

News release

Vodacom Group Limited trading statement for the quarter ended 30 June 2013

18 July 2013

Salient features

- Group revenue up 3.0% to R17.5 billion, excluding the sale of Gateway Carrier Services and the impact of foreign exchange translations growth was 5.1%*.
- Group service revenue flat at R14.6 billion, up 2.3%* on a normalised basis.
- Group data revenue up 28.2%, with active data customers increasing 23.3% to 19.4 million as we continue to drive smartphone penetration.
- Group active customers increased 5.3% to 51.5 million, as our International operations continued to expand their coverage.
- Sustained high level of capital investment in all our networks to support the 28.3% growth in Group voice traffic and higher data traffic volumes.
- International operations delivered robust growth, service revenue was up 14.1%* supported by customer growth and increased adoption of data and financial services.
- South African revenue up 3.9%, boosted by the increased handset sales. The service revenue trend is improving with a reported decline of 0.2% and growth of 2.9% excluding the impact of mobile termination rates ('MTR's).

Rm	Quarter ended	Year on year % change		Quarterly % change	
	June 2013	Reported	Normalised*	Reported	Normalised*
Revenue	17 536	3.0	5.1	2.0	1.1
South Africa	14 549	3.9	3.9	(1.0)	(1.0)
International	3 065	(1.0)	13.6	20.1	13.6
Service revenue	14 636	(0.2)	2.3	2.0	1.0
South Africa	11 678	(0.2)	(0.2)	(1.8)	(1.8)
International	2 978	(1.7)	14.1	20.1	13.8

Shameel Joosub, Vodacom Group CEO commented:

"Vodacom continues to perform well. We've seen a substantial increase in traffic as a direct result of executing on our commercial strategy and launching new products across all of our operations. As an example, by focusing on value offerings that allow people to talk for longer, we've grown prepaid minutes of use by 21.0% in South Africa.

Overall, the active customer base has increased 5.3% to 51.5 million and Group revenue from on-going operations, adjusted for foreign exchange, increased 5.1%*.

Data and the International operations remain key parts of the growth story. Data revenue in South Africa increased 21.8% and now accounts for 21.3% of service revenue, up from 17.5% a year ago. Continued network investment supported the increase in data traffic in South Africa, with 1.3 million additional smartphones active and using on average 75% more data per device than a year ago.

Equipment sales, primarily smartphones and tablets, totalled R2.7 billion in the quarter.

The International operations added just under 3.3 million customers over the last twelve months, with service revenue increasing 14.1%*. M-Pesa again performed well in Tanzania and has now been launched in Mozambique, DRC and Lesotho."

* Represents normalised growth excluding foreign exchange gains/losses and at a constant currency (using current period as base) from on-going operations. Refer to page 9 for a reconciliation of normalised growth.

All growth rates refer to the quarter compared to prior year same quarter unless stated otherwise.

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Changes in disclosure

The definition of contract customers in South Africa has been restated to exclude machine-to-machine ('M2M') connections in order to improve disclosure of the underlying performance of the contract base. As a result, contract ARPU, churn and minutes of use ('MOU') have been restated. M2M customers typically have no voice usage and generate substantially less revenue per connection than the rest of the contract customer base.

Effective from 1 April 2013, Vodacom and Vodafone changed the classification within service revenue from voice, messaging and data revenue to mobile customer revenue, separating in and out of bundle customer revenue for both prepaid and contract customers, mobile incoming revenue and other service revenue. The information is presented on this new basis (refer page 4 for the quarter ended 30 June 2013 and www.vodacom.com for the historic quarters).

Mobile customer revenue refers to revenue generated from billing our customers directly for mobile services. Other service revenue is comprised of visitor roaming, national roaming, wholesale messaging, machine-to-machine and advertising revenue.

