

A WORLD-FIRST FOR THE ITC INDUSTRY

Embargoed against delivery

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The official launch of mibli™ powered by Microsoft OneApp™ in Johannesburg today is a world-first for the ITC industry. Blue Label Telecoms, South Africa's fastest-growing telecoms company, pioneered the development of the technology in association with its strategic business partner, Microsoft.

As a branded product of the Mobile Services Company (MSC), a subsidiary of Blue Label Telecoms, mibli™ powered by Microsoft OneApp™ is targeted at young, on-the-go cellphone users in South Africa. It's free to download and includes a wide range of interactive features, including Facebook, Twitter, miLocate™ and a Mobi-Wallet™. An App store is scheduled for release later this year. The mibli™ bouquet of apps is accessed through a single, virtual window in the installations menu of a cellphone.

What's more, mibli™ powered by Microsoft OneApp™ works on nearly every make and model of cellphone. 3G and Java are the only prerequisites from a functionality perspective. Previously, this level of interactivity was only available on top-of-the-range smartphones. "It's like getting a free cellphone upgrade at the push of a button," says Dr David Fraser, Chief Technology Officer of Blue Label Telecoms.

He estimates that approximately 80% of cellphones in our country are capable of running mibli™ powered by Microsoft OneApp™. Since South Africa is expected to have about 50 million cellphone users by December 2009, Fraser is openly optimistic about the scale of the opportunity, particularly in emerging markets where cellphone penetration is growing at a rate of knots.

There are 2.2 billion cellphone users worldwide. Analysts forecast that the number will jump to 3 billion by the end of this year, with much of the growth in emerging economies, like India, Africa and Latin America.

Currently, MSC has 1.1 million subscribers. Increasing this base is a key priority and a high profile multi media campaign, scheduled for release in late September, is expected to drive performance accordingly. Additional revenue streams include white labelling, advertising, App sales and content downloads (e.g. games, music, ring tones, true tones and wallpapers).

"But, this is just the beginning," says Fraser.

The core business of Blue Label Telecoms is the development and distribution of prepaid products and services to consumers at the lower end of the economic pyramid. A proprietary, world-class transactional infrastructure underpins its ability in this regard, and links 140 000 physical points of presence throughout South Africa. Improving and maintaining this footprint is an ongoing challenge, requiring substantial investment.

“We were trying to find innovative ways of growing our network without the operational overheads,” explains Fraser, “At the same time, Microsoft wanted to make their products and services available to more people and shared our vision. Together, we created mibli™ powered by Microsoft OneApp™ over a period of 18 months. It combines our transactional and mobile platforms, with the software expertise of Microsoft.”

The decision to progress a mobile solution was an easy one. This was mainly due to the low levels of Internet penetration in emerging markets. According to the Internet Usage & Marketing Report, South Africa had 4.5 million Internet users in 2008. When compared to our population of 44 million, we only have 10.5% Internet penetration. On the other hand, cellphone penetration is 98%.

“As a result of mibli™ powered by Microsoft OneApp™, we’ve added millions of virtual points of presence to our network ‘just like that’. Today, every cellphone user has the ability to access and vend our prepaid products and services, such as airtime and electricity. Cross-border money transfers and commuter ticketing are in the pipeline too. Consumers can do everything they need to do, wherever they are, thanks to the Mobi-Wallet™ feature. In this way, we’re providing better levels of service and convenience, as well as developing the potential of entrepreneurs, and unlocking value for our shareholders and country’s economy.”

In addition, mibli™ powered by Microsoft OneApp™ offers social networking platforms, which many consumers couldn’t access in the past. This levels the playing field in terms of the ability to communicate and connect.

Once the App store is up and running, significant interest is expected from advertisers and developers, as well as government departments and NGOs. “Through targeted interventions, the public sector has the means to engage us one-on-one about education, finance, healthcare, home affairs issues, news, skills development & training, and much more,” adds Fraser. Several leading brands have already logged enquiries with a view to creating their own Apps.

South Africa is the first emerging market to launch mibli™ powered by Microsoft OneApp™. Others are likely to follow in due course.

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