



# MTN Group Limited

WECA regional day  
24 September 2010



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# Agenda



## Strategic and operational overview of the region

Ahmad Farroukh

Acting VP of WECA and CEO of Nigeria

## Overview of Nigeria

Ahmad Farroukh / Ishmael Nwokocha

CEO / Senior Manager Treasury

## Overview of Ghana

Brett Goschen

CEO

## Overview of Cameroon

Philippe Vandebrouck / Mike Blackburn

CEO / CFO

## Overview of Cote d'Ivoire

Wim Vanhelleputte / Dominique Despoisse

CEO / CFO

# Overview



- Welcome and introduction
- Framework and key components
- Country presentations
- Looking forward

# Management team



Effective management structure



Group board

+

Group Exco committee

+

Regional VP's

+

Country CEO's



Vice-President West and Central Africa Region and CEO MTN Nigeria, Ahmad Faroukh



MTN Cameroon, Philippe Vanderbrouck



MTN Benin, Eric Tranel



MTN Congo Brazzaville, Toufic Ramadan



MTN Côte d'Ivoire, Wim Vanhelleputte



MTN Guinea-Bissau, Anthony Masazera



MTN Ghana, Brett Gaschen



MTN Liberia, Frans Joubert



MTN Guinea Conakry, Freddy Tchala

# Group context



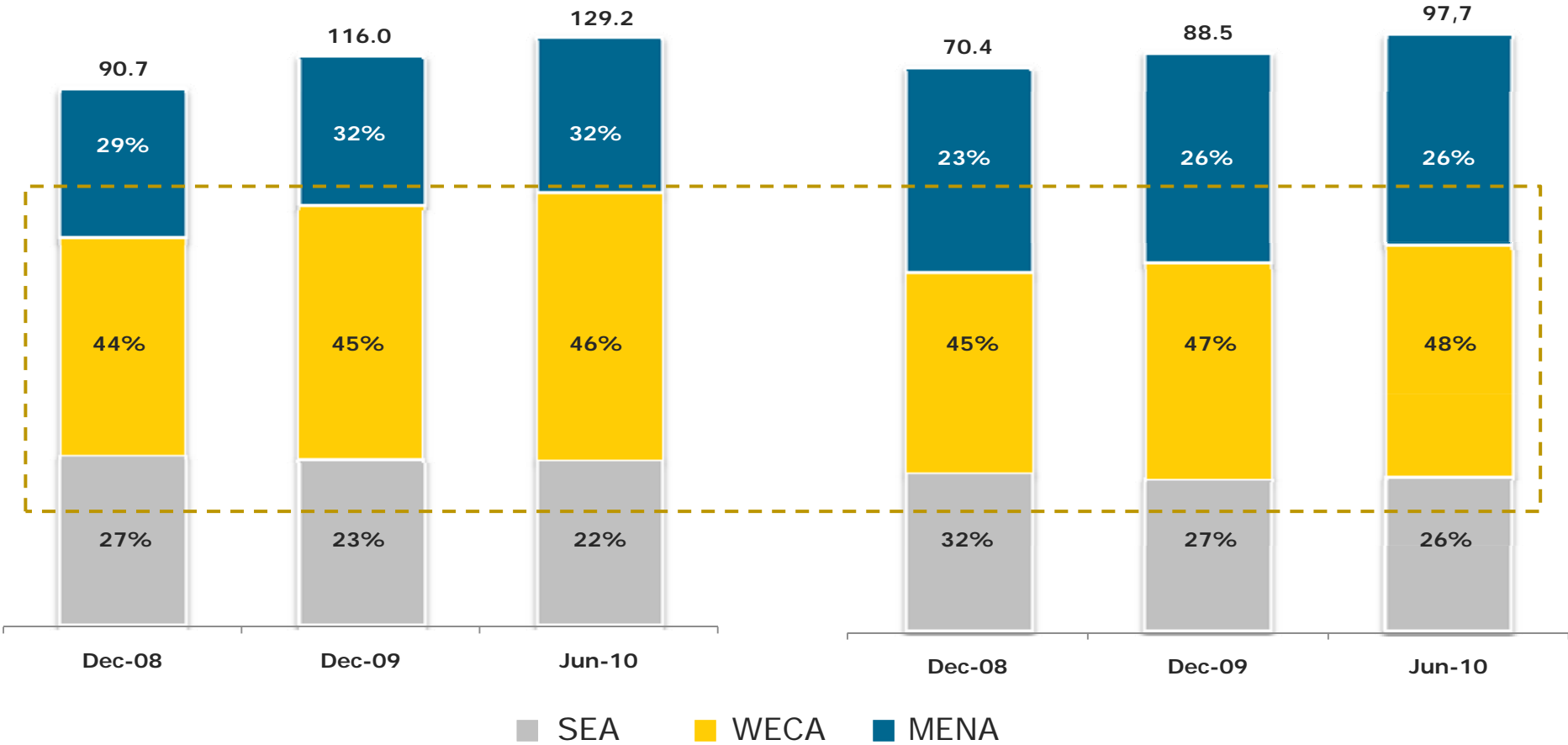
## MTN Group

### Total

(subscriber million)

### Proportionate\*

(subscriber million)



