BLUE LABEL
TELECOMS

Results for the year ended 31 May 2015

DISCLAIMER: The information contained in this document has not been verified independently.

No representation or warranty express or implied is made as to and no reliance should be placed on the fairness, accuracy, completeness or correctness of the information or opinions contained herein. Opinions and forward looking statements expressed represent those of the Company at the time. Undue reliance should not be placed on such statements and opinions because by nature, they are subjective to known and unknown risk and uncertainties and can be affected by other factors that could cause actual results and Company plans and objectives to differ materially from those expressed or implied in the forward looking statements.

Neither the Company nor any of its respective affiliates, advisors or representatives shall have any liability whatsoever (based on negligence or otherwise) for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection with this presentation and do not undertake to publicly update or revise any of its opinions or forward looking statements whether to reflect new information or future events or circumstances otherwise.

This presentation does not constitute an offer or invitation to purchase or subscribe for any securities and no part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever.

www.bluelabeltelecoms.co.za

Audited Results for the year ended 31 May 2015

BLUE LABEL TELECOMS

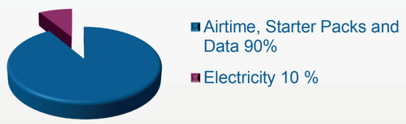
Group highlights for the year ended 31 May 2015

BLUE LABEL TELECOMS

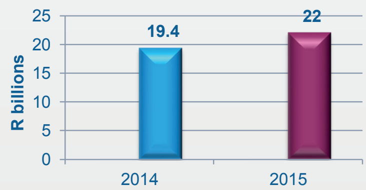
Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

- Revenue increases 14% to R22 billion
- Gross Profit increases 22% to R1.64 billion
- Gross Profit margin improves from 6.96% to 7.46%
- EBITDA increases 37% to R1.08 billion
- HEPS increases 21% to 82.26 cents
- Cash resources R788 million
- Corporate actions:
  - final resolution of Multi-Links litigation
  - cash proceeds from sale of Ukash stake – R95 million
- Dividend declared of 31 cents per share, up 15%

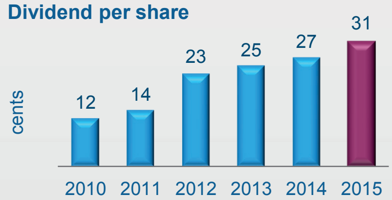
Gross Profit Contribution



Revenue



Dividend per share



South African Distribution

Shareholder profile

Brett Levy – Joint CEO

BLUE LABEL TELECOMS

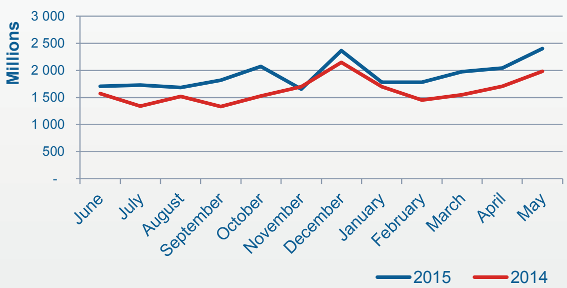
Financial and operational highlights

BLUE LABEL TELECOMS

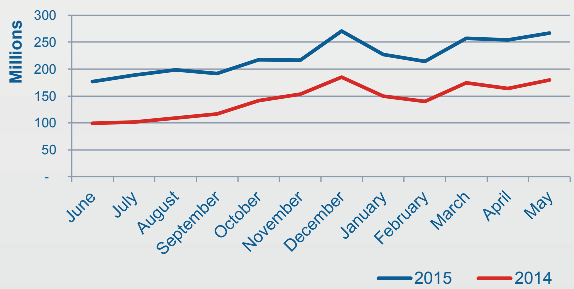
Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

- Revenue up 13% to R21.7 billion
- Gross profit up 22% to R1.4 billion
- Core net profit up 22% to R685 million

Prepaid Airtime Revenue Growth



Direct Top Up - PINless Airtime Growth



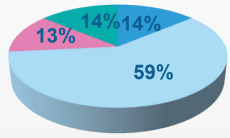
Prepaid Airtime, Data and Starter packs

BLUE LABEL TELECOMS

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

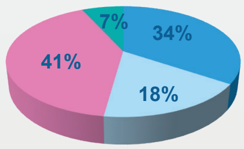
- Connecting ~700,000 new SIMs per month
- Distributing more products and services, especially data
- Informal/rural - 85% of revenue:
  - community based and customised benefit starter packs
  - low cost POS device and '*business in a box*'
  - '*chat 4 change*'
- Formal/retail - 15% of revenue:
  - long-term distribution agreements with 2 new channels
  - expanding presence at utilities, retailers and banks
  - establishing physical retail presence supporting POS terminal
  - retail strategy unfolding at RMCS and Edgars Connect

Airtime Contribution by Channel



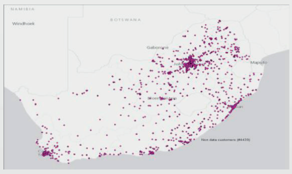
Petroleum | Independent | Formal Retail | Corporate Sales

Data Contribution by Channel



Petroleum | Independent | Formal Retail | Corporate Sales

Geocoding data opportunity



Retail Mobile Credit Specialists (RMCS)

BLUE LABEL TELECOMS

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

- 100% acquired on 7 April 2014 for R314 million
- Retail sector customers utilise their pre-approved credit facilities
- Product and service offerings to be extended to Money Transfers
- Entrenched in Edcon Group
- Replicating model across other well known retail chains
- Merged with The Postpaid Company to form Blue Label Connect wef 1 June 2015

Edgars Connect

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

- Opened Edgars Connect stand-alone stores
- In conjunction with Edgars Division of Edcon Group
- Main telephony products and services:
  - prepaid, postpaid, hybrid voice and data packages
- Cash or Edcon group pre-approved credit facilities
- 46 stores opened
- 100 stores by calendar year end, 400 over next 24 months

SIM CARDS

vodacom | MTN everywhere you go | CELL C | Telkom

HARDWARE

SAMSUNG | NOKIA | Sony Ericsson | MOTOROLA | Q Mobile | BlackBerry | LG | acer | htc | hp | DELL | ASUS | HUAWEI | kobo | kindle fire | TOSHIBA | ViewSonic | ARCHOS | TOUCHMATE

VALUE ADDED SERVICES

AIRTIME | DATA | AIRTIME | ELECTRICITY | BILL PAYMENTS | TICKETS | STARTER PACKS | CONTRACTS | HANDSETS | ACCESSORIES

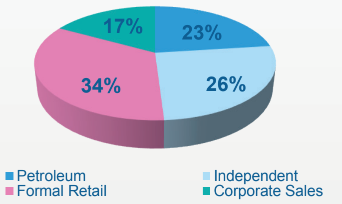
7

Prepaid Electricity

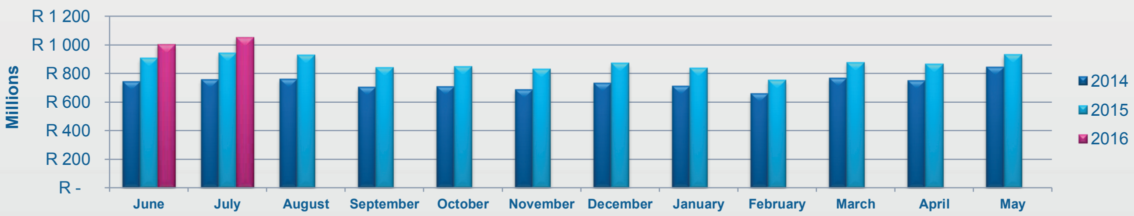
Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

