	31 636	78	3 742
SEAGHA	15 116	279	1 765
Ghana	7 648	71	997
Uganda	3 649	52	336
Other SEAGHA	3 819	156	432
WECA	14 716	156	2 831
Ivory Coast	4 533	43	1 196
Cameroon	3 915	57	563
Other WECA	6 268	56	1 072
MENA	6 978	230	1 112
Syria	2 142	–	47
Sudan	1 125	6	457
Other MENA	3 711	224	608
Major joint venture – Irancell	9 328	168	843
Head office companies and eliminations	17	(2)	(414)
Hyperinflation impact	151	–	25
Irancell revenue exclusion	(9 328)	(168)	(843)
Consolidated revenue	97 035	9 130	12 781

[1] Subsequent to the publication of the December 2018 full year results, the group has reviewed and aligned its revenue streams relating to its consumer, enterprise and wholesale business units with its current operating structure. The redefined segmentation has resulted in the reallocation of certain revenue streams and comparative numbers have been restated accordingly. The most significant changes resulted from the reallocation of revenue from ICT internet services and bulk SMS services, that previously formed part of other revenue, to network services.

Digital and fintech[1] Rm	Other[1] Rm	Revenue from contracts with customers Rm	Interest revenue Rm	Total revenue Rm
2 441	1 296	44 267	391	44 658
1 992	523	37 971	–	37 971
5 048	405	22 613	–	22 613
2 944	200	11 860	–	11 860
1 329	57	5 423	–	5 423
775	148	5 330	–	5 330
1 995	525	20 223	–	20 223
1 063	323	7 158	–	7 158
377	47	4 959	–	4 959
555	155	8 106	–	8 106
312	213	8 845	–	8 845
90	19	2 298	–	2 298
89	21	1 698	–	1 698
133	173	4 849	–	4 849
1 101	194	11 634	33	11 667
1	474	76	–	76
(16)	14	174	–	174
(1 101)	(194)	(11 634)	(33)	(11 667)
11 773	3 450	134 169	391	134 560

Notes to the summary group financial statements

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for the year ended 31 December 2019

7. SEGMENT ANALYSIS continued

External versus inter-segment revenue	2019 External revenue Rm	2019 Inter-segment revenue Rm	2019 Total revenue Rm	2018 External revenue Rm	2018 Inter-segment revenue Rm	2018 Total revenue Rm
South Africa	45 237	210	45 447	44 539	119	44 658
Nigeria	46 265	431	46 696	37 817	154	37 971
SEAGHA	26 259	810	27 069	22 369	244	22 613
Ghana	13 397	423	13 820	11 797	63	11 860
Uganda	6 471	229	6 700	5 319	104	5 423
Other SEAGHA	6 391	158	6 549	5 253	77	5 330
WECA	21 202	619	21 821	20 074	149	20 223
Ivory Coast	6 835	82	6 917	7 136	22	7 158
Cameroon	5 239	150	5 389	4 945	14	4 959
Other WECA	9 128	387	9 515	7 993	113	8 106
MENA	8 651	326	8 977	8 827	18	8 845
Syria	2 986	–	2 986	2 298	–	2 298
Sudan	1 634	269	1 903	1 680	18	1 698
Other MENA	4 031	57	4 088	4 849	–	4 849
Major joint venture – Irancell	8 014	–	8 014	11 667	–	11 667
Head office companies and eliminations[1]	2 938	(2 393)	545	773	(697)	76
Hyperinflation impact	908	(3)	905	161	13	174
Irancell revenue exclusion	(8 014)	–	(8 014)	(11 667)	–	(11 667)
Consolidated revenue	151 460	–	151 460	134 560	–	134 560

[1] Head office companies and eliminations consist mainly of revenue from GlobalConnect Solutions Limited, the group's central financing activities, management fees and dividends received from segments as well as related inter-segment eliminations.

The disclosure of revenue between segments has been reconciled to total revenue disclosed. This disclosure has been re-presented for the 2018 financial year to show the disaggregated amounts.

Notes to the summary group financial statements

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7. SEGMENT ANALYSIS continued

CODM EBITDA	2019 Rm	2018 Rm
South Africa	**16 972**	15 660
Nigeria	**25 149**	16 574
SEAGHA	**12 136**	7 865
Ghana	**7 014**	4 452
Uganda	**3 150**	1 980
Other SEAGHA	**1 972**	1 433
WECA	**6 081**	4 133
Ivory Coast	**1 814**	1 593
Cameroon	**1 635**	455
Other WECA	**2 632**	2 085
MENA	**2 836**	2 510
Syria	**1 173**	909
Sudan	**677**	590
Other MENA	**986**	1 011
Head office companies and eliminations	**(534)**	(727)
CODM EBITDA	**62 640**	46 015
Major joint venture – Irancell[1]	**3 041**	4 231
Hyperinflation impact	**282**	271
Tower sale profits	**19**	23
Gain on dilution of investment in associates and joint ventures	**1 039**	569
Gain on disposal of subsidiary	**112**	2 112
CBN resolution	**–**	(744)
Irancell CODM EBITDA exclusion	**(3 041)**	(4 231)
CODM EBITDA before impairment of goodwill	**64 092**	48 246
Depreciation, amortisation and impairment of goodwill	**(32 800)**	(24 670)
Net finance cost[2]	**(15 184)**	(8 331)
Net monetary gain	**787**	290
Share of results of associates and joint ventures after tax	**705**	(527)
Profit before tax	**17 600**	15 008

[1] The CODM EBITDA relating to the major joint venture, Irancell, has been presented after the group CODM EBITDA as Irancell does not form part of CODM EBITDA as it is a joint venture.

[2] Includes the loss on revision of cash flows from a joint venture (note 10).

Notes to the summary group financial statements

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for the year ended 31 December 2019

7. SEGMENT ANALYSIS continued

CAPITAL EXPENDITURE INCURRED	2019 Rm	2018 Rm
South Africa	**11 295**	9 448
Nigeria	**9 750**	6 888
SEAGHA	**5 554**	3 801
Ghana	**2 850**	2 015
Uganda	**1 147**	793
Other SEAGHA	**1 557**	993
WECA	**3 231**	3 281
Ivory Coast	**918**	1 364
Cameroon	**573**	694
Other WECA	**1 740**	1 223
MENA	**1 989**	2 215
Syria	**939**	935
Sudan	**430**	439
Other MENA	**620**	841
Major joint venture – Irancell	**2 568**	3 716
Head office companies and eliminations	**834**	457
Hyperinflation impact	**215**	(72)
Irancell capex exclusion	**(2 568)**	(3 716)
	32 868	26 018

The impact of implementing IFRS 16 on group capex in 2019 was R6 587 million (note 23).

8. IMPAIRMENT OF GOODWILL AND INVESTMENTS IN JOINT VENTURE

Impairment of joint venture

The group tested its investment in its equity accounted e-commerce joint venture, MEIH, for impairment following increasing competitive pressure and its disposal of Wadi, an online shopping portal, during the year. The recoverable amount was determined as the fair value less cost of disposal. The fair value represents a value determined from unobservable inputs and was based on comparable company and transaction average net merchandise value multiples of 1,3x for its transportation and consumer services business and 1,4x for its on-demand cleaning marketplace. The carrying value of the net assets equity accounted exceeded the recoverable amount of R572 million by R342 million and the group recognised the resulting impairment in profit or loss.

Impairment of goodwill

In the prior year, an impairment charge amounting to R312 million was recognised against the goodwill of MTN Yemen. The group performed the annual impairment assessment on all goodwill balances as at 31 December 2019 and no impairment was required.

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for the year ended 31 December 2019

9. NET FINANCE COSTS

	2019 Rm	2018 Rm
Interest income on loans and receivables	923	1 120
Interest income on bank deposits	950	872
Finance income	**1 873**	**1 992**
Interest expense on financial liabilities measured at amortised cost[1]	(8 767)	(8 422)
Net foreign exchange losses	(2 364)	(1 901)
Loss on revision of cash flows[2]	(217)	–
Lease liability finance cost	(5 709)	–
Finance costs	**(17 057)**	**(10 323)**
Net finance costs recognised in profit or loss	**(15 184)**	**(8 331)**

[1] R189 million (2018: R812 million) relates to the discount unwind on the MTN Nigeria regulatory fine liability.

[2] Refer to note 10.

10. SHARE OF RESULTS OF ASSOCIATES AND JOINT VENTURES AFTER TAX

	2019 Rm	2018 Rm
	705	(527)
Irancell	441	(281)
Others	264	(246)

For the year ended 31 December 2019, no outstanding dividend was received from Irancell (2018: dividends of R1 296 million was received from Irancell).

Jumia change in shareholding and subsequent measurement

Africa Internet Holding GmbH (AIH) changed its name to Jumia Technologies AG (Jumia) in January 2019.

At 31 December 2018, the group equity accounted its 29,69% interest in Jumia.

On 12 April 2019, Jumia listed on the New York Stock Exchange and MTN's interest was diluted from 29,69% to 18,90% following the issue of shares by Jumia as part of the initial public offering (IPO). The shareholder agreement that gave the group the right to appoint a director and joint control over Jumia terminated on listing. The group applied judgement in concluding that it did not have significant influence over Jumia subsequent to the listing and consequently discontinued equity accounting on the date of listing and recognised the retained interest at its fair value.

The resulting difference between fair value and the carrying value, net of the foreign currency translation reserve transferred to the income statement, resulted in a gain of R1 039 million recognised in other income on the listing date.

The group made an irrevocable election to designate the investment in Jumia as held at fair value through other comprehensive income in terms of IFRS 9 *Financial Instruments* subsequent to the listing date.

10. SHARE OF RESULTS OF ASSOCIATES AND JOINT VENTURES AFTER TAX continued

Disposal of TravelLab Global AB (Travelstart)

The group sold its interest in TravelLab Global AB (Travelstart) in June 2019. Refer to note 20 for details of the disposal.

Irancell loan and receivable

On 20 September 2019, the US Treasury Department's Office of Foreign Assets Control (OFAC) designated the Central Bank of Iran (CBI) as being subject to sanctions. Sanctions imposed on the CBI creates a secondary sanctions risk if the CBI allocates foreign currency to an MTN entity for the purpose of repatriating the receivable and/or loan. As a result of the group's current inability to repatriate the receivable and loan, the group has revised its estimates of the timing of the related cash receipts. As at 31 December 2019, prior to the revised timing of cash flows, the Iranian rial denominated receivables amounted to R1 319 million (2018: R1 031 million) and the Iranian rial denominated loan amounted to R1 651 million (2018: R1 730 million).

The revised timing of the cash flows coupled with the original effective interest rates has resulted in the group adjusting the gross carrying amounts of the receivable and loan and recognising a related loss of R217 million in finance costs that will unwind as interest income subsequent to 31 December 2019.

Mascom transfer from held for sale

In December 2018, the group received an unsolicited offer to sell its interest in Mascom and its holding companies to Econet Global Limited (Econet). Accordingly, the investment in joint venture and related assets in holding companies were presented as non-current assets held for sale at 31 December 2018.

As certain conditions to the transaction were not met, a decision was reached during the third quarter to terminate the planned disposal, resulting in Mascom ceasing to be classified as a non-current asset held for sale. Since 15 August 2019, the group resumed applying equity accounting to Mascom.

Once the criteria for classification as a non-current asset held for sale ceases to be met the joint venture must be accounted for using the equity accounting method from the date that it was classified as a non-current asset held for sale. The reclassification out of non-current assets held for sale included a holding company of Mascom that is controlled by the group. The group has elected to account for this change prospectively with a cumulative catch up of the 2018 earnings in the 2019 financial year of R81 million.

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11. EARNINGS PER ORDINARY SHARE

Number of ordinary shares	**2019**	2018
Number of ordinary shares in issue		
At end of the year (excluding MTN Zakhele Futhi and treasury shares)	**1 798 007 746**	1 797 642 541
Weighted average number of shares	**1 797 927 770**	1 797 602 678
Add: Dilutive shares		
– Share options – MTN Zakhele Futhi	**23 250 313**	22 966 591
– Share schemes	**4 381 435**	3 870 043
Shares for dilutive earnings per share	**1 825 559 518**	1 824 439 312

Treasury shares

Treasury shares of 9 426 634 (2018: 9 791 839) are held by the group and 76 835 378 (2018: 76 835 378) are held by MTN Zakhele Futhi (RF) Limited (MTN Zakhele Futhi).

Headline earnings

Headline earnings is calculated in accordance with Circular 4/2018 *Headline Earnings* as issued by the South African Institute of Chartered Accountants (SAICA) as amended from time to time and as required by the JSE Limited.

Notes to the summary group financial statements

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11. EARNINGS PER ORDINARY SHARE continued

	2019 Rm	2018 Rm
Reconciliation between net profit attributable to the equity holders of the company and headline earnings:		
Profit attributable to equity holders of the company	**8 963**	8 719
Net (profit)/loss on disposal of property, plant and equipment and intangible assets	**(64)**	20
– Subsidiaries (IAS 16)	**(64)**	44
– Joint ventures (IAS 28)	**–**	(24)
Profit on disposal of subsidiary (IFRS 10)	**(112)**	(2 112)
Impairment of goodwill and investments in joint ventures (IAS 36)	**342**	312
Net impairment (reversal)/loss on property, plant and equipment and intangible assets (IAS 36)	**330**	(206)
Net gain on dilution of investment in associate and joint venture (IAS 28)	**(1 076)**	(703)
– Subsidiaries	**(1 039)**	(569)
– Joint venture/associate	**(37)**	(134)
Realisation of deferred gain on tower sale	**(19)**	(23)
Total tax effects of adjustments	**–**	6
Total non-controlling interest effect of adjustments	**47**	42
Headline earnings	**8 411**	6 055
Earnings per share (cents)		
– Basic	**499**	485
– Basic headline	**468**	337
Diluted earnings per share (cents)		
– Diluted	**491**	478
– Diluted headline	**461**	332

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12. FINANCIAL INSTRUMENTS

Financial assets and financial liabilities at amortised cost

The carrying value of current receivables and liabilities measured at amortised cost approximates their fair value.

Listed long-term borrowings

The group has listed long-term fixed interest rate senior unsecured notes in issue which were issued in prior years, with a carrying amount of R24 706 million (2018: R25 380 million) and a fair value of R25 775 million (2018: R23 926 million). The notes are listed on the Irish bond market and the fair values of these instruments are determined by reference to quoted prices in this market. The market for these bonds is not considered to be liquid and consequently the fair value measurement is categorised within level 2 of the fair value hierarchy.

Financial instruments measured at fair value

IHS Group unlisted equity investment

The fair values of financial instruments measured at fair value are determined as follows:

Included in investments in the summary group statement of financial position is an equity investment in IHS Group at fair value of R27 000 million (2018: R23 353 million). The fair value is determined using models considered to be appropriate by management, due to the absence of transactions between market participants. The fair value was calculated using an earnings multiple technique and was based on unobservable market inputs including tower industry earnings multiples of between 10x to 14x (2018: 10x to 15x) applied to MTN management's estimates of earnings, less estimated net debt of R20 217 million (2018: R18 599 million). In addition MTN has applied a 10% (2018: 10%) liquidity discount.

Given the confidentiality restrictions in the shareholders' agreement with IHS Group, MTN does not have access to the IHS Group business plans or actual financial information. Any estimated earnings used to derive the existing fair value are therefore solely based on MTN management assumptions and market estimates on financial growth, currency movements, costs and performance. The investment has therefore been classified as level 3 on the fair value hierarchy. An increase of one in the low and high end of the multiple range, keeping other inputs constant, would have resulted in an increase in the fair value of R2 813 million (2018: R2 316 million) and a decrease of one in the low and high end of the multiple range, keeping other inputs constant, would have resulted in a decrease in the fair value by R2 813 million (2018: R2 316 million). An increase of 10% in the estimated earnings used, keeping other inputs constant, would have resulted in an increase in the fair value of R3 228 million (2018: R2 821 million) and a decrease of 10% in the estimated earnings used, keeping other inputs constant, would have resulted in a decrease in the fair value of R3 228 million (2018: R2 821 million). An increase of 1% to the liquidity discount, keeping other inputs constant, would have resulted in a decrease in the fair value of R300 million (2018: R259 million) and a decrease of 1% to the liquidity discount, keeping other inputs constant, would have resulted in an increase in the fair value by R300 million (2018: R259 million). A fair value increase of R4 297 million (2018: R7 770 million decrease) translated at the closing rate has been recognised for the year.

Notes to the summary group financial statements

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12. FINANCIAL INSTRUMENTS continued

Financial assets and financial liabilities at amortised cost continued

Jumia listed equity investment

The fair value of the investment is determined by reference to published price quotations on the New York Stock Exchange. The American Depository Share (ADS) price of Jumia was US$6,73 on the last trading day of the year. The group has classified the investment in Jumia with a carrying amount of R1 397 million as at fair value through other comprehensive income. The fair value of this investment is categorised within level 1 of the fair value hierarchy.

During 2019, a fair value decrease of R1 651 million has been recognised in other comprehensive income. On 9 March 2020, the Jumia ADS price was US$3,15, equating to a reduction in the fair value of R638 million subsequent to 31 December 2019.

Reconciliation of level 3 financial assets

The table below sets out the reconciliation of financial assets that are measured at fair value based on inputs that are not based on observable market data (level 3):

	Rm
Balance at 1 January 2018	27 686
Acquisitions	310
Loss on equity investments at fair value through other comprehensive income	(8 030)
Foreign exchange differences	4 059
Balance at 1 January 2019	**24 025**
Disposal of underlying equity investments of Amadeus	**(592)**
Acquisitions	**75**
Gain on equity investments at fair value through other comprehensive income	**4 401**
Foreign exchange differences	**(751)**
Balance at 31 December 2019	**27 158**

13. AUTHORISED COMMITMENTS FOR THE ACQUISITION OF PROPERTY, PLANT, EQUIPMENT AND SOFTWARE

	2019 Rm	2018 Rm
	31 273	28 790
– Contracted	**6 548**	10 280
– Not contracted	**24 725**	18 510

14. INTEREST-BEARING LIABILITIES

	2019 Rm	2018 Rm
Bank overdrafts	**132**	255
Current borrowings	**15 691**	12 183
Current liabilities	**15 823**	12 438
Non-current borrowings	**78 457**	72 563
	94 280	85 001

Notes to the summary group financial statements

continued

for the year ended 31 December 2019

15. ISSUE AND REPAYMENT OF DEBT AND EQUITY SECURITIES

During the year under review the following entities raised and repaid significant debt instruments:

	Raised 2019 Rm	Repaid 2019 Rm	Raised 2018 Rm	Repaid 2018 Rm
Mobile Telephone Networks Holdings Limited	**15 950**	**14 013**	11 750	6 320
Loan facilities	**8 000**	**7 363**	3 500	563
General banking facilities	**3 700**	**5 500**	6 500	5 450
Domestic medium-term programme	**4 250**	**1 150**	1 750	307
MTN International (Mauritius) Limited	**–**	**–**	3 753	8 070
Revolving credit facility	**–**	**–**	3 753	8 070
MTN Nigeria Communications Plc	**15 030**	**5 792**	4 770	8 101
Long-term borrowings	**15 030**	**5 792**	4 770	8 101
Other	**4 033**	**3 857**	4 946	4 868
	35 013	**23 662**	25 219	27 359

16. CONTINGENT LIABILITIES

	2019 Rm	2018 Rm
Uncertain tax exposures	**1 959**	2 087
Legal and regulatory matters	**2 280**	2 660
	4 239	4 747

Uncertain tax exposures

The group operates in numerous tax jurisdictions and the group's interpretation and application of the various tax rules applied in direct and indirect tax filings may result in disputes between the group and the relevant tax authority. The outcome of such disputes may not be favourable to the group. At 31 December 2019, there were a number of tax disputes ongoing in various of the group's operating entities. The most significant matter relates to a transfer pricing dispute which the group is contesting with the South African Revenue Service that relates to the 2009 to 2012 tax years. Based on internal and external legal and technical advice obtained, the group remains confident that it has a robust legal case to contest the exposure.

Legal and regulatory matters

The group is involved in various legal and regulatory matters, the outcome of which may not be favourable to the group and none of which are considered individually material.

The group has applied its judgement and has recognised liabilities based on whether additional amounts will be payable and has included contingent liabilities where economic outflows are considered possible but not probable.

Notes to the summary group financial statements

continued

for the year ended 31 December 2019

17. EXCHANGE RATES TO SOUTH AFRICAN RAND

		Closing rates		Average rates	
		2019	2018	**2019**	2018
Foreign currency to South African rand:					
United States dollar	USD	**13,98**	14,38	**14,44**	13,21
South African rand to foreign currency:					
Nigerian naira	NGN	**26,09**	25,33	**25,05**	27,41
Iranian rial	IRR	**8 120,61**[1]	6 043,73[1]	**7 013,39**[1]	4 020,06[2]
Ghanaian cedi	GHS	**0,41**	0,34	**0,38**	0,36
Cameroon Communauté Financière Africaine franc	XAF	**41,78**	39,89	**40,57**	45,07
Côte d'Ivoire Communauté Financière Africaine franc	CFA	**41,78**	39,80	**40,57**	42,73
Ugandan shilling	UGX	**262,14**	257,93	**256,68**	280,55
Syrian pound	SYP	**31,33**	30,45	**30,27**	32,79
Sudanese pound	SDG	**3,23**	3,31	**3,14**	2,40

[1] SANA rate.

[2] Weighted average exchange rate used to translate the results of Iran.

The group's functional and presentation currency is rand. The strengthening of the closing rate of the rand against the functional currencies of the group's largest operations contributed to the decrease in consolidated assets and liabilities and the resulting foreign currency translation reserve reduction of R4 415 million (2018: R1 943 million increase) for the year.

Net investment hedges

The group hedges a designated portion of its dollar net assets in MTN Dubai for forex exposure arising between the US$ and ZAR as part of the group's risk management objectives. The group designated external borrowings (Eurobonds) denominated in US$ held by MTN (Mauritius) Investments Limited with a value of R25,8 billion (2018: R23,9 billion) and external borrowings denominated in US$ held by MTN Nigeria as hedging instruments. The external borrowings denominated in US$ held by MTN Nigeria matured in the current year. For the period of the hedge relationship, foreign exchange movements on these hedging instruments are recognised in other comprehensive income as part of the foreign currency translation reserve (FCTR), offsetting the exchange differences recognised in other comprehensive income, arising on translation of the designated dollar net assets of MTN Dubai to ZAR. The cumulative forex movement recognised in other comprehensive income will only be reclassified to profit or loss upon loss of control of MTN Dubai. There was no hedge ineffectiveness recognised in profit or loss during the current or prior year.

Notes to the summary group financial statements

continued

for the year ended 31 December 2019

18. RELATED PARTY TRANSACTIONS

Transactions between members of the group

Scancom PLC (MTN Ghana) entered into lease agreements with Ghana Tower InterCo B.V. (Ghana InterCo) in prior years. The lease liability recognised under IFRS 16 amounts to R2 896 million at 31 December 2019. The lease payments for the year ended 31 December 2019 amounted to R826 million and the interest charge recognised under IFRS 16 for the period is R567 million. The operating lease commitments recognised under IAS 17 in the prior year amounted to R9 468 million at December 2018. The IAS 17 expense recorded in the prior year amounted to R1 016 million for the year ended 31 December 2018. The rental amounts escalate every year by inflation.

