10 Earnings per share

	Group	
	2017	2016
Total operations		
Basic earnings per share (cents)	**738.8**	432.4
The calculation of earnings per share is based on a profit attributable to equity holders of Telkom for the year of R3 797 million (2016: R2 210 million) and 513 954 385 (2016: 511 157 460) weighted average number of ordinary shares in issue.		
Diluted earnings per share (cents)	**724.1**	425.8
The calculation of diluted earnings per share is based on a profit attributable to equity holders of Telkom for the year of R3 797 million (2016: R2 210 million) and 524 370 916 (2016: 518 965 683) diluted weighted average number of ordinary shares in issue. The adjustment in the weighted average number of shares is as a result of the expected future vesting of shares already allocated to employees under the Telkom group Share Plan.		
Headline earnings per share (cents)*	**721.1**	323.0
The calculation of headline earnings per share is based on headline earnings of R3 706 million (2016: R1 651 million) and 513 954 385 (2016: 511 157 460) weighted average number of ordinary shares in issue.		
Diluted headline earnings per share (cents)*	**706.7**	318.1
The calculation of diluted headline earnings per share is based on headline earnings of R3 706 million (2016: R1 651 million) and 524 370 916 (2016: 518 965 683) diluted weighted average number of ordinary shares in issue. The adjustment in the weighted average number of shares is as a result of the expected future vesting of shares already allocated to employees under the Telkom group Share Plan.		

Reconciliation of weighted average number of ordinary shares:	**Number of shares**	**Number of shares**
Ordinary shares in issue	**526 948 700**	526 948 700
Weighted average number of treasury shares	**(12 994 315)**	(15 791 240)
Weighted average number of shares outstanding	**513 954 385**	511 157 460

Reconciliation of diluted weighted average number of ordinary shares		
Weighted average number of shares outstanding	**513 954 385**	511 157 460
Expected future vesting of shares	**10 416 531**	7 808 223
Diluted weighted average number of shares outstanding	**524 370 916**	518 965 683

* *The disclosure of headline earnings is a requirement of the JSE Limited and is not a recognised measure under IFRS. It has been calculated in accordance with the South African Institute of Chartered Accountants' circular 2/2015 issued in this regard.*

Total operations

Reconciliation between earnings and headline earnings:	**Rm**	**Rm**
Profit for the year	**3 854**	2 321
Non-controlling interest	**(57)**	(111)
Profit attributable to owners of Telkom	**3 797**	2 210
Profit on disposal of property, plant and equipment and intangible assets	**(217)**	(704)
Write-offs of property, plant and equipment and intangible assets	**143**	170
Taxation effects	**(17)**	(25)
Headline earnings	**3 706**	1 651

Dividend per share (cents)

The calculation of dividend per share is based on dividends of R1 422 million declared on 4 July 2016 and R692 million declared on 11 November 2016 (31 March 2016: R1 291 million). 526 948 700 number of ordinary shares were outstanding on the date of the dividend declarations (31 March 2016: 526 948 700).