- Exponential growth continues with increasing
  - number of distributor contracts
  - installations of prepaid residential meters
  - revenue and arrears collection campaigns
  - usage of technology - smart meters and UniPIN
  - electrification of government housing developments
- Impact of constrained supply pending, but may be tempered
- Note seasonal winter spikes in consumption
- Commissions earned up 23% to R165 million
- Equates to R10.4 billion in sales (2014: R8.8 billion)
- Turnover accounted for on an agency basis

Electricity Contribution by Channel



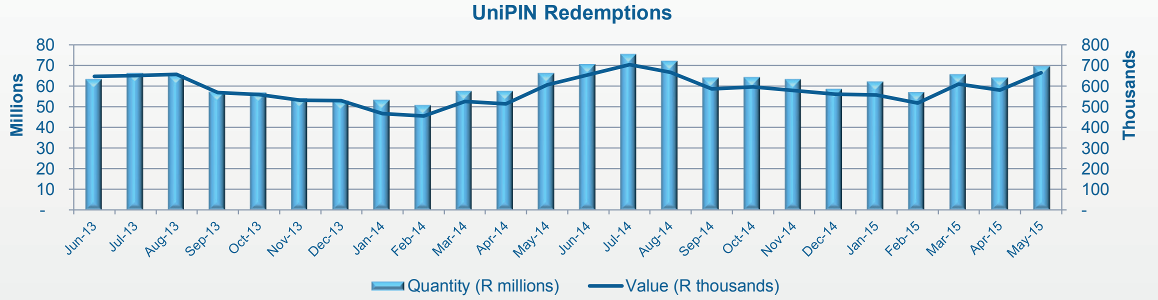
Prepaid Electricity - Sales on behalf of utilities

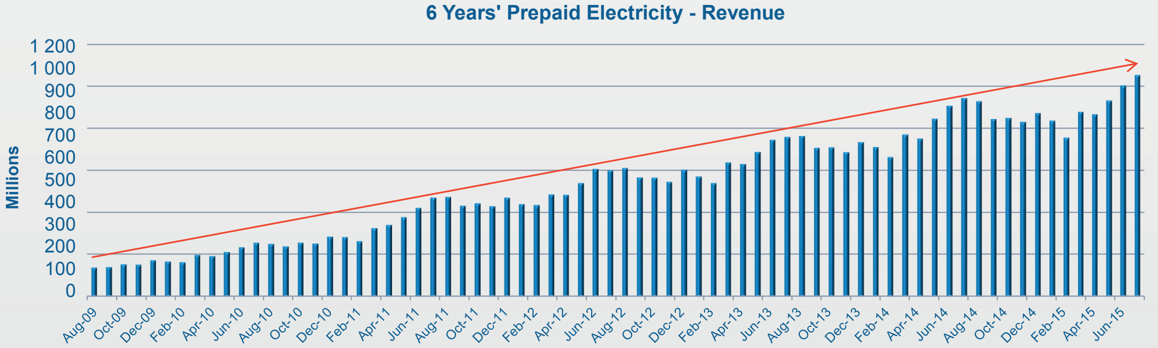


8

Prepaid Electricity – Revenue and UniPIN

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial





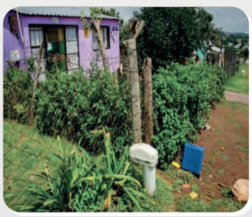
9

Prepaid Water

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

UniPIN™
PREPAID ELECTRICITY

- Replicating electricity model for prepaid water distribution
- Interest from municipalities, water boards, suppliers, township developers and closed communities
- Contracted and trialling prepaid water e-tokens
- Our proprietary technology:
  - competitive advantage
  - UniPIN enabler
  - neutral aggregator
- Market awareness campaigns



10

Ticketing by ticketpro

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

- *'…selling a ticket to an experience'*
- *'… eventology by ticketpro'*
- Striving for market differentiation, gaining brand recognition, and growing market share:
  - 2nd largest ticketing engine in SA
  - specialists in bulk ticketing through advanced technology
  - complete ticketing solution
  - convenience of various ticketing types
- Additional distribution partners :
  - Nelson Mandela Bay Stadium
  - Ticketpro Dome >44 events p.a.
  - Nasrec – Rand Show, Lifestyle Show
- Major contracts due for retendering and renewal
- Ticket sales' volumes up 26%

ticketpro

ticketpro DOME

Financial and other Value Adding Services

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

- Convenience and financial inclusion for un- & under-banked
- Neutral aggregator and cash payment clearing house
- POS devices accepting credit and debit card acquiring
- Mobile wallet offered by MNOs and banks
- Bill payments - transaction growth 33%
- Money transfer solution to be launched

Firstly, making a difference in South Africa

BLUE LABEL TELECOMS

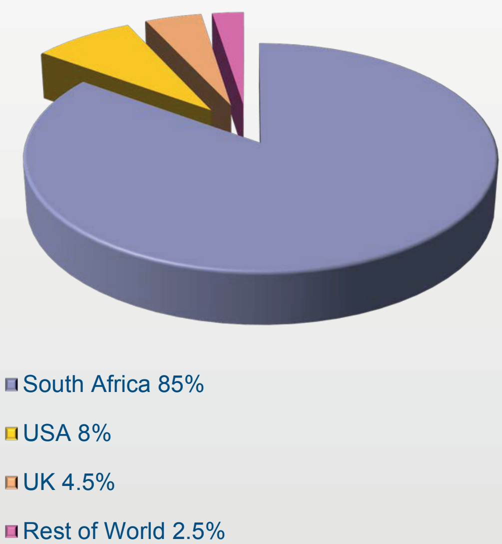
- Sophisticated proprietary technology
- Distributing innovative products and services
- Airtime, starter packs, electricity, financial services and
- New solutions - ticketing and prepaid water
- Take product to the people
- Reaching un- and under-banked, as well as rural communities
- Enriching and uplifting lifestyles
- Informal employment ~30,000 merchants and footsoldiers
- Building solid relationships with merchant base
- Fostering entrepreneurial and empowerment skills
- Upskilling, education, mentoring and development courses
- CSI spend mainly on Boys & Girls Clubs

13

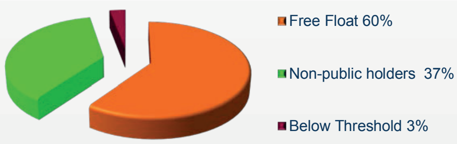
Shareholder profile

BLUE LABEL TELECOMS

Beneficial Shareholders



Free Float



- As at 31 May 2015
- Market capitalisation R6 billion (at R9)