MTN Uganda Limited entered into lease agreements with Uganda Tower InterCo B.V. (Uganda InterCo) in prior years. The lease liability recognised under IFRS 16 amounts to R1 715 million at 31 December 2019. The lease payments for the year ended 31 December 2019 amounted to R399 million and the interest charge recognised under IFRS 16 for the period is R290 million. The operating lease commitments recognised under IAS 17 in the prior year amounted to R1 988 million at 31 December 2018. The IAS 17 expense recorded in the prior year amounted to R439 million for the year ended December 2018. The rental amounts escalate every year by inflation.

19. ASSOCIATE HELD FOR SALE

The group's interests in Uganda InterCo and Ghana InterCo were classified as held for sale in the current year as part of the Asset Realisation Programme (ARP). On 31 December 2019 MTN concluded an agreement to dispose of its 49% equity holdings in Ghana InterCo and Uganda InterCo to AT Sher Netherlands Cooperatief U.A. (ATC).

The Uganda InterCo transaction closed in February 2020 for cash proceeds of US$140 million (R2,2 billion) and realised a profit of approximately R1,2 billion. The group awaits the finalisation and regulatory approvals relating to the Ghana InterCo transaction.

20. DISPOSAL OF AMADEUS AND TRAVELSTART

During 2019 the group sold its investment subsidiaries Amadeus IV Digital Prosperity LP and Amadeus TI LP (Amadeus). The companies held various unlisted equity investments and a 43,67% interest in the joint venture TravelLab Global AB (Travelstart).

The disposal of the investments was concluded on 26 June 2019. The group equity accounted the investment in Travelstart until the date of concluding the sale agreement on 23 May 2019.

The investments were subsequently accounted for as non-current assets held for sale until the disposal date. The group held the other equity investments in Amadeus at fair value through other comprehensive income. There was no movement in the fair value of the other equity investments in the current year. The total cumulative fair value losses at derecognition date of R268 million have been reclassified to retained earnings at the date of disposal.

Notes to the summary group financial statements

continued

for the year ended 31 December 2019

20. DISPOSAL OF AMADEUS AND TRAVELSTART continued

The carrying amounts of assets and liabilities that have been reclassified to non-current assets held for sale and subsequently sold at 26 June 2019 were:

	2019 Rm
Investment in joint venture	452
Investments	592
Other current assets	4
Cash and cash equivalents	54
Total assets	1 102
Current liabilities	8
Total liabilities	8
Carrying amount of net assets sold	1 094
Total disposal consideration – cash	1 237
Transaction costs	(31)
Gain on disposal of subsidiary	112
Net cash	
Cash received	1 237
Less: Cash and cash equivalents in Amadeus	(54)
Less: Transaction costs paid	(31)
Net cash received on disposal	1 152

21. REDEMPTION OF MTN NIGERIA PREFERENCE SHARES

On 24 April 2019 the MTN Nigeria board approved the redemption of all the US dollar denominated preference shares previously issued by MTN Nigeria. MTN Nigeria redeemed the preference shares on 30 December 2019. The proceeds from the redemption amounted to US$314 million for the group's 78,59% interest in MTN Nigeria's preference shares. The group recognised a cash payment of R1 243 million representing the rand equivalent of the minority interest share of the preference shares of US$85.5 million.

22. EVENTS AFTER REPORTING PERIOD

Dividends declared

Dividends declared at the board meeting held on 10 March 2020 amounted to 355 cents per share.

Notes to the summary group financial statements

continued

for the year ended 31 December 2019

23. CHANGE IN ACCOUNTING POLICIES

23.1 Adoption of IFRS 16

IFRS 16 introduced a single, on-balance sheet accounting model for lessees. As a result, the group, as a lessee, has recognised right-of-use assets representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments. After the adoption of IFRS 16, the group recognised a depreciation expense on the right-of-use assets and an interest expense accruing on the lease liabilities and no longer recognised an operating lease expense for these leases. Cash generated from operations increased as lease costs are no longer included in this category. Interest paid increased, as it includes the interest portion of the lease liability payments and the capital portion of lease liability repayments is included in cash used in financing activities. Lessor accounting remains similar to previous accounting policies.

The group has adopted IFRS 16 retrospectively from 1 January 2019, but has not restated comparatives for the 2018 reporting year, as permitted under the specific transitional provisions in the standard. The reclassifications and the adjustments arising from the adoption of IFRS 16 are therefore recognised in the opening statement of financial position on 1 January 2019.

23.1.1 The group's leasing activities and significant accounting policies

The group's leases include network infrastructure (including tower space and land), retail stores, vehicles, licences and office equipment. Rental contracts are typically made for fixed periods varying between two to fifteen years but may have renewal periods as described below.

As a lessee, the group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 January 2019, the group recognises right-of-use assets and lease liabilities at the lease commencement date for most leases. However, the group has elected not to recognise right-of-use assets and lease liabilities for some leases of low-value assets (e.g. office equipment) and for short-term leases, i.e. leases that at commencement date have lease terms of 12 months or less. The group defines low-value leases as leases of assets for which the value of the underlying asset when it is new is US$5 000 or less and is not considered fundamental to its network. The group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Notes to the summary group financial statements

continued

for the year ended 31 December 2019

23. CHANGE IN ACCOUNTING POLICIES continued

23.1 Adoption of IFRS 16 continued

23.1.1 The group's leasing activities and significant accounting policies continued

The recognised right-of-use assets relate to the following types of assets:

	31 December 2019 Rm	1 January 2019 Rm
Network infrastructure	32 907	36 113
Land and buildings	10 254	9 456
Licences	1 737	–
Other	86	73
Total right-of-use assets	**44 984**	**45 642**

The lease liability is initially measured at the present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), including non-recoverable payments that do not transfer a separate service, less any incentives receivable.
- Variable lease payments that are based on an index or rate, measured using the index or rate as at the lease commencement date.
- Amounts that are expected to be payable by the lessee under residual value guarantees.
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option.
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the group's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. Generally, the group uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. Interest costs are charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. It is remeasured when there is a change in future lease payments arising from a change in index or rate, a change in the estimate of the amount payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The right-of-use assets are initially measured at cost comprising the following:

- The amount of the initial measurement of the lease liability.
- Any lease payments made at or before the commencement date less any lease incentives received.
- Any initial direct costs.
- Decommissioning costs.

The right-of-use assets are subsequently measured at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability. The right-of-use assets are depreciated over the shorter of the assets' useful lives and the lease terms on a straight-line basis.

Notes to the summary group financial statements

continued

for the year ended 31 December 2019

23. CHANGE IN ACCOUNTING POLICIES continued

23.1 Adoption of IFRS 16 continued

23.1.1 The group's leasing activities and significant accounting policies continued

Renewal and termination options

A number of lease contracts include the option to renew the lease for a further period or terminate the lease earlier. The majority of extension and termination options held are exercisable only by the group and not by the respective lessor.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The group applies judgement in assessing whether it is reasonably likely that options will be exercised. Factors considered include how far in the future an option occurs, the group's business planning cycle, significance of related leasehold improvements and past history of terminating/not renewing leases.

The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

A number of leases entitle both the group and the lessor to terminate the lease without a termination penalty. In determining whether the group has an economic incentive to not exercise the termination option, the group considers the broader economics of the contract and not only contractual termination payments.

Lease and non-lease components

A number of lease contracts include both lease and non-lease components (e.g. maintenance, security, etc). The group allocates the consideration in the contract to each lease and non-lease component based on their relative stand-alone selling prices. The stand-alone selling prices of each component are based on available market prices. The group has not elected the practical expedient to account for non-lease components as part of its lease liabilities and right-of-use assets. Therefore, non-lease components are accounted for as operating expenses and are recognised in profit or loss as they are incurred.

23.1.2 Transition

At transition, for leases classified as operating leases under IAS 17, lease liabilities were measured at the present value of the remaining lease payments, discounted at the group's incremental borrowing rate, for the remaining lease terms, as at 1 January 2019. Right-of-use assets were measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

The group used the following practical expedients as permitted by the standard, when applying IFRS 16 to leases previously classified as operating leases under IAS 17:

- Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- Accounted for leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases.
- Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.
- Relied on previous assessments on whether leases are onerous contracts as opposed to performing an impairment review on 1 January 2019.

The group has also elected not to reassess whether a contract is, or contains a lease, at the date of initial application. Instead, for contracts entered into before the transition date the group relied on its assessment made applying IAS 17 and IFRIC 4 *Determining whether an Arrangement Contains a Lease*.

The group classified a number of leases of vehicles and land and buildings as finance leases under IAS 17. For finance leases, the carrying amount of the right-of-use asset and the lease liability at 1 January 2019 were determined at the carrying amount of the lease asset and lease liability under IAS 17 immediately before that date.

Notes to the summary group financial statements
continued

for the year ended 31 December 2019

23. CHANGE IN ACCOUNTING POLICIES continued

23.1 Adoption of IFRS 16 continued

23.1.3 Impacts on financial statements

23.1.3.1 Impacts on transition

On transition to IFRS 16, the group recognised right-of-use assets and lease liabilities. The impact on transition is summarised below:

	1 January 2019 Rm
Property, plant and equipment	(149)
Right-of-use assets	45 642
Non-current prepayments[1]	(182)
Prepayments[2]	(622)
Total assets	44 689
Lease liabilities – non-current	42 052
Other non-current liabilities[3]	(615)
Lease liabilities – current	3 303
Trade and other payables	(51)
Total liabilities	44 689

[1] Included in the "Deferred tax and other non-current assets" line item on the statement of financial position.
[2] Included in the "Trade and other receivables" line item on the statement of financial position.
[3] Included in the "Deferred tax and other non-current liabilities" line item on the statement of financial position.

The right-of-use assets recognised on 1 January 2019 relate to the following operating segments:

	Rm
South Africa	11 038
Nigeria	20 264
SEAGHA	9 041
WECA	3 920
MENA	1 274
Head office companies	105
	45 642

Notes to the summary group financial statements

continued

for the year ended 31 December 2019

23. CHANGE IN ACCOUNTING POLICIES continued

23.1 Adoption of IFRS 16 continued

23.1.3 Impacts on financial statements continued

23.1.3.1 Impacts on transition continued

When measuring lease liabilities for leases that were classified as operating leases, the group discounted lease payments using its incremental borrowing rate at 1 January 2019. The weighted average rate applied is 11,8%. A reconciliation of the operating lease commitments disclosed as at 31 December 2018 discounted using the incremental borrowing rate at 1 January 2019 to the lease liability recognised on 1 January 2019 is disclosed below:

	1 January 2019 Rm
Operating lease commitments disclosed at 31 December 2018	129 388
Discounted using the incremental borrowing rate at 1 January 2019	68 466
Add: Finance lease liabilities recognised as at 31 December 2018	666
Less: Non-lease components	(40 482)
Add: Extension and termination options reasonably certain to be exercised	17 860
Less: Variable lease payments based on an index or rate	(1 129)
Less: Transition exemption for leases ending within 12 months of date of initial application	(26)
Lease liabilities recognised at 1 January 2019	45 355
Of which are:	
– Current lease liabilities	3 303
– Non-current lease liabilities	42 052
	45 355

23.1.3.2 Impacts for the year

The group recognised a depreciation expense of R5 828 million on right-of-use assets, an interest expense of R5 709 million on lease liabilities and foreign exchange losses of R80 million on foreign denominated lease liabilities, included in finance costs, for the year ended 31 December 2019. As a result of initially applying IFRS 16, earnings per share decreased by 77 cents per share for the year ended 31 December 2019. Due to the impact of the reducing finance charges over the life of the lease, the impact of adopting IFRS 16 is initially dilutive, before being accretive in later periods.

The group recognised cash flows relating to leases consisting of interest paid of R5 271 million and repayment of lease liabilities of R3 417 million.

Additions to the right-of-use assets during the 2019 financial year were R6 587 million.

23.2 IFRIC 23 and related IFRIC agenda decision

IFRIC 23 and the IFRIC agenda decision in relation to the presentation of liabilities or assets related to uncertain tax treatments in September 2019 respectively clarifies the application of the recognition and measurement requirements in IAS 12 *Income Taxes* and the presentation requirements in IAS 1 *Presentation of Financial Statements* when there is uncertainty over income tax treatments. The group previously presented uncertain income tax liabilities as part of provisions based on amounts expected to be paid to the tax authorities.

Following the afore-mentioned IFRIC agenda decision, the group has reconsidered its accounting treatment. The group has adopted the treatment set out in the IFRIC agenda decision and has reclassified uncertain income tax related liabilities from provisions to current tax liabilities in the group's statement of financial position. This change in accounting policy has been accounted for retrospectively and comparative information has been restated.

No additional current or deferred tax liabilities were recognised as a result of IFRIC 23.

Notes to the summary group financial statements

continued

for the year ended 31 December 2019

23. CHANGE IN ACCOUNTING POLICIES continued

23.2 IFRIC 23 continued

23.2.1 Impacts on financial statements

Statement of financial position

The total impact of the reclassification of liabilities resulting from income tax uncertainties are as follows:

	2018 Rm
Provisions	(484)
Taxation liabilities	484
Current liabilities	–

23.3 MoMo deposits and payables

Limited accounting guidance exists in IFRS relating to MoMo customers' balances held with banks. The group previously recognised MoMo balances based on its assessment of the risks and rewards relating to the underlying financial asset. The group's exposure to credit risk on the financial assets held with the various banks was considered a key factor in the overall evaluation as any credit risk assumed potentially exposed the group to refund MoMo customers in the event of any bank failure.

As a result of the uncertain and evolving legal and regulatory environment, this assessment has become increasingly complex and dependent on legal interpretations that are largely untested in the respective markets in which the group operates. The group has, however, noticed in its larger MoMo markets that, as the MoMo products mature and the regulatory and legal positions are codified, the underlying exposure to its MoMo customers is clarified ultimately resulting in the MoMo balances being recorded on the statement of financial position. As the group operates in a number of markets where the legal and regulatory position relating to MoMo has not yet been clarified, it has reviewed and changed its current accounting policy.

The group now recognises MoMo balances held by the respective banks and the customers' rights to these balances as an obligation (financial liability) in the ordinary course to repay the balances to the MoMo customers and a right to claim the corresponding amounts from the relevant banks (financial asset).

The group is of the view that the revised policy will provide a more consistent treatment of MoMo across its markets and provide more meaningful information about the MoMo business.

The change in accounting policy has resulted in R5 714 million of MoMo assets and liabilities being brought onto the statement of financial position in 2019 (2018: R12 228 million). The change did not have any impact on earnings attributable to ordinary shareholders, earnings per share or cash flows.

Notes to the summary group financial statements

continued

for the year ended 31 December 2019

23. CHANGE IN ACCOUNTING POLICIES continued

23.3 Mobile Money deposits and payables continued

23.3.1 Impacts on financial statement

Statement of financial position

	2018 Rm
Current assets	
Restricted cash	(607)
Mobile Money deposits	12 835
Current liabilities	
Trade and other payables	(607)
Mobile Money payables	12 835
	–

Administration

MTN GROUP LIMITED
Incorporated in the Republic of South Africa

Company registration number:
1994/009584/06
ISIN: ZAE000042164
Share code: MTN

Board of directors

MH Jonas*
PF Nhleko# (resigned on 15 December 2019)
RA Shuter[1, 3]
RT Mupita[1]
PB Hanratty[2*]
A Harper[3*] (resigned on 15 December 2019)
KP Kalyan* (resigned on 15 December 2019)
S Kheradpir[4#]
NP Mageza*
MLD Marole*
AT Mikati[5*]
SP Miller[6*]
KDK Mokhele*
VM Rague[8*] (appointed 1 July 2019)
KC Ramon*
SLA Sanusi[7*] (appointed 1 July 2019)
NL Sowazi*
BS Tshabalala*
J van Rooyen* (resigned on 15 December 2019)

[1] *Executive*
[2] *Irish*
[3] *British*
[4] *American*
[5] *Lebanese*
[6] *Belgian*
[7] *Nigerian*
[8] *Kenyan*
* *Independent non-executive director*
\# *Non-executive director*

Group secretary

PT Sishuba-Bonoyi (appointed 1 April 2019)
Private Bag X9955, Cresta, 2118

Registered office

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American depository receipt (ADR) programme

Cusip No. 62474M108
ADR to ordinary share 1:1

Depository: The Bank of New York

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USA

MTN Group sharecare line

Toll free: 0800 202 360 or +27 11 870 8206
if phoning from outside South Africa

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Website: http://www.mtn.com
Date of release: 11 March 2020

When you can use technology to teach, where books cannot reach, we all go. #GoodTogether

Results presentation

for the year ended 31 December 2019

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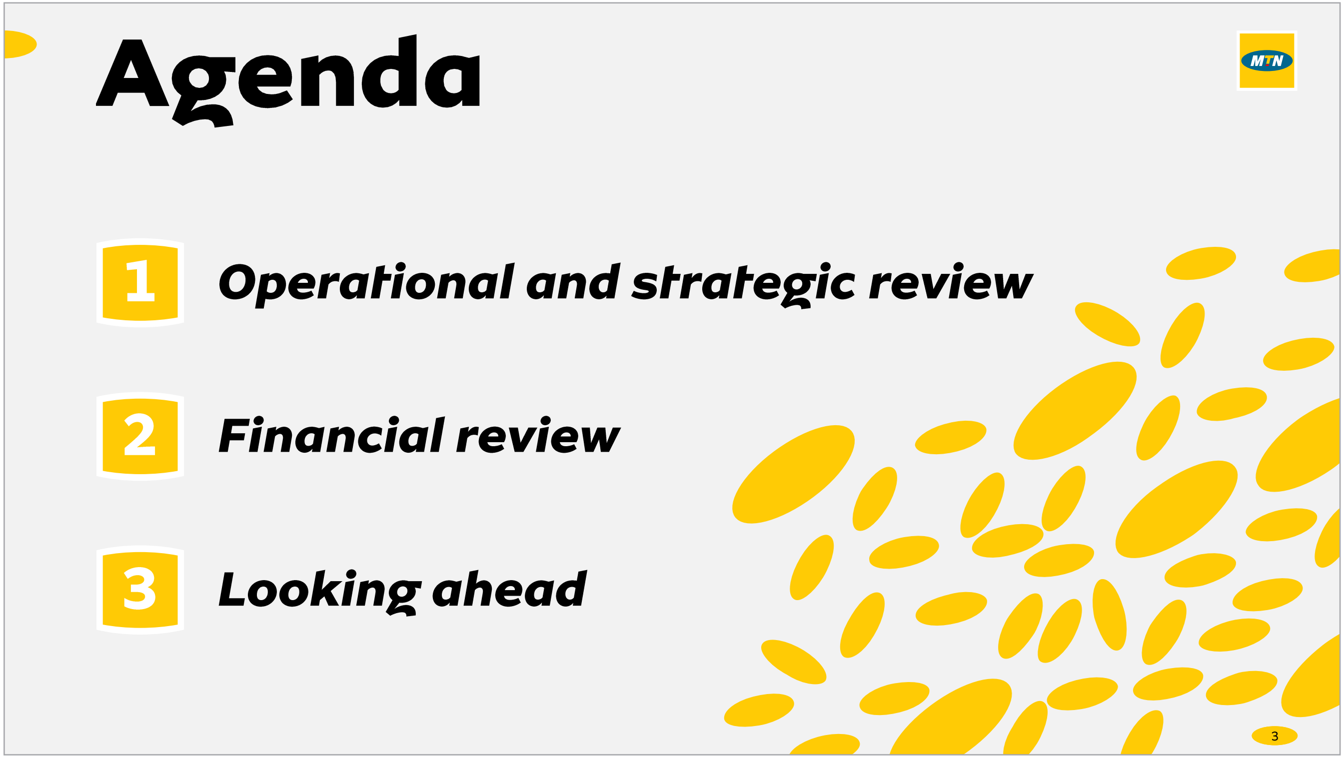
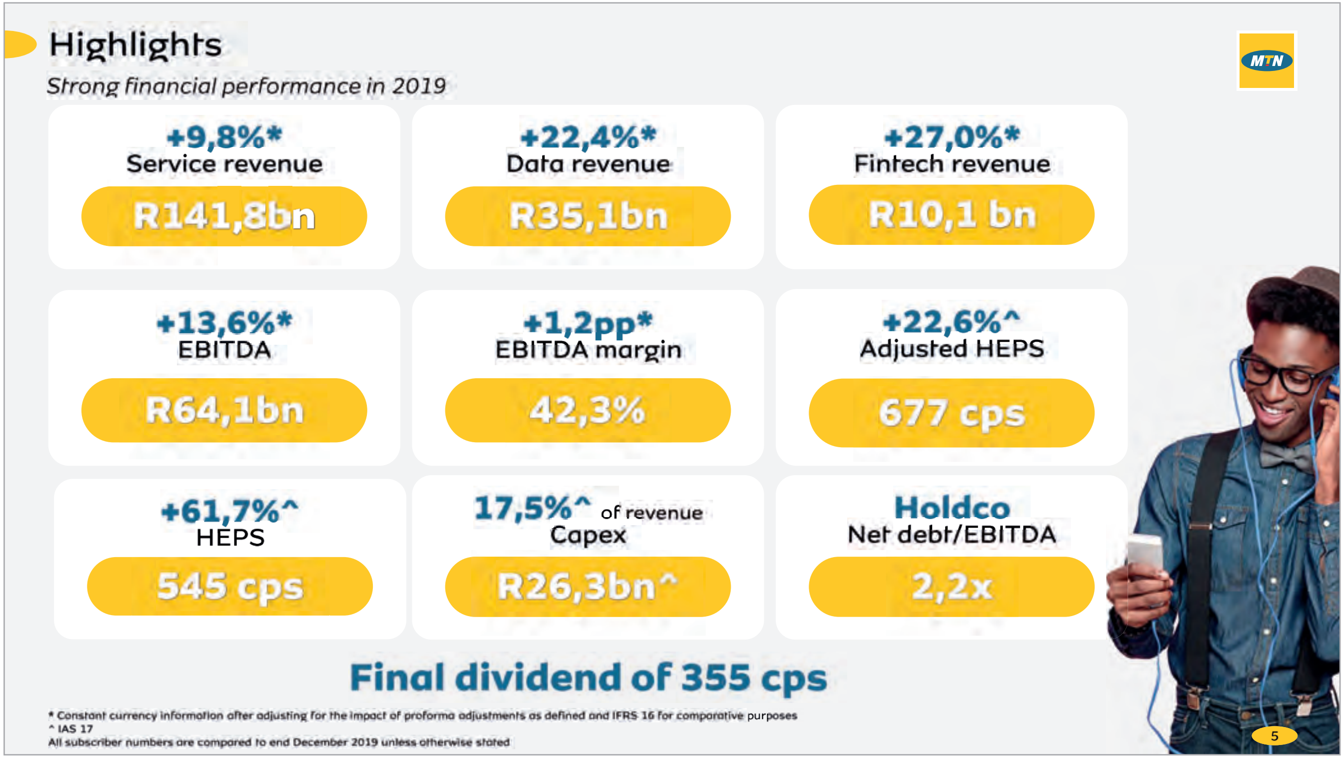

