



MTN Group Limited
Sustainability Report 2005





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How to use this report

This report, together with the Business Report, comprises our Annual Report. While the two reports can be read as "stand alone" reports, it is recommended that they be read together to obtain a full appreciation of the Group's performance. We have attempted to minimise duplication and overlap between the two reports so that due importance can be given to the topics addressed in each. While salient financial information is included here, a full appreciation of the financial performance of the Group will be better gained by reading the Business Report.

One of the biggest areas of overlap between the Business and Sustainability reports is that of corporate governance practices. Each country operation review includes individual corporate governance highlights such as: company board structure and control, the use of committees, adherence to specific governance and compliance mandates, relevant policies and procedures and risk management. However, these inclusions are summaries at best and we recommend that the reader refers to the Business Report for a more in-depth review.

Throughout this report we have focused on the implementation of strategies and policies, rather than on the policies themselves. Where we have addressed pertinent policies in the report, we have included our website reference for readers who wish to explore them in more detail.

We would appreciate your feedback on this report, as well as on the process that was adopted in developing it. For further information or to comment on the report, please contact:

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message from the group chief executive officer



"We are still relatively young company but we aspire to be a truly 'new African company'"

Phuthuma Nhleko
Group chief executive officer

Sustainability forms the foundation of MTN's investment philosophy. Actively embedding sustainability principles in the way we do business ultimately impacts on our people, our reputation and our profits. We want to be here, as successful as ever, in ten years' time, not a dim and distant memory of a telecommunications boom that failed to deliver long-term success.

Whilst we must make a profit, it is our responsibility to be a relevant contributor to the development and sustainability of the communities we touch and interact with. It is, moreover, our duty to keep our stakeholders informed of our commercial and social activities as well as the broader issues affecting our business operations.

That said, it gives me great pleasure to present the MTN Group's third comprehensive Sustainability Report. Unlike previous reports, we have endeavoured to be a little less inwardly focused as an organisation, having referenced numerous external reports and industry views



to contextualise and support our own research findings. As a business, we take into account research and commentary by credible research firms and analysts in the Information and Communication Technology (ICT) sector to keep us informed of developments and trends that may impact on our business. In this report, we incorporate some of the data and commentary highlights that we have found particularly helpful in understanding our impact on the business and social environment.

We are still a relatively young company but we aspire to be a truly "new African company". We have confidence in Africa's ability to play an increasingly influential role in world affairs, enabled predominantly by its ability to leapfrog "the digital divide". We have made it our business to deliver this vision.

With around 12% of the world's population and only 3% of the world's fixed telephone lines, Africa abounds with telecommunications related opportunities for investors. While we are mindful of the challenges posed by the lack of infrastructure, social issues such as poverty, illiteracy and underdevelopment, we embrace the opportunities to create real sustainable economic growth in the countries in which we operate.

In the past year, notwithstanding the commercial rewards resulting from our regional operations, we have numerous sustainability successes to report. Particularly significant is the MTN Foundation's group-wide role and achievements in social and community empowerment.

Also significant is the milestone we achieved in Uganda by extending our fibre optic reach over 400 km thereby completing the self healing western SDH fibre backbone transmission ring. This has resulted in a higher quality service as well as the empowerment of regional communities previously excluded from mobile telephony access.

We also report on the issues raised by our stakeholders in the past year and address their most critical concerns. These include:

- Employee interests in career development, policies to prevent fraud and corruption and the promotion of diversity within our company;
- Regulatory issues, including tariff restructuring, universal service access and affordable telephony;
- Shareholder issues relating to commercial performance, attainment of targets and corporate governance;
- Customer issues around quality and reliability of networks, support for local suppliers and cheaper services; and
- Government concerns regarding corporate accountability, addressing HIV/Aids in the workplace and recycling activities.

In line with our ongoing drive to be a responsible and desirable employer, service supplier and corporate citizen within each country in which we operate, we aim to address stakeholders' needs in a balanced and consistent way.

To our employees: we want to provide a well-rounded work experience, offering fair reward based on meaningful performance measurement. Our work environment is supported by all the elements indicative of an innovative, growing and healthy organisation.

To our customers: we aim to give fair value and superior service levels. To this end, we have appointed a senior customer service executive in each operation to ensure excellent service standards. We are constantly developing new and useful mobile services to empower our business and consumer clients. We reach a broad community of customers by connecting people through the most reliable mobile services and by creating



message from the group chief executive officer

continued

opportunities for entrepreneurs in the informal sector who sell prepaid cards to rural communities and extend our services into areas that are difficult to reach.

To our regional government stakeholders: we create and support a growing number of initiatives that address governmental priorities and mandates. For instance, answering the call of increasing SME procurement opportunities, maintaining safe environmental practices and achieving universal access targets to connect under-serviced areas.

To our shareholders: while we aim to give you the returns you require, we also attempt to keep you well informed. We report frankly and openly on the issues affecting our business. These are essential qualities in maintaining healthy and committed commercial relationships. On the issue of corporate governance, I am pleased to report that, having undergone a rigorous risk and governance assessment in the past year, our governance position is fully aligned with statutory requirements.

It takes time and commitment to embed sustainability principles within our decision-making practices, our strategic business directives and our interaction with stakeholders. But, looking back on our sustainability performance in the past year, the progress and achievements are rich and plentiful.

As always I encourage your comments on this report and, more broadly, our sustainable performance. Thank you for taking an interest in our accomplishments and for your support in helping us extend our commercial and social reach.

Phuthuma Nhleko

Group Chief Executive Officer

Performance and reporting highlights

- Our 2003 Sustainability Report was ranked in the top 10% of the "Global Reporters' 2004 Survey of Sustainability Reporting", conducted by SustainAbility
- Our collective Annual Reports were rated as "Excellent" in the Ernst & Young "Excellence in Corporate Reporting" survey.
- We once again qualified for inclusion in the JSE Social Responsibility Index and have been included since its inauguration in 2004.
- The 2004 Sustainability Report received a commendation from the ACCA for reporting on our African Footprint.



MTN AT A GLANCE

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The completion of phase 2 is another giant step towards the long-term dream of consolidating all Gauteng province MTN staff under a single roof. The new building offers the ultimate state of the art office environment, highly conducive to living, working and playing together and building a like-minded MTN team with common goals and values.





MTN at a glance

Group overview

MTN Group Limited (formerly M-Cell Limited) is an Africa-focused holding company listed on the JSE Securities Exchange South Africa under the Industrial – Non-cyclical services – Telecommunications sector. The Group provides telecommunications infrastructure services to six countries on the continent, South Africa, Nigeria, Cameroon, Uganda, Rwanda and Swaziland.

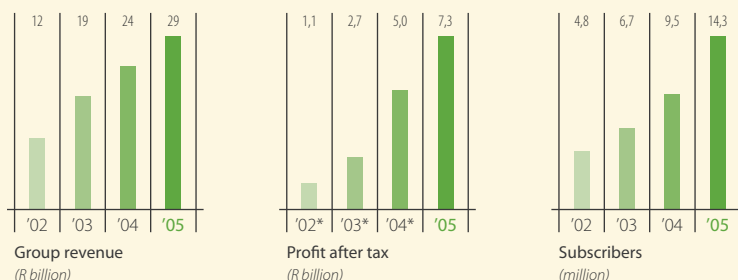
The Group operates three business divisions:

- **MTN South Africa**, which houses MTN Network Operator and MTN Service Provider and has a subscriber base of approximately 8,0 million.
- **MTN International**, which offers cellular network access and associated services through its subsidiaries and joint ventures in Nigeria, Cameroon, Uganda, Rwanda and Swaziland. MTN International has a subscriber base of approximately 6,3 million.
- **Strategic investments**, which consolidates the development of the Group's investments in non-mobile businesses. The division also manages MTN Network Solutions which provides managed network services to the corporate market, and Electronic Funds Transfer Operation, Nigeria.

MTN Group financial statistics

	2005	2004*	2003*
Revenue (Rm)	28 994	23 871	19 405
Profit after tax (Rm)	7 314	4 983	2 722
Number of subscribers (million)	14,3	9,5	6,7
Number of permanent employees	5 283	4 844	4 275

* Restated for change in accounting policy.



* Restated for change in accounting policy.



MTN milestones

1994

M-Cell (now MTN Group) incorporated in **South Africa** and owned 25% of MTN Holdings

2000

M-Cell

acquired the remaining shareholding in MTN Holdings from Transnet

Johnnic Communications acquired 4,6% of M-Cell from Transnet, consolidating the Johnnic Group's control of M-Cell

MTN International acquired a licence in **Cameroon**



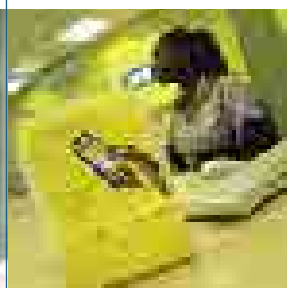
1995-1996

M-Cell converted to a public company, with investments that included a 25% shareholding in MTN Holdings and a 60% shareholding in M-Tel, a cellular service provider (now MTN Service Provider)

MTN Holdings acquired service provider M-Tel

M-Cell increased its stake in MTN Holdings by acquiring shares from Fabcell Holdings Limited and SACTWU

Investments by issuing new M-Cell shares



2001

MTN International acquired a national licence in **Nigeria**

M-Cell acquired CiTEC, a tier-one internet service provider (now MTN Network Solutions), to increase the range of data services provided to its corporate customers



1997-1999

MTN International expanded into Africa acquiring licences in **Uganda, Rwanda** and **Swaziland**

M-Cell acquired a portion of SBC International's interest in MTN Holdings

M-Cell increased its stake in MTN Holdings to 72%



2002

M-Cell was renamed **MTN Group** to consolidate group structure and reinforce African presence and awareness of the brand

MTN management and staff acquired an 18,7% interest in M-Cell through the acquisition of the interest held by Ice Finance BV/Transnet – the shares are held by Newshelf 664 which in turn is owned by a Trust for the benefit of management and employees



2004

MTN celebrates ten years of operation

recording almost ten million subscribers across all its operations

MTN qualifies for inclusion in the JSE Securities Exchange Socially Responsible Investment (SRI) Index

2003

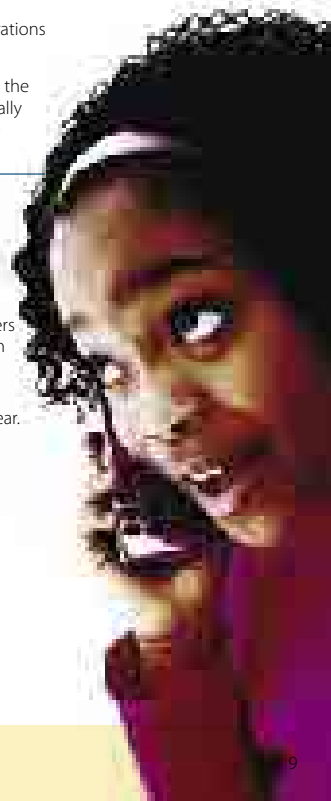
MTN Group free float increase to just under 75% after Johnnic unbundled its 31,9% stake

First Sustainability Report published

2005

Exceeded 8 million subscribers in South Africa and 14 million subscribers for the Group

Capital investments of R7,6 billion in the calendar year.





MTN's values

MTN is a multinational Group operating in a wide range of countries and cultures. The Group has, at its core, five shared values that address our business principles, conduct and interaction with all stakeholders.

Leadership

Qualities – foresight, commitment, guidance:

- Building a future for our people and the customers we serve.
- Leading the way in connectivity and enablement.

Integrity

Qualities – solid principles, trusted, togetherness:

- We are, because of you, our customer.
- We are, because of you, our employee.
- With your trust and belief we will always succeed.

Can do

Qualities – optimism, future focus, passionate, happening:

- Creating brighter futures for everyone whose life we touch.
- Empowering people, communities and countries.
- Creating possibility.

Innovation

Qualities – simplicity, imagination, insight, creativity:

- Doing things differently.
- Making unlikely connections.
- The unexpected exceeds expectations.

Relationships

Qualities – teamwork, friendly, personal, warm and caring:

- Connecting with people on "their level".
- Having empathy for their unique situations.
- Building relationships with our customers (internal and external).



ACHIEVEMENTS, HIGHLIGHTS AND TARGETS

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MTN Cameroon has been named winner at the 2004 "Stars of the Marketing and Communication" award ceremony for best sporting sponsor, the best product launch with the Me2U product, best mobile telephone company in Cameroon, and former CEO, Ron Allard was nominated among the 10 best managers in the country.





achievements and targets

Our achievements and targets

Good reporting is essential for the effective management of pressing commercial, environmental and social challenges. In the African context these challenges are intensified by poor regional infrastructure and the high costs of infrastructure development, lack of environmental custodianship, the spread of HIV/Aids, widespread illiteracy, widening social gaps and social exclusions.

This year's annual reporting process aims to further integrate responsible reporting at the levels of all our stakeholders – with a focus on “active” rather than “passive” reporting. Acting in a “sustainable way” is the cornerstone of doing business in Africa. The very nature of our business implies the importance of long-term sustainability progress throughout the regions in which we operate. The more we contribute to the regional development and empowerment of communities, the greater our own opportunities for long-term sustained commercial success in those regions.

We believe we have made good progress in our sustainability performance during the year under review (the financial year from April 2004 to March 2005 and referred to as “the past year” throughout this report). In this report, we demonstrate our progress in the past year in the areas of corporate sustainability, our actual performance and impact on our various stakeholders as well as our objectives for the year ahead.

Highlights of our performance this past year include:

- Group revenue increased by 21% to R29 billion.
- Profit after tax increased by 47% to over R7,3 billion.
- The Group declared a dividend of 65 cents.
- Our subscribers now total 14,3 million, an increase of 4,8 million.
- Our employee complement now totals 6 574 (including temporary staff).
- Group policies and strategies are being implemented consistently across the Group. These include: the employee performance management system and incentive schemes, environmental management systems and training, as well as corporate social investment. Operations tailor their policies to meet local legislative requirements but, throughout, we maintain consistent standards.
- Our Black Economic Empowerment (BEE) targets in South Africa have been met and through our active participation in the process of developing the ICT Charter, our procurement practices are being aligned to ensure we comply with and exceed the requirements before the targeted date.



achievements and targets *continued*

In the tables below, we provide further details of our performance in the past year as well as any future plans.

