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## MEDIA STATEMENT

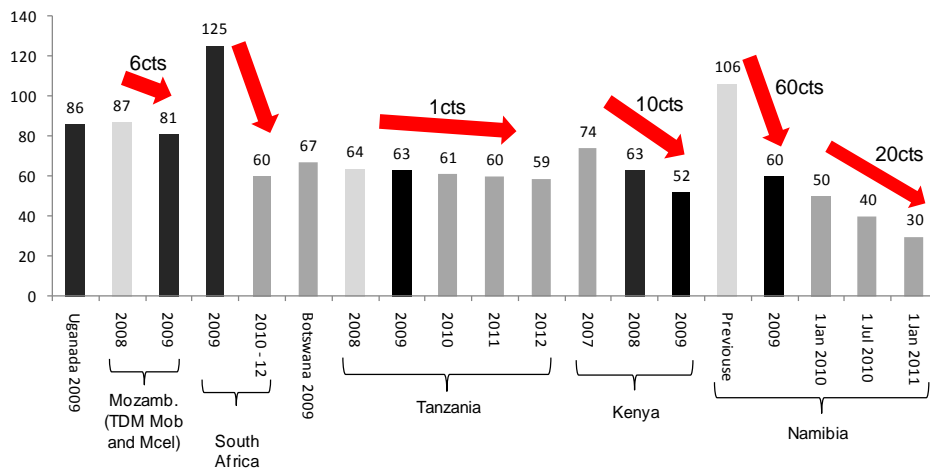
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### Calls from MTC to MTC are 36% cheaper than calls from Leo to MTC

*True to its promise, what MTC is offering its prepaid customers to contact the almost 1.3 million Namibians is by far a cheaper option compared to what the Egyptian Mobile Operator in Namibia is charging their customers to contact the 081-Nation. This was said by Mr Gerald, Managing Director of MTC Namibia at a media briefing in the Namibian capital Windhoek.*

**WIDNHOK, Namibia** – (24 November 2009) – Namibia is today one of the most developed mobile markets with a penetration rate in excess of 80%. It is also a country where the rules that govern the competitive landscape are fairly robust as evidenced by the recent restructuring of the Mobile Termination Rates resulting in one of the lowest rates in the SADC Region at N\$0.60. This rate will further be the lowest in SADC during the next 12 months with an expected drop to N\$0.30 by January 2011.



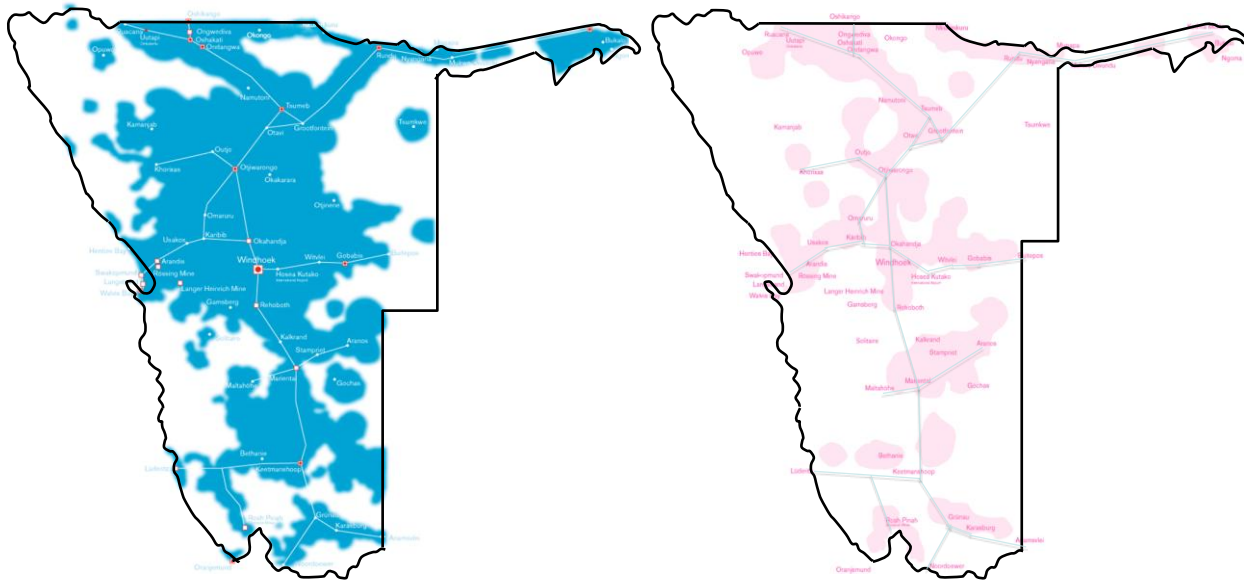
Miguel Geraldès, argues that “as a result of the lower MTRs MTC offers some of the lowest retail prices compared to the 6 SADC markets of South Africa, Botswana, Mozambique, Tanzania, Kenya and Uganda. MTC’s On-Net call rates are 6% below the average of these countries, on top of the added benefits that the various MTC promotional campaigns offer to their customers. The recent promotions included the FREE60 (giving one hour of free calls every day), Free SMS (or paying the first sms of the day at standard charge of N\$0.40 and receiving 100 sms/day completely for free, or better paying the first sms of the day for N\$1 and receiving 500 free sms/day). For the customers that use data on their mobile phones or with the 3G devices, a “happy hour” promotion offers completely free and unlimited downloads between 1am & 5am daily.”

