ANNUAL REPORT

10

AFRICAN MEDIA ENTERTAINMENT

CONTENTS

GROUP PROFILE

AFRICAN MEDIA ENTERTAINMENT

(Incorporated in the Republic of South Africa)
(Registration number 1926/008797/06)
(Share code: AME)
(ISIN: ZAE000055802)

African Media Entertainment Limited ("AME") is a broadcast company listed in the "Media & Entertainment" sector of the Johannesburg Stock Exchange ("JSE")

AME's operations are:

RADIO BROADCASTERS:

OFM

Covering Central South Africa – Free State, Northern Cape, North-West Province and Vaal Triangle

AlgoaFM

Covering the Eastern and Southern Cape

RADIO ADVERTISING COMPANIES:

United Stations

Specialist radio sales house operating countrywide

RadioHeads

Radio specialist focused on branded content and direct response radio

DIRECTORATE AND EXECUTIVE

Board of directors

ACG ("Connie") Molusi (48)
Independent Non-executive Chairman
BJournalism, MA
Appointed 18 March 2004

Connie has been involved with the media industry for many years and holds a number of directorships.

Zenwill Lacob (60)
Independent Non-executive director
BA LLB (Wits), LLB (Jerusalem), LLM (Wits)
Appointed 5 June 2002

Zenwill was a senior lawyer with extensive commercial, corporate and media experience.

Zenwill passed away on 22 April 2010.

Marthinus J Prinsloo (55)
Independent Non-executive director
BCom (Law), CA(SA)
Appointed 13 November 2003

Inus has spent many years in the merchant banking industry and now runs his own practice as a corporate financial advisor.

Wilfred Tshuma (41)
Independent Non-executive director
BCom (Hons)
Appointed 7 July 2004

Wilfred has held internal audit and financial positions with a number of banks. He now runs his own businesses in property and aviation.

Navin Sooka (57)
Non-executive director
BComm, BCompt (Hons), CA(SA)
Appointed 26 September 2008

Navin has extensive experience in financial positions in the manufacturing industry and within the corporate environment.

Michelle Mynhardt (37)
Executive Financial Director
BCompt (Hons), CA(SA)
Appointed 1 June 2010

Michelle joined the group in April 2009 to head up the Finance Department in Johannesburg. She completed her articles at PriceWaterhouseCoopers and later jointed KPMG's International Advisory Services department. She has experience in financial positions in security, market research and investment industries.

Executive management

The group is managed by the senior executives of its major subsidiaries:

Rivak Bunce (48)
United Stations and RadioHeads

Rivak has a strong background in training, having run his own training franchise for several years.
He joined Radio 702 in 1987, rising to the position of sales manager. He subsequently worked for Primedia Group as Group sales director until co-founding United Stations in March 2000. He joined the AME group when that company was acquired in November 2002.

David Tiltmann (45)
Umoya Communications – AlgoaFM

David obtained his BCom from UPE in 1986. He began working for AlgoaFM as a freelance announcer in 1989 and has held positions as Music Manager, Programme Manager and Operations Manager since then. He was appointed Managing Director of the station in February 2000. David worked as Broadcast Liaison Officer (BLO) for the Host Broadcast Services at the 2010 World Cup, where he was the only South African BLO out of a total of 120.

Gary Stroebel (36)
Seyalemoya Communications – OFM
BA (Communication), MBA (UFS)

Gary joined OFM in 1996 as a presenter, and has worked as Programme Manager as well as Sales and Marketing Director. In March 2008 he was appointed CEO of the station.

CHAIRMAN'S REPORT

Review of the year

Due to the change in year end, the reviewed results for the year to 31 March 2010 and for the seventeen month period to 31 March 2009 are not comparable.

Revenue for the period was R158,4 million with a comprehensive income of R24,1 million.

After paying tax of R14,6 million, the group generated R28,3 million in cash from its operating activities during the year. The group invested R4,7 million in the acquisition of property in Johannesburg, R2,5 million on equipment and R5 million was spent to purchase the 5% shareholding in AlgoaFM that the group did not already own. After paying a dividend of R17,3 million, the group ended the year with cash resources of R46,1 million.

The comprehensive income attributable to equity holders of the parent amounted to R21,4 million (2009: R34,4 million) with earnings per share of 251,1 cents (2009: 402,8 cents). Headline earnings per share were 266,8 cents (2009: 403,2 cents).

Supplementary information for the year to 31 March 2009

The statement of comprehensive income for the year ended 31 March 2009 has been presented for information purposes only. This statement of comprehensive income contains one peak season and makes comparison more meaningful.

Revenue increased by 5% year on year mainly due to the increase in direct sales.

Net finance income declined by R1,8 million to R4,9 million, mainly due to the lower interest rates.

The loss from associates including M-Power FM is in line with expectations and is mainly attributable to M-Power FM still being in the developmental stage.

The comprehensive income attributable to the equity holders of the parent amounted to R21,4 million (2009: R23,6 million) with earnings per share of 251,1 cents (2009: 276,7 cents). Headline earnings per share were 266,8 cents (2009: 277,1 cents).

Operations

Trading conditions remained tough during the period. On a comparative annual basis, there was a marginal increase in AlgoaFM's national and local advertising. Even with a strategic focus on cost control, AlgoaFM's year on year profits were 6% less than last year.

AlgoaFM's latest Radio Audience Measurement Survey (RAMS) listenership figures reflect a year on year growth of 6,2% from 759 000 to 806 000. The All Media Product Survey (AMPS) places AlgoaFM at 2,8% of the total radio audience.

The AlgoaFM brand received excellent local, national and even international exposure from the media sponsorship of the Indian Premier League (IPL) cricket games in the region and the Warriors Cricket team winning both the MTN and Standard Bank One Day series.

AlgoaFM raised R0,5 million on behalf of local charities by winning the national Vodacom Fame competition whereby listeners voted nationally for the best station produced video. AlgoaFM's entry received more votes than the combined votes of all the other stations.

The prevailing economic conditions during the year under review had a significant impact on the business of OFM as revenue from National Advertisers reduced significantly. This was in part offset by cost-cutting measures as well as growth from alternative revenue streams, profit from events and growth in the direct advertising market.

Changes to the broadcast lineup also started showing results, with Rian van Heerden's show enjoying a 27% increase in audience. Further changes were made with a new morning show (The Breakfast Club) being introduced in April 2010. Audience levels have increased by 13% in the latest RAMS.

The station was able to keep bad debts under control during the tough trading conditions and cash flow remained positive and strong. The business is now well positioned to take advantage of the recovering markets and good growth is foreseen especially in the non-traditional revenue channels.

Specialist media sales house, United Stations exceeded budgeted profit for the year to 31 March 2010 mainly as a result of benefits coming through from significant investments made in new business during the previous fiscal year and cost reductions from restructuring its local sales activities. These factors combined with an aggressive brand specific sales strategy protected the business from the general decline in advertising spend which started to contract mid-year 2009. United Stations achieved several major goals that have positioned the company well to tackle what promises to continue to be difficult trading conditions for the remainder of 2010. From 1 September 2010, United Stations will provide KayaFM with National Sales. Management is of the opinion that the partnership will be beneficial to both parties and look forward to an exciting sales initiative.

RadioHeads is a team of radio specialists offering radio skills specifically in the provision of Branded Content, Station Imaging, Creative and Campaign management and Direct Response Radio solutions.

Despite the successful launch of a number of proprietary advertising properties, the reduction of advertising spend by several large clients and an investment in staff has led to a small loss for the 2010 year.

This is only a temporary setback as RadioHeads is well positioned at present with a new syndicated show, promising to herald an exciting new chapter in radio.

Dividends

A dividend of R2 per share (2009: R2) was declared in respect of the year under review and was paid to equity holders of the parent registered on 9 April 2010. Cash resources are retained to fund organic growth opportunities that may arise from new primary radio licences.

Subsequent events

On 30 July 2010 AME purchased a 5% economic interest in KayaFM for R6 million. Other than the new investment, there have been no other events subsequent to the financial year end that have not been recognised in these financial results.

Prospects

The World Cup provided some additional opportunities and the board is cautiously optimistic about the results for the year ahead.

ACG Molusi
Independent Non-executive Chairman

30 July 2010

CORPORATE GOVERNANCE

AME supports the principles set out in the King II Report on Corporate Governance and, where appropriate to the group, is committed to the implementation of these principles. The company is listed on the JSE and complies with its regulations.

As a result of the size of the group, it has been neither appropriate nor financially expedient to set up the expensive structures envisaged by the King Reports, e.g. internal audit. However, where the group's resources have allowed, compliance has been achieved in the following areas:

Board appointments

Appointments to the board are done in a formal and transparent manner and are a matter of deliberation by the board. In general, the appointment of a nomination committee is not appropriate.

Board of directors

The board presently comprises two independent non-executive directors, one non-executive director, one executive director and an independent non-executive chairman. AME does not have a CEO as the group is managed by the senior executives of its major subsidiaries as set out on page 3.

The board is scheduled to meet a minimum of four times in the year. During the period under review it met a total of four times.

Board meeting attendance

	Jun 2009	Aug 2009	Nov 2009	Feb 2010
* ACG Molusi	√	√	√	√
* Z Lacob	√	√	√	√
* MJ Prinsloo	√	√	√	√
** N Sooka	√	√	√	√
* W Tshuma	√	√	√	√

** independent non-executive director*
*** non-executive director*

Financial

The directors acknowledge responsibility for the preparation of the annual financial statements, which, in their opinion, fairly present the state of affairs of the company and the group at 31 March 2010 and their operations and cashflows for the year then ended. The external auditors are responsible for reporting on the fair presentation of these financial statements.

The financial statements set out in this report have been prepared by the directors in accordance with International Financial Reporting Standards and are consistent with those of the previous annual financial statements. They are based on appropriate accounting policies, which have been consistently applied and which are supported by reasonable and prudent judgements and estimates.

The directors also prepare the other information included in the annual report and are responsible for both its accuracy and its consistency with the financial statements. The financial statements have been audited by independent auditors PKF (Jhb) Inc., who were given unrestricted access to all financial records and related data, including minutes of all meetings of shareholders, the board of directors and committees of the board. The directors believe that representations made to the independent auditors during their audit were valid and appropriate.

Risk management

The purpose of management is to identify risk and assess its impact on the group. This is a continuing process, commencing at board level and filtered down to all levels of management by reporting and checking mechanisms.

Audit committee

The committee presently comprises:

- MJ Prinsloo *(Chairman)**
- N Sooka *(Member)* – non-executive director
- W Tshuma *(Member)**
- M Mynhardt *(Member)* – executive director

** independent non-executive director*

At present the committee does not have a written charter. The audit committee members have considered and are of the opinion that they are adequately independent from the company and group and managements thereof, within the full spirit of the Code of Corporate Practices and Conduct.

The independent auditors have unrestricted access to the committee.

The committee meetings focus on financial reporting requirements, both internal and external and review fees charged by the independent auditors (for audit and consulting assignments) and directors for their professional services beyond their roles as directors as well as the appointment of the independent auditors.

The scope and objectivity of the external auditors were reviewed and the appointment of the external auditor complies with the Companies Act, as amended and with the requirements of the JSE. The use of the independent auditors for non-audit services is reviewed to ensure that the independence of the auditors is maintained.

At the date of this report, no complaints have been received relating to accounting practices and external audit of the group, or to the content of auditing of the group's financial statements, or to any related matter. The audit committee is responsible for evaluating the expertise and experience of the Financial Director and has accordingly proposed M Mynhardt as the executive financial director which the board has approved with effect from 1 June 2010.

