

YEBOYETHU (RF) LIMITED
(Incorporated in the Republic of South Africa)
Registration number: 2008/014734/06
Share code: YYLBEE
ISIN: ZAE000218483

CONDENSED INTERIM FINANCIAL STATEMENTS
For the six months ended 30 September 2017

13 November 2017

Overview - understanding the performance of your investment

YeboYethu (RF) Limited ('YeboYethu') was established as part of Vodacom (Pty) Limited's (Vodacom SA) Broad-based Black Economic Empowerment ('BBBEE') transaction in October 2008 for the sole purpose of acquiring a 3.44% interest in Vodacom SA. The financial success of YeboYethu is therefore fundamentally linked to the performance of Vodacom SA.

Vodacom SA is a leading mobile communications company providing a wide range of communication services, including voice, messaging, data and converged services to 40 million customers in South Africa.

This announcement reviews Vodacom SA's performance for the six months ended 30 September 2017. It also explains the performance of YeboYethu and provides important information relating to the affairs of YeboYethu. Shareholders are advised to visit the YeboYethu website for important additional information.

Vodacom SA

Service revenue increased 4.7% to R26.7 billion supported by strong customer gains and growth in data and enterprise services. Revenue growth was stronger at 7.7% to R33.9 billion, boosted by equipment revenue growth of 18.4%, reflecting the improved exchange rate to the US dollar that assisted in Vodacom SA's continued strategy of driving uptake of affordable smart devices. The sale of smartphones grew by 18.3%, comprising 59.5% of total device sales.

Vodacom SA added 2.9 million customers in the period, reaching 40.0 million, up 12.1% on the previous year, supported by the segmentation and bundle strategy. Prepaid customers increased by 2.8 million to 34.8 million, up 13.4%, driven by the success of improved value propositions through the 'Just 4 You' offers and customer segmentation. Prepaid ARPU was down 6.5%, as a result of high volumes of low ARPU gross connections, driven by the distribution channels accelerating the connection of sim cards ahead of implementation of improvements to customer registration processes. Underlying ARPU remains strong. Contract customers increased by 107 000 in the first half, to 5.2 million. Migration to the new "more data" contracts, which have a larger data allocation, accelerated during this period to 25% of the base, to meet customers' demand for more data. Contract ARPU declined by 3.9% to R392 as a result of change in deal structures and due to a higher rollover of unused bundle allocations, as customers grow into fully utilising these larger bundles over time and also reduce their exposure to out-of-bundle usage.

Vodacom SA's segmentation and bundle strategy continues to successfully address its customers' individual needs and usage behaviours. The youth proposition (NXT LVL) has reached over 2 million youth customers, while the Siyakha platform offers greater benefits to the emerging prepaid customers, such as free health and information services for expectant mothers and prepaid funeral cover. Machine learning, is enabling Vodacom SA to customise bundle offers based on size, validity period and now with the added sophistication of app-specific data. Total bundles sold increased 64.8% to almost 1.1 billion in the first half of the year. Of these, 800 million were voice bundles, enabling Vodacom SA to reduce its effective price per minute by 10.9%. The success of the personalised voice bundle strategy through the 'Just 4 You' platform has resulted in low voice revenue decline of 4.8%.

Data revenue grew 15.0% to R11.4 billion, contributing 42.6% of service revenue surpassing the contribution of voice revenue. This was slightly down in the second quarter as a result of a strong comparative quarter and the introduction of promotional initiatives, such as Meg Your Day, to drive data uptake. Encouragingly, this has enabled an expanding customer base and increased usage. Vodacom SA added 356 000 data customers to 19.9 million, up 9.6% or half of the mobile customer base. 4G customers on the network increased 62.8% to 6.0 million, while the average monthly data usage on smart devices increased 19.5% to 776MB. The pricing transformation strategy and targeted personalised offers continue to provide customers with greater value. Data bundles sales grew by 55.5% to 347 million. New initiatives have been introduced to improve the customer experience on out-of-bundle-data spend, and are driving data-usage education to give customers more control. Improved in-bundle usage has resulted in a 24.2% reduction in the effective price per MB.

