

S.African mobile giant MTN reports 12% revenue growth

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South African telecom group MTN operates in more than 22 countries and has more than 207 million subscribers

South African mobile giant MTN on Wednesday said revenues grew 12 percent last year, driven by increasing subscribers and helped by a weak rand.

Revenues reached 136.50 billion rand (\$12.71 billion) for the year and

total subscribers were up 9.8 percent at 207.8 million, led by strong growth of 20 percent in Africa's most populous country Nigeria.

Uganda, Ghana and Cameroon also reported healthy [revenue](#) growth.

The group, which operates in 22 countries, said revenues in Nigeria rose 24.5 percent even as the South African rand weakened in value against the Nigerian naira during the period.

"For the year as a whole, the rand declined by 18,3 percent on average against the US dollar," the company said in its annual results statement.

As a result, the earnings reported in rand were boosted by currency effects.

The Johannesburg-listed firm said data services were the key driver of revenue growth, with South Africa and Nigeria the largest contributors.

The two countries accounted for 77.9 percent of data [revenue growth](#).

"This is a significant factor, as data replaces voice," said chief executive Sifiso Dabengwa.

The number of data users increased by 37.3 percent to 80.6 million, boosted by increased smartphone ownership.

"At the end of December we had 34.8 million smartphones on our network, an increase of 59.0 percent on the previous year," said a statement.

The company said it expects the launch of its own affordable smartphone to boost the figure.

However, MTN's domestic operations proved to be the weakest link, as revenue declined 6.1 percent to 39.71 billion rand.

"South Africa performance was disappointing but showed improvement in the latter part of the year," said Zunaid Bulbulia, chief executive of MTN South Africa.

South African prepaid subscribers declined by 1.1 percent, putting customer base at 20.7 million, behind the company's main competitor Vodacom.

MTN was founded in 1994, and mainly operates in Africa but also in Iran, Syria and Sudan where it is suffering the effects of the US and EU imposed sanctions on those countries.

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