Audit committee meeting attendance

	Jun 2009	Nov 2009	Feb 2010
MJ Prinsloo	√	√	√
N Sooka	√	√	√
W Tshuma	A	√	A
M Mynhardt	√	√	√

A – apology

Remuneration committee

The committee presently comprises:

- MJ Prinsloo (*Chairman*)*
- N Sooka (*Member*) – non-executive director
- W Tshuma (*Member*)*
- M Mynhardt (*Member*) – executive director
- K Reed (*Member*) – financial director AlgoaFM
- M Vermeulen (*Member*) – financial director OFM

** independent non-executive director*

The committee comprises two independent non-executive directors, one non-executive director, one executive director and representatives from the group's subsidiary companies.

The committee decides the remuneration of the executive directors of the company and its subsidiaries. It also reviews management's remuneration policies and makes recommendations on the remuneration to the group's staff, particularly incentive-based remuneration.

Both board sub-committees are scheduled to meet twice in the current year, however, they will meet additionally if considered necessary to perform the functions for which they were established.

Remuneration committee meeting attendance

	Jun 2009	Aug 2009	Dec 2009
Z Lacob	√	√	√
MJ Prinsloo	√	√	√
N Sooka	√	√	√
W Tshuma	A	√	√
M Mynhardt	√	√	√
K Reed	√	√	√
M Vermeulen	√	√	√

A – apology

Internal controls

The system of internal controls established by management is considered sufficient to provide reasonable assurance as to the integrity and reliability of the financial statements and to adequately safeguard, verify and maintain accountability of the group's assets, for the benefit of all stakeholders.

Employment equity and skills development

Throughout the group, equitable employment policies are in place to ensure individuals from all demographic groupings are given the opportunity to be employed and trained by the group. The group places an increased emphasis on maintaining and training those members of staff who can provide excellent service in a small team environment. To this end, the staff incentive scheme will provide financial rewards appropriate to the personal performance of individual staff members.

HIV/AIDS

The board has given consideration to the HIV/AIDS pandemic and its possible impact on the group's human resources. Due to the high quality of our staff and their level of education, the board does not believe that there is a greater chance of losing staff from HIV/AIDS than from any other medical condition. However, it is accepted that the threat of HIV/AIDS to the country is real and the board will continue to consider any impact on the group's staff.

Going concern

The going concern basis has been adopted in preparing the financial statements. The current strong financial position and the continued tight control on expenditures and cash flows, give the directors reason to believe that the business of the group will continue to function as a going concern for the foreseeable future.

Company secretarial and professional advice

All directors have unlimited access to the advice and services of the company secretary, who is responsible to the board for ensuring that board procedures are followed. All directors are entitled to seek independent professional advice, at the group's expense, concerning the affairs of the group, after obtaining the approval of the chairman.

ADMINISTRATION

African Media Entertainment Limited
Incorporated in the Republic of South Africa
Registration number: 1926/008797/06
Share code: AME
ISIN Number: ZAE000055802

Auditors
PKF (Jhb) Inc.
Chartered Accountants (SA)
Registered Auditors
42 Wierda Road West
Wierda Valley
Johannesburg 2196

Bankers
ABSA Corporate and Merchant Bank
10th floor, Diamond Building
11 Diagonal Street, Newtown
Johannesburg 2001

Legal advisors
Zenwill Lacob Attorneys (until 22 April 2010)
32 St John Road
Houghton
Johannesburg 2198

Fluxmans Attorneys
11 Biermann Avenue
Rosebank
Johannesburg 2196

Secretary and registered office
M Mynhardt
Block A, Oxford Office Park
No. 5, 8th Street
Houghton Estate
Johannesburg 2198

PO Box 3014, Houghton 2041

Sponsor
Arcay Moela Sponsors (Proprietary) Limited
Registration number: 2006/033725/07
Arcay House, 3 Anerley Road
Parktown
Johannesburg 2193

PO Box 62397, Marshalltown 2107

Transfer secretaries
Computershare Investor Services (Proprietary) Limited
Ground Floor, 70 Marshall Street
Marshalltown
Johannesburg 2001

PO Box 61051, Johannesburg 2107
Telephone: +27 11 370 5000
Telefax: +27 11 668 7721

STATEMENT OF RESPONSIBILITY AND APPROVAL BY THE BOARD OF DIRECTORS

The directors are required by the Companies Act of South Africa, 1973, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company and the group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards.

The external auditors are engaged to express an independent opinion on the financial statements. The financial statements are prepared in accordance with International Financial Reporting Standards that are consistent with those of the previous annual financial statements and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company.

While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable and not absolute assurance against material misstatement or loss.

The directors have reviewed the group's cash flow forecast for the year to 31 March 2011 and, in the light of this review and the current financial position, they are satisfied that the group has or has access to adequate resources to continue in operational existence for the foreseeable future. The external auditors, PKF (Jhb) Inc. have audited the financial statements for the year ended 31 March 2010 and their unqualified report appears on page 11.

The financial statements set out on pages 12 to 44, which have been prepared on the going concern basis, were approved by the board of directors and are signed on its behalf by:

ACG Molusi
Independent Non-executive Chairman

30 July 2010

DECLARATION BY COMPANY SECRETARY

In terms of section 268 G(d) of the Companies Act, 1973, as amended, I certify that the company has, or will shortly, lodge with the Registrar of Companies, all such returns as are required by the Companies Act.

M Mynhardt
Company Secretary

30 July 2010

REPORT OF THE INDEPENDENT AUDITORS

To the members of African Media Entertainment Limited

We have audited the accompanying financial statements and group financial statements of African Media Entertainment Limited, which comprise the directors' report, consolidated and separate statements of financial position as at 31 March 2010 and the consolidated and separate statements of comprehensive income, statements of changes in equity and statements of cash flow for the year then ended, a summary of significant accounting policies and other explanatory notes, set out on pages 12 to 44.

Directors' responsibility for the financial statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act of South Africa, 1973.

This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements fairly present, in all material respects, the consolidated and separate financial position of African Media Entertainment Limited as at 31 March 2010 and its consolidated and separate financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act in South Africa.

PKF (Jhb) Inc.

PKF (Jhb) Inc.
Registration No. 1994/001166/21

Chartered Accountants (SA)
Registered Auditors

Director: RJ Lawson

30 July 2010
Sandton

DIRECTORS' REPORT

for the year ended 31 March 2010

Nature of business

The group's main activities are set out on page 2 of this report.

Financial results

The financial results of the group and of the company are set out on page 15 of this report. A review of the group's results and performance of the business units is given in the Chairman's report on pages 4 and 5.

Dividends

A special dividend of 200 cents per share (2009: 200 cents) was declared on 26 February 2010 and paid on 12 April 2010.

Share capital

Authorised and issued share capital

There were no changes in the authorised or issued share capital of the company during the period under review.

Directorate and secretary

Details of the directorate are given on page 3 of this report. Directors only receive remuneration for services as directors. Details of their remuneration are set out below:

	Fees 2010 R'000	Fees 2009 R'000
ACG Molusi*	**57**	54
Z Lacob* (deceased 22 April 2010)	**70**	89
MJ Prinsloo*	**117**	80
N Sooka – non-executive director	**171**	184
W Tshuma*	**44**	68
L Thango* *(*resigned May 2009)	**–**	8
Total remuneration	**459**	483
Paid by the company	**427**	449
Paid by the subsidiaries	**32**	34
Total remuneration	**459**	483

** independent non-executive director*

In terms of the articles of association of the company, not less than a third of the directors retire at the forthcoming annual general meeting and being eligible, offer themselves for re-election.

None of the independent non-executive directors of the company have a director's service contract with the company.

As at 31 March 2010, the aggregate direct and indirect, beneficial and non-beneficial interests of the directors in the fully paid issued share capital of the company, was nil (2009: nil). There has been no material change in the directors' interests in the issued share capital between 31 March 2010 and the date of this report.

Property, plant and equipment

The group acquired property, plant and equipment at a cost of R7 210 000 (2009: R12 495 000) during the financial period under review. There have been no major changes in the nature of or the policy relating to the use of property, plant and equipment in the group.

Post balance sheet events

AME acquired a 5% economic interest in KayaFM on 30 July 2010 at a cost of R6 million.

The company appointed Michelle Mynhardt to the board on 1 June 2010 as Executive Financial Director.

There have been no other matters between the group's year end and the date of this report that require to be brought to the attention of shareholders.

Investment in subsidiary companies

The financial information in respect of the company's interest in its major subsidiary companies is set out in note 5 on page 30 of the financial statements.

The aggregate profits and losses after taxation of the subsidiaries attributable to the company amounted to R25 088 000 (2009: R32 251 000); subsidiaries making profits amounted to R25 502 000 (2009: R36 426 000) and subsidiaries making losses amounted to R416 000 (2009: R4 175 000).

Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis assumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

Employee share incentive schemes

Details of options granted to employees, including any executive directors, are detailed in note 23 on page 39.

The share scheme presently holds 89 275 (2009: 89 275) ordinary shares, none of which have been allocated. Other than these shares, no further shares have been set aside for the scheme. In terms of the Trust deed, up to 10% of the company's share capital, being 862 831 ordinary shares, can be utilised for purposes of the scheme. At 31 March 2010, 773 556 ordinary shares can still be issued to the share scheme.

STATEMENTS OF FINANCIAL POSITION

as at 31 March 2010

	Notes	Group 31 March 2010 R'000	Group 31 March 2009 R'000	Company 31 March 2010 R'000	Company 31 March 2009 R'000
Assets					
Non-current assets		**61 362**	53 793	**77 505**	69 217
Property, plant and equipment	3	**20 258**	15 457	**8 267**	8 234
Goodwill	4	**35 431**	30 431	**–**	–
Investment in subsidiaries	5	**–**	–	**64 498**	54 516
Investment in associated companies	6	**633**	1 643	**1 494**	2 167
Other financial instruments	7	**2**	2	**2 100**	2 100
Deferred taxation	8	**5 038**	6 260	**1 146**	2 200
Current assets		**79 383**	84 813	**41 874**	36 544
Trade receivables	9	**31 520**	29 991	**17**	13
Other receivables		**1 715**	1 204	**2 023**	1 468
Cash and cash equivalents		**46 148**	53 618	**39 834**	35 063
Total assets		**140 745**	138 606	**119 379**	105 761
Equity and liabilities					
Total equity		**87 960**	86 546	**94 815**	81 414
Share capital	10	**8 539**	8 539	**8 628**	8 628
Share premium		**31 909**	31 909	**32 356**	32 356
Non-distributable reserve	11	**1 869**	1 608	**22 016**	21 981
Retained earnings		**43 988**	39 803	**31 815**	18 449
Equity attributable to equity holders of the company		**86 305**	81 859	**94 815**	81 414
Non-controlling interest holders		**1 655**	4 687	**–**	–
Non-current liabilities		**939**	1 173	**–**	–
Operating lease accrual	12	**647**	923	**–**	–
Interest-bearing borrowings	13	**292**	250	**–**	–
Current liabilities		**51 846**	50 887	**24 564**	24 347
Trade payables		**16 719**	15 529	**4 365**	1 939
Other payables		**14 954**	13 987	**1 692**	3 514
Dividend payable		**17 257**	17 257	**17 257**	17 257
Operating lease accrual	12	**355**	362	**–**	–
Interest-bearing borrowings	13	**96**	114	**–**	–
Taxation		**2 465**	3 638	**1 250**	1 637
Total equity and liabilities		**140 745**	138 606	**119 379**	105 761

