

MEDIA RELEASE

19 October 2011

Telkom Business Broadband Propels Convergence Journey

Telkom today took a step closer towards creating true fixed mobile convergence as the Company unveils a portfolio of broadband offerings to business customers.

This announcement comes after the introduction of Telkom Business Mobile, announced early last month, when the Company committed to a phased approach towards true convergence. Now with the introduction of a Business Broadband product set, Telkom is continuing this momentum.

Lending itself to the next iteration of the first phase of the Telkom convergence roadmap, Telkom Business Broadband portfolio offers a range of high capped and uncapped products targeted at small, medium and large business.

Managing Director of Telkom Business, Dr Brian Armstrong says that demand for faster line speeds and the appetite for Internet usage is on the up and up.

“In fact, Gartner predicts that through to 2015, average bandwidth requirements among enterprises will grow at a rate of at least 30% to 50% per year depending on region, line-of-business and so on,” he states.

The TBiz Capped offerings include five product bundles starting at an entry level 8GB shaped Internet usage with ADSL access of up to 384kbps to a 40GB shaped Internet Usage account with ADSL access of up to 4/10 Mbps.

The TBiz Uncapped offerings include four product bundles with entry level ADSL speeds of up to 384kbps

ranging to up to 4/10 Mbps. The TBiz Uncapped offerings are subject to Telkom Internet's Acceptable Use Policy.

Tailor-made Business Broadband solutions are also available, allowing customers to select their preferred components of ADSL access line speed, capped or uncapped Internet packages and value added service options.

Telkom Business Broadband is highly competitive on speed and usage levels and offers a well balanced product, delivering unmatched value to the market, notes Dr Armstrong.

Value added features for the Business Broadband portfolio include a new ADSL modem with automatic 3G back-up capability.

These modems connect users to a fixed line but can also accommodate a 3G dongle with SIM card for mobile broadband back-up. This allows for the automatic connection to wireless 3G if the ADSL line fails and reverts when the ADSL line is restored.

"Telkom Business Broadband is backed by Telkom's robust IP network connected locally and internationally and is supported by Telkom Business's national points of presence," offers Dr Armstrong.

"With the launch of this offering Telkom has positioned itself as one-stop provider of combined offerings including Virtual Private Networks, cloud based services, fixed and mobile voice and unified communications; further paving the road towards true fixed mobile convergence," concludes Dr Armstrong.

Ends

Additional Information

TBiz Capped Offers:

Bundle Name & Price	Bundle elements
TBiz Entry Capped @ R299 monthly	<ul style="list-style-type: none">• Up to 384 kbps ADSL• 8GB shaped Internet usage• Micro VAS package
TBiz Basic Capped @ R414 monthly	<ul style="list-style-type: none">• Up to 384 kbps ADSL• 16GB shaped Internet usage• Starter VAS package
TBiz Advanced Capped @ R540 monthly	<ul style="list-style-type: none">• Up to 1 Mbps ADSL• 16GB shaped Internet usage• Starter VAS package
TBiz Premium Capped @ R865 monthly	<ul style="list-style-type: none">• Up to 4/10 Mbps ADSL• 30GB shaped Internet usage• Starter VAS package
TBiz Premium+ Capped @ R1,000 monthly	<ul style="list-style-type: none">• Up to 4/10 Mbps ADSL• 40GB shaped Internet usage• Starter VAS package

All prices include VAT, and exclude monthly line rental. T&C apply. E&OE.

Micro VAS <ul style="list-style-type: none">• 1GB Online / Web Storage	Starter VAS <ul style="list-style-type: none">• 3GB Online / Web Storage
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<ul style="list-style-type: none"> • 1x FTP account • 1x 1GB email accounts + calendaring and document sharing • .co.za Domain registration for your business • 1GB web site traffic • Configuration panel for email, DB, DNS registration 	<ul style="list-style-type: none"> • 2x FTP account and 1 MySQL Data Base access • 5x 1GB email accounts + calendaring and document sharing • .co.za Domain registration for your business • 3GB web site traffic • Configuration panel for email, DB, DNS registration
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TBiz Uncapped Offers

Bundle Name & Price	Bundle elements
TBiz Basic Uncapped @ R595 monthly	<ul style="list-style-type: none"> • Up to 384 kbps ADSL • Uncapped 384 shaped Internet usage • Starter VAS package
TBiz Advanced Uncapped @ R1,275 monthly	<ul style="list-style-type: none"> • Up to 1Mbps ADSL • Uncapped 1024 shaped Internet usage • Starter VAS package
TBiz Premium Uncapped @ R2,359 monthly	<ul style="list-style-type: none"> • Up to 4/10Mbps ADSL • Uncapped 4096 shaped Internet usage • Starter VAS package
TBiz Premium+ Uncapped @ R4,224 monthly	<ul style="list-style-type: none"> • Up to 4/10 Mbps ADSL • Uncapped 10240 shaped Internet usage • Starter VAS package

All Uncapped services are subject to Telkom/Internet AUP at <http://business.telkom.co.za>

Micro VAS

Starter VAS

1GB Online / Web Storage
1x FTP account
1x 1GB email accounts + calendaring and document sharing
.co.za Domain registration for your business
1GB web site traffic
Configuration panel for email, DB, DNS registration

- 3GB Online / Web Storage
- 2x FTP account and 1 MySQL Data Base access
- 5x 1GB email accounts + calendaring and document sharing
- .co.za Domain registration for your business
- 3GB web site traffic
- Configuration panel for email, DB, DNS registration

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ABOUT TELKOM:

Telkom is a leading communications services provider in South Africa and on the African continent. We had consolidated normalised operating revenue from continuing operations of R33.4 billion and normalised profit for the year from continuing operations of R2.4 billion for the year ended 31 March 2011. Total assets from continuing operations amounted to R54.3 billion and equity attributable to the owners of Telkom to R29.6 billion as of 31 March 2011. The group generated normalised free cash flow of R3.5 billion for the year ended 31 March 2011.

As of 31 March 2011, we had approximately 4.2 million telephone access lines in service and 99.9% of our telephone access lines were connected to digital exchanges. We offer business, residential and payphone customers a wide range of services and products, including:

- *fixed-line* subscription and connection services to post-paid, prepaid and private payphone customers using PSTN (Public Switched Telephone Network) lines, including ISDN (Integrated Services Digital Network) lines, and the sale of the subscription based value-added voice services and customer premises equipment rental and sales;
- *fixed-line traffic services* to post-paid, prepaid, and payphone customers, including local, long distance, fixed-to-mobile, international outgoing and international voice-over-Internet protocol traffic services;
- *interconnection services*, including terminating and transiting traffic from South African mobile operators, as well as from international operators and transiting traffic from mobile to international destinations;
- *fixed-line data centre operations and Internet services*, including domestic and international data transmission services, such as point-to-point leased lines, ADSL (Asymmetrical Digital Subscriber Line) services, packet-based services, managed data networking services and Internet access and related information technology services;
- *e-commerce*, including Internet access service provider, application service provider, hosting, data storage, e-mail and security services;
- *W-CDMA (Wideband Code Division Multiple Access)*, a 3G next generation network, including fixed voice services, data services and nomadic voice services;
- *mobile communication services*, including voice services, data services and handset sales through its mobile brand called 8-ta; and
- *other services* including directory services, through Trudon (Proprietary) Limited, wireless data services, through Swiftnet (Proprietary) Limited and Internet services outside South Africa, through iWayAfrica Group (integration of Africa Online Limited and MWEB Africa Limited).