



# ***Annual Report 2004/2005***



## Our Vision

To be Namibia's most preferred, high-performance telecommunications service provider of world-class standards.

## Our Mission

To anticipate, understand and satisfy the telecommunications/information needs and wants of our customers. We will address these demands through the development of solutions, sales and support of quality electronic, voice, data, image and text services at competitive rates.

## BHAG 2010

Telecom Namibia is the trusted, first choice for communications customers, and towers head-and-shoulders above the competition.

We will double our EVA\* per employee and generate shareholder value through superior service to our customers at home, and by seizing opportunities in selected African regional economic markets. Furthermore, we are welcomed as a leading corporate citizen in the communities in which we operate because of our commitment to social responsibility. Our fast, simple and leading edge operations will serve as a benchmark for world telecommunications. We are well known for "doing things right the first time." Therefore, we are an employer of choice, and our employees are recognized for their excellent performance and valuable contributions.

\* EVA - Economic Value Added using 2003 as a baseline.

## Our Values

<b><i>Integrity</i></b>	described as trustworthy by others and is known for being reliable.
<b><i>Care</i></b>	sensitive to the needs and happiness of others.
<b><i>Commitment</i></b>	a passionate determination for achieving goals.
<b><i>Accountability</i></b>	takes every task assigned to them personally, and ensures its completion.
<b><i>Empowerment</i></b>	proactively provides support and helps employees understand the company's vision and strategic plan.
<b><i>Teamwork</i></b>	a team player that sacrifices personal needs to help the team as a collective succeed.
<b><i>Mutual respect</i></b>	acknowledges and celebrates the knowledge and achievements of others and is sensitive to other people's rights, customs and wishes.

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*The Windhoek Satellite Earth Station*



# Share in our vision for the future

## ***Telecom Namibia unveiled its new corporate identity in September 2005.***

The change was necessitated not only by the radical changes in the telecommunications environment over the past decade, but also by our renewed commitment to providing service excellence through our new mission, vision and values.

From its inception in 1992, Telecom Namibia has evolved into a multi-faceted telecommunications service provider. The new corporate identity is designed to reflect this change and the immense opportunities, which lie ahead for Telecom Namibia within our country and beyond our borders. It is not merely a cosmetic change, but reflects a tangible change in Telecom Namibia's service delivery, with the key focus of this transformational process being to instill a customer service oriented culture in our employees

The 'globe icon' is a stylised representation of two elements - the globe and a digital keypad. The globe is representative of Telecom Namibia's world-class technological infrastructure and our vital role in keeping Namibia in touch with the world.

All communication is essentially the input of data - whether it is dialing a number, sending a fax or writing an e-mail, the keypad is ever-present as the human factor in communication. A modern new typeface has been used for the wording telecom namibia. The use of all lower case characters presents a more friendly face to our company and signifies our new focus on accessibility to all our customers.

Our new logo is comprised of two new corporate colours - a darker version of our original corporate blue and a new bright, vibrant orange.

The blue is based on the original Telecom blue and inspires trust and reliability. It adds continuity to the Telecom brand and signifies the corporate side of Telecom Namibia and our service to our business and corporate customers.

The bright orange reflects our new brand personality of being open, vibrant, fresh and friendly. The orange also signifies the residential side of our customer base.

This new logo is supported by our new brand values, which challenge all Telecom Namibia employees to strive towards proactivity, knowledge, innovation and customer-focused service.

Our exciting new brand promise - sharing your world - personifies our new Telecom Namibia brand. Telecom Namibia plays a vital role in enabling all our customers to communicate with the rest of the world, to share ideas, emotions, information, thoughts, dreams and expectations through our fast, reliable, state-of-the-art telecommunications infrastructure.

Share in our vision for a bright new future for all Namibians.

