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**INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF TPC FOR THE YEAR ENDED 31 MAY 2007**

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"The Directors  
Blue Label Telecoms Limited  
75 Grayston Drive  
Morningside Ext. 5  
Sandton  
2057

22 October 2007

Dear Sirs

**Report of the Independent Reporting Accountants on The Pre Paid Company (Proprietary) Limited ("TPC")****Introduction**

Blue Label Telecoms Limited ("Blue Label Telecoms"), the entity to be the holding company of TPC, is issuing a pre-listing statement relating to its proposed listing on the JSE Limited ("JSE"). At your request and for the purposes of the pre-listing statement to be dated on or about 26 October 2007 ("the Pre-listing Statement"), we present our report on the historical consolidated financial information of TPC presented in Annexure 2 (A) to the Pre-listing Statement.

**Responsibilities***Directors' Responsibility for the Financial Statements*

The company's directors are responsible for the preparation, contents and presentation of the pre-listing statement and the fair presentation of the Report of Historical Financial Information in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

*Reporting Accountants' Responsibility*

Our responsibility is to express an opinion on the consolidated financial information presented in the Report of Historical Financial Information, included in the Pre-listing Statement based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial information is free from material misstatement.

**Scope**

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial information. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial information, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used, and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial information.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Opinion**

In our opinion, the consolidated financial information of TPC as set out in Annexure 2A, presents fairly, in all material respects, and for the purposes of the Pre-listing Statement, the consolidated financial position of TPC at 31 May 2006 and 2007, and the consolidated results of its operations and consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards and the JSE Listing Requirements.

**PricewaterhouseCoopers Inc****Director: R Shedlock**

Registered Auditor

2 Eglin Rd

Sunninghill

2157"

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**INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF TPC FOR THE YEAR ENDED 31 MAY 2005 AND 31 MAY 2006**

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"The Directors  
Blue Label Telecoms Limited  
75 Grayston Drive  
Morningside Ext. 5  
Sandton  
2057

22 October 2007

Dear Sirs

**Report of the Independent Reporting Accountants on The Pre Paid Company (Proprietary) Limited ("TPC")****Introduction**

Blue Label Telecoms Limited ("Blue Label Telecoms"), the holding company of TPC, is issuing a pre-listing statement relating to its proposed listing on the JSE Limited ("JSE"). At your request and for the purposes of the pre-listing statement to be dated on or about 26 October 2007 ("the Pre-listing Statement"), we present our report on the historical consolidated financial information of TPC presented in Annexure 2 (B) to the Pre-listing Statement.

**Responsibilities***Directors' Responsibility for the Financial Statements*

The company's directors are responsible for the preparation, contents and presentation of the pre-listing statement and the fair presentation of the Report of Historical Financial Information in accordance with South African Statements of Generally Accepted Accounting Practice. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

*Reporting Accountants' Responsibility*

Our responsibility is to express an opinion on the consolidated financial information presented in the Report of Historical Financial Information, included in the Pre-listing Statement based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial information is free from material misstatement.

**Scope**

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial information. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial information, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used, and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial information.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Opinion**

In our opinion, the consolidated financial information of TPC as set out in Annexure 2 B, presents fairly, in all material respects, and for the purposes of the Pre-listing Statement, the consolidated financial position of TPC at 31 May 2005 and 2006, and the consolidated results of its operations and consolidated cash flows for the years then ended in accordance with South African Statements of Generally Accepted Accounting Practice and the JSE Listing Requirements.

**PricewaterhouseCoopers Inc****Director: R Shedlock**

Registered Auditor

2 Eglin Rd

Sunninghill

2157"