Agenda
1
Operational and strategic review
2
Financial review
3
Looking ahead
3

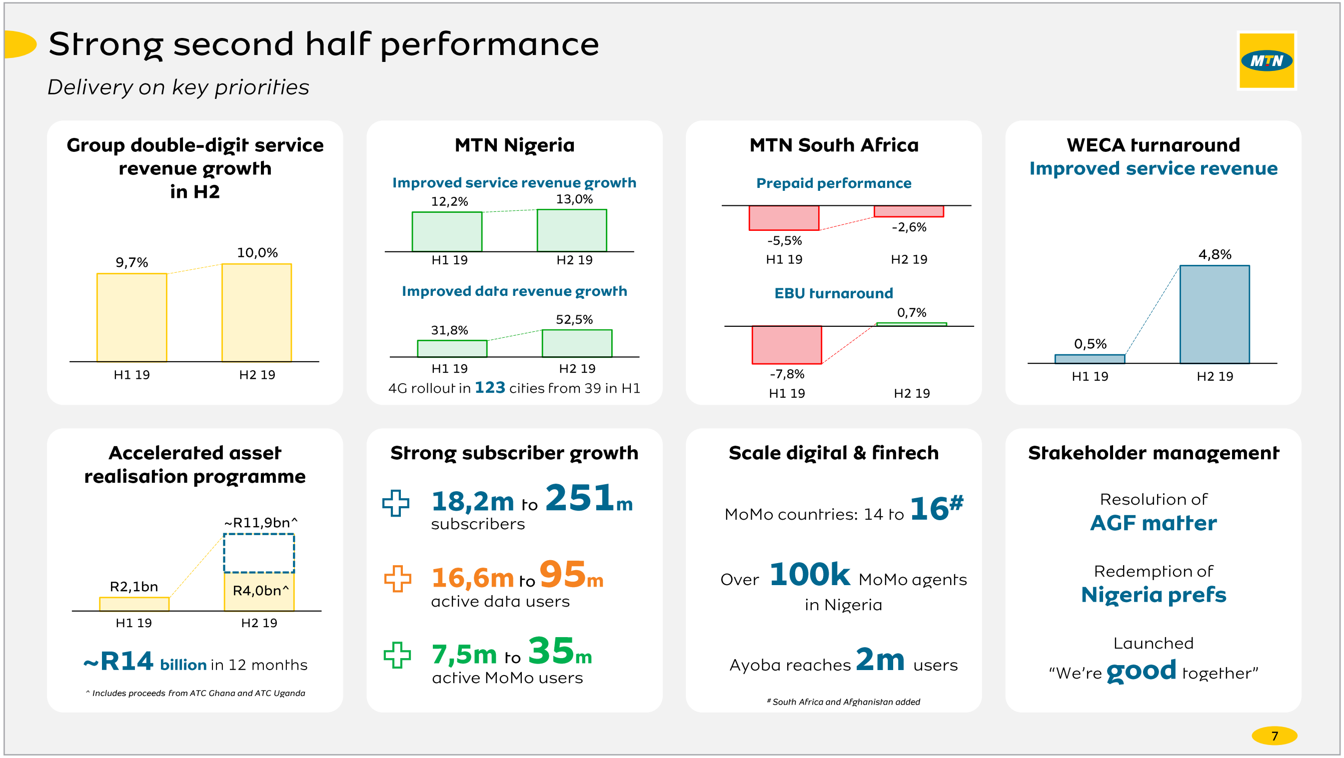
Operational review

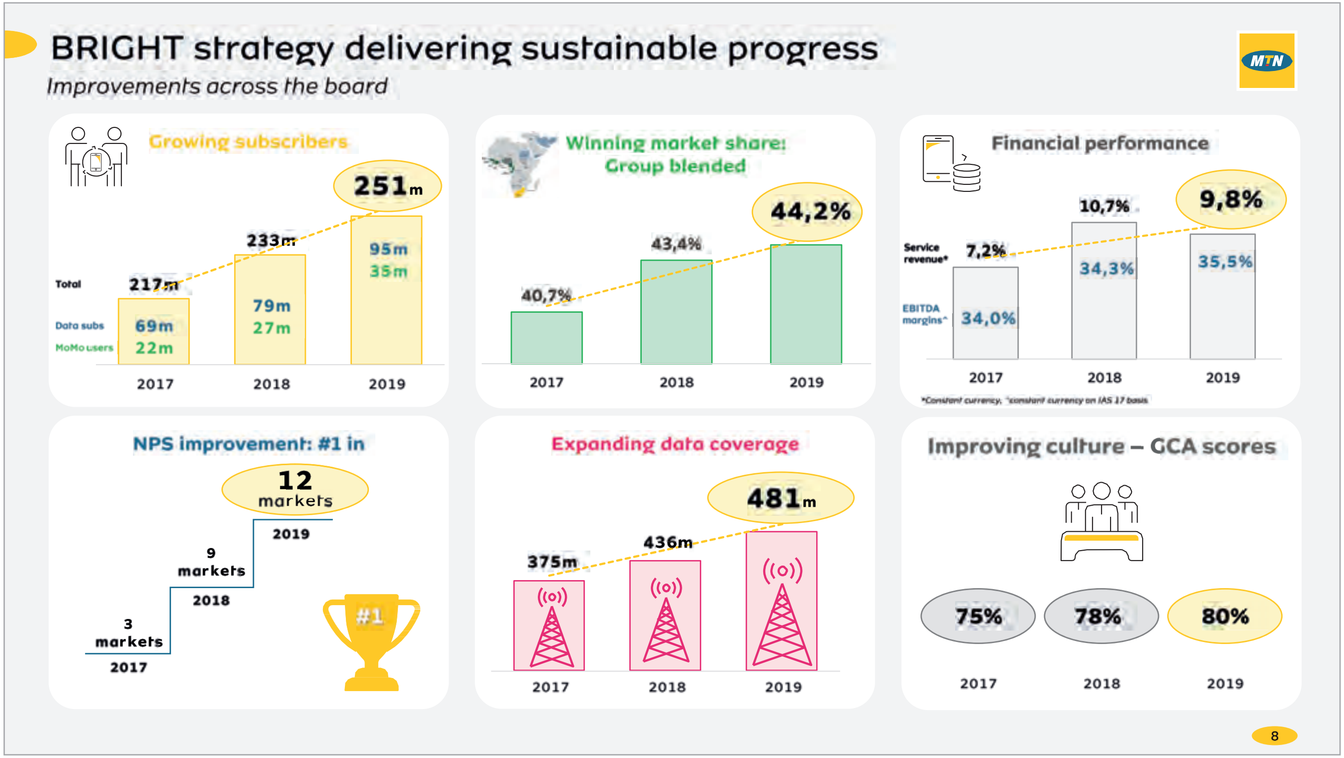

Highlights
Strong financial performance in 2019
MTN
+9,8%*
Service revenue
R141,8bn
+22,4%*
Data revenue
R35,1bn
+27,0%*
Fintech revenue
R10,1 bn
+13,6%*
EBITDA
R64,1bn
+1,2pp*
EBITDA margin
42,3%
+22,6%^
Adjusted HEPS
677 cps
+61,7%^
HEPS
545 cps
17,5%^ of revenue
Capex
R26,3bn^
Holdco
Net debt/EBITDA
2,2x
Final dividend of 355 cps
* Constant currency information after adjusting for the impact of proforma adjustments as defined and IFRS 16 for comparative purposes
^ IAS 17
All subscriber numbers are compared to end December 2019 unless otherwise stated
5

Delivering against our medium-term guidance

KPI
Service revenue
EBITDA margins
Group capex intensity
Asset realisation programme
Holdco leverage
Adjusted ROE
Dividend

6


Strong second half performance
Delivery on key priorities
Group double-digit service revenue growth in H2
9,7%
10,0%
H1 19
H2 19
MTN Nigeria
Improved service revenue growth
12,2%
13,0%
H1 19
H2 19
Improved data revenue growth
31,8%
52,5%
H1 19
H2 19
4G rollout in 123 cities from 39 in H1
MTN South Africa
Prepaid performance
-5,5%
-2,6%
H1 19
H2 19
EBU turnaround
0,7%
-7,8%
H1 19
H2 19
WECA turnaround
Improved service revenue
4,8%
0,5%
H1 19
H2 19
Accelerated asset realisation programme
~R11,9bn^
R2,1bn
R4,0bn^
H1 19
H2 19
~R14 billion in 12 months
^ Includes proceeds from ATC Ghana and ATC Uganda
Strong subscriber growth
18,2m to 251m
subscribers
16,6m to 95m
active data users
7,5m to 35m
active MoMo users
Scale digital & fintech
MoMo countries: 14 to 16#
Over 100k MoMo agents in Nigeria
Ayoba reaches 2m users
South Africa and Afghanistan added
Stakeholder management
Resolution of
AGF matter
Redemption of
Nigeria prefs
Launched
"We're good together"
7



BRIGHT strategy delivering sustainable progress
Improvements across the board
MTN
Growing subscribers
Total
Data subs
MoMo users
217m
69m
22m
233m
79m
27m
251m
95m
35m
2017
2018
2019
Winning market share: Group blended
40,7%
43,4%
44,2%
2017
2018
2019
Financial performance
Service revenue*
EBITDA margins^
7,2%
34,0%
10,7%
34,3%
9,8%
35,5%
2017
2018
2019
*Constant currency, ^constant currency on IAS 17 basis
NPS improvement: #1 in
3 markets
2017
9 markets
2018
12 markets
2019
#1
Expanding data coverage
375m
436m
481m
2017
2018
2019
Improving culture – GCA scores
75%
78%
80%
2017
2018
2019
8

South Africa

Improvement in the business in difficult trading conditions

Market context

- Macroeconomic weakness **impacting consumer spend**
- ICASA's end-user subscriber (OOB) regulations **impacting prepaid data revenue**
- Cell C accounting on cash basis **impacting service revenue**
- Competition Commission data market inquiry

Key activities

Pricing transformation – **16%** reduction in overall data prices

Enhanced CVM voice plans and digitisation of customer experience

Improved EBU price plans and expanded distribution

Invested R7,6bn^ in the network

Results

Active data subscribers **+0,6m,** increased **data traffic**

Improved voice performance in H2

EBU turnaround, back into growth

#1 quality network NPS

Largest **4G** coverage in SA

^ IAS 17

9

Nigeria

Strong performance and improving momentum

Market context

- Economic environment
  impacting consumer spend
  Improved GDP growth
  Higher inflation rates
- SIM re-registration
  impacting subscriber growth
- Competitive environment
  impacting data revenue
- AGF matter withdrawn

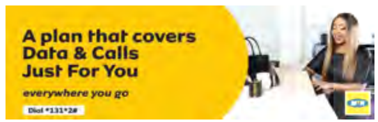
Key activities

Invested **R8,0** billion^ capex, expanding **4G** coverage

4G **device penetration, revamp** data portfolio, data pricing plan

Completed SIM re-registration in **Q3**

Improved customer journey & experience on VAS



Results

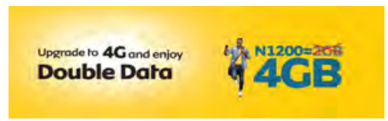
44% 4G pop coverage to **123** cities

1st mobile operator in West Africa to test **5G**

Added **2,9 million** active data users in Q4

4,3% subscriber net additions in Q4

Digital revenue now in **growth**



^ IAS 17

10

Regional operational review

Solid overall performance with improving trend in WECA portfolio

SEAGHA

+21,7%* service revenue

+4,8 million subscribers

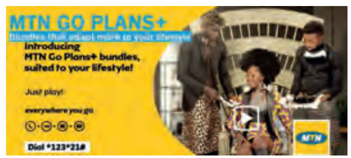
Outstanding performance delivered by Ghana

WECA

+2,9%* service revenue

+5,6 million subscribers

Service revenue growth > than inflation in most markets; H2 acceleration



MENA

+18,8%* service revenue

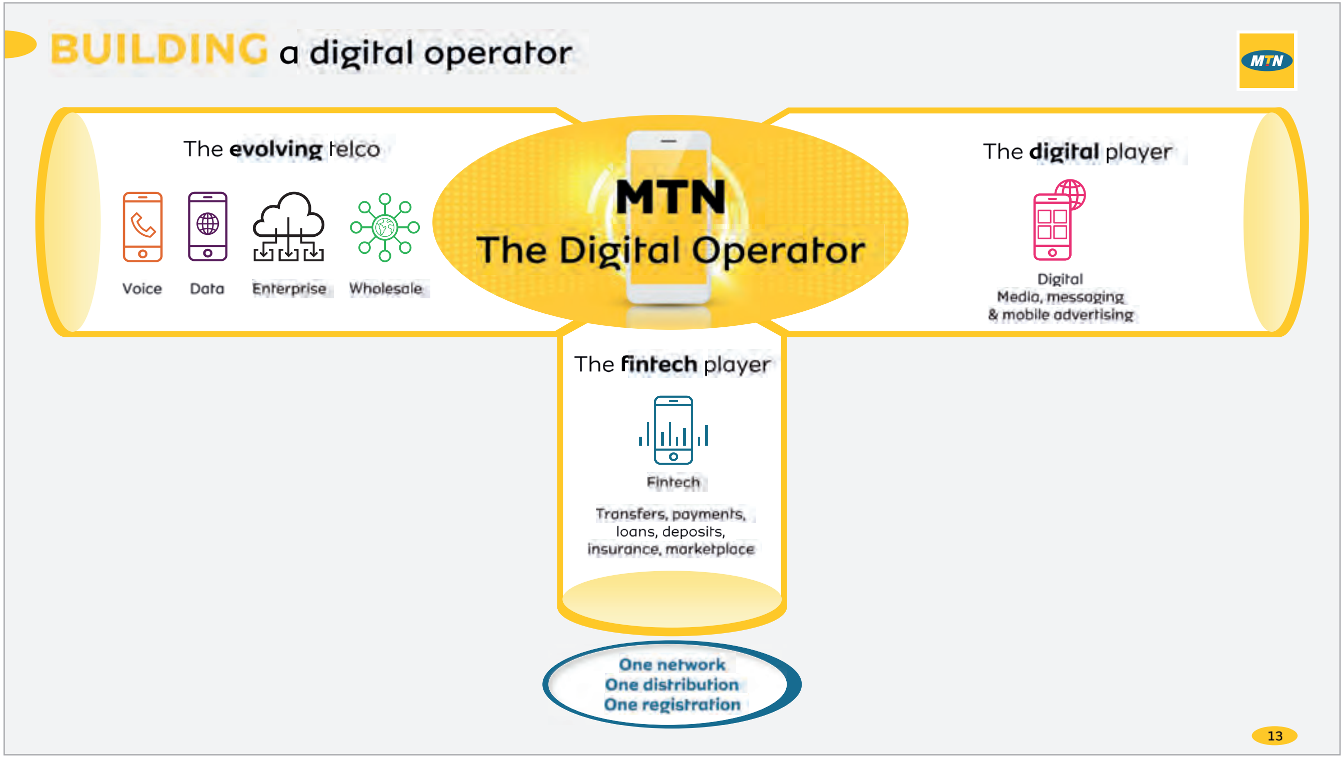
+4,1 million subscribers including Iran

Robust growth despite geopolitical challenges

* Constant currency

11


Strategic
review
MTN
12


BUILDING a digital operator
MTN
The evolving telco
Voice
Data
Enterprise
Wholesale
MTN
The Digital Operator
The digital player
Digital
Media, messaging
& mobile advertising
The fintech player
Fintech
Transfers, payments,
loans, deposits,
insurance, marketplace
One network
One distribution
One registration
13

Sustaining VOICE growth, driving DATA as next wave of growth

MTN

Voice revenue
+4,2%* to R82,1 billion

Subscriber growth ▲ 18,2m to 251m subs

MOU per sub ▲ 5%

CVM focus, contributes 3,1% to revenue

Launched Youth offerings in 11 markets

Data revenue
+22,4%* to R35,1 billion

Data users growth ▲ 16,6m to 95m active data users

Increasing coverage to 481 million people

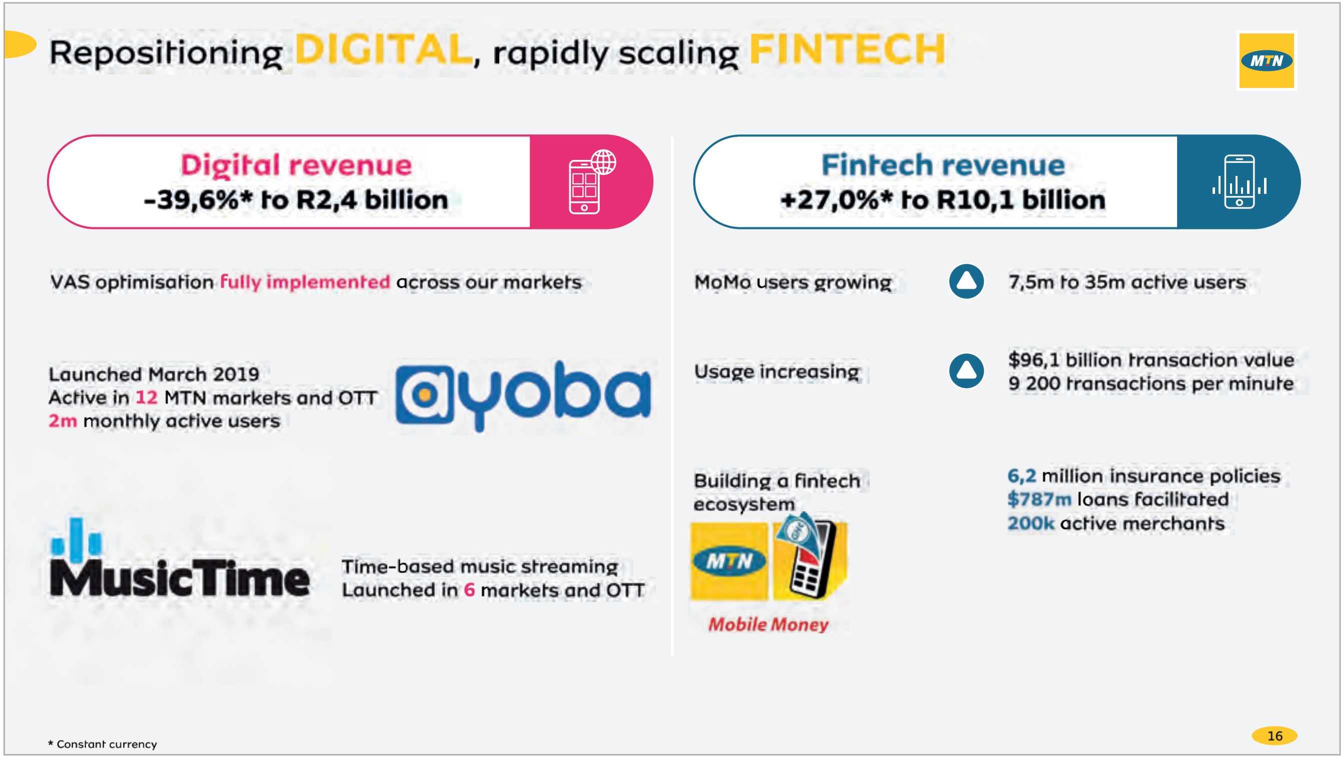
Effective pricing per MB ▼ 34%

Traffic growth ▲ 46%

* Constant currency

14

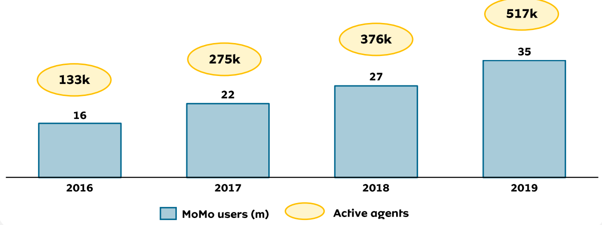
Indexing up ENTERPRISE growth, accelerating WHOLESALE
MTN
Enterprise revenue
+8,4%* to R13,3 billion
Nigeria driving growth, revenue 22%*
South Africa stabilised, improving revenue trajectory
Enterprise partnerships with key software players
Implemented MTN way of selling
Wholesale revenue
+63,2%* to R4,7 billion
MTN GlobalConnect won "Best African Wholesale Operator"
Launch of mobile Y'elloConnect Hubs
Growth in key accounts
Expanded multiple national wholesale agreements
* Constant currency
15


Repositioning DIGITAL, rapidly scaling FINTECH
MTN
Digital revenue
-39,6%* to R2,4 billion
VAS optimisation fully implemented across our markets
Launched March 2019
Active in 12 MTN markets and OTT
2m monthly active users
ayoba
MusicTime
Time-based music streaming
Launched in 6 markets and OTT
Fintech revenue
+27,0%* to R10,1 billion
MoMo users growing
7,5m to 35m active users
Usage increasing
$96,1 billion transaction value
9 200 transactions per minute
Building a fintech ecosystem
MTN
Mobile Money
6,2 million insurance policies
$787m loans facilitated
200k active merchants
* Constant currency
16

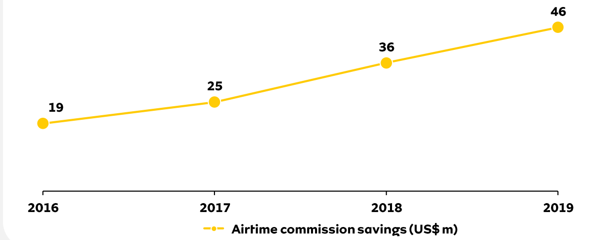
Traction in fintech

Leveraging our assets to scale fintech

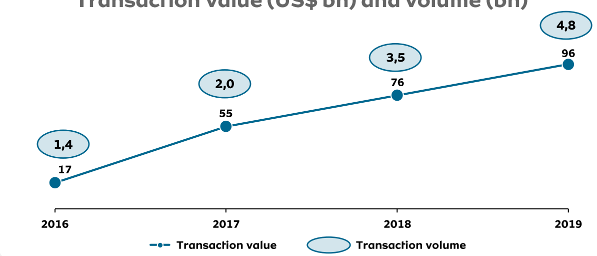
Driving user adoption and building distribution network



Digitising airtime sales



Transaction value (US$ bn) and volume (bn)



17

Delivering on asset realisation programme

~ R14 billion in 12 months, guidance being increased

	E-commerce portfolio	Tower Co investments	Localisation & other	
Progress to date	• Travelstart/Amadeus – R1,2bn • Jumia listing	• ATC loan – R0,9bn • ATC JVs – R7,3bn	• Nigeria pref shares – R4,2bn • Nigeria listing	**~R14bn** realised in 12 months
Future focus	• Jumia – R1,0bn	• IHS – R27bn	• Nigeria public offer • Uganda localisation • Zambia localisation • BICS	Current fair value of "future focus" **~R45bn**

Further > R25 billion of "future focus" targeted over the medium term

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Financial review

Items impacting reported results

Currencies

Rand weaker than naira, Closed stronger against the dollar

Weaker average rand exchange rate

- Reported growth rates higher than constant currency rates
- Depreciation of the Iranian rial

Stronger closing rand exchange rate against the USD

- Positively impacting holding company debt
- Foreign exchange losses of R2,4bn

IFRS 16

IFRS 16 adopted in 2019, 2018 not restated

		Dec 2019
Income statement	EBITDA	R9,2bn
	Depreciation	-R5,8bn
	Interest expense	-R5,8bn
	HEPS	-13,4%
Balance sheet	Right of use assets	R45,0bn
	Lease liability	R46,3bn
Cash flow	Reclassification, no impact on free cash flow	

Mobile Money

Mobile Money balances recognised on the balance sheet

Current financial asset:

- Mobile Money deposits: R15,3bn

Current financial liabilities:

- Mobile Money payables: R15,3bn

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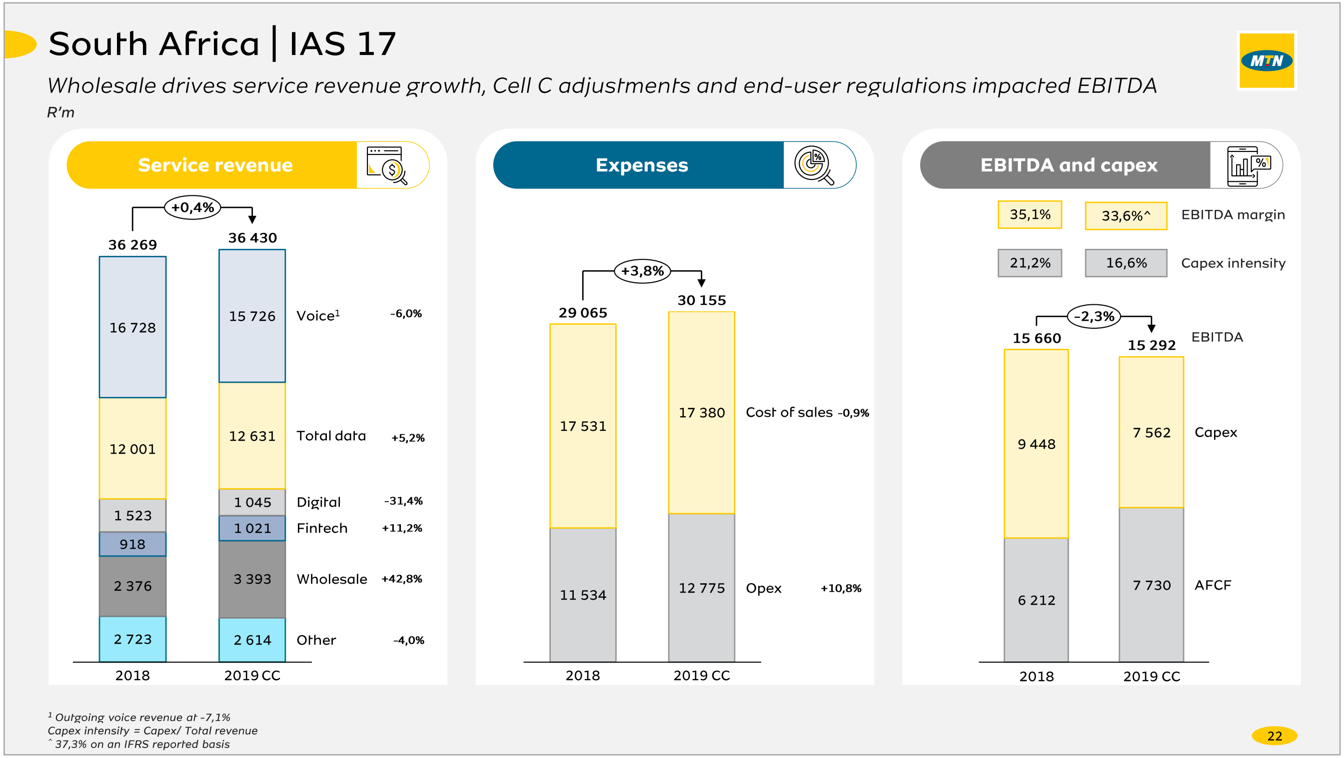
Group income statement

Delivered continued service revenue and EBITDA growth; improved earnings contribution from associates

(Rm)	2019 IFRS 16	2019 IAS 17	2018 IAS 17	% change reported	% change constant currency*
Revenue	151 460	151 460	134 560	12,6	9,7
Service revenue[1]	**141 830**	**141 830**	**125 430**	**13,1**	**9,8**
EBITDA^ before once-off items	**62 922**	**53 688**	**46 855**	**14,6**	**13,6**
Once-off items	1 170	1 170	1 391		
EBITDA^	**64 092**	**54 858**	**48 246**	**13,7**	**13,6**
Depreciation, amortisation and goodwill impairment	(32 800)	(27 037)	(24 670)	9,6	
Net finance cost[2]	(15 184)	(9 416)	(8 331)	13,0	
Hyperinflationary monetary gain	787	722	290		
Share of results of associates and joint ventures after tax	705	722	(527)		
Profit before tax	**17 600**	**19 849**	**15 008**	**32,3**	
Income tax expense	(6 908)	(7 580)	(5 430)	**39,6**	
Profit after tax	**10 692**	**12 269**	**9 578**		
Non-controlling interests	(1 729)	(1 907)	(859)		
Attributable profit	**8 963**	**10 362**	**8 719**	18,8	
EPS (cents)	**499**	**576**	**485**	18,8	
HEPS (cents)	**468**	**545**	**337**	61,7	
Adjusted HEPS (cents)	**597**	**677**	**552**	**22,6**	
DPS (cents)	**550**	**550**	**500**		

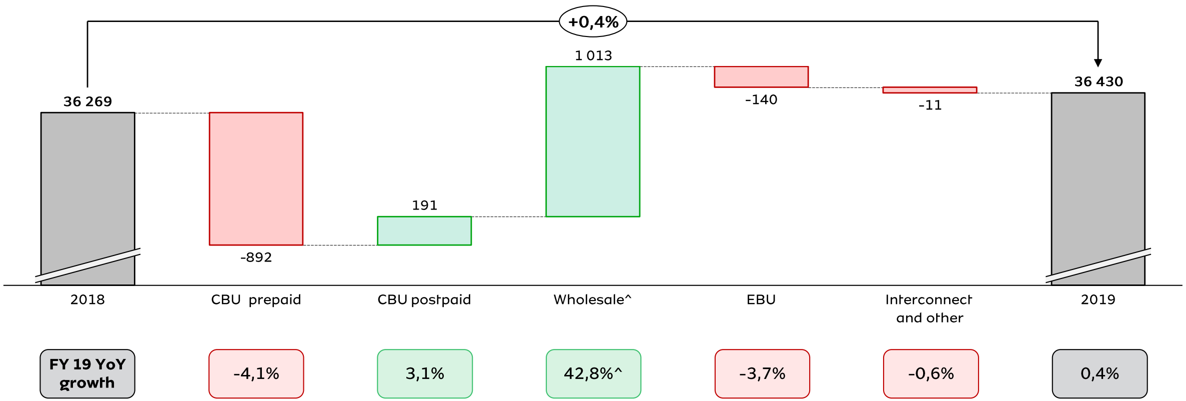
[1] Service revenue excludes device and sim card revenue | [2] Net finance costs comprise net interest expense, forex losses and interest on Nigeria fine unwind (2019: R189m; 2018: R812m)
** Constant currency view is at 2019 rates and is shown in terms of IAS 17.*
^2019 is adjusted for hyperinflation, tower profits, interest on Nigeria fine, gain on dilution of Jumia and profit on disposal of Travelstart and Amadeus
^2018 is adjusted for hyperinflation, tower profits, interest on Nigeria fine, Cyprus operational results, gain on dilution of IIG and CBN resolution

21


South Africa | IAS 17
Wholesale drives service revenue growth, Cell C adjustments and end-user regulations impacted EBITDA
R'm
Service revenue
+0,4%
36 269
36 430
16 728
15 726
Voice¹
-6,0%
12 001
12 631
Total data
+5,2%
1 523
1 045
Digital
-31,4%
918
1 021
Fintech
+11,2%
2 376
3 393
Wholesale
+42,8%
2 723
2 614
Other
-4,0%
2018
2019 CC
Expenses
+3,8%
29 065
30 155
17 531
17 380
Cost of sales -0,9%
11 534
12 775
Opex
+10,8%
2018
2019 CC
EBITDA and capex
35,1%
33,6%^
EBITDA margin
21,2%
16,6%
Capex intensity
-2,3%
15 660
15 292
EBITDA
9 448
7 562
Capex
6 212
7 730
AFCF
2018
2019 CC
¹ Outgoing voice revenue at -7,1%
Capex intensity = Capex/ Total revenue
^ 37,3% on an IFRS reported basis
22

South Africa | service revenue

Consumer postpaid and wholesale supports growth (Cell C on cash basis); enterprise turnaround on track



^Wholesale service revenue from Cell C is accounted on a cash basis
Recognised R1 812 million revenue from Cell C of which R875 million was recognised in H2. As at 31 December 2019, R283 million remained unrecognised

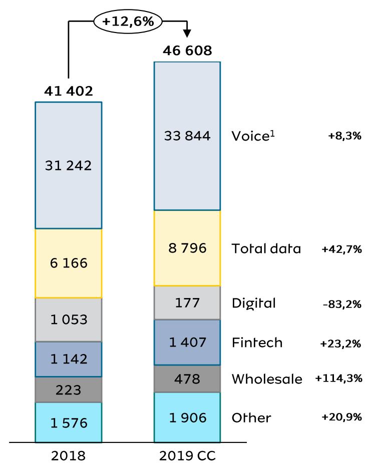
23

Nigeria | IAS 17

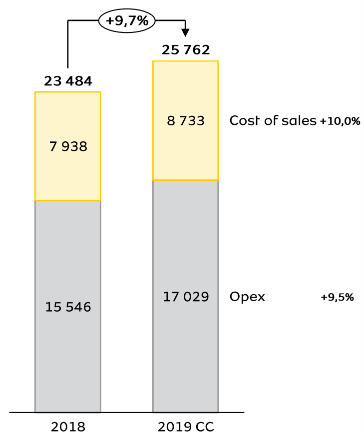
Voice and data drive strong revenue growth, margin expansion with operational leverage

R'm constant currency (CC)

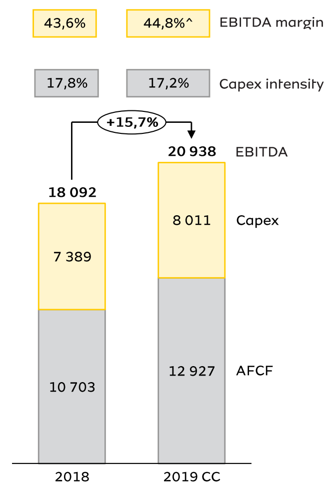
Service revenue



Expenses



EBITDA and capex



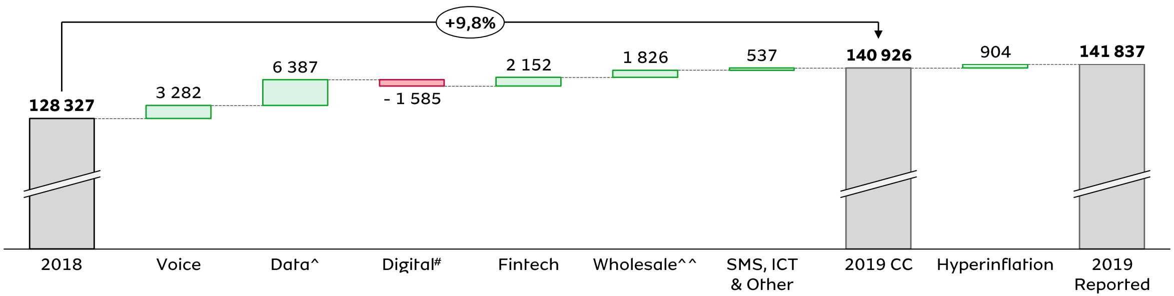
Capex intensity = Capex/ Total revenue
^ 53,9% on an IFRS reported basis

24

Group service revenue

Voice, data and fintech drive growth; increased contribution from wholesale

(Rm)



	Voice	Data^	Digital#	Fintech	Wholesale^^	SMS, ICT & Other
FY 19 YoY growth	+4,2%	+22,4%	-39,6%	+27,0%	+63,2%	+7,9%
Contribution to service revenue	57,9%	24,8%	1,7%	7,1%	3,3%	5,2%

2018 excludes hyperinflation | 2019 at constant currency
Group service revenue excludes device and sim revenue
^ Data includes mobile access data and EBU access data
 # Digital includes value-added services and rich media services
^^Wholesale includes voice, data, SMS, leased lines and BTS rentals

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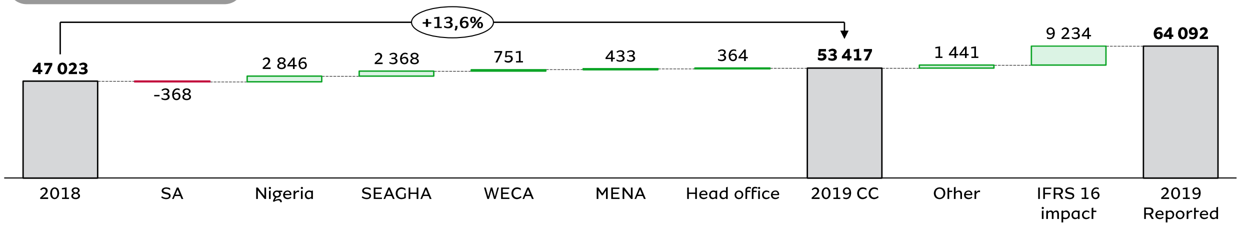
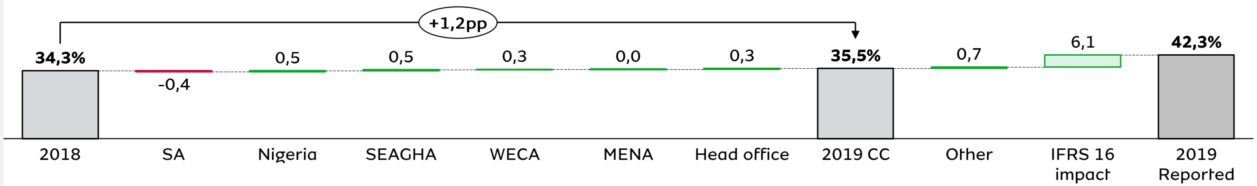
Group EBITDA

Margin expansion supported by Nigeria and SEAGHA; diluted by SA

EBITDA (Rm)



EBITDA margin (%)



2019 CC represents constant currency
2018 excludes the impact of Cyprus operations and Nigeria CBN resolution

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Finance costs

Impacted by IFRS 16 adoption, higher forex losses and cost of debt; holdco leverage & holdco net debt improves

(Rm) Finance costs	2019 IFRS 16	2019 IAS 17	2018 IAS 17
Net interest paid	6 922	6 943	5 618
Interest expense – IFRS 16	5 709	-	-
Interest unwind on Nigeria find	189	189	812
Net forex losses – IFRS 16	80	-	-
Net forex losses – Other	2 284	2 284	1 901
Net finance cost	**15 184**	**9 416**	**8 331**
Average cost of debt	9,9%	8,7%	8,3%

Forex losses	2019 IFRS 16	2019 IAS 17	2018 IAS 17
Head office[1]	1 018	1 018	1 058
Ghana	151	75	-
Zambia	197	193	119
South Sudan	481	481	120
Sudan	178	178	304
Other	339	339	300
Net forex losses	***2 364***	***2 284***	***1 901***

Leverage

Group (Rm)	2019	2018
Cash and cash equivalents	(26 360)	(21 455)
Interest bearing liabilities	94 280	85 001
Net debt	**67 920**	**63 546**
Group leverage[2]	1,3	1,3

Holdco (Rm)	2019	2018
Cash and cash equivalents	(11 135)	(8 160)
Interest bearing liabilities	66 448	65 668
Net debt	***55 313***	***57 508***
Adjusted holdco leverage[3]	2,2	2,3

Cash and cash equivalents include restricted cash and current investments
[1] Net forex loss in head offices due to stronger rand against US dollar on net foreign denominated receivables
[2] Group leverage = Group net debt / EBITDA adjusted for hyperinflation and tower profits (IAS 17)
[3] Adjusted Holdco leverage = Holdco net debt / SA EBITDA + cash upstreaming

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Share of results of associates and joint ventures after tax

Higher earnings from Irancell; discontinuation of Jumia and resumed equity accounting of Mascom

(Rm)	2019	2018
Iran	907	592
Tower companies	82	268
Digital Group	**(401)**	**(1 099)**
- Jumia (formerly AIH)	(226)	(862)
- MEIH	(10)	(87)
- IIG	(165)	(150)
Botswana	401	292
Other[1]	182	293
Share of results of associates and joint ventures after tax excluding hyperinflation	***1 171***	***346***
Hyperinflation – Iran (Depreciation of assets written up)	(466)	(873)
Reported share of results of associates and joint ventures after tax	***705***	***(527)***

[1] *Includes eSwatini, BICS, Ayo and Travelstart*

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Statement of financial position

Adoption of IFRS 16, uplift in IHS fair value and recognition of MoMo balances

(Rm)	2019	2018	Change %
Property, plant and equipment – Other	98 312	100 581	(2,3)
Right of use asset	**44 984**	**-**	**100,0**
Intangible assets and goodwill	36 866	40 331	(8,6)
Other non-current assets	**45 867**	**42 898**	**6,9**
Mobile Money deposits	**15 315**	**12 835**	**19,3**
Other current assets	60 129	57 431	4,7
Non-current assets held for sale	838	2 759	(69,6)
Total assets	***302 311***	***256 835***	***17,7***
Total equity	***86 100***	***88 226***	***(2,4)***
Interest-bearing liabilities	94 280	85 001	10,9
Lease liabilities	**46 327**	**-**	**100,0**
Mobile Money payables	**15 315**	**12 835**	**19,3**
Other liabilities	60 289	70 773	(14,8)
Total equity and liabilities	***302 311***	***256 835***	***17,7***
Net debt	67 920	63 546	6,9

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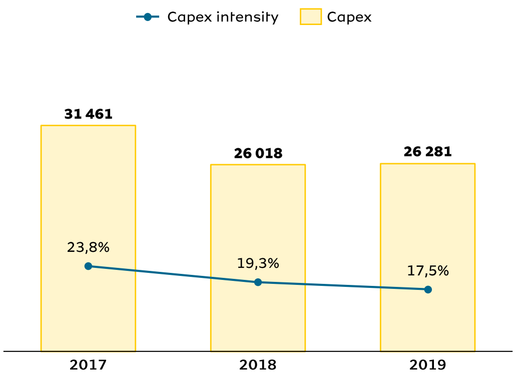
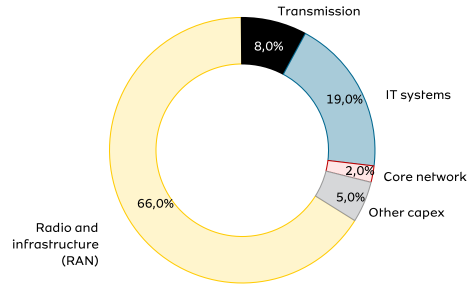
Capex

Delivering more with less; full rollout below envelope, price book savings and smart capex

Capex (Rm) – IAS 17



Capex allocation (%)

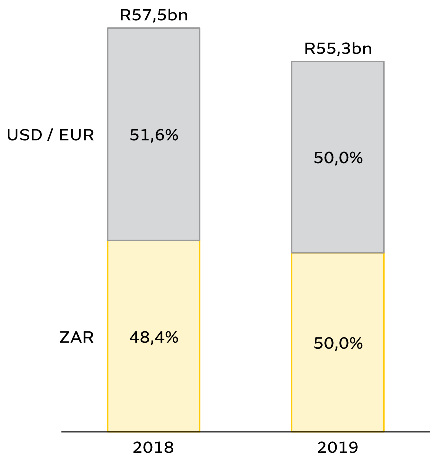


		2018	2019
Sites rolled out	3G	8 295	5 795
	4G	7 257	10 895
Population coverage	3G	68%	77%
	4G	33%	46%

30

Holdco net debt and dividends

Improved mix of debt; maintained leverage within target range



	2018	2019
Group leverage	1,3x	1,3x
Holdco leverage	2,3x	2,2x

Actions and options to reduce Holdco debt and optimise debt mix

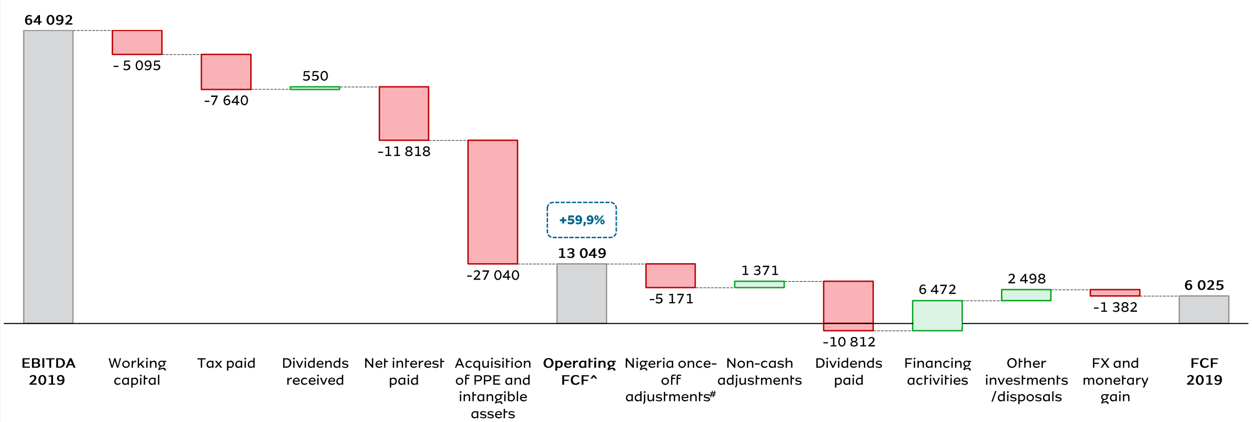
1. Improving the markets EBIT & FCF development
2. Cash upstreaming from the markets
3. Moderating capex supports operating cashflow growth
   - *Capex^ to remain within ~R28bn p.a over the next 3 years*
4. ARP further > R25bn in the medium term
5. Target holdco debt mix of 60% ZAR in the medium term

^ On an IAS 17 basis

Cash flow

Impacted by final Nigeria fine payment and CBN resolution; operating FCF increased 59,9%

(Rm)



 # Nigeria fine (R4 440m) and CBN payment (R731m) included in operating adjustments
^ Operating FCF increased 59,9% YoY on an IFRS reported basis, on an IAS 17 basis operating FCF was approximately R9 632 million and increased 18,0% from prior year

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Adjusted HEPS

R (cents)	Reported IFRS 16 2019	Reported IAS 17 2019	Reported IAS 17 2018	IAS 17 Change %
Attributable earnings/(loss) per share	***499***	***576***	***485***	***18,8***
Impairment of goodwill, PPE and associates	39	39	8	
Gain on dilution of investment in JV/Associates	(66)	(66)	(39)	
Profit on sale of Cyprus	-	-	(118)	
Other	(4)	(4)	1	
Headline earnings/(loss) per share	***468***	***545***	***337***	***61,7***
Nigeria fine interest	8	8	36	
Hyperinflation (excluding impairments)	13	16	45	
Impact of foreign exchange losses and gains[1]	78	78	114	
CBN resolution	-	-	33	
Impairment of Iran receivable	12	12	-	
Divestments[2]	18	18	(13)	
Adjusted headline earnings per share (excluding non-operational items)	***597***	***677***	***552***	***22,6***

[1] *Includes the impact of forex from Irancell operations (2019: 9c gain; 2018: 43c loss)*
[2] *Includes impacts of decrease in Ghana shareholding (2019: 18c, 2018: 0c), and profit on sale of Cyprus (2019: 0c, 2018: -13c)*