14

- International Distribution
- Mobile, Solutions and Technology
- Prospects

Mark Levy – Joint CEO

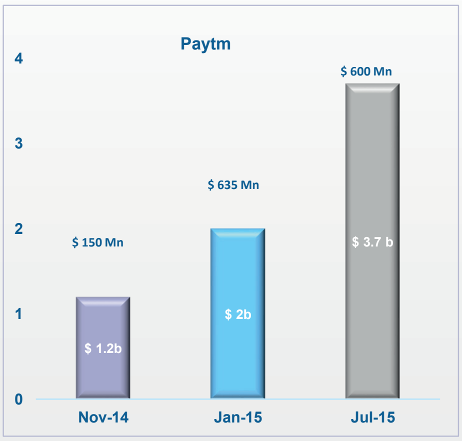
BLUE LABEL TELECOMS

Oxigen Services India – Macro Environment

BLUE LABEL TELECOMS

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

- Government driving economic development and financial inclusion
- Expanding e-commerce and m-commerce
- Recent M&A deals in peer group
- Escalating multiples

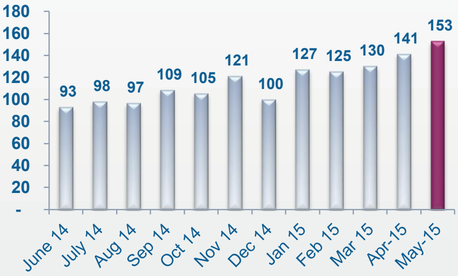


WHITE TEXT	Valuations
BLUE TEXT	Capital Raised

Oxigen Services India - Operations

- 50 million transactions per month
- 130,000 merchant points of presence
- Access through >60,000 government Common Service Centres
- Received ISO 9001 & 27001 Certifications and Order of Merit Award
- Revenue up 15%, Gross profit up 21%, with share of profit at R2.6 million

Total Value ($m) Banking, Oxigen Wallet & Service Aggregation



Product mix by % revenue

Recharge and DTH (TV)	29%
Bill Payment	5%
Travel & others	1%
Business Correspondent Banking	21%
Online Money Transfers, including Oxigen Wallet	44%

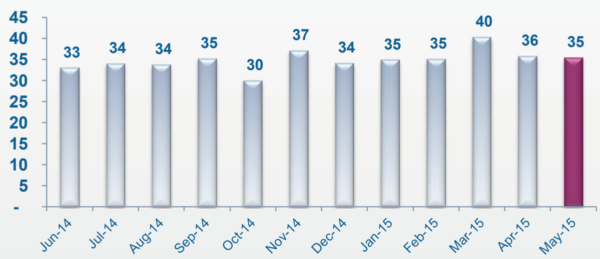
Oxigen Services India - Airtime recharge and Banking

BLUE LABEL TELECOMS

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

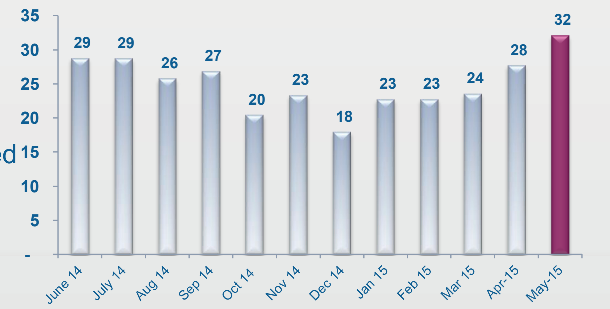
- **Airtime recharge**
  - Includes Data card recharge and DTH (TV)
  - Growth to align with expanding footprint

Airtime Recharge & TV ($m)



- **Business Correspondent Banking**
  - Strategic partnerships with >60 major banks
  - Now including Ratnaker Bank
  - Cash-out pilot for RBI successfully completed
  - Well positioned in market
  - Payment Bank licence award pending

Business Correspondent Banking ($m)



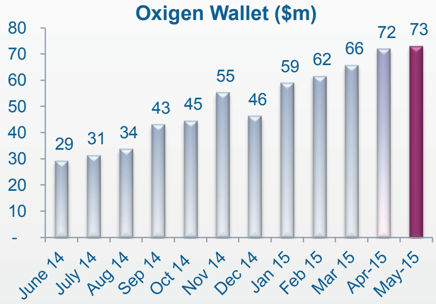
Oxigen Services India - Wallet/ on-line transfers/ remittances

BLUE LABEL TELECOMS

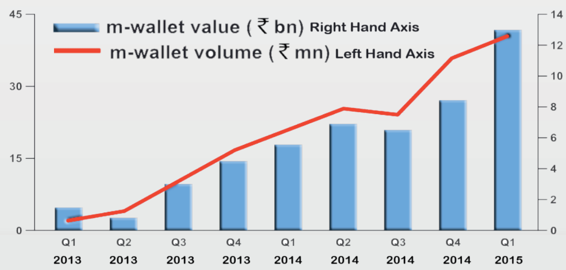
Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

- Oxigen wallet ranked as a leading service provider
- Oxigen wallet awarded 'Best Prepaid Issuer' by NPCI'
- Accelerating uptake - now hosting 5 million wallets
- Awareness campaigning in a competitive market
- Daily money transfer deposits increasing steadily:
  - ~$100 million per month, annualising $1.2 billion p.a.
- Remittance market estimated at over $100 billion p.a. (World Bank)

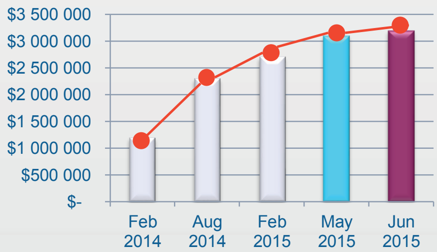
Oxigen Wallet ($m)



Increasing mobile wallet adoption
(Source: Reserve Bank of India)



Daily Domestic Money Transfer Deposits (BC Banking and Oxigen Wallet)



19

Blue Label Mexico

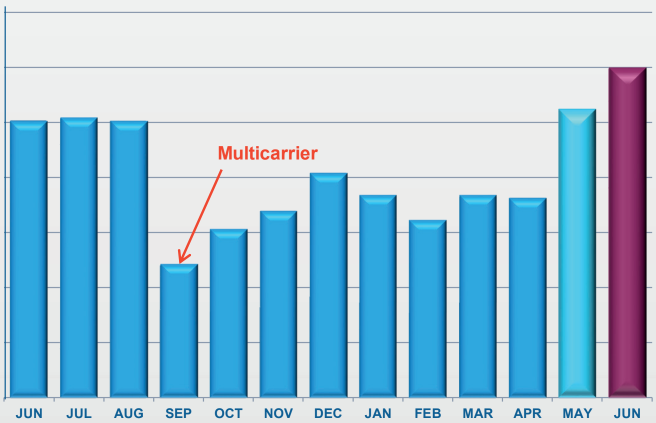
BLUE LABEL TELECOMS

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

- Structural reforms leading to increasing competition
- Share of market and revenue reflects dominance
- Revenue up 23%, with share of loss at R89 million
- Since Sep 2014 benefiting from multi-carrier status
- 9 months to get back on track
- Note December seasonal effects
- POS connectivity with Wifi improves sales
- Roll-out project continues
  – 60,000 active POS devices

