

Vodacom's quarterly revenue of R17,5bn

Mobile services group Vodacom on Thursday (18 July) reported a 3% rise in group revenue to R17.5bn for the June quarter.



"Excluding the sale of Gateway Carrier Services and the impact of foreign exchange translations growth was 5.1%," the company said in a statement.

Group service revenue was flat at R14.6bn, but up 2.3% on a normalised basis. Group data revenue was up 28.2%, with active data customers increasing 23.3% to 19.4m as Vodacom continues to drive smartphone penetration.

Vodacom's active customers increased 5.3% to 51.5m, as the International operations continued to expand their coverage.

The company says that its international operations delivered robust growth, with service revenue up 14.1% supported by customer growth and increased adoption of data and financial services.

SA revenue

South African revenue rose 3.9%, boosted by the increased handset sales. According to Vodacom, the service revenue trend is improving with a reported decline of 0.2% and growth of 2.9% excluding the impact of mobile termination rates (MTRs).

Shameel Joosub, Vodacom's chief executive said: "Vodacom continues to perform well. We've seen a substantial increase in traffic as a direct result of executing our commercial strategy and launching new products across all of our operations. As an example, by focusing on value offerings that allow people to talk for longer, we've grown prepaid minutes used by 21.0% in South Africa.

"Overall, the active customer base has increased 5.3% to 51.5m and revenue from on-going operations, adjusted for foreign exchange, increased 5.1%," Joosub said.

He said data and the International operations remain key parts of Vodacom's growth. "Data revenue in South Africa increased 21.8% and now accounts for 21.3% of service revenue, up from 17.5% a year ago. Continued network investment supported the increase in data traffic in South Africa, with 1.3m additional smartphones active and using on average 75% more data per device than a year ago," Joosub added.

He says equipment sales, primarily smartphones and tablets, totalled R2.7bn in the quarter.

"The International operations added just under 3.3m customers over the past twelve months, with service revenue increasing 14.1%*. M-Pesa again performed well in Tanzania and has now been launched in Mozambique, DRC and Lesotho," Joosub said.

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