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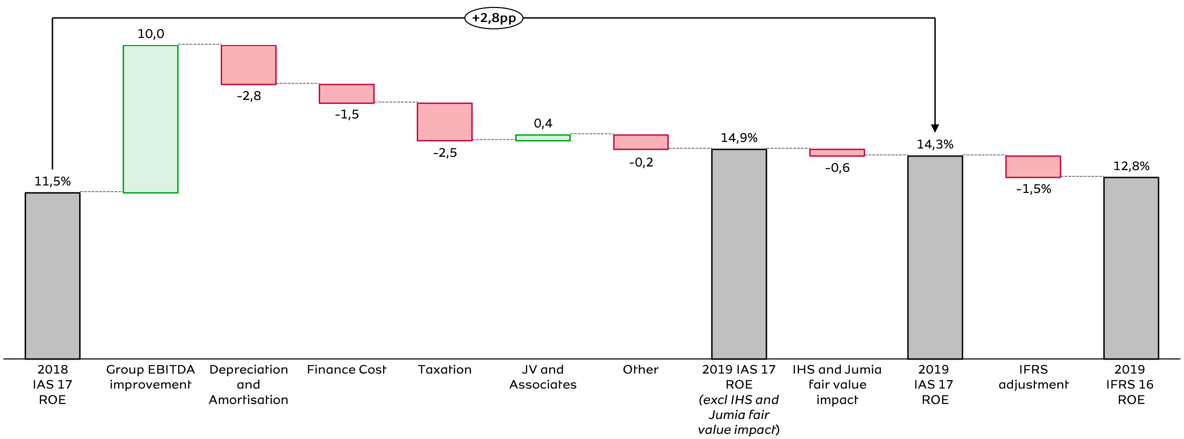
Improving returns

ROE increased 1,3pp; on a like-for-like basis ROE increased 2,8pp



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Looking ahead
MTN
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Corona virus

Macro impact

- **Impact** on Chinese economy, drag on the world economy
- **Dampens activity**; fear factor restricting mobility
- **Demand and supply** side shocks
- Implications for **currencies & capital markets**

Impact on MTN

- Shorter-term **commercial impact**
- **Mitigating supply chain** risk for network, devices and SIMs
- Implementing **increased visibility and control** processes with supply chain partners
- **Creating a buffer** for our SIM Cards & devices
- **Building inventories** of our most critical spares
- Anticipate a **limited impact on the network**, operational without capex for more than a year

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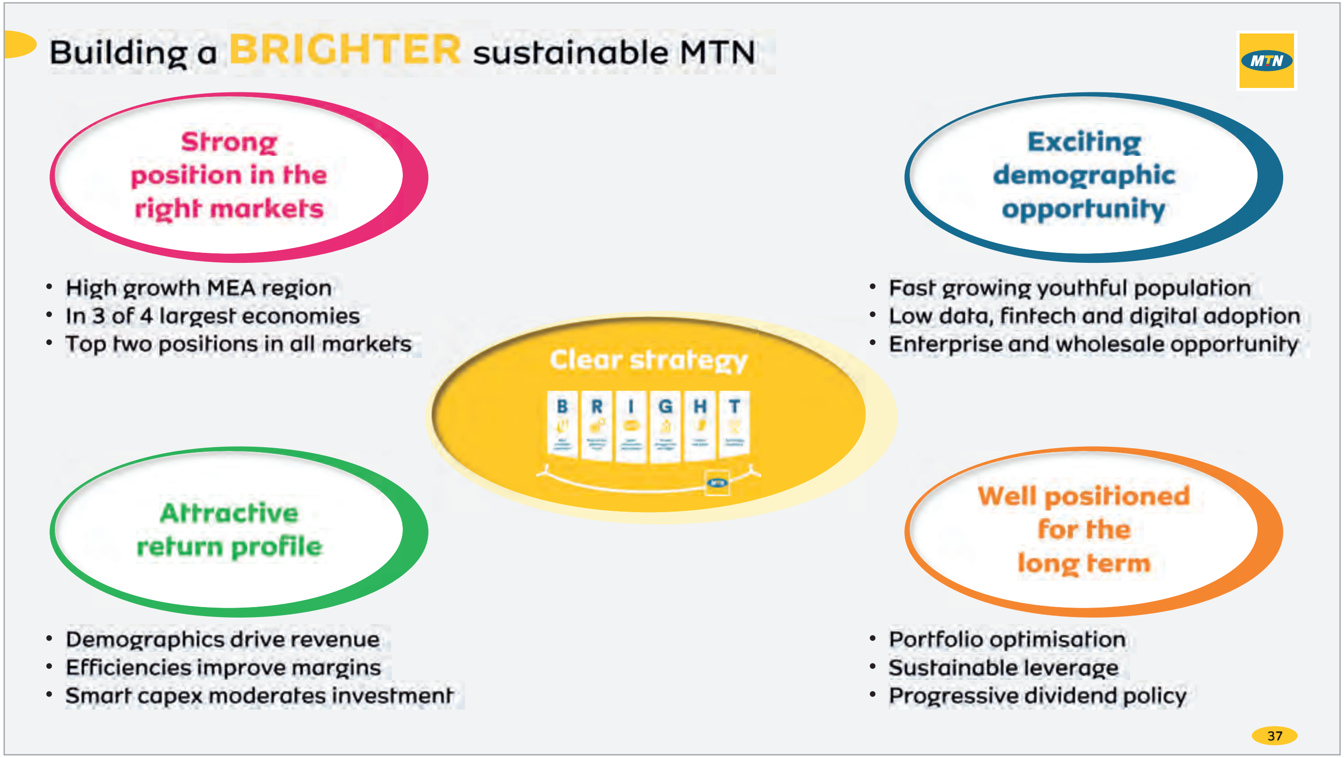
Building a BRIGHTER sustainable MTN
MTN
Strong position in the right markets
• High growth MEA region
• In 3 of 4 largest economies
• Top two positions in all markets
Exciting demographic opportunity
• Fast growing youthful population
• Low data, fintech and digital adoption
• Enterprise and wholesale opportunity
Clear strategy
B R I G H T
Attractive return profile
• Demographics drive revenue
• Efficiencies improve margins
• Smart capex moderates investment
Well positioned for the long term
• Portfolio optimisation
• Sustainable leverage
• Progressive dividend policy
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Key priorities for 2020

Growth	**Evolving telco** • Dual data • Enterprise/wholesale	**Digital player** • Growth in digital revenue • Scale Ayoba	**Fintech player** • Scale large markets • Advanced services
Efficiency	**Digital transformation** • Digital academy • Model opco and rollout	**Technology evolution** • Oxygen program • Billing and ERP	**Cost transformation** • End-to-end efficiency review • Zero-based budgeting
Corporate	**Corporate development** • Asset realisation programme • Portfolio management	**Risk and regulatory** • Licence renewals • Enhanced risk management	**Sustainability** • Increase focus on ESG • Management succession

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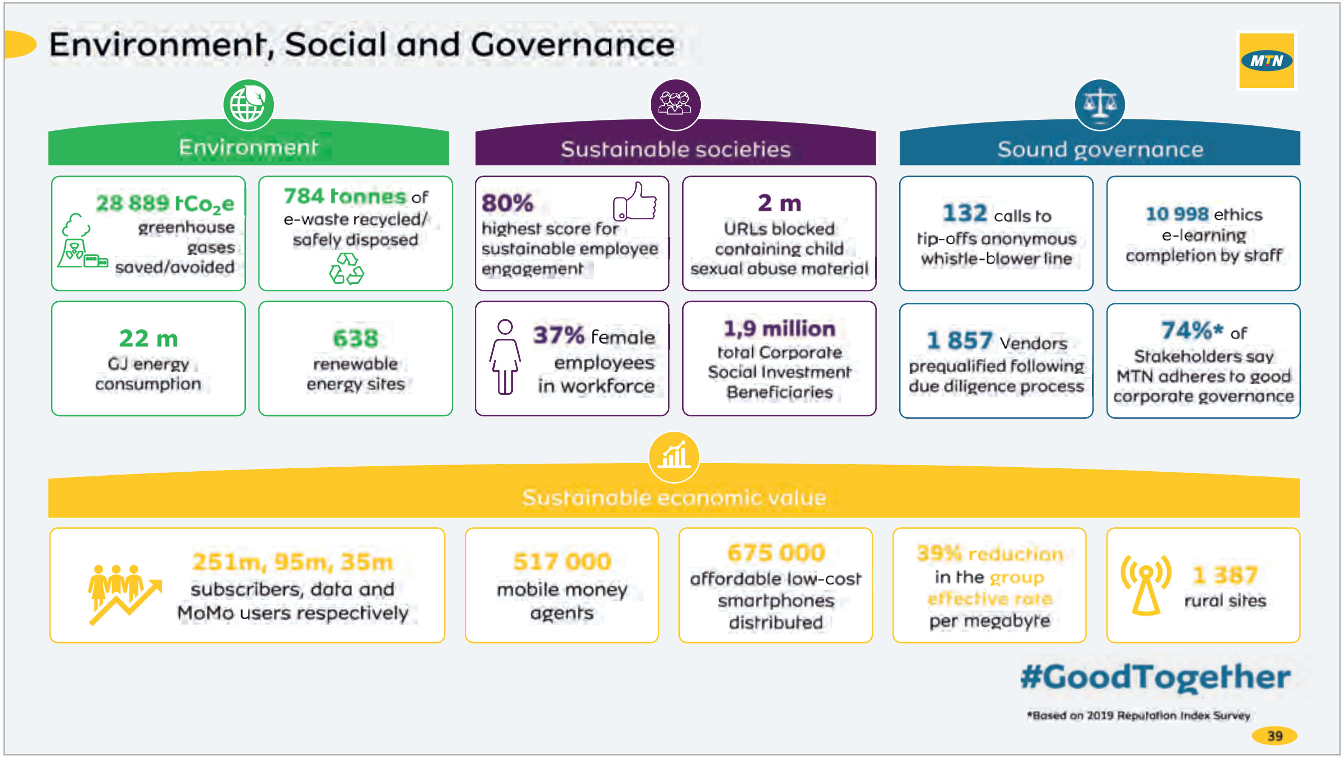
Environment, Social and Governance
MTN
Environment
28 889 tCo2e greenhouse gases saved/avoided
784 tonnes of e-waste recycled/ safely disposed
22 m GJ energy consumption
638 renewable energy sites
Sustainable societies
80% highest score for sustainable employee engagement
2 m URLs blocked containing child sexual abuse material
37% female employees in workforce
1,9 million total Corporate Social Investment Beneficiaries
Sound governance
132 calls to tip-offs anonymous whistle-blower line
10 998 ethics e-learning completion by staff
1 857 Vendors prequalified following due diligence process
74%* of Stakeholders say MTN adheres to good corporate governance
Sustainable economic value
251m, 95m, 35m subscribers, data and MoMo users respectively
517 000 mobile money agents
675 000 affordable low-cost smartphones distributed
39% reduction in the group effective rate per megabyte
1 387 rural sites
#GoodTogether
*Based on 2019 Reputation Index Survey
39

Enhanced medium-term guidance

Service revenue	Group **Double-digit growth**; South Africa **Mid-single-digit growth**; Nigeria **Double-digit growth**
EBITDA margins	**Improving margins**
Group capex intensity	**Reducing intensity**
Asset realisation	**> R25 billion**
Holdco leverage	**≤ 2,0x**
Adjusted ROE	**Improving to > 20% from 11,5% in 2018**
Dividend	**Growing 10% to 20% per year**

Guidance is medium-term (3 – 5 years) and asset realisation is subject to market conditions

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Thank you
everywhere you go
MTN
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How far can you go? When your village is connected to the global village, you go. #GoodTogether

Appendices

Items impacting reported results continued | IFRS 16 adoption

Reduces HEPS by -13,4%

	IAS 17	IFRS 16	Effect on December 2019
Income statement	Operating lease on straight line basis in EBITDA	• No operating leases costs in EBITDA • Depreciation on right of use asset • Interest expense on lease liability • Impact on HEPS	• R9,2bn • -R5,8bn • -R5,8bn • -13,4%
Balance sheet	Lease smoothing receivable/payable	• Recognise right of use asset (ROU) • Recognise lease liability	• R45,0bn • R46,3bn
Cash flow	Lease payment in operating activities	• Lease payment in operating activities reclassified to lease payment in financing activities	• Reclassification, no impact on free cash flow

^Defined based on capex excluding ROU asset additions
^^Financial institutions have confirmed that loan covenants will continue to be measured on an IAS 17 basis

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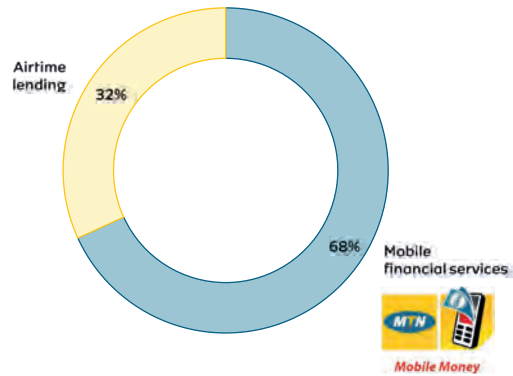
Fintech revenue

Fintech revenue up 27,0% driven by Ghana, contributes 7,2% to service revenue, EBITDA margin of 42,3%

Fintech highlights (Rm)

	2018	2019	
Revenue	7 974	10 125	+27,0%
GP margin	53,0%	50,8%	
EBITDA	3 435	4 281	+24,6%
EBITDA margin	43,1%	42,3%	
Capex	51	21	
AFCF	3 384	4 260	+25,8%

Fintech revenue contribution by services offered



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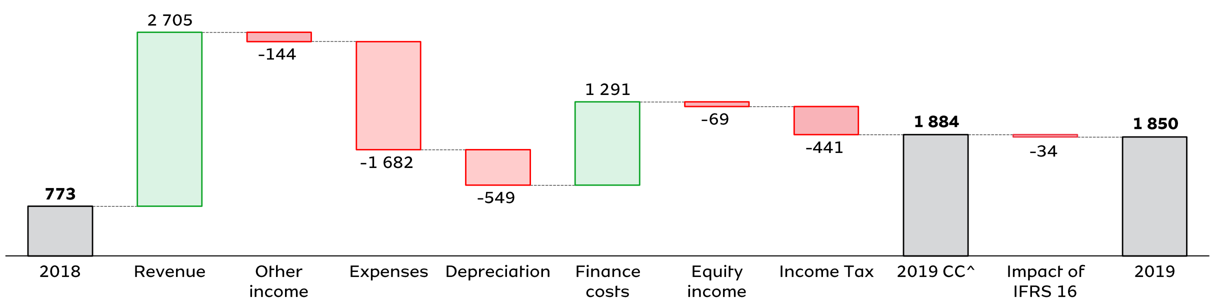
IranCell 100%

Results impacted by finance costs and translation to rand as a result of Sana rate being used since Aug 2018



^2019 CC represents constant currency
All amounts exclude the impact of hyperinflation

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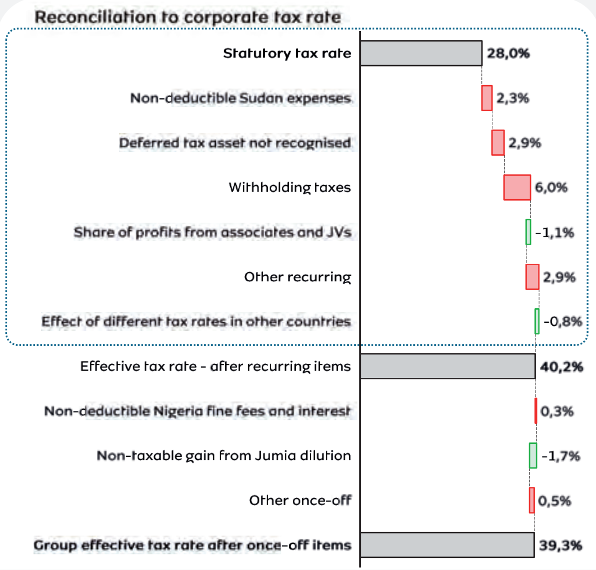
Taxation

Group effective tax rate impacted by withholding tax



(Rm)	2019	2018	% Change
Normal tax	5 983	5 568	7,5
Deferred tax	(135)	(1 009)	(86,6)
Foreign taxes	1 060	871	21,7
Total	***6 908***	***5 430***	***27,2***
Effective tax rate	39,3%	36,2%	

Recurring items

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Net debt

Increase in Nigeria net debt due to additional drawdown utilised for capex rollout

(Rm)	Cash and cash equivalents◊	Net interest-bearing liabilities	Net debt/(cash) 2019	Net debt/(cash) 2018
South Africa	1 310	-	(1 310)	(872)
Nigeria	8 019	15 815	7 796	774
SEAGHA	**2 241**	**3 632**	**1 391**	**2 012**
Ghana	1 113	1 227	114	172
Uganda	311	734	423	826
Other	817	1 671	854	1 014
WECA	**1 613**	**8 270**	**6 657**	**6 151**
Ivory Coast	569	3 559	2 990	2 922
Cameroon	393	1 986	1 593	2 080
Other	651	2 725	2 074	1 149
MENA	**2 042**	**115**	**(1 927)**	**(1 420)**
Head office	**11 135**	**66 448**	**55 313**	**57 508**
Total	**26 360**	**94 280**	**67 920**	**64 153**
Iran (49%)	*1 647*	*1 334*	*(313)*	*473*

◊ Includes restricted cash and current investments

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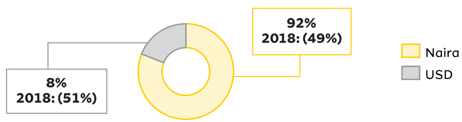
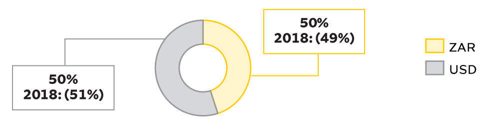
Net debt composition

Overall debt mix improving

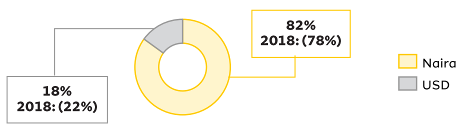
Nigeria borrowings (%)



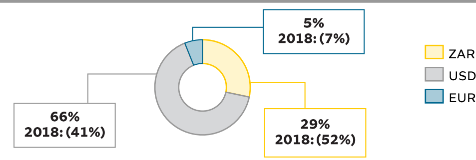
Head office borrowings (%)



Nigeria cash (%)



Head office cash (%)



(Rm)	Total	Naira denominated	US dollar denominated	Rand denominated	Euro denominated
Nigeria borrowings	15 815	14 515	1 300	-	-
Nigeria cash	8 019	6 615	1 404	-	-
Head office borrowings	66 448	-	33 224	33 224	-
Head office cash	11 135	-	7 404	3 181	550

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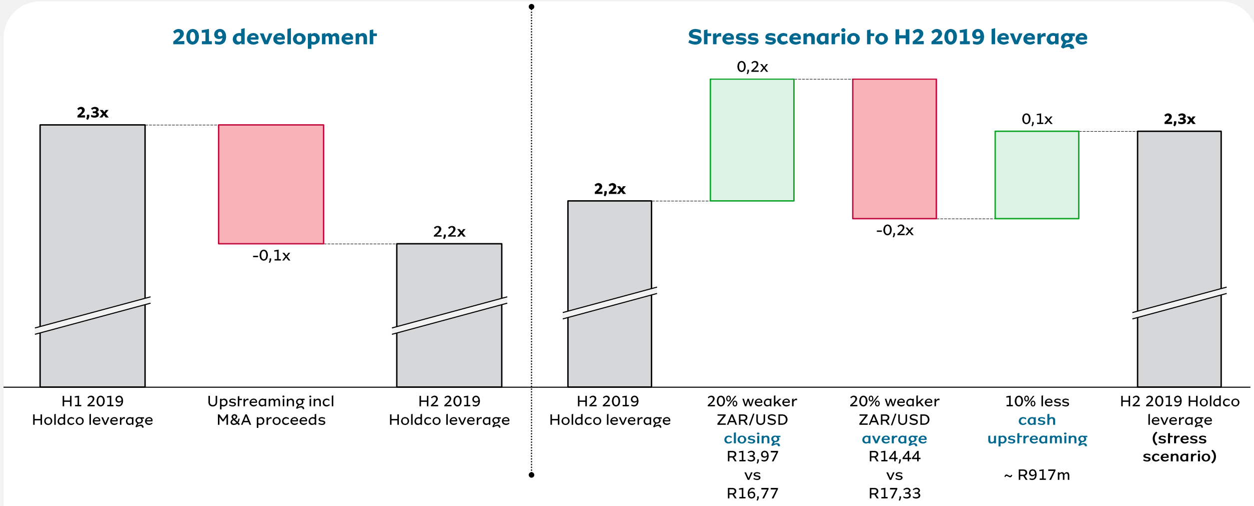
Holdco leverage

Balance sheet remains resilient under stress scenarios



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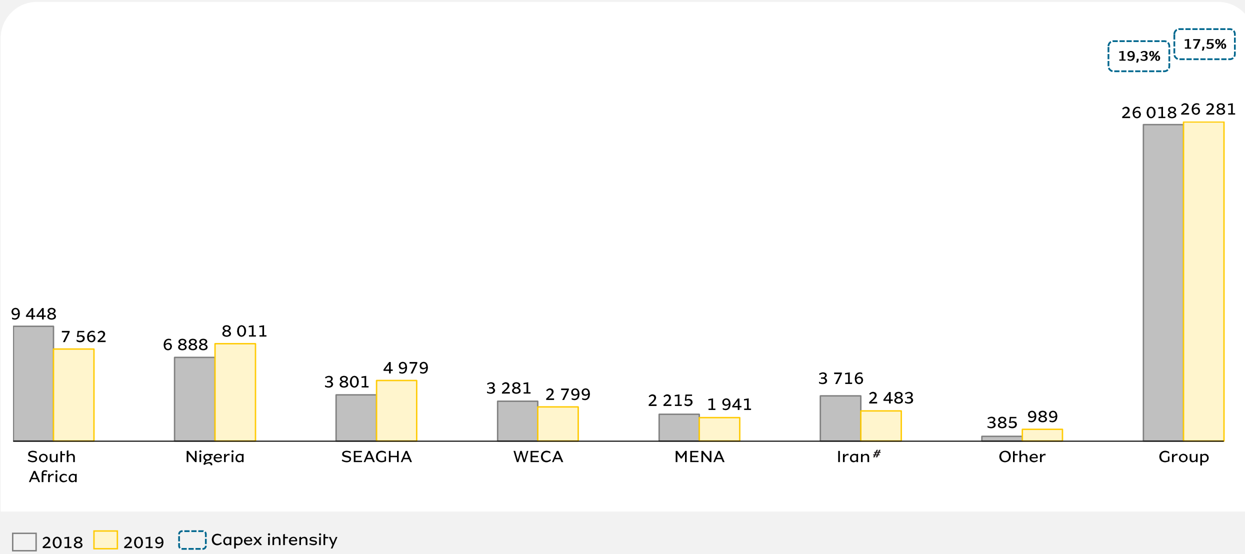
Capex | IAS 17

Capex envelope maintained

(Rm)



 # Iran capex at 49% and is not part of the consolidated Group Capex

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Statement of cash flows | IFRS