Our achievements in the past year

All operations across the MTN Group have implemented a Corporate Social Investment (CSI) strategy in line with the Group's vision. The process of establishing MTN Foundations in all operations is well under way.
The Group commissioned an independent impact assessment of CSI projects in the South African operation during the past year.
A structured Management Information System (MIS) is in place to report key business information on a monthly basis and key sustainability information on a quarterly basis.
During the past year, we exceeded our target of R750 million in BEE spending in the South African operation, with the actual spend amounting to R936 million.
South Africa and Nigeria both showed improvement in the overall corporate reputation index (CRI) score.
Expatriates employed in our country operations, total only 2% overall, thereby creating local employment opportunities at senior levels.
We have achieved significant progress in complying with the Employment Equity Act in South Africa.
MTN has implemented a Group-wide Environmental Management System.
The Group's internal audit department performed a high level review of the sustainability framework and its practices. Results were generally positive with a few areas of improvement noted.
The employee performance management system has been implemented consistently across the Group.
We have an employee share scheme in place for South African employees. This will be extended to all operating unit employees.
Strategic level risk management procedures have been implemented throughout the Group during the past year.
The third corporate reputation audit is currently (June-July 2005) being conducted.
ISO 14001 and 9001 certifications have been maintained in the South African operation.
During the past year the Group embarked on the process of actively recycling mobile phone units and requiring certificates from manufacturers to confirm recycling.

Our new objectives for 2006 and beyond

Ensure that the independent impact assessments of CSI projects is done annually and extended to all operations. This is scheduled to be completed by 2007.
Refine the MIS to include financial and sustainability indicators.
Increase fraud prevention and detection measures throughout the Group through the implementation of: <ul style="list-style-type: none"> • Fraud awareness training; • Forensic capabilities in all operations; and • A whistle-blowing function in all operations. This is scheduled to be initiated in 2006.
The BEE target for the coming year is R1 billion.
An improvement of CRI scores in all operations by 2% each year in the overall corporate reputation index rating.
Develop and submit a new plan to cater for increased employee equity and to ensure full compliance by 2006 with the Employment Equity Act in South Africa.
Consistently implement training and instruction pertaining to the Group-wide Environmental Management System (EMS) across all operations.
Enhance assurance around our sustainability practices and framework, by addressing the internal audit report findings on sustainability.
Build increased leadership to support growth for the Group.
Complete management training by Yello Leader Academy. South Africa and Swaziland will be completed by 2006, with the remainder of the Group will be completed by the end of 2007.
Embed sustainability practices, measures and targets across the Group to ensure they become part of the performance monitoring process for the business.
Business level risk management procedures are currently being embedded. This should be complete by June 2006.
Maintain an acceptable staff turnover rate: our target is between 3% and 5%.
Conduct an annual corporate reputation audit.
Extend ISO 14001 and 9001 certification to other operations.
Promote awareness amongst consumers of the potential for and need to recycle phones.



STAKEHOLDER ENGAGEMENTS

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Corporate reputation audit	20

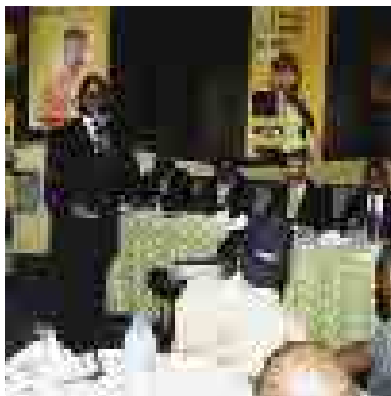
*Ibrahim Waziri, Ambassador and
Minister of Commerce for Nigeria,
flanked by Zulu King Goodwill Zwelethini
and Dr Yvonne Muthien, MTN Group
Executive at the "Made in Nigeria"
exhibition sponsored by MTN.*





stakeholder engagements

Kola Wole Oyeyemi, Brand Manager, Business Markets, MTN Nigeria, presents MTN Flexi to the Press. Innovative tariff regimes like MTN Flexi will enable subscribers to derive even more value from being on the MTN network.



Our active engagement with stakeholders across all operations helps us gain a balanced and candid perspective of our economic performance as well as the environmental and social impacts of our business in our operating countries.

We continually enhance this process by refining our stakeholder engagement model. During the past year, we started the development of our new “stakeholder success model” with the assistance of an independent consulting firm. The new model underpins sound accountability within the Group, both in terms of performance measurement and reporting. The components of this model are:

- **Identification of key stakeholders**, focusing on those stakeholders that (a) affect the Group directly; (b) are core to our mission and values; (c) we interact with the most; and (d) are most affected by our activities.
- **Confirmation and prioritisation of stakeholder respondents’ positions**, prioritising stakeholders based on a) their potential impact on MTN; b) their dependence and attitude towards MTN; c) our level of impact and engagement; and d) our mutual dependencies.
- **Establishment of sound accountability systems within all our operations**, leading to positive, relevant and topical sustainability reporting. These systems assist us in setting up formal processes to ensure the main issues facing the most important stakeholders are identified and addressed. In this way, we can optimise the stakeholder engagement process and address key issues facing MTN.

The Group channels stakeholder communication through the Investor Relations, Corporate Affairs and Public Relations divisions in all of our operations. Each of the stakeholders identified during the stakeholder assessment are essential to the Group’s survival and the sustainability of our business.

The table below lists our key stakeholders and outlines the nature and frequency of our communications with them. It summarises stakeholders’ main concerns and offers a “quick find” reference to a more detailed description of the Group’s responses to each concern. These references point to relevant sections in this report as well as sections of the Business Report.



stakeholder engagements *continued*

Our stakeholders	Employees	Regulators	Shareholders
How we communicate with you	<ul style="list-style-type: none"> • Annual corporate reputation audit • Monthly magazines • Staff meetings • Communications from management • Annual survey on sustainability 	<ul style="list-style-type: none"> • Annual corporate reputation audit • Within each Group operation, regulators were formally interviewed by an external team in the presence of an MTN representative. • Our legal and regulatory teams have continuous interaction with the Telecommunications Regulators in terms of understanding and clarifying new regulations. 	<ul style="list-style-type: none"> • Annual corporate reputation audit • In the past year we met with several shareholder representatives who were formally interviewed by an external team. • Other communication includes: <ol style="list-style-type: none"> 1. Quarterly updates releases through SENS 2. Results presentations 3. Investor roadshows 4. Business & sustainability reports
What your concerns are	<ol style="list-style-type: none"> a. Career development, job security and plans to ensure staff retention b. Promotion of diversity c. Policies and practices on HIV/Aids d. Non-discrimination in the workplace e. Monetary and non-monetary benefits f. Fair treatment and open communication g. Coverage 	<ol style="list-style-type: none"> a. Network coverage and quality communication b. Fair tariffs c. Respect for the current regulations, compliance with licence conditions and payment of regulatory fees d. HIV/Aids e. Mast siting and mast sharing f. Financial performance 	<ol style="list-style-type: none"> a. Timely receipt and provision of information regarding MTN's operations to aid decision making b. Improved shareholder value namely higher return on earnings and increased dividends c. HIV/Aids d. Education and skills development e. Tariffs f. Access to communication for the mass market g. Environmental effects of base stations h. Coverage i. Employee satisfaction
Where can you find our response to your concerns	<ol style="list-style-type: none"> a. Page 34 b. Page 31 c. Page 37 d. Page 31 e. Page 33 f. Page 34 g. Page 22 	<ol style="list-style-type: none"> a. Page 22 and country operation reviews in business report starting on page 49 b. Page 28 c. Country operation reviews starting on page 47 and country operation reviews in business report starting on page 49 d. Page 37 e. Page 43 f. Page 26 and page 30 in Business Report 	<ol style="list-style-type: none"> a. Page 18 b. The Business Report c. Page 37 d. Page 34 e. Page 28 f. Page 22 g. Page 44 h. Page 22 i. Page 31



Our stakeholders	Customers	Communities, public interest groups and the media	Government
How we communicate with you	<ul style="list-style-type: none"> • Annual corporate reputation audit • Customer focus groups • Corporate customers are contacted personally to update them on our latest service offering • Annual interviews conducted by an external service provider 	<ul style="list-style-type: none"> • Annual corporate reputation audit • Community and public interest focus groups • Press conferences • Annual interviews conducted by an external service provider 	<ul style="list-style-type: none"> • Annual corporate reputation audit • Government focus groups • Annual interviews conducted by an external service provider
What your concerns are	<ul style="list-style-type: none"> a. Financial performance b. Employee satisfaction c. Compliance with legislation d. Coverage and poor network coverage in rural areas e. Tariffs f. HIV/Aids g. Contribution to society h. Employee rights i. Reliability of service 	<ul style="list-style-type: none"> a. Consistent communication and frequent visits b. More consistency in funding c. Poverty alleviation d. HIV/Aids e. Education f. Coverage g. Knowledge transfer h. Tariffs 	<ul style="list-style-type: none"> a. Continued investment in the countries where we have operations b. Continue advising the authority in terms of investment policies and "wooing" investors c. Plans to increase coverage to all parts of the country d. Meeting licence obligations and adherence to regulations e. Improved service in terms of efficiency and quality f. Affordable tariffs g. Respect for the regulator and partnership with government h. HIV/Aids i. Employee satisfaction j. BEE/Local knowledge transfer
Where can you find our response to your concerns	<ul style="list-style-type: none"> a. Page 25 and page 30 in Business Report b. Page 31 c. Country operation reviews starting on page 47 d. Page 22 e. Page 28 f. Page 37 g. Page 39 h. Page 33 i. Page 28 	<ul style="list-style-type: none"> a. Page 39 b. Page 39 c. Page 39 d. Page 37 e. Page 37 f. Page 22 g. Page 34 h. Page 28 	<ul style="list-style-type: none"> a. Country operation reviews starting on page 47 b. Not addressed in this report c. Page 22 d. Country operation reviews starting on page 47 e. Page 28 f. Page 28 g. Country operation reviews starting on page 47 h. Page 37 i. Page 31 j. Page 27 and 34



corporate reputation audit

MTN conducts an annual corporate reputation audit to assess stakeholder perceptions towards the Group. In addition, the audit helps us to understand what drives stakeholders' perceptions and to assess the effectiveness and impact of our communication activities.

The stakeholder survey is a customised version of the "Walker International Corporate Reputation Model". The reputation audit is conducted in all our countries of operation.

A key focus of the survey is to identify the areas of stakeholder interaction influencing MTN's reputation. It examines factors such as industry leadership; product and service quality; employee relationships; management quality; social performance and community involvement activities.

In addition, the audit benchmarks perceptions of the Group's activities with other local and international companies, particularly other telecommunication operators.

The stakeholder groups sampled during the audit included:

- MTN employees;
- Special publics – media, government, analysts and institutional shareholders;
- Corporate entities – including small businesses; and
- Customers and non-customers.

Our stakeholder respondent sample is a "quota controlled" stratified sample to enable findings to be drawn across stakeholder groups.

The third audit was conducted between July and September 2004 and considered the following areas of reputational significance:

- Account reputation;
- Stakeholder intentions;
- Corporate image;
- Favourability;
- Communication effectiveness; and
- Social responsibility.

A range of "reputation drivers" was reviewed in each operation and the findings classified in terms of strategic relevance. The relevancy classification spanned areas of "high leverage", "critical improvement" or "lower priority improvement/maintenance".

Each operation is tasked with planning and implementation appropriate measures to address the issues highlighted during the corporate reputation audit. In the sections that follow, we include result highlights from each country.



South Africa

Our overall corporate reputation index has consistently improved across all stakeholder groups over the past three years. Our survey of South African stakeholders reflected the following:

- MTN employees rank MTN as the company with the best overall reputation relative to our competitors.
- We have achieved a competitive edge over our telecommunications competitors in terms of customer focus.
- The survey showed an improvement in management quality.
- External stakeholders (that is, corporate companies, special public groups and SME stakeholders) highlight the need for improved communication on employee matters.

Nigeria

Our survey in Africa's most populous country revealed mixed results. This should be seen in the context of the relative youthfulness of mobile telephony in the country:

- Overall our Corporate Reputation Index has improved from the previous year.
- We are rated above competitors as the company with the best overall reputation.
- The survey showed the greatest improvement (a move of 20 points) in the area of customer focus.
- Communication effectiveness was viewed as significantly better than that of competitors, particularly brand recognition. Our advertising activities score well including good media coverage, communication about products and services and reinforcing the company's personality.

Uganda

- We are perceived as the company with the best overall reputation among employees, customers and special publics.
- Customer focus was a high leverage area and we are regarded as outperforming our competitors in this aspect.
- All stakeholders expressed an interest in our adherence to strict corporate governance principles and our contribution to the protection of the environment.

Cameroon

- We were rated as the company with the best overall reputation relative to competitors.
- The survey showed that employee treatment and labour practices are two of the most important issues affecting our reputation with stakeholders in Cameroon.
- As a reputation driver, product and service quality have become an area of critical importance.
- Stakeholders expressed positive views in terms of MTN's adherence to corporate governance and our contribution to the protection of the environment.

Rwanda

- We were rated highest by all stakeholders in terms of overall company reputation.
- We ranked well in quality products, services and consistency of products – the latter referring to our consistent offering of an attractive range of products.
- We scored poorly in terms of internal communication as well as the communication of information about community and social support activities in the country.

Swaziland

- Reputation ratings have declined from the previous year as the business reached maturity and market saturation set in.
- Measures were implemented during the reporting year to improve the Company's reputation as a corporate.
- Stakeholders expressed a particular interest in the Company's sponsorship of community events, adhering to corporate governance principles and promoting environmental protection.



