

Telkom final dividend up 56%

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Telkom shareholders will receive a 56% higher dividend for the year to end-March 2017 than in the prior year, the telecommunications group said in its results yesterday, 5 June 2017.



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Telkom declared a final dividend of R2.91, taking its total for the year to R4.22. In 2016, Telkom paid no interim dividend, just a final dividend of R2.70.

Telkom's fixed-line network shrank by 8.2% to 2.95-million and its average annual revenue per fixed lined by 9.8% to R4,266.

The phone company managed to offset the decline in its traditional business with 44.6% growth in mobile broadband subscribers to 2.6-million.

The group's overall revenue grew 9.8% to R40.97bn, as a 4.7% decline in traditional fixed-line voice revenue to R14.59bn was compensated for with 21.7% growth in mobile voice revenue to R1bn.

After-tax profit

After-tax profit grew 66% to R3.85bn, boosted by the prior year's retrenchment drive, which cut Telkom's employee expenses by 13% to R10.6bn.

Computer group BCX contributed a full year's revenue and profit in Telkom's 2017 financial year versus seven months in its 2016 financial year.

"BCX remains a key growth platform for the group. The integration of our enterprise business with BCX is complete and a new brand, BCX, was launched," Telkom CEO Sipho Maseko said in the results statement.

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