STATEMENTS OF COMPREHENSIVE INCOME

for the year ended 31 March 2010

Pro forma Unaudited GROUP Year ended 31 March 2009 R'000		Notes	GROUP Year ended 31 March 2010 R'000	GROUP 17 months to 31 March 2009 R'000	COMPANY Year ended 31 March 2010 R'000	COMPANY 17 months to 31 March 2009 R'000
150 894	Revenue	17	158 373	216 386	4 569	7 774
(46 418)	Cost of sales		(46 641)	(66 550)	–	–
104 476	Gross profit		111 732	149 836	4 569	7 774
(72 220)	Operating expenses	18	(75 628)	(100 542)	(7 263)	(10 271)
32 256	Operating profit/(loss)		36 104	49 294	(2 694)	(2 497)
–	Investment income	19	–	–	32 240	38 061
7 174	Finance income	19	5 098	9 678	2 862	3 666
(438)	Finance costs	19	(203)	(517)	–	–
–	Reversal of/(provision for) losses in subsidiaries		–	–	1 814	(3 594)
(619)	Losses attributable to associates		(2 207)	(1 900)	(1 295)	–
38 373	Net profit before taxation		38 792	56 555	32 927	35 636
(10 768)	Taxation	20	(14 683)	(15 901)	(2 304)	563
27 605	Total comprehensive income for the period		24 109	40 654	30 623	36 199
	Attributable to:					
3 978	Non-controlling interest holders		2 668	6 257	–	–
23 627	Equity holders of the parent		21 441	34 397	30 623	36 199
276,7	Earnings per share (cents)	21	251,1	402,8		
272,4	Diluted earnings per share (cents)	21	249,4	396,6		

STATEMENTS OF CHANGES IN EQUITY

for the year ended 31 March 2010

	Group		Company	
	31 March 2010 R'000	31 March 2009 R'000	**31 March 2010 R'000**	31 March 2009 R'000
Issued capital	**8 539**	8 539	**8 628**	8 628
Balance at beginning of period	**8 628**	8 628	**8 628**	8 628
Consolidation of share trust	**(89)**	(89)	**–**	–
Share premium	**31 909**	31 909	**32 356**	32 356
Balance at beginning of period	**32 356**	32 356	**32 356**	32 356
Consolidation of share trust	**(447)**	(447)	**–**	–
Non-distributable reserve	**1 869**	1 608	**22 016**	21 981
Balance at beginning of period	**1 608**	861	**21 981**	20 326
Share-based payment reserve	**261**	747	**35**	93
Fair value adjustment on available for sale financial assets – loan to subsidiaries	**–**	–	**–**	1 562
Retained earnings	**43 988**	39 803	**31 815**	18 449
Balance at beginning of period	**39 803**	22 662	**18 449**	(493)
Comprehensive income for the period	**21 441**	34 397	**30 623**	36 199
Dividend declared	**(17 256)**	(17 256)	**(17 257)**	(17 257)
Non-controlling interest holders	**1 655**	4 687	**–**	–
Balance at beginning of period	**4 687**	4 734	**–**	–
Share of dividend	**(5 700)**	(5 902)	**–**	–
Change in shareholding	**–**	(402)	**–**	–
Share of earnings	**2 668**	6 257	**–**	–
Total equity	**87 960**	86 546	**94 815**	81 414

STATEMENTS OF CASH FLOWS

for the year ended 31 March 2010

	Notes	Group Year ended 31 March 2010 R'000	Group 17 months to 31 March 2009 R'000	Company Year ended 31 March 2010 R'000	Company 17 months to 31 March 2009 R'000
Cash flows from operating activities		28 325	46 583	30 858	39 653
Profit before taxation		38 792	56 555	32 927	35 636
Adjustments		(845)	(4 430)	(3 339)	21
– interest received		(5 098)	(9 678)	(2 862)	(3 666)
– interest paid		203	517	–	–
– depreciation		2 110	3 139	7	–
– loss on disposal of property, plant and equipment		42	36	–	–
– reduction in lease accrual		(283)	(568)	–	–
– finance lease payments		(287)	(124)	–	–
– profit on disposal of businesses		–	(399)	–	–
– share-based payments reserve	23	261	747	35	93
– provision for losses in subsidiaries		–	–	(1 814)	3 594
– losses attributable to associates		2 207	1 900	1 295	–
Operating profit before working capital changes		37 947	52 125	29 588	35 657
		117	3 147	45	330
– (increase)/decrease in trade and other receivables		(2 040)	8 774	(559)	(582)
– increase/(decrease) in trade and other payables		2 157	(5 627)	604	912
Cash generated by operations		38 064	55 272	29 633	35 987
Net interest received		4 895	9 161	2 862	3 666
Taxation paid	22	(14 634)	(17 850)	(1 637)	–
Dividend paid to equity holders		(17 257)	(17 257)	(17 257)	(17 257)
Cash flows from investing activities		(12 838)	(13 972)	(8 830)	(10 216)
Increase in investments and loans		(6 197)	(2 378)	(8 790)	(1 982)
Purchase of property, plant and equipment		(6 899)	(11 639)	(40)	(8 234)
Proceeds on disposal of property, plant and equipment		258	45	–	–
Cash flows from financing activities		(5 700)	(5 902)	–	–
Dividends paid to non-controlling interest holder		(5 700)	(5 902)	–	–
Net (decrease)/increase in cash and cash equivalents		(7 470)	9 452	4 771	12 180
Cash and cash equivalents at beginning of period		53 618	44 166	35 063	22 883
Cash and cash equivalents at end of period		46 148	53 618	39 834	35 063

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 March 2010

1. Accounting policies

1.1 Basis of preparation

The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"), IAS 34, the Companies Act No. 61 of 1973 and the listings requirements of the JSE on a basis consistent with the policies and methods of computation as used in the annual financial statements for the 17 month period ended 31 March 2009.

The financial statements are prepared under the historical cost convention except for certain financial instruments that are stated at fair value.

The policies set out below have been consistently applied to all the periods presented.

1.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and entities controlled by the company ("its subsidiaries"). Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statements of comprehensive income, from the effective date of acquisition or up to the effective date of disposal, as appropriate. The purchase method of accounting is used to account for the acquisition of subsidiaries by the group. Identifiable assets, liabilities and contingent liabilities acquired or assumed are initially measured at their respective fair values at acquisition date.

All intra-group transactions, balances, income and expenses and unrealised gains and losses, are eliminated in full on consolidation.

Non-controlling interest holders' interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interest holders' interests consist of the amount of those interests at the date of the original business combination and the non-controlling interest holder's share of changes in equity since the date of the combination.

Investments in associates are accounted for by way of the equity method and initially recognised at cost. The group's investment includes goodwill identified on acquisition, net of any accumulated impairment loss and is adjusted for the group's share of the associate's post acquisition reserve movements. When the group's share of losses equals to or exceeds its interest in the associate, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. Unrealised gains and losses are eliminated to the extent of the group's shareholding.

1.3 Significant judgements

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. Judgements made by management in applying the accounting policies are:

Asset lives and residual values
Property, plant and equipment is depreciated over its useful life taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as market conditions, the remaining life of the asset and projected disposal values.

Deferred tax assets
Deferred tax assets are recognised to the extent it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Future taxable profits are estimated based on business plans which include estimates and assumptions regarding economic growth, inflation, taxation rates and competitive forces. Deferred tax assets are recognised on Secondary Tax on Companies credits only to the extent it is probable that future dividends will utilise these credits.

Impairment of assets

Goodwill is considered for impairment at least annually. Property, plant and equipment are considered for impairment if there is reason to believe that an impairment may be necessary. The future cash flows expected to be generated by the assets are projected taking into account market conditions and the expected useful lives of the assets. The present value of these cash flows, determined using an appropriate discount rate, is compared to the current carrying value and, if lower, the assets are impaired to the present value.

Options granted

Management used the Black-Scholes Merton Option Valuation Model to determine the fair value of the options at issue date.

1.4 Goodwill

Goodwill is initially measured as the excess of cost of the business combination over the group's interest of the fair value of the net identifiable assets, liabilities and contingent liabilities.

Subsequently goodwill is carried at cost less any accumulated impairment.

The excess of the group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of the business combination is immediately recognised in the statement of comprehensive income.

1.5 Property, plant and equipment

Property, plant and equipment is initially recorded at cost. Impairment losses and reversal of impairment losses are recognised in the statement of comprehensive income. Costs include costs incurred initially to acquire an item of property, plant and equipment and costs incurred subsequently to add to, or replace part of it. Costs are only capitalised to the extent that the cost can be measured reliably and it is probable that the cost will result in the inflow of future economic benefits to the group.

Depreciation is calculated on the straight-line method to write off the cost of each asset to their residual values over their estimated useful lives. The depreciation rates applicable to each category of property, plant and equipment are as follows:

• buildings	1,25%
• electronic equipment	20% – 33%
• motor vehicles	20% – 25%
• office equipment	10% – 20%
• leasehold improvements	period of the lease

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. Impairment losses are recognised in the statement of comprehensive income immediately.

Leasehold improvements are depreciated over the shorter of the lease term and the useful life of the asset. The useful lives and residual values of property, plant and equipment are assessed annually and subsequently carried at cost less accumulated depreciation and impairment.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit.

1.6 Investments in subsidiaries

In the company's separate financial statements, investments in subsidiaries are carried at cost less impairment. The cost of an investment in a subsidiary is the aggregate of:

- the fair value, at the date of exchange, of assets given, liabilities incurred or assumed and equity instruments issued by the company, plus
- any costs directly attributable to the purchase of the subsidiary.

An adjustment to the cost of a business combination contingent on future events is included in the cost of the combination if the adjustment is probable and can be measured reliably.

1.7 Impairment of assets

The group assesses at each reporting date whether there is any indication that objective evidence exists that might indicate that a financial asset or group of financial assets is impaired.

Irrespective of whether there is any indication of impairment, the group also tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in the statement of comprehensive income. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination.

An impairment loss is recognised for cash-generating units if the recoverable amount of the unit is less than the carrying amount of the units.

The impairment loss is allocated to reduce the carrying amount of the assets of the unit in the following order:

- first, to reduce the carrying amount of any goodwill allocated to the cash-generating unit and
- then, to the other assets of the unit, pro-rata on the basis of the carrying amount of each asset in the unit.

The group assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods. A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in the statement of comprehensive income.

In the case of available for sale financial assets, a significant or prolonged decline in the fair value of the instrument below its cost is considered as an indicator of impairment. If such an indicator exists, the cumulative loss (measured as the difference between the acquisition cost and the current fair value less any impairment loss on that instrument previously recognised in the statement of comprehensive income) is removed from equity and recognised in the statement of comprehensive income. Such impairment losses recognised in the statement of comprehensive income on such instruments are not reversed through the statement of comprehensive income.

1.8 Leased assets

Leases of property, plant and equipment where the company assumes substantially all the benefits and risks of ownership are classified as finance leases. Finance leases are recognised at the lower of the fair value of the asset and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges are included in other long-term payables. The interest element of the finance charge is charged to the statement of comprehensive income over the lease period. The property, plant and equipment acquired under finance leasing contracts are depreciated over the shorter of the asset's useful life and the period of the lease.

Leases of property, plant and equipment where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

1.9 Taxation

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

Deferred taxation is provided using a statement of financial position liability method on all temporary differences between the carrying amount for financial reporting purposes and the amounts used for taxation purposes, except for differences relating to goodwill which are not deductible for taxation purposes and the initial recognition of assets or liabilities in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the associated unused tax losses and deductible temporary differences can be utilised.