As a result of the above changes to service revenue, the following revenue reclassifications have been made:

- Machine-to-machine revenue has been reclassified from data revenue to other service revenue (Q1 2014: R42 million; Q1 2013: R53 million);
- Wholesale messaging revenue has been reclassified from messaging revenue to other service revenue (Q1 2014: R139 million; Q1 2013: R164 million);
- Handset insurance, loyalty and value added services revenue has been reclassified from other service revenue to mobile customer revenue (Q1 2014: R100 million; Q1 2013: R36 million); and
- Tower sharing revenue has been reclassified from other service revenue to non service revenue (Q1 2014: R0 million; Q1 2013: R67 million).

The above revenue reclassifications also impacted ARPU calculations which have been restated retrospectively to align to the new disclosure.

Operating review

Group

Group revenue increased 3.0% to R17 536 million. Excluding the sale of Gateway Carrier Service, revenue was up 5.1%*, boosted by the strong growth in equipment revenue in South Africa.

Group service revenue was up 2.3%* to R14 636 million due to the 28.2% growth in data revenue and the 1.6% growth in voice revenue, partially offset by the 14.6% decline in mobile incoming revenue.

South Africa

Revenue increased 3.9% to R14 549 million. In order to make smartphones and tablets more accessible to customers, we offer financing to cover the portion of the device costs not included in the normal monthly subscription. This financing is recorded as equipment revenue, and due to strong uptake has resulted in an increase in the proportion of non-service revenue to service revenue. This additional revenue is not included in the calculation of ARPU. This strategy has helped us reduce the level of investment in customer acquisition costs.

Service revenue decreased 0.2% to R11 678 million, with the 23.5% decrease in mobile incoming revenue from MTR cuts offset by the growth in mobile customer revenue of 2.5%. The first quarter service revenue decline of 0.2% is an improvement from the 2.0% decline reported in the fourth quarter last year. This is primarily due to the better performance of voice revenue. ARPU declined 0.8% year on year to R125 (vs. 9.3% decline in Q4 2013), impacted mainly by the MTR cut. MOU increased 14.3% to 112 minutes following a substantial increase in bundled minutes offered to contract and prepaid customers.

Contract mobile customer revenue was flat year on year at R5 236 million. The contract customer base (excluding M2M connections) increased 2.3% to 4.8 million. M2M customers increased 24.0% to 1.2 million as we continue to leverage the Vodafone global M2M technical platform. Including M2M connections, our contract customer base increased 6.3% to 6.0 million. Contract customer ARPU decreased 3.7% to R387 per month due to the higher prevalence of lower ARPU from data only customers, the reduction in MTRs and the decline in out-of-bundle spend as we move customers to better value integrated price plans, largely offset by increased data spend.

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We continue to see positive results from the recent launch of our Vodacom Smart and Red integrated price plans. 13.5% of our customer base is now on integrated price plans and almost 30% of our contract mobile customer revenue is from these customers. As we transform our contract pricing by offering customers much larger bundles of voice, messaging and data, we have seen an increase in the contribution of in-bundle revenue to overall contract mobile customer revenue to 63.1% from 62.3% a year ago.

Prepaid mobile customer revenue increased 5.4% driven by increased take-up of prepaid data bundles and strong growth in voice minutes offsetting price reductions. At the end of the second quarter last year we took a decision to reduce the number of low usage calling cards in our customer base. This decision was taken to improve profitability but also resulted in a temporary contraction in customer numbers. Our prepaid customer base increased slightly from the March quarter and ARPU increased 1.4% to R74 largely due to the reduction in calling card volumes.

Data revenue was up 21.8%, contributing 21.3% to service revenue compared to 17.5% a year ago. Growth was driven by higher penetration of smartphones and increased mobile internet usage supported by an increased take-up of integrated price plans. The increase in data traffic more than offset the 7.4% reduction in the average effective price per megabyte ('MB') as we saw a significant increase in the number of data bundles sold following our price changes across various mobile broadband and mobile internet offerings. Over the past twelve months we added 1.3 million smartphones on our network, bringing the total number to 6.3 million and average monthly usage increased 75% to 216MB. At 30 June 2013, active data customers totalled 14.4 million, up 16.5% from a year ago.