Enterprise has delivered strong growth, with service revenue up 10.0% to R6.8 billion. Enterprise service revenue now contributes 25.3% (2017: 24.1%) of service revenue. Fixed-line services revenue increased 11.7%, underpinned by solid growth in connectivity revenue, cloud and hosting revenue and IPVPN revenue. Vodacom SA is progressing on migrating customers from the mobile voice and data communications contract secured last year with South Africa's national and provincial government departments, although this is at a slower rate than projected. Internet of Things (IoT) revenue was up 22.4% to R399 million as Vodacom SA continues to develop innovative solutions in e-health, connected agriculture, smart metering and logistics. The IoT customer base grew 24.6% to 3.3 million connections.

EBIT declined 2.2% to R9.9 billion, impacted by an increase in depreciation and amortisation costs, as a result of a write back of depreciation of assets with nil book value in the prior year, increased bad debt charges, following a temporary delay as Vodacom SA introduced new programs to make it easier for customers to settle outstanding debt, and earlier phasing of publicity costs from the global brand refresh campaign. EBIT margin contraction of 2.9ppts to 29.2% was affected by the higher contribution from low margin equipment sales, as well as the cost of the new roaming agreement with WBS. Capital expenditure of R3.9 billion was focused on maintaining the network lead; with widest coverage and fastest Internet, as well as enhancing IT systems. This enables Vodacom SA to provide truly segmented and personalised experiences for its customers, which is critical to delivering the strategic ambition of becoming a leading digital company. Vodacom SA's continued investment in infrastructure resulted in 76.7% 4G and 99.3% 3G population coverage, compared with 68.7% 4G coverage a year ago.

YeboYethu - numbers explained

YeboYethu's condensed interim financial statements for the six months ended 30 September 2017 have been prepared in accordance with International Financial Reporting Standards ('IFRS') and complies with the disclosure requirements set out in International Accounting Standard 34: Interim Financial Reporting ('IAS 34'), the Financial Reporting Guides as issued by the South African Institute of Chartered Accountants ('SAICA') Accounting Practices Committees and the requirements of the Companies Act of South Africa. The results have been presented together with the results for the six months ended 30 September 2016 and year ended 31 March 2017.

Some of the salient features of YeboYethu's results for the six months are as follows:

- Gain on remeasurement of financial instrument increased by R265.6 million (2016: R10.6 million);
- Vodacom SA option asset up 16.25% to R1.90 billion (2017: R1.63 billion);
- Basic earnings per share of 1 490.0 cents (2016: 108.9 cents);
- During the six months ended 30 September 2017, YeboYethu incurred expenses of R2.4 million, a decrease of 7.1% from R2.5 million in the prior period. The expenses incurred are mainly attributable to the printing and postage of the annual report, dividend pay away transaction fees, the cost of hosting the annual general meeting, Johannesburg Stock Exchange ('JSE') fee, fee to STRATE, JSE sponsor fee and transfer secretary costs.

YeboYethu hosted its ninth annual general meeting ('AGM') on 31 July 2017, where shareholders adopted the annual financial statements for the year ended 31 March 2017, voted on the election of directors, appointed PricewaterhouseCoopers Inc., appointed the members of the audit committee and approved non-executive directors fees. Prior to the AGM, shareholders were provided with a presentation to improve their knowledge on how to register and trade their YeboYethu shares. The results of the AGM are available on www.yeboyethu.co.za

Dividends

Dividends are declared and paid annually as per the dividend policy. The final gross dividend of 112 cents per ordinary share, paid on 12 June 2017 (2016: 111 cents per ordinary share paid on 31 May 2016).

