



# Condensed interim financial statements

## for the six months ended 30 September 2013

### Overview – understanding the performance of your investment

YeboYethu Limited ('YeboYethu') came into being through Vodacom SA's Broad-based Black Economic Empowerment ('BBBEE') transaction in October 2008, reflecting the commitment of Vodacom Group Limited ('Vodacom Group') to truly broad-based transformation. Established for the sole purpose of owning shares in Vodacom (Proprietary) Limited ('Vodacom SA'), YeboYethu's only investment is a 3.44% interest in Vodacom SA. The financial success of YeboYethu is therefore fundamentally linked to the performance of Vodacom SA.

This announcement reviews the material issues facing Vodacom SA and its performance for the six months ended 30 September 2013. 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.

- **Internet address:** [www.yeboyethu.co.za](http://www.yeboyethu.co.za)
- **Email us at:** [yeboyethu@equityexpress.co.za](mailto:yeboyethu@equityexpress.co.za)
- **Call centre:** 011 321 5563 (standard call rates apply) or 082 241 0001 (Toll-free from your Vodacom cellphone.)

In reading this announcement, it is important to keep in mind that the key concern of YeboYethu shareholders is that Vodacom SA continues to grow and prosper over the long-term. The ability of Vodacom SA to achieve this, despite the short-term challenges which are discussed below, has a lot to do with it being part of Vodacom group of companies, which aims to be a leading provider of total communications in sub-Saharan Africa, and the Vodafone group of companies being the world's leading international mobile communications group by revenue.

There are many benefits for Vodacom SA, and therefore for YeboYethu, of this ownership structure. These include the opportunity to save costs through centralised buying and to offer customers greater value through new product and service innovations.

### Vodacom South Africa

Revenue increased 6.0% to R30 134 million driven by a 41.2% growth in equipment revenue from smartphone and tablet sales. The growth in equipment revenue was achieved through increased device financing which underpins Vodacom SA's strategy of putting data capable devices into customers' hands, by making devices affordable for more of Vodacom's customers. This has supported the growth in active data customers of 13.4% to 15.1 million customers.

Service revenue growth trends stabilised in the period, an improvement following declines in prior quarters. Excluding the impact of lower mobile termination rates ('MTR'), service revenue increased 2.9%. The improvement was driven by successful execution of pricing transformation strategy which resulted in data revenue growth of 20.6% and positive growth of both contract and prepaid customer revenue. Service revenue growth was offset by a 23.6% reduction in interconnect revenue from lower MTRs.

Contract mobile customer revenue was flat year on year at R10 639 million. Contract customers grew 2.2% to 4.8 million. Contract customer average revenue per user ('ARPU') decreased 3.2% to R393 per month due to a higher prevalence of data only customers with lower ARPU and the decline in out-of-bundle spend. The decline in ARPU was largely offset by increased data spend as Vodacom move customers to better value integrated price plans and data enabled devices. Contract ARPU decline has slowed from previous quarters as Vodacom continues to transform the base from voice centric contracts to integrated price plans which incorporate voice, data and messaging at better value. 41.8% of Vodacom SA's voice contract base (excluding top up) is now on the integrated Vodacom Smart and Vodacom Red price plans with in bundle spend of 63.8% up from 62.7% in previous year.

Including M2M connections, Vodacom SA's contract customer base increased 6.2% to 6.1 million. M2M customers increased 24.1% to 1.3 million as Vodacom continue to leverage the Vodafone global M2M technical platform. Vodacom also continues to launch M2M applications as this market evolves.

The programme to simplify price plans and offer more value has been well received by customers, resulting in a net gain in prepaid customers of 927 000 in the six months, up 1.2%. The pricing transformation programme has delivered price declines of 16.9% in effective price per minute to 59 cents. Vodacom SA has increased prepaid customer ARPU by 1.4% to R74 as a result of increased take-up of prepaid data bundles and 19.3% growth in minutes of use, offsetting declines in price.