Secondary Taxation on Companies is provided in respect of dividend payments net of dividends received or receivable and is recognised as a taxation charge for the year.

1.10 Financial instruments

Initial recognition and measurement

The group classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Financial assets and financial liabilities are recognised when the group becomes party to the contractual provisions of the instrument. Financial assets are initially measured at fair value plus transaction cost. However, transaction costs in respect of financial assets classified as at fair value through the statement of comprehensive income are expensed. Financial liabilities are initially measured at fair value plus transaction cost. However, transaction costs in respect of financial liabilities classified as at fair value through the statement of comprehensive income are expensed.

Financial assets

A financial asset is an asset that is cash, an equity instrument of another entity, a contractual right to receive cash or another financial asset from another entity, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity.

Trade and other receivables are classified as loans and receivables and are measured at amortised cost, using the effective interest method, less provision for doubtful debts. Write-downs of these assets are expensed in the statement of comprehensive income.

Other investments are classified as available-for-sale financial assets. These investments are carried at fair value with any gains or losses being recognised directly in equity, until the financial asset is derecognised, at which time the cumulative gain or loss previously recognised in equity is recognised in the statement of comprehensive income. Fair value, for this purpose is market value if listed or a value arrived at by using the present value of future cash flow valuation model if unlisted.

Cash and cash equivalents comprise cash on hand and demand deposits and are measured at fair value.

Financial liabilities

A financial liability is a liability that is a contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the other entity.

Non-derivative financial liabilities that are not designated on initial recognition as financial liabilities at fair value through the statement of comprehensive income (including interest-bearing borrowings and bank overdrafts) are measured at amortised cost using the effective interest method.

Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the terms of the borrowings in accordance with the accounting policy for borrowing costs, using the effective interest method.

1.11 Employee benefits

Short-term employee benefit costs

The cost of short-term employee benefits (those payable within 12 months after the service is rendered, such as paid annual leave and sick leave, bonuses, and non-monetary benefits such as medical care) are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

1.12 Share-based payments

Services received in a share-based payment transaction are recognised as the services are received.

A corresponding increase in equity is recognised if the services were received in an equity-settled share-based payment transaction or a liability if the goods or services were acquired in a cash-settled share-based payment transaction.

For equity-settled share-based payment transactions, the services received are measured and the corresponding increase in equity, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably.

If the fair value of the services received cannot be estimated reliably, their value and the corresponding increase in equity, are measured by reference to the fair value of the equity instruments granted.

For cash-settled share-based payment transactions, the services received and the liability incurred are measured at the fair value of the liability. Until the liability is settled, the fair value of the liability is re-measured at each reporting date and at the date of settlement, with any changes in fair value recognised in the statement of comprehensive income for the period. The estimate, of the number of options expected to vest, is carried out at each reporting date. Any adjustments are made through the statement of comprehensive income with a corresponding adjustment to equity.

If the share-based payments granted do not vest until the counterparty completes a specified period of service, the company accounts for those services as they are rendered by the counterparty during the vesting period, or on a straight-line basis over the vesting period.

Proceeds received net of any attributable transaction costs are credited to share capital and share premium when the options are exercised.

1.13 Translation of foreign currencies

Foreign currency transactions are recorded, on initial recognition in Rand, by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the transaction.

At each reporting date:

- foreign currency monetary items are reported using the closing rate;
- non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction; and
- non-monetary items, which are carried at fair value denominated in a foreign currency, are reported using the exchange rates that existed when the values were determined.

Exchange differences arising on the settlement of monetary items on reporting an enterprise's monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements, are recognised as income or expenses in the period in which they arise.

1.14 Revenue recognition

Revenue comprises the invoiced value for the sale of services, net of value added tax and discounts and after eliminating sales within the group. Revenue from the sale of airtime is recognised upon broadcasting of the advertising material.

1.15 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred. To the extent that they are incurred in respect of a qualifying asset, they are capitalised.

1.16 Segmental reporting

An operating segment is a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity);
- whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segments and assesses its performance; and
- for which discrete financial information is available.

2. Statements and interpretations not yet effective

The following standards and interpretations have been applied by the company from 1 April 2009.

		Details of amendment	Effective from
IFRS 2	Share-based Payments	Amendment relating to vesting conditions and cancellations. Clarification of scope of IFRS 2 and IFRS 3 revised.	1 January 2009
IFRS 3	Business Combinations	Amendments to accounting for business combinations.	1 July 2009
IFRS 7	Financial Instruments: Disclosures	Presentation of finance costs. Amendments dealing with improving disclosures about Financial Instruments. Amendments enhancing disclosures for value and liquidity risk.	1 January 2009
IFRS 8	Operating Segments	New standard on segment reporting (replaces IAS 14).	1 January 2009
IAS 1	Presentation of Financial Statements	Amendments to the structure of the financial statements.	1 January 2009
IAS 10	Events after the Reporting Period	Dividends declared after the end of the reporting period.	1 January 2009
IAS 16	Property, Plant and Equipment	Recoverable amount definitions. Accounting for sale of assets held for rental.	1 January 2009
IAS 19	Employee Benefits	Plan administration cost.	1 January 2009
IAS 23	Borrowing Costs	Amendment requiring capitalisation only model. Components of borrowing costs.	1 January 2009
IAS 27	Consolidated and Separate Financial Statements	Amendments dealing with measurement of the cost of investments when adopting IFRS for the first time. Consequential amendments from changes to Business Combinations. Measurement of subsidiary held for sale in separate financial statements.	1 January 2009
IAS 28	Investments in Associates	Consequential amendments from changes to Business Combinations. Required disclosures when investments in associates are accounted for at fair value through statement of comprehensive income. Impairment of investment in associates.	1 January 2009

		Details of amendment	Effective from
IAS 32	Financial Instruments: Presentation	Certain financial instruments will be classified as equity whereas prior to these amendments they would have been classified as financial liabilities.	1 January 2009
IAS 36	Impairment of Assets	Disclosure of estimates used to determine recoverable amount.	1 January 2009
IAS 38	Intangible Assets	Advertising and promotional activities. Unit of production method of amortisation. Additional consequential amendments arising from revised IFRS 3. Measuring the fair value of an intangible asset acquired in a business combination.	1 January 2009

The following standards and interpretations became effective from 1 April 2009 but were not relevant.

		Details of amendment	Effective from
IFRS 1	First-time Adoption of International Financial Reporting Standards.	Measurement of the cost of investments in subsidiaries, jointly controlled entities and associates when adopting IFRS for the first time.	1 July 2009
IFRS 5	Non-current Assets Held for Sale and Discontinued Operations.	Plan to sell the controlling interest in a subsidiary.	1 July 2009
IAS 1	Presentation of Financial Statements	Current/non-current classification of derivatives.	1 January 2009
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	Status of the implementation guidance.	1 January 2009
IAS 18	Revenue	Costs of originating loan.	1 January 2009
IAS 20	Accounting for Government Grants and Disclosure of Government Assistance	Government loans with a below-market rate of interest. Consistency of terminology with other IFRS.	1 January 2009
IAS 29	Financial Reporting in Hyperinflationary Economies	Description of measurement basis of financial statements. Consistency of terminology with other IFRS.	1 January 2009
IAS 31	Interest in Joint Ventures	Consequential amendments from changes to Business Combinations. Required disclosure when interests in jointly controlled entities are accounted for at fair value.	1 July 2009
IAS 34	Interim Financial Reporting	Earnings per share disclosures in interim financial reports.	1 January 2009

		Details of amendment	Effective from
IAS 39	Financial Instruments: Recognition and Measurement	Reclassification of derivatives into or out of the classification of at fair value through statement of comprehensive income. Designating and documenting hedges at the segment level. Applicable effective interest rate on cessation of fair value hedge accounting. Clarifies two hedge accounting issues: • Inflation in a financial hedged item. • A one-sided risk in a hedged item.	1 January 2009
IAS 40	Investment Property	Property under construction or development for future use as investment property. Consistency of terminology with IAS 8. Investment property held under lease.	1 January 2009
IAS 41	Agriculture	Discount rate for fair value calculations. Additional biological transformation. Examples of agricultural produce and products. Point-of sale costs.	1 January 2009
IFRIC 9	Reassessment of Embedded Derivatives	Scope of IFRIC 9 and revised IFRS 3.	1 July 2009
IFRIC 15	Agreements for the Construction of Real Estate		1 January 2009
IFRIC 16	Hedges of a Net Investment in a Foreign Operation	Amendment to the restriction on the entity that can hold hedging.	1 July 2009
IFRIC 17	Distributions of Non-cash Assets to Owners		1 July 2009
IFRIC 18	Transfer of Assets from Customers		1 July 2009
At the date of the authorisation of these financial statements, the following Standards and Interpretations were in issue but not yet effective.			
IFRS 1	First time Adoption of International Financial Reporting Standards	Amendment relieves first-time adopters of IFRS from providing the additional disclosures introduced through Amendments to IFRS 7 in March 2009. Accounting policy changes in the year of adoption. Revaluation basis as deemed cost. Use of deemed cost for operations subject to rate regulation.	1 July 2010

		Details of amendment	Effective from
IFRS 2	Share-based Payments	Amendments relating to group cash-settled share-based payment transactions – clarity of the definition of the term "Group" and where in a group share-based payments must be accounted for.	1 January 2010
IFRS 3	Business Combinations	Transition requirements for contingent consideration from a business combination that occurred before the effective date of the revised IFRS. Measurement of non-controlling interests. Un-replaced and voluntarily replaced share-based payment awards.	1 January 2011
IFRS 5	Non-current Assets Held for Sale and Discontinued Operations	Disclosures of non-current assets (or disposal groups) classified as held for sale or discontinued operations.	1 January 2010
IFRS 7	Financial Instruments: Disclosures	Clarification of disclosures.	1 January 2011
IFRS 8	Operating Segments	Disclosure of information about segment assets.	1 January 2010
IFRS 9	Financial Instruments	New standard that forms the first part of a three part project to replace IAS 39 Financial Instruments: Recognition and Measurement.	1 January 2013
IAS 1	Presentation of Financial Statements	Current/non-current classification of convertible instruments. Clarification of statement of changes in equity.	1 January 2010
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	Classification of expenditures on unrecognised assets.	1 January 2010
IAS 10	Events after the Reporting Period	Amendment resulting from the issue of IFRIC 17.	1 July 2009
IAS 17	Leases	Classification of leases of land and buildings.	1 January 2010
IAS 21	The Effects of Changes in Foreign Exchange Rates	Consequential amendments from changes to Business Combinations.	1 July 2009
IAS 24	Related Party Disclosure	Simplification of the disclosure requirements for government related entities. Clarification of the definition of related party.	1 January 2011

		Details of amendment	Effective from
IAS 27	Consolidated and Separate Financial Statements	Transition requirements for amendments arising as a result of IAS 27.	1 January 2011
IAS 32	Financial Instruments: Presentation	Accounting for rights issues (including rights, options or warrants) that are denominated in a currency other than the functional currency of the Issuer.	1 January 2010
IAS 34	Interim Financial Reporting	Significant events and transactions.	1 January 2011
IAS 36	Impairment of Assets	Unit of accounting for goodwill impairment test.	1 January 2010
IAS 39	Financial Instruments: Recognition and Measurement	Treating loan prepayment penalties as closely related embedded derivatives. Scope exemption for business combination contracts. Cash flow hedge accounting.	1 January 2010
IFRIC 14	The Limit of a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	Amendments relating to the recognition as assets of some voluntary prepayments for minimum funding contributions.	1 January 2011
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments		1 July 2010

The directors anticipate that the adoption of these standards and interpretations in future periods will have no material impact on the financial statements of the group and of the company.

