

CONSOLIDATED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME

		Unaudited six months to 30 September 2016 R'000	Unaudited six months to 30 September 2015 R'000	Audited year ended 31 March 2016 R'000
Revenue	(3)	119 421	123 032	238 303
Cost of sales	(4)	(32 573)	(33 975)	(57 104)
Gross profit		86 848	89 057	181 199
Operating expenses		(62 970)	(64 092)	(116 766)
Operating profit	(4)	23 878	24 965	64 433
Investment income		2 000	1 500	3 000
Finance income		3 848	3 039	6 342
Finance cost		–	(1)	(4)
Profits attributable to associates		148	137	627
Net profit before taxation	1	29 874	29 640	74 398
Taxation		(8 034)	(8 041)	(20 775)
SA normal taxation		(9 190)	(9 126)	(20 206)
Deferred taxation		1 156	1 085	(569)
Total comprehensive income for the period	1	21 840	21 599	53 623
Total comprehensive income attributable to:				
Non-controlling interest holders		3 407	2 139	5 573
Equity holders of the parent	(5,3)	18 433	19 460	48 050
Earnings per share (cents)	(4)	229,8	239,2	591,2
Headline earnings per share (cents)	(5)	226,7	239,2	587,6
Dividends per share (cents)		100	100	350
Weighted average number of shares in issue ('000)		8 022	8 137	8 127
Headline earnings reconciliation				
Profit attributable to equity holders		18 433	19 460	48 050
Profit on disposal of investment/fixed assets		(249)	–	(408)
Tax on disposal of assets		–	–	114
Headline earnings		18 184	19 460	47 756

CONSOLIDATED CONDENSED STATEMENTS OF FINANCIAL POSITION

		Unaudited 30 September 2016 R'000	Unaudited 30 September 2015 R'000	Audited 31 March 2016 R'000
ASSETS				
Non-current assets		141 386	140 670	139 043
Property, plant and equipment		74 206	73 899	73 996
Goodwill		39 426	39 426	39 426
Investments		14 781	13 873	13 803
Deferred taxation		12 973	13 472	11 818
Current assets		153 331	160 855	160 747
Trade receivables		40 419	65 251	41 303
Other receivables		3 972	6 650	4 654
Tax paid in advance		677	2 444	738
Cash and cash equivalents		108 263	86 510	114 052
Total assets		294 717	301 525	299 790
EQUITY AND LIABILITIES				
Total equity		209 338	198 961	218 615
Current liabilities		85 379	102 564	81 175
Trade payables		14 796	32 406	13 681
Other payables		68 136	68 298	65 037
Dividend payable		1 592	1 399	1 472
Taxation		855	461	985
Total equity and liabilities		294 717	301 525	299 790

CONSOLIDATED CONDENSED STATEMENTS OF CHANGES IN EQUITY

	Unaudited six months to 30 September 2016 R'000	Unaudited six months to 30 September 2015 R'000	Audited year ended 31 March 2016 R'000
Issued capital			
Balance at beginning of period	8 120	8 159	8 159
Shares repurchased and cancelled	(155)	(39)	(39)
Balance at end of period	7 965	8 120	8 120
Share premium			
Balance at beginning of period	9 097	12 839	12 839
Shares repurchased and cancelled	(9 097)	(3 769)	(3 742)
Balance at end of period	–	9 070	9 097
Retained profit			
Balance at beginning of period	199 342	179 760	179 760
Total comprehensive income for the period	18 433	19 460	48 050
Dividend	(21 865)	(20 334)	(28 468)
Balance at end of period	195 910	178 886	199 342
Non-controlling interests			
Balance at beginning of period	2 056	746	746
Share of total comprehensive income for the period	3 407	2 139	5 573
Share of dividend	–	–	(4 263)
Balance at end of period	5 463	2 885	2 056
Total capital and reserves	209 338	198 961	218 615

CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS

	Unaudited six months to 30 September 2016 R'000	Unaudited six months to 30 September 2015 R'000	Audited year ended 31 March 2016 R'000
Cash generated by operating activities	27 200	27 379	72 533
Net interest received	3 848	3 038	6 338
Taxation paid	(9 259)	(12 658)	(21 508)
Decrease in working capital	5 780	2 149	3 098
Cash flows from operating activities	27 569	19 908	60 461
Cash flows from investing activities	(2 361)	(18 730)	(15 637)
Cash flows from financing activities*	(30 997)	(20 181)	(36 285)
Net (decrease)/increase in cash and cash equivalents	(5 789)	(19 003)	8 539
Cash and cash equivalents at beginning of period	114 052	105 513	105 513
Cash and cash equivalents at end of period	108 263	86 510	114 052

*Dividends paid and shares repurchased.



