

19 November 2015

## Telkom withdraws cautionary announcement.

By mutual agreement Telkom and Oger Telecoms have today ended all discussions related to the potential purchase of Cell C by Telkom.

Through Telkom's engagement with Oger Telecoms in relation to Cell C, it has become clear that there is a difference between the parties on the assessment of value of the proposed transaction. As no agreement has been reached, Telkom and Oger Telecoms today agreed to end all discussions.

Shareholders were notified of this decision, through the withdrawal of Telkom's cautionary announcement, issued via SENS at or about 14h41 today.

For further enquiries, please contact:

---

**Pynee Chetty**

Senior Specialist: Media Relations

Group Communication

Tel:+27 12 642 1716

Mobile: +27 81 389 7874

Email: [chettpr2@telkom.co.za](mailto:chettpr2@telkom.co.za)

---

**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 from continuing operations of R31.7 billion and profit after tax from continuing operations of R2,889 million for the year ended 31 March 2015. Total assets amounted to R42.0 billion and equity attributable to the owners of Telkom to R25.7 billion as of 31 March 2015. The group generated free cash flow of R3.9 billion for the year ended 31 March 2015.

As of 31 March 2015, we had approximately 3.4 million telephone access lines in service and 964,196 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, packet-based 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.