Data revenue increased 20.6% to R5 096 million, contributing 21.5% (30 September 2012: 17.8%) to service revenue. Further reduced pricing on all bundles during this period resulted in a 100.8% growth in the number of bundles sold. The effective price per megabyte ('MB') has reduced by 16.3%. Focus on handset financing to drive smartphone penetration has led to a 24.0% growth of these devices, with 6.6 million devices now

active on the network. The average monthly usage has also increased 78.9% to 220 MB per device and active data customers increased by 13.4% to 15.1 million.

Earnings before interest, taxation, depreciation and amortisation ('EBITDA') grew 5.9% to R11 421 million with a margin of 37.9%. Margins were impacted by low margin equipment sales which now contribute higher proportionate levels of EBITDA. Margins were maintained through operating cost savings, by increasing self-help channels and early resolution of top ten problems to reduce incoming calls to customer care operations by 10%. Savings were also achieved in network operating expenses from energy and maintenance-efficient new equipment and lower leased transmission costs.

Capital investment during the period was R3 058 million. Investment concentrated on increasing the reach of data network and improving network capacity and resilience through self-provided high speed transmission. Vodacom SA's third generation ('3G') data network now covers 88.9% of the population from 83.6% in the prior year. The site roll-out continues with the addition of 407 sites to total 6 574 3G sites and long-term evolution ('LTE') network now comprises 727 sites. Vodacom SA have self-provided an additional 536 sites (68% of sites are now on self-provided transmission) to increase capacity for future traffic demands and to reduce transmission costs. Voice capacity has also been improved with the addition of 283 sites to second generation ('2G') network.

### YeboYethu – numbers explained

YeboYethu's condensed interim financial statements for the six months ended 30 September 2013 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 No. 71 of 2008, as amended. The results have been presented together with the results for the six months ended 30 September 2012 and year ended 31 March 2013.

An explanation of the YeboYethu condensed statement of comprehensive income for the period is provided below:

	Six months ended 30 Sept 2013	Six months ended 30 Sept 2012	Year ended 31 Mar 2013
	R'000 Reviewed	R'000 Reviewed	R'000 Audited
Income <sup>1</sup>	9 120	12 942	25 102
Expenses <sup>2</sup>	(1 282)	(2 010)	(3 339)
<b>Operating profit</b>	<b>7 838</b>	<b>10 932</b>	<b>21 763</b>
Finance income	345	156	526
(Loss)/Gains on remeasurement of financial instrument <sup>3</sup>	(32 838)	565	61 652
<b>(Loss)/Profit before taxation</b>	<b>(24 655)</b>	<b>11 653</b>	<b>83 941</b>
Taxation	6 027	(149)	(11 661)
<b>Net (loss)/profit</b>	<b>(18 628)</b>	<b>11 504</b>	<b>72 280</b>

1 YeboYethu recorded dividends received of R9.1 million in the current period, R12.9 million in the prior period and R25.1 million for the financial year ended 31 March 2013.

2 During the six months ended 30 September 2013, YeboYethu incurred expenses of R1.3 million, a decrease of 36.2% from R2.0 million in the prior period. The expenses incurred are mainly attributable to the printing and postage of the annual report, the cost of hosting the annual general meeting and cost of the transfer secretary.

3 YeboYethu recorded a loss of R32.8 million in the period on the valuation of the financial asset compared to the gain of R564,491 in the prior period ended 30 September 2012. The financial asset is the YeboYethu call option that allows Vodacom SA to purchase a number of Vodacom SA 'A' ordinary shares from YeboYethu at the end of the facilitation period (October 2015). This is required so that YeboYethu can settle any outstanding balance on the 'notional loan' provided to YeboYethu at this time. It is important to consider that Vodacom SA's BBBEE transaction is a long-term investment, which, through the substantial financing provided by Vodacom SA, has lowered the exposure for individual investors. Shareholders will appreciate that certainty cannot be claimed in a volatile environment.