Condensed statement of comprehensive income

R000	Notes	Six months ended 30 September		Year ended 31 March 2017
		2017 Reviewed	2016 Reviewed	2017 Audited
Income		13 176	11 932	19 445
Expenditure	3	(2 367)	(2 548)	(4 191)
Operating profit		10 809	9 384	15 254
Finance income		434	437	931
Finance cost		(1)	(*)	(*)
Gains on remeasurement of financial instrument	4	265 613	10 596	352 739
Profit before tax		276 855	20 417	368 924
Taxation		(62 363)	(4 747)	(79 274)
Net profit		214 492	15 670	289 650
Total comprehensive income		214 492	15 670	289 650
(*) Less than R500.				
		Cents	Cents	Cents
Basic earnings per share	2	1 490,0	108,9	2 012,1
Diluted earnings per share	2	1 032,0	79,7	1 433,2

Condensed statement of financial position

R000	Notes	Six months ended 30 September		Year ended 31 March 2017
		2017 Reviewed	2016 Reviewed	2017 Audited
Assets				
Non-current assets		-	1 292 616	1 634 759
Financial assets	4	-	1 292 616	1 634 759
Current assets		1 916 830	18 632	23 892
Financial assets	4	1 900 372	-	-
Accounts receivable		11 894	14 296	19 472
Tax receivable		16	-	2
Restricted cash		283	276	244
Cash and cash equivalents		4 265	4 060	4 174
Total assets		1 916 830	1 311 248	1 658 651
Equity and liabilities				
Share capital		*	*	*
Ordinary share premium		359 883	359 883	359 883
Retained earnings		1 206 504	734 155	1 008 135
Total equity		1 566 387	1 094 038	1 368 018
Non-current liability		345 064	208 927	285 567
Deferred tax		345 064	208 927	285 567
Current liabilities		5 379	8 283	5 066
Accounts payable	5	1 951	2 572	1 612
Tax payable		-	2 233	-
Bank overdraft		-	19	-
Dividends payable		3 428	3 459	3 454
Total equity and liabilities		1 916 830	1 311 248	1 658 651
(*) Less than R500.				

Condensed statement of changes in equity

R000	Share	Retained	Total
	capital and ordinary share premium		
Balance at 1 April 2017	359 883	1 008 135	1 368 018
Net profit	-	214 492	214 492
Dividends	-	(16 123)	(16 123)
Balance at 30 September 2017 - Reviewed	359 883	1 206 504	1 566 387
Balance at 1 April 2016	359 883	733 498	1 093 381
Net profit	-	15 670	15 670
Net dividends#	-	(15 013)	(15 013)
Balance at 30 September 2016 - Reviewed	359 883	734 155	1 094 038
Balance at 1 April 2016	359 883	733 498	1 093 381
Net profit	-	289 650	289 650
Net dividends#	-	(15 013)	(15 013)
Balance at 31 March 2017 - Audited	359 883	1 008 135	1 368 018

Net dividends paid comprises of dividends declared less forfeited dividends.

Condensed statement of cash flows

R000	Six months ended		Year ended
	30 September		31 March
	2017	2016	2017
	Reviewed	Reviewed	Audited
Cash flow from operating activities			
Cash generated from operations	11 651	9 313	13 015
Tax paid	(2 880)	(143)	(265)
Dividends paid	(16 149)	(14 664)	(14 669)
Net cash flows utilised in operating activities	(7 378)	(5 494)	(1 919)
Cash flows from investing activities			
Finance income received	434	437	931
Net cash flows generated from investing activities	434	437	931
Cash flows from financing activities			
Finance cost paid	(*)	(*)	(*)
Overnight deposit movement	7 035	5 322	1 386
Net cash flows generated from financing activities	7 035	5 322	1 386
Net movement in cash and cash equivalents	91	265	398
Cash and cash equivalents at the beginning of the period/year	4 174	3 776	3 776
Cash and cash equivalents at the end of the period/year	4 265	4 041	4 174

(*) Less than R500.