Higher financing activities inflow as a result of drawdowns in Nigeria

(Rm)	2019	2018	Change %
Cash generated from operations	55 197	40 345	36,8
Dividends received from associates and joint ventures	550	1 942	(71,7)
Net interest (paid) / received	(11 818)	(4 871)	(142,6)
Tax paid	(7 640)	(5 027)	(52,0)
Cash generated by operating activities	**36 289**	**32 389**	**12,0**
Acquisition of property, plant and equipment and intangible assets	(27 040)	(28 196)	4,1
Movement in investments and other investing activities	2 498	4 977	(49,8)
Cash used in investing activities	**(24 542)**	**(23 219)**	**(5,7)**
Dividends paid to equity holders of the Company	(9 352)	(11 236)	16,8
Dividends paid to non-controlling interests	(1 460)	(759)	(92,4)
Other financing activities	6 472	872	NM
Cash used in financing activities	**(4 340)**	**(11 123)**	**61,0**
Cash movement	**7 407**	**(1 953)**	**NM**
Cash and cash equivalents at the beginning of the year	14 967	15 937	(6,1)
Effect of exchange rates and net monetary gain	(1 382)	1 598	NM
Cash classified as held for sale	615	(615)	NM
Cash and cash equivalents at the end of the period	**21 607**	**14 967**	**44,4**

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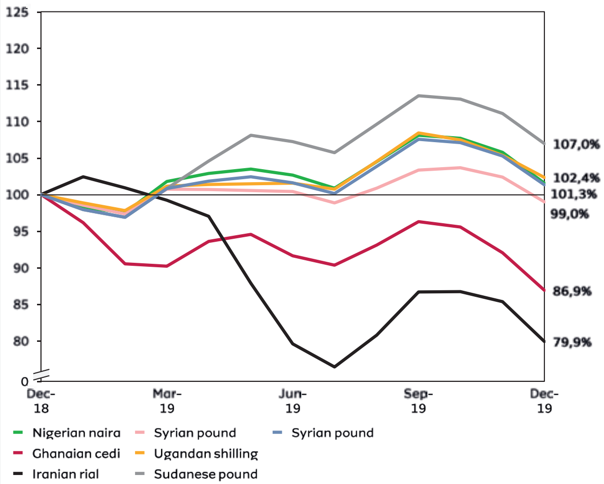
Macro indicators | FX average rates

Rand weakness against most currencies improves reported revenue

Local currency appreciation against rand
(YoY % change)



ZAR: Local currency	2019	2018		ZAR: LC strengthening/ (weakening)
Nigerian naira	25,05	27,41	↓	(8,6%)
Iranian rial	7 013,39	4 020,06	↑	74,5%
Ghanaian cedi	0,38	0,36	↑	5,6%
Cameroon franc	40,57	45,07	↓	(10,0%)
Ugandan shilling	256,68	280,55	↓	(8,5%)
Syrian pound	30,27	32,79	↓	(7,7%)
Sudanese pound	3,14	2,40	↑	30,8%

Local currency: USD	2019	2018		LC: USD strengthening/ (weakening)
South African rand	14,44	13,21	↓	(9,3%)
Nigerian naira	361,86	361,69	↓	(0,0%)
Iraninan rial	101 233	51 861	↓	(95,2%)
Ghanaian cedi	5,42	4,63	↓	(17,1%)

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Macro indicators | FX closing rates

ZAR: Local currency	2019	2018		ZAR: LC strengthening/ (weakening)
Nigerian naira	26,09	25,33	↑	3,0%
Iranian rial	8 120,61	6 043,73	↑	34,4%
Ghanaian cedi	0,41	0,34	↑	20,6%
Cameroon XAF	41,78	39,89	↑	4,7%
Uganda shilling	262,14	257,93	↑	1,6%
Syrian pound	31,33	30,45	↑	2,9%
Sudanese pound	3,23	3,31	↓	(2,4%)

Local currency: USD	2019	2018		LC: USD strengthening/ (weakening)
Rand	13,98	14,38	↑	2,9%
Nigerian naira	364,70	364,34	↓	(0,1%)
Iranian rial	113 535,00	86 933,00	↓	(23,4%)
Ghanaian cedi	5,76	4,95	↓	(14,1%)
Cameroon XAF	584,16	573,74	↓	(1,8%)
Uganda shilling	3 665,00	3 710,00	↑	1,2%
Syrian pound	438,00	438,00	→	0,0%
Sudanese pound	45,11	47,62	↑	5,6%

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When millions of us can plug into a high-speed digital highway

we go. #GoodTogether

MTN

Data sheets

MTN Group Limited continued

Results for the year ended 31 December 2019

ARPU
(US dollar)

Country	1Q18	2Q18	3Q18	4Q18
South Africa*	8,11	7,50	7,10	7,12
Nigeria	4,14	4,13	4,12	4,22
SEAGHA				
Ghana	4,50	4,60	4,02	4,70
Uganda	2,98	2,98	2,95	3,17
Rwanda	2,32	2,13	2,35	2,54
Zambia	2,82	2,87	2,90	2,63
South Sudan	3,60	4,93	4,67	4,70
Botswana (joint venture)	7,60	7,60	7,24	7,10
eSwatini (joint venture)	7,78	7,12	7,17	8,02
WECA				
Cameroon	4,66	4,60	4,28	3,79
Ivory Coast	4,19	4,10	3,65	4,01
Benin	5,45	4,88	4,88	4,88
Guinea-Conakry	2,05	1,93	1,89	1,93
Congo-Brazzaville	5,94	5,99	6,69	6,38
Liberia	3,47	3,14	2,67	3,17
Guinea-Bissau	3,99	4,21	3,52	2,59
MENA				
Iran (joint venture)	4,32	4,05	2,52	1,98
Syria	2,37	2,58	2,84	2,54
Sudan	1,45	1,37	1,45	1,12
Yemen	2,38	2,58	2,68	2,72
Afghanistan	1,69	1,90	1,90	1,70

** Subscribers' base reallocation from core to telemetry resulting in a restatement of 1Q18 to 1Q19.*

1Q19	2Q19	3Q19	4Q19
6,72	6,69	6,98	7,36
4,17	4,08	4,11	4,37
4,05	4,03	4,19	4,35
3,10	3,00	3,05	3,22
2,15	2,24	2,26	2,11
2,25	2,18	2,28	2,14
5,19	6,45	8,64	9,01
6,20	6,60	6,60	6,91
7,19	7,17	7,16	7,31
3,53	3,19	3,23	3,10
3,45	3,34	3,15	3,31
4,95	4,93	4,93	4,79
2,01	2,11	2,10	2,06
6,04	6,54	6,63	6,33
2,72	2,84	3,06	2,89
2,96	3,14	2,53	2,54
2,14	2,01	1,98	1,94
2,71	2,90	3,25	2,95
1,08	1,15	1,31	1,46
2,81	3,04	2,96	2,90
1,60	1,61	1,64	1,64

ARPU
(Local currency)

Country	1Q18	2Q18	3Q18	4Q18
South Africa*	96,69	94,74	98,88	101,90
Postpaid	141,80	140,23	142,78	146,60
Postpaid (excl telemetry)	277,95	279,98	285,98	297,27
Prepaid	77,19	74,64	77,52	80,50
Nigeria	1 493,09	1 491,28	1 492,25	1 534,73
SEAGHA				
Ghana	20,13	21,08	19,38	23,00
Uganda	10 880,41	11 297,99	11 070,46	11 812,44
Rwanda	1 960,18	1 971,52	2 031,64	1 914,06
Zambia	27,57	28,66	30,05	30,23
South Sudan	477,84	678,47	678,63	710,00
Botswana (joint venture)	76,26	76,26	75,21	73,00
eSwatini (joint venture)	92,83	90,01	99,85	113,74
WECA				
Cameroon	2 518,35	2 534,53	2 408,00	2 178,00
Ivory Coast	2 261,27	2 260,85	2 053,72	2 307,00
Benin	2 941,08	2 690,45	2 745,06	2 809,19
Guinea-Conakry	18 426,75	17 371,94	16 995,08	17 524,00
Congo-Brazzaville	3 263,37	3 356,65	3 789,47	3 673,47
Liberia	3,47	3,14	2,67	3,17
Guinea-Bissau	2 153,93	2 316,82	1 979,81	1 489,93
MENA				
Iran (joint venture)	159 303,00	167 793,00	175 049,22	181 284,00
Syria	1 032,71	1 129,02	1 244,15	1 114,48
Sudan	35,25	39,88	42,35	49,79
Yemen	921,59	982,79	1 020,19	1 034,72
Afghanistan	116,92	134,77	139,39	128,45

** Subscribers' base reallocation from core to telemetry resulting in a restatement of 1Q18 to 1Q19.*

1Q19	2Q19	3Q19	4Q19
93,58	96,29	102,45	108,70
141,76	141,23	138,90	137,29
294,98	286,85	291,90	290,52
71,72	74,83	80,18	86,79
1 510,01	1 470,03	1 489,20	1 589,67
21,23	21,61	22,84	24,37
11 429,22	11 185,90	11 259,00	11 909,00
1 898,71	2 001,35	2 077,58	1 957,26
26,97	27,80	29,63	29,71
804,38	1 016,12	1 375,76	1 441,34
67,14	71,00	74,00	76,36
100,09	103,27	105,07	107,91
2 025,11	1 863,64	1 911,19	1 838,00
1 979,53	1 950,08	1 866,52	1 961,23
2 840,22	2 877,16	2 919,76	2 837,46
18 270,13	19 304,20	19 284,52	19 243,02
3 472,56	3 825,62	3 923,36	3 748,50
2,72	2,84	3,06	2,89
1 696,98	1 835,67	1 498,28	1 494,84
182 205,00	203 148,41	220 272,81	210 358,00
1 188,01	1 269,88	1 421,66	1 293,42
51,46	52,55	59,04	65,68
1 069,29	1 154,61	1 123,66	1 103,81
119,99	126,52	129,16	128,65

MTN GROUP
Subscribers
('000)

Country	1Q18	2Q18	3Q18	4Q18
South Africa	**29 806**	**30 176**	**29 471**	**31 191**
Postpaid	5 489	5 614	5 734	5 794
Prepaid	24 317	24 562	23 738	25 397
Nigeria	**54 529**	**55 185**	**56 035**	**58 197**
SEAGHA	**39 737**	**40 249**	**41 767**	**43 692**
Ghana	16 151	16 525	17 111	17 790
Uganda	10 856	10 511	10 828	11 270
Rwanda	3 574	3 805	4 203	4 465
Zambia	5 638	5 747	6 052	6 459
South Sudan	762	927	958	1 016
Botswana (joint venture)	1 746	1 746	1 664	1 722
eSwatini (joint venture)	1 010	988	952	969
WECA	**28 610**	**29 451**	**30 152**	**30 637**
Cameroon	6 596	6 637	6 922	7 684
Ivory Coast	10 971	11 257	11 208	11 050
Benin	4 358	4 517	4 826	4 914
Guinea-Conakry	2 655	2 827	2 923	2 791
Congo-Brazzaville	2 373	2 345	2 382	2 464
Liberia	915	1 078	1 117	983
Guinea-Bissau	742	790	774	752
MENA	**68 203**	**67 855**	**67 959**	**68 838**
Iran (joint venture)^	44 551	44 610	44 439	44 780
Syria	5 617	5 293	5 435	5 605
Sudan	7 670	7 677	7 600	7 792
Yemen	4 193	4 213	4 263	4 405
Afghanistan	6 172	6 062	6 222	6 257
Total subscribers	**220 885**	**222 916**	**225 384**	**232 554**

^ includes Wimax.

1Q19	2Q19	3Q19	4Q19
30 010	**29 248**	**28 948**	**28 890**
5 866	5 899	5 979	6 086
24 144	23 349	22 969	22 804
60 265	**61 498**	**61 633**	**64 310**
45 044	**45 992**	**47 008**	**48 489**
18 595	18 874	19 181	19 777
11 713	11 937	12 124	12 642
4 600	4 677	4 906	5 203
6 381	6 751	7 004	6 989
1 103	1 129	1 155	1 232
1 703	1 676	1 684	1 709
948	948	954	937
32 361	**33 762**	**34 595**	**36 202**
8 742	9 360	9 199	10 170
11 357	11 742	12 007	12 408
5 114	5 238	5 462	5 494
2 932	3 140	3 411	3 362
2 419	2 463	2 518	2 625
1 033	1 026	1 184	1 297
763	793	814	847
68 921	**69 713**	**71 480**	**72 927**
44 783	44 665	45 634	46 849
5 412	5 738	6 001	5 866
8 212	8 408	8 804	9 136
4 251	4 357	4 458	4 344
6 263	**6 545**	**6 583**	6 733
236 601	**240 212**	**243 664**	**250 819**

MTN GROUP
Active data subscribers
('000)

Country	1Q18	2Q18	3Q18	4Q18
South Africa	12 152	12 164	12 954	13 571
Nigeria	14 841	14 923	17 171	18 672
SEAGHA	9 462	11 353	10 744	12 152
Ghana	5 150	6 894	5 770	6 435
Uganda	1 661	1 793	1 987	2 236
Rwanda	583	630	726	947
Zambia	1 425	1 515	1 703	1 856
South Sudan	259	149	161	176
Botswana (joint venture)	–	–	–	–
eSwatini (joint venture)	384	372	397	502
WECA	6 992	7 309	8 157	8 869
Cameroon	1 860	2 107	2 279	2 553
Ivory Coast	2 745	2 793	3 134	3 294
Benin	1 060	1 136	1 379	1 587
Guinea-Conakry	469	484	499	503
Congo-Brazzaville	451	443	504	545
Liberia	189	195	192	208
Guinea-Bissau	218	151	170	179
MENA	22 967	24 698	24 645	25 485
Iran (joint venture)	18 186	19 258	19 428	19 889
Syria	1 242	1 749	1 474	1 664
Sudan	2 194	2 211	2 219	2 259
Yemen	627	687	651	682
Afghanistan	718	793	873	991
Total subscribers	66 414	70 448	73 671	78 749

** Active data subscribers exclude telemetry.*

1Q19	2Q19	3Q19	4Q19
12 783	12 428	13 261	**14 134**
20 364	20 731	22 301	**25 180**
12 709	13 570	13 887	**15 878**
6 746	7 401	7 406	**8 144**
2 405	2 496	2 495	**3 402**
995	1 077	1 130	**1 300**
1 961	2 031	2 242	**2 343**
185	150	172	**229**
–	–	–	**–**
417	415	442	**461**
9 248	9 536	9 985	**11 248**
2 694	2 801	2 894	**3 314**
3 367	3 421	3 468	**3 818**
1 619	1 551	1 642	**1 929**
604	717	772	**880**
539	601	676	**706**
231	241	304	**331**
194	204	229	**270**
26 209	25 999	27 574	**28 909**
20 445	20 772	21 185	**22 154**
1 636	1 806	1 865	**1 914**
2 276	1 403	2 465	**2 703**
771	889	891	**915**
1 080	1 129	1 168	**1 223**
81 313	82 264	87 008	**95 348**

MTN GROUP
Mobile Money subscribers
('000)

Country	1Q18	2Q18	3Q18	4Q18
South Africa	–	–	–	–
Nigeria	2 025	2 194	2 467	695
SEAGHA	15 676	16 446	16 885	18 730
Ghana	7 390	7 873	7 856	8 377
Uganda	5 345	5 296	5 399	6 264
Rwanda	1 570	1 730	1 863	2 107
Zambia	1 040	1 199	1 400	1 595
South Sudan	–	–	–	–
Botswana (joint venture)	–	–	–	–
eSwatini (joint venture)	331	348	367	387
WECA	5 083	5 463	6 462	7 654
Cameroon	1 136	1 192	1 489	1 949
Ivory Coast	2 309	2 501	2 854	2 983
Benin	1 185	1 212	1 311	1 476
Guinea-Conakry	52	57	104	184
Congo-Brazzaville	239	306	494	780
Liberia	143	171	181	241
Guinea-Bissau	19	24	29	41
MENA	3	4	6	8
Iran (joint venture)	–	–	–	–
Syria	–	–	–	–
Sudan	3	4	6	8
Yemen	–	–	–	–
Afghanistan	–	–	–	–
Total subscribers	22 787	24 107	25 820	27 087

1Q19	2Q19	3Q19	4Q19
–	–	–	**2**
728	741	755	**553**
19 075	19 609	20 425	**21 871**
8 416	8 535	8 727	**9 120**
6 349	6 226	6 803	**7 441**
2 212	2 726	2 439	**2 671**
1 709	1 718	2 034	**2 205**
–	–	–	**–**
–	–	–	**–**
389	404	422	**433**
8 461	9 130	10 485	**12 181**
2 422	2 724	2 839	**3 706**
2 917	2 878	3 350	**3 838**
1 599	1 729	2 120	**2 401**
226	320	450	**317**
1 006	1 165	1 319	**1 401**
245	268	356	**384**
46	46	51	**135**
13	6	15	**18**
–	–	–	**–**
–	–	–	**–**
13	6	15	**18**
–	–	–	**–**
–	–	–	**–**
28 277	29 486	31 680	**34 625**

MTN Group Limited continued

Results for the year ended 31 December 2019

Revenue
(Rm)

Country	1H19	2H19	2019
South Africa	22 394	23 053	45 447
Nigeria	22 232	24 464	46 696
SEAGHA	12 664	14 405	27 069
Ghana	6 492	7 328	13 820
Uganda	3 189	3 511	6 700
Rwanda	963	1 036	1 999
Zambia	1 354	1 492	2 846
South Sudan	566	931	1 497
Business Group	100	107	207
WECA	10 582	11 239	21 821
Cameroon	2 612	2 777	5 389
Ivory Coast	3 403	3 514	6 917
Guinea-Bissau	216	208	424
Guinea-Conakry	555	633	1 188
Congo-Brazzaville	1 367	1 475	2 842
Liberia	262	301	563
Benin	2 167	2 331	4 498
MENA	4 104	4 873	8 977
Syria	1 342	1 644	2 986
Sudan	807	1 096	1 903
Yemen	1 067	1 149	2 216
Afghanistan	888	984	1 872
Cyprus	–	–	–
Joint ventures			
Iran	4 012	4 002	8 014
Botswana	–	1 110	1 110
eSwatini	186	191	377
Equity accounting exclusion	(4 198)	(5 303)	(9 501)
Head office companies and eliminations	311	234	545
Total	72 287	78 268	150 555
Hyperinflation	218	687	905
Total including hyperinflation	72 505	78 955	151 460

	1H18	2H18	2018	Reported %	Constant currency %
	21 163	23 495	44 658	1,8	1,8
	17 230	20 741	37 971	23,0	12,6
	10 342	12 271	22 613	19,7	21,6
	5 546	6 314	11 860	16,5	22,9
	2 440	2 983	5 423	23,5	12,5
	686	902	1 588	25,9	22,0
	1 307	1 566	2 873	(0,9)	11,5
	268	401	669	123,8	128,2
	95	105	200	3,5	(1,0)
	9 617	10 606	20 223	7,9	2,9
	2 384	2 575	4 959	8,7	3,3
	3 487	3 671	7 158	(3,4)	(7,4)
	239	221	460	(7,8)	(11,9)
	434	493	927	28,2	19,2
	1 100	1 391	2 491	14,1	8,8
	250	267	517	8,9	(0,7)
	1 723	1 988	3 711	21,2	16,3
	4 396	4 449	8 845	1,5	18,8
	1 025	1 273	2 298	29,9	19,1
	829	869	1 698	12,1	50,2
	781	989	1 770	25,2	14,2
	844	966	1 810	3,4	1,6
	917	352	1 269	(100,0)	0,0
	7 008	4 659	11 667	(31,3)	19,8
	438	488	926	19,9	15,2
	175	184	359	5,0	4,8
	(7 621)	(5 331)	(12 952)		
	(36)	112	76		
	62 712	71 674	134 386	12,0	9,7
	65	109	174	–	–
	62 777	71 783	134 560	12,6	9,7

Service revenue
(Rm)

Country	1H19	2H19	2019
South Africa	18 061	18 369	36 430
Nigeria	22 189	24 419	46 608
SEAGHA	12 504	14 250	26 754
Ghana	6 449	7 281	13 730
Uganda	3 159	3 480	6 639
Rwanda	933	1 017	1 950
Zambia	1 297	1 434	2 731
South Sudan	566	931	1 497
Business Group	100	107	207
WECA	10 503	11 147	21 650
Cameroon	2 587	2 740	5 327
Ivory Coast	3 382	3 498	6 880
Guinea-Bissau	213	205	418
Guinea-Conakry	539	617	1 156
Congo Brazzaville	1 357	1 466	2 823
Liberia	260	300	560
Benin	2 165	2 321	4 486
MENA	4 086	4 854	8 940
Syria	1 342	1 644	2 986
Sudan	805	1 093	1 898
Yemen	1 067	1 149	2 216
Afghanistan	872	968	1 840
Cyprus	–	–	–
Joint ventures			
Iran	3 964	3 947	7 911
Botswana	–	1 100	1 100
eSwatini	184	185	369
Equity accounting exclusion	(4 148)	(5 232)	(9 380)
Head office companies and eliminations	315	229	544
Total	67 658	73 268	140 926
Hyperinflation	217	687	904
Total including hyperinflation	67 875	73 955	141 830

1H18	2H18	2018	Reported %	Constant currency %
17 491	18 778	36 269	0,4	0,4
17 184	20 709	37 893	23,0	12,6
10 222	12 112	22 334	19,8	21,7
5 509	6 280	11 789	16,5	22,9
2 420	2 951	5 371	23,6	12,5
672	880	1 552	25,6	21,8
1 259	1 495	2 754	(0,8)	11,6
267	401	668	124,1	128,5
95	105	200	3,5	(1,0)
9 531	10 536	20 067	7,9	2,9
2 348	2 554	4 902	8,7	3,3
3 464	3 651	7 115	(3,3)	(7,3)
232	217	449	(6,9)	(10,9)
426	484	910	27,0	18,0
1 095	1 381	2 476	14,0	8,7
248	266	514	8,9	(0,7)
1 718	1 983	3 701	21,2	16,4
4 236	4 379	8 615	3,8	18,8
1 025	1 273	2 298	29,9	19,1
826	866	1 692	12,2	50,2
781	989	1 770	25,2	14,2
831	951	1 782	3,3	1,5
773	300	1 073	(100,0)	–
6 916	4 583	11 499	(31,2)	108,9
438	479	917	20,0	15,4
172	179	351	5,1	4,9
(7 526)	(5 241)	(12 767)		
(38)	115	77		
58 626	66 629	125 255	12,5	9,8
64	111	175	–	–
58 690	66 740	125 430	13,1	9,8

MTN Group Limited continued

Results for the year ended 31 December 2019

Revenue breakdown[1]
(Rm)

Country	1H19	2H19	2019
South Africa			
Outgoing voice[2]	6 873	7 076	13 949
Incoming voice[3]	853	924	1 777
Data[4]	6 026	6 605	12 631
Digital[5]	546	499	1 045
Fintech[6]	507	514	1 021
SMS	531	627	1 158
Devices	4 333	4 684	9 017
Wholesale[7]	1 998	1 395	3 393
Other	727	729	1 456
Revenue	22 394	23 053	45 447
Nigeria			
Outgoing voice[2]	14 180	14 758	28 938
Incoming voice[3]	2 310	2 596	4 906
Data[4]	3 836	4 960	8 796
Digital[5]	250	(73)	177
Fintech[6]	646	761	1 407
SMS	704	879	1 583
Devices	43	45	88
Wholesale[7]	108	370	478
Other	155	168	323
Revenue	22 232	24 464	46 696
Ghana			
Outgoing voice[2]	2 533	2 757	5 290
Incoming voice[3]	413	474	887
Data[4]	1 804	2 095	3 899
Digital[5]	259	272	531
Fintech[6]	1 284	1 511	2 795
SMS	61	53	114
Devices	43	47	90
Wholesale[7]	21	32	53
Other	74	87	161
Revenue	6 492	7 328	13 820