International

Reported service revenue declined 1.7%. Excluding the sale of Gateway Carrier Services service revenue was up 31.5% (14.1%*) to R3.0 billion. Service revenue growth slowed from the previous quarter largely due to increased competition in the DRC where operators are pricing below the regulated minimum price floor.

Our accelerated network investment for both coverage and quality has supported active customers increasing 17.3% to 22.3 million. We launched new pricing in all our operations offering customers substantially more value in bundles and value promotions. These new offers showed good elasticity and resulted in a 57.2% increase in outgoing traffic, more than offsetting the effective reduction in prices.

Data revenue grew 87.1% supported by 49.0% growth in active data customers to 4.9 million, with 22.0% of the active customer base using data. Data adoption in all our markets increased as we offered lower priced daily and weekly data bundles as well as integrated bundle offers.

Mobile financial services also continue to grow, with active M-Pesa customers up 44.9% to 5.2 million and revenue increasing by 102.8%. We have now launched M-Pesa services in all our markets with initial take up looking promising. In Tanzania 53.4% of the customer base is actively using M-Pesa, the service now contributes 18.2% of service revenue, up from 12.3% a year ago. M-Pesa generated an incremental ARPU of \$2 in Tanzania in the quarter.

The quarterly information has not been audited or reviewed by Vodacom's external auditors.

Note

Gateway Carrier Services contributed R764 million (US\$ 95 million) to service revenue in the quarter ending 30 June 2012.

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Financial review

Revenue

Rm	June	March	June	Year on year % change		Quarterly % change	
	2013	2013	2012	Reported	Normalised*	Reported	Normalised*
South Africa	14 549	14 699	14 007	3.9	3.9	(1.0)	(1.0)
International	3 065	2 553	3 097	(1.0)	13.6	20.1	13.6
Corporate and eliminations	(78)	(55)	(80)	2.5	(191.9)	(41.8)	(41.8)
Revenue	17 536	17 197	17 024	3.0	5.1	2.0	1.1

Service revenue

Rm	June	March	June	Year on year % change		Quarterly % change	
	2013	2013	2012	Reported	Normalised*	Reported	Normalised*
South Africa	11 678	11 894	11 702	(0.2)	(0.2)	(1.8)	(1.8)
International	2 978	2 480	3 028	(1.7)	14.1	20.1	13.8
Corporate and eliminations	(20)	(19)	(61)	67.2	72.6	(5.3)	(5.3)
Service revenue	14 636	14 355	14 669	(0.2)	2.3	2.0	1.0

Revenue for the quarter ended 30 June 2013

Rm	South Africa	Yoy % change	International	Yoy % change	Corporate/ Eliminations	Group	Yoy % change
Mobile contract revenue	5 236	0.1	188	19.0	(2)	5 422	0.6
In bundle	3 306	1.5	56	24.4	-	3 362	1.8
Out of bundle	1 930	(2.2)	132	16.8	(2)	2 060	(1.2)
Mobile prepaid revenue	4 781	5.4	2 157	31.9	(1)	6 937	12.4
In bundle	346	34.6	57	103.6	-	403	41.4
Out of bundle	4 435	3.6	2 100	30.7	(1)	6 534	11.0
Mobile customer revenue	10 017	2.5	2 345	30.8	(3)	12 359	6.9
Mobile interconnect	930	(23.5)	300	29.9	(8)	1 222	(14.2)
Other service revenue	731	1.7	333	(66.8)	(9)	1 055	(37.4)
Service revenue	11 678	(0.2)	2 978	(1.7)	(20)	14 636	(0.2)
Equipment revenue	2 703	33.7	43	59.3	(3)	2 743	34.3
Non-service revenue	168	(40.8)	44	4.8	(55)	157	(49.8)
Revenue	14 549	3.9	3 065	(1.0)	(78)	17 536	3.0
Of which mobile voice	6 956	(2.5)	1 805	21.8		8 760	1.6
Of which mobile messaging	675	(11.5)	122	37.1		796	(6.6)
Of which mobile data	2 489	21.8	421	87.1		2 909	28.2