	Electronic equipment R'000	Office equipment R'000	Motor vehicles R'000	Leasehold improve-ments R'000	Freehold land and building R'000	Total R'000
3. PROPERTY, PLANT AND EQUIPMENT						
GROUP						
Year ended 31 March 2010						
Opening net book value	**3 160**	**1 371**	**566**	**1 453**	**8 907**	**15 457**
Additions	**1 928**	**591**	**20**	**5**	**4 666**	**7 210**
Depreciation	**(1 181)**	**(536)**	**(176)**	**(217)**	**–**	**(2 110)**
Disposals/transfers	**(68)**	**(231)**	**–**	**–**	**–**	**(299)**
Closing net book value	**3 839**	**1 195**	**410**	**1 241**	**13 573**	**20 258**
At 31 March 2010						
Cost	**11 644**	**2 962**	**1 214**	**1 574**	**13 573**	**30 967**
Accumulated depreciation	**(7 805)**	**(1 767)**	**(804)**	**(333)**	**–**	**(10 709)**
Net book value	**3 839**	**1 195**	**410**	**1 241**	**13 573**	**20 258**
Period ended 31 March 2009						
Opening net book value	2 561	1 102	788	86	1 647	6 184
Additions	2 575	1 091	–	1 569	7 260	12 495
Depreciation	(2 033)	(757)	(222)	(127)	–	(3 139)
Disposals/transfers	57	(65)	–	(75)	–	(83)
Closing net book value	3 160	1 371	566	1 453	8 907	15 457
At 31 March 2009						
Cost	10 461	3 320	1 195	1 569	8 907	25 452
Accumulated depreciation	(7 301)	(1 949)	(629)	(116)	–	(9 995)
Net book value	3 160	1 371	566	1 453	8 907	15 457
COMPANY						
Year ended 31 March 2010						
Opening net book value	**–**	**62**	**–**	**912**	**7 260**	**8 234**
Additions	**–**	**35**	**–**	**5**	**–**	**40**
Depreciation	**–**	**(7)**	**–**	**–**	**–**	**(7)**
Closing net book value	**–**	**90**	**–**	**917**	**7 260**	**8 267**
At 31 March 2010						
Cost	**–**	**97**	**–**	**917**	**7 260**	**8 274**
Accumulated depreciation	**–**	**(7)**	**–**	**–**	**–**	**(7)**
Net book value	**–**	**90**	**–**	**917**	**7 260**	**8 267**
Period ended 31 March 2009						
Additions	–	62	–	912	7 260	8 234
Closing net book value	–	62	–	912	7 260	8 234
At 31 March 2009						
Cost	–	62	–	912	7 260	8 234
Accumulated depreciation	–	–	–	–	–	–
Net book value	–	62	–	912	7 260	8 234

Freehold buildings have not been depreciated as their residual value at the reporting date exceeds their original purchase price.

Office equipment with a carrying value of R372 000 (2009: R364 000) is held in terms of Finance leases – see note 13.

	Group 2010 R'000	Group 2009 R'000	Company 2010 R'000	Company 2009 R'000
4. Goodwill				
Cost less accumulated impairment	**35 431**	30 431	**–**	–
Movement for the period				
Carrying value at beginning of period	**30 431**	30 426	**–**	–
Acquired investment*	**5 000**	5	**–**	–
	35 431	30 431	**–**	–

In accordance with the group's accounting policy, an impairment test was performed on goodwill at year end. Budgeted operating cash flows for the related business units were projected based on revenue growth of 2% per annum and discounted at the group's weighted average pre-tax cost of capital. The impairment calculations performed indicated that the goodwill was not impaired.

** The investment acquired was in respect of the cash purchase of the shares held by the Algoa share trust, the company now owns 100% of AlgoaFM.*

	Company 2010 R'000	Company 2009 R'000
5. Investment in subsidiaries		
Shares at cost less provision for write-down		
AME Broadcasting (Pty) Ltd. (Holding company)		
– 100 shares representing a 100% holding*	**–**	–
– Loan	**724**	724
United Stations (Pty) Ltd. (Radio Advertising Sales House)		
– 1 000 shares representing a 100% holding*	**–**	–
– Loan	**13 015**	9 171
Seyalemoya Communications (Pty) Ltd. (t/a OFM)		
– 77 525 shares representing a 70,1% holding	**28 968**	28 968
Umoya Communications (Pty) Ltd. (t/a AlgoaFM)		
– 1 000 (2009: 950) shares representing a 100% (2009: 95%) holding	**23 683**	18 683
Radio Heads Investment Holdings (Pty) Ltd. (Holding company)		
– 1 share representing a 0,1% holding*	**–**	–
– Loan	**14**	–
Radio Heads (Pty) Ltd. (Radio Advertising Sales House)		
– 490 shares representing a 49% holding*	**–**	–
– Loan	**47**	738
	66 451	58 284
Provision for losses in subsidiaries	**(1 953)**	(3 768)
	64 498	54 516

** Less than R1 000*

The loans to subsidiaries are unsecured and interest free. The subsidiary companies have an unconditional right to defer settlement of the loan for twelve months. The company has subordinated R1 779 000 of one of its loans to a subsidiary.

	Group 2010 R'000	Group 2009 R'000	Company 2010 R'000	Company 2009 R'000
6. Investment in associated companies				
M-Power Radio (Pty) Ltd. (t/a M-Power FM)				
– 498 shares representing a 24,9% holding	**2 789**	2 167	**2 789**	2 167
– Share of post acquisition loss	**(1 494)**	(992)	**–**	–
– Impairment of loan	**(1 295)**	–	**(1 295)**	–
Mahareng Publishing (Pty) Ltd.				
– 500 shares representing a 50% holding	**1**	1	**–**	–
– loan advanced	**2 275**	1 700	**–**	–
Share of post acquisition loss	**(1 643)**	(1 233)	**–**	–
	633	1 643	**1 494**	2 167

M-Power FM has a June financial year end, March 2010 management accounts information was used in the preparation of the financial statements.

Summary of the financial information:		
Total assets	**7 020**	6 927
Total liabilities	**3 554**	2 113
Accumulated loss	**7 484**	3 984

Mahareng Publishing has a March financial year end.

Summary of the financial information:		
Total assets	**1 996**	1 668
Total liabilities	**5 282**	4 134
Accumulated loss	**3 287**	2 466

	Group 2010 R'000	Group 2009 R'000	Company 2010 R'000	Company 2009 R'000
7. Other financial instruments				
Available for sale financial assets				
Loan to Share Incentive Trust	**–**	–	**6 865**	6 865
Provision for diminution in value	**–**	–	**(4 767)**	(4 767)
Chestnut Hill Investments 265 (Pty) Ltd.				
– 1 247 (2009: 1 247) cumulative redeemable preference shares	**1 247**	1 247	**1 247**	1 247
– Provision for diminution in value	**(1 246)**	(1 246)	**(1 246)**	(1 246)
Before The Wind Investments 160 (Pty) Ltd.				
– 1 300 (2009: 1 300) cumulative redeemable preference shares	**1 300**	1 300	**1 300**	1 300
– Provision for diminution in value	**(1 299)**	(1 299)	**(1 299)**	(1 299)
	2	2	**2 100**	2 100

The loan to the Share Incentive Trust is interest free and there are no fixed terms of repayment. At the date of this report, none of the 89 275 shares held in the Share Incentive Trust have been allotted and no options in respect of these shares have been granted.

		Group 2010 R'000	Group 2009 R'000	Company 2010 R'000	Company 2009 R'000
8.	**Deferred taxation**				
	Balance at beginning of period	**6 260**	3 526	**2 200**	–
	Movements during the period attributable to:				
	– Temporary differences	**204**	(303)	**(246)**	452
	– Computed tax losses	**(1 426)**	3 037	**(808)**	1 748
		5 038	6 260	**1 146**	2 200
	The balance comprises:				
	Provision for leave pay	**437**	474	**46**	37
	Income received in advance	**17**	177	**–**	–
	Prepaid expenditure	**(133)**	(157)	**–**	(20)
	Accelerated tax allowances	**(199)**	(108)	**–**	–
	Lease accrual	**225**	208	**–**	–
	Provisions other	**737**	744	**160**	435
	Fair value adjustment on receivables	**484**	26	**–**	–
	Computed tax losses	**3 470**	4 896	**940**	1 748
		5 038	6 260	**1 146**	2 200

The group expects that with the profits expected to be generated in future years, the computed tax losses will be utilised.

Deferred tax assets have not been recognised for unused tax losses of R nil (2009: R nil).

			Group 2010 R'000	Group 2009 R'000	Company 2010 R'000	Company 2009 R'000
9.	**Trade receivables**					
	Trade accounts receivable		**34 070**	32 410	**17**	13
	Allowance for impairment of receivables		**(2 550)**	(2 419)	**–**	–
			31 520	29 991	**17**	13
	Exposure to credit risk					
	The maximum exposure to credit risk at the reporting date was		**34 070**	32 410	**17**	13
	The maximum exposure to credit risk for gross trade receivables at the reporting date by type of customer was:					
		Average debtors terms (days)				
	Parastatals/government	30	**250**	889	**–**	–
	Corporates	30/60	**28 616**	25 459	**17**	13
	SMMEs	30	**5 204**	6 046	**–**	–
	Individuals	30	**–**	16	**–**	–
			34 070	32 410	**17**	13

		Group		Company	
		2010	2009	**2010**	2009
		R'000	R'000	**R'000**	R'000
9. Trade receivables (continued)					
The maximum exposure to credit risk for gross trade receivables at the reporting date by geographical region was:					
	Average debtors terms (days)				
South Africa	30/60	**34 070**	32 410	**17**	13
Rest of Africa		**–**	–	**–**	–
		34 070	32 410	**17**	13
Within terms					
Current		**19 015**	16 187	**17**	13
Due 30 days		**10 119**	8 989	**–**	–
Due 30 to 60 days		**1 196**	1 917	**–**	–
Past due					
Due 60 to 90 days		**1 116**	1 459	**–**	–
Due 90 days +		**2 624**	3 858	**–**	–
		34 070	32 410	**17**	13

Credit risk is minimised through an initial new client acceptance procedure whereby potential customers are individually assessed before an appropriate credit limit is allocated. The subsidiaries use a vetting agency who maintain current credit data on most companies in South Africa. R2 999 000 (2009: R4 769 000) of the group's trade and other receivables have been ceded as security for Media Credit Co-ordination's accreditation.

	Group		Company	
	2010	2009	**2010**	2009
	R'000	R'000	**R'000**	R'000
Allowance for impairment of receivables				
Balance at beginning of period	**(2 419)**	(256)		
Impairment loss recognised	**(824)**	(2 159)		
Impairment loss reversed/(provided)	**693**	(4)		
	(2 550)	(2 419)	**–**	–
The following impairment losses were recognised				
Financial difficulties/bankruptcy	**2 202**	1 626		
Absconded	**5**	2		
Dispute	**343**	791		
	2 550	2 419	**–**	–

Listings of overdue customer balances are reviewed monthly and against their credit terms/limits. Customers exceeding their credit terms/limits must settle their overdue balances before any further credit is extended.

Appropriate action is taken to recover long overdue debts.

Balances past due are not impaired except to the extent that financial difficulty of the customer has been identified.

