

RELATIONSHIP WITH SHAREHOLDERS

The authorised (100,000 ordinary shares of 1 cent each) and issued (10,000 ordinary shares of 1 cent each) share capital remained unchanged during the year. The following are short corporate profiles of our shareholders:

Telkom SA Limited

Telkom is one of the largest companies registered in the Republic of South Africa and is the largest communications services provider on the African continent. Telkom is listed on the JSE Securities Exchange South Africa and the New York Stock Exchange. Telkom is an integrated communication group with investments in Vodacom Group (Proprietary) Limited, Telkom Directory Services (Proprietary) Limited, a provider of directory services, and Swiftnet (Proprietary) Limited, a provider of wireless data services. Telkom is currently the only national provider of public switched telecommunications services in South Africa, although a process has been commenced to liberalise the South African communications market introducing competition in a number of their business areas. As of March 31, 2005, Telkom had approximately 4.8 million telephone access lines in service and 99.9% of its telephone access lines were connected to digital exchanges. On March 31, 2005, Telkom had a market capitalisation of R59.9 billion. The government of the Republic of South Africa owns 37.7% of Telkom's issued share capital. Telkom owns 50% of Vodacom Group (Proprietary) Limited.

Vodafone Group Plc

Vodafone is the largest mobile telecommunications network company in the world, with a significant presence in Continental Europe, the United Kingdom, the United States and the far east through the company's subsidiary undertakings, associated undertakings and investments, with equity interests in 26 countries and partner networks in a further 14 countries. Vodafone provides an extensive range of mobile telecommunications services, including voice and data communications.

At March 31, 2005, based on the registered customers of mobile telecommunications ventures in which it had ownership interests at that date, the Vodafone Group had approximately 154.8 million customers, excluding paging customers, calculated on a proportionate basis in accordance with the company's percentage interest in these ventures.

The Vodafone Group's mobile subsidiaries operate under the brand name "Vodafone". In the United States, the Vodafone Group's associated undertaking operates as Verizon Wireless. During the last two financial years, the Vodafone Group has also entered into arrangements with network operators in countries where the Vodafone Group does not hold an equity stake. Under the terms of these Partner Network Agreements, the Vodafone Group and its partner networks co-operate in the development and marketing of global services under dual brand logos.

The company's ordinary shares are listed on the London Stock Exchange and the company's American Depository Shares are listed on the New York Stock Exchange. The company had a total market capitalisation of approximately £91 billion at March 31, 2005, making it the third largest company in the Financial Times Stock Exchange 100 index, or FTSE 100, and the eleventh largest company in the world, based on market capitalisation at that date. Vodafone owns 35% of Vodacom Group (Proprietary) Limited through its wholly owned subsidiary, Vodafone Holdings (SA) (Proprietary) Limited.

VenFin Limited

VenFin is an investment holding company listed on the JSE Securities Exchange South Africa. It has investments in telecommunications, media, technology and financial and risk services. VenFin focuses on technology-oriented investments, in South Africa and internationally, which own proprietary intellectual property and have the potential to produce superior growth. At March 31, 2005, VenFin's market capitalisation was approximately R12.3 billion. VenFin owns 15% of Vodacom Group (Proprietary) Limited through its wholly owned subsidiary, VenFin Telecommunications Investments Limited.

CONSOLIDATED VALUE-ADDED STATEMENT



March 31, 2005

	2003 Rm	2003 %	2004 Rm	2004 %	2005 Rm	2005 %
VALUE ADDED						
Value added by operating activities	7,722.2	92.2	9,098.4	93.3	11,249.8	94.4
Revenue	19,409.7		22,855.2		27,315.3	
Net operating expenses	(11,687.5)		(13,756.8)		(16,065.5)	
Value added by investing activities	649.6	7.8	656.6	6.7	662.8	5.6
Income from investments	5.1		16.6		8.0	
Interest income	644.5		640.0		654.8	
	8,371.8	100.0	9,755.0	100.0	11,912.6	100.0
VALUE DISTRIBUTED						
Distributed to employees	1,018.6	12.2	1,331.6	13.7	1,652.9	13.9
Salaries, wages, medical and other benefits	960.7		1,259.8		1,578.0	
Pension and retirement fund contributions	57.9		71.8		74.9	
Distributed to providers of finance	2,146.3	25.6	3,207.5	32.9	4,041.7	33.9
Finance costs	1,546.3		1,107.5		641.7	
Dividends	600.0		2,100.0		3,400.0	
Distributed to government	1,301.0	15.6	1,970.5	20.2	2,525.0	21.2
SA normal taxation	1,223.3		1,702.6		2,082.6	
Secondary taxation on companies	75.0		262.5		429.4	
Foreign taxation	2.7		5.4		13.0	
Value reinvested	2,246.3	26.8	2,286.2	23.4	3,200.8	26.9
Depreciation of property, plant and equipment	2,163.0		2,316.9		2,611.1	
Amortisation of intangible assets	213.2		214.8		232.1	
Impairment of assets	-		-		268.4	
Deferred taxation	(163.6)		(143.9)		(34.7)	
Foreign deferred taxation	33.7		(101.6)		123.9	
Value retained	1,659.6	19.8	959.2	9.8	492.2	4.1
Retained profit (adjusted for dividends)	1,612.1		933.0		461.4	
Minority interests	47.5		26.2		30.8	
	8,371.8	100.0	9,755.0	100.0	11,912.6	100.0