SEGMENT REPORTING

	Unaudited six months to 30 September 2016 R'000	Unaudited six months to 30 September 2015 R'000	Audited year ended 31 March 2016 R'000
Revenue			
Radio broadcasting	100 102	90 290	194 171
Radio services	19 083	32 742	43 766
Corporate	236	–	366
Total	119 421	123 032	238 303
Profitability			
Radio broadcasting	27 938	24 363	58 915
Radio services	(1 308)	2 469	8 237
Corporate	(2 752)	(1 867)	(2 719)
Total operating profit	23 878	24 965	64 433
Unallocated/eliminated corporate net expense and intercompany consolidation	148	137	627
Investment income	2 000	1 500	3 000
Interest received	3 848	3 039	6 342
Interest paid	–	(1)	(4)
Taxation	(8 035)	(8 041)	(20 775)
Total comprehensive income for the period	21 839	21 599	53 623
Assets			
Radio broadcasting	66 020	77 972	65 938
Radio services	35 114	61 984	37 303
Corporate	85 320	75 059	82 497
Total	186 454	215 015	185 738
Liabilities			
Radio broadcasting	53 727	50 457	53 109
Radio services	22 795	46 803	21 955
Corporate	8 857	5 304	6 111
Total	85 379	102 564	81 175
Capital expenditure			
Radio broadcasting	2 620	11 202	13 640
Radio services	141	130	277
Corporate	769	4 830	5 701
Total	3 530	16 162	19 618
Depreciation			
Radio broadcasting	2 784	1 833	4 424
Radio services	333	426	765
Corporate	158	156	312
Total	3 275	2 415	5 501

CHAIRMAN'S REVIEW

Trading conditions for the period under review were tough. Our operations experienced a decrease in revenue of 3% to R119,4 million (2015: R123 million). Comprehensive income increased by 1% to R21,8 million (2015: R21,6 million).

The comprehensive income attributable to equity holders of the parent amounted to R18,4 million (2015: R19,5 million) with earnings per share of 229,8 cents (2015: 239,2 cents). Headline earnings per share was 226,7 cents (2015: 239,2 cents).

After paying tax of R9,3 million (2015: R12,7 million), the group generated R27,6 million (2015: R19,9 million) in cash from its operating activities during the period. The group invested an additional R758 000 (2015: R13,5 million) in the development of the new home of the Central Media Group in Bloemfontein and spent R2,8 million (2015: R2,7 million) on capital expenditure. The group paid R11 million (2015: R3,8) to repurchase 155 144 (2015: 39 200) shares. During the period, the group paid out dividends of R20,2 million (2015: R20,2 million) to the equity holders of the company. The group ended the period with cash resources of R108,3 million (2015: R86,5 million).

OPERATIONS

Low business confidence remains a key challenge across all sectors, resulting in demanding trading conditions. Innovation and tight cost control remain imperative.

Agreement has been reached with SAMPPRA in regard to Needletime.

Algoa FM's profitability improved during the first half of the financial year on the back of increased national marketing spend around the local election and in the banking sector. Both national and direct advertising revenues delivered results above expectation. There has been significant growth in all revenue from Algoa FM's digital platforms and non-traditional revenue due to local demand for the station's outside broadcast unit and activation squad. The excellent performance of the radio station was underpinned by effective cost control. Algoa FM listenership, as released in the new BRC RAM Diary, has shown 17% growth from the SAARF RAMS diary.

Central Media Group felt the pinch of the drought. The figures at half-year reflect the very tough trading conditions. A modest growth in revenue and very tight cost controls meant that the group has delivered on profit expectation over this period. Redstar Agency secured significant new business, and the Second MiWay National Sevens tournament attracted more than double the entries of last year, resulting in very good bottom line growth off a low base. Digital Platforms made significant inroads into the Agri sector in the provision of web services, and the addition of an App service resulted in new blue-chip clients such as SAB. Mahareng Publishing launched a new community freesheet (Courant Voice) aimed at readers in Thaba Nchu and Botshabelo, and this has added impetus to this business in otherwise competitive markets. OFM continues to experience volatility in advertising demand and trading conditions for all the business units remain difficult.