YeboYethu hosted its fifth annual general meeting ('AGM') on 17 October 2013, where shareholders approved the annual financial statements for the year ended 31 March 2013, voted on the election of directors, reappointed the auditors, appointed the members of the audit committee and voted on approval of special resolution number 1 and special resolution number 2, respectively. Prior to the AGM, shareholders were provided with a presentation on understanding of the valuation, the amendments to the memorandum of incorporation ('MOI') and the over the counter ('OTC') share trading platform. The results of the AGM are available on [www.yeboyethu.co.za](http://www.yeboyethu.co.za)

### Dividends

Dividends are declared and paid annually as per the dividend policy. The final dividend of R20.2 million for the 2013 financial year was declared on 3 May 2013 and paid on 14 June 2013.

### Condensed statement of comprehensive income

for the six months ended 30 September 2013

	Six months ended 30 Sept 2013	Six months ended 30 Sept 2012	Year ended 31 Mar 2013
	R'000 Reviewed	R'000 Reviewed	R'000 Audited
Income	9 120	12 942	25 102
Expenditure	(1 282)	(2 010)	(3 339)
<b>Operating profit</b>	<b>7 838</b>	<b>10 932</b>	<b>21 763</b>
Finance income	345	156	526
(Loss)/gains on remeasurement of financial instrument	(32 838)	565	61 652
<b>(Loss)/profit before taxation</b>	<b>(24 655)</b>	<b>11 653</b>	<b>83 941</b>
Taxation	6 027	(149)	(11 661)
<b>Net (loss)/profit</b>	<b>(18 628)</b>	<b>11 504</b>	<b>72 280</b>
<b>Comprehensive (loss)/income</b>	<b>(18 628)</b>	<b>11 504</b>	<b>72 280</b>

### Condensed statement of financial position

as at 30 September 2013

	As at 30 Sept 2013	As at 30 Sept 2012	As at 31 Mar 2013
	R'000 Reviewed	R'000 Reviewed	R'000 Audited
<b>Assets</b>			
<b>Non-current assets</b>	<b>965 676</b>	<b>937 427</b>	<b>998 514</b>
Financial assets	965 676	937 427	998 514
<b>Current assets</b>	<b>14 845</b>	<b>15 074</b>	<b>26 162</b>
Accounts receivable	14 427	4 020	25 875
Taxation receivable	163	182	179
Cash and cash equivalents	255	10 872	108
<b>Total assets</b>	<b>980 521</b>	<b>952 501</b>	<b>1 024 676</b>
<b>Equity and liabilities</b>			
Share capital	*	*	*
Ordinary share premium	359 883	359 918	359 893
Retained earnings	506 806	484 371	545 133
<b>Total equity</b>	<b>866 689</b>	<b>844 289</b>	<b>905 026</b>
<b>Non-current liability</b>	<b>112 964</b>	<b>107 679</b>	<b>119 087</b>
Deferred taxation	112 964	107 679	119 087
<b>Current liabilities</b>	<b>868</b>	<b>533</b>	<b>563</b>
Accounts payable	868	533	563
<b>Total equity and liabilities</b>	<b>980 521</b>	<b>952 501</b>	<b>1 024 676</b>

(\* Less than R500.

### Condensed statement of changes in equity

for the six months ended 30 September 2013

	Share capital and ordinary share premium R'000	Retained earnings R'000	Total equity R'000
<b>Balance at 31 March 2013</b>	<b>359 893</b>	<b>545 133</b>	<b>905 026</b>
Net loss	–	(18 628)	(18 628)
Repurchase of shares	(10)	(8)	(18)
Net dividends	–	(19 691)	(19 691)
<b>Balance at 30 September 2013 – Reviewed</b>	<b>359 883</b>	<b>506 806</b>	<b>866 689</b>
<b>Balance at 31 March 2012</b>	<b>359 950</b>	<b>472 771</b>	<b>832 721</b>
Net profit	–	11 504	11 504
Repurchase of shares	(32)	(19)	(51)
Net dividends	–	115	115
<b>Balance at 30 September 2012 – Reviewed</b>	<b>359 918</b>	<b>484 371</b>	<b>844 289</b>
<b>Balance at 31 March 2012</b>	<b>359 950</b>	<b>472 771</b>	<b>832 721</b>
Net profit	–	72 280	72 280
Repurchase of shares	(57)	(33)	(90)
Net dividends	–	115	115
<b>Balance at 31 March 2013 – Audited</b>	<b>359 893</b>	<b>545 133</b>	<b>905 026</b>



