

Vodacom reports 6.4% drop in full-year profit

African telecoms major and South Africa's biggest mobile carrier Vodacom Group reported a 6.4% drop in full-year profit due to a local power crisis and other operational activities.



A shopper walks past a Vodacom shop in Johannesburg on 4 February 2015. Reuters/Siphiwe Sibeko

Its headline earnings per share, a profit measure used in South Africa, came in at 948c for the year ended on 31 March, down from 1,013c posted a year ago.

The company, owned by Britain's Vodafone, has been investing to become a pan-African player, a leading financial services firm and strengthen its data offering in South Africa.

But those efforts were dampened as South Africa, its biggest market in the region, has been struggling with rolling blackouts for up to 10 hours a day, forcing telecom firms to run their towers and network on diesel-run generators.

Vodacom's revenue for the year jumped 16% to R119bn (\$6.50bn), led by a purchase of a 55% stake in Vodafone Egypt and depreciation of the local currency.

ABOUT THE AUTHOR

Reporting by Promit Mukherjee; editing by Jacqueline Wong and Tom Hogue.

For more, visit: <https://www.bizcommunity.com>