Having successfully established the villagePhone initiative in Bangladesh and Uganda, the Grameen Foundation is going to replicate the project in Rwanda, in partnership with MTN. Fatima Serwone lives in the village of Namunsi in Mbale district. She owns a small store, selling food and household items.

SUSTAINABILITY ISSUES FACING MTN

Bridging the digital divide: Connecting communities, countries and continents

According to the New Economic Programme for African Development (NEPAD), the implementation of telecommunications infrastructure throughout the continent has been identified as one of the core enablers of sustainable societies. This goal cannot be met without first meeting a number of challenges.

Potentially, the most obvious challenge is that of the infrastructure deficit of fixed telephone lines. Mobile technology has gone further than any other communications technology in Africa in terms of bridging the digital divide. The flexibility of cellular telephony has addressed the challenges of universal access in underdeveloped regions on the continent.

Mobile telephony is now firmly entrenched as the predominant mode of telephony in almost every

African nation. According to the International Telecommunication Union (ITU) there are more than 82 million mobile phone users in Africa. Between 2000 and 2005, Africa added more telecommunication users than in the last decade.

The growing value of mobile telecommunications in the world can be summarised as follows:

- Cellular telephony is regarded as central in the process of convergence (technological, industrial, cultural, and social);
- It provides wireless freedom to users (the ability to be almost anywhere and still talk to anyone, anywhere);
- It provides technology access to some of the most disadvantaged communities (rural schools, public hospitals etc); and
- It has a significant multiplier effect (cellular telephony contributes to economic growth and, in some areas, to economic regeneration, job creation and entrepreneurial development).

In response to the challenge and the opportunity of "universal access" we have invested more than R24 billion in property, plant and equipment, making mobile communication directly accessible to the broader community in six countries in Africa.

Throughout our business, we are committed to growing entrepreneurship in our countries of operation through:

- Building local partnerships and advancing local economic empowerment in the form of equity;
- Creating a franchising and distribution network involving small businesses, women and rural entrepreneurs;
- Boosting access to telecoms by providing village phones and community phones in rural areas; and
- Identifying innovative opportunities for further expansion and the advancement of local communities.



PERFORMANCE REVIEW

Economic sustainability	25
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The Ojota switch in Nigeria has been designed, built and operates with environmental considerations implemented at each step. The switch and MTN Nigeria's 1 662 base stations ensure reliable network access and increased coverage.





economic sustainability

Delivering returns to our shareholders

In evaluating our economic sustainability performance, it is important to consider the various economic impacts our activities have on the broader community, including opportunities for education, employment, and our role as an engine for broader economic growth on the continent.

Together with our traditional financial performance, we also include an assessment of our economic impact on our suppliers, employees, communities and governments within this report.

Our subscriber base is expanding rapidly. At March 2005, we recorded over 14 million subscribers* across our six networks, an increase of 50% on the previous financial year.

Our level of capital investment reflects our commitment to the countries within which we operate. The biggest contributors to revenue were our South African and Nigerian operations: South Africa had revenue of R17,6 billion while Nigeria had revenue of R9,3 billion.

To demonstrate our ongoing commitment to our operations, our capital commitments for the upcoming year amount to R10,4 billion.

MTN Group performed well for the year ended 31 March 2005, reporting consolidated revenues of R29 billion (up 21% year-on-year) and adjusted headline earnings per share of 366,6 cents (an increase of 45% from the adjusted headline earnings per share of 253,6 cents in 2004). The Group declared a dividend of 65 cents. The Group's total asset base at 31 March 2005 was R29,3 billion, after eliminating goodwill of R9,7 billion under the revised IFRS (AC 140) Business Combinations. This reflects an increase of 32% on adjusted total assets of R22,3 billion at 31 March 2004. Cash on hand at the year end exceeded total debt.

The strengthening of the rand against other functional currencies, particularly the 17% appreciation of the naira, had a negative impact on the MTN Group's consolidated income statement for the year. The 50% increase in subscribers was a major reason for the Group's increased revenue; but deeper penetration into the addressable market resulted in a decrease in ARPU across all operations.

MTN Group's consolidated EBITDA increased by 33% to R12 billion, of which 50% was generated by international operations. The Group's EBITDA margin improved substantially from 37,9% to 41,5% as a result of the strong improvement in MTN South Africa's EBITDA margin as well as the increase in the contribution from international operations. EBITDA growth rates exceeded revenue growth rates in all the operations resulting in improved margins for all operations.

The Board continues to report adjusted headline earnings (excluding the impact of raising the deferred tax asset in MTN Nigeria) in addition to basic headline earnings which it believes does not fairly reflect the Group's underlying economic performance, given the inherent uncertainties over the valuation of a deferred tax asset to be realised in the future.

The Group's performance over the past financial year was positive, with the cash generation of all operations increasing steadily. All operations generated positive free cash flows in excess of their capital expenditure requirements with the exception of MTN Nigeria, where capital expenditure slightly exceeded operating cash flow.

The Group currently has negative gearing due to its consolidated net cash position of R3,2 billion. The stated gearing target is 40 – 50%. However, this strong balance sheet positions the Group well to actively pursue and take advantage of expansion opportunities.

**Traditionally, the Group reported on its international subscriber base as being subscribers who have been active (made or received a revenue generating call over a 30 day period, compared to a 90 day period in South Africa). As of 1 April 2005, the Group will align all subscribers to 90 day activity level. On a restated basis, total Group subscriber members as at 1 April 2005 are 15,6 million.*

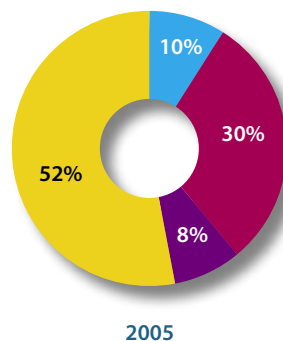
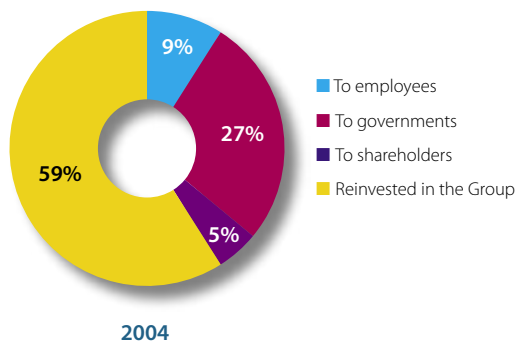


economic sustainability *continued*

Group cash value added statement for the year ended 31 March 2005

	2005 Rm	2004 Rm
CASH VALUE ADDED		
Cash value generated from revenue	28 045	23 458
Cost of materials and services	(13 774)	(11 796)
Cash value added by operations	14 271	11 662
Finance income	258	139
	14 529	11 801
CASH VALUE DISTRIBUTED		
Employees	1 411	1 096
Salaries, wages and other benefits	1 181	942
Employees' tax	230	154
Governments	4 305	3 163
Corporate and indirect taxation	3 744	2 624
Licence fees	561	539
Providers of capital	1 201	634
Finance costs	521	634
Dividends	680	—
Total cash value distributed	6 917	4 893
Reinvested in the Group	7 612	6 908
	14 529	11 801

Wealth distribution





Business partners

The Group's business partners include suppliers, contractors, as well as the various business associations with whom we work.

The table below details our local procurement expenditure per country, that is the total cost of goods, materials and services purchased from local/BEE suppliers.

Payments to suppliers

	2005 Rm	2004 Rm	2003 Rm
MTN South Africa (BEE)	936	647	500
MTN Nigeria	5 014	2604	1609
MTN Cameroon	551	652	382
MTN Uganda	420	662	540
MTN Rwanda	14	20	58
MTN Swaziland	29	23	6
Total	6 964	4 608	3 095

BEE and local procurement initiatives

MTN partners local suppliers to achieve genuine economic growth. Our Africa focus encourages us to achieve empowerment with integrity. To this end our focus on local economic development is a key social objective within the Group. We have instituted a preferential local procurement policy as part of our strategic emphasis on sustainable local supplier partnerships.

In South Africa, the ICT Charter and scorecard are currently in final draft and MTN representatives have been actively involved in giving constructive input towards developing the Charter. As a result of the draft Charter's guidelines, the Group is in the process of changing its procurement policy to align with the likely intent of the Charter.

The ICT Charter has identified 2015 as the specified target date for compliance with BEE criteria. MTN is confident that the Group will be aligned with the Charter through its current BEE supplier engagement activities. These activities are as follows:

- A BEE questionnaire is sent to all suppliers and a register kept of supplier credentials. In future, we will also introduce an auditing process to verify BEE credentials and avoid "fronting".
- BEE targets and associated BEE procurement activities, including BEE ratings of suppliers, are based on actual cash payments and are reported monthly to the management committees of the operating unit.
- MTN South Africa's 2005 BEE procurement target was R750 million. The actual BEE spend during the past year was R936 million of MTN South Africa's eligible spend. This also denotes a 45% improvement on the 2004 procurement spend of R647 million.
- MTN South Africa's target for BEE procurement expenditure in 2006 is R1 billion.



economic sustainability *continued*

Rewarding supplier loyalty

During the past year, we hosted the MTN Drummer Awards in Nigeria, to promote service excellence within our distributor network. This initiative supports our ongoing efforts to strengthen our relationships with suppliers and demonstrates our ongoing efforts to improve delivery to customers.

Customers

Customer satisfaction is a key driver of customer loyalty. Our service pledge to customers can be summarised as: reliable service, uninterrupted coverage and prompt response when complaints do arise.

Understanding our tariff structure

Our tariff structure is of significant interest to our stakeholders, particularly in our regional operations. Tariff changes as well as increases are approved by regulators in each country. However, the Group understands the importance of balancing tariff structures with the need to invest in network infrastructure, particularly in remote areas.

In South Africa, tariff increases are guided by the Consumer Price Index (CPI). As a general practice the Group has kept tariff increases considerably below the CPI.

Moreover, tariff adjustments are influenced by a variety of factors:

- Required capital investments from operators;
- International benchmarks of quality of reception, coverage and access to international roaming;
- Regulatory factors and universal service obligations; and
- The impact of macroeconomic conditions, including exchange rates and taxation.

These factors affect the service tariffs charged by MTN, as they influence how we recover our investment over the medium term.

Customer satisfaction

In keeping with local and global telecommunications leading practice norms, we aim to offer customer-driven communications solutions and a robust infrastructure, backed by highly trained call centre staff.

In August 2004, a customer satisfaction survey was conducted by the South African Satisfaction (SAS) Index in partnership with the Department of Trade and Industry (DTI). The survey reflected that MTN is "producing the sort of satisfaction levels that one would expect from global players."

The SAS Index reports, firstly on the welfare of customers and secondly, on the competitiveness of industry – both locally and internationally. Interestingly, the survey concluded that South African customers rate the level of service provision by local telecommunications providers more highly than US customers rate their equivalents.

The survey is globally comparable and offers a useful benchmark against which we can compare our own service. The fact that we ran a close second to the overall best performer in the telecommunications sector



in South Africa in 2004, reflected that we are both “on track” as well as still having to stretch our efforts to raise service levels. We are encouraged by the results of the 2004 SAS Index survey and are committed to increasing our service efforts going forward.

During the past year, we embarked on the following initiatives to improve client satisfaction levels:

- We have employed additional customer service agents to achieve improved customer satisfaction levels.
- We have instituted Key Performance Indicators (KPIs) at each operation to monitor the quality of network coverage and customer service levels.
- MTN South Africa has introduced a “complaint management desk”. All customer calls are recorded and reviewed for quality, with complaints being escalated if required.
- MTN South Africa segmented its customer base into service delivery categories, with each segment being allocated appropriate service level targets. As from April 2005, we have a target of a 30-second call answer rate for 95% of calls. This is an improvement on our previous overall target of a 30-second response time for 80% of calls.
- MTN South Africa has also introduced a system that monitors the time it takes to answer customer calls. Should a call-in customer hold for longer than 45 seconds, a call centre tool “queue for me” places him or her in a queue and returns the call when a call centre agent becomes available.

Our call centre in South Africa offers services in six different languages. New languages are introduced depending on the number of customers within that language grouping.

Furthermore, customer privacy is paramount to us. We closely guard all customer databases and require client service staff to sign non-disclosure agreements to this effect.

Services supporting SMEs

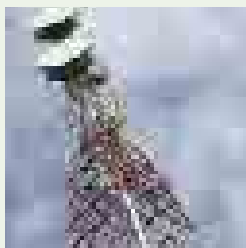
The Group is continually exploring new ways to assist small businesses. SME support services are designed to help small businesses save time, increase productivity and generate more business while in transit:

- Mobile Credit is a service that turns a cellular phone into a point-of-sale device for processing credit card and cheque payments for merchants. This service has the support of South Africa’s major banks, and is accessed telephonically via the MTN menu option on a cell phone, or by connecting to the Internet.
- MTN Corporate Mobility is a service that enables mobile users to connect to their company network and access information for business applications while on the move. The service offers reverse billing, which means that instead of charging for data used on individual accounts at consumer tariffs, the data is collectively billed back to the company at corporate tariffs. The company receives a consolidated bill for all business data at the lowest data rate available in the South African market.
- The bulk SMS service in South Africa allows for one message to be sent to any number of recipients at the same time. This introduces an easy and cost-effective way for a business to communicate with a wide customer base.

These services are not available in all country operations.



economic sustainability *continued*



In accordance with statutory requirements and MTN Group's environmental policy, an Environmental Management Programme (EMP) is in place to address environmental impacts throughout the life cycle of its base station sites, from building to decommissioning.

SUSTAINABILITY ISSUES FACING MTN

Building sustainability through economic performance

Balancing commercial objectives with social responsibility and developmental obligations is often difficult, particularly on a continent where infrastructure investments required for basic mobile network accessibility are so large and where the communities in need of access and developmental support are remotely situated and thinly spread.

While our first mandate is to ensure economic sustainability through infrastructure investment and securing meaningful returns on shareholders' investments, we understand and accept our developmental role as a responsible corporate citizen in the countries within which we operate.