*New image, happy faces*







*A Telecom tower.*

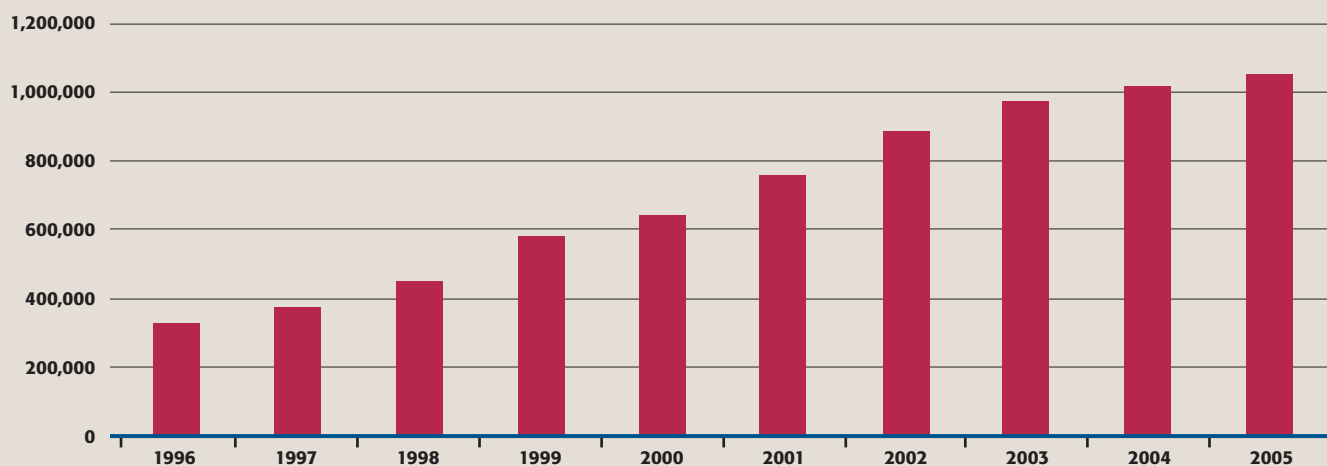


# General Highlights

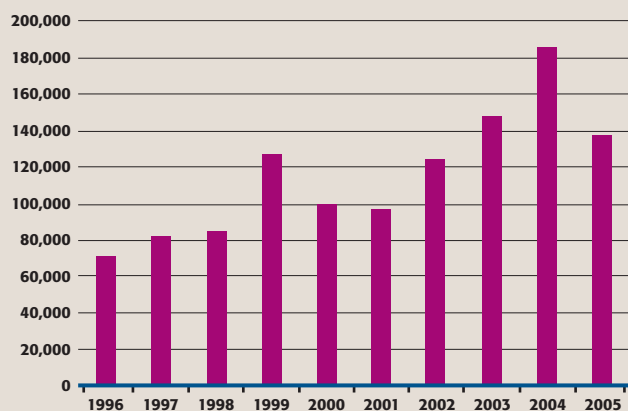
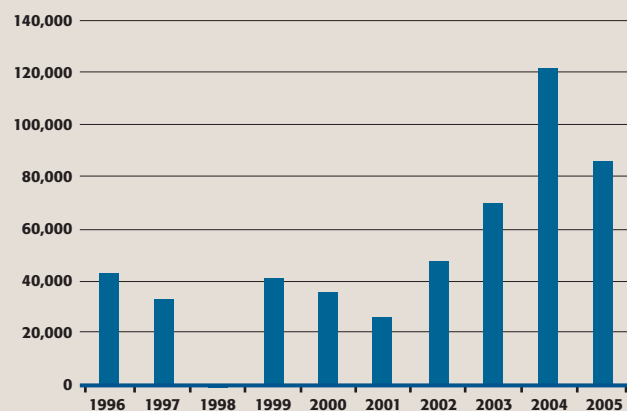