	Group 2010 R'000	Group 2009 R'000	Company 2010 R'000	Company 2009 R'000
10. Share capital				
Authorised				
15 000 000 ordinary shares of R1 each	**15 000**	15 000	**15 000**	15 000
Issued				
8 628 308 ordinary shares of R1 each	**8 628**	8 628	**8 628**	8 628
Held by the AME Share Incentive Trust	**(89)**	(89)	**–**	–
	8 539	8 539	**8 628**	8 628

Unissued shares

The 6 371 692 (2009: 6 371 692) unissued shares are under the control of the directors in terms of a resolution of members passed at the annual general meeting of shareholders on 23 October 2009. The authority is valid until the next annual general meeting.

	Group 2010 R'000	Group 2009 R'000	Company 2010 R'000	Company 2009 R'000
11. Non-distributable reserve				
Restatement of investment in subsidiaries	**–**	–	**15 624**	15 624
Share-based payment reserve	**1 869**	1 608	**210**	175
Fair value adjustment on available for sale financial assets reserve	**–**	–	**6 182**	6 182
	1 869	1 608	**22 016**	21 981
12. Operating lease accrual				
Liabilities for future rental payments	**1 002**	1 285	**–**	–
Current portion included in current liabilities	**(355)**	(362)	**–**	–
	647	923	**–**	–
13. Interest-bearing borrowings				
Finance leases	**388**	364	**–**	–
Current portion included in current liabilities	**(96)**	(114)	**–**	–
	292	250	**–**	–

The capitalised finance lease liability is secured by office equipment (note 3). Interest is charged at 13,16% per annum. The lease agreements provide for 60 monthly payments of R9 945 per month. The agreements do not provide for contingent payments.

Reconciliation between the total minimum lease payments and their present value:

Minimum lease payments due

	Group 2010 R'000	Group 2009 R'000	Company 2010 R'000	Company 2009 R'000
– within one year	**110**	154	**–**	–
– in second to fifth year inclusive	**315**	273	**–**	–
– later than five years	**–**	–	**–**	–
	425	427	**–**	–
Future finance charges	**(37)**	(63)	**–**	–
Present value of minimum lease payments	**388**	364	**–**	–

14. Bank facilities

The banking facilities for debit order transactions of the group are secured by limited suretyships by each individual subsidiary for its own facility.

15. Financial assets by category

	Loans and receivables R'000	Fair value through profit or loss – held for trading R'000	Amortised cost R'000	Available-for-sale R'000	Total R'000
Group					
2010					
Other financial instruments	–	–	–	**2**	**2**
Trade receivables	**31 520**	–	–	–	**31 520**
Other receivables	**1 715**	–	–	–	**1 715**
Cash and cash equivalents	–	–	**46 148**	–	**46 148**
	33 235	–	**46 148**	**2**	**79 385**
2009					
Other financial instruments	–	–	–	2	2
Trade receivables	29 991	–	–	–	29 991
Other receivables	1 204	–	–	–	1 204
Cash and cash equivalents	–	–	53 618	–	53 618
	31 195	–	53 618	2	84 815
Company					
2010					
Other financial instruments	–	–	–	**2 100**	**2 100**
Trade receivables	**17**	–	–	–	**17**
Other receivables	**2 023**	–	–	–	**2 023**
Cash and cash equivalents	–	–	**39 834**	–	**39 834**
	2 040	–	**39 834**	**2 100**	**43 974**
2009					
Other financial instruments	–	–	–	2 100	2 100
Trade receivables	13	–	–	–	13
Other receivables	1 468	–	–	–	1 468
Cash and cash equivalents	–	–	35 063	–	35 063
	1 481	–	35 063	2 100	38 644

16. Financial liabilities by category

	Fair value through profit or loss – held for trading R'000	Amortised cost R'000	Total R'000
Group			
2010			
Interest bearing borrowings	–	**388**	**388**
Trade payables	–	**16 719**	**16 719**
Other payables	–	**14 954**	**14 954**
Dividend payable	–	**17 257**	**17 257**
	–	**49 318**	**49 318**
2009			
Interest bearing borrowings	–	364	364
Trade payables	–	15 529	15 529
Other payables	–	13 987	13 987
Dividend payable	–	17 257	17 257
	–	47 137	47 137
Company			
2010			
Trade payables	–	**4 365**	**4 365**
Other payables	–	**1 692**	**1 692**
Dividend payable	–	**17 257**	**17 257**
	–	**23 314**	**23 314**
2009			
Trade payables	–	1 939	1 939
Other payables	–	3 514	3 514
Dividend payable	–	17 257	17 257
	–	22 710	22 710

	Group		Company	
	Year ended 31 March 2010 R'000	17 months to 31 March 2009 R'000	Year ended 31 March 2010 R'000	17 months to 31 March 2009 R'000
17. Revenue				
Commercial advertising	158 373	216 386	–	–
Management fees received from subsidiaries	–	–	4 569	6 564
Training and development fee from associate company	–	–	–	1 210
18. Operating expenses				
are stated after taking the following into account:				
Expenses				
Administration and management fees paid				
– other companies	300	300	–	–
Auditors' remuneration				
– audit fees	631	1 637	255	1 078
– other services	–	123	–	37
Consulting fees	1 445	1 095	1 067	1 001
Depreciation	2 110	3 139	7	–
Directors' remuneration				
– fees for services as directors	459	483	427	449
Legal fees	1 515	2 721	1 366	2 468
Loss on disposal of property, plant and equipment	42	36	–	–
Operating lease charges				
– premises	2 301	3 330	–	–
– office equipment	673	581	–	–
Secretarial fees	11	9	8	9
Staff costs	46 246	61 279	2 059	1 410
Defined contribution plans	2 168	3 131	188	246
Average number of employees	132	138	5	4
19. Investment income and finance costs				
Investment income				
– dividends received from subsidiary companies	–	–	31 952	37 381
– preference dividends receivable from associate companies	–	–	288	680
	–	–	32 240	38 061
Finance income				
– interest received from bank	3 184	5 739	2 162	3 666
– other	1 914	3 939	700	–
	5 098	9 678	2 862	3 666
Finance costs				
Interest paid to				
– other	203	517	–	–
	203	517	–	–

	Group		Company	
	Year ended 31 March 2010 R'000	17 months to 31 March 2009 R'000	**Year ended 31 March 2010 R'000**	17 months to 31 March 2009 R'000
20. Taxation				
SA normal taxation				
– current	**11 477**	16 355	**–**	–
– deferred	**1 222**	(2 734)	**1 054**	(2 200)
Secondary tax on companies	**1 984**	2 280	**1 250**	1 637
	14 683	15 901	**2 304**	(563)
Tax rate reconciliation:	**%**	%	**%**	%
Statutory tax rate	**28,0**	28,0	**28,0**	28,0
Computed tax losses created/(utilised)	**–**	(5,9)	**–**	(10,9)
Non-deductible expenditure	**4,7**	2,0	**2,6**	6,1
Exempt income	**–**	–	**(27,4)**	(29,4)
Secondary tax on companies	**5,1**	4,0	**3,8**	4,6
Effective tax rate	**37,8**	28,1	**7,0**	(1,6)

The company has an estimated tax loss of R3 359 000 (2009: R7 255 000) and the group has an estimated tax loss of R11 799 000 (2009: R17 233 000) available for set off against future taxable income. These amounts have not yet been assessed and their recoverability is dependent on the company and the group earning future taxable income.

The company has unutilised STC credits of R nil (2009: R nil) available to set off against future dividends declared.

	Group		Company	
	Year ended 31 March 2010 R'000	17 months to 31 March 2009 R'000	**Year ended 31 March 2010 R'000**	17 months to 31 March 2009 R'000
21. Earnings and headline earnings per share				
The earnings and headline earnings per share information is based on the following:				
Profit attributable to the equity holders of the company	**21 441**	34 397		
Loss on disposal of property, plant and equipment	**42**	36		
Impairment of loans to associates	**1 295**	–		
Headline earnings	**22 778**	34 433	**–**	–
Earnings per share (cents)	**251,1**	402,8		
Headline earnings per share (cents)	**266,8**	403,2		
Diluted earnings per share (cents)	**249,4**	396,6		
Diluted headline earnings per share (cents)	**265,0**	397,0		
Weighted average number of shares in issue (000's)	**8 539**	8 539		
Diluted average number of shares in issue (000's)	**8 597**	8 674		

The movement between weighted average and diluted average number of shares relates to the dilution result of the options.

	Group		Company	
	Year ended 31 March 2010 R'000	17 months to 31 March 2009 R'000	Year ended 31 March 2010 R'000	17 months to 31 March 2009 R'000

22. Taxation paid

Amount unpaid at beginning of period	**(3 638)**	(2 853)	**(1 637)**	–
Amount charged to statement of comprehensive income	**(13 461)**	(18 635)	**(1 250)**	(1 637)
Amount unpaid at end of period	**2 465**	3 638	**1 250**	1 637
	(14 634)	(17 850)	**(1 637)**	–

23. Share-based payments

Expense arising from share-based payment transactions	**261**	747	**35**	**93**
	Number of options		**Number of options**	
Balance at beginning of period	**525 000**	525 000	**50 000**	50 000
Number exercised/forfeited (grant 1)	**(99 999)**	(100 000)	**(16 666)**	–
Number granted (grant 2)	–	100,000	–	–
Number granted (grant 3)	**75 000**	–	**75 000**	–
Balance at end of period	**500 001**	525 000	**108 334**	50 000

		Grant 1	Grant 2	Grant 3	
Date of grant		1 August 2006	7 May 2008	3 September 2009	Total
Number of options					
Number at beginning of year		425 000	100 000	–	525 000
Number exercised		(99 999)	–	–	(99 999)
Number granted		–	–	75 000	75 000
Number at end of year		325 001	100 000	75 000	500 001
Contractual life:		5 years	5 years	5 years	
Vesting conditions:	after 3 years	33,3%	33,3%	33,3%	
	after 4 years	33,3%	33,3%	33,3%	
	after 5 years	33,3%	33,3%	33,3%	

Executive directors and management of certain subsidiary companies received share options as part of the group's share bonus scheme. There were 500 001 (2009: 525 000) options outstanding at the end of the financial period. Michelle Mynhardt was granted 75 000 share options on 3 September 2009 and was appointed Financial Director on 1 June 2010.

The values of the share options were determined using the Black-Scholes Merton Option Valuation Model. The model inputs were as follows:

	Grant 1	Grant 2	Grant 3
Share price at grant date	R18,00	R26,50	R24,50
Exercise price of	R17,50	R26,50	R24,50
Expected volatility	25,6%	39,5%	43,1%
Risk free interest rate	8,54%	10,31%	7,42%
Dividend yield	0%	7,5%	8,2%
Fair value	R6,56	R6,72	R5,67

The volatility is based on statistical analysis of the daily share prices over the last five years, prior to issue date. The group expects the future volatility of its share price to be in line with the historical volatility.

24. Borrowing powers

In terms of the company's articles of association, the borrowing powers of the company are unlimited.

At 31 March 2010 the company's borrowings totalled R nil (2009: R nil) and its subsidiaries' borrowings totalled R388 000 (2009: R364 000).

25. Retirement benefits

Certain subsidiary companies presently contribute to defined contribution retirement benefit plans, being either provident funds or pension funds governed by the Pension Funds Act, 1956, which due to the nature of the funds do not require actuarial valuations.

It is compulsory for the employees of the subsidiary companies to be a member of a fund.

The group has no obligations to fund post-retirement medical benefits.

26. Related parties

Identity of related parties

The material subsidiaries of the group are identified in note 5 and the associates in note 6. Significant shareholders are detailed on page 45. The directors are listed in the directors' report. Details of key management are listed on page 3.

