
INDEPENDENT REPORTING ACCOUNTANTS' REPORT ON THE UNAUDITED PRO FORMA PROFIT FORECAST OF THE BLUE LABEL GROUP

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

22 October 2007

Dear Sirs

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE PRO FORMA PROFIT FORECAST OF BLUE LABEL TELECOMS LIMITED

The board of directors of Blue Label Telecoms Limited ("Blue Label Telecoms") has resolved to apply for a listing on the main board of the JSE Limited ("the Listing").

We have performed our limited assurance engagement in respect of the unaudited *pro forma* profit forecast ("the *pro forma* profit forecast") of Blue Label Telecoms set out in Annexure 8 of the pre-listing statement of Blue Label Telecoms, to be dated on or about 26 October 2007, ("the Pre-listing Statement") to be issued in connection with the Listing. The *pro forma* profit forecast has been prepared in accordance with the requirements of the JSE Limited ("JSE") Listing Requirements, for illustrative purposes only, to provide information about Blue Label Telecoms.

Directors' responsibility

The directors are responsible for the compilation, contents and presentation of the *pro forma* profit forecast contained in the Pre-listing Statement and for the financial information from which it has been prepared. Their responsibility includes determining that: the *pro forma* profit forecast has been properly compiled on the basis stated; the basis is consistent with the accounting policies of Blue Label; and the *pro forma* adjustments are appropriate for the purposes of the *pro forma* profit forecast disclosed in terms of the JSE Listings Requirements.

Reporting accountants' responsibility

Our responsibility is to express our limited assurance conclusion on the *pro forma* profit forecast included in the Pre-listing Statement. We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements applicable to *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and the *Guide on Pro Forma Financial Information* issued by the South African Institute of Chartered Accountants.

This standard requires us to obtain sufficient appropriate evidence on which to base our conclusion.

We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the *pro forma* profit forecast beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Source of information and work performed

Our procedures consisted primarily of comparing the unadjusted financial information with the source documents, considering the *pro forma* adjustments in light of the accounting policies of Blue Label Telecoms, considering the evidence supporting the *pro forma* adjustments and discussing the adjusted *pro forma* profit forecast with the directors and management of the company.

In arriving at our conclusion, we have relied upon financial information prepared by the directors and management of Blue Label Telecoms and other information from various public, financial and industry sources.

While our work performed has involved an analysis of the historical and projected financial information and other information provided to us, our assurance engagement does not constitute an audit or review of any of the underlying

financial information conducted in accordance with *International Standards on Auditing* or *International Standards on Review Engagements* and accordingly, we do not express an audit or review opinion.

In a limited assurance engagement, the evidence-gathering procedures are more limited than for a reasonable assurance engagement and therefore less assurance is obtained than in a reasonable assurance engagement. We believe our evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on our examination of the evidence obtained, nothing has come to our attention, which causes us to believe that:

- the *pro forma* profit forecast has not been properly compiled on the basis stated,
- such basis is inconsistent with the accounting policies of Blue Label Telecoms, and
- the adjustments are not appropriate for the purposes of the *pro forma* profit forecast as disclosed in terms of the section 8.17 and 8.30 of the JSE Listings Requirements.

Yours faithfully

PricewaterhouseCoopers Inc

Director: PG McCrystal"