## Condensed statement of cash flows

for the six months ended 30 September 2013

	Six months ended 30 Sept 2013	Six months ended 30 Sept 2012	Year ended 31 Mar 2013
	R'000 Reviewed	R'000 Reviewed	R'000 Audited
<b>Cash generated from operations</b>	<b>8 149</b>	10 792	21 647
Taxation paid	(80)	(39)	(140)
Net dividends paid	(19 691)	(10 539)	(10 540)
<b>Net cash flows (utilised in)/ generated from operating activities</b>	<b>(11 622)</b>	214	10 967
<b>Cash flows from investing activities</b>			
Finance income received	345	170	492
<b>Net cash flows generated from investing activities</b>	<b>345</b>	170	492
<b>Cash flows from financing activities</b>			
Share capital and share premium movement	(18)	(51)	(90)
Overnight deposit movement	11 442	2 800	(19 000)
<b>Net cash flows generated from/(utilised in) financing activities</b>	<b>11 424</b>	2 749	(19 090)
<b>Net cash flows in cash and cash equivalents</b>	<b>147</b>	3 133	(7 631)
Cash and cash equivalents at the beginning of the period/year	108	7 739	7 739
<b>Cash and cash equivalents at the end of the period/year</b>	<b>255</b>	10 872	108

## Notes to the condensed interim financial statements

for the six months ended 30 September 2013

### 1. Nature of business

The company was incorporated on 19 June 2008 under the laws of the Republic of South Africa. The principal activities of the company are to carry on business of holding Vodacom (Proprietary) Limited ('Vodacom SA') ordinary shares and 'A' ordinary shares as well as to acquire and hold interests in Vodacom Group Limited ('Vodacom Group') and its subsidiaries and associated companies, for the benefit of shareholders.

There have been no material changes to the nature of the company's business from 31 March 2013.

### 2. Basis of preparation

The condensed interim financial statements of the company have been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards ('IFRS') and information required by IAS 34 as issued by the International Accounting Standards Board ('IASB'), complies with the South African Institute of Chartered Accountants ('SAICA') Financial Reporting Guides as issued by SAICA Accounting Practices Committee, Financial Reporting Pronouncements as issued by the SAICA Financial Reporting Standards Council and in the manner required by the Companies Act No. 71 of 2008, as amended. The condensed interim financial statements 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, as this is the currency in which the majority of the company's transactions are denominated.

The significant accounting policies and methods of computation are consistent in all material respects with those applied in the previous financial year ended 31 March 2013, except as disclosed in Note 3. The significant accounting policies are available for inspection at the company's registered office. There have been no material changes in judgements or estimates of amounts reported in the prior interim period or in the prior financial year.

### 3. Change in accounting policies

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 2013. The adoption of these new amendments impacted the company's accounting policies as follows:

- IFRS 10: Consolidated Financial Statements, impacted the Group's accounting policies by introducing changes to the definition of 'control'; and
- IFRS 11: Joint Arrangements, which is now classified as either joint operations or joint ventures, requires the proportionate consolidation method to be applied to joint operations and the equity accounting method to be applied to joint ventures.

The change in the accounting policies as a result of the above mentioned amendments did not have an impact on the company's financial results for the period.

	Six months ended 30 Sept 2013	Six months ended 30 Sept 2012	Year ended 31 Mar 2013
	R'000 Reviewed	R'000 Reviewed	R'000 Audited
<b>4. Finance income</b>			
<b>Interest income</b>			
Bank and Vodacom Group Limited deposits	345	156	526

### 4. Finance income

#### Interest income

Bank and Vodacom Group Limited deposits

### 5. 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 transaction ('BBBEE') as follows:

	As at 30 Sept 2013	As at 30 Sept 2012	As at 31 Mar 2013
	R'000 Reviewed	R'000 Reviewed	R'000 Audited
<b>Financial asset at fair value through profit or loss</b>			
<b>Vodacom South Africa option asset</b>			
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
	<b>360 001</b>	360 001	360 001
Accumulated fair value adjustment	605 675	577 426	638 513
	<b>965 676</b>	937 427	998 514