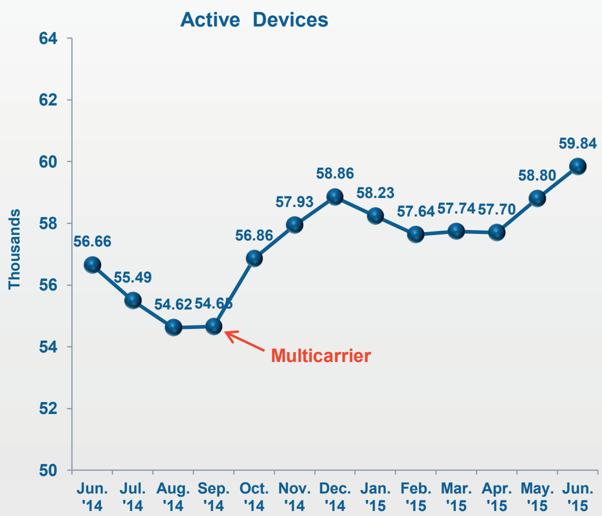
	Telcel	Movistar	AT&T
Market share	68%	20%	12%
Revenue share	74%	11%	15%

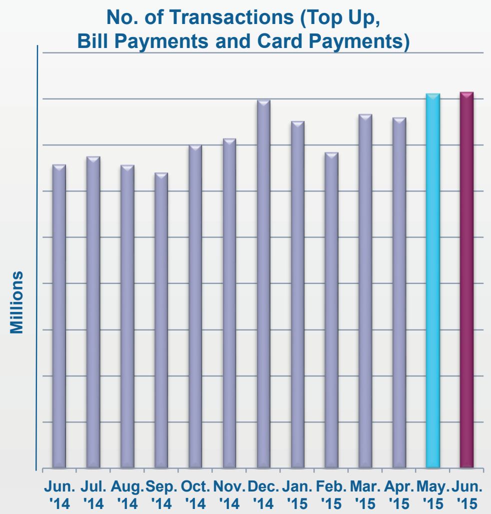
Gross Profit



20

Blue Label Mexico – Active devices and Transactions

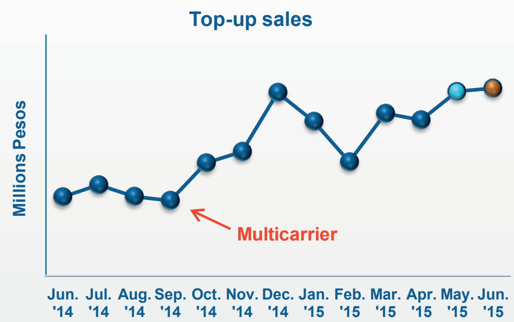




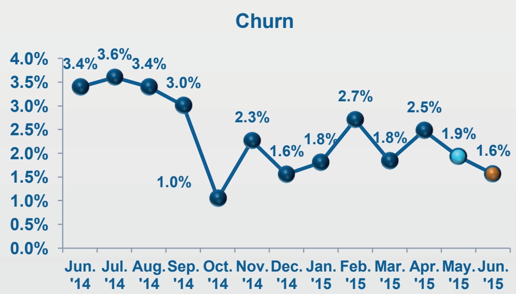
Blue Label Mexico - Airtime

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

- **Airtime top-up sales growing**
  - sales up 38% since multi-carrying in Sep 2014
  - efforts of sales force beginning to show
  - record sales in June 2015



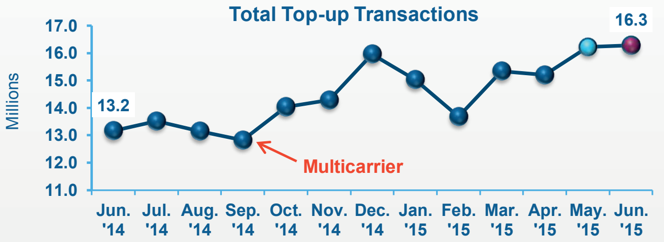
- **Churn reducing**
  - client loss reducing
  - client retention improving



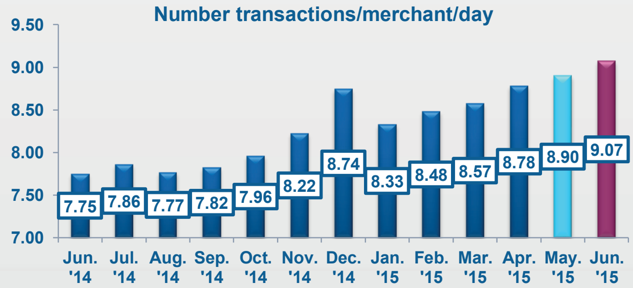
Blue Label Mexico - Airtime Cont.

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

- Total number top-up transactions increasing - 16.3 million



- Increasing number of transactions per merchant per day – 9.07

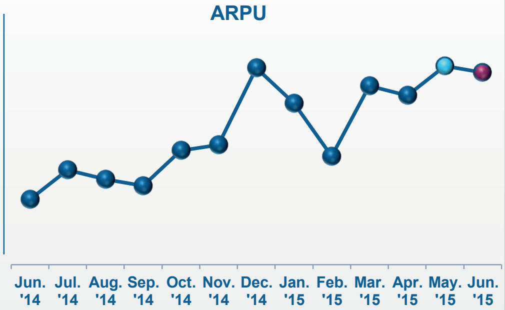


23

Blue Label Mexico - Airtime Cont. and Bill Payments

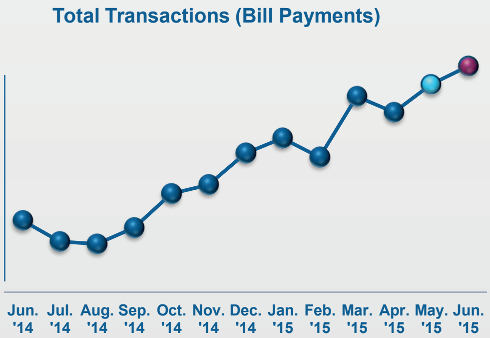
Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

- POS productivity improving
- Growth in ARPUs in 2015
- Launching POS all-in-one store solution for merchants



Bill Payments

- Consistent growth trend
- Average transaction per terminal up 10%
- 35% of customer base now transacting



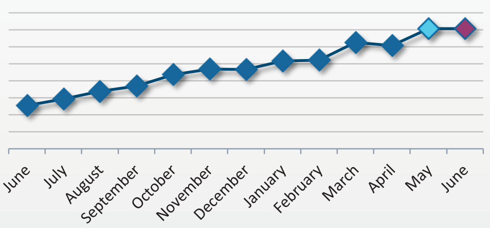
24

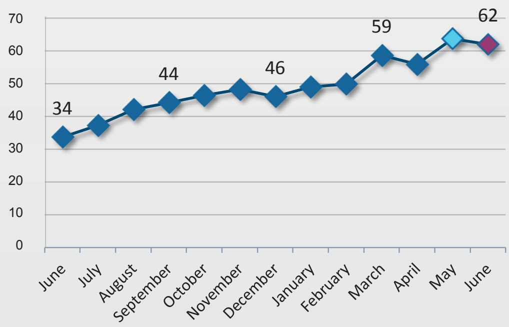
Blue Label Mexico – Card Acquiring

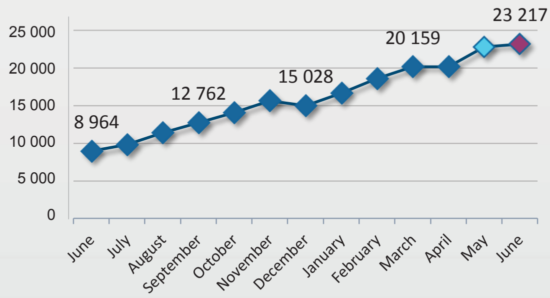
BLUE LABEL TELECOMS

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

- Partnership with VISA and Banamex
- Steady growth in transactions – up 133% to 707,000
- Sales up 171% - a record in May 2015
- Transactions per day up 154% to 22,802 (May)
- Transactions per merchant up 100% to 64 (May)
- Increasing volumes and values post year end