Notes:

- Mobile in-bundle revenue: Represents revenue from bundles that include a specified number of minutes, messages or megabytes of data that can be used for no additional charge, with some expectation of recurrence.
- Mobile in-bundle revenue – Contract: Revenue from all bundles and add-ons lasting 30 days or more.
- Mobile in-bundle revenue – Prepay: Revenue from bundles lasting seven days or more.
- Out-of-bundle: Revenue from minutes, messages or megabytes of data which are in excess of the amount included in customer bundles.

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Key indicators

South Africa

	June 2013	March 2013	June 2012	Year on year % change	Quarterly % change
Active customers (thousand)¹	29 282	29 190	29 971	(2.3)	0.3
Prepaid	24 488	24 404	25 284	(3.1)	0.3
Contract	4 794	4 786	4 687	2.3	0.2
Machine to machine customers (thousand)	1 239	1 159	999	24.0	6.9
Churn (%)²	55.5	60.8	38.9		
Prepaid	62.1	68.2	43.3		
Contract	11.6	11.0	10.4		
Traffic (millions of minutes)³	9 752	9 252	8 657	12.6	5.4
Outgoing	7 448	7 018	6 459	15.3	6.1
Incoming	2 304	2 234	2 198	4.8	3.1
MOU per month⁴	112	105	98	14.3	6.7
Prepaid	98	91	81	21.0	7.7
Contract	183	180	185	(1.1)	1.7
Total ARPU (rand per month)⁵	125	127	126	(0.8)	(1.6)
Prepaid	74	76	73	1.4	(2.6)
Contract	387	391	402	(3.7)	(1.0)

Notes:

- Active customers are based on the total number of mobile customers using any service during the last three months. This includes customers paying a monthly fee that entitles them to use the service even if they do not actually use the service and those customers who are active whilst roaming. As of 30 June 2013, this excludes M2M connections, prior periods have been restated.
- Churn is calculated by dividing the annualised number of disconnections during the period by the average monthly customers during the period. Churn has been restated as a result of M2M connections excluded from active customers.
- Traffic comprises total traffic registered on Vodacom's mobile network, including bundled minutes, promotional minutes and outgoing international roaming calls, but excluding national roaming calls, incoming international roaming calls and calls to free services.
- Minutes of use ('MOU') per month is calculated by dividing the average monthly minutes (traffic) during the period by the average monthly active customers during the period. MOU has been restated as a result of M2M connections excluded from active customers.
- Total ARPU is calculated by dividing the average monthly service revenue by the average monthly active customers during the period. Prepaid and contract ARPU only include service revenue generated from Vodacom mobile customers. ARPU has been restated as a result of M2M connections excluded from active customers.

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Key indicators (continued)

International

	June 2013	March 2013	June 2012	Year on year % change	Quarterly % change
Active customers (thousand)¹	22 259	21 327	18 971	17.3	4.4
Tanzania	9 666	9 468	9 065	6.6	2.1
DRC	8 129	7 706	6 240	30.3	5.5
Mozambique	3 310	3 045	2 700	22.6	8.7
Lesotho	1 154	1 108	966	19.5	4.2
Churn (%)²					
Tanzania	56.8	64.7	72.5		
DRC	87.7	90.0	75.6		
Mozambique	69.8	69.0	54.0		
Lesotho	43.7	31.9	22.0		
MOU per month³					
Tanzania	116	83	66	75.8	39.8
DRC	39	44	43	(9.3)	(11.4)
Mozambique	92	84	63	46.0	9.5
Lesotho	26	26	35	(25.7)	-
Total ARPU (rand per month)⁴					
Tanzania	41	34	30	36.7	20.6
DRC	33	28	34	(2.9)	17.9
Mozambique	57	54	55	3.6	5.6
Lesotho	44	41	60	(26.7)	7.3
Total ARPU (local currency per month)⁴					
Tanzania (TZS)	6 992	6 092	5 761	21.4	14.8
DRC (USD)	3.5	3.1	4.1	(14.6)	12.9
Mozambique (MZN)	182	185	189	(3.7)	(1.6)