### 5. Financial assets continued

#### Financial asset at fair value through profit or loss continued

##### Vodacom South Africa option asset continued

	As at 30 Sept 2013	As at 30 Sept 2012	As at 31 Mar 2013
	R'000 Reviewed	R'000 Reviewed	R'000 Audited
<b>Reconciliation</b>			
Opening balance	998 514	936 862	936 862
Fair value adjustment	(32 838)	565	61 652
Closing balance	<b>965 676</b>	937 427	998 514

A Monte Carlo methodology was adopted to value the option asset. The Monte Carlo simulation allows for the option model to consider the dependencies which exist among the company value, the dividends paid, the notional funding value and the remitted value. The information on the valuation is available for inspection at the company's registered office.

#### Notional funding

The notional funding does not give rise to a legal obligation but only facilitates the share repurchase mechanism. The notional funding carries a 9.8% notional interest compounded daily. The company received a notional dividend on these shares calculated on the basis of the actual dividend paid to ordinary shareholders, divided by ordinary shares and 'A' ordinary shares which was used as a notional payment. 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 2013 of the notional funding after the interest and dividends for the employee scheme and black public and business partners is as follows:

	As at 30 Sept 2013	As at 30 Sept 2012	As at 31 Mar 2013
	R'000 Reviewed	R'000 Reviewed	R'000 Audited
<b>Reconciliation of notional funding</b>			
Opening balance	3 212 192	3 396 964	3 396 964
Notional interest accrued	161 060	168 788	333 062
	<b>3 373 252</b>	3 565 752	3 730 026
Less: Notional dividend received	(188 137)	(266 984)	(517 834)
	<b>3 185 115</b>	3 298 768	3 212 192

### 6. Accounts receivable

	As at 30 Sept 2013	As at 30 Sept 2012	As at 31 Mar 2013
	R'000 Reviewed	R'000 Reviewed	R'000 Audited
Vodacom Group Limited	14 424	4 017	25 866
Pre-payments	3	3	9
	<b>14 427</b>	4 020	25 875

All accounts receivables are rand denominated, short-term and interest is earned at money market rates on the amount receivable from Vodacom Group.

	As at 30 Sept 2013	As at 30 Sept 2012	As at 31 Mar 2013
	R'000 Reviewed	R'000 Reviewed	R'000 Audited
<b>7. Share capital</b>			
<b>7.1 Ordinary share capital</b>			
<b>Authorised</b>			
40.0 million (30 September 2012: 40.0 million, 31 March 2013: 40.0 million) ordinary shares at R0.00001 (30 September 2012: R0.00001, 31 March 2013: R0.00001) each	*	*	*
<b>Issued</b>			
Opening balance at the beginning of the period/year			
14.4 million (30 September 2012: 14.4 million, 31 March 2013: 14.4 million) ordinary shares at R0.00001 (30 September 2012: R0.00001, 31 March 2013: R0.00001) each	*	*	*
Less: 400 (30 September 2012: 1 300, 31 March 2013: 2 300) ordinary shares at R0.00001 each	(*)	(*)	(*)
Closing balance at the end of the period/year	*	*	*
(* Less than R500.			

#### Share capital

##### 7.1 Ordinary share capital

###### Authorised

40.0 million (30 September 2012: 40.0 million, 31 March 2013: 40.0 million) ordinary shares at R0.00001 (30 September 2012: R0.00001, 31 March 2013: R0.00001) each

###### Issued

Opening balance at the beginning of the period/year 14.4 million (30 September 2012: 14.4 million, 31 March 2013: 14.4 million) ordinary shares at R0.00001 (30 September 2012: R0.00001, 31 March 2013: R0.00001) each

Less: 400 (30 September 2012: 1 300, 31 March 2013: 2 300) ordinary shares at R0.00001 each

Closing balance at the end of the period/year

(\* Less than R500.

