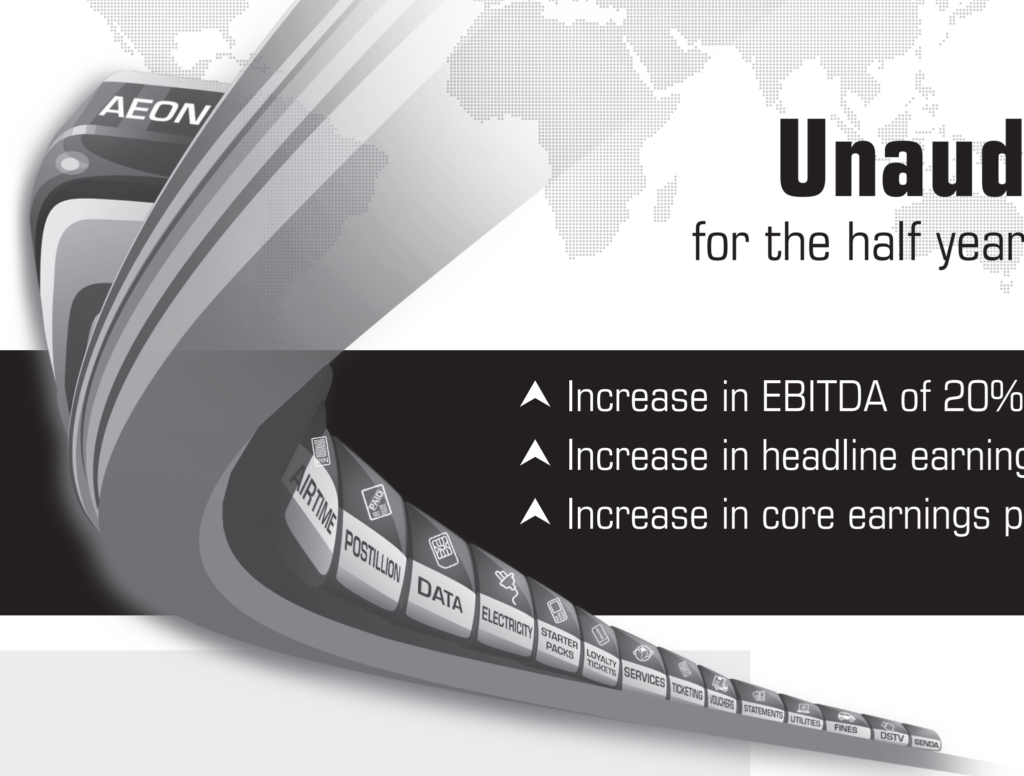
BLUE LABEL TELECOMS



Unaudited Results

for the half year ended 30 November 2014

- Increase in revenue of 14% to R10.3 billion
- Increase in gross profit of 11% to R788 million
- Increase in gross profit margins from 7.48% to 7.62%*
- Increase in EBITDA of 20% to R516 million
- Increase in headline earnings per share of 15% to 42.73 cents
- Increase in core earnings per share of 17% to 44.47 cents

Excluding imputed interest IFRS adjustments

www.bluelabeltelecoms.co.za

COMMENTARY

Earnings per share and headline earnings per share increased by 15% to 42.79 cents and 42.73 cents respectively. This growth was achieved in spite of the Group's share of losses in Blue Label Mexico increasing by R14.5 million, negatively impacting growth in headline earnings per share by 2.17 cents.

The growth in earnings was primarily attributable to increases in revenue of 14%, gross profit of 11% and EBITDA of 20%. Gross profit margins increased from 7.48% to 7.62% on exclusion of imputed interest IFRS adjustments. The growth in margins was achieved through the efficient application of cash resources to bulk inventory purchases at favourable discounts, early settlement supplier discounts, an increase in commissions earned on the distribution of prepaid electricity and compounding annuity income.

The South African distribution segment continues to be the predominant contributor to Group profitability through the expansion of its offerings into its multitude of distribution channels. It is a reliable aggregator for several suppliers, supported by a responsive service. Its reputation continues to be one of trust and reliability.

The recently acquired Retail Mobile Credit Specialists and Viamedia, both performed according to expectations in enhancing Group profitability.

The secure and safe banking and financial services provided by Oxigen Services India (OSI) continue to gain momentum, with deposits reaching USD2.7 million per day at the interim stage. It has become the largest provider in India of domestic money remittances on the Interbank Mobile Payment Service network, a platform provided by the National Payments Corporation of India.