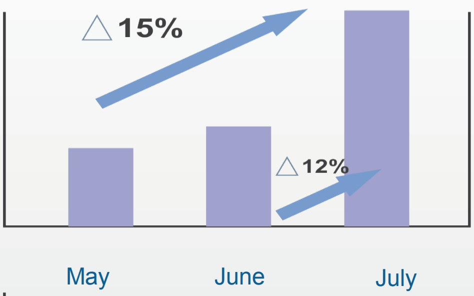


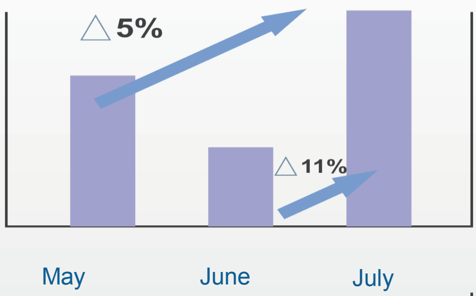
25

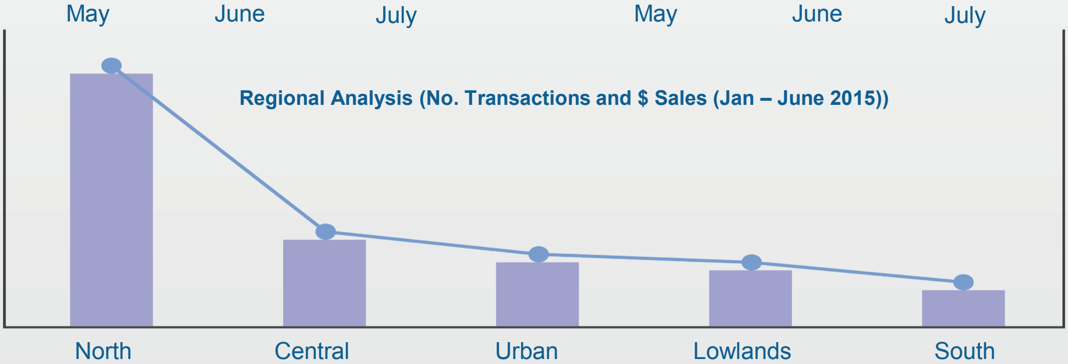
Blue Label Mexico – Card Acquiring Cont.

BLUE LABEL TELECOMS

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial





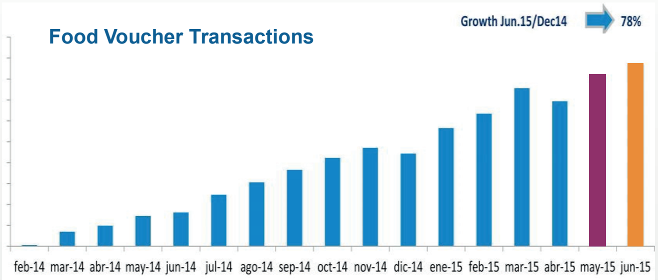


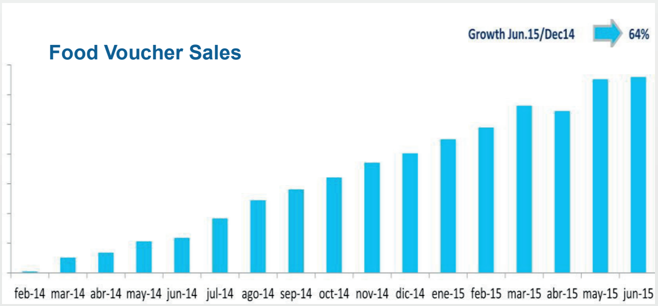
26

Blue Label Mexico - Digital Food Vouchers

BLUE LABEL TELECOMS

- Necessary nature of food drives growth
- Flexibility for employees to buy food and groceries as a salary perk
- Gaining foothold in market estimated at $5 billion
- Agreement with all 5 major distributors
- Reaching ~7m cardholders and 110,000 merchants
- Transactions up 78% in previous 6 months
- Sales up 64% in previous 6 months
- Food vouchers now accepted by financial and non-financial POS





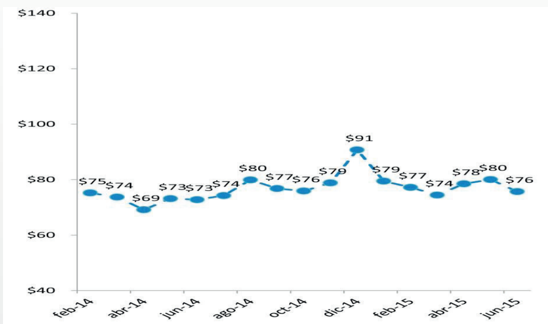
Blue Label Mexico – Digital Food Vouchers Cont.

BLUE LABEL TELECOMS

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

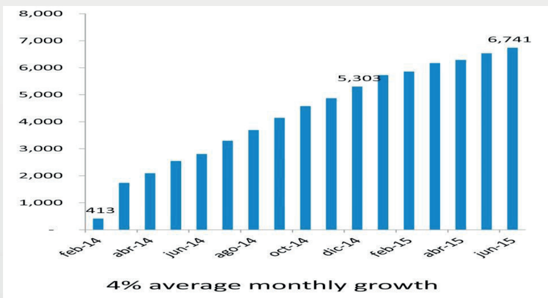
- Average ticket value up - $80
- Number of *Red Qiubo* merchants transacting up - ~7,000
- Average transactions per merchant up - 26

Average Tickets



Average transactions per merchant

Merchants Transacting



Blue Label Mexico – SIM Cards and International Money Remittances

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

- **Sim Cards**
  - agreements with most major networks
  - model includes a defined annuity income stream on topping-up
  - market awareness campaigning
- **International Money Remittances**
  - commercials piloted in USA
  - validated and agreed
  - approved by regulator
  - positive response from clients
  - competitively priced in the market

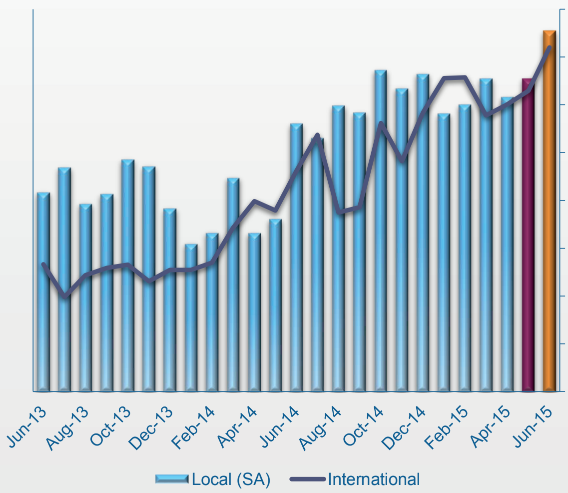
29

Mobile Segment

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

- Core net profit R28.6 million:
- **Cellfind – SMS and LBS for mobile phones**
  - processing ~200 million SMSs per month
  - bulk SMS market increasingly competitive
  - positive SA and International traffic trends
  - WASP services provide subscription annuity incomes
  - WASP Award from Vodacom – 2015
- **Viamedia – content, data and information for mobile phones**
  - 75% acquired 1 September 2014
  - leveraging internal synergies
  - WASP Award from Vodacom - 2015