We achieve long-term sustainability in our operating countries through the following operational activities:

- Our payments to regional governments and regulatory bodies support infrastructure development and social services.
- We stimulate regional economies directly and indirectly by supporting local SMEs, generating opportunities for new entrepreneurs and utilising local suppliers.
- We employ local citizens wherever possible and ensure knowledge is transferred from expatriates in local operations to local employees.

In addition, we channel our CSI spend toward developmental priorities on the African continent, such as education, HIV/Aids awareness programmes, rural development and entrepreneurial training.

The challenge facing all mobile operators is balancing their investments in infrastructure with service tariffs charged to customers. Service tariffs are modelled on the need to recoup high capital investments, and to maintain high levels of network availability and customer service infrastructure. Against the backdrop of long-term social and economic sustainability in our operations, we aim for a balance of commercial success and accessible, affordable telephony.



social sustainability

Employees

The social and economic well-being of our employees is critical to the success, innovation and growth of our business, and we strive to provide a productive, equitable and safe working environment that attracts and retains quality employees.

Co-creating the future of MTN's organisational culture

Modern organisations can procure technical competencies and information systems. However, developing the inherent capacity to deliver the vision, values and goals of the organisation presents a bigger challenge. This requires a new style of leadership and a different kind of organisation.

The development of a new organisational culture was a key theme at the MTN "Organisational Culture and Values" seminar. At this session, members gained insight into the dynamics of MTN's corporate culture challenge. The recently introduced "Dynamics of Corporate Culture" (DCC) process allows the organisation to assess the way employees view the Group's organisational culture. One of the outcomes of the past year's DCC process has been the introduction of the Yello Leader Academy. The Academy serves as a "learning platform" for future organisational leaders. Each participant attends six coaching sessions, aimed at aligning behaviour to desired future culture.

Employment equity, diversity and non-discrimination

The Group is committed to employment equity and local skills development. The role of women in business is vital in the transformation of our economy. All the Group's operations are required to encourage the advancement of local and female managers. Moreover, the Group is committed to a programme of "localisation" throughout its non-South African operations.

Our commitment to employee equity, diversity and non-discrimination is demonstrated by the following:

- The Group's South African operation with its EE plan and targets, complies fully with the Employment Equity ("EE") Act of 1998.
- The MTN Group was ranked as one of the top 10 performing companies in the South African Women in Corporate Leadership Census 2004.
- MTN Group is the only company listed on the JSE Securities Exchange to have more than 25% of its directorships held by women.

*Best of the Best: M3 graduate
2004 Jackie Warner receives her
prestigious award from an
array of MTN SA executives:
Erich Roberts, Eunice Mopeli
lemrahn Hassen and
Phumlani Moholi.*



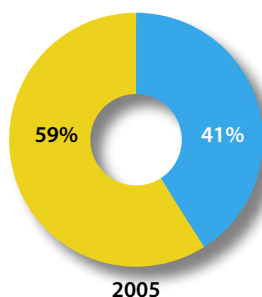
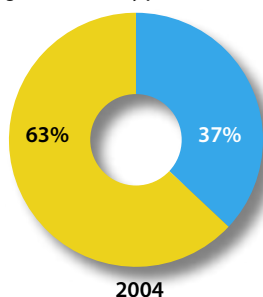


social sustainability *continued*

The tables below reflect MTN Group progress during the past year in meeting employment equity targets in South Africa:

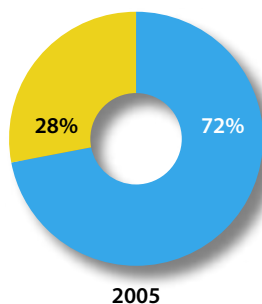
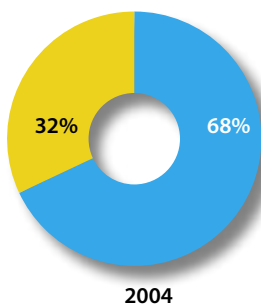
MTN Group (SA based entities)	Board members		Group executives		General managers		Management and consultants		General staff	
	2005	2004	2005	2004	2005	2004	2005	2004	2005	2004
Black (number)	5	6	10	9	20	16	136	106	1 481	1 315
Black % of total	42	46	58	53	51	43	40	35	71	68
Women (number)	3	3	7	4	19	8	196	77	597	852
Women (% of total)	25	23	41	24	48	22	59	25	28	44

Management diversity profile



■ Employment Equity ■ White

Operational diversity profile



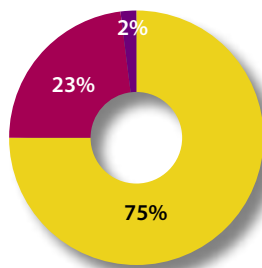


Code of Ethics and employee dialogue

The Group's Code of Ethics (see www.mtn.co.za) recognises the right of all employees to work in an environment that is free from any form of harassment or unlawful discrimination on the grounds of race, colour, gender, sexual orientation, place of origin, citizenship, creed, political persuasion, age, disability, marital or family status. Employees are urged to promptly report any case of actual or suspected discrimination or harassment to their designated manager.

The Group is committed to the principles of freedom of association and collective bargaining. To this end, we ensure that open and consistent dialogue with employees is maintained at all times. During the past year, there were no instances of strike action within our workforce.

Net employment creation



During the past year, 6 574 employees were employed by the Group.

The percentage of staff turnover during the past year was 0,39% for the MTN Group (2004: 7,6%). Our target for 2006 is between 3% and 5%.

- 75% Permanent full-time appointments
- 23% Temporary employees or contractors
- 2% Expatriates

Conditions of employment

The Group is committed to providing a working environment that attracts and retains quality employees. The Group believes strongly in a performance-based culture and seeks to identify, develop and reward employees who deliver superior performance. A standardised employee performance management system has been implemented in each operation and ensures consistent employee appraisals across the Group. Key components of the system are:

- Performance evaluations are carried out every six months.
- Annual salary increases are based on the results of these evaluations, which include specific provision for implementing Group culture and values, as well as achieving employment equity targets.
- Policies and procedures to inform and consult employees regarding restructuring are in place.

Amount spent on payroll

Year	Unit	MTN South Africa	MTN Nigeria	MTN Cameroon	MTN Uganda	MTN Rwanda	MTN Swaziland
2005	Rm	993	298	67	67	30	20
2004	Rm	764	241	51	56	23	21



social sustainability *continued*

Details of staff shareholder incentive scheme

The Group believes in providing a broad-based incentive scheme to benefit its employees. There is currently one share incentive scheme in place in the Group that applies to South African employees. In addition, long-term incentive schemes are being extended to all our operations.

Security

It is vital to the Group that our employees are safe and feel secure in their working environment. As such we have put the following measures in place:

- We have normal access control measures in place commensurate with the general practice in each operating environment.
- Security arrangements are informed by general practices in the respective operations.

Grievance procedures and disciplinary practices

MTN believes that all staff should be treated fairly and be entitled to a fair grievance process. Our disciplinary procedures include the following:

- The Group is unequivocally opposed to any form of bribery and corruption. This attitude is embedded throughout all of our operations. Clear guidelines exist on the issue of corruption and any breach is treated as a dismissible offence.
- Group policies relating to corruption are supported by thorough internal auditing procedures, as well as disclosure procedures for employees wanting to report gross misconduct activities.

Employee training and development

The Group recognises the strategic importance of employee training and development in contributing to MTN's growth strategy. Individual career development paths are identified and a succession planning process is reviewed quarterly.

During the past year, an average of 10% of payroll cost was spent on training by each operation.

MTN's contribution to employee training has been acknowledged by the relevant South African Sector Education and Training Authority (SETA). The Company is accredited by the Services SETA as a Workplace Training provider of Customer Services Training.

In addition, MTN South Africa has a seat on the Information Systems, Electronics and Telecommunications Technologies (ISETT) SETA.

The Group places a high value on leadership development, offering management development programmes aimed at developing the skills and knowledge of managers at different stages of their careers. A broad range of technological skills development courses is also provided to staff at various levels.



MTN Group provides a diverse range of training initiatives for staff at all levels, ranging from courses in customer care, technology know-how and defensive driving to training in fire-fighting procedures for selected staff.

The outcome of the Annual Leadership Conference

During the past year, the Group held its third Annual Leadership Conference. The conference theme was two-fold:

- Inspiring a commitment to customer service, and
- Becoming a leader in customer excellence.

There was renewed emphasis on the need for MTN to differentiate itself in an increasingly competitive and complex business environment by delivering the “best possible consumer experience”. This perspective was underpinned by the understanding that ongoing customer loyalty can only be achieved through consistent customer excellence.

Trade unions

Although none of the Group’s operations have formal agreements with any recognised trade union movements, we are committed to the principles of “freedom of association” and “collective bargaining”. We ensure, as far as possible, that consistent and open dialogue is maintained with all employees.

Health and safety

The MTN Group Health and Safety Policy (see www.mtn.co.za) as well as its associated management procedures reflect the Group’s commitment to the proactive integration of health and safety objectives at all levels of the organisation.

If we do not compete on excellence in service, the competition will. This central message from speakers at the third MTN Global Leadership Conference summarised the challenge for delegates and captured the collective purpose for bringing together 150 MTN leaders from across the continent. The theme for the conference indicated the need for MTN to differentiate itself in an increasingly competitive and complex business environment by delivering the best customer experience through inspiring customer commitment.





Social sustainability *continued*

Core to the implementation of the policy is the Group's structured Risk Control Management Process (RCMP), which has been introduced in all operations. The RCMP is based on ten key elements, each of which is supported by a set of procedures and standards contained in the MTN Health and Safety Management System – which is tailored to address regional-specific circumstances. The RCMP encompasses the following elements:

- Organisation and leadership;
- Emergency preparedness;
- Incident reporting and investigation;
- Document control;
- Training;
- Risk assessments; and
- The management of contractors.

In addition, MTN is presently in the process of moving towards OHSAS 18001, an international standard which can be integrated into the existing Quality and Environmental management systems. This will further facilitate the implementation of the Health and Safety System across the MTN Group.

Throughout the Group, the primary safety concerns for employees are road traffic accidents and incidents arising from working on towers during routine maintenance of base stations. Procedures are in place to ensure the provision and effective use of personal protective equipment, such as abseiling equipment, hard hats and safety boots.

In a number of our operations, the Group provides training courses on Health and Safety awareness and on defensive driving and, in some instances, it has also installed vehicle logging systems in company vehicles to promote improved driving and maintenance practices.

There were no fatalities in the year.

In today's world, HIV/Aids poses a major risk to the African continent. The rapid advance of the pandemic throughout Africa is possibly one of the most significant issues impacting on business in Africa. According to a report published by the United Nations in March 2005, more than 80 million Africans may die of Aids by 2025. In addition, with more than 25 million Africans already infected by HIV, the number of people infected could soar to 90 million, more than 10 percent of Africa's current population. UNAIDS estimates that nearly US\$200 billion is needed to save 16 million people from dying and 43 million people from becoming infected. HIV/Aids impacts our employees, customers and potential customers





Addressing HIV/Aids in the workplace

Recognising the potential effect of the disease, the Group will progressively extend its efforts to help prevent HIV/Aids in the workplace as well as in the broader communities in its countries of operation.

The Group has implemented a comprehensive HIV/Aids policy (see www.mtn.co.za.) in four of its operations: South Africa, Nigeria, Uganda and Rwanda.

The purpose of the HIV/Aids policy is to guide the Company and employees on the following:

- Developing a spirit of openness, support and cooperation within MTN with regards to the spread and prevention of HIV/Aids and other health and safety issues;
- Preventing new HIV infections amongst the workforce;
- Assisting employees who are infected or affected by HIV/Aids, as far as possible, to gain access to care and support;
- Eliminating unfair discrimination in the workplace based on HIV status;
- Creating a safe working environment for all employees and customers;
- Reducing and managing the impact of the pandemic on individuals and the Company as a whole; and
- Managing HIV/Aids-related issues within the workplace.

The Policy also aims to foster cooperation with other companies and with local HIV/Aids service organisations, while providing guidelines for optimal health care and counselling support for employees with HIV/Aids.

An HIV/Aids education programme will be developed and implemented across the Group.

This programme will include the following components:

- Education and training on the causes and treatment of the disease;
- Promotion of the use and provision of condoms;
- First aid and protective equipment for individuals giving care to people suffering from the disease;
- Prevention and treatment of STIs (sexually transmitted infections); and
- Voluntary HIV counselling and testing.

In addition, the Group promotes internal awareness programmes and preventative activities around HIV/Aids in each of its operations. These include:

- Informative posters and e-mails, educative industrial theatre, articles in staff magazines and the sending of SMSs to staff, particularly on HIV/Aids dedicated occasions such as World Aids Day;
- Assistance to employees who wish to have an HIV test by referring them to a suitable local healthcare service facility;
- Offering guidelines on support to fellow employees suffering from the disease;
- Condoms are freely available in the workplace in discreet, accessible places;
- Condom use is encouraged by means of ongoing innovative, sensitive promotion and educational campaigns.

The Group offers voluntary counselling and testing (VCT) to employees who suspect they have been exposed to, or have contracted, the virus. In addition, the Group promotes the prevention and care of other STIs. MTN is committed to eradicating discrimination against HIV/Aids sufferers in the workplace.



social sustainability *continued*

Communities, public interest groups and the media

Promoting entrepreneurial community activities

There is a demonstrable link between the current exponential growth of telecommunications and the rates of economic growth on the continent. With increased means of communication comes increased commercial opportunities and economic growth. In addition, the openness of an economy, GDP growth and infrastructure development attracts positive foreign inward investment. The result is rapid growth and the ability to "leapfrog" the communications divide.

African telecommunications differ from the global market in one important respect. In the "First World" cellular phones, e-mail and the Internet are supplementary methods of communication. In Africa, a lack of functioning alternatives means that the cellular phone has become the dominant means of communication.

During the past year, we have seen the power of mobile technology spawn many new and vibrant employment possibilities in our operation for example, the increase in MTN prepaid card sellers and mobile resellers in Nigeria.

