

**Press release
For immediate release**

**ACTOWERS CONTINUES TO BENEFIT FROM BUOYANT CELLULAR
MARKET IN AFRICA**

Highlights

- Revenue up 35% to R239 million (2007: R177 million)
- Gross profit up 56% to R89 million (2007: R57 million)
- Headline earnings up 32% to R37 million (2007: R28 million)
- HEPS up 31% to 14.4 cents (2007: 11.0 cents)
- Net tangible asset value per share up 44% to 87.2 cents (2007: 60.5 cents)

Africa Cellular Towers Limited (ACTOWERS), a major turnkey manufacturer and supplier of telecommunication lattice towers and equipment shelters in Africa, continues to benefit from the buoyant cellular market in Africa where strong demand prevails. Chris Kruger, Chairman and CEO of ACTOWERS, says that he is very pleased with this set of interim results for the six months ended 31 August 2008, which demonstrate the sustained growth potential of the company.

Revenue increased by a satisfactory 35% from R177 million for the six months ended 31 August 2007 to R239 million for the six months ended 31 August 2008. The growth in revenue was mainly as a result of the continued demand for cellular towers and equipment shelters in Africa as well as the increase in the steel price that led to higher selling prices.

Gross profit increased by an impressive 56% due to a concerted effort by ACTOWERS to move to “supply-only” contracts where higher margins are earned. Gross profit margin remained at the same level as at year end, which was 37.2%.

“We put a great deal of effort into recouping some of our long outstanding debtors and we are pleased to report that trade debtor days came down from 167 days as at year end to 129 days at 31 August 2008. Celtel remains a large outstanding debtor, but we are in discussions with them” says Kruger.

Kruger further states that inventory increased by 46% from R82 million (2007) to R120 million (2008) mainly as a result of high steel prices and the shipment of finished goods shortly after 31 August 2008.

ACTOWERS saw a positive cash inflow from operations for the period of R35 million opposed to a cash outflow in the comparative period of R37 million.

The recently established Power Lines division posted revenue of R3.1 million. Although this division posted an operating loss, Chris Kruger says that the prospects for this division are promising and that ACTOWERS is in the process of finalising a BEE transaction which will assist this division in achieving its goals. “We attained an important milestone in securing our first transmission line construction contract as the main contractor” states Kruger.

Chris Kruger further says: "Our galvanizing plant is in the process of undergoing environmental approval which should be completed by 31 May 2009 and we expect some meaningful cost savings once the galvanizing bath is installed."

"We have decided not to pursue the facility in the Ghana Free Zone in its original format and will instead rent a bond store and establish a distribution centre in Ghana which will result in the advantages for our African operations in general," commented Chris Kruger.

Kruger concludes that with a strong order book as well as the future potential of the Power Lines division, ACTOWERS should have a strong second half.

Ends

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