\*Based on shareholding

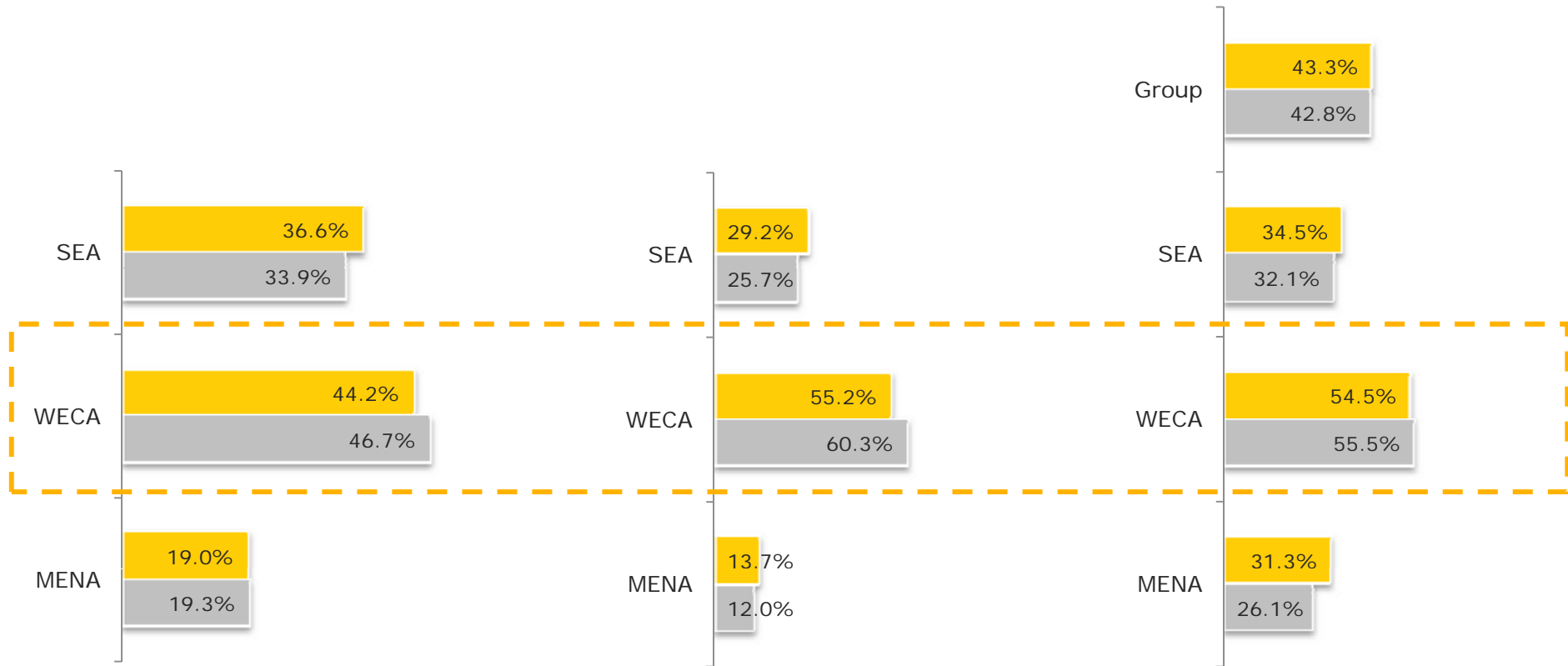
# Group context



**Contribution\***  
(Revenue)

**Contribution\***  
(EBITDA)

**EBITDA margin%**



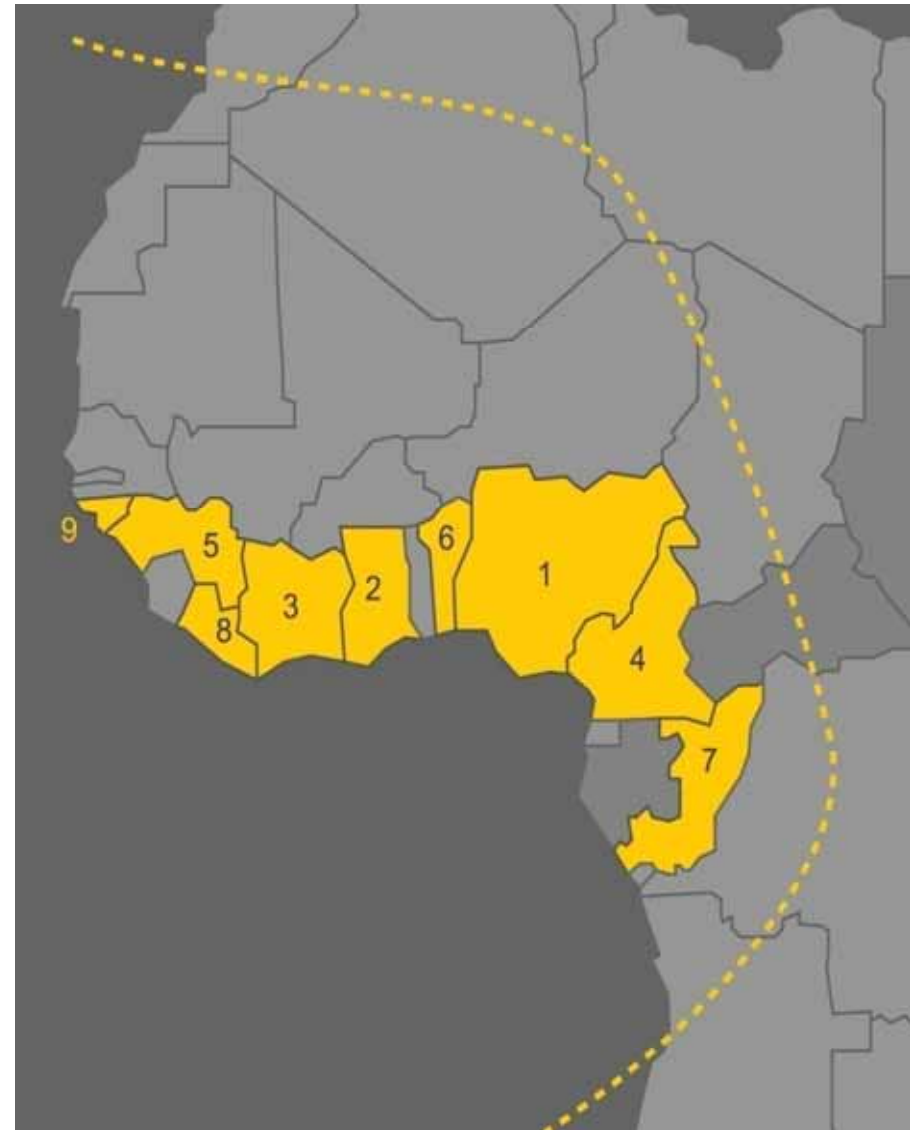
■ Jun-10 ■ Jun-09

\*Difference in Head Office