In addition, our community payphone scheme in South Africa and the MTN VillagePhone concepts in Uganda and Rwanda have afforded telecommunication to people who could otherwise not afford personal handsets. Community payphones are found in inner cities, taxi and bus ranks.

The ITU (International Telecommunications Union) reports that community payphones can generate over three times the monthly revenue of a conventional handset user.

With little start-up capital required, entrepreneurs operating these mobile units can generate income providing support for small businesses throughout Africa. The operator can provide communication services in communities or wherever people congregate, such as sports matches, cultural gatherings or concerts.

Promoting responsible cellular phone usage

As cellphones increasingly permeate every aspect of our lives, the Group acknowledges its responsibility to promote the safe and socially considerate use of these devices. We have, therefore, embarked on various awareness-raising initiatives and advertising campaigns aimed at promoting appropriate mobile phone etiquette. These campaigns include, for instance, the promotion of the use of hands-free kits whilst driving. We also recognise that there are many instances, for example, in hospitals, cinemas, theatres, business meetings and at weddings and funerals, when mobile phones should either be turned off or used in silent mode.

In South Africa, we are a founding member of SACTA (South African Cellular Telecommunications Association), an independent non-profit association that represents the cellular communications equipment manufacturers and network operators in the country. Through SACTA, we participate in providing current and responsible information on mobile telecommunication health and safety issues to both public and government bodies. We do this by proactively contributing public information to the SACTA website (www.sacta.co.za) and by distributing information brochures at points-of-sale.



MTN Foundation: Spending and focus

Now in its fourth year, the MTN Foundation has continued to make significant strides in promoting socio-economic development in the countries in which the MTN Group operates. The mission of the MTN Foundation is to "improve the quality of life in the communities in which MTN operates, through the establishment of caring partnerships".

In line with our strategic objective to uplift communities, the Group has expanded its Corporate Social Investment (CSI) programme throughout all its operations and good progress has been achieved in establishing an MTN Foundation in each operation.

Social investments are made in accordance with the Foundation's investment guiding principles:

- National priorities, that is, projects that support government objectives, such as improving education or connectivity;
- Flagship projects, that is, sustainable projects with a multi-year lifespan, such as the School Connectivity Project in South Africa;
- Creating caring partnerships; and
- External monitoring and impact assessment of projects.

Corporate Social Investment impact assessment

As part of its commitment to sustainable partnerships, the Group has appointed an independent team to assess the effectiveness of its social investment programmes.

The review is undertaken on an annual basis and each programme is measured according to its impact, sustainability and cost effectiveness. These impact assessment scores form part of the Foundation's key performance indicators. Further information on the MTN Foundation is available from www.mtn.co.za.

The MTN SA ScienCentre delivered a winning programme during the 2005 National Science Week. This year's event was celebrated under the theme "Tomorrow's Science and Technology is in our Youth's Hands." Among the various exhibits the latest in educational software was also on offer.





social sustainability *continued*



Examples of the type of hand-held devices that can be used for VoIP applications

SUSTAINABILITY ISSUES FACING MTN

Health and safety aspects related to cellphone use

The health and safety of the public, and to MTN customers, employees and contractors, remains extremely important to us. As such, we take seriously our commitment to ensuring that radio-frequency (RF) exposures generated by our infrastructure and services comply strictly with the international and national safety guidelines. We also continually monitor and support RF research, take guidance from the leading health agencies and conduct extensive work in providing factual, responsible information to our customers and the public.

While it remains each government's responsibility to decide what measures are necessary to protect public health, MTN undertakes to act in accordance with stipulated local and international guidelines and to engage in sufficient public consultation to ensure we safeguard public interest in this regard as far as possible.

Managing our base station emissions

In the location and operation of our base stations, MTN ensures full compliance with the radio wave exposure standard by the International Commission for Non-Ionising Radiation Protection (ICNIRP). This standard was endorsed by the South African Department of Health, the European Commission, the UK Government and continues to be supported by the World Health Organisation.

Guidance by leading health agencies

With regard to the health and safety aspects of radio waves from mobile equipment, MTN continues to be guided by the expert advice of international health authorities such as the World Health Organisation (WHO), as well as from the South African Department of Health. These organisations have reiterated – on the basis of extensive relevant research and the findings of independent scientific review panels – that there is no substantiated evidence of health effects from the low levels of radio waves generated by mobile base stations that comply with national and international safety guidelines.



environmental sustainability

Environmental policy, programme and management systems

The Group has approved an environmental policy (see www.mtn.co.za) and successfully implemented a generic Environment Management System (EMS) across all of its operations during the past year. Each operation's EMS is tailored to address local and region-specific issues and legal compliance.

The Group provides appropriate guidance, instruction and training throughout its operations to ensure all employees understand the EMS and are aware of their roles and responsibilities in conforming to its requirements.

The Group has continued to develop management structures at senior levels in the organisation to assign formal responsibility for environmental performance, as well as health and safety performance, in each of its operations. We are pleased to report that four operations currently have dedicated environmental managers. In addition, we have appointed a Group level representative to ensure responsibility and accountability for environmental, health and safety issues throughout the Group.

Energy, waste and materials use

The Group continually explores options for improving the ecological and economic efficiency of its energy usage. In the coming year, we will start to monitor our energy consumption more closely, particularly in South Africa as this is our biggest operation in terms of office space.

Our energy use is mainly associated with:

- The servicing of office buildings;
- The supply of power to switches and base station sites – including associated air-conditioning to base stations; and
- The use of diesel and petrol in network vehicles, base station site generators and switch standby generators.

Water use within the Group is minimal and limited primarily to:

- Consumption at corporate offices; and
- Minor applications within the network operations, such as cleaning vehicles at warehouse sites.

The Group is conscious of the need to ensure effective management of any hazardous materials and has procedures in place to monitor and regulate the use of certain materials such as ozone-depleting substances, asbestos, lead-based paints and batteries containing heavy metals.

Compliance

There were no prosecutions brought against or fines paid by the Group in the previous year pertaining to the contravention of any environmental laws.

Waste

The recycling of cellphone batteries, printer cartridges, batteries for switches, electronic equipment, toner cartridges and paper is standard practice across the Group's operations, subject to the availability of appropriate recycling facilities.

Waste generated by our network activities, is effectively managed. This includes packing materials, soil and rubble associated with construction activities, as well as small volumes of waste oil and used filters arising from servicing generators. The Group will continue to monitor waste management carefully in the coming year.



environmental sustainability *continued*

The Group is committed to working in close co-operation with suppliers and contractors to enhance common environmental objectives. This is achieved contractually by:

- Including standard supplier clauses in agreements entered into with suppliers, including site build contractors, cellphones manufacturers and all generator maintenance suppliers, detailing requirements for responsible environmental conduct; and
- Holding contractors for base station sites accountable for, (a) servicing generators every 200 hours; and (b) disposing of waste oil and filters in accordance with agreed terms.

Emissions

The Group's activities result in limited emissions to air or water:

- Air-conditioning units follow the international industry standard. In South Africa, these units are checked against requirements for phasing out ozone-depleting substances. We have a policy in place to monitor the withdrawal of disused air-conditioning units.
- Fuel consumption management and related emissions from our company fleet have not been identified as critical emission issues.
- The greatest potential for water contamination arises from spillage and leaks from fuel storage tanks. To ensure this does not happen, an enclosure is built around the base of all our fuel storage tanks.

Product stewardship

The Group actively promotes the responsible use, recycling and disposal of cellphone components that could be hazardous to the environment or community health. These components include recharge cards and cellphone batteries. Our main commitments to responsible product stewardship encompass the following:

- Biodegradable recharge cards were introduced throughout the MTN Group's operations during the previous year. This is a major development in minimising the Group's environmental impact, considering that a minimum of 20 million recharge cards are sold every month across the Group's operations.
- During the past year, the ability to purchase virtual recharge airtime reduced the burden of physical material use.
- Cellphone batteries contain a range of potentially hazardous substances, such as nickel cadmium, lithium-ion, nickel metal hydride and lead acids. Fortunately, most of these batteries are 100% recyclable. MTN South Africa has joined forces with cellphone manufacturers to promote the collection and recycling of used batteries.
- Approximately 3,2 tons (2004: 2 tons) of cellphone components and 0,5 tons (2004: 0,5 tons) of cellphone batteries were collected by MTN South Africa for recycling during the past year.
- We receive certificates from recycling companies confirming that components as above have been recycled in line with relevant standards.
- The Group follows international developments on environmentally sound management of end-of-life equipment. We are aware that we need to improve our awareness campaigns amongst consumers regarding the need to return batteries and handsets for recycling.

In light of the growing emphasis internationally on enhanced producer responsibility, and in accordance with our commitment to responsible corporate citizenship, we will increase our focus on responsible product stewardship in the coming year.



environmental sustainability

Base stations and electromagnetic fields or non-ionising radiation

The Group is aware of customer and community concerns regarding the siting and possible Safety and Health effects of base stations and masts. In light of this concern, we address the issue in a detailed article titled "Mast Positioning" on the next page.

MTN has documented all aspects of electromagnetic fields and possible safety and health effects and this information is available online to all staff. This information is also made available to interested parties as required.

In addition, in response to queries and concerns, MTN visits sites regularly and performs tests, ensuring compliance with international guidelines and, when required, issues compliance certificates.

Base Station Site Builds

There are a number of Group procedures relating to base station sites and their impact on the environment. These procedures prescribe the necessary actions to be taken both prior to and following the erection of masts. These actions include:

- Identifying the need for the new site and specifying possible alternative locations;
- Evaluating and addressing the visual impact of the proposed mast or other structure;
- Ensuring that all necessary approvals are obtained and that environmental impact assessments have been undertaken where required;
- Consulting with relevant stakeholders as and when required;
- Managing and monitoring the activities of contractors and suppliers during and at the end of construction. This involves a standard contractual clause that covers such items as the disposal of rubble, protection of fauna and flora and the use of a portable toilet on site. Rehabilitation of the site is monitored by taking photographs of the area at various stages of construction to ensure the site is returned to its original condition;
- Obtaining certification of compliance for base station sites, without which contractors will not be paid;
- Ensuring that, every four months, each base station is visited to clean the immediate area. Once a year, full maintenance of base stations is undertaken. We intend to extend the scope of these visits to include "operational risk assessments". This would include checking health and safety issues at the base station as well as physical security. Currently this is done on a sample basis as part of a separate visit.

MTN endeavours to improve the process of building mobile networks, providing more information to public and local authorities and increasing the role of the public in the siting of radio base stations.





environmental sustainability *continued*

SUSTAINABILITY ISSUES FACING MTN

Mast positioning

The issue of mast positioning affects all cellular operators. As an accountable corporate citizen, we develop our infrastructure responsibly and we ensure, as far as possible, that interested and affected parties are informed in advance of the deployment of infrastructure. Our policy on mast siting includes a public participation consent procedure. This procedure mandates our operations advertise in local newspapers for 21 days prior to the erection of a mast. During this time, the public has an opportunity to object. If we receive objections to the proposed siting of a base station, we respond to the objectors and when necessary, host a meeting with the complainants to hear their case or forward the objections to the Department of Environment and Tourism which then makes a decision on the way forward.

Cellular operators often receive objections to the siting of masts. The majority of these are for infrastructure already installed in the early days of the industry, even though the procedure set was followed.

Local community concerns typically fall into three broad categories: radio wave interference, safety and health concerns and the site's visual impact.

Concerns regarding radio wave interference are addressed in writing. It is reiterated that MTN complies strictly with the spectrum allocation issued by the Regulatory Authority. The spectrum assigned is exclusive to MTN and any interference which may occur in other radio equipment situated near a base station, is typically as a result of the other equipment which is either faulty or illegally uses MTN's spectrum.

For every site we work to minimise any aesthetic impact which a base station mast may have on the environment. Authorisation and environmental screening processes which may be required by environmental authorities are complied with. Furthermore, in planning each base station, all alternative siting positions are investigated and any environmental impacts reasonably mitigated.

MTN collates and provides factual information to the public on radio wave health and safety aspects. Further, through active participation in the South African Cellular Telecommunication Association (SACTA), MTN continues to provide factual, current and responsible information on mobile telecommunication health and safety issues. The information distributed through brochures and the SACTA website at www.sacta.co.za further provides updated independent sources for people to obtain further detailed information.

As a Group we respond to each concern pertaining to the health and safety aspects of our base station equipment and services and factual information is furnished to demonstrate that our activities comply strictly with international and national safety guidelines.



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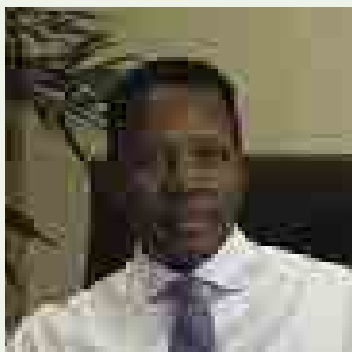
MTN Group is at the forefront of the fastest growing region for mobile communications and one of the most fertile grounds for ICT investment in the world.





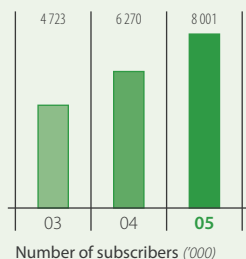
our Africa operations

South Africa



*MTN South Africa
Managing Director: M Manyatshe*

"Our mission is to be a leader in the market by offering innovative, customer-oriented services that offer value for money and, in turn, results in fierce loyalty from our subscribers. We also aspire to be a leading black empowerment organisation."



Performance highlights market and operational information

	2005	2004
Revenue (Rm)	17 673	15 098
EBITDA (Rm)	6 002	4 514
PAT (Rm)	3 386	2 245
Mobile Market share (%)	38,5	38
Mobile penetration (%)	44	36
Number of subscribers (000s)	8 001	6 270
Blended ARPU (R)	184	203
Amount spent with BEE suppliers (Rm)	936	647
Prepaid/postpaid mix (%)	83/17	81/19

- Launch date June 1994
- MTN Group shareholding – 100%
- MTN South Africa is the country's second-largest cellular network operator.