Notes to the condensed interim financial statements

1. Basis of preparation

The condensed interim financial statements have been prepared in accordance with the framework concepts, the recognition and measurement criteria of IFRS and in accordance with and containing the information required by IAS 34 as issued by the IASB, the Financial Reporting Guides as issued by the SAICA Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council, the JSE Listings Requirements and the requirements of the Companies Act of 2008, as amended. They have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value or at amortised cost, and are presented in South African rand, which is the company's functional and presentation currency.

The significant accounting policies, judgements, estimates of amounts and methods of computation are consistent in all material respects with those applied in the annual financial statements for the year ended 31 March 2017. The significant accounting policies are available for inspection at the company's registered office.

The company adopted the new, revised or amended accounting pronouncements as issued by the IASB, which were effective and applicable to the company from 1 April 2017, none of which had any material impact on the company's financial results for the year.

Full details on changes in accounting policies will be disclosed in the company's annual financial statements for the year ending 31 March 2018.

	Six months ended 30 September		Year ended 31 March
	2017	2016	2017
	Reviewed	Reviewed	Audited
Cents			
2. Earnings and dividends per share			
Basic earnings per share	1 490,0	108,9	2 012,1
Diluted earnings per share	1 032,0	79,7	1 433,2
Headline earnings per share	1 490,0	108,9	2 012,1
Diluted headline earnings per share	1 032,0	79,7	1 433,2
Dividends per share	-	-	112,0

Earnings per share calculations are based on earnings and the weighted average number of ordinary shares outstanding as set out below:

	Six months ended 30 September		Year ended 31 March
	2017	2016	2017
	Reviewed	Reviewed	Audited
R000			
2.1 Earnings reconciliation			
Earnings, attributable to equity shareholders, for basic and diluted earnings per share	214 492	15 670	289 650
Headline earnings for headline and diluted headline earnings per share	214 492	15 670	289 650

This disclosure is a requirement of the JSE Limited and is not a recognised measure under IFRS.

It has been calculated in accordance with Circular 2/2015 as issued by SAICA.

	Six months ended 30 September		Year ended 31 March
	2017	2016	2017
	Reviewed	Reviewed	Audited
2.2 Reconciliation of weighted average number of ordinary shares outstanding			
For basic and headline earnings per share	14 395 300	14 395 300	14 395 300
'N' ordinary shares convertible into ordinary shares	6 388 619	5 260 403	5 815 102
For diluted earnings and diluted headline earnings per share	20 783 919	19 655 703	20 210 402

On the YeboYethu Employee Participation Trust's conversion date, 30 September 2018, each 'N' share shall automatically convert into one ordinary share with a simultaneous repurchase of a variable number of shares at par value. The variable number of shares will be calculated based on a specified formula which takes into account the outstanding balance of the notional loan and the underlying value of the shares held in Vodacom SA. The formula ensures that the YeboYethu Employee Participation Trust will, after Vodacom SA's repurchase of a portion of the Vodacom SA shares held by the company and the consequent repurchase by the company of a portion of the company's shares held by the YeboYethu Employee Participation Trust, hold that percentage shareholding in the company as is equal to the YeboYethu Employee Participation Trust 'A' shares held by the company, as a percentage of all Vodacom SA shares held by it.

3. Directors emoluments
Included in Expenditure for the current financial period is directors emoluments (refer Note 10) as follows:

	Salary R
ZBM Bassa*	61 427
SM Radebe*	40 280
AM Hall*	27 189
S Sithole*	44 308
	173 204

* Independent non-executive directors.

V Jarana resigned effective 21 September 2017.