Notes:

1. Active customers are based on the total number of mobile customers using any service during the last three months. This includes customers paying a monthly fee that entitles them to use the service even if they do not actually use the service and those customers who are active whilst roaming.
2. Churn is calculated by dividing the annualised number of disconnections during the period by the average monthly customers during the period. During the quarter ended 30 June 2012, Tanzania, Mozambique and Lesotho changed their disconnection policy from 215 days to 90 days inactivity.
3. Minutes of use ('MOU') per month is calculated by dividing the average monthly minutes (traffic) during the period by the average monthly active customers during the period.
4. Total ARPU is calculated by dividing the average monthly service revenue by the average monthly active customers during the period.

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Historical financial review

Revenue

Rm	June 2013	March 2013	December 2012	September 2012	June 2012	March 2012	December 2011
South Africa	14 549	14 699	15 475	14 426	14 007	14 379	15 135
International	3 065	2 553	2 875	3 058	3 097	2 930	2 983
Corporate and eliminations	(78)	(55)	(56)	(82)	(80)	(124)	(121)
Revenue	17 536	17 197	18 294	17 402	17 024	17 185	17 997

Service revenue

Rm	June 2013	March 2013	December 2012	September 2012	June 2012	March 2012	December 2011
South Africa	11 678	11 894	12 507	12 055	11 702	12 134	12 724
International	2 978	2 480	2 786	2 964	3 028	2 848	2 905
Corporate and eliminations	(20)	(19)	(20)	(56)	(61)	(89)	(93)
Service revenue	14 636	14 355	15 273	14 963	14 669	14 893	15 536

Historical key indicators

South Africa

	June 2013	March 2013	December 2012	September 2012	June 2012	March 2012	December 2011
Active customers (thousand)¹	29 282	29 190	29 474	29 734	29 971	28 009	26 495
Prepaid	24 488	24 404	24 712	25 031	25 284	23 312	21 835
Contract	4 794	4 786	4 762	4 703	4 687	4 687	4 660
Machine to machine customers (thousand)	1 239	1 159	1 107	1 049	999	931	878
Churn (%)²	55.5	60.8	56.4	48.1	38.9	37.6	31.6
Prepaid	62.1	68.2	62.9	53.3	43.3	42.4	35.3
Contract	11.6	11.0	11.3	11.8	10.4	9.6	11.9
Traffic (millions of minutes)³	9 752	9 252	9 631	9 940	8 657	8 690	9 012
Outgoing	7 448	7 018	7 238	7 634	6 459	6 471	6 741
Incoming	2 304	2 234	2 393	2 306	2 198	2 219	2 271
MOU per month⁴	112	105	109	111	99	106	118
Prepaid	98	91	93	95	81	85	99
Contract	183	180	191	193	191	207	202
Total ARPU (rand per month)⁵	125	127	133	127	126	140	156
Prepaid	74	76	80	74	73	82	96
Contract	387	391	409	412	402	416	429

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Historical key indicators (continued)