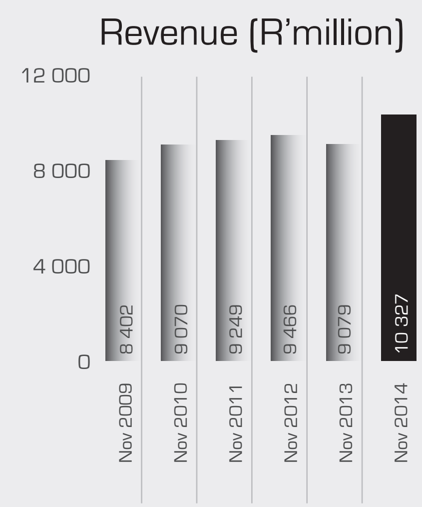
PROSPECTS

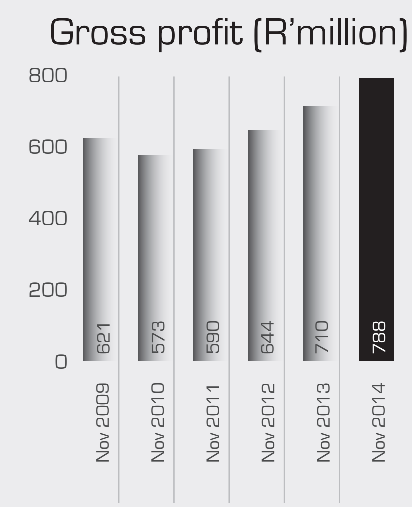
OSI is poised to address the next stage of its growth cycle by increasing its share of domestic and international remittances. It is able to facilitate banking, money transfer transactions and instant payments within the convenient reach of people, via secure proprietary technologies. As the considered pioneer in the establishment of a retail payment ecosystem based on GPRS point-of-sale devices, PCs and mobile phones, OSI is well placed to provide remittance capabilities to 450 000 unbanked villages in India.

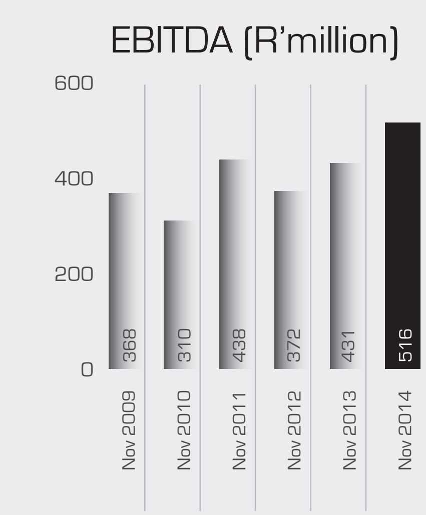
TicketPros, a ticketing provider and proud partner of premium sporting events in South Africa, has expanded on its existing service channels of ticketing for concerts, music festivals, hospitality and transport. Proprietary technology facilitates the provision of a myriad of added benefits to ticket purchases, which afford it a competitive edge in the market place.

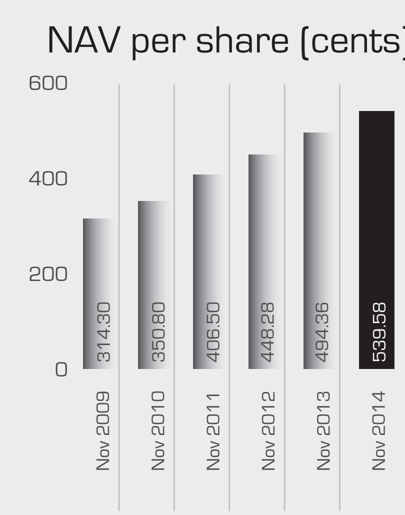
Acquiring, which is the ability to process credit and debit card payments for products and services on behalf of merchants, is set to gain momentum as a result of the establishment of successful alliances with various financial institutions. This will enable consumers to transact at store level through the multitude of points of presence devices that Blue Label has deployed both locally and internationally.

The prevalence of prepaid water meters is following in the footsteps of the prepaid electricity model. Installations of meters by third parties, supported by state-of-the-art software, has enabled Blue Label to enter into the prepaid water arena. Vouchers can now be purchased by consumers at the multitude of points of presence that it has established. Existing relationships with several municipalities will enable it to replicate its prepaid electricity model given the quality of service that it has provided them with on the prepaid electricity side to date.









Blue Label Mexico will continue to grow its points of presence network in pursuit of its strategy of enhancing its products and service offerings, including transactional revenue. As opposed to being confined to one network, it has taken the initiative of becoming a multi-carrier, which should have a positive impact.

SHORT-FORM ANNOUNCEMENT

This short-form announcement is the responsibility of the directors of the Company.

This short-form announcement is based on an extract of the unaudited results for the half-year ended 30 November 2014, released on SENS on 18 February 2015, and does not contain full or complete details.

Any investment decision by investors and/or shareholders should be based on consideration of the full SENS announcement and unaudited consolidated financial statements for the half-year ended 30 November 2014.

These are available for inspection at the registered offices of the Company during office hours and on the Company's website (**www.bluelabeltelecoms.co.za**), at no charge.

For and on behalf of the board

LM Nestadt Chairman	**BM Levy and MS Levy** Joint Chief Executive Officers	**DA Suntup* CA(SA)** Financial Director

17 February 2015

**Supervised the preparation of the Group's interim results.*

Directors: LM Nestadt (Chairman)*, BM Levy, MS Levy, K Ellerine*, GD Harlow*, NN Lazarus SC*^, JS Mthimunye*, MV Pamensky, DA Suntup, J Vilakazi*
(*Non-executive) (^Resigned effective 27 January 2015)

Company Secretary: J van Eden

Sponsor: Investec Bank Limited

Auditors: PricewaterhouseCoopers Inc.

American Depository Receipt (ADR) Programme:
Cusip No.: 095648101 Ticker name: BULBY ADR to ordinary share: 1:10

Depository: The Bank of New York, 101 Barclay Street, New York, NY, 10286, USA

Blue Label Telecoms Limited
(Incorporated in the Republic of South Africa) (Registration number 2006/022679/06)

JSE Share code: BLU ISIN:ZAE000109088
("Blue Label" or "BLT" or "the Company" or "the Group")