08 December 2015

Telkom and ShowMax provide customers with zero-rated data for streaming content.

ShowMax, Naspers' recently launched subscription video-on-demand service, and Telkom have entered into a partnership to provide users with zero-rated data for streaming content. New and existing Telkom Summer Unlimited users will have unlimited data to stream content on ShowMax, and in addition to this Telkom is gifting 30 days' ShowMax access to all customers that sign up for the SmartHome Premium or Smartplan 100 plan from today until the end of December 2015.

Subscription video on demand (SVOD) is taking off globally, as about 100 million people are now using Internet-based services to watch series and movies¹. In South Africa, the adoption of SVOD has been relatively modest due in part to the availability of services and also concerns over data usage. This is now set to change thanks to this partnership.

ShowMax, which can be viewed via smart TVs, laptops and desktop PCs, tablets, and smartphones, has the largest SVOD catalogue in Africa. With more than 20,000 episodes of TV series and movies adding up to around 12,000 hours of viewing, ShowMax' video collection draws from local content, as well as international favourites from almost all major studios. Other than a smart device and an internet connection, no additional equipment is needed to view ShowMax.

John Kotsaftis, GM of ShowMax South Africa, said: "SVOD is a relatively new concept in SA with data usage and concerns over data caps being the main barriers to adoption. In the four months since we launched ShowMax, the clear message is that people love the concept and the content, and now all they need is a solution on the data side of things. This is why these Unlimited Telkom products are so important."

In addition to creating these new products, Telkom is gifting 30 days' ShowMax access to all customers that sign up for the SmartHome Premium or Smartplan 100 plans from 7 December 2015 until the end of December 2015.

Existing Telkom fixed broadband customers can upgrade to a package with 10Mbps or above and subscribe to the Telkom Internet Uncapped Entertainment Service. New Telkom fixed broadband customers can subscribe to Telkom's SmartHome Premium package, which includes the Telkom Internet Uncapped Entertainment Service for 24 month. New mobile customers can subscribe to the Smart Plan 100 package which includes Unlimited Telkom data until 31 March 2016.

Telkom Consumer MD, Attila Vitai, said: "The move to video on demand is happening across the globe, and we think it's going to change the way people experience shows and movies in South Africa. These Unlimited offerings will let Telkom customers immerse themselves without worrying about data usage or data costs.

"With Summer unlimited campaign in full swing, Telkom and ShowMax are the perfect combination to catch up on your favourite shows, discover new series and movies, and keep the family entertained."

For pricing information and to sign up for these products, visit www.telkom.co.za. To learn more about ShowMax or sign up for a free seven-day trial, visit www.showmax.com.

1. http://www.ovum.com/press_releases/ovum-says-from-online-to-mainline-ott-streaming-to-hit-100-million-subscribers-in-2015/

For further enquiries, please contact:

Pynee Chetty OR Leigh-Ann Francis

Senior Specialist: Media Relations Specialist: Media Relations

Group Communication Group Communication

Tel:+27 12 642 1716 Tel: +27 12 642 1728

Mobile: +27 81 389 7874 Mobile: +27 81 391 4780

Telkom Park, The Apex

92 Oak Avenue

Technopark

Highveld

Centurion

ABOUT TELKOM:

Telkom is a leading communications services provider in South Africa. We had consolidated operating revenue of R16.8 billion and normalised profit after tax of R1, 683 million for the period ended 30 September 2015. Total assets amounted to R41.9 billion and equity attributable to the owners of Telkom to R23.5 billion as of 30 September 2015. The group generated normalised free cash flow of R1.4 billion for the period ended 30 September 2015.

As of 30 September 2015, we had approximately 3.3 million telephone access lines in service and 1,030,441 ports connected via MSAN access. We offer business, residential and payphone customers a wide range of services and products, including:

- fixed-line retail voice services using PSTN (Public Switched Telephone Network) lines, including ISDN (Integrated Services Digital Network) lines, and the sale of subscription based value-added voice services and calling plans;
- fixed-line customer premises equipment rental and sales services both voice and data needs and these include PABX, Computers, Routers, Modems, Telephone handsets and other ancillary equipment;
- interconnection services, including terminating and transiting traffic from South African mobile operators, as well as from international operators and transiting traffic from mobile to international destinations;
- fixed-line data services, including domestic and international data transmission services, such
 as point-to-point leased lines, ADSL (Asymmetrical Digital Subscriber Line) services, packetbased services, managed data networking services and internet access and related
 information technology services;
- Data Centre Operations includes e-commerce, application service provider, hosting, data storage, e-mail and security services;
- W-CDMA (Wideband Code Division Multiple Access), a 3G next generation network, including fixed voice services, data services and nomadic voice services;

- mobile communication services, including voice services, data services and handset sales through our mobile navbar-brand called Telkom Mobile;
- information and communication services including cloud services, infrastructure services, workspace services, global service integration management and hardware and network equipment sales locally, in seven African countries, the UK and Dubai through Business Connexion Group; and
- other services including directory services, through Trudon (Pty) Ltd, wireless data services, through Swiftnet (Pty) Ltd.

Convergence is one of our key strategic initiatives in building a sustainable future for Telkom. We will lead the provision of converged services in South Africa in support of our mission statement: Seamlessly connecting people to a better life.

About ShowMax

Combining more than 20,000 episodes of international hit movies and series as well as the best homegrown content, ShowMax delivers a truly world-class subscription video on demand service. With a catalogue spanning major production studios from across the globe, for just R99 per month ShowMax takes content to a new level, giving consumers the widest range of video entertainment for their smart devices.

For more information contact:

Richard Boorman, Head of Communications

Richard.boorman@showmax.com

+27 82 990 4080