Related party transactions

Details of the directors' remuneration are listed in the directors' report. Trading transactions occur between subsidiaries and divisions within the group companies and are reversed on consolidation of the accounts. Details of such transactions, including loans, other receivables, management fees and dividends are detailed below:

	Company	
	2010	2009
	R'000	R'000
Loan accounts – Owing by related parties		
AME Broadcasting (Proprietary) Limited	**724**	724
United Stations (Proprietary) Limited	**13 015**	9 171
Radio Heads (Proprietary) Limited	**47**	738
Radio Heads Investment Holdings (Proprietary) Limited	**14**	–
Amounts included in other receivables regarding related parties		
Umoya Communications (Proprietary) Limited	**224**	225
Seyalemoya Communications (Proprietary) Limited	**182**	182
Radio Heads Investment Holdings (Proprietary) Limited	**–**	9

	Year ended 31 March 2010 R'000	17 months to 31 March 2009 R'000
Management fees received from related parties		
Umoya Communications (Proprietary) Limited	**2 325**	3 350
Seyalemoya Communications (Proprietary) Limited	**1 860**	2 670
United Stations (Proprietary) Limited	**264**	374
Radio Heads (Proprietary) Limited	**120**	170
Dividends received from related parties		
Umoya Communications (Proprietary) Limited	**15 120**	22 610
Seyalemoya Communications (Proprietary) Limited	**15 900**	14 771
Radio Heads (Proprietary) Limited	**931**	–
Radio Heads Investment Holdings (Proprietary) Limited	**1**	–

Administration fees amounting to R300 000 (2009: R850 000) were paid to CTP Limited, a subsidiary of Caxton & CTP Publishers & Printers Limited. The balance owing at year end amounted to R nil (2009: R50 000).

26. Related parties (continued)

Key management personnel remuneration for the period amounted to R4 257 000 (2009: R6 788 000), together with share-based payments of R411 000 (2009: R493 000).

Fees for legal services provided by Zenwill Lacob Attorneys amounted to R172 000 (2009: R685 000). The balance owing at year end amounted to R nil (2009: R nil).

Details of guarantees between the holding company and its subsidiaries are contained in notes 14 and 29 of these financial statements.

None of the directors or major shareholders of the group, nor their families, had any direct or indirect interests in any transaction concluded with the group in the current or prior financial years, other than is disclosed in this note.

27. Financial instruments

Credit risk

Financial assets which potentially subject the group to concentrations of credit risk consist principally of cash, short-term deposits and trade receivables. The group's cash equivalents and short-term deposits are placed with high credit quality financial institutions. Trade receivables are presented net of the allowance for doubtful receivables. Credit risk with respect to trade receivables is limited due to the large number of customers comprising the group's customer base and their dispersion across different industries and geographical areas. Accordingly, the group has no significant concentration of credit risk.

In regard to the company, loans to subsidiaries are presented net of allowance for impairment of the loan. Credit risk, with regard to loans to associates, is not material to the group.

The carrying amounts of financial assets included in the consolidated statement of financial position represent the group's exposure to credit risk in relation to these assets.

Fair values

At 31 March 2010 and 31 March 2009 the carrying amounts of cash and short-term deposits, receivables, payables and accrued expenses and short-term borrowings approximated their fair values due to the short-term maturities of these assets and liabilities. The carrying value of available for sale assets also approximate their fair values.

Liquidity risk

The group and company's exposure to liquidity risk is as a result of the availability of funds to cover future commitments. The group manages its liquidity risk through an ongoing review of future commitments and by monitoring cash flow forecasts. The only financial instruments which expose the group to liquidity risk are interest bearing borrowings and trade payables, all of which will be paid within agreed credit terms.

The table below analyses the group's and company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying value as the impact of discounting is not significant.

27. Financial instruments (continued)

Group	Less than 1 year R'000	Between 1 and 2 years R'000	Between 2 and 5 years R'000	Over 5 years R'000
At 31 March 2010				
Borrowings	**110**	**102**	**213**	**–**
Trade and other payables	**31 673**	**–**	**–**	**–**
At 31 March 2009				
Borrowings	156	156	120	–
Trade and other payables	29 516	–	–	–
Company				
At 31 March 2010				
Borrowings	**–**	**–**	**–**	**–**
Trade and other payables	**6 057**	**–**	**–**	**–**
At 31 March 2009				
Borrowings	2	3	–	–
Trade and other payables	5 453	–	–	–

	Group		Company	
	2010 R'000	2009 R'000	**2010 R'000**	2009 R'000
Interest rate risk				
The group's and company's exposure to interest rate risk and the effective interest rates on financial instruments at the reporting date were:				
Floating interest rate instruments	**45 760**	53 254	**39 834**	35 063
Cash and cash equivalents	**46 148**	53 618	**39 834**	35 063
Interest-bearing borrowings	**(388)**	(364)	**–**	–
Non-interest bearing instruments	**915**	756	**7 827**	2 892
Trade and other receivables	**33 235**	31 195	**1 633**	1 064
Loans receivable	**–**	–	**12 252**	7 281
Non-interest bearing liabilities	**(647)**	(922)	**–**	–
Trade and other payables	**(31 673)**	(29 517)	**(6 058)**	(5 453)
Net financial assets	**46 675**	54 010	**47 661**	37 955
Weighted average effective interest rate (%)	**6,7**	10,6	**6,8**	10,6

Surplus cash flows exposed to interest rate risk are placed with institutions and facilities which yield the highest rate of return.

At the reporting date, if interest rates had been 1% higher with all other variables held constant, post-tax profit of the group for the period would have increased by approximately R499 000 (2009: R390 000) and for the company by approximately R375 000 (2009: R249 000).

	Group		Company	
	Year ended 31 March 2010 R'000	17 months to 31 March 2009 R'000	**Year ended 31 March 2010 R'000**	17 months to 31 March 2009 R'000
28. Commitments				
Future operating lease charges for premises and office equipment:				
Payable within one year	**1 751**	2 187	**–**	–
Premises	**1 641**	2 031	**–**	–
Office equipment	**110**	156	**–**	–
Payable within two to five years	**2 562**	4 002	**–**	–
Premises	**2 247**	3 726	**–**	–
Office equipment	**315**	276	**–**	–
Payable after five years	**–**	–	**–**	–
Premises	**–**	–	**–**	–
Office equipment	**–**	–	**–**	–
	4 313	6 189	**–**	–

Operating lease payments represent rentals payable by the company for certain of its premises and office equipment. Leases are negotiated for an average of two to five years. No contingent rent is payable.

	Group		Company	
	Year ended 31 March 2010 R'000	17 months to 31 March 2009 R'000	**Year ended 31 March 2010 R'000**	17 months to 31 March 2009 R'000
Future funding commitment to M-Power Radio (Proprietary) Limited	**199**	822	**199**	822

29. Contingent liabilities

The company and certain of its subsidiary companies have signed cross suretyships for the banking facilities granted to the group. The company stands surety for the liabilities amounting to R3 597 000 (2009: R5 712 000) of one of its subsidiary companies for the benefit of Media Credit Co-ordination. The suretyships will remain in force for an indefinite period.

30. Segmental reporting

	Radio broadcasters		Sales houses		Company		Group total	
	Year ended 31 March 2010 R'000	17 months to 31 March 2009 R'000	Year ended 31 March 2010 R'000	17 months to 31 March 2009 R'000	Year ended 31 March 2010 R'000	17 months to 31 March 2009 R'000	Year ended 31 March 2010 R'000	17 months to 31 March 2009 R'000
Revenue								
Total revenue	**147 292**	204 792	**21 587**	28 508	**4 569**	7 774	**173 448**	241 074
Internal revenue	**–**	–	**(10 506)**	(18 124)	**(4 569)**	(6 564)	**(15 075)**	(24 688)
External revenue	**147 292**	204 792	**11 081**	10 384	**–**	1 210	**158 373**	216 386
Profitability								
Segment profit from operations	**37 567**	57 497	**1 233**	(4 375)	**(2 696)**	(2 497)	**36 104**	50 625
Unallocated/eliminated corporate net expense and intercompany consolidation							**(2 207)**	(3 231)
							33 897	47 394
Interest received							**5 098**	9 678
Interest paid							**(203)**	(517)
Taxation							**(14 683)**	(15 901)
Profit for the year							**24 109**	40 654
Assets								
Segment assets	**66 234**	54 167	**18 847**	18 545	**9 517**	12 276	**94 598**	84 988
Cash and cash equivalents							**46 148**	53 618
							140 746	138 606
Liabilities								
Segment liabilities	**16 321**	12 176	**12 868**	26 955	**23 596**	12 928	**52 785**	52 059
Capital expenditure	**1 820**	3 085	**5 350**	9 408	**40**	–	**7 210**	12 493
Depreciation	**1 657**	2 513	**446**	626	**7**	–	**2 110**	3 139

ANALYSIS OF SHAREHOLDING

for the year ended 31 March 2010

	Number of shares held '000	Shares held %	Number of share-holders	Share-holder %
Size of shareholding				
1 – 1 000	124	1,4	473	72,7
1 001 – 10 000	516	6,0	134	20,6
10 001 – 100 000	1 001	11,6	29	4,5
100 001 +	6 987	81,0	14	2,2
Total	8 628	100,0	650	100,0
Category				
Private individuals	1 764	20,5	523	80,4
Nominee companies or trusts	5 996	69,5	83	12,8
Investment companies	657	7,6	11	1,7
Limited companies	56	0,6	3	0,5
Other corporate bodies	155	1,8	30	4,6
Total	8 628	100,0	650	100,0
Shareholder spread				
Non-public shareholders				
AME Share Incentive Trust	89	1,0	1	0,1
Shareholders holding more than 5% of the issued ordinary shares				
– Moolman and Coburn Partnership	2 052	23,8	1	0,1
– Golden Hind Partnership	1 324	15,3	1	0,1
– Frances Elizabeth Coburn	1 130	13,1	1	0,1
– MGM Family Trust	497	5,8	1	0,1
	5 092	59,0	5	0,5
Public shareholders	3 536	41,0	645	99,5
Total	8 628	100,0	650	100,0

Directors' interests

There are no directors holding, directly or indirectly, in excess of 1% of the issued shares of the company on 31 March 2010.

NOTICE OF MEETING

AFRICAN MEDIA ENTERTAINMENT

(Incorporated in the Republic of South Africa)
(Registration number 1926/008797/06)
(Share code: AME)
(ISIN: ZAE000055802)

Notice is hereby given that the twelfth annual general meeting of the shareholders of African Media Entertainment Limited ("AME" or "the company") will be held in the boardroom, Block A, Oxford Office Park, No. 5, 8th Street, Houghton Estate, Johannesburg, at 10:00, on Friday, 22 October 2010 for the following purposes:

1. To receive and adopt the annual financial statements for the year ended 31 March 2010.

2. To consider and if thought fit, to pass with or without modification, the following ordinary resolutions:

   2.1 That all the unissued shares in the capital of the company be placed under the control of the directors as a general authority in terms of section 221(2) of the Companies Act, 1973 (Act 61 of 1973), as amended ("the Act"), who are hereby authorised to allot and issue shares in the capital of the company to those persons, upon such terms and conditions, as the directors in their sole discretion deem fit, subject to the provisions of the Act and the Listings Requirements of the Johannesburg Stock Exchange ("the JSE").