International

	June 2013	March 2013	December 2012	September 2012	June 2012	March 2012	December 2011
Active customers (thousand)¹	22 259	21 327	20 375	19 341	18 971	18 894	18 047
Tanzania	9 666	9 468	9 357	8 968	9 065	9 665	9 417
DRC	8 129	7 706	7 086	6 696	6 240	5 643	5 118
Mozambique	3 310	3 045	2 861	2 734	2 700	2 784	2 717
Lesotho	1 154	1 108	1 071	943	966	802	795
Churn (%)²							
Tanzania	56.8	64.7	60.1	78.7	72.5	41.8	37.7
DRC	87.7	90.0	69.2	83.0	75.6	72.2	66.5
Mozambique	69.8	69.0	73.2	61.1	54.0	40.8	48.2
Lesotho	43.7	31.9	38.9	50.5	22.0	21.6	24.3
MOU per month⁴							
Tanzania	116	83	102	88	66	57	62
DRC	39	44	48	46	43	40	42
Mozambique	92	84	86	75	63	56	57
Lesotho	26	26	34	32	35	40	37
Total ARPU (rand per month)⁵							
Tanzania	41	34	39	38	30	25	27
DRC	33	28	35	35	34	35	38
Mozambique	57	54	62	46	55	50	59
Lesotho	44	41	57	57	60	65	73
Total ARPU (local currency per month)⁵							
Tanzania (TZS)	6 992	6 092	7 066	7 207	5 761	5 153	5 527
DRC (USD)	3.5	3.1	4.0	4.3	4.1	4.5	4.7
Mozambique (MZN)	182	185	213	158	189	177	197

Notes:

- Active customers are based on the total number of mobile customers using any service during the last three months. This includes customers paying a monthly fee that entitles them to use the service even if they do not actually use the service and those customers who are active whilst roaming. As of 30 June 2013, this excludes M2M connections, prior periods have been restated.
- Churn is calculated by dividing the annualised number of disconnections during the period by the average monthly customers during the period. During the quarter ended 30 June 2012, Tanzania, Mozambique and Lesotho changed their disconnection policy from 215 days to 90 days inactivity. Churn has been restated as a result of M2M connections excluded from active customers.
- Traffic comprises total traffic registered on Vodacom's mobile network, including bundled minutes, promotional minutes and outgoing international roaming calls, but excluding national roaming calls, incoming international roaming calls and calls to free services.
- Minutes of use ('MOU') per month is calculated by dividing the average monthly minutes (traffic) during the period by the average monthly active customers during the period. MOU has been restated as a result of M2M connections excluded from active customers.
- Total ARPU is calculated by dividing the average monthly service revenue by the average monthly active customers during the period. Prepaid and contract ARPU only include service revenue generated from Vodacom mobile customers. ARPU has been restated as a result of M2M connections excluded from active customers.

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Reconciliation of normalised growth

The reconciliation represents normalised growth at a constant currency (using current period as base) from on-going operations. The presentation of the pro-forma constant currency information from on-going operations is the responsibility of the directors of Vodacom Group Limited. The purpose to presenting this information is to assist the user in understanding the underlying growth trends in these segments. It has been prepared for illustrative purposes only and may not fairly present the financial position, changes in equity, and results of operations or cash flows of Vodacom Group Limited. This information has not been reviewed and reported on by the Group's auditors.

Year on year reconciliation

	Reported ¹	Gateway Carrier Services ²	Translation foreign exchange ³	Normalised
	% change	ppt	ppt	% change
	13/14			13/14
Revenue				
Group	3.0	4.1	(2.0)	5.1
International	(1.0)	29.1	(14.5)	13.6
Service revenue				
Group	(0.2)	4.7	(2.1)	2.3
International	(1.7)	29.8	(14.1)	14.1

Notes:

1. The reported percentage change relates to the quarter to date year on year percentage growth between 30 June 2012 and 30 June 2013. The Group's presentation currency is the South African rand. Our International operations include functional currencies in United States dollar, Tanzanian shilling and Mozambican metical. The prevailing exchange rates for the current and comparative periods are disclosed on page 10.
2. The Group disposed of its subsidiary, Gateway Carrier Services, effective 31 August 2012. We have excluded Gateway Carrier Services from the above calculation to give the user insight into the underlying performance of our on-going operations. Gateway Carrier Services contributed R764 million (US\$ 95 million) to service revenue in the quarter ending 30 June 2012.
3. Translation foreign exchange arises from the translation of the results, at average rates, of subsidiaries' functional currencies to Vodacom's presentation currency, being rand. The exchange variances are eliminated by applying the quarter 30 June 2013 average rate (which is derived by dividing the individual subsidiary's translated rand value with the functional currency for the quarter) to 30 June 2012 quarter numbers, thereby giving a user a view of the performance which excludes exchange rate variances. The prevailing exchange rates for the current and comparative quarters are disclosed on page 10.

