

MEDIA RELEASE

The Public Investment Corporation increases stake in Vodacom

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PRETORIA – The Public Investment Corporation (PIC) is pleased to announce that it has increased its exposure in the mobile telecommunications operator Vodacom by purchasing the Government of South Africa's 13.91% equity stake. The stake was acquired through the PIC's participation in the engagement process that National Treasury ran with various financial institutions and managed to agree on the sale with PIC.

The investment in Vodacom is important, given that Vodacom is one of the key players in the South African information and communications technology (ICT) industry. It will further assist the PIC with portfolio diversification as well as risk mitigation and is in line with the PIC's investment mandate and objectives.

The Chief Executive Officer of the PIC, Dr. Daniel Matjila, says: "We are proud to have acquired these shares on behalf of the GEPP and believe that more benefit will be derived from this investment. Vodacom is a well-managed blue-chip South African company with credible exposure in the rest of Africa and strongly underpinned by its corporate governance practices."

"Telecommunications is one of the key drivers for both economic and social development. In fact the National Development Plan (NDP) acknowledges that maintenance and expansion of telecommunications infrastructure should be prioritised to support economic growth and social development goals," says Dr Matjila.

He commented that the ICT sector contributes approximately 6% to South Africa's GDP and presents the PIC with an opportunity to contribute to the universal access to ICT services in Africa.

The PIC has been a long-term investor in Vodacom and looks forward to a continued fruitful relationship with the company.

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About PIC

The Public Investment Corporation (PIC) is a public asset management firm wholly-owned by the South African government, with the Minister of Finance as the sole shareholder representative of the government. PIC's clients are mostly public sector entities including the Government Employees Pension Fund, which contributes 90% of the funds that PIC manages. Other clients include Unemployment Insurance Fund, Associated Institutions Pension Fund, Compensation Commissioner Pension Fund and Compensation Commissioner Fund.

The PIC is a hybrid of a single asset manager and a multi-manager with emphasis on providing its clients with value at a low cost and invests in established names with strong management requiring little oversight. PIC is a world class asset management company, and it boasts more than 100-year reputation of delivering excellent results. It is the largest and most successful asset manager on the African continent.

The PIC invests in a variety of asset classes and has a clear developmental investment programme. The developmental investments focus on the following areas: Economic Infrastructure (Roads, Rail, Transport & Logistics, Energy, Ports (air, sea, and rail); Social Infrastructure (Affordable Housing, Health, Education); Priority Sector Investments (Agriculture, Agro- processing, Manufacturing and beneficiation Tourism); Environmental & Sustainability (Renewable energy, Clean technology Green buildings, Sustainable environments);and SMEs across all sectors.