

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 six months ended 30 November 2017

In terms of paragraph 3.4(b) of the Listings Requirements of the JSE Limited, a company listed on the JSE is required to publish a trading statement as soon as it is satisfied that a reasonable degree of certainty exists that the financial results for the period to be reported upon next will differ by at least 20% from the financial results for the previous corresponding period.

Shareholders are advised that the basic, headline and core headline earnings per share for the six months ended 30 November 2017 are expected to increase by more than 20% as against the six months ended 30 November 2016. The table below illustrates the ranges anticipated against the comparative period:

	Earnings per share Reported Nov 2016	Earnings per share Range Nov 2017	Cents Increase to Nov 2017	Percentage Increase
Earnings per share	81.78c	159.25c - 175.61c	77.47c - 93.83c	95% - 115%
Headline earnings per share	81.78c	158.51c - 174.86c	76.73c - 93.08c	94% - 114%
Core headline earnings per share	82.86c	160.13c - 176.71c	77.27c - 93.85c	93% - 113%

A reasonable degree of certainty exists that core headline earnings per share for the six months ended 30 November 2017 are expected to increase to between 160.13 and 176.71 cents per share, equating to a growth of between 93% and 113% on the comparative period.

The increase in basic, headline and core headline earnings per share is inclusive of the Group's share of an increase in a deferred tax asset recognised by Cell C and the consequent positive impact thereon on Group earnings. The quantum of the increase in this asset amounts to R1.92 billion, of which the group's 45% share is R865 million.

Conversely, in the comparative period, the investments in Oxigen Services India, Oxigen Online Services India and 2DFine Holdings Mauritius were accounted for as investments in associates and joint venture, applying the equity method up until 30 November 2016. From that date onwards these entities have been accounted for as venture capital investments at fair value. The net effect thereof, resulted in a positive contribution to Group earnings of R135 million in the comparative period and in turn a negative impact on earnings in the current period in this regard.

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

The interim results are scheduled for release on Thursday, 22 February 2018.

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15 February 2018

Sponsor: Investec Bank Limited