SA & International Traffic Trends

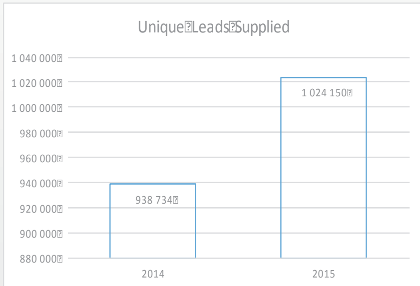


30

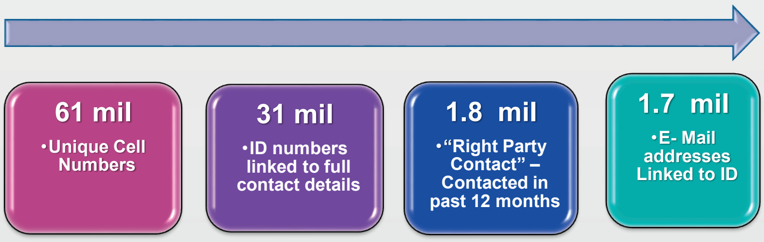
Solutions Segment

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

- **Blue Label Data Solutions – data intelligence & analytical services**
  - reaching new heights
  - aggregation approach (vs *'spray & pray'*)
  - accessing deep and rich data bases - ~61m unique cell numbers
  - SMS volumes up 17% to 563 million pa
  - lead generation doubled to 2.2 million qualifying leads, with 1 million unique leads
  - founding member of Direct Marketing Association



- Core net profit R24 million

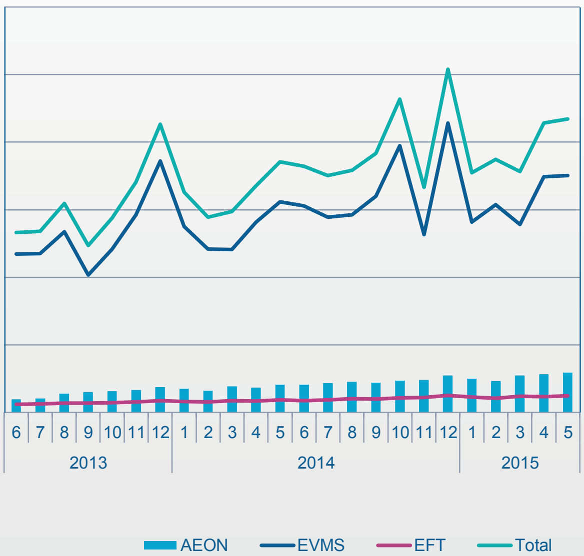


31

Technology update

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

- Proprietary AEON, AMS and Postilion platforms support neutral aggregation
- Banking transactions route directly to/from Postilion
- Stable platforms as transaction volumes increase
  - organic and acquisitive growth
  - ~5 billion transactions p.a.
  - peaking ~4 million online transactions per day
  - ~80 million bulk printed vouchers distributed/month
- No adverse impacts from loadshedding
- Internal tests and external assessments reveal no significant issues
- Skills focus



32

Prospects

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

- Oxigen Services India revenue streams set to increase:
  - Payment Bank licence pending, and
  - rollout of new proprietary micro-ATMs
- Distribution of Digital Food Vouchers and SIM Cards at Blue Label Mexico positions the business to drive profitability
- Establishing Edgars Connect stand-alone stores retailing telephony products
- Sales of prepaid water tokens to deliver growth
- Adding mobile handsets and tablets to SA Distribution’s product bouquet
- Increasing distribution partners, access control and solution services by Ticketpro, as market share steadily grows
- Money transfer solution to enhance financial service offerings in South Africa

33

Financial Overview

Dean Suntup – FD

34

Highlights

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

Increase in revenue of 14% to **R22 billion**

Increase in gross profit of 22% to **R1.64 billion**

Increase in gross profit margins from 6.96% to **7.46%**

Increase in EBITDA of 37% to **R1.08 billion**

Increase in headline earnings per share of 21% to **82.26 cents**

Increase in core earnings per share of 29% to **89.71 cents**

Capital and Reserves **R3.9 billion**

Increase in dividend declared of 15% to **31 cents** per share (cover of 2.62 times)

35

Income Statement

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

	FY 2015 R'000	FY 2014 R'000	Growth R'000	% Growth
Revenue	22,044,222	19,401,666	2,642,556	14%
Gross profit	1,644,340	1,349,534	294,806	22%
GP margins	**7.46%**	**6.96%**	**0.50%**	
Other income	99,972	26,692	73,280	275%
Overheads	(664,147)	(588,233)	(75,914)	(13%)
EBITDA	1,080,165	787,993	292,172	37%
Depreciation, amortisation and impairment charges	(94,019)	(65,137)	(28,882)	(44%)
EBIT	986,146	722,856	263,290	36%
Net finance (expense)/income	(60,118)	(10,626)	(49,492)	(466%)
Net profit before taxation	926,028	712,230	213,798	30%
Taxation	(265,497)	(206,442)	(59,055)	(29%)
Net profit after tax	660,531	505,788	154,743	31%
Minority interest	(3,576)	1,315	(4,891)	(372%)
Share of profits from associates	12,497	8,448	4,049	48%
Share of losses from joint ventures	(91,835)	(65,321)	(26,514)	(41%)
Net profit attributable to equity holders of parent	**577,617**	**450,230**	**127,387**	**28%**

36

South African Distribution

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

	FY 2015 R'000 Total group	FY 2015 R'000 SA Distribution	FY 2014 R'000 SA Distribution	Growth R'000 SA Distribution	% Growth
Revenue	**22,044,222**	21,657,891	19,103,652	2,554,239	13%
Gross profit	**1,644,340**	1,444,730	1,180,376	264,354	22%
Gross profit %	**7.46%**	6.67%	6.18%		
Gross profit % excluding IFRS	**7.32%**	6.54%	5.97%		
Overheads	**(664,147)**	(413,107)	(361 883)	(51,224)	(14%)
EBITDA	**1,080,165**	1,038,252	821,310	216,942	26%
EBITDA Margins	**4.90%**	4.79%	4.30%		

- Commissions earned on electricity increased by 23% to R165m (2014: R133m). Gross revenue – R10.4bn (2014: R8.8bn)
- PINless top up revenue increased from R1.7 billion to R2.7 billion. Only the commission earned is accounted for in group revenue. Effective growth in revenue equated to 17%.