When a further comparison is made with the Egyptian Competitor, and looking at it holistically, MTC charges N\$1.80 per minute which is the same as Leo during the peak hours (10am to 10pm). But after hours and at weekends, which represents 55% of the MTC traffic, MTC charges only N\$1 per minute whilst Leo still charges N\$1.80 for the same period. When one runs a simulation for a customer that for example makes 100 minutes of calls per month to fellow MTC customers, MTC is 22% cheaper than the foreign Operator. These savings further increase in total to an impressive 36% if customers choose their free hour per day as well as part of the FREE60 promotional campaign.

But communication between mobile subscribers is not restricted to voice calls only, so to make a complete comparison the sms traffic should also be taken into consideration. And on that score MTC has for a long while offered free sms campaigns to facilitate an affordable manner in which to contact the 081-Nation. If a customer sends 5 sms per day as part of the promotional campaign, paying for the first sms of the day, then the savings are nearly 80% when compared to the same customer which uses an Egyptian (Leo) sim card to send sms to MTC users. And this example is very conservative because MTC customers are generating more than 15 million sms per day and receiving more than 12 million sms absolutely free, which represents an impressive number of 11.5 sms per day on average (more than 300 sms per month) polling MTC users amongst some of the highest sms users in Africa.

In summary, for a customer who makes 100 minutes of voice calls and sending 150 sms per month using an MTC service enjoy savings of 47% in comparison to those using the foreigner Operator, Leo. This Mr Geraldès maintains is one of the biggest reasons that Namibians maintain their loyalty for MTC and choose the 081-Nation to be cheaper by far.

Another important factor is the geographic coverage that MTC has made significant investments in since inception in 1995. We connect the North, the South, the Coast and even as far afield as Sossusvlei, an area visited by many tourists. Coverage, Mr Geraldes explains, is therefore another important consideration when Namibians make their choices of a mobile service provider. MTC with his current 763 base stations and growing covers 44% more of the geographic area of Namibia compared to the Egyptian Operator. With 6.827 Radio carriers (each Radio carrier allows 8 simultaneous calls) and by the end of March 2010 MTC will have 9.700 Radio carriers (i.e. 77.600 simultaneous calls). It is important to note that in January 2009 MTC had 5,460 radio carriers but with the improvements in capacity of the Network would have grown 77% in 5 quarters. By dividing the total number of customers with the current 6 827 radio carriers gives MTC a ratio of 190 customers per radio carrier, which again is one of the highest scores in Africa.



MTC's Managing Director, Mr. Miguel Geraldes, concludes that the premise of the company's 081-Nation promise can be summarized as:

- Offering the most affordable option in Namibia to contact the 081 Nation (1.3 million active MTC customers),
- Having the best geographic and population coverage and enough capacity to give more value for the same dollar,
- Speeding up the development of wireless Broadband in Namibia in order to catch-up with the most developed countries in Europe and the USA.

Number of active customers to contact	1,3 million
Savings to Call to MTC-MTC	-22%
Savings to Call to MTC-MTC with add-on Promos	-36%
Savings to send SMS to MTC-MTC with Promos	-80%
Savings Overall Voic plus SMS	-47%
Covergae Area	+44%

With that roadmap, Namibia will be a competitive investment destination in SADC in terms of telecommunications infrastructure and Namibians the most connected people in Africa by 2030. With its annual investment in excess of N\$300 million in infrastructure, capacity and coverage, MTC is surefooted into the future, Mr Geraldes concludes.

End...

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