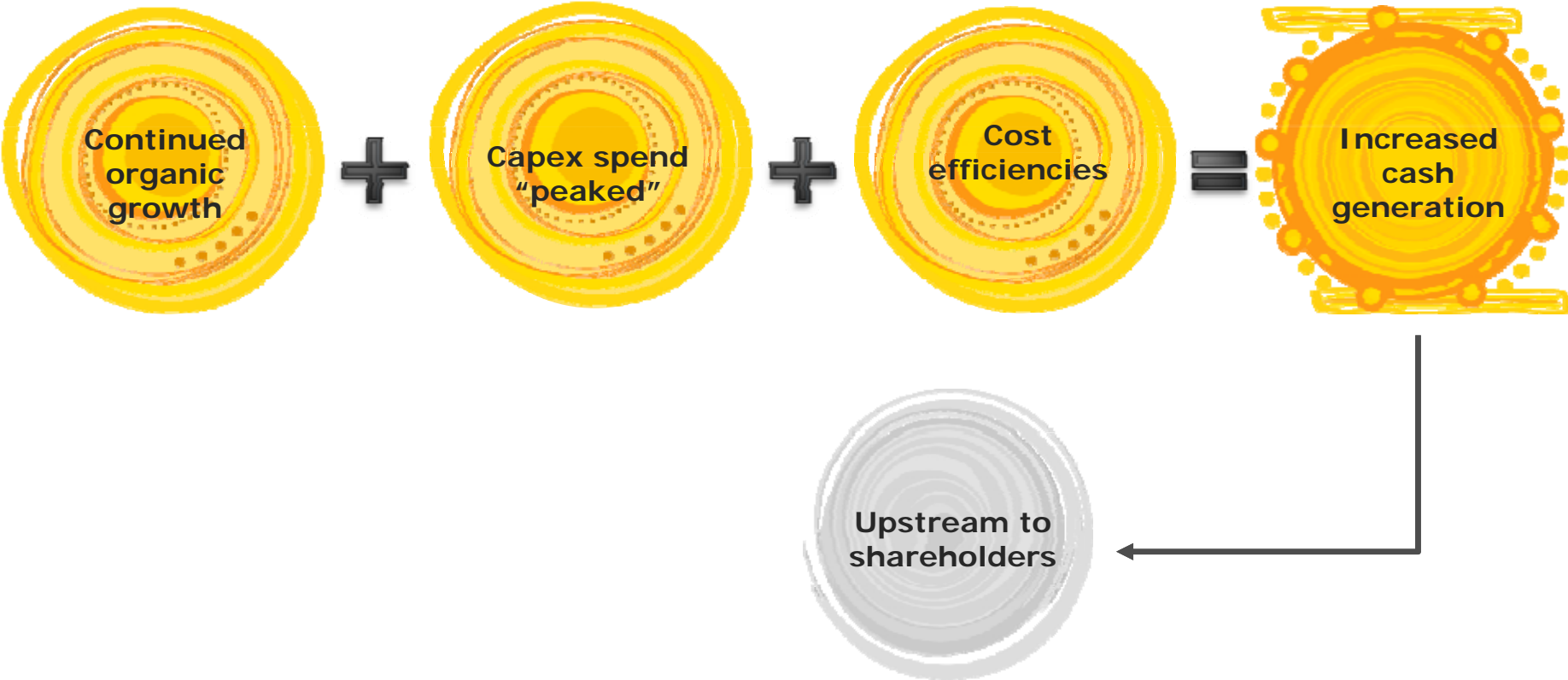
# Regional overview



Subscribers ('000)			
Country	Jun-10	% change Dec-09	Contribution to WECA (%)
Nigeria <sup>(1)</sup>	35,057	+14	59
Ghana <sup>(2)</sup>	8,723	+09	15
Cote d'Ivoire <sup>(3)</sup>	4,818	+09	8
Cameroon <sup>(4)</sup>	4,498	+03	8
G. Conakry <sup>(5)</sup>	1,467	+29	3
Benin <sup>(6)</sup>	1,839	+18	3
Congo B. <sup>(7)</sup>	1,519	+19	2
Liberia <sup>(8)</sup>	731	+04	1
G. Bissau <sup>(9)</sup>	527	+28	1
<b>Total WECA</b>	<b>59,362</b>	<b>+12</b>	