4. Financial assets

The company acquired a 3.44% investment in Vodacom SA during the 2009 financial year by obtaining ordinary shares and 'A' ordinary shares for the benefit of its shareholders as part of the Broad-Based Black Economic Empowerment ('BBBEE') transaction as follows:

	Six months ended 30 September		Year ended 31 March
	2017	2016	2017
R000	Reviewed	Reviewed	Audited
Financial asset at fair value through profit or loss			
Vodacom South Africa option asset			
7 200 000 ordinary shares at R25.00 each	180 000	180 000	180 000
82 800 000 'A' ordinary shares at R2.1739 each	180 000	180 000	180 000
75 000 000 'A' ordinary shares at R0.00001 each	1	1	1
	360 001	360 001	360 001
Accumulated fair value adjustment	1 540 371	932 615	1 274 758
	1 900 372	1 292 616	1 634 759

The financial asset namely the Vodacom South Africa option asset had been classified from non current to current in the current financial period as the maturity date of the option asset is 30 September 2018.

	Six months ended 30 September		Year ended 31 March
	2017	2016	2017
R000	Reviewed	Reviewed	Audited
Reconciliation			
Opening balance	1 634 759	1 282 020	1 282 020
Fair value adjustment	265 613	10 596	352 739
Closing balance	1 900 372	1 292 616	1 634 759

Within the Monte Carlo method, the following input parameters were used to simulate the Vodacom SA option asset value: the equity value of the underlying share at the valuation date, the expected dividend yield of the underlying share over the life of the option, the expected volatility of the underlying share over the life of the option, and the risk-free interest rate over the life of the model. In addition to these, the strike price is based on the simulated closing balance of the notional funding at maturity date.

The fair value of R1 900 million (30 September 2016: R1 292 million, 31 March 2017: R1 635 million) was calculated using the following assumptions as at 30 September 2017:

- The risk-free interest rates were determined from the South African interest rate swap zero curve, which is based on inputs from money-market and interest rate swap rates on the valuation date;
- The dividend yield was based on Vodacom SA's forecasted earnings and dividend policy based on a range from 30 March 2018 of 3.48% to 30 September 2018 of 4.85% (30 September 2016: 31 March 2017 of 3.22% to 30 September 2018 of 5.64%, 31 March 2017: 30 May 2017 of 1.56% to 28 September 2018 of 5.11%);
Maturity date - 30 September 2018;
- Volatility was calculated by applying the equally weighted methodology to the historical share price data of Vodacom Group Limited. The Vodacom Group Limited volatility was applied as a proxy for Vodacom SA, calculated at one year equally weighted volatility of 19.21% as at 29 September 2017, two years equally weighted volatility of 20.65% as at 30 September 2016, one and a half years equally weighted volatility of 17.41% as at 31 March 2017, respectively.
- Strike price - the notional funding as at valuation date provided by Vodacom SA amounted to R4 474 million (30 September 2016: R4 848 million, 31 March 2017: R4 768 million). Interest accrues at a notional rate of 8.0% NACD (30 September 2016: 8.0% NACD, 31 March 2017: 8.0% NACD). The simulated notional funding balances at maturity represents the strike price; and
- The equity value of Vodacom SA was estimated at R134 110 million (30 September 2016: R120 013 million, 31 March 2017: R130 549 million) by applying the results of the five year Long Range Plan (LRP) forecast as the inputs into the Adjusted Present Value methodology. The terminal year free cash flow value is based on the final year of the LRP, capitalised into perpetuity. The cash flow projections are based on the five year LRP approved by the board.

Key cash flow assumptions included market share, revenue per user, EBITDA margin and revenue growth.

Key equity value assumptions include the perpetual growth rate of 2.75% (30 September 2016: 2.68%, 31 March 2017: 2.67%), the pre-tax cost of debt of 8.67% (30 September 2016: 9.39%, 31 March 2017: 8.68%) and cost of equity of 13.05% (30 September 2016: 13.25%, 31 March 2017: 13.19%). The discount rate used in the valuation model includes a risk free rate of 8.65% (30 September 2016: 8.85%, 31 March 2017: 8.79%), market risk premium of 5.50% (30 September 2016: 5.50%, 31 March 2017: 5.50%), lack of control discount of 10.00% (30 September 2016: 10.00%, 31 March 2017: 10.00%) and marketability discount of 5.00% (30 September 2016: 5.00%, 31 March 2017: 5.00%), respectively.