Associates

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

	FY 2015 R'000	FY 2014 R'000	Growth R'000	% Growth
Share of profits/(losses) from associates	**12,497**	**8,448**	**4,049**	**48%**
- Ukash	12,004	14,089	(2,085)	(15%)
- Oxigen Services India	2,619	(3,259)	5,878	180%
- Other	(2,126)	(2,382)	256	11%

- Ukash *
  - BLT concluded an agreement in November 2014 to dispose of its interest in Ukash
- India
  - Revenue increased by 15%*
  - Gross profit increased by 21%*
  - R2.6 million profit includes amortisation of intangible assets of R1.5 million
  - Turnaround to profitability due to shift in strategy to focus on money transfers
  - Money transfers currently transacting at USD3.3 million per day (May 2014: USD2.3 million per day)

** As reported in its local currency*

Joint Ventures

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

	FY 2015 R'000	FY 2014 R'000	Growth R'000
Share of losses from joint ventures	**(91,835)**	**(65,321)**	**(26,514)**
- Blue Label Mexico	(88,508)	(60,844)	(27,664)
- Other	(3,327)	(4,477)	1,150

- Blue Label Mexico
  - Revenue increased by 23%
  - Increase in losses due to:
    - Margin compression
    - Increases in overheads necessitated by the need for enhanced post sales customer support as well as system fortification

39

Income Statement

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

	FY 2015 R'000	FY 2014 R'000	Growth R'000	% Growth
Net profit attributable to equity holders of parent	**577,617**	**450,230**	**127,387**	**28%**
Core intangible adjustment	18,961	10,372	8,589	83%
Core net profit	**596,578**	**460,602**	**135,976**	**30%**
Headline Earnings				
Net profit attributable to equity holders of parent	**577,617**	**450,230**	**127,387**	**28%**
Headline Earnings adjustments	(30,566)	659	(31,225)	4,738%
Headline Earnings	**547,051**	**450,899**	**96,162**	**21%**
Earnings per share (cents)	86.86	67.88		28%
Core earnings per share (cents)	89.71	69.44		29%
Headline earnings per share (cents)	82.26	67.98		21%

40

Balance Sheet

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

Summarised Group Statement of Financial Position as at 31 May

	2015 R'000	2014 R'000
Non- current assets	**2,040,214**	**1,798,307**
Property, plant and equipment	106,684	97,200
Intangible assets and goodwill	1,254,893	1,005,934
Investment in associates and joint ventures	548,572	598,109
Other non-current assets	130,065	97,064
Current assets	**4,986,606**	**4,704,580**
Inventories	1,433,104	1,306,206
Trade and other receivables	2,712,165	2,181,973
Other current assets	52,926	32,270
Cash and cash equivalents	788,411	1,184,131
Total assets	**7,026,820**	**6,502,887**
Capital and reserves	**3,917,981**	**3,523,989**
Share capital, share premium and treasury shares	3,943,888	3,945,832
Other reserves	(2,648,465)	(2,644,528)
Retained earnings	2,622,558	2,222,685
Non-current liabilities	**197,673**	**92,400**
Current liabilities	**2,911,166**	**2,886,498**
Trade and other payables	2,831,000	2,818,898
Other current liabilities	80,166	67,600
Total equity and liabilities	**7,026,820**	**6,502,887**

- Net growth in intangible assets and goodwill – mainly due to acquisition of Viamedia
- R50m investment in Blue Label Mexico.
- R94m disposal of interest in Ukash
- Inventory – 26 days
- Debtors collections – 46 days
- Creditors payments – 53 days

41

Balance Sheet

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

Summarised Group Statement of Cash Flows as at 31 May	2015 R'000	2014 R'000
Cash generated by operations	**429,806**	**1,129,008**
Interest received	15,995	24,613
Interest paid	(67,811)	(22,751)
Taxation paid	(245,495)	(223,538)
Cash flows from operating activities	**132,495**	**907,332**
Cash flows from investing activities	**(328,751)**	**(467,220)**
Cash flows from financing activities	**(205,276)**	**(196,892)**
Increase/(Decrease) in cash and cash equivalents	**(401,532)**	**243,220**
Cash and cash equivalents at the beginning of the year	1,184,131	941,282
Translation difference	5,812	(371)
Cash and cash equivalents at the end of the year	**788,411**	**1,184,131**

- Capex – R178m
- Further investment in Blue Label Mexico – R50 million
- Cash outflow on acquisition of Viamedia – R157 million
- Proceeds received on disposal of Ukash R95 million
- Treasury shares acquired – R19 million
- Dividend payment to shareholders and minorities – R187 million

42

Dividend

BLUE LABEL TELECOMS

Highlights | SA Distribution | International | Mobile and Solutions | Prospects | Financial

Dividend of **31 cents** per share declared

Cover of **2.62 times**

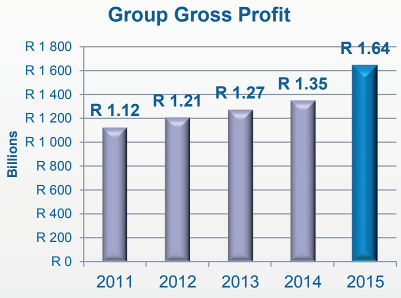
43

Supplementary - Macro environment in SA influencing our growth drivers

BLUE LABEL TELECOMS

- **Evolving MNO landscape**:
  - telco's becoming banks and vice versa
  - cost pressures → competitive pricing → determination on MTRs
  - increasing cost of SIM cards
  - consolidation, infrastructure sharing, cost of upgrading 4G to 5G
  - margin compression
  - availability of inexpensive smart phones
  - intensified interest by mobile phone makers

- **Growth drivers for SA Distribution include**:
  - managing *the last mile* of the distribution channel
  - distribution on behalf of networks, utilities
  - airtime sales for data consumption
  - acquisitions and new product launches
  - consistently increasing Gross Profit and GP margin



Supplementary - Strategy creating value

BLUE LABEL TELECOMS

OPPORTUNITY

- Prepaid provides certainty
- Prepaid is an alternative payment method
- Airtime builds railroad tracks
- Add products and services
- Growing demand in SA: data delivery, electricity, water, ticketing, financial services
- Income based on 3 pillars: commodity, annuity and interest earned
- Business model generates robust cash flows
- Growth in operations in India and Mexico - regional springboards

DELIVERY

- Robust, scalable, agnostic and proprietary technology platform - AEON
- Postilion switch for financial services
- Disciplined and minimal capex
- Sustainable in formal (retail) and informal sectors
- Unleveraged balance sheet
- Measured and scaled approach to expansions
- Building network distribution and introducing products and services
- Growing product lines and consumer bases
- Manage 'the last mile' in the distribution channel

VALUE ADDING

- >150,000 POPs in SA
- Organic growth
- Bulk buying/early settlement discounts
- Surplus cash: Dividend yielding, share buy-back, mergers and acquisitions
- Large, fast growing markets with low penetration
- Equity, contractual and strategic partnerships
- Additional products and services at minimal extra cost
- Entrepreneurial spirit

Supplementary - Oxigen Services India – Macro Environment

BLUE TEXT | Capital Raised | WHITE TEXT | Valuations

47

Supplementary – Group Operating structure as at 31 May 2015

Blue Label South Africa
- Blue Label Distribution
- The Prepaid Company
- RMCS
- Ventury
  - Cigicell (74%)
- The Post Paid Company
- Ticketpro
- Activi Deployment Services
- Transaction Junction (60%)

Blue Label International
- African Prepaid Services (90%)
- Gold Label Investments
  - Oxigen Services India (55.83%)
  - Mpower (21.6%)
- Blue Label Mexico (46.64%)

Blue Label Mobile
- Cellfind
- Simigenix
- Blue Label One
- Panacea
- Via Media (75%)
  - Supa Pesa Mauritius (50%)