The company repurchased 400 (30 September 2012: 1 300, 31 March 2013: 2 300) of its ordinary shares during the current financial period.

The repurchased ordinary shares were cancelled as issued ordinary shares and returned to unissued authorised ordinary shares.

	As at 30 Sept 2013	As at 30 Sept 2012	As at 31 Mar 2013
	R'000 Reviewed	R'000 Reviewed	R'000 Audited
<b>7.2 'N' ordinary shares</b>			
<b>Authorised</b>			
12.0 million authorised 'N' ordinary shares at R0.00001 each	*	*	*
<b>Issued</b>			
12.0 million issued 'N' ordinary shares at R0.00001 each	*	*	*
(* Less than R500.			

##### 'N' ordinary shares

###### Authorised

12.0 million authorised 'N' ordinary shares at R0.00001 each

###### Issued

12.0 million issued 'N' ordinary shares at R0.00001 each

(\* Less than R500.

'N' ordinary shares rank *pari passu* to ordinary shares other than the fact that they will not earn any dividends until the notional funding by Vodacom SA to purchase the 'A' ordinary shares in Vodacom SA is settled.

There were no changes to the 'N' ordinary shares for the six-month period ended 30 September 2013, six-month period ended 30 September 2012 and year ended 31 March 2013, respectively.

	As at 30 Sept 2013	As at 30 Sept 2012	As at 31 Mar 2013
	R'000 Reviewed	R'000 Reviewed	R'000 Audited
<b>8. Ordinary share premium</b>			
Opening balance at the beginning of the period/year	359 893	359 950	359 950
Less: 400 (30 September 2012: 1 300, 31 March 2013: 2 300) ordinary shares at R24.99 (30 September 2012: R24.99, 31 March 2013: R24.99) each	(10)	(32)	(57)
Closing balance at the end of the period/year	<b>359 883</b>	359 918	359 893

The total amount paid for repurchased and cancelled ordinary shares was accounted for as 400 (30 September 2012: 1 300, 31 March 2013: 2 300) ordinary shares at R44.07 (30 September 2012: R39.34, 31 March 2013: R39.34) per share. The total amount of R44.07 (30 September 2012: R39.34, 31 March 2012: R39.34) comprises the par value per share of R0.00001 (30 September 2012: R0.00001, 31 March 2013: R0.00001), the share premium paid of R24.99 (30 September 2012: R24.99, 31 March 2013: R24.99) and an excess portion of R19.08 (30 September 2012: R14.34, 31 March 2013: R14.34) which is accounted for in retained earnings.

	As at 30 Sept 2013	As at 30 Sept 2012	As at 31 Mar 2013
	R'000 Reviewed	R'000 Reviewed	R'000 Audited
<b>9. Account payable</b>			
Trade payables	868	533	563

The average credit period is 30 days (six-month period ended 30 September 2012: 30 days, year ended 31 March 2013: 30 days). No interest is charged on trade payables.

### 10. Related parties

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

	As at 30 Sept 2013	As at 30 Sept 2012	As at 31 Mar 2013
	R'000 Reviewed	R'000 Reviewed	R'000 Audited
<b>10.1 Balances with related parties</b>			
<b>Accounts receivable</b>			
Vodacom Group Limited	14 424	4 017	25 866
<b>10.2 Transactions with related parties</b>			
<b>Vodacom Group Limited</b>			
Finance income received	338	153	526
<b>Vodacom (Proprietary) Limited</b>			
Dividends received	9 120	12 942	25 102

#### 10.1 Balances with related parties

##### Accounts receivable

Vodacom Group Limited

##### 10.2 Transactions with related parties

###### Vodacom Group Limited

Finance income received

###### Vodacom (Proprietary) Limited

Dividends received

### 11. Services in-kind

The board cannot reliably determine a fair value for services received in-kind that consist primarily of participation by board members in the business of the company, and as a result does not recognise the value of these services received in income.