Our calculations indicate that the acceptable range of equity values for Vodacom SA, would be a range of up to 10.0% higher or lower than the equity value used in the determination of the option value. The following table shows the sensitivity of the fair value of the option asset to this reasonable alternative range of assumptions as at 30 September 2017, 30 September 2016 and 31 March 2017, respectively:

	Favourable change	Unfavourable change
30 September 2017		
Total change from base (Rm)	457	(R448.2)
Total change from base (%)	24,1%	(23.6%)
30 September 2016		
Total change from base (Rm)	376	(R350.5)
Total change from base (%)	29,1%	(27.1%)
31 March 2017		
Total change from base (Rm)	437,8	(R422.0)
Total change from base (%)	26,8%	(25.8%)

It is therefore important that shareholders and other users of these financial statements understand the sensitivity of the option value actually recorded to changes in any or all of the assumptions used in determining the option value.

Notional funding

The notional funding does not give rise to a legal obligation but only facilitates the share repurchase mechanism. Initially, the notional funding carried an interest rate of 9.8% compounded daily. The interest rate was however reduced to 8.0% compounded daily from 1 April 2015 onwards. The company received a notional dividend on these shares calculated on the basis of the actual dividend paid to ordinary shareholders. The holders of ordinary shares are entitled to dividends but the holders of 'A' ordinary shares will only be entitled to dividends once the notional funding has been settled.

The closing balance as at 30 September 2017 of the notional funding after the interest and dividends for the employee scheme and black public and business partners is as follows:

	Six months ended 30 September		Year ended 31 March
	2017 Reviewed	2016 Reviewed	2017 Audited
R000			
Reconciliation of notional funding			
Opening balance	2 842 675	3 005 118	3 005 118
Notional interest accrued	114 449	121 472	238 684
	2 957 124	3 126 590	3 243 802
Less: notional dividend received	(271 804)	(246 142)	(401 127)
Closing balance	2 685 320	2 880 448	2 842 675
5. Accounts payable			
Supplier accounts payable	1 495	2 296	1 229
Intercompany payables	173	-	-
Value added tax	-	-	139
JSE Empowerment segment	283	276	244
	1 951	2 572	1 612

The average credit period is 30 days (six months period ended 30 September 2016: 30 days, year ended 31 March 2017: 30 days). No interest is charged on trade payables.

6. Related parties

All transactions with related parties have been made on terms equivalent to those that prevail in arm's length transactions.

	Six months ended 30 September		Year ended 31 March
	2017 Reviewed	2016 Reviewed	2017 Audited
R000			
6.1 Balances with related parties			
Accounts receivable			
Vodacom Group Limited	9 243	12 343	16 279
Vodacom Proprietary Limited	2 491	1 934	3 187
Accounts payable			
Vodacom Group Limited	112	-	-
Vodacom Proprietary Limited	61	-	-
6.2 Transactions with related parties			
Vodacom Group Limited			
Finance income received	307	289	667
Vodacom Proprietary Limited			
Dividends received	13 176	11 932	19 445
The Innovator Trust (entity within the Vodacom Group structure)			
Dividends paid	(1 343)	(1 183)	(1 183)

The following costs are incurred by Vodacom Proprietary Limited and not charged to the company:

- accounting services;
- company secretarial services;
- risk management services; and
- access to research information and assistance for the company to enable Vodacom Proprietary Limited to meet or improve its empowerment standards.

7. Carrying amounts of financial instruments

Carrying amounts of financial instruments analysed by category are as follows:

	Six months ended 30 September		Year ended 31 March
	2017 Reviewed	2016 Reviewed	2017 Audited
R000			
Assets			
Financial assets at fair value through profit or loss	1 900 372	1 292 616	1 634 759
Available-for-sale financial asset	*	*	*
Loans and receivables	16 000	18 337	23 642
Financial assets at amortised cost	283	276	244
	1 916 655	1 311 229	1 658 645
Liabilities			
Financial liabilities measured at amortised cost	5 379	6 050	4 927

(*) Less than R500.

