

Telkom SA SOC Limited
(Incorporated in the Republic of South Africa)
(Registration number 1991/005476/30)
JSE Bond Code: BITEL
JSE Share Code: TKG
ISIN ZAE000044897
("Telkom" or the "company")

MOODY'S DOWNGRADES TELKOM IN LINE WITH SOVEREIGN RATING

Moody's Investors Service ("Moody's") has downgraded Telkom's rating to Ba1 from Baa3 with a negative outlook.

The rating action follows Moody's recent decision to downgrade the South African sovereign rating. Telkom's rating is linked to sovereign rating due to government's 40.5% stake in Telkom and its operational concentration in South Africa.

Moody's has also affirmed the long-term national scale issuer rating at Aa1.za.

As part of its rating decision Moody's indicated that the rating reflects Telkom's overall strong credit metrics which provide adequate headroom to the company's operating and competitive challenges. The company also has adequate levels of liquidity over the next 12 to 18 months with flexibility and sufficient levers to manage its cashflows.

6 April 2020

Debt Sponsor
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