# Financial framework



# Operational framework



E X T E R N A L

Regulatory requirements  
• Evolving competitive landscape



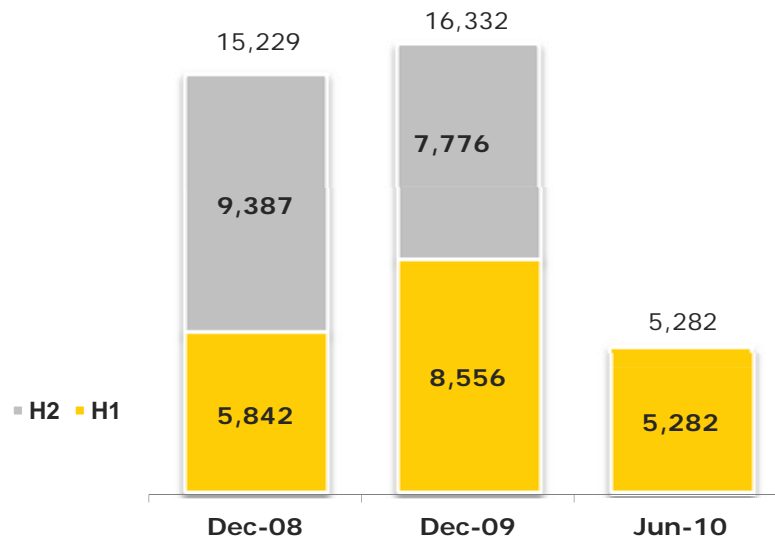
Changing financial framework

I N T E R N A L

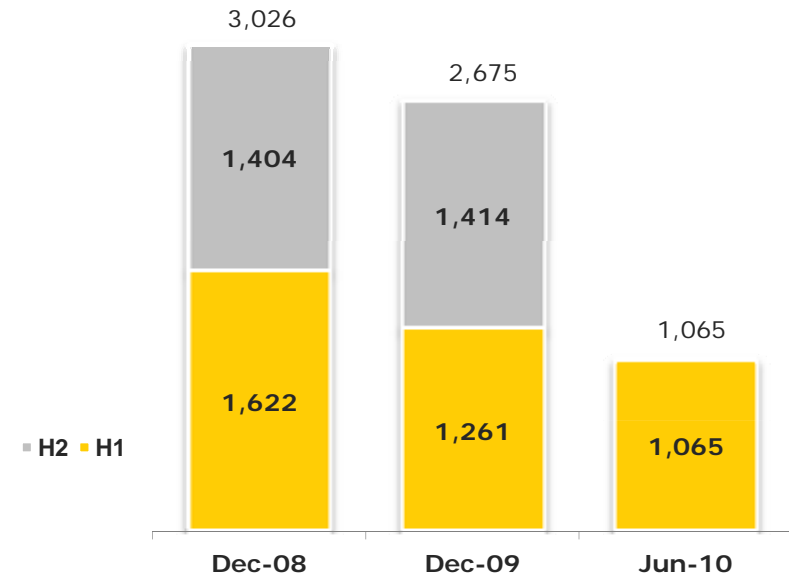
# Quality of service



**Capex**  
ZAR (million)



**BTS Rollout**



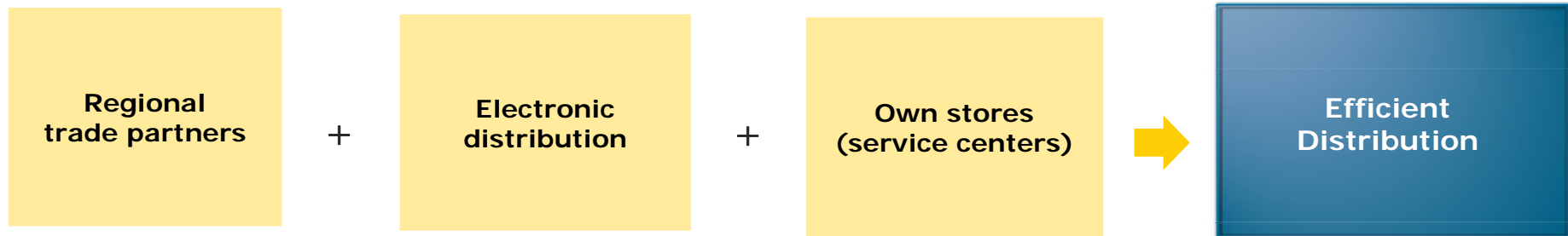
Capex as % of WECA revenue

31.9      32.3      21.3

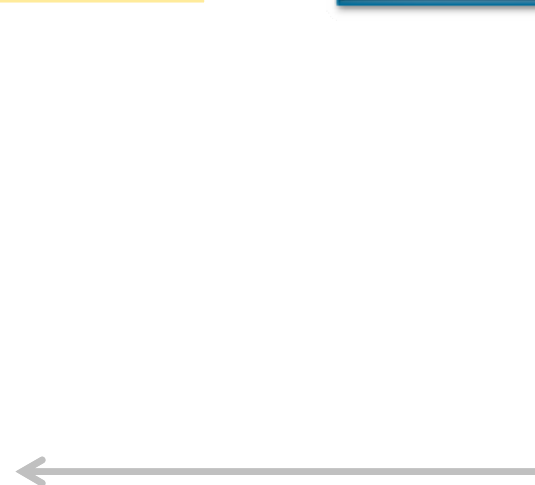
Capex as % of Group revenue

14.9      14.6      9.4

# Efficient distribution channels



- Committed distribution teams
- Mutually beneficial incentive structure
- Wide distribution presence
- Ensured service quality



# Segmented products and value added services



## Data

### *Fixed (ISP's)*

- Enterprise Solutions (Nigeria), MTN Network Solutions (Cameroon) & AFNET (Cote d'Ivoire)
- Focus on corporate and SME segment
- Coverage in metropolitan area's
- Management shift towards dedicated departments

Convergence

### *Mobile*

- 3G rollout in Nigeria and Ghana
  - Mobile data consumer product drive
- Wimax
  - Rolled out in Cameroon, Nigeria, Cote d'Ivoire, Liberia and Congo B
  - Main focus on SME segment
  - Coverage in high density areas

## Mobile money

- Ghana - 1.5m subs to date
- Cote d'Ivoire – 379 k subs to date
- Recently launched in Benin and Bissau – growth relatively slow
- Cameroon launched on 31 Aug 10

## Segmented mobile value propositions

- MTN Zone – Ghana (6.4m subs), Cameroon (1.9m subs), Benin (1.6m subs) and Bissau (0.2m subs)
- Prepaid pricing plans for different segments, i.e. Happy Link, Fast Link, Pro Link, Biz Link and Smart Link