8. Fair value hierarchy

An analysis of the financial instrument, Vodacom SA option asset, measured at fair value and disclosed as level three based on the degree to which the fair value is observable, is as follows:

	Six months ended 30 September		Year ended 31 March
	2017 Reviewed	2016 Reviewed	2017 Audited
R000			
Level three			
Financial assets at fair value through profit or loss, classified as held for trading	1 900 372	1 292 616	1 634 759
Level three uses data inputs for the valuation of the asset that are not based on observable market data.			
Reconciliation of fair value Measurement in level three			
Opening balance	1 634 759	1 282 020	1 282 020
Recognised in net gains on remeasurement and disposal of financial instruments	265 613	10 596	352 739
Closing balance	1 900 372	1 292 616	1 634 759

9.	Operating commitments	998	4 863	996
----	-----------------------	-----	-------	-----

The operating commitments will be financed through internal cash generation.

10. Non-executive directors' fees

At the company's ninth annual general meeting held on 31 July 2017, Special resolution number one was approved that fees for non-executive directors be paid. The non-executive directors fees was disclosed in the company's annual report for the year ended 31 March 2017 and is available for inspection on the company's website.

11. Events after the reporting period

The directors are not aware of any matter or circumstance arising since the end of the reporting period, not otherwise dealt with in the condensed interim financial statements, which significantly affected the financial position of the company as at 30 September 2017 and the results of its operations and cash flows for the six months ended 30 September 2017.

Midrand

10 November 2017

Non-IFRS information

These condensed consolidated interim financial statements have been reviewed by PricewaterhouseCoopers Inc., who expressed an unmodified review conclusion. A copy of the auditor's review report is available for inspection at the Company's registered office, together with the financial statements identified in the auditor's report. The auditor's report does not necessarily cover all of the information contained in this announcement. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's work they should obtain a copy of that report together with the accompanying financial information from the registered office of the company.

Forward-looking statements

This announcement which sets out the interim results for YeboYethu (RF) Limited for the six months ended 30 September 2017 may contain 'forward-looking statements', with respect to the Vodacom SA results referenced in the announcement which have not been reviewed or reported on by the company's auditors. Forward-looking statements are sometimes, but not always, identified by their use of a date in the future or such words as 'will', 'anticipates', 'aims', 'could', 'may', 'should', 'expects', 'believes', 'intends', 'plans' or 'targets'. By their nature, forward-looking statements are inherently predictive, speculative and involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future, involve known and unknown risks, uncertainties and other facts or factors which may cause the actual results, performance or achievements of the company, or its industry to be materially different from any results, performance or achievement expressed or implied by such forward-looking statements. Forward-looking statements are not guarantees of future performance and are based on assumptions regarding the company's and Vodacom SA's present and future business strategies and the environments in which they operate now and in the future.

YeboYethu contact details

Internet address: www.yeboyethu.co.za

Email us at: support@yeboyethushares.co.za

Call centre: 010 285 0090 (standard call rates apply) or 082 241 0001 (Toll-free from your Vodacom cellphone)

REGISTERED OFFICE:

Vodacom Corporate Park
082 Vodacom Boulevard, Midrand 1685

TRANSFER SECRETARIES:

Physical address:

Link Market Services South Africa (Proprietary) Limited
(Registration number 2000/007239/07)

13th Floor, Rennie House, 19 Ameshoff Street, Braamfontein 2001

Postal address:

PO Box 4844, Johannesburg, 2000

DIRECTORS:

Zarina Bassa (Chairperson)

Adele Hall

Vuyani Jarana (resigned 21 September 2017)

Matimba Mbungela

Stefaan Sithole

Seth Radebe

SECRETARY:

Avinash Dhanasir

JSE SPONSOR:

UBS

www.yeboyethu.co.za