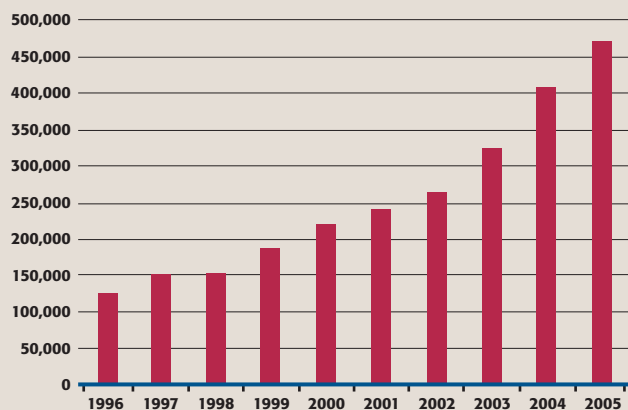
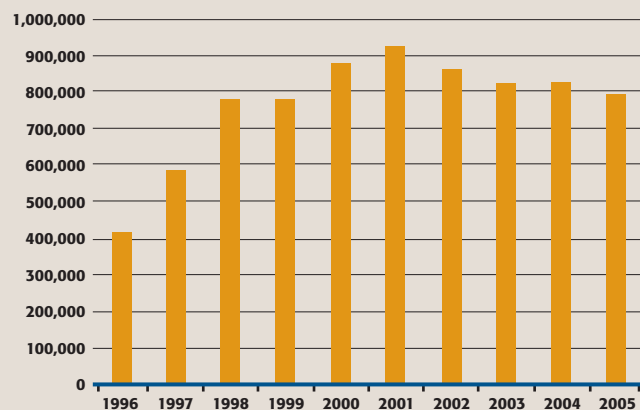
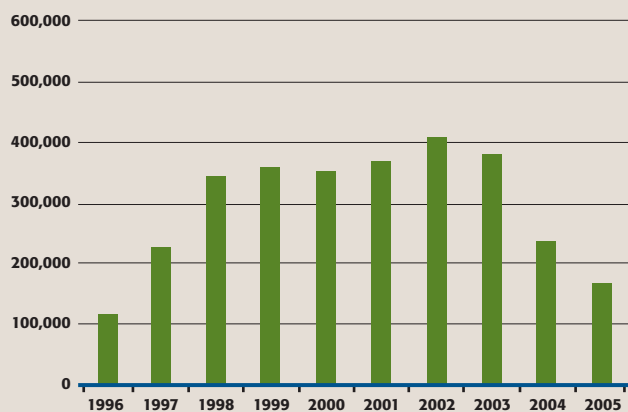
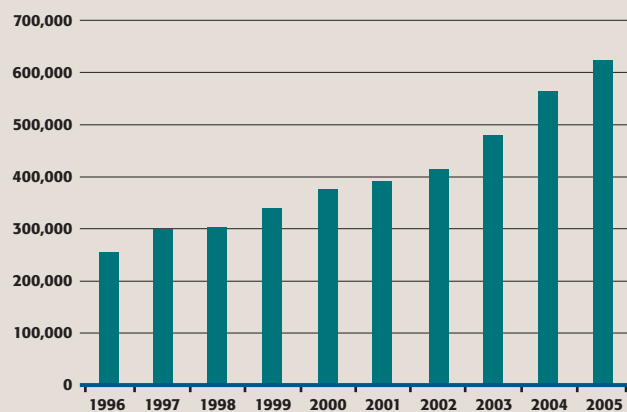
## Financial highlights for the years ended 1996 - 2005