[1] *Subsequent to the publication of the December 2018 full year results, the group has reviewed and aligned its revenue streams relating to its Consumer, Enterprise and Wholesale business units with its current operating structure. The redefined segmentation has resulted in the reallocation of certain revenue streams and comparative numbers have been restated accordingly.*
[2] *Excludes international roaming and wholesale.*
[3] *Includes local and international roaming and excludes wholesale.*
[4] *Includes mobile and fixed access data and excludes roaming and wholesale.*
[5] *Includes Rich Media services, content VAS, eCommerce and mobile advertising.*
[6] *Includes Xtratime and mobile financial services.*
[7] *Includes domestic wholesale, voice, SMS and data, leased lines and BTS rentals.*

1H18	2H18	2018	Reported %	Constant currency %
7 463	7 557	15 020	(7,1)	(7,1)
808	900	1 708	(4,0)	(4,0)
5 704	6 297	12 001	5,2	5,2
833	690	1 523	(31,4)	(31,4)
417	501	918	11,2	11,2
618	567	1 185	(2,3)	(2,3)
3 672	4 717	8 389	7,5	7,5
854	1 522	2 376	42,8	42,8
794	744	1 538	(5,3)	(5,3)
21 163	23 495	44 658	1,8	1,8
11 162	13 778	24 940	16,0	6,3
1 701	1 963	3 664	33,9	22,3
2 532	3 115	5 647	55,8	42,7
611	334	945	(81,3)	(83,2)
463	584	1 047	34,4	23,2
436	622	1 058	49,6	37,8
46	32	78	12,8	1,1
93	109	202	136,6	114,3
186	204	390	(17,2)	(24,4)
17 230	20 741	37 971	23,0	12,6
2 149	2 342	4 491	17,8	24,2
455	503	958	(7,4)	(2,5)
1 433	1 669	3 102	25,7	32,5
418	243	661	(19,7)	(16,4)
849	1 434	2 283	22,4	30,1
41	53	94	21,3	28,1
37	34	71	26,8	34,3
–	–	–	100	100
164	36	200	(19,5)	(16,6)
5 546	6 314	11 860	16,5	22,9

Revenue breakdown[1] continued
(Rm)

Country	1H19	2H19	2019
Uganda			
Outgoing voice[2]	1 582	1 724	3 306
Incoming voice[3]	167	169	336
Data[4]	491	544	1 035
Digital[5]	11	8	19
Fintech[6]	766	896	1 662
SMS	56	70	126
Devices	30	31	61
Wholesale[7]	33	39	72
Other	53	30	83
Revenue	3 189	3 511	6 700
Ivory Coast			
Outgoing voice[2]	1 681	1 695	3 376
Incoming voice[3]	442	434	876
Data[4]	514	566	1 080
Digital[5]	96	95	191
Fintech[6]	414	436	850
SMS	49	32	81
Devices	21	16	37
Wholesale[7]	37	36	73
Other	149	204	353
Revenue	3 403	3 514	6 917
Cameroon			
Outgoing voice[2]	1 386	1 444	2 830
Incoming voice[3]	231	176	407
Data[4]	624	684	1 308
Digital[5]	17	30	47
Fintech[6]	224	300	524
SMS	60	65	125
Devices	25	37	62
Wholesale[7]	20	14	34
Other	25	27	52
Revenue	2 612	2 777	5 389

[1] *Subsequent to the publication of the December 2018 full year results, the group has reviewed and aligned its revenue streams relating to its Consumer, Enterprise and Wholesale business units with its current operating structure. The redefined segmentation has resulted in the reallocation of certain revenue streams and comparative numbers have been restated accordingly.*
[2] *Excludes international roaming and wholesale.*
[3] *Includes local and international roaming and excludes wholesale.*
[4] *Includes mobile and fixed access data and excludes roaming and wholesale.*
[5] *Includes Rich Media services, content VAS, eCommerce and mobile advertising.*
[6] *Includes Xtratime and mobile financial services.*
[7] *Includes domestic wholesale, voice, SMS and data, leased lines and BTS rentals.*

	1H18	2H18	2018	Reported %	Constant currency %
	1 242	1 604	2 846	16,2	5,7
	163	173	336	–	(9,4)
	257	425	682	51,8	39,7
	24	(18)	6	216,7	111,1
	655	668	1 323	25,6	13,9
	23	76	99	27,3	17,8
	20	32	52	17,3	8,9
	28	(1)	27	166,7	148,3
	28	24	52	59,6	45,6
	2 440	2 983	5 423	23,5	12,5
	1 793	1 753	3 546	(4,8)	(9,0)
	486	664	1 150	(23,8)	(26,5)
	401	490	891	21,2	16,5
	218	132	350	(45,4)	(48,4)
	333	380	713	19,2	14,6
	61	52	113	(28,3)	(31,9)
	23	20	43	(14,0)	(17,8)
	53	35	88	(17,0)	(21,5)
	119	145	264	33,7	28,8
	3 487	3 671	7 158	(3,4)	(7,4)
	1 312	1 418	2 730	3,7	(1,5)
	255	260	515	(21,0)	(25,0)
	481	567	1 048	24,8	18,9
	54	8	62	(24,2)	(30,9)
	132	183	315	66,3	59,3
	74	63	137	(8,8)	(13,8)
	36	21	57	8,8	1,6
	18	30	48	(29,2)	(32,0)
	22	25	47	10,6	6,1
	2 384	2 575	4 959	8,7	3,3

MTN Group Limited continued

Results for the year ended 31 December 2019

Revenue breakdown[1] continued
(Rm)

Country	1H19	2H19	2019
Syria			
Outgoing voice[2]	718	875	1 593
Incoming voice[3]	8	12	20
Data[4]	460	543	1 003
Digital[5]	40	42	82
Fintech[6]	34	51	85
SMS	44	72	116
Devices	–	–	–
Wholesale[7]	29	35	64
Other	9	14	23
Revenue	1 342	1 644	2 986
Hyperinflation	–	–	–
Revenue including hyperinflation	1 342	1 644	2 986
Sudan			
Outgoing voice[2]	310	416	726
Incoming voice[3]	214	225	439
Data[4]	217	358	575
Digital[5]	29	40	69
Fintech[6]	–	–	–
SMS	12	23	35
Devices	2	3	5
Wholesale[7]	14	19	33
Other	9	12	21
Revenue	807	1 096	1 903
Hyperinflation	163	463	626
Revenue including hyperinflation	970	1 559	2 529
Iran (49%)			
Outgoing voice[2]	1 128	1 165	2 293
Incoming voice[3]	253	257	510
Data[4]	2 075	2 014	4 089
Digital[5]	274	254	528
Fintech[6]	4	7	11
SMS	148	159	307
Devices	48	56	104
Wholesale[7]	27	46	73
Other	55	44	99
Revenue	4 012	4 002	8 014

[1] Subsequent to the publication of the December 2018 full year results, the group has reviewed and aligned its revenue streams relating to its Consumer, Enterprise and Wholesale business units with its current operating structure. The redefined segmentation has resulted in the reallocation of certain revenue streams and comparative numbers have been restated accordingly.
[2] Excludes international roaming and wholesale.
[3] Includes local and international roaming and excludes wholesale.
[4] Includes mobile and fixed access data and excludes roaming and wholesale.
[5] Includes Rich Media services, content VAS, eCommerce and mobile advertising.
[6] Includes Xtratime and mobile financial services.
[7] Includes domestic wholesale, voice, SMS and data, leased lines and BTS rentals.

1H18	2H18	2018	Reported %	Constant currency %
613	736	1 349	18,1	8,1
9	8	17	17,6	11,1
289	393	682	47,1	35,0
21	23	44	86,4	70,8
20	26	46	84,8	70,0
42	43	85	36,5	23,4
–	–	–	–	–
22	35	57	12,3	3,2
9	9	18	27,8	15,0
1 025	1 273	2 298	29,9	19,1
–	9	9	–	–
1 025	1 282	2 307	29,4	19,1
343	345	688	5,5	42,4
211	204	415	5,8	40,7
208	251	459	25,3	66,7
42	47	89	(22,5)	4,5
–	–	–	–	–
10	10	20	75,0	133,3
3	3	6	(16,7)	66,7
–	–	–	100	100
12	9	21	–	31,3
829	869	1 698	12,1	50,2
–	–	–	–	–
829	869	1 698	48,9	50,2
1 783	1 303	3 086	(25,7)	28,1
501	319	820	(37,8)	9,3
3 485	2 308	5 793	(29,4)	23,2
728	373	1 101	(52,0)	(13,5)
–	–	–	100,0	100,0
269	177	446	(31,2)	20,3
92	76	168	(38,1)	2,9
15	19	34	114,7	221,7
135	84	219	(54,8)	(19,8)
7 008	4 659	11 667	(31,3)	19,8

MTN Group Limited continued

Results for the year ended 31 December 2019

EBITDA excluding once-off transactions[1]
(Rm)

Country	IFRS 16 1H19	IFRS 16 2H19	IFRS 16 2019
South Africa	8 166	8 806	16 972
Nigeria	11 959	13 190	25 149
SEAGHA	5 615	6 521	12 136
Ghana	3 217	3 797	7 014
Uganda	1 547	1 603	3 150
Rwanda	419	396	815
Zambia	398	488	886
South Sudan	40	241	281
Business Group	(6)	(4)	(10)
WECA	2 986	3 095	6 081
Cameroon	778	857	1 635
Ivory Coast	996	818	1 814
Guinea-Bissau	64	58	122
Guinea-Conakry	81	120	201
Congo-Brazzaville	545	631	1 176
Liberia	(4)	17	13
Benin	526	594	1 120
MENA	1 262	1 574	2 836
Syria	525	648	1 173
Sudan	221	456	677
Yemen	354	340	694
Afghanistan	162	130	292
Cyprus	–	–	–
Joint ventures			
Iran	1 490	1 551	3 041
Botswana	–	567	567
eSwatini	87	81	168
Equity accounting exclusion	(1 577)	(2 199)	(3 776)
Head office companies and eliminations	34	(568)	(534)
CODM EBITDA	30 022	32 618	62 640
CBN resolution	–	–	–
Gain on dilution of investment in associates and joint ventures	1 039	–	1 039
Gain on disposal of subsidiary	112	–	112
Hyperinflation impact	54	228	282
Tower sale profits	18	1	19
CODM EBITDA before impairment of goodwill and joint ventures	31 245	32 847	64 092

[1] *Once-off transactions include tower profits, hyperinflation, gain on dilution of Jumia, Travelstart disposal, Cyprus sale and CBN resolution (R744 million).*

IAS 17 1H18	IAS 17 2H18	IAS 17 2018	Reported %
7 450	8 210	15 660	8,4
7 426	9 148	16 574	51,7
3 610	4 255	7 865	54,3
2 166	2 286	4 452	57,5
854	1 126	1 980	59,1
180	287	467	74,5
411	481	892	(0,7)
6	82	88	219,3
(7)	(7)	(14)	28,6
2 314	1 819	4 133	47,1
457	(2)	455	259,3
934	659	1 593	13,9
82	57	139	(12,2)
22	48	70	187,1
371	659	1 030	14,2
11	(66)	(55)	123,6
437	464	901	24,3
1 246	1 264	2 510	13,0
351	558	909	29,0
255	335	590	14,7
213	149	362	91,7
125	107	232	25,9
302	115	417	(100,0)
2 554	1 677	4 231	(28,1)
238	251	489	16,0
78	76	154	9,1
(2 870)	(2 004)	(4 874)	
(30)	(697)	(727)	
22 016	23 999	46 015	36,1
–	(744)	(744)	
–	569	569	
–	2 112	2 112	
307	(36)	271	
12	11	23	
22 335	25 911	48 246	32,8

MTN Group Limited continued

Results for the year ended 31 December 2019

EBITDA excluding once-off transactions continued[1]
(Rm)

Country	IAS 17 1H19	IAS 17 2H19	IAS 17 2019
South Africa	7 462	7 830	15 292
Nigeria	9 927	11 011	20 938
SEAGHA	4 609	5 498	10 107
Ghana	2 650	3 212	5 862
Uganda	1 266	1 326	2 592
Rwanda	302	279	581
Zambia	370	462	832
South Sudan	29	224	253
Business Group	(8)	(5)	(13)
WECA	2 483	2 623	5 106
Cameroon	635	768	1 403
Ivory Coast	766	572	1 338
Guinea-Bissau	59	56	115
Guinea-Conakry	66	103	169
Congo-Brazzaville	470	552	1 022
Liberia	(15)	–	(15)
Benin	502	572	1 074
MENA	1 102	1 408	2 510
Syria	482	605	1 087
Sudan	213	448	661
Yemen	320	301	621
Afghanistan	87	54	141
Cyprus	–	–	–
Joint ventures			
Iran	1 407	1 461	2 868
Botswana	–	567	567
eSwatini	85	80	165
Equity accounting exclusion	(1 492)	(2 108)	(3 600)
Head office companies and eliminations	68	(604)	(536)
CODM EBITDA	25 651	27 766	53 417
CBN resolution	–	–	–
Gain on dilution of investment in associates and joint ventures	1 039	–	1 039
Gain on disposal of subsidiary	112	–	112
Hyperinflation impact	54	217	271
Tower sale profits	18	1	19
CODM EBITDA before impairment of goodwill and joint venture	26 874	27 984	54 858

(1) *Once-off transactions include tower profits, hyperinflation, gain on dilution of Jumia, Travelstart disposal, Cyprus sale and CBN resolution (R744 million).*

	IAS 17 1H18	IAS 17 2H18	IAS 17 2018	Constant currency %
	7 450	8 210	15 660	(2,3)
	7 426	9 148	16 574	20,8
	3 610	4 255	7 865	30,6
	2 166	2 286	4 452	38,6
	854	1 126	1 980	19,6
	180	287	467	21,3
	411	481	892	4,9
	6	82	88	(99,1)
	(7)	(7)	(14)	13,3
	2 314	1 819	4 133	17,2
	457	(2)	455	178,4
	934	659	1 593	(20,3)
	82	57	139	21,8
	22	48	70	131,5
	371	659	1 030	(4,5)
	11	(66)	(55)	72,7
	437	464	901	14,5
	1 246	1 264	2 510	20,8
	351	558	909	10,2
	255	335	590	46,9
	213	149	362	53,3
	125	107	232	(40,3)
	302	115	417	(100)
	2 554	1 677	4 231	17,7
	238	251	489	11,5
	78	76	154	7,6
	(2 870)	(2 004)	(4 894)	
	(30)	(697)	(727)	
	22 016	23 999	46 015	13,6
	–	(744)	(744)	
	–	569	569	
	–	2 112	2 112	
	307	(36)	271	
	12	11	23	
	22 335	25 911	48 246	13,6

MTN Group Limited continued

Results for the year ended 31 December 2019

Revenue and EBITDA
Local currency (LC'm)

	Revenue		
Country	2019	2018	Change %
South Africa	45 447	44 658	1,8
Nigeria*	1 169 735	1 039 118	12,6
SEAGHA			
Ghana	5 182	4 219	22,8
Uganda	1 717 574	1 527 000	12,5
Rwanda	125 418	102 815	22,0
Zambia	2 545	2 283	11,5
South Sudan	16 349	7 158	128,4
Business Group	207	200	3,5
WECA			
Cameroon	218 734	212 027	3,16
Ivory Coast	280 626	303 022	(7,4)
Guinea-Bissau	17 231	19 547	(11,8)
Guinea-Conakry	755 669	634 226	19,1
Congo-Brazzaville	115 355	105 966	8,9
Liberia	39	39	0,0
Benin	182 481	156 885	16,3
MENA			
Syria	90 429	76 048	18,9
Sudan	6 007	4 001	50,1
Yemen	58 329	51 026	14,3
Afghanistan	10 074	9 912	1,6
Cyprus	–	84	(100,0)
Joint ventures			
Iran (49%)	56 076 243	46 758 377	19,9
Botswana (53.1%)	810	718	12,8
eSwatini (30%)	377	359	5,0

* *Nigeria EBITDA (2018) excludes resolution (NGN19,2 billion).*

EBITDA		
IAS 17 2019	IAS 17 2018	Change %
15 292	15 660	(2,3)
524 419	453 086	15,7
2 200	1 588	38,5
665 586	555 926	19,7
36 330	30 055	20,9
745	707	5,4
2 759	930	196,7
(13)	(14)	7,1
56 920	20 490	117,8
57 579	68 082	(15,4)
4 671	5 957	(21,6)
107 384	46 797	129,5
41 465	43 444	(4,6)
(1)	(4)	75,0
43 591	38 096	14,4
32 894	29 824	10,3
2 077	1 415	46,8
16 369	10 694	53,1
748	1 269	(41,1)
–	28	(100,0)
20 088 968	17 008 593	18,1
414	380	8,9
165	154	7,1

MTN Group Limited continued

Results for the year ended 31 December 2019

Income statement – IFRS 16 impacts

	Group			Adjustments[1]		
(Rm)	IFRS Reported	Adjustment	IAS 17	South Africa	Nigeria	Ghana
Direct network and technology operating costs and other operating expenses	(31 320)	(9 234)	(40 554)	(1 680)	(4 211)	(1 152)
EBITDA	64 092	(9 234)	54 858	(1 680)	(4 211)	(1 152)
Depreciation of right-of-use assets	(5 828)	5 763	(65)	1 216	2 269	647
Operating profit	31 292	(3 471)	27 821	(464)	(1 942)	(505)
Net finance costs	(15 184)	5 768	(9 416)	1 235	2 718	852
Net monetary gain	787	(65)	722			
Share of results of associates and joint ventures after tax	705	17	722	–	–	–
Profit before tax	17 600	2 249	19 849	771	776	347
Income tax expense	(6 908)	(672)	(7 580)	(216)	(252)	(84)
Profit after tax	10 692	1 577	12 269	555	524	263
Attributable to equity holders of parent	8 963	1 399	10 362			
Non-controlling interest	1 729	178	1 907			

[1] These are the adjustments to the three operations that were most significantly affected by the adoption of IFRS 16.

Statement of financial position – IFRS 16 impacts

	Group			Adjustments[1]		
(Rm)	IFRS Reported	Adjustment	IAS 17	South Africa	Nigeria	Ghana
Non-current assets	226 029	(44 202)	181 827	(13 248)	(18 907)	(3 822)
Property, plant and equipment	98 312	524	98 836	618		
ROU Asset	44 984	(44 984)	–	(13 866)	(19 170)	(3 822)
Interest in joint ventures	8 764	15	8 779	–	–	–
Deferred tax and other non-current assets	8 548	243	8 791		263	
Non-current prepayments				–		–
Current assets	75 444	4 075	79 519	372	3 456	45
Trade and other receivables	27 256	4 075	31 331	372	3 456	45
Total assets	302 311	(40 127)	262 184	(12 876)	(15 451)	(3 777)
Total equity	86 100	1 538	87 638	555	524	263
Equity	83 897	1 367	85 264	555	524	263
Non-controlling interest	2 203	171	2 374	–	–	–
Non-current liabilities	132 372	(41 314)	91 058	(12 670)	(18 217)	(3 787)
Lease liability – non-current	42 271	(41 828)	443	(12 886)	(18 456)	(3 787)
Deferred tax	11 644	514	12 158	216	239	–
Current liabilities	83 839	(351)	83 488	(761)	2 242	(253)
Lease liability – current	4 056	(4 009)	47	(761)	(1 346)	(361)
Trade and other payables	36 630	3 565	40 195	–	3 588	28
Other current and tax liabilities	12 015	93	12 108	–	–	80
Total equity and liabilities	302 311	(40 127)	262 184	(12 876)	(15 451)	(3 777)

Statement of cash flows – IFRS 16 impacts

	Group			Adjustments[1]		
(Rm)	IFRS Reported	Adjustment	IAS 17	South Africa	Nigeria	Ghana
Net cash generated from operating activities	36 289	(3 417)	32 872	(662)	(1 328)	(317)
Cash generated from operations	55 197	(8 688)	46 509	(1 919)	(3 838)	(1 093)
Interest paid	(13 014)	5 271	(7 743)	1 257	2 510	776
Net cash used in financing activities	(4 340)	3 417	(923)	662	1 328	317
Repayment of lease liability	(3 417)	3 417	–	662	1 328	317
Net increase in cash and cash equivalents	7 407	–	7 407	–	–	–

[1] These are the adjustments to the three operations that were most significantly affected by the adoption of IFRS 16.