Market information

The Company's GSM network has 4 539 base stations providing access to an estimated 96% of South Africa's population. We have geographic coverage of 75% of the country and have 10 534 community phones in place.

Corporate governance

MTN South Africa fully endorses the King Code on Corporate Governance in South Africa (King II), and affirms the Company's commitment to comply in all material respects with the principles contained in King II. This commitment is reflected in the Group's practices relating to transparent reporting on its financial and sustainability performance, as well as in its management structures and procedures. This commitment is facilitated by the board of directors.

MTN's corporate governance structures in South Africa can be outlined as follows:

- The Company has two executive directors and nine non-executive directors.



our Africa operations *continued*

South Africa

- Sustainability issues are dealt with at Group Board meetings as and when required.
- Sustainability issues are also embedded in the Group Code of Ethics and other relevant policies encompassing the broad outlines of sustainable development.
- Significant risk and legal issues are also dealt with at Board and committee level, although various departments, such as the Legal and Regulatory division and the Commercial Legal division, typically oversee these functions.
- The Company has a number of policies in place to help further embed the principles of good governance within the Company. These are as follows:
 - Group Code of Ethics;
 - Group Conflict of Interest Policy;
 - Group Gift Policy; and
 - A number of Group HR policies addressing issues such as employment equity, leave, benefits and recruitment.

Training and investment

MTN South Africa has various initiatives in place relating to environmentally and socially responsible management practices. The Company has forged strong partnerships with government to promote sustainable development.

MTN South Africa invested R1 749 million in capital expansion in the past year.

During the reporting period, the MTN Foundation invested a total of R21 million in various social development initiatives.

Within South Africa, the Foundation focuses its efforts on five key portfolios, with sub-projects in each portfolio:

- Education
- HIV/Aids
- Science and technology
- Arts and culture
- Rural women's entrepreneurial development

The amount spent per portfolio in South Africa in the past year was as follows:

Portfolio	Amount spent (Rm)
Education and schools connectivity	10,2
HIV/Aids	1,48
Science and technology	6,02
Arts and culture	1,2
Special projects	2,34

The women's entrepreneurial development project will be launched in 2005/6. Each portfolio is described in more detail below, together with success highlights from the past year:

Education

The Foundation aims to improve the quality of education in underprivileged schools by giving learners access to ICT services through the MTN network. R21 million was allocated over a three-year period to establish 110 multimedia centres.



The 110 centres are used by an estimated 67 000 learners at their own schools, and by approximately 100 000 additional learners in neighbouring schools. Each school is provided with 10 computers, a server, a multifunction printer (scanner and photocopier), a television set, a video recorder and a GPRS modem that uses the MTN network to access the Internet. In addition, each school receives a satellite dish and decoder for 24 hour access to learning channels. Particularly noteworthy is the educational partnership with the US Embassy which has resulted in the "twinning" of an MTN-supported school with a US School.

The Foundation's partnership with the Community and Individual Development Association (CIDA) City Campus emphasises MTN's commitment to community upliftment and the Group's focus on the promotion of quality education among previously disadvantaged learners in South Africa. MTN donates R2,5 million per annum to CIDA. This partnership is structured over a four-year period.

The tertiary institution offers tuition in the financial, information technology (IT) and education sectors. Students at CIDA work on a temporary/casual basis, which allows them the opportunity to earn as they learn. MTN will further assist learners by providing temporary employment in organisational departments, such as the MTN call centre.

HIV/Aids

The Foundation has embarked on a media project in partnership with the South African Broadcasting Corporation (SABC) to educate and sensitise the general public to the challenges posed by HIV and Aids. During the past year, the 26-episode series reached a viewership of 11,5 million. In addition, the Foundation supported the 'Sports Heroes Walk Against HIV/Aids' that generates funding for five care centres that take care of HIV/Aids orphans and children infected with HIV/Aids.

Arts, Culture and Heritage

The Foundation aims to contribute towards the preservation of the country's rich cultural and artistic heritage. In 1998, MTN took a decision that its art collection, comprising over 1 000 works

"...would not just decorate the corporate offices but would be used as a core tool in outreach and sustainable social development programmes".

The Resistance, Reconciliation and Reconstruction exhibition not only celebrated significant milestones for South Africa and MTN but demonstrates MTN's ongoing commitment to the preservation of arts, culture and heritage.





our Africa operations *continued*

South Africa

To support this goal, the MTN Foundation undertakes various cultural initiatives. These include the facilitation of exhibitions, rural outreach programmes, training and support for teachers and the publishing of art resource material and educational supplements.

During the past year, we achieved the following successes:

- Two new art exhibitions were held, (1) the acclaimed "Rorke's Drift: Empowering Prints 2003-4", and (2) a national touring exhibition titled "Resistance, Reconciliation and Reconstruction", which celebrated South Africa's decade of democracy and MTN's own decade in business.
- Three educational art publications were distributed to schools.
- The Foundation continued with its support for the Young Curators' Programme, the School Art Awards, the Artist-in-Residence Award and the New Contemporaries Award.

Science and technology

The Foundation aims to promote innovation in the areas of mathematics and science through its science and technology centres and achieved much success during the past year. This included:

- A joint venture between MTN, Old Mutual and the Shuttleworth Foundation to popularise science education.
- Launch of the 'Great Inventions Exhibitions' in partnership with the Shuttleworth Foundation.
- Launch of the 'Great South African Exhibitions' in partnership with the Department of Science and Technology.
- Two science and technology centres have been established in KZN and the Western Cape, with a cumulative reach of 250 000 learners. The Foundation aims to establish centres in two additional provinces in the coming year.

Women's Entrepreneurial Development Programme

The women's entrepreneurial development programme commenced in April 2005. It is specifically aimed at encouraging rural entrepreneurship. The Foundation aims to establish 16 business centres throughout the country aimed at empowering 500 women entrepreneurs through business training programmes.

Government and regulators

A regulatory highlight during the review period was the announcement by the Minister of Communications, liberalising self-provisioning of facilities, resale of capacity and Voice over Internet Protocol, effective from February 2005. This development could open doors to new revenue streams. Third Generation (3G) technology, was launched on 27 June 2005 and further network capacity will be rolled out during the remainder of the calendar year.

The Convergence Bill was tabled in Parliament in February 2005. Hearings on the Bill have been held. The Bill, as tabled, in Parliament envisages the following:

- Greater liberalisation;
- No new licences for infrastructure provisioning; and
- Extended rights for existing licences.

The Telecommunications Act promulgated a directive from ICASA to introduce number portability in 2005. In response, ICASA has initiated an industry-wide consultative process to (a) develop number portability regulations; and (b) structure functional specifications for number portability for mobile operators.



ICASA has finalised the regulations and completed functional specifications which have since been submitted to the Minister for her consideration and approval.

In consultation with the industry, ICASA issued the following obligations pertaining to operators for the 1800 and 3G spectrum;

- Distribution of 2,5 million SIM card connection packages over five years as from 2005;
- Provision of 125 000 mobile telephones over five years as from 2005;
- Provision of Internet access and terminal equipment (10 per institution) to 140 institutions for people with disabilities over a three year period as from 2005;
- Provision of Internet access to 5 000 public schools over eight years commencing in 2005.

MTN is in ongoing discussion with ICASA, other mobile operators and the Department of Communications to facilitate the effective implementation of these obligations.

Value added

In line with the Government's objective to achieve broader universal access, ICASA licensed a number of Underserved Areas Licensees (USALs). On 23 February, MTN South Africa and Thinta Thinta Telecoms (T3), signed a historic roaming agreement which allows T3 to use the MTN network to provide telecommunications services in the Ugu Region on the KwaZulu-Natal South Coast and inland areas.

MTN South Africa is also a member of the Proudly South African Campaign.

Learners at Mphaphuli High School in Makwarela Location, Sibasa, South Africa are the beneficiaries of a state-of-the-art multimedia centre equipped with communication equipment and a GPRS modem that uses the MTN network to provide faster access to the Internet.





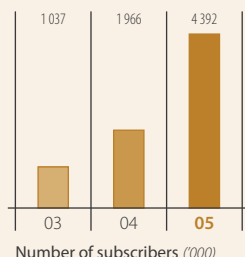
our Africa operations

Nigeria



*MTN Nigeria
Chief Executive Officer: S Dabengwa*

“The challenge we have set for ourselves is to ensure that an increased number of the Nigerian people will have access to communication services. We aim to increase geographic and population coverage in the year ahead. Of course we can only do this if we continue to invest significantly in infrastructure.”



Performance highlights market and operational information

	2005	2004
Revenue (Rm)	9 310	6 973
EBITDA (Rm)	4 883	3 557
PAT (Rm)*	3 058	2 366
Mobile Market share (%)	47	48
Mobile penetration (%)	7,02	3,1
Number of subscribers (000s)	4 392	1 966
ARPU (US\$)	40	51
Prepaid/postpaid mix (%)	98/2	97/3

*Excluding deferred tax asset

- Launch date August 2001
- MTN Group shareholding – 75%
- MTN Nigeria has consistently surpassed initial growth forecasts in a market where demand significantly exceeds supply.

Market information

The Nigeria network has expanded to cover 82 cities and well over 2 000 communities. Since its launch in 2001, the Company's subscriber base has escalated rapidly. With 46,8% of the country's mobile telecommunications market share, MTN has doubled the number of base stations during the current year to 1 662.

Corporate governance

MTN Nigeria is committed to implementing effective corporate governance practices. The board consists of 16 members, 14 of whom are non-executives. It is supported in its activities by:

- Audit and Conflicts Committee;
- Management Committee;



- Composition, Remuneration and Human Resources Committee;
- Property Committee;

Policies, procedures and compliance mechanisms are in place to address governance, ethics, conflicts and fraud concerns.

Training and investment

The Company invested over US\$880 million in capital investment in 2005 and will continue to invest heavily in its infrastructure. It will endeavour to be a catalyst for growth and development, both through the provision of quality communications as well as through innovative and effective social responsibility initiatives.

MTN Nigeria's contribution to economic development in Nigeria should be seen in the context of the significant benefits that the company's activities have brought to the country in terms of direct and indirect job creation, increased government revenue and enhanced opportunities for large and small businesses.

MTN Nigeria currently employs 1 844 employees of which 1 758 are permanent and 86 are expatriates.

The Company's capital infrastructure has significantly improved Nigeria's prospects as an investment market, encouraging much needed foreign direct investment that serves to stimulate the local economy.

A nationwide network of dealerships has been established, including a number of banks, "primary" dealers and thousands of "sub" dealers. MTN Nigeria's procurement practice follows on the Group's affirmative procurement model. Efforts are focused on increasing procurement from local Nigerian suppliers and reducing imported products and services.

MTN Nigeria has appointed a procurement officer to oversee the development of an effective local supply chain and to encourage suppliers to engage in CSI activities.

The MTN Nigeria Foundation was incorporated in July 2004 and formally launched in May 2005. With a mission to improve the quality of life in communities all over Nigeria, Foundation invests in three key areas, Education, Health and economic empowerment.

Government and regulators

The Nigerian regulatory environment has remained stable during the reporting period and, during this time, MTN achieved 100% compliance with licence conditions.

The current dispute with the Nigerian Communications Commission (NCC) in respect of introduction of the reduced fixed/mobile and mobile/fixed interconnect rates is still pending.

In 2002, the Nigerian Investment Promotion Commission (NIPC) granted MTN Nigeria a five year tax holiday in terms of its pioneer status, with effect from 1 April 2002. The NIPC has indicated its intention to review the pioneer status. The directors are confident that the company will ultimately be able to continue enjoying the benefits of the pioneer status as originally granted.



our Africa operations *continued*

Nigeria

Value added

MTN Nigeria was named the "Brand of the Year" for the second consecutive year at *THIS DAY* newspaper's Annual Awards for Excellence. The award was based on cumulative votes from *THIS DAY*'s board of editors and readers across the country.

The company has also launched MTN Virtual Top Up (VTU). This innovative product enables MTN subscribers to load credit on their phones without the use of physical recharge cards. This has also benefited the relationship between MTN and its suppliers in the region as the new product is secure and has reduced the cost of transporting stocks of physical recharge cards. The VTU system is protected from unauthorised airtime transfer by authenticators, thereby minimising the risks associated with the physical distribution of airtime recharge cards.

The MTN Foundation (Nigeria) made a spectacular debut through its formal launch event on 11 May 2005.

The launch event was an authentic display of the deep commitment that the Foundation already has towards improving the quality of lives of Nigerians. Pictured alongside is MTN Group CEO Phuthuma Nhleko exchanging greetings with MTN Nigeria non-executive director Colonel (Ret) Sani Bello at the opening.





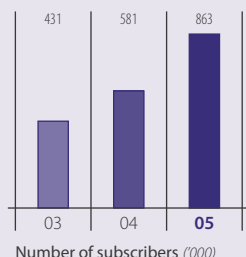
our Africa operations Cameroon



MTN Cameroon
Chief Executive Officer: Campbell Utton*

**Took over from Ron Allard in May 2005*

"MTN Cameroon continues to grow in stature both as a successful business exceeding financial forecasts and as a valued contributor to the socio-economic development of the country. Let us celebrate all that we have achieved in the past year without losing sight of future challenges."



Performance highlights market and operational information

	2005	2004
Revenue (Rm)	1 218	1 069
EBITDA (Rm)	520	450
PAT (Rm)	206	219
Mobile Market share (%)	54	52
Mobile penetration (%)	9,7	6,7
Number of subscribers (000s)	863	581
Blended ARPU (US\$)	23	24
Prepaid/postpaid mix (%)	98/2	98/2

- Launch date: February 2000
- MTN Group shareholding: 70%
- Estimated to be one of the largest companies in the country, MTN Cameroon is keen to leverage its position of influence to raise the level of social consciousness among other companies in the region.

Market information

There are now 275 operational base-station sites (2004: 219) spread across the country's 10 provinces. Moreover, we have 73% population coverage. With a subscriber base size in excess of 800 000, MTN represents 54% of Cameroon's mobile telecommunication market. This market leadership position creates significant opportunities for direct and indirect job creation, as well as generating public and private investment revenues to meet public objectives. The lower profit after tax in 2005 was due to the Company enjoying higher levels of tax investment concessions in 2004 than in 2005.

