



BTC pays government P57 million dividend

- Its best profit margin yet at 25%
- Cooperate readying for Privatisation



BTC's product offerings are the beginning to make a positive impact

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Botswana Telecommunication Company (BTC) has been able to turn its fortune around in anticipation of being a privatised. The public telecommunications operator has proved profitable in recent years, with 2011 being the best so far as profits were up 25% compared to the previous year. To this end, BTC has, this year, been able to pay out their sole shareholder, the government of Botswana, P57 million.

The company had a sizeable debt of just over P300

million in 2006, which they have been able to fully service to zero this year. The operating revenue sale of goods and services for the first time went past the billion pula mark recording P1.065 billion and marking BTC's sheer size in the telecommunications industry in Botswana.

Speaking at the result announcement last week Thursday, the BTC's newly appointed chief executive officer, Paul Taylor noted of the corporation's performance that, "these are our best top and bottom line figures." He said their increased innovation

and service has been the key to them being able to pay such a dividend to government.

Taylor, who was engaged to oversee the privatisation process, attributes drivers of this growth to the new sources such as mobile, data, the increase of networks as well as the stabilisation of traditional fixed and voice facilities. The company claims an increasingly efficient business with margin progressions. Taylor stated that these good results make BTC an attractive to anybody wishing to invest in the company after it goes public.

The BTC Board chairman, Leonard Makwinja also noted that, "these are very good results on the backdrop of the recession which affected many of our clients." He said the telecommunications developments have detected terms in terms of how they do business; citing broadband technology which he says has been elevated to a need since so many people rely on it for information.

Makwinja said they are aiming at meeting the Nteletsa 2 objectives of having most of Botswana connected. On what will happen when the corporation is finally privatised, he said certain company asserts will be diverted ideally without any customer disruptions.

The company's mobile phone operator beMobile has been in the industry for just over three years and the question that has arisen has been will it break away and become a separate entity to increase its competitiveness against its two competitors Mascom Wireless and Orange Botswana. To this, Taylor noted that, "there is growth but we can do better." He said for the last eight to ten weeks they have been working on how to reposition and make beMobile more customer friendly. Makwinja said the jury is still out on what they will do with beMobile post privatisation.