RadioHeads performed significantly better compared to the same period last year. Many campaigns previously postponed have materialised in the current financial year, giving renewed impetus to the business. Management is confident of a stronger performance for the rest of the year.

Sales revenue at **United Stations** was down on the previous year, due to a different mix of radio station clients. Three established radio stations in major markets were replaced with five newly launched stations in secondary markets, covering Northern Johannesburg, KZN, Mpumalanga, North West and the Western Cape. The team has expanded the range of services offered, to include a video streaming platform, an online solution for radio stations and an extensive menu of Rich Media Tools. Steady progress has been made in taking these to market.

DIVIDENDS

A final dividend (dividend number 9) of 250 cents per ordinary share (gross) was declared for the year ended 31 March 2016 (2015: 250 cents gross) and paid on 4 July 2016. The interim dividend (dividend number 10) for the period ended 30 September 2016 is 100 cents per ordinary share (gross) (2015: 100 cents per share).

DECLARATION OF INTERIM DIVIDEND NUMBER 10

The board has declared an interim dividend (dividend number 10) of 100 cents per ordinary share (gross) for the period ended 30 September 2016. The dividend is subject to the Dividends Withholding Tax ("DWT") that was introduced with effect from 1 April 2012. In accordance with the provisions of the JSE Listings Requirements, the following additional information is disclosed:

- the dividend has been declared out of current profits available for distribution
- the local Dividend Tax rate is 15%
- the gross dividend amount is 100 cents per ordinary share for shareholders exempt from DWT
- the net dividend amount is 85 cents per ordinary share for shareholders liable for DWT
- the company has 8 054 424 ordinary shares in issue
- the company's income tax reference number is 9100/169/71/4

The following dates are applicable to the dividend:

The last day to trade in order to be eligible for the dividend will be Tuesday, 10 January 2017.

Shares will trade ex-dividend from Wednesday, 11 January 2017.

The record date will be Friday, 13 January 2017 and payment will be made on Monday, 16 January 2017.

Share certificates may not be dematerialised/rematerialised between Wednesday, 11 January 2017 and Friday, 13 January 2017, both days inclusive.

PROSPECTS

The board expects the trading conditions for the remaining six months of the year to remain challenging.

ACG Molusi

Independent Non-executive Chairman

24 November 2016

These condensed results have been prepared by the financial director in accordance with International Financial Reporting Standards ("IFRS"), the Companies Act No. 71 of 2008, as amended, IAS 34: Interim Financial Reporting, the Listings Requirements of the Johannesburg Stock Exchange, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council and the SAICA Financial Reporting Guidelines as issued by the Accounting Practices Committee, on a basis consistent with the policies and methods of computation as used in the annual financial statements for the year ended 31 March 2016.

These results are unaudited.

Michelle Mynhardt CA(SA)

Financial Director

CORPORATE INFORMATION

AFRICAN MEDIA ENTERTAINMENT LIMITED

Incorporated in the Republic of South Africa

Registration number 1926/008797/06

JSE code: AME ISIN: ZAE000055802

("AME", "the company" or "the group")

REGISTERED OFFICE

Block A, Oxford Office Park

No 5, 8th Street, Houghton Estate, Johannesburg, 2198

PO Box 3014, Houghton, 2041

TRANSFER SECRETARIES

Computershare Investor Services (Pty) Limited

Registration number 2004/003647/07

Ground Floor, 70 Marshall Street, Johannesburg, 2001

PO Box 61051, Marshalltown, 2107

Telephone: +27 11 370 5000

Telefax: +27 11 688 5238

SPONSOR

Arbor Capital Sponsors (Pty) Limited

Registration number 2006/033725/07

Ground Floor, One Health Building

Woodmead North Office Park

54 Maxwell Drive

Woodmead, 2191

Suite #439, Private Bag X29, Gallo Manor, 2052

DIRECTORS

ACG Molusi (*Independent Non-executive Chairman*)

KL Tlhabane (*Independent Non-executive Director*)

MJ Prinsloo (*Independent Non-executive Director*)

N Sooka (*Independent Non-executive Director*)

M Mynhardt (*Executive Financial Director*)

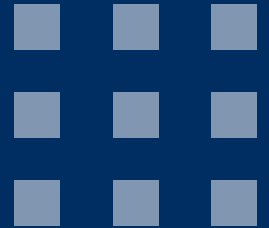
AJ Isbister (*Executive Director*)

COMPANY SECRETARY

C Roberts

INTERIM RESULTS

for the six months ended 30 September 2016



AFRICAN MEDIA
ENTERTAINMENT