Corporate governance

The board of MTN Cameroon consists of six permanent members:

- Two members from Cameroon; and
- Four members from MTN Group.



our Africa operations *continued*

Cameroon

The board is supported in its activities by the Human Resources Committee and the Audit Committee. Corporate governance practices are guided by the South African King II report.

The operation has an agreed Code of Conduct, and maintains a strong policy of "zero-tolerance" for corruption, which is a dismissible offence.

Training and investment

MTN Cameroon considers training of its employees to be an investment in future growth and ongoing innovation. That said, we facilitated 72 training programmes in the past year. Training courses were attended by 377 employees with the average training time per employee totalling 46 hours. In total we spent R6,4 million on employee training.

MTN Cameroon's positive impact on the development of the national telecommunications infrastructure is increasingly felt as the network expands into more remote rural areas. The operation has significantly exceeded its licence obligations in this respect.

We are progressing well in achieving our operational objective in terms of our Corporate Social Investment (CSI) developmental target areas. Our achievements and future plans in each area are detailed below:

- In terms of education, science and technology, we have established the School Connectivity programme in the region. This programme establishes multimedia centres (with computers and free Internet access) in schools around the country.
- In terms of health and safety, we have continued to run training programmes for medical staff in charge of HIV/Aids patients around the country. Going forward, we will manage various sensitisation campaigns and conclude a partnership with the national medical council to help guard against other diseases.
- In terms of arts and culture, we are in the planning phase of launching a training programme to promote national arts and culture initiatives for the youth.
- In terms of environmental initiatives, we have signed a partnership with the World Wildlife Fund (WWF) in Cameroon to manage a significant reforestation programme in the northern part of the country. The minister of environment has agreed to be personally involved in supporting the project. The partnership with the WWF is set for three years.
- In terms of community development, we are preparing a convention with the United Nations Children's Fund (UNICEF) to promote the rights of children and also to create water adduction projects for rural communities. In addition, we will launch a national training programme for first aid workers in partnership with the Red Cross.

MTN Cameroon invests over 1% of PAT in corporate social investment. A total of R3,1 million was committed to CSI projects during the reporting period. Regular monitoring of the delivery of objectives against set targets is undertaken. In addition, internal audit procedures are in place to ensure that all corporate social investments are effectively applied to the specific causes to which they were allocated.

The quality and reliability of MTN Cameroon's network is improving and the company has consolidated its market leadership in a highly competitive environment. Committed to being a major player in the national economy of Cameroon, the company endeavours to facilitate and promote ease of access to communications



and stimulate entrepreneurship in a safe and supportive environment. Local suppliers are involved wherever possible and the company relies on a number of external advisory firms for strategic services. MTN spent R551 million in 2005 with local suppliers.

Government and regulators

A new telecoms Act is currently being drafted and a provisional Concession Agreement has been concluded with CAMTEL.

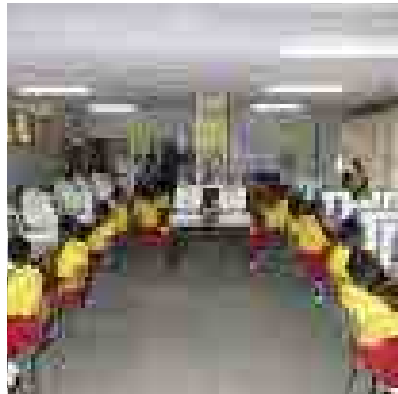
Value added

MTN Cameroon presented its new product, "Cameroon Per Second Billing" (PSB) during the past year. This product represents MTN's brand objectives, such as improved customer loyalty, more integration, increasing customer confidence, enhanced innovation and an increase in consumer interest around the brand. Experience gained from MTN South Africa's Talent Care programme will assist in the introduction of a similar programme in MTN Cameroon.

In a ceremony aimed at celebrating the best companies in Cameroon, MTN Cameroon won four awards:

- Best Telecommunications Company Award;
- Best Product Innovation Award;
- Best Sport Sponsorship Award; and
- Top 10 CEO Award.

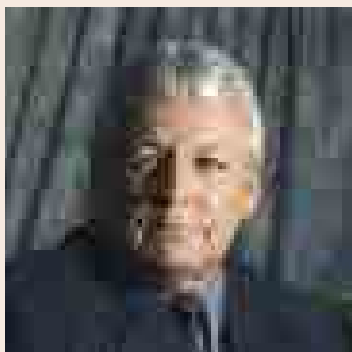
MTN Cameroon launched its Schools Connectivity Programme in May 2005, introducing a new dimension in its commitment to sustainable educational development. The multimedia centre is equipped with 20 networked computers linked to a server, as well as a permanent connection to the internet.





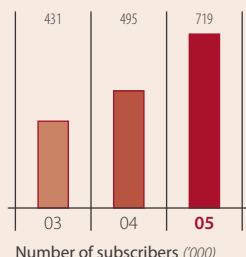
our Africa operations

Uganda



MTN Uganda
Chief Executive Officer: Noel Meier

"In a country that had one of the lowest tele-densities in Africa, MTN has consistently played a leading role in stimulating a liberalised telecoms sector. The result is that tele-density has more than quadrupled since our arrival in Uganda. Through our extensive network coverage and quality services, we continue to touch the lives of millions of Ugandans, directly and indirectly."



Performance highlights market and operational information

	2005	2004
Revenue (Rm)	999	917
EBITDA (Rm)	507	453
PAT (Rm)	226	199
Mobile Market share (%)	66	66
Mobile penetration (%)	4,2	2,9
Number of mobile subscribers ('000s)	719	495
Blended ARPU (US\$)	19	22
Prepaid/ postpaid mix (%)	98/2	98/2

- Launch date: October 1998
- MTN Group shareholding: 52%

Market information

To date, MTN Uganda has covered over 150 towns country-wide with over 300 sites stretching from border-to-border.

Corporate governance

MTN Uganda is committed to implementing effective corporate governance and risk management practices in line with the recommendations of King II (South Africa). The company's corporate governance structure and activities can be outlined as follows:

- There are seven board members, all of whom are non-executive.
- There are two committees:
 - Audit Committee; and
 - Human Resource Committee.
- The company has taken an aggressive stance against all forms of fraud and corruption. MTN Uganda has a Zero Tolerance Policy and a Code of Conduct-Disciplinary Procedure. The latter is essential for the efficient running of the company's business, the safety and fair treatment of its employees as well as



sound industrial relations. The code aims to ensure that employees are aware of the disciplinary rules governing their employment and it accordingly describes the action which may be taken by the company should an employee commit an offence.

- Tight policies and procedures to prevent corruption are enforced internally, including a confidential fraud line. MTN anti-fraud posters are disseminated to dealers and displayed in MTN offices and centres.
- MTN Uganda has the following specific policies in place:
 - Code of Conduct Disciplinary Procedure;
 - Conflict of Interest Policy;
 - Training and Development Policy; and
 - Operational Health and Safety Policy.
- MTN Uganda is committed to developing a culture of “risk awareness” within the operation. An integrated risk management framework is in place. The framework covers all aspects of the company’s operations as well as sustainability issues, and is strictly monitored. Reporting structures with clearly defined lines of responsibility are in place to ensure effective management.
- A long-term employee share incentive scheme is being developed.

Training and investment

MTN Uganda considers the training of its staff to be an investment in the company’s growth and the country at large. The company provides a diverse range of training initiatives for staff at all levels, including courses in customer care, technology know-how, defensive driving and, for selected staff, training in fire-fighting procedures. There is a specific focus on developing IT and middle management skills to make provision for fast company growth and succession planning.

The total training time for employees across the different levels of the company amounted to 32 200 hours for the past year:

- Senior management – 520 hours;
- Middle management – 3 366 hours; and
- Operational management – 28 320 hours.

The company strives to enhance its positive impact on the country’s economic and social development. It drives comprehensive projects to bring communication within the reach of the majority of rural communities, while supporting and stimulating entrepreneurship and job creation. MTN Uganda’s commitment to investing in the country in the long term is demonstrated by the nature of its ongoing investments in the region. The initial capital investment of US\$40 million has increased to a cumulative total of approximately US\$214 million as the company continues to expand coverage throughout the region and to focus efforts on lowering the financial and geographic barriers to telecommunications access.

The MTN VillagePhone project launched in partnership with the Grameen Foundation USA in 2004 has rapidly increased tele-density in rural areas, offering connectivity to poorer communities. Innovative phone bureaux are installed in areas where electricity is unavailable. These set-ups rely on power from a car battery or solar panels, connected to the network with a booster antenna. The phones are purchased and operated by entrepreneurs who rely on loans from micro-finance institutions. MTN offers basic connectivity at special rates and provides a business model for owners as a guide to operating a business. The five-year target is to install 5 000 phones.



our Africa operations *continued*

Uganda

Government and regulators

The Uganda Communications Commission (UCC) has indicated satisfaction with MTN Uganda's fulfilment of the minimum requirements under the Second National Operator (SNO) Licence. The minimum requirements had to be met within five years of commencement of operations. In most cases MTN Uganda managed to meet these requirements within the first three years of operation.

A major new development is the proposed "post-exclusivity" telecommunications policy, which is likely to see new objectives for increasing the penetration of telephony services, as well as the potential further liberalisation of the telecommunications market.

Value added

MTN Uganda has developed a four-tier tariff plan for mobile customers on its prepaid platform: "YelloMax", "PayGo Standard", "YelloGo and YelloPer Second". All three plans allow customers to select the package that suits their profile. In addition, customers can enjoy special weekend and SMS tariffs.

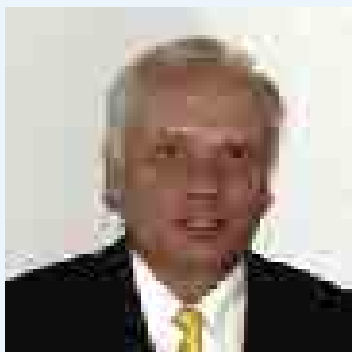
*Members of the media working
in the press village were
provided with full-time Internet
access by MTN at the Economic
Commission for Africa/African
Development Bank Conference
in May 2004.*





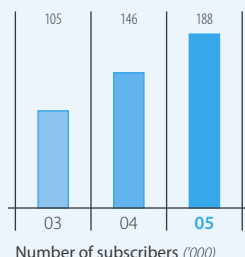
our Africa operations

Rwanda



MTN Rwanda
Chief Executive Officer: Per Eriksson

“Since our launch, cellular communication has become an indispensable tool in the daily lives of many Rwandans and MTN has evolved to become the leading telecommunications company in Rwanda. We have enjoyed good growth in our customer base.



Performance highlights market and operational information

	2005	2004
Revenue (Rm)	250	242
EBITDA (Rm)	120	108
PAT (Rm)	56	51
Market share (%)	100	100
Mobile penetration (%)	1,7	1,2
Number of subscribers ('000s)	188	146
Blended ARPU (US\$)	19	22
Prepaid/ postpaid mix (%)	98/2	98/2

- Launch date: July 1998
- MTN Group shareholding: 40%
- We have geographical coverage of 64% of the country

Market information

MTN Rwanda is currently focusing on expanding its network to more remote rural parts of the country with 82 base stations (2004: 77) covering the 12 provinces. The company is an important mainstay of local suppliers and provides valuable support for industry exhibitions, sport sponsorships and a local bus company. Currently we have 100% of the mobile market share in Rwanda. However, the arrival of a competitor in this sector is possible during the forthcoming year. Four new sites were rolled out in October 2004.

Corporate governance

MTN Rwanda believes in sound principles of corporate governance. Implementation of these principles ensures the long-term success of the company.

The company's corporate governance structure and activities can be outlined as follows:

- The board of directors is responsible for ensuring that corporate governance principles are embedded in the company.
- The board of MTN Rwanda consists of five board members, with the CEO being a permanent invitee.



our Africa operations *continued*

Rwanda

- MTN recognises that fraud can be detrimental to the business and its reputation. In addition, the company understands that confidentiality is imperative to its clients. As a result, the company has both fraud and confidentiality policies in place.
- MTN has developed its own set of corporate values based on those of the MTN Group, placing emphasis on integrity and taking a strong stance in the prevention of fraud and corruption.
- The company has an Internal Procurement Committee that handles procurement issues over and above fraud policies.
- MTN recognises that communication with its stakeholders is imperative to ensure the long-term success of the company. To this end, the company aims to ensure transparent and effective communication with stakeholder groups on all company issues.

Training and investment

MTN is committed to building capacity and skills among Rwandan nationals. The Company will continue to implement its policy of localisation in its recruitment and succession policies. Currently, 99,5% of its staff are Rwandan nationals. The company's capacity and skills are evidenced through its training programmes. These range from courses in technical management to soft-skills training. During the past year, the average time spent per employee on training was 7,6 hours.

MTN Rwanda has invited local CNLS (National Commission to fight HIV/Aids) officials to address staff as part of the company's bid to help increase awareness of the virus.

As part of its localisation programme, the company supports a number of Rwandan students in their training in South Africa as engineers, as well as providing them with internship opportunities.

There are a number of ongoing CSI initiatives that are in line with the Foundation's CSI guidelines. These include:

- The "Keeping Kigali clean" campaign;
- Scholarships to excelling students;
- Soccer development – the company has sponsored a stadium scorecard;
- Support to the CNLS and the First Lady's office to help create more awareness around HIV/Aids;
- Rural entrepreneurship – the company provides support to various trade exhibitions;
- Continued maintenance of the MTN Roundabout on a monthly basis;
- Annual MTN golf events; and
- Provision of toll-free lines to police, soccer bodies, HIV/Aids agencies and ambulances.

Government and regulators

MTN Rwanda is currently in full compliance with all required licence conditions.