	1996 N\$'000	1997 N\$'000	1998 N\$'000	1999 N\$'000	2000 N\$'000	2001 N\$'000	2002 N\$'000	2003 N\$'000	2004 N\$'000	2005 N\$'000
Turnover	330,589	373,386	454,449	588,018	652,396	764,220	896,284	981,048	1,020,439	1,055,275
Operating Profit	71,696	82,312	85,677	127,750	99,846	97,405	125,298	148,654	185,952	138,213
Profit/(Loss) After Taxation	43,826	35,854	-202	41,105	35,335	26,608	47,465	69,851	121,011	86,448
Accumulated Retained Profits	125,650	153,504	153,302	186,407	221,742	240,350	264,064	325,915	411,516	473,762
Fixed Assets	415,376	589,683	778,960	781,564	879,702	924,738	860,130	828,297	824,427	797,281
Long Term Liabilities	118,485	216,749	347,190	367,679	357,433	372,900	406,568	382,330	237,692	169,706
Equity	257,761	303,810	307,832	340,937	376,272	394,880	418,594	480,445	566,046	628,292
Capital Projects	177,976	223,332	271,205	127,871	249,982	202,115	94,804	130,905	132,665	126,244
Equity to Debt Ratio	2.18	1.4	0.89	0.93	1.05	1.06	1.03	1.26	0.69	0.98
Return on Fixed Assets	10.55%	6.08%	-0.03%	5.26%	4.02%	2.88%	5.52%	8.43%	14.68%	10.84%

### Turnover (N\$'000)

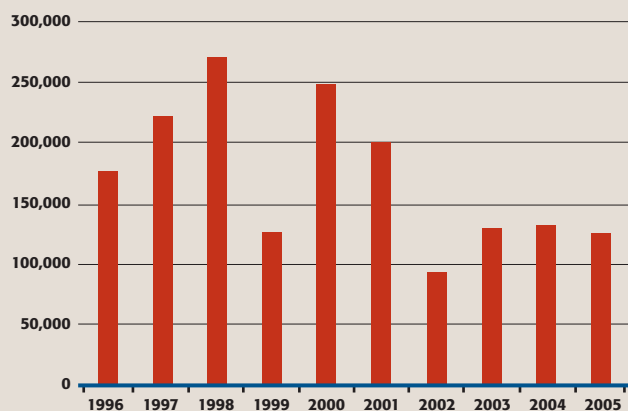




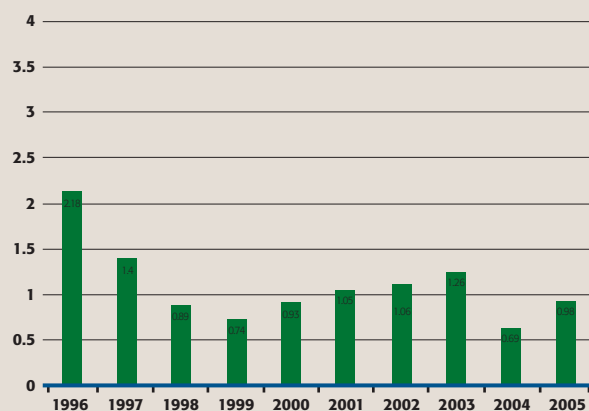
**Operating Profit (N\$'000)****Profit/(Loss) After Taxation (N\$'000)****Accumulated Retained Profits (N\$'000)****Fixed Assets (N\$'000)****Long Term Liabilities (N\$'000)****Equity (N\$'000)**



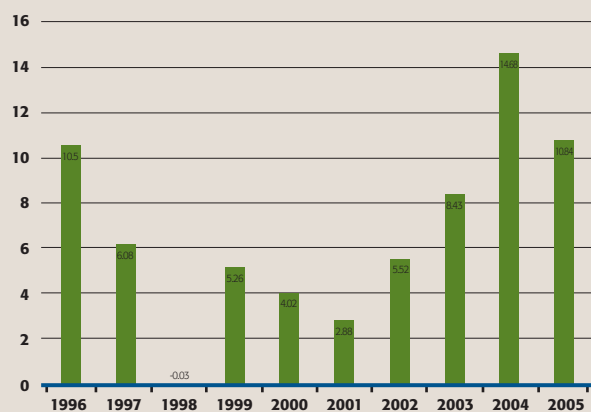
### Capital Projects (N\$'000)



