Notes to the financial statements continued

for the year ended 31 March 2022

10. Earnings and dividend per share

	Group	
	31 March 2022 Rm	31 March 2021 Rm
Total operations		
Basic earnings per share (cents)	**536.6**	489.9
Diluted earnings per share (cents)	**519.9**	484.0
Headline earnings per share (cents)[1]	**575.3**	522.2
Diluted headline earnings per share (cents)[1]	**557.5**	516.0

Reconciliation of weighted average number of ordinary shares:	**Number of shares**	Number of shares
Weighted ordinary shares in issue	**511 140 239**	511 140 239
Weighted average number of treasury shares	**(20 985 607)**	(16 718 676)
Weighted average number of shares outstanding	**490 154 632**	**494 421 563**

Reconciliation of diluted weighted average number of ordinary shares:		
Weighted average number of shares outstanding	**490 154 632**	494 421 563
Expected future vesting of shares related to Group share scheme incentive plans (refer to note 24)	**15 702 826**	5 995 674
Diluted weighted average number of shares outstanding	**505 857 458**	**500 417 237**

[1] *The disclosure of headline earnings is a requirement of the JSE Listings Requirements. It has been calculated in accordance with the South African Institute of Chartered Accountants' circular 1/2021 issued in this regard as well as the relevant requirements of IAS 33.*

	31 March 2022		31 March 2021	
	Gross Rm	**Net[2] Rm**	Gross Rm	Net[2] Rm
Total operations				
Reconciliation between earnings and headline earnings:				
Profit for the year		**2 631**		2 428
Non-controlling interests		**(1)**		(6)
Profit attributable to owners of Telkom		**2 630**		2 422
Profit on disposal of property, plant and equipment and intangible assets	**(14)**	**(14)**	(4)	(4)
Loss on disposal of a subsidiary	**3**	**3**	–	–
Write-offs and impairments of property, plant and equipment and intangible assets	**247**	**201**	200	164
Headline earnings		**2 820**		2 582
Dividend per share (cents)		**–**		**50.08**

[2] *The taxation impact consists of a R46 million increase (31 March 2021: R36 million) in tax expense related to recoupment and scrapping of disposals and write-offs of property, plant and equipment and intangible assets.*

The prior year dividend per share is based on a dividend of 50.08 cents per share declared on 19 June 2020. A total of 511 140 239 ordinary shares were outstanding on the date of the dividend declaration. No dividends were declared in the current financial period. Refer to the statement of changes in equity.