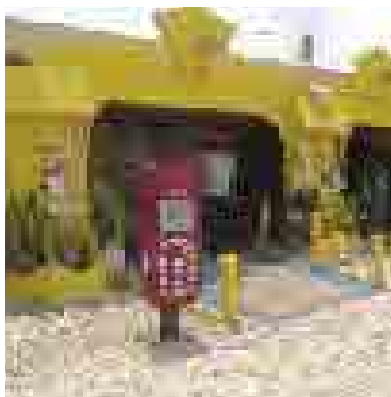
Value added

MTN Rwanda launched the "MTN Flexi Service". This is a unique contract package that offers customers the benefits of a regular contract package, with the convenience of topping-up airtime via Pay as you Go recharge cards.

The company is strategically focused on increasing network coverage in the country. This is achieved by building new sites and upgrading the status of existing sites. This strategy includes a new initiative seeking to double the main call network component by establishing a second switch in Nyarutarama to supplement the one in Kiyovu. The two switches will be conspired up in such a way that one will supplement the other in instances of failure. There will be shared capacity handling to ensure a resilient network.

MTN Rwanda has successfully introduced the power of mobile communication to Rwandan communities through its Tuvugane ("we can all talk") community payphone initiative. To date, 2 000 payphones have been distributed. The company is committed to the delivery of quality, innovative services while playing a leading role in the socio-economic development of the country. This initiative is part of MTN's drive to increase tele-density in the rural areas throughout the operations and to put telecommunications within the reach of remote rural communities.

The state-of-the-art MTN stand constructed at the 2004 Expo "Production for International Trade". The stand displayed MTN products and services.





our Africa operations *continued*

Swaziland



MTN Swaziland
Chief Executive Officer: Themba Khumalo

"We have empowered the nation through mobile telephony. We have done this through structured investment on the network and excellent customer care."



Performance highlights market and operational information

	2005	2004
Revenue (Rm)	254	233
EBITDA (Rm)	131	117
PAT (Rm)	73	62
Mobile Market share (%)	100	100
Mobile penetration (%)	13	7,7
Number of subscribers (000s)	145	85
Blended ARPU (US\$)	29	31
Prepaid/ postpaid mix (%)	98/2	96/4

- Launch date: July 1998
- Group shareholding 30%,
- The company has three years to run on its 10 year exclusive cellular licence period.

Market information

The network provides 79% geographic coverage of Swaziland and a mobile penetration of 13%. The Company has 74 base stations and 100 community phones installed around the country.

Corporate governance

MTN Swaziland's corporate governance practices are guided by the board of directors and by Group requirements.

The company's corporate governance structure and activities can be outlined as follows:

- The board comprises 10 directors, nine of whom are non-executive.
- Three board committees exist:
 - Audit Committee;



- Human Resource Committee; and
- Tender Committee.
- The Company's Code of Ethics is supported by a Fraud Policy.
- An Internal Procurement Committee handles procurement issues over and above the Code of Ethics and Fraud policy.
- Focused and effective communication is emphasised, and realised, through:
 - Quarterly staff interventions by the CEO;
 - Quarterly corporate breakfast meetings; and
 - Meetings with various government departments and media representatives.

Training and investment

The empowerment of local companies is promoted through local procurement. The company was successful in this field, with local supplier procurement of R29 million during the past year.

Fifty employees attended training in the past year, with the average cumulative training time per employee totalling 60 hours. Training programmes covered technical, management and soft skills.

MTN Swaziland's staff complement boasts almost equal representation of the genders: the 81 person staff complement comprises 42 male and 39 female employees.

The past year's CSI spend amounted to R609 000. MTN Swaziland's CSI focus is targeted specifically at community initiatives, including:

- A school electrification project;
- A community water scheme;
- A national emergency service;
- Teacher training; and
- Various sporting projects within the region, including a golf academy, driving range and swimming academy.

MTN Swaziland's CSI focus has built on our commitment to increase collaboration with local NGOs to provide financial and technical support in a range of community-related areas.

Government and regulators

A new Telecommunications Bill is under consideration by the Ministry of Tourism, Environment and Communication and is scheduled to be tabled to parliament during the 2005 calendar year. Approval of the legislation will pave the way for establishing an independent regulator as well as the liberalisation of Swaziland Posts and Telecommunications Corporation (SPTC).



our Africa operations *continued*

Swaziland

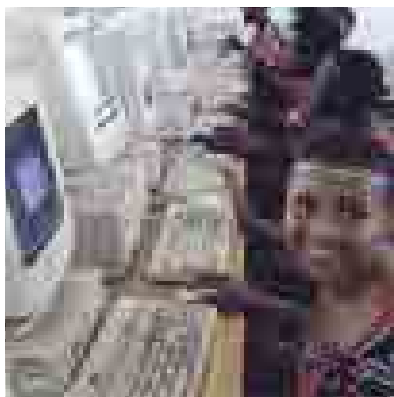
Value added

The "One Card" system replaced the E30 access fee in August 2004. This system addresses the issue of tariff reductions and demonstrates MTN Swaziland's commitment to bringing mobile telephony services to the reach of both urban and rural dwellers in the country.

The new system was introduced in response to the request for either a further reduction or complete scrapping of the access fee from Pay as you Go customers. The "One Card" system has eliminated the access charge associated with the Pay as You Go package. This has been achieved through structured investment on the network systems and excellent customer care.

Mobile telephony is currently accessible to over 80% of the population and geographical network coverage extends to 78%.

MTN donated R45 000 to a basic computer literacy programme for teachers. The initiative is an attempt to ensure that teachers are equipped with relevant skills that they in turn will impart to students in the classrooms.





the way forward

Communication is an essential developmental tool. There is a clear link between the exponential growth of telecommunications and the rates of economic growth in Africa. It is our enduring vision to be a leading provider of communication services in developing countries, as well as being a vital source of inspiration, economic empowerment and social upliftment in the communities in which we operate.

We will continue to increase the value of the MTN Group by ensuring healthy profitability and by positively addressing the economic, environmental and social requirements that will ensure long-term sustainability of our business in each of our operating countries.

The Group is committed to excellence, in terms of providing quality customer service and optimum network coverage in all its operations. We also recognise our obligation to address our many stakeholders' needs and to guard against the potential harmful environmental impacts of our operations. However, these pursuits need not be mutually exclusive, as we strive to integrate commercial imperatives and developmental objectives in a balanced way.

Each country operation needs to consider diverse economic, social and regulatory requirements that demand tailored regional responses. Therefore, although we apply Group policies from our headquarters, we have to ensure that there are resources in place in each operation to adapt these policies to local conditions and to ensure that they are implemented appropriately. With structured and well-managed regional operations actively leveraging Group-wide resources to grow their businesses, the Group headquarters can provide guidance and support when necessary without being prescriptive.

To facilitate the continued growth of our Africa operations, the Group will continue to:

- Play an important role in the telecommunications revolution that has positioned MTN as a technology leader on the African continent;
- Invest in emerging markets by developing new growth engines to fuel the next phase of Group development and by diversifying our revenue streams;
- Concentrate on increasing customer loyalty and attracting customers through the provision of innovative services;
- Support the African Union's vision of continental renewal through the NEPAD initiative;
- Promote corporate citizenship that adheres to the highest standards of corporate governance as well as being environmentally and socially responsible; and
- Conduct ongoing constructive dialogue with all our stakeholders.



the way forward *continued*

Our understanding of "sustainable development" is best defined by the 1987 Brundtland Report: "Development that meets the needs of the present, without compromising the ability of future generations to meet their own needs."

The compilation of this report has reflected some important areas for improvement and has highlighted some inspiring examples of sustainable business practices within the Group. The various lessons learnt in undertaking this reporting process will help us to develop, and embed, a more structured sustainability strategy for the Group.

The Group believes that sustainable development is achieved through competition, open markets and a willingness to participate in broad and meaningful ways in the communities that sustain our business. These factors encourage efficiency, innovation and stakeholder trust, vital factors in sustainable economic growth.

A key feature of this report is the process of dialogue entered into with different stakeholder groups across the range of MTN's activities and throughout all the regions in which we operate.

In addition to responding to the issues identified by our stakeholders, the report has also been guided by the criteria contained in the GRI Sustainability Reporting Guidelines as well as the King II Report.

One of the key issues we noted arising from this report is the need for us to engage even further with our stakeholders. We welcome the input and guidance from our diverse interest groups.

We, in turn, intend to increase communication with our participating stakeholders. We believe that by doing so, we can raise sustainability performance within our company.

We have come a long way in understanding what sustainability means to MTN and its stakeholders. We recognise the challenges, the dilemmas, as well as the many benefits of striving for excellence while actively participating in broad-based developmental initiatives. We are addressing many of the issues highlighted in past sustainability reports. In the journey towards sustainability, we have been gratified at what we have collectively achieved. The next step is to take a more coherent and decisive approach to targeting and measuring our sustainability performance.

We are continually realising that, as responsible corporate citizens, commercial achievement and sustainable development are mutually inclusive. It is a dual mindset that should permeate all our activities and choices. We are no longer waiting for an "African Renaissance" that is "just around the corner". We actively create it in our offices, our schools, our healthcare institutions and our choices to contribute to continental revival. As a Group, we commit to making responsible choices in our business, taking into account the impact of our decisions on all our stakeholders and on our environment.



glossary

Aids	Acquired Immune Deficiency Syndrome
ARPU	Average revenue per user
BEE	Black Economic Empowerment
BSC	Base Station Controller
BTS	Base Transceiver Station
Capable subscribers	Subscribers who have been active for a three month period
CEO	Chief Executive Officer
CPI	Consumer Price Index
CSI	Corporate Social Investment
CRM	Customer relationship management
Capex	Capital expenditure
EBITDA	Earnings before interest, taxes, depreciation and amortisation
EE	Employment Equity
EMF	Electromagnetic frequency
EMP	Environmental management programme
EMS	Environmental management system
EIA	Environmental Impact Assessment
GSM	Global System for Mobile Communications

GRI™	the Global Reporting Initiative
HEPS	Headline earnings per share
HIV	Human Immunodeficiency Virus
HSCSD	High Speed Circuit Switched Data
IAS	International Accounting Standards
ICNIRP	International Commission for Non-ionising Radiation Protection
ICASA	Independent Communications Authority of South Africa
ICT	Information Communication Technologies
ISSETT	Information Systems, Electronics and Telecommunications Technologies
ISO	International Organisation for Standardisation
IT	Information technology
ITU	International Telecommunications Union
JSE	JSE Securities Exchange South Africa
JSE SRI Index	JSE Socially Responsible Investment Index
King II	King Committee Report on Corporate Governance 2002



glossary *continued*

MIS	Management information System
MTN Cameroon	Mobile Telephone Networks Cameroon Limited
MTN Network Operator	Mobile Telephone Networks (Proprietary) Limited
MTN Nigeria	MTN Nigeria Communications Limited
MTN Rwanda	Rwandacell S.A.R.L
MTN Service Provider	MTN Service Provider (Proprietary) Limited
MTN Swaziland	Swazi MTN Limited
MTN Uganda	MTN Uganda Limited
MOU	Minutes of Use
NEPAD	New Economic Partnership for Africa's Development
NCC	Nigeria Communications Commission
NGO	Non-governmental organisation
PAT	Profit after tax
PAYE	Pay as you earn
Postpaid	Subscribers with a contract
Prepaid	Subscribers without a contract who purchase prepaid vouchers
Rand	South African rand
RCMP	Risk control management process

RF	Radio-frequency
SETA	Sector Education and Training Authority
SHE	Safety, Health and Environment
SIM	Subscriber identity module controlling access to GSM network
SME	Small-medium enterprise
SMS	Short message service
SNO	Second National Operator
SRI	Socially Responsible Investment
Total Energy Used	Energy from electricity purchased plus energy from fossil fuels consumed
UNEMA	Uganda National Environmental Management ACT
VAS	Value added services
VAT	Value added tax
VPN	Virtual private network
WAP	Wireless Application Protocol
WHO	World Health Organisation



MTN 2005 sustainability report feedback form

We value your feedback to help us make these reports more meaningful. Please let us know what you think about the MTN 2005 Sustainability Report or our sustainability performance in general.

What is the nature of your relationship with MTN:

MTN employee ☐ MTN shareholder ☐ MTN Subscriber ☐ MTN supplier ☐
 NGO employee ☐ Government official ☐ Journalist ☐ Financial analyst ☐
 Other (please specify) ☐

From which country are you?

Cameroon ☐ Rwanda ☐ Swaziland ☐ ☐ Other
 Nigeria ☐ South Africa ☐ Uganda ☐

Does this report address the sustainability issues that are of greatest interest to you?

Comprehensively ☐ Partially ☐ Not at all ☐

What additional issues would you like to see included in future reports?

What was your overall impression of the report in terms of:

	Excellent	Good	Fair	Poor
1) Content	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2) Design	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Do you have any additional comments on the report – or on MTN's sustainability performance in general?

May we quote your comment in future? Yes ☐ No ☐

Your name and address (optional):

Would you like to be consulted when we prepare our next Sustainability Report? Yes ☐ No ☐

Would you prefer future copies of the report via the internet rather than in print? Yes ☐ No ☐

ADDRESS DETAILS ON THE REVERSE SIDE HEREOF



please forward your comments to
MTN group corporate affairs on:

Contact: Mr T Ramodibe
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Fax (+27 11) 912 4341 or
E-mail sustainability@mtn.co.za or
Mail using the enclosed reply paid envelope
(applicable in South Africa only).

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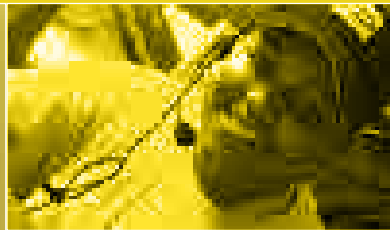
Contact: Ms Jayne Mammatt

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Whilst great care has been taken to ensure that all the information and statistics herein are accurate, no responsibility can be accepted for any mistakes, errors or omissions or for any actions taken in reliance thereon.

Opinions expressed herein represent those of MTN at the time of publication. This report is printed on environmentally friendly paper, is totally chlorine free and has been awarded the Nordic Swan label.



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