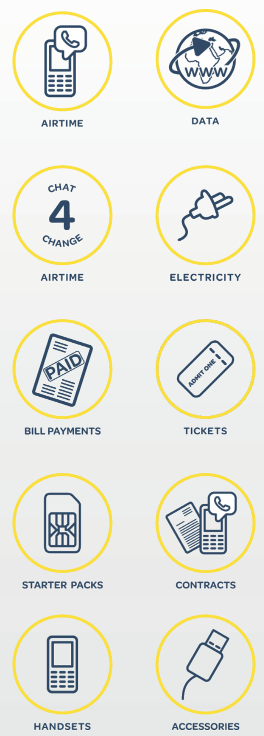
Blue Label Solutions
- Datacel
  - Velociti
  - CNS Call Centre
  - Blue Label Data Solutions (81%)
    - FIDS (25%)
    - Datacision (50%)

100% unless otherwise stated

48

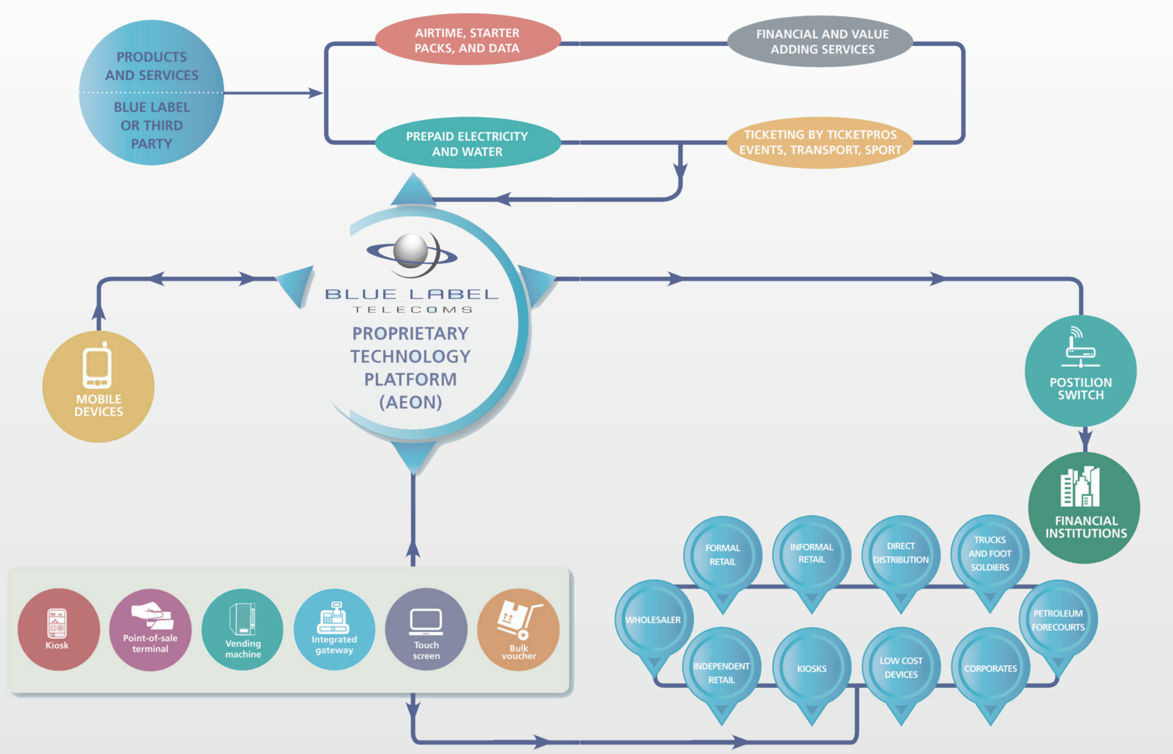
Supplementary – Blue Label factsheet

- Founded in 2001
- 2,179 employees Groupwide
- Business model underpinned by long-term distribution contracts
- Products and services include
  - airtime, starter packs and data
  - electricity and water
  - ticketing
  - financial and value adding services
- Listed as BLU on JSE in 2007
  - R6.2 billion current market capitalisation (at R9.20/share)
  - free float ..~60% with diverse institutional shareholder base
  - ADRs launched in 2013
- Maiden dividend paid in September 2010
- CSI spend R5.2 million and training & development R3.9 million (FY15)



49

Supplementary – Technical Overview



50

Supplementary – Barriers to entry

- Lag times in negotiating supplier and customer contracts can hinder integration
- Long term contracts – to ensure there is no cheaper pricing in the market
- Lock-out periods for processing new and developing existing technologies. Roll-out of devices takes time
- Time: as customers prioritise systems' integration for their own needs/objectives and/or products and services (customer, forecourt, municipality, utility, bank, retailer)
- Technology platforms – AEON (proprietary, agnostic, neutral aggregator, plug 'n play, proven, scalable, no fees to others) and Postilion (banking and financial services grade)
- Expanding distribution channel: >150,000 POP's in SA, ~130,000 POP's in India, and >60,000 in Mexico
- Reputable local partners is key to business model
- Trust and relationships of over 14 years in business
- These are some of our greatest assets, achieved through long-term contracts with customers and suppliers, which fortify our foundations
- Same barriers can hinder us entering new markets

51

Supplementary - Peer group

VERTICAL PEERS

- Blue Label Telecoms
  - JSE listed
- Blackhawk Network
  - Nasdaq listed
- Cyberplat
  - Russian base
- Euronet Worldwide
  - Nasdaq listed
- InComm – privately held in USA
- NET 1 – Nasdaq listed
- PayPoint – LSE listed
- Qiwi – Nasdaq Listed

HORIZONTAL PEERS ELECTRICITY

- Cigicell / Blue Label Telecoms
- Conlog
- Contour
- Easypay
- Itron
- Landis & Gyr
- Syntell

HORIZONTAL PEERS TICKETING

- Ticketpro / Blue Label Telecoms
- Computicket / Shoprite
- Big Concerts / Computicket
- Webticket / PicknPay
- Itickets
- Quicket
- Nuticket

MOBILE WALLETS INDIA

- Oxigen Wallet / Oxigen Services India
- Paytm
- Mobikwik
- Citrus Pay
- Itzcash
- Suvidhaa

- Paypoint
- Airtel Money
- m-pesa
- Pay U Money
- Paypal

NETWORKS BY POS DEVICE MEXICO*

- Red Qiubo / Blue Label Mexico
- Bank ATMs
- Bank branches
- OXXO
- Pemex
- Elektra
- Grupo WalMart
- BBVA
- Banamex
- 7-Eleven
- Telecom Telegrafos
- HSBC
- Famsa

* Descending in size

52

Supplementary – Top shareholders as at 31 May 2015

- Allan Gray and clients – 23.5%
- Shotput Investments – 14.8%
- B M Levy – 12.4%
- M S Levy – 11.3%
- Sanlam Investment Management – 3.1%
- Nedbank Group - 2.8%
- Deutsche Bank – 2.4%
- Peregrine – 2.2%
- 36ONE Asset Management – 2.2%
- Grandeur Peaks Global Advisors – 2.2%
- Dimensional Fund Advisors – 2.1%
- Government Employee Pension Fund – 2%

Notes:

- Shareholders of >2 of issued capital account for ~81% of total issued share capital
- ADR programme offered through BNY Mellon

53

NOTES

NOTES