

CHAIRMAN'S REVIEW

Review of the year

This financial year was difficult but our businesses maintained the growth achieved in the previous financial years with a 5% increase in revenue to R254,6 million (2014: R242,5 million). Comprehensive income increased by 16% to R56,6 million (2014: R48,6 million).

The comprehensive income attributable to equity holders of the parent amounted to R49,6 million (2014: R42,9 million) with earnings per share of 608,2 cents (2014: 524,9 cents). Headline earnings per share was 612,5 cents (2014: 524,3 cents).

After paying tax of R23,9 million (2014: R19,3 million), the group generated R55,3 million (2014: R62,5 million) in cash from its operating activities during the year. The group invested R19,6 million (2014: R1,2 million) on the development of the site in Bloemfontein earmarked to be the new home of the Central Media Group and spent R9,4 million (2014: R3,2 million) on capital expenditure. The group ended the period with cash resources of R105,5 million (2014: R106,3 million).

Operations

Our subsidiaries continue to contribute positively to our bottom line through innovative sales initiatives and tight cost control.

Algoa FM performed well with year-on-year revenue and listenership growth. Cost containment remains a focus area and contributes to profitability. Algoa FM scooped four MTN Radio Awards at the annual banquet. Daron Mann won Best Breakfast Show presenter, and the Algoa FM Heritage Day Virtual Flag won in the categories best promotion/stunt, best programme innovation and best multi-channel stunt.

Central Media Group delivered a solid set of results, mostly due to growth in non-advertising revenue. Significant web development contracts were secured and completed in this period by Digital Platforms. Mahareng Publishing continued to gain market share in local publishing, with Bloemfontein Courant increasing profitability by 21%. Redstar suffered revenue setbacks with the unexpected cancellation of two major events, but launched new products which helped create new revenue lines. OFM once again delivered stable results and benefited from good cost-control. Advertising revenue is still constrained by the relatively weak national economy. Overall, the group focused on reducing costs and looking for high margin alternative revenue streams, utilising the various synergies between the media brands to good effect.

In a tough economic climate characterised by clients cutting back on budgets throughout the year,

RadioHeads has generated an after-tax profit. This turnaround has resulted from a refocus on its core business with a strong drive toward the retention of key clients. Special attention has been paid to generating maximum revenue yield from campaigns.

United Stations added two new station contracts to their portfolio, allowing them to increase their footprint into all major markets across the country and increase their weekly audience to seven million listeners. This came into effect during the second quarter of the year and along with a strong performance from KAYA FM, contributed to an increase in revenue. The challenging sales climate that persisted throughout the year, along with the need to reposition the two new stations in the market, necessitated additional investment in staff as well as significant research and trade marketing. These investments have placed United Stations in a good position to compete in the demanding marketplace that is expected to persist over the coming year.

Dividends

An interim dividend (dividend no 6) of 100 cents per ordinary share (gross) was declared for the period ended 30 September 2014. (2013: 100 cents gross) and paid on 12 January 2015. The final dividend (dividend no 7) for the year ended 31 March 2015 is 250 cents per ordinary share (gross) (2014: 200 cents per share).

Declaration of final dividend no 7

The board has declared a final dividend (dividend no 7) of 250,00 cents per ordinary share (gross) for the year ended 31 March 2015. The dividend is subject to the dividend 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 250,00 cents per ordinary share for shareholders exempt from DWT;
- the net dividend amount is 212,50 cents per ordinary share for shareholders liable for DWT;
- the company has 8 276 366 ordinary shares in issue; and
- 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 Friday, 3 July 2015.

Shares will trade ex-dividend from Monday, 6 July 2015.

The record date will be Friday, 10 July 2015 and payment will be made on Monday, 13 July 2015.

Share certificates may not be dematerialised/rematerialised between Monday, 6 July 2015 and Friday, 10 July 2015, both days inclusive.

Prospects

The board is cautiously optimistic that the revenue for the 2016 year will compare favourably with that of this year.

ACG Molusi

Independent Non-executive Chairman

4 June 2015

Johannesburg

These provisional 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 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 2014.

These results have been reviewed by Grant Thornton and their unqualified report is available for inspection at the company's registered office.

Michelle Mynhardt (CA/SA)

Financial director

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

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PO Box 61051, Marshalltown, 2107
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SPONSOR

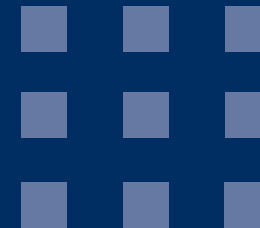
Arbor Capital Sponsors (Pty) Limited
Registration number 2006/033725/07
Ground Floor, One Health Building, Woodmead North Office Park
54 Maxwell Drive, Woodmead, 2191
PO Box 62397, Marshalltown, 2107

DIRECTORS

ACG Molusi (*Independent Non-executive Chairman*), KL Tlhabane*, WTshuma*, MJ Prinsloo*
N Sooka*, M Mynhardt (*Executive Financial Director*), AJ Isbister (*Executive Director*),
**Independent Non-executive Director*

