

Blue Label Telecoms Limited
(Incorporated in the Republic of South Africa)
(Registration number 2006/022679/06)
Share code: BLU ISIN: ZAE000109088
("Blue Label" or "the Group")

Trading statement for the year ended 31 May 2016

Shareholders are advised that that the headline and core headline earnings per share for the year ended 31 May 2016 is expected to increase by more than 20% as against the year ended 31 May 2015. The table below illustrates the ranges anticipated against the comparative period:

| | Earnings per share May 2015 | Earnings per share Range | Cents Increase to May 2016 | Percentage Increase |
|----------------------------------|--------------------------------|-----------------------------|-------------------------------|------------------------|
| Headline earnings per share | 82.26c | 98.71c - 100.36c | 16.45c - 18.10c | 20% - 22% |
| Core headline earnings per share | 85.11c | 101.28c - 102.98c | 16.17c - 17.87c | 19% - 21% |
| Earnings per share | 86.86c | 102.49c - 104.23c | 15.63c - 17.37c | 18% - 20% |

Historically, a measurement of the Group's performance and the growth thereon was based on core earnings per share. This has been substituted to core headline earnings per share which is a more informative measurement of the day-to-day operations of the Group.

Core headline earnings per share represents the headline earnings of the Group after adjusting for the amortisation of intangible asset write offs net of taxation and non-controlling interests as a consequence of purchase price allocations in terms of IFRS requirements. This adjustment reflects the underlying financial performance of the Group.

The increase in earnings is predominantly attributable to organic growth, underpinned by a hybrid of an expanded customer base supported by an enhanced bouquet of products and services afforded to it. In addition the Group has continued to confine operational costs.

The financial information on which this trading statement is based has not been reviewed or reported on by the Group's auditors.

The results are scheduled for release on Wednesday, 24 August 2016.

Sandton
15 August 2016
Sponsor: Investec Bank Limited