MTN Group Limited continued

Results for the year ended 31 December 2019

Operating expenses (Rm)

Country	IFRS 16 1H19	IFRS 16 2H19	IFRS 16 2019
South Africa	14 227	14 248	28 475
Nigeria*	10 275	11 276	21 551
SEAGHA	7 060	7 892	14 952
Ghana	3 275	3 530	6 805
Uganda	1 642	1 908	3 550
Rwanda	544	640	1 184
Zambia	966	1 013	1 979
South Sudan	526	690	1 216
Business Group	107	111	218
WECA	7 638	8 218	15 856
Cameroon	1 859	1 982	3 841
Ivory Coast	2 425	2 708	5 133
Guinea-Bissau	152	150	302
Guinea-Conakry	474	513	987
Congo-Brazzaville	821	845	1 666
Liberia	266	284	550
Benin	1 641	1 736	3 377
MENA	2 857	3 321	6 178
Syria	818	995	1 813
Sudan	587	656	1 243
Yemen	717	810	1 527
Afghanistan	735	860	1 595
Cyprus	–	–	–
Joint ventures			
Iran	2 522	2 452	4 974
Botswana	–	543	543
eSwatini	100	109	209
Equity accounting exclusion	(2 622)	(3 104)	(5 726)
Head office companies and eliminations	281	819	1 100
Total	42 338	45 774	88 112
CBN resolution	–	–	–
Hyperinflation	164	465	629
Total reported	42 502	46 239	88 741

* *Nigeria 2018 excludes CBN resolution (R744 million).*

IAS 17 1H18	IAS 17 2H18	IAS 17 2018	Reported %
13 713	15 352	29 065	(2,0)
9 806	11 678	21 484	0,3
6 743	8 056	14 799	1,0
3 379	4 029	7 408	(8,1)
1 586	1 857	3 443	3,1
506	615	1 121	5,6
907	1 096	2 003	(1,2)
263	347	610	99,3
102	112	214	1,9
7 338	8 939	16 277	(2,6)
1 949	2 604	4 553	(15,6)
2 565	3 022	5 587	(8,1)
157	164	321	(5,9)
412	482	894	10,4
729	810	1 539	8,3
240	333	573	(4,0)
1 286	1 524	2 810	20,2
3 171	3 237	6 408	(3,6)
674	734	1 408	28,8
575	562	1 137	9,3
568	839	1 407	8,5
740	864	1 604	(0,6)
614	238	852	(100,0)
4 588	2 983	7 571	(34,3)
205	232	437	24,3
97	109	206	1,5
(4 890)	(3 324)	(8 214)	
319	504	823	
41 090	47 766	88 856	(0,8)
	744	744	
(242)	141	(101)	
40 848	48 651	89 499	(0,8)

MTN Group Limited continued

Results for the year ended 31 December 2019

Operating expenses (Rm)

Country	IAS 17 1H19	IAS 17 2H19	IAS 17 2019
South Africa	14 932	15 223	30 155
Nigeria*	12 307	13 455	25 762
SEAGHA	8 067	8 915	16 982
Ghana	3 843	4 115	7 958
Uganda	1 923	2 185	4 108
Rwanda	661	757	1 418
Zambia	994	1 039	2 033
South Sudan	537	707	1 244
Business Group	109	112	221
WECA	8 110	8 723	16 833
Cameroon	1 971	2 103	4 074
Ivory Coast	2 655	2 954	5 609
Guinea-Bissau	157	152	309
Guinea-Conakry	489	530	1 019
Congo-Brazzaville	896	924	1 820
Liberia	277	301	578
Benin	1 665	1 759	3 424
MENA	3 015	3 490	6 505
Syria	861	1 038	1 899
Sudan	594	666	1 260
Yemen	751	849	1 600
Afghanistan	809	937	1 746
Cyprus	–	–	–
Joint ventures			
Iran	2 605	2 541	5 146
Botswana	–	543	543
eSwatini	101	110	211
Equity accounting exclusion	(2 706)	(3 194)	(5 900)
Head office companies and eliminations	278	821	1 098
Total	46 709	50 627	97 335
CBN resolution	–	–	–
Hyperinflation	164	475	640
Total reported	46 873	51 102	97 975

* *Nigeria 2018 excludes CBN resolution (R744 million).*

IAS 17 1H18	IAS 17 2H18	IAS 17 2018	Constant currency %
13 713	15 352	29 065	3,8
9 806	11 678	21 484	9,7
6 743	8 056	14 799	16,6
3 379	4 029	7 408	13,5
1 586	1 857	3 443	8,4
506	615	1 121	22,3
907	1 096	2 003	14,2
263	347	610	107,7
102	112	214	(0,9)
7 338	8 939	16 277	(1,2)
1 949	2 604	4 553	(14,5)
2 565	3 022	5 587	(3,5)
157	164	321	(7,8)
412	482	894	6,3
729	810	1 539	12,5
240	333	573	(7,2)
1 286	1 524	2 810	16,9
3 171	3 237	6 408	17,2
674	734	1 408	23,2
575	562	1 137	49,8
568	839	1 407	4,2
740	864	1 604	7,1
614	238	852	(100,0)
4 588	2 983	7 571	19,1
205	232	437	19,5
97	109	206	2,6
(4 890)	(3 324)	(8 214)	
319	504	823	
41 090	47 766	88 856	7,1
	744	744	
(242)	141	(101)	
40 848	48 651	89 499	7,1

MTN Group Limited continued

Results for the year ended 31 December 2019

Operating expenses breakdown (Rm)

Country	IFRS 16 1H19	IFRS 16 2H19	IFRS 16 2019
South Africa			
Handsets and other accessories	5 099	5 182	10 281
Interconnect	1 000	882	1 882
Roaming	58	76	134
Commissions	1 149	1 138	2 287
Government and regulatory costs	101	106	207
VAS/Digital revenue share	318	266	584
Service provider discount	743	778	1 521
Network and IS maintenance	1 928	1 955	3 883
Marketing	509	614	1 123
Staff costs	1 337	1 493	2 830
Other opex	1 985	1 758	3 743
Cost	14 227	14 248	28 475
Nigeria*			
Handsets and other accessories	253	315	568
Interconnect	2 053	2 148	4 201
Roaming	68	94	162
Commissions	1 025	1 127	2 152
Government and regulatory costs	592	655	1 247
VAS/Digital revenue share	288	317	605
Service provider disc	–	–	–
Network and IS maintenance	4 344	4 770	9 114
Marketing	328	453	781
Staff costs	662	737	1 399
Other opex	662	660	1 322
Cost	10 275	11 276	21 551
CBN resolution	–	–	–
Total cost excluding CBN resolution	10 275	11 276	21 551

** Excluding CBN resolution in 2018 (R744 million).*

IAS 17 1H18	IAS 17 2H18	IAS 17 2018	Reported %
4 353	5 774	10 127	1,5
1 028	1 058	2 086	(9,8)
151	95	246	(45,5)
1 223	1 142	2 365	(3,3)
113	111	224	(7,6)
325	278	603	(3,2)
813	734	1 547	(1,7)
2 166	2 242	4 408	(11,9)
567	784	1 351	(16,9)
1 235	1 267	2 502	13,1
1 739	1 867	3 606	3,8
13 713	15 352	29 065	(2,0)
150	142	292	94,5
1 593	1 900	3 493	20,3
86	63	149	8,7
811	974	1 785	20,6
446	591	1 037	20,3
353	342	695	(12,9)
–	–	–	–
4 900	5 809	10 709	(14,9)
272	311	583	34,0
489	645	1 134	23,4
706	1 645	2 351	(43,8)
9 806	12 422	22 228	(3,0)
–	(744)	(744)	–
9 806	11 678	21 484	0,3

MTN Group Limited continued

Results for the year ended 31 December 2019

Operating expenses breakdown continued
(Rm)

Country	IFRS 16 1H19	IFRS 16 2H19	IFRS 16 2019
Ghana			
Handsets and other accessories	151	114	265
Interconnect	409	296	705
Roaming	37	14	51
Commissions	792	843	1 635
Government and regulatory costs	134	172	306
VAS/Digital revenue share	204	295	499
Service provider discount	–	–	–
Network and IS maintenance	659	696	1 355
Marketing	104	237	341
Staff costs	291	329	620
Other opex	494	534	1 028
Cost	3 275	3 530	6 805
Uganda			
Handsets and other accessories	36	51	87
Interconnect	115	130	245
Roaming	20	30	50
Commissions	478	556	1 034
Government and regulatory costs	82	152	234
VAS/Digital revenue share	37	40	77
Service provider discount	–	–	–
Network and IS maintenance	422	437	859
Marketing	78	85	163
Staff costs	174	227	401
Other opex	200	200	400
Cost	1 642	1 908	3 550

IAS 17 1H18	IAS 17 2H18	IAS 17 2018	Reported %
121	124	245	8,2
470	530	1 000	(29,5)
53	18	71	(28,2)
657	795	1 452	12,6
126	153	279	9,7
165	299	464	7,5
–	–	–	–
1 098	1 118	2 216	(38,9)
142	192	334	2,1
273	258	531	16,8
274	542	816	26,0
3 379	4 029	7 408	(8,1)
44	40	84	3,6
115	111	226	8,4
22	18	40	25,0
439	462	901	14,8
34	43	77	203,9
17	25	42	83,3
–	–	–	–
519	615	1 134	(24,3)
68	62	130	25,4
130	180	310	29,4
198	301	499	(19,8)
1 586	1 857	3 443	3,1

MTN Group Limited continued

Results for the year ended 31 December 2019

Operating expenses breakdown continued
(Rm)

Country	IFRS 16 1H19	IFRS 16 2H19	IFRS 16 2019
Ivory Coast			
Handsets and other accessories	83	89	172
Interconnect	365	493	858
Roaming	13	25	38
Commissions	347	435	782
Government and regulatory costs	392	402	794
VAS/Digital revenue share	118	132	250
Service provider discount	–	–	–
Network and IS maintenance	332	380	712
Marketing	96	76	172
Staff costs	286	306	592
Other opex	393	370	763
Cost	2 425	2 708	5 133
Cameroon			
Handsets and other accessories	53	49	102
Interconnect	179	84	263
Roaming	10	8	18
Commissions	269	327	596
Government and regulatory costs	209	221	430
VAS/Digital revenue share	72	108	180
Service provider discount	17	(9)	8
Network and IS maintenance	562	591	1 153
Marketing	63	71	134
Staff costs	213	259	472
Other opex	212	273	485
Cost	1 859	1 982	3 841

IAS 17 1H18	IAS 17 2H18	IAS 17 2018	Reported %
106	57	163	5,5
511	610	1 121	(23,5)
21	16	37	2,7
294	338	632	23,7
314	487	801	(0,9)
113	167	280	(10,7)
–	–	–	–
535	442	977	(27,1)
108	96	204	(15,7)
268	302	570	3,9
295	507	802	(4,9)
2 565	3 022	5 587	(8,1)
87	33	120	(15,0)
269	194	463	(43,2)
11	15	26	(30,8)
208	245	453	31,6
155	365	520	(17,3)
31	48	79	127,8
–	26	26	(69,2)
582	711	1 293	(10,8)
57	94	151	(11,3)
258	380	638	(26,0)
291	493	784	(38,1)
1 949	2 604	4 553	(15,6)

MTN Group Limited continued

Results for the year ended 31 December 2019

Operating expenses breakdown continued
(Rm)

Country	IFRS 16 1H19	IFRS 16 2H19	IFRS 16 2019
Iran (49%)			
Handsets and other accessories	59	94	153
Interconnect	226	243	469
Roaming	13	34	47
Commissions	21	26	47
Government and regulatory costs	1 154	1 007	2 161
VAS/Digital revenue share	43	46	89
Service provider discount	102	102	204
Network and IS maintenance	661	640	1 301
Marketing	57	79	136
Staff costs	104	121	225
Other opex	82	60	142
Cost	2 522	2 452	4 974
Syria			
Handsets and other accessories	9	13	22
Interconnect	18	31	49
Roaming	6	6	12
Commissions	22	29	51
Government and regulatory costs	272	326	598
VAS/Digital revenue share	39	55	94
Service provider discount	–	–	–
Network and IS maintenance	230	283	513
Marketing	15	36	51
Staff costs	88	88	176
Other opex	119	128	247
Cost	818	995	1 813
Hyperinflation	–	–	–
Cost including hyperinflation	818	995	1 813

Operating expenses breakdown continued
(Rm)

IAS 17 1H18	IAS 17 2H18	IAS 17 2018	Reported %
148	94	242	(36,8)
413	277	690	(32,0)
16	32	48	(2,1)
37	22	59	(20,3)
2 006	1 328	3 334	(35,2)
148	69	217	(59,0)
208	135	343	(40,5)
1 109	734	1 843	(29,4)
144	84	228	(40,4)
185	130	315	(28,6)
174	78	252	(43,7)
4 588	2 983	7 571	(34,3)
4	8	12	83,3
14	16	30	63,3
5	6	11	9,1
18	19	37	37,8
217	254	471	27,0
14	28	42	123,8
–	–	–	–
221	217	438	17,1
13	17	30	70,0
65	63	128	37,5
103	106	209	18,2
674	734	1 408	28,8
(4)	7	3	
670	741	1 411	28,5

MTN Group Limited continued

Results for the year ended 31 December 2019

Country	IFRS 16 1H19	IFRS 16 2H19	IFRS 16 2019
Sudan			
Handsets and other accessories	29	22	51
Interconnect	67	75	142
Roaming	5	7	12
Commissions	51	72	123
Government and regulatory costs	21	21	42
VAS/Digital revenue share	8	6	14
Service provider disc	–	–	–
Network and IS maintenance	232	263	495
Marketing	26	26	52
Staff costs	45	40	85
Other opex	103	124	227
Cost	587	656	1 243
Hyperinflation	117	291	408
Cost including hyperinflation	704	947	1 651

	IAS 17 1H18	IAS 17 2H18	IAS 17 2018	Reported %
	28	39	67	(23,9)
	115	77	192	(26,0)
	6	13	19	(36,8)
	59	58	117	5,1
	14	55	69	(39,1)
	–	1	1	NM
	–	–	–	–
	178	167	345	43,5
	13	18	31	67,7
	40	40	80	6,3
	122	94	216	5,1
	575	562	1 137	9,3
	(306)	(90)	(396)	–
	269	472	741	122,8

MTN Group Limited continued

Results for the year ended 31 December 2019

Operating expenses breakdown continued
(Rm)

Country	IAS 17 1H19	IAS 17 2H19	IAS 17 2019
South Africa			
Handsets and other accessories	5 099	5 182	10 281
Interconnect	1 000	882	1 882
Roaming	58	76	134
Commissions	1 149	1 138	2 287
Government and regulatory costs	101	106	207
VAS/Digital revenue share	318	266	584
Service provider discount	743	778	1 521
Network and IS maintenance	2 089	3 293	5 382
Marketing	509	614	1 123
Staff costs	1 337	1 493	2 830
Other opex	2 529	1 395	3 924
Cost	14 932	15 223	30 155
Nigeria*			
Handsets and other accessories	253	315	568
Interconnect	2 053	2 148	4 201
Roaming	68	94	162
Commissions	1 025	1 127	2 152
Government and regulatory costs	592	655	1 247
VAS/Digital revenue share	288	317	605
Service provider disc	–	–	–
Network and IS maintenance	6 352	6 911	13 263
Marketing	328	453	781
Staff costs	662	737	1 399
Other opex	686	698	1 384
Cost	12 307	13 455	25 762
CBN resolution	–	–	–
Total cost excluding CBN resolution	12 307	13 455	25 762

* *Excludes CBN resolution (R744 million).*

IAS 17 1H18	IAS 17 2H18	IAS 17 2018	Constant currency %
4 353	5 774	10 127	1,5
1 028	1 058	2 086	(9,8)
151	95	246	(45,5)
1 223	1 142	2 365	(3,3)
113	111	224	(7,6)
325	278	603	(3,2)
813	734	1 547	(1,7)
2 166	2 242	4 408	22,1
567	784	1 351	(16,9)
1 235	1 267	2 502	13,1
1 739	1 867	3 606	8,8
13 713	15 352	29 065	3,8
150	142	292	80,3
1 593	1 900	3 493	10,1
86	63	149	(2,4)
811	974	1 785	10,4
446	591	1 037	10,1
353	342	695	(21,3)
–	–	–	–
4 900	5 809	10 709	13,3
272	311	583	22,4
489	645	1 134	13,4
706	1 645	2 351	(45,0)
9 806	12 422	22 228	6,3
–	(744)	(744)	–
9 806	11 678	21 484	9,7

Operating expenses breakdown continued
(Rm)

Country	IAS 17 1H19	IAS 17 2H19	IAS 17 2019
Ghana			
Handsets and other accessories	151	114	265
Interconnect	409	296	705
Roaming	37	14	51
Commissions	792	843	1 635
Government and regulatory costs	134	172	306
VAS/Digital revenue share	204	295	499
Service provider discount	–	–	–
Network and IS maintenance	1 188	1 241	2 429
Marketing	104	237	341
Staff costs	291	329	620
Other opex	533	574	1 107
Cost	3 843	4 115	7 958
Uganda			
Handsets and other accessories	36	51	87
Interconnect	115	130	245
Roaming	20	30	50
Commissions	478	556	1 034
Government and regulatory costs	82	152	234
VAS/Digital revenue share	37	40	77
Service provider discount	–	–	–
Network and IS maintenance	703	725	1 428
Marketing	78	85	163
Staff costs	174	227	401
Other opex	200	189	389
Cost	1 923	2 185	4 108

	IAS 17 1H18	IAS 17 2H18	IAS 17 2018	Constant currency %
	121	124	245	14,2
	470	530	1 000	(25,8)
	53	18	71	(26,1)
	657	795	1 452	18,4
	126	153	279	15,5
	165	299	464	15,5
	–	–	–	–
	1 098	1 118	2 216	15,1
	142	192	334	10,4
	273	258	531	23,3
	274	542	816	45,1
	3 379	4 029	7 408	13,5
	44	40	84	(7,4)
	115	111	226	(2,0)
	22	18	40	13,6
	439	462	901	3,9
	34	43	77	175,3
	17	25	42	67,4
	–	–	–	–
	519	615	1 134	14,4
	68	62	130	14,0
	130	180	310	17,6
	198	301	499	(28,2)
	1 586	1 857	3 443	8,4

Operating expenses breakdown continued
(Rm)

Country	IAS 17 1H19	IAS 17 2H19	IAS 17 2019
Ivory Coast			
Handsets and other accessories	83	89	172
Interconnect	365	493	858
Roaming	13	25	38
Commissions	347	435	782
Government and regulatory costs	392	402	794
VAS/Digital revenue share	118	132	250
Service provider discount	–	–	–
Network and IS maintenance	549	611	1 160
Marketing	96	76	172
Staff costs	286	306	592
Other opex	406	385	791
Cost	2 655	2 954	5 609
Cameroon			
Handsets and other accessories	53	49	102
Interconnect	179	84	263
Roaming	10	8	18
Commissions	269	327	596
Government and regulatory costs	209	221	430
VAS/Digital revenue share	72	108	180
Service provider discount	17	(9)	8
Network and IS maintenance	665	702	1 367
Marketing	63	71	134
Staff costs	213	259	472
Other opex	221	283	504
Cost	1 971	2 103	4 074

IAS 17 1H18	IAS 17 2H18	IAS 17 2018	Constant currency %
106	57	163	(0,6)
511	610	1 121	(26,4)
21	16	37	(2,6)
294	338	632	18,7
314	487	801	(4,5)
113	167	280	(14,1)
–	–	–	–
535	442	977	13,2
108	96	204	(19,6)
268	302	570	–
295	507	802	(4,1)
2 565	3 022	5 587	(3,5)
87	33	120	(20,3)
269	194	463	(46,5)
11	15	26	(35,7)
208	245	453	24,7
155	365	520	(20,1)
31	48	79	116,9
–	26	26	(69,2)
582	711	1 293	0,7
57	94	151	(14,6)
258	380	638	(29,1)
291	493	784	(38,0)
1 949	2 604	4 553	(14,5)

MTN Group Limited continued

Results for the year ended 31 December 2019

Operating expenses breakdown continued
(Rm)

Country	IAS 17 1H19	IAS 17 2H19	IAS 17 2019
Iran (49%)			
Handsets and other accessories	59	94	153
Interconnect	226	243	469
Roaming	13	34	47
Commissions	21	26	47
Government and regulatory costs	1 154	1 007	2 161
VAS/Digital revenue share	43	46	89
Service provider discount	102	102	204
Network and IS maintenance	743	731	1 474
Marketing	57	79	136
Staff costs	104	121	225
Other opex	83	58	141
Cost	2 605	2 541	5 146
Syria			
Handsets and other accessories	9	13	22
Interconnect	18	31	49
Roaming	6	6	12
Commissions	22	29	51
Government and regulatory costs	272	326	598
VAS/Digital revenue share	39	55	94
Service provider discount	–	–	–
Network and IS maintenance	262	311	573
Marketing	15	36	51
Staff costs	88	88	176
Other opex	130	143	273
Cost	861	1 038	1 899
Hyperinflation	–	–	–
Cost including hyperinflation	861	1 038	1 899

IAS 17 1H18	IAS 17 2H18	IAS 17 2018	Constant currency %
148	94	242	6,8
413	277	690	18,7
16	32	48	45,5
37	22	59	37,7
2 006	1 328	3 334	13,0
148	69	217	(25,8)
208	135	343	5,0
1 109	734	1 843	40,0
144	84	228	6,5
185	130	315	24,4
174	78	252	8,6
4 588	2 983	7 571	19,1
4	8	12	69,2
14	16	30	48,5
5	6	11	–
18	19	37	24,4
217	254	471	16,1
14	28	42	108,9
–	–	–	–
221	217	438	19,1
13	17	30	59,4
65	63	128	23,9
103	106	209	19,7
674	734	1 408	23,2
(4)	7	3	
670	741	1 411	23,7

Operating expenses breakdown continued
(Rm)

Country	IAS 17 1H19	IAS 17 2H19	IAS 17 2019
Sudan			
Handsets and other accessories	29	22	51
Interconnect	67	75	142
Roaming	5	7	12
Commissions	51	72	123
Government and regulatory costs	21	21	42
VAS/Digital revenue share	8	6	14
Service provider disc	–	-	-
Network and IS maintenance	237	270	507
Marketing	26	26	52
Staff costs	45	40	85
Other opex	105	127	232
Cost	594	666	1 260
Hyperinflation	117	297	414
Cost including hyperinflation	711	963	1 674

IAS 17 1H18	IAS 17 2H18	IAS 17 2018	Constant currency %
28	39	67	2,0
115	77	192	2,9
6	13	19	(20,0)
59	58	117	43,0
14	55	69	(16,0)
–	1	1	NM
–	–	–	–
178	167	345	102,8
13	18	31	116,7
40	40	80	46,6
122	94	216	37,3
575	562	1 137	49,8
(306)	(90)	(396)	-
269	472	741	99,2

MTN Group Limited continued

Results for the year ended 31 December 2019

	MTN share-holding (%)#	Popu-lation (m)	Mobile pene-tration (%)	Market position/ number of operators	Market share (%)	Outgoing minutes of use	Tele-metry ('000)
South Africa	100	58,8	190	2/4	27,93	70	3 314
Nigeria	79	199,5	66	1/4	48,50	133	
SEAGHA							
Ghana	85	30,1	118	1/7	55,82	314	
Uganda	96	45,8	50	1/8	54,77	168	
Rwanda	80	12,4	77	1/2	54,85	192	
Zambia	98	17,4	83	1/3	48,34	84	
South Sudan	100	12,8	15	1/2	62,40	180	
Botswana (joint venture)	53	2,4	158	1/3	48,09	112	
eSwatini (joint venture)	30	1,2	95	1/2	84,49	218	
WECA							
Cameroon	80	25,7	80	1/4	49,47	84	
Ivory Coast	67	26,2	138	2/3	34,44	70	
Benin	75	12,4	77	1/2	57,56	57	
Guinea-Conakry	75	12,4	110	2/3	24,76	37	
Congo-Brazzaville	100	5,2	86	1/3	58,55	80	
Liberia	60	4,4	84	2/2	41,71	82	
Guinea-Bissau	100	1,9	73	1/2	59,84	59	
MENA							
Iran (joint venture)	49	84,6	129	2/4	43,04	111	
Syria	75	19,4	82	2/2	36,63	92	
Sudan	85	41,3	63	2/3	35,32	178	
Yemen	83	27,6	44	2/4	35,40	157	
Afghanistan	100	34,9	43	1/5	45,17	112	

Effective shareholding.

Smart-phones ('000)	MB/ active user	YTD roll-out sites 2G	YTD roll-out sites 3G	YTD roll-out sites 4G	Cumulative sites 2G	Cumulative sites 3G	Cumulative sites 4G
18 675	1 626	550	550	1 078	12 497	12 705	11 991
26 937	1 459	1 145	1 187	6 038	14 945	15 657	9 696
7 955	2 750	450	727	329	3 950	3 969	1 255
2 710	1 090	139	273	441	1 984	1 946	720
1 154	1 598	86	93	n/a	837	847	n/a
2 337	1 490	5	130	218	1 243	1 203	599
144	633	93	84	n/a	290	177	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
503	542	32	36	35	420	415	184
3 655	1 626	78	100	191	1 871	1 624	765
4 974	1 493	102	265	161	2 162	1 835	767
1 870	2 108	40	48	52	820	628	242
1 185	1 270	111	256	n/a	822	669	n/a
986	1 371	31	155	123	547	531	277
564	1 420	3	77	22	255	232	92
290	1 026	5	29	18	164	116	45
34 519	6 897	1 569	1 458	1 908	13 837	12 850	11 746
4 722	1 063	184	226	246	2 569	2 315	1 049
3 333	2 341	–	1	5	2 084	1 424	467
1 927	168	32	n/a	n/a	1 296	n/a	n/a
2 429	2 354	44	100	30	1 507	1 070	95

Bastion

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