Quarter on quarter reconciliation

	Reported ¹	Gateway Carrier Services ²	Translation foreign exchange ³	Normalised
	% change	ppt	ppt	% change
	13/14			13/14
Revenue				
Group	2.0	-	(0.9)	1.1
International	20.1	-	(6.5)	13.6
Service revenue				
Group	2.0	-	(1.0)	1.0
International	20.1	-	(6.3)	13.8

Notes:

1. The reported percentage change relates to the quarter to date quarter on quarter percentage growth between 31 March 2012 and 30 June 2013. The Group's presentation currency is the South African rand. Our International operations include functional currencies in United States dollar, Tanzanian shilling and Mozambican metical. The prevailing exchange rates for the current and comparative periods are disclosed on page 10.
2. The Group disposed of its subsidiary, Gateway Carrier Services, effective 31 August 2012. We have excluded Gateway Carrier Services from the above calculation to give the user insight into the underlying performance of our on-going operations.
3. Translation foreign exchange arises from the translation of the results, at average rates, of subsidiaries' functional currencies to Vodacom's presentation currency, being rand. The exchange variances are eliminated by applying the quarter 30 June 2013 average rate (which is derived by dividing the individual subsidiary's translated rand value with the functional currency for the quarter) to 31 March 2012 numbers, thereby giving a user a view of the performance which excludes exchange variances. The prevailing exchange rates for the current and comparative quarters are disclosed on page 10.

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Average quarterly exchange rates

	June 2013	March 2013	June 2012	Year on year % change	Quarterly % change
USD/ZAR	9.49	8.96	8.14	16.6	5.9
ZAR/MZN	3.19	3.41	3.41	(6.5)	(6.5)
ZAR/TZS	171.93	180.40	194.82	(11.7)	(4.7)
EUR/ZAR	12.40	11.82	10.43	18.9	4.9

Non-GAAP information

This trading statement contains certain non-GAAP financial information which has not been reviewed or reported on by the Group's auditors. The Group's management believes these measures provide valuable additional information in understanding the performance of the Group or the Group's businesses because they provide measures used by the Group to assess performance. However, this additional information presented is not uniformly defined by all companies, including those in the Group's industry. Accordingly, it may not be comparable with similarly titled measures and disclosures by other companies. Additionally, although these measures are important in the management of the business, they should not be viewed in isolation or as replacements for or alternatives to, but rather as complementary to, the comparable GAAP measures.

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Forward-looking statements

This trading statement which sets out the quarterly results for Vodacom Group Limited for the quarter ended 30 June 2013 contains 'forward-looking statements', which have not been reviewed or reported on by the Group's auditors, with respect to the Group's financial condition, results of operations and businesses and certain of the Group's plans and objectives. In particular, such forward-looking statements include statements relating to: the Group's future performance; future capital expenditures, acquisitions, divestitures, expenses, revenues, financial conditions, dividend policy, and future prospects; business and management strategies relating to the expansion and growth of the Group; the effects of regulation of the Group's businesses by governments in the countries in which it operates; the Group's expectations as to the launch and roll out dates for products, services or technologies; expectations regarding the operating environment and market conditions; growth in customers and usage; and the rate of dividend growth by the Group.

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

Sponsor: UBS South Africa (Pty) Limited

Debt sponsor: Absa Bank Limited (acting through its Corporate and Investment Banking division)

ADR depository bank: Deutsche Bank Trust Company Americas