REVIEWED RESULTS

for the year ended 31 March 2015



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AFRICAN MEDIA ENTERTAINMENT

CONSOLIDATED PROVISIONAL STATEMENTS OF COMPREHENSIVE INCOME

		Reviewed year ended 31 March 2015 R'000	Audited year ended 31 March 2014 R'000
	% change		
Revenue	5	254 631	242 524
Cost of sales	(2)	(61 047)	(62 275)
Gross profit		193 584	180 249
Operating expenses		(123 428)	(119 684)
Operating profit	16	70 156	60 565
Investment income		1 750	1 750
Finance income		5 879	4 508
Finance cost		(6)	(53)
Profits attributable to associates		507	343
Net profit before taxation	17	78 286	67 113
Taxation		(21 715)	(18 490)
SA normal taxation		(22 359)	(21 775)
Deferred taxation		644	3 285
Total comprehensive income for the year	16	56 571	48 623
Total comprehensive income attributable to:			
Non-controlling interest holders	20	6 942	5 766
Equity holders of the parent	16	49 629	42 857
Earnings per share (cents)	16	608.2	524.9
Headline earnings per share (cents)	17	612.5	524.3
Dividends per share (cents)		350	300
Weighted average number of shares in issue ('000)		8 160	8 165
Headline earnings reconciliation:			
Profit attributable to equity holders		49 629	42 857
Loss/(profit) on disposal of investment/fixed assets		354	(61)
Tax on disposal of assets		-	17
Headline earnings		49 983	42 813

CONSOLIDATED PROVISIONAL STATEMENTS OF FINANCIAL POSITION

		Reviewed 31 March 2015 R'000	Audited 31 March 2014 R'000
Assets			
Non-current assets			
Property, plant and equipment		60 152	35 758
Goodwill		39 426	39 780
Investments		13 476	12 272
Deferred taxation		12 387	11 760
Current assets		185 713	163 840
Trade receivables		71 634	49 394
Other receivables		8 242	8 125
Tax paid in advance		324	42
Cash and cash equivalents		105 513	106 279
Total assets		311 154	263 410
Equity and liabilities			
Total equity			
Current liabilities		109 650	87 568
Trade payables		37 945	24 962
Other payables		68 587	58 326
Dividend payable		1 245	1 020
Operating lease accrual		-	105
Taxation		1 873	3 155
Total equity and liabilities		311 154	263 410

CONSOLIDATED PROVISIONAL STATEMENTS OF CHANGES IN EQUITY

	Reviewed year ended 31 March 2015 R'000	Audited year ended 31 March 2014 R'000
Issued capital		
Balance at beginning of year	8 160	8 171
Shares repurchased and cancelled	(1)	(11)
Balance at end of year	8 159	8 160
Share premium		
Balance at beginning of year	12 921	13 742
Shares repurchased and cancelled	(82)	(821)
Balance at end of the year	12 839	12 921
Retained profit		
Balance at beginning of year	152 749	134 663
Change in shareholding	1 903	-
Total comprehensive income for the year	49 629	42 857
Dividend	(24 521)	(24 771)
Balance at end of year	179 760	152 749
Non-controlling interests		
Balance at beginning of year	2 012	4 431
Change in shareholding	(1 912)	-
Share of total comprehensive income for the year	6 942	5 766
Share of dividend	(6 296)	(8 185)
Balance at end of year	746	2 012
Total capital and reserves	201 504	175 842

CONSOLIDATED PROVISIONAL STATEMENTS OF CASH FLOWS

	Reviewed year ended 31 March 2015 R'000	Audited year ended 31 March 2014 R'000
Cash generated by operating activities	74 008	64 048
Net interest received	5 873	4 455
Taxation paid	(23 923)	(19 252)
(Increase)/decrease in working capital	(636)	13 295
Cash flows from operating activities	55 322	62 546
Cash flows from investing activities	(25 497)	(2 200)
Cash flows from financing activities*	(30 591)	(32 851)
Net (decrease)/increase in cash and cash equivalents	(766)	27 495
Cash and cash equivalents at beginning of year	106 279	78 784
Cash and cash equivalents at end of year	105 513	106 279

* Dividends paid

SEGMENTAL REPORTING

	Reviewed year ended 31 March 2015 R'000	Audited year ended 31 March 2014 R'000
Revenue		
Radio Broadcasting	210 278	209 182
Radio Services	44 142	33 342
Corporate	211	-
Total	254 631	242 524
Profitability		
Radio Broadcasting	56 311	53 250
Radio Services	15 691	11 327
Corporate	(1 846)	(4 012)
Total operating profit	70 156	60 565
Unallocated/eliminated corporate net expense and intercompany consolidation	507	343
Investment income	1 750	1 750
Interest received	5 879	4 508
Interest paid	(6)	(53)
Taxation	(21 715)	(18 490)
Total comprehensive income for the year	56 571	48 623
Assets		
Radio Broadcasting	66 009	63 397
Radio Services	68 141	49 615
Corporate	71 491	44 119
Total	205 641	157 131
Liabilities		
Radio Broadcasting	49 521	34 542
Radio Services	51 718	45 575
Corporate	8 411	7 451
Total	109 650	87 568
Capital expenditure		
Radio Broadcasting	5 353	3 530
Radio Services	1 050	902
Corporate	22 572	11
Total	28 975	4 443
Depreciation		
Radio Broadcasting	2 599	2 421
Radio Services	788	1 017
Corporate	208	62
Total	3 595	3 500

The names of the segments were changed to be more descriptive. The allocation and numbers have stayed the same.