   2.2 Subject to the Listings Requirements of the JSE relating to a general authority of directors to issue shares for cash, the directors of the company be and are hereby authorised to issue ordinary shares in the capital of the company for cash in accordance with the requirements set out in the Listings Requirements of the JSE as follows:

   - the relevant securities to be issued under such authority must be of a class already in issue;
   - the securities must be issued to public shareholders as defined by the JSE's Listings Requirements and not to related parties;
   - issues for cash may not exceed 15% of the issued number of securities in any one financial year;
   - the maximum discount at which such securities may be issued may not exceed 10% (ten percent) of the weighted average traded price of those securities during the 30-day period preceding the date on which the price of the issue is determined by the directors;
   - a 75% majority of the votes of all shareholders present or represented by proxy at the annual general meeting must be cast in favour of the resolution to issue the shares; and
   - if this resolution has been approved by the shareholders, the authority of the directors will be effective until the next annual general meeting of shareholders, which will not be longer than 15 (fifteen) months from the date of approval.

3. To approve the payments of emoluments to directors as detailed on page 12 of the annual report.

4. To re-elect MJ Prinsloo, who is recommended by the board and whose appointment automatically terminates on the day of the annual general meeting in terms of article 12.2 of the articles of association of the company.

5. To approve the appointment of Michelle Mynhardt.

6. To reappoint PKF (Jhb) Inc. as the auditors.

7. To consider and if thought fit, to pass with or without modification, the following resolution as a special resolution:

   "That the company or any of its subsidiaries, are hereby authorised as a general approval given in terms of section 85(2) and 89 of the Act, to acquire shares issued by the company upon such terms and conditions and in such amounts as the directors may from time to time decide, but subject to the provisions of the Act and the Listings Requirements of the JSE, which currently stipulate that:

- the repurchase of securities will be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the company and the counterparty (reported trades are prohibited);
- at any point in time the company may only appoint one agent to effect any repurchases on the company's behalf;
- the company may only undertake a repurchase of securities if after such repurchase it still complies with the shareholder spread requirements of the JSE;
- the company or any of its subsidiaries may not repurchase securities during a prohibited period as defined in the Listings Requirements of the JSE;
- this general authority shall only be valid until the company's next annual general meeting, provided that it shall not extend beyond 15 (fifteen) months from the date of passing of this Special Resolution;
- a paid press announcement will be published as soon as the company has acquired ordinary shares constituting, on a cumulative basis, 3% (three percent) of the number of ordinary shares in issue, at the time of passing of this Special Resolution, and any 3% (three percent) increments thereafter which announcements shall contain full details of such acquisitions;
- acquisitions of ordinary shares by the company in terms of this general authority in the aggregate in any one financial year may not exceed 20% (twenty percent) of the company's issued ordinary share capital nor may any subsidiary hold more than 10% (ten percent) of the company's issued shared capital at any one time;
- in determining the price at which ordinary shares issued by the company are acquired in terms of this general authority, the maximum price at which such ordinary shares may be acquired may not be greater than 10% (ten percent) above the weighted average of the market price at which such ordinary shares traded on the JSE over the 5 (five) business days immediately preceding the date on which the transaction is effected.

The general authority to repurchase the company's shares will be acted upon within the parameters laid down by the JSE, as and when the directors deem it to be appropriate. After considering the effect of a general repurchase within these parameters, the directors are of the view that for a period of at least 12 (twelve) months after the date of this notice:

- AME and the group will be able in the ordinary course of business to pay its debts;
- the assets of AME and the group, fairly valued in accordance with accounting policies used in the latest audited report, will be in excess of the liabilities of the company and the group for a period of 12 (twelve) months after the date of this notice of annual general meeting;
- the ordinary capital and reserves of AME and the group will be adequate for the purposes of the company's and the group's businesses respectively; and
- the working capital of AME and the group will be adequate for their requirements."

The company will provide the sponsor and the JSE with all documentation as required in Schedule 25 of the Listings Requirements of the JSE and will not recommence any repurchase programme until the sponsor has signed off on the adequacy of its working capital, advised the JSE accordingly and the JSE has approved this documentation.

The reason for this Special Resolution is to grant a general approval in terms of the Act and the Listings Requirements of the JSE for the acquisition by the company or its subsidiaries of shares issued by the company, subject to statutory and regulatory limitations and controls.

The effect of this Special Resolution is to enable the company and/or a subsidiary, by way of a general approval, to repurchase up to a maximum of 20% (twenty percent) of its share capital in any one financial year.

As per section 11.26(b) of the Listings Requirements of the JSE, shareholders are referred to the following sections in the annual report to which this notice of annual general meeting is attached:

- details of directors on page 3;
- directors' interest in securities on page 45 (which beneficial interests have not changed since 31 March 2010. There are no non-beneficial interests);
- major shareholders on page 45;
- material changes in the nature of the company's trading or financial position post 31 March 2010 on page 13;
- the share capital note on page 34.

The directors are not aware of any legal or arbitration proceedings active, pending or threatened against or being brought by the company, which may have a material effect on the group's financial position or which have had a material effect during the 12 months preceding the date of this notice of annual general meeting.

The directors, whose names have been given on page 3 of this annual report, collectively and individually accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that the annual report contains all information required by the Listings Requirements of the JSE, have considered the general authority to repurchase securities resolution and are of the opinion that AME shareholders should vote in favour of the resolutions necessary to implement the resolution.

8. Voting and proxies

Each shareholder who, being a natural person, is present in person, by proxy or agent, or, being a company, is present by representative proxy or agent at the general meeting is entitled to one vote on a show of hands. On a poll, each shareholder, whether present in person or by proxy, or by representation, is entitled to one vote for each share held. A form of proxy is attached for use by certificated or own name shareholders who are unable to attend the general meeting but wish to be represented thereat. They are required to complete and return the form of proxy so as to be received by the transfer secretaries of the company, Computershare Investor Services (Proprietary) Limited (70 Marshall Street, Johannesburg 2001 or PO Box 61051, Marshalltown 2107) not later than 10:00 on Wednesday, 20 October 2010.

Shareholders who have dematerialised their shares through a Central Securities Depository Participant ("CSDP") or broker, other than by own name registration, who wish to attend the general meeting must instruct their CSDP or broker to issue them with the necessary letters of representation to attend the meeting, in terms of the custody agreement entered into between such shareholders and their CSDP or broker.

Shareholders who have dematerialised their shares through a CSDP or broker, other than by own name registration, who wish to vote by way of proxy should provide their CSDP or broker with their voting instructions by the cut-off time or date advised by their CSDP or broker for transactions of this nature.

Each certificated or own name dematerialised shareholder entitled to attend and vote at the general meeting may appoint one or more proxies (none of whom need be an AME shareholder) to attend, speak and vote in his/her stead. The completion and lodging of a form of proxy will not preclude a shareholder from attending the meeting and speaking and voting thereat to the exclusion of the proxy so appointed.

By order of the board

M Mynhardt
Company secretary

30 July 2010

Block A, Oxford Office Park
No. 5, 8th Street Houghton Estate
Johannesburg 2198
PO Box 3014 Houghton, 2041

Transfer Secretaries
Computershare Investor Services (Proprietary) Limited
70 Marshall Street, Marshalltown, Johannesburg, 2001
PO Box 61051, Marshalltown, 2107

Telephone: +27 11 370 5000
Telefax: +27 11 668 7721

FORM OF PROXY

AFRICAN MEDIA
ENTERTAINMENT

(Incorporated in the Republic of South Africa)
(Registration number 1926/008797/06)
(Share code: AME)
(ISIN: ZAE000055802)

For use by certificated shareholders and dematerialised shareholders with own name registration at the twelfth annual general meeting of the holders of ordinary shares in the company ("AME shareholders") to be held in the boardroom, Block A, Oxford Office Park, No. 5, 8th Street, Houghton Estate, Johannesburg, at 10:00, on Friday, 22 October 2010 ("the annual general meeting").

I/We

being the registered holder/s of ______ ordinary shares in the capital of the company of (address):

hereby appoint (see note 1):

1. or failing him/her

2. or failing him/her

3. the chairman of the annual general meeting,

as my/our proxy to act for me/us at the annual general meeting for the purposes of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat, and at each adjournment thereof, and to vote for or against the resolutions or abstain from voting in respect of the ordinary shares registered in my/our name/s in accordance with the following instructions (see note 2).

Resolution number	For	Against	Abstain
1. To approve annual financial statements for the year ended 31 March 2010			
2.1 To place unissued ordinary shares under directors' control			
2.2 To empower directors to issue shares for cash			
3. To approve the emoluments to directors			
4. To re-elect Mr Marthinus Johannes Prinsloo as director of the company			
5. To elect Ms Michelle Mynhardt as director of the company			
6. To re-appoint PKF (Jhb) Inc. as the auditors			
7. To approve the general authority to acquire own shares			

Signed at on 2010

Signature

Assisted by (where applicable state capacity and full name)

Each AME shareholder is entitled to appoint one or more proxy/ies (who need not be a shareholder/s) of the company to attend, speak and vote in his/her stead at the annual general meeting.

Please read the notes on the reverse side hereof.

NOTES

1. An AME shareholder may insert the name of a proxy or the names of two alternative proxies of his/her choice in the space/s provided, with or without deleting "the chairman of the annual general meeting", but any such deletion must be initialled by the AME shareholder concerned. The person whose name appears first on the form of proxy and who is present at the annual general meeting, will be entitled to act as proxy to the exclusion of those names that follow.
2. An AME shareholder's instruction to the proxy must be shown by indicating in the appropriate boxes provided the manner in which that AME shareholder wishes to vote by inserting an "X" in the relevant box unless a shareholder wishes to split his/her votes. In this case the relevant number of shares to be so voted must be indicated in the relevant box. Failure to comply with the above will be deemed to authorise the proxy to vote, or abstain from voting, at the annual general meeting as he/she deems fit in respect of all the AME shareholder's votes exercisable thereat.
3. An AME shareholder or his/her proxy is not obliged to use all the votes exercisable by the member or to cast all these votes exercised in the same way, but the total of the votes cast, and in respect whereof abstention is recorded, may not exceed the total of the votes exercisable by the member. Failure to comply with the above will be deemed to be authority to the chairman of the annual general meeting, if he is the authorised proxy, to vote in favour of the resolutions proposed at the annual general meeting or any other proxy to vote or abstain from voting, at the annual general meeting as he deems fit, in respect of the shares concerned.
4. Forms of proxy and any power of attorney by virtue of which such proxy is signed (or a notarially certified copy of such power of attorney) must be lodged at or posted to the transfer secretaries of the company, Computershare Investor Services (Proprietary) Limited (70 Marshall Street, Johannesburg 2001 or PO Box 61051, Marshalltown, 2107) to be received by not later than 10:00 on Wednesday 20 October 2010.
5. Any alteration or correction made to this form of proxy must be initialled by the signatory/ies.
6. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the company's secretary or waived by the chairman of the annual general meeting.
7. If you are a dematerialised shareholder, other than by own name registration, you must inform your appointed Central Securities Depository Participant ("CSDP") or broker of the manner in which you wish to vote in order for them to notify the secretary by not later than 10:00 on Wednesday, 20 October 2010. Only registered certificated shareholders recorded in the main register of members of the company or under own names in the dematerialised register, may complete a proxy form or alternatively attend the annual general meeting. Those dematerialised shareholders who are not registered under their own names who wish to attend the annual general meeting or vote by proxy must contact their CSDP or broker who will provide them with the necessary letter of representation to do so, or carry out their instructions.
8. This must be done in terms of the agreement between the shareholder and his/her CSDP as applicable.
9. The chairman of the annual general meeting may reject or accept any proxy form which is completed and/or received, other than in compliance with the articles of association of the company or these notes.

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