### 12. Events after the reporting period

Ordinary resolution number 10 was approved by shareholders at the annual general meeting to decrease the notional funding rate applicable to the Vodacom SA A Shares from 9.7593% NACD to 8% NACD with effect from April 2015. Shareholder authority was also granted to allow for the Company to vote in favour of proposed amendments to memorandum of incorporation ('MOI') of Vodacom SA to amend the notional funding interest rate and extend the notional funding period from 8 October 2015 to 8 October 2018.

Special resolution number 1 was approved by shareholders at the annual general meeting to facilitate and enhance the ease of trading in YeboYethu ordinary shares by public shareholders of removing certain restrictive conditions in the YeboYethu MOI.

Special resolution number 2 was approved by shareholders at the annual general meeting, subject to the Trust Deed of the Employee Share Option Programme ('ESOP') and/or the Rules of the ESOP of Vodacom SA and Vodacom Group Limited being amended to give effect to the Extension of the Conversion Date from 8 October 2015 to 8 October 2018 and to make related amendments to the YeboYethu MOI.

### 13. Condensed interim financial statements as at 30 September 2013

For the purpose of the YeboYethu Limited interim report, a set of condensed interim financial statements are included. The condensed interim financial statements have been reviewed by the independent auditing firm Deloitte & Touche and were approved by the board of directors on 30 October 2013. The condensed interim financial statements are available for inspection at the company's registered office.

#### Change of Transfer Secretaries

Reminder to shareholders that YeboYethu has changed Transfer Secretaries from Computershare to Equity Express (a division of Singular Systems (Pty) Limited) with effect from August 2013. Please call 011 321 5563 (standard call rates apply) or 082 241 0001 (Toll-free from your Vodacom cellphone) or email [yeboyethu@equityexpress.co.za](mailto:yeboyethu@equityexpress.co.za) for any YeboYethu share-related enquiries.

#### Over the Counter ('OTC') share trading of YeboYethu shares

The proposed date for the OTC share trading to commence is Monday 3 February 2014, subject to the registration of special resolutions passed at the annual general meeting to make amendments to the YeboYethu MOI. Before existing YeboYethu shareholders can trade through the OTC share trading platform, they must verify their existing information on the YeboYethu database with the Transfer Secretaries of YeboYethu, Equity Express.

#### Salient Dates

The salient dates relating to the trading of YeboYethu shares are set out below:

Existing shareholder verification by Transfer Secretary begins	Friday 15 November 2013
New shareholder verification by Transfer Secretary begins	Friday 15 November 2013
YeboYethu shares begin trading in the OTC market	Monday 3 February 2014

It is acknowledged that share trading is a complex process and, as such, shareholder education is very important to empower shareholders to participate on the share trading platform. Information on how to trade will be set out in the educational booklet which will be sent to shareholders in due course and we have a number of other education initiatives that will become available to shareholders in January 2014 to facilitate an efficient trading platform and provide assistance to all current and potential shareholders.

NO registration or verification will take place via Vodacom or the Post Office. Our dedicated OTC call centre, Equity Express walk-in centre and website are the ONLY channels through which shareholders and potential investors can register, verify and access detailed information. Shareholders may contact Equity Express through a call centre: 011 321 5563 (standard call rates apply) or 082 241 0001 (Toll-free from your Vodacom cellphone), by email: [yeboyethu@equityexpress.co.za](mailto:yeboyethu@equityexpress.co.za) or at their walk-in centre (71 Corlett Drive, Birnam, Johannesburg (near Melrose Arch)).

## YEBOYETHU LIMITED

(Incorporated in the Republic of South Africa)

• Registration number: 2008/014734/06

#### • Registered Office:

Vodacom Corporate Park  
082 Vodacom Boulevard, Midrand 1685

#### • Transfer Secretaries:

Equity Express (a division of Singular Systems (Pty) Limited)  
71 Corlett Drive, Birnam 2196  
PO Box 1266, Bramley 2018

#### • Directors:

Zarina Bassa, Adele Hall, Vuyani Jarana  
Deenadayalen (Len) Konar, Seth Radebe  
Christopher Tlhabeli (TC) Ralebitso

#### • Secretary:

Lebo Mogoane