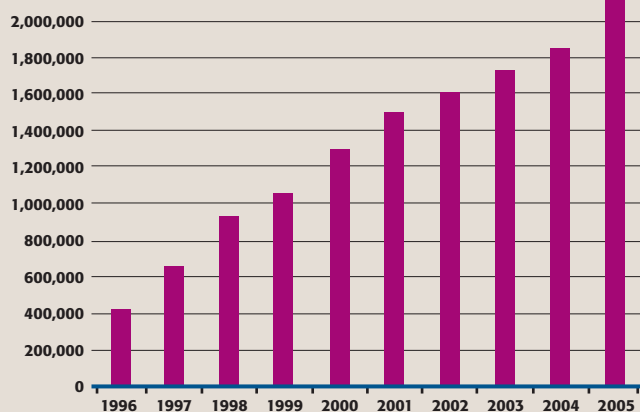
### Equity to Debt Ratio



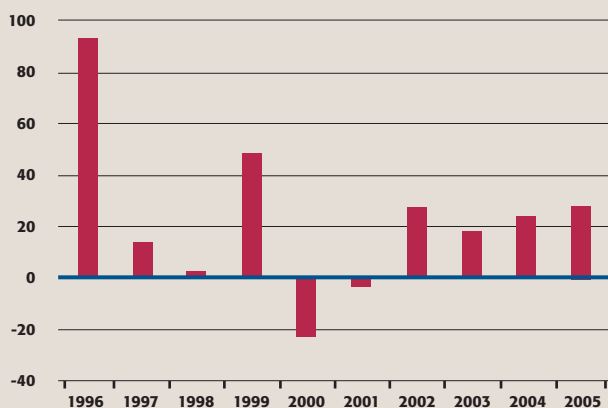
### Return on Fixed Assets (%)



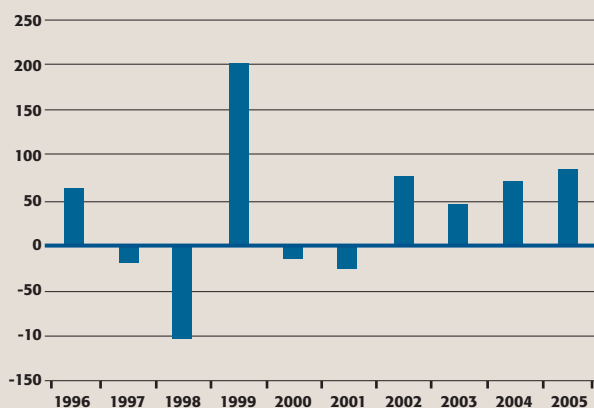
### Accumulative Capital Spent (N\$'000)



### Change in Operating Profit (%)



### Increase in Profit/(Loss) After Tax (%)





## Network Development Statistics

	1999	2000	2001	2002	2003	2004	2005
Port Capacity (Network Switch Capacity)	168,340	168,676	173,347	175,016	177,876	185,564	195,023
Percentage Digital	100%	100%	100%	100%	100%	100%	100%
Direct Exchange Lines (DEL's)							
Analogue, ISDN & DID slots ( <i>Incl. public telephones</i> )	106,029	109,526	117,059	121,233	127,380	136,197	138,880
Manual	2,164	650	339	180	172	153	117
TOTAL (DELs)	108,193	110,176	117,398	121,413	127,552	136,350	138,997
Waiting List	5,443	2,389	2,873	2,578	3,321	2,571	3,521
DEL Penetration	6.2%	6.1%	6.4%	6.5%	6.6%	6.9%	6.9%
Population	1,748,363	1,800,184	1,830,330	1,877,919	1,926,744	1,976,840	2,028,238
# of Public Phones	4,196	4,585	5,160	6,211	5,603	4,905	4,930
Public phones per 1000	2.4	2.5	2.8	3.3	2.9	2.5	2.4
Number of Households (projected)	326,600	336,900	346,455	355,463	364,705	374,187	383,916
Penetration per Households	33.1%	32.7%	33.9%	34.2%	35.0%	36.4%	36.2%



*Managing the Telecom Namibia IP backbone.*







*The main Distribution Frame in Windhoek.*