# World class brand



## Global structure & esteem

- Independently recognised as Africa's most valuable brand. (Brand Finance, 2010)
- Among the World's 30 Hottest Brands. (AdAge, 2010)

## Stakeholder relationships

- Due to CSR initiatives, viewed as the brand that "makes things better for my community" (Brand Health Research, 2010)

## Awareness & loyalty

- Top of Mind Awareness and Brand Affinity continue to grow and outpace growth in Market Share (Brand Health Research, 2010)

## Employee engagement

- Critical in attracting and retaining talent, more so than any other dimension or benefit (Employee Research, 2010)

## Sponsorships & associations

- Association with football, specifically 2010 FIFA World Cup success, has had a measurable return on MTN Brand Loyalty

# Brand leadership



Q210

**Brand Preference**

**55.32%**

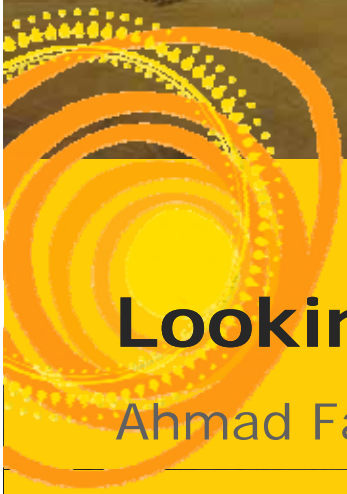
**Brand Awareness**

**61.23%**

**Brand Affinity**

**58.47%**

MTN remains the most preferred brand in the WECA telecoms space



# Looking forward

Ahmad Farroukh



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# Looking forward



## Opportunities

- Quality networks
- Strong brand
- Well positioned (market leader)
- Data propositions and other value added services
- Efficient management teams

## Challenges

- Unpredictable economic trading conditions
- Increasing competition
- Depreciation of local currency
- Increased regulatory requirements (SIM registration and interconnect)
- Political instability



**Thank you**

Questions



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