SEARDEL INVESTMENT CORPORATION LIMITED
("Seardel" or "the Group")

The company's shares are listed under the Personal Goods Sector of the JSE Limited.

Registration number: 1968/011249/06 (Incorporated in the Republic of South Africa)
JSE share code: SER ISIN: ZAE000029815
JSE share code: SRN ISIN: ZAE000030144

REVIEWED CONSOLIDATED CONDENSED ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2015

REVIEWED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Rand thousands	Reviewed 2015	Audited* 2014	Audited* 2013
ASSETS			
Non-current assets	7 624 838	8 806 707	1 292 844
Property, plant and equipment	886 974	1 241 852	653 858
Plant and equipment	238 285	525 316	335 876
Owner-occupied property	648 689	716 536	317 982
Investment property	-	669 619	525 229
Intangible assets	2 750 263	2 817 234	13 030
Goodwill	3 737 528	3 708 837	-
Equity-accounted investees	206 985	132 698	-
Other investments	-	3 644	3 580
Long-term receivables	2 935	146 582	47 544
Deferred tax assets	40 153	86 241	49 603
Current assets	1 166 181	2 029 764	1 136 387
Inventories	18 090	555 433	627 768
Programming rights	431 169	282 682	-
Trade and other receivables	591 536	1 024 750	504 788
Current tax assets	12 409	6 087	1 594
Cash and cash equivalents	112 977	160 812	2 237
Assets of disposal groups	249 405	54 536	2 295
Total assets	9 040 424	10 891 007	2 431 526
EQUITY AND LIABILITIES			
Total equity	7 131 929	3 844 141	1 375 873
Stated capital/Share capital and share premium	6 665 383	1 692 429	312 156
Treasury shares	-	(17 794)	(17 794)
Reserves	(595 481)	939 428	1 081 511
Equity attributable to owners of the company	6 069 902	2 614 063	1 375 873
Non-controlling interest	1 062 027	1 230 078	-
Non-current liabilities	1 068 963	5 550 756	85 262
Deferred tax liabilities	465 531	468 529	-
Post-employment medical aid benefits	-	91 180	84 388
Interest-bearing liabilities	501 001	4 868 343	756
Share-based liabilities	102 431	122 465	-
Operating lease accruals	-	239	118
Current liabilities	814 653	1 496 110	970 391
Current tax liabilities	12 398	529	-
Post-employment medical aid benefits	-	6 280	5 045
Interest-bearing liabilities	339 082	67 161	298
Trade and other payables	461 918	861 047	460 008
Provisions	-	23 309	355
Bank overdraft	1 255	537 784	504 685
Liabilities of disposal groups	24 879	-	-
Total liabilities	1 908 495	7 046 866	1 055 653
Total equity and liabilities	9 040 424	10 891 007	2 431 526
Net asset value	6 069 902	2 614 063	1 375 873
Net asset value per share after treasury shares (cents)	141	220	201

* Restated.

REVIEWED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Rand thousands	Reviewed 2015	Audited* 2014
Continuing operations		
Revenue	2 396 385	1 223 603
Cost of sales	(985 787)	(480 471)
Gross profit	1 410 598	743 132
Other income	56 744	25 000
Administrative and other expenses	(872 761)	(427 716)
Earning, before interest, taxation, depreciation and amortisation	594 581	340 416
Depreciation, amortisation and impairments	(188 020)	(92 560)
Operating profit	406 561	247 856
Finance income	14 350	-
Finance expenses	(55 306)	(120 958)
Share of loss of equity-accounted investees, net of taxation	(756)	(5 367)
Profit before taxation	364 849	121 531
Taxation	(148 248)	(83 979)
Profit from continuing operations	216 601	37 552
Discontinued operations		
(Loss)/profit from discontinued operations, net of taxation	(64 431)	4 061
Profit	152 170	41 613
Other comprehensive income, net of related taxation		
Post-employment medical benefit - actuarial loss	-	(4 295)
Fair value adjustment on available-for-sale financial assets	-	51
Foreign operations - foreign currency translation differences	22 728	2 431
Other comprehensive income, net of taxation	22 728	(1 813)
Total comprehensive income for the year	174 898	39 800
Profit attributable to:		
Owners of the company	124 813	(11 157)
Non-controlling interest	27 357	52 770
	152 170	41 613
Total comprehensive income attributable to:		
Owners of the company	139 732	(13 831)
Non-controlling interest	35 165	53 631
	174 898	39 800

* Restated.

REVIEWED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

Rand thousands	Reviewed 2015	Audited 2014
Net cash flow from operating activities	(418 639)	217 444
Net cash flow from investing activities	(125 647)	(191 614)
Net cash flow from financing activities	1 051 383	99 646
Net change in cash and cash equivalents	507 097	125 476
Cash and cash equivalents at the beginning of the year	(376 972)	(502 448)
Cash and cash equivalents at the end of the year	130 125	(376 972)
Cash and cash equivalents	112 977	160 812

Bank overdraft	(1 255)	(537 784)
Cash of disposal groups held for sale	18 403	-
Cash and cash equivalents at the end of the year	130 125	(376 972)

REVIEWED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Rand thousands	Stated capital	Treasury shares	Other reserves*	Retained income	Equity owners*	Non-controlling interest	Total equity*
Balance at 31 March 2013 (previously reported)	312 156	(17 794)	298 669	867 555	1 460 586	-	1 460 586
Effect of change in accounting policy	-	-	(84 713)	-	(84 713)	-	(84 713)
Balance at 31 March 2013 (restated)	312 156	(17 794)	213 956	867 555	1 375 873	-	1 375 873
Profit/(loss)	-	-	-	(11 157)	(11 157)	52 770	41 613
Fair value adjustment - AFS	-	-	51	-	51	-	51
Foreign operations - FCTR	-	-	1 570	-	1 570	861	2 431
Post-employment medical benefits - actuarial loss	-	-	-	(4 295)	(4 295)	-	(4 295)
Transfers	-	-	(1 950)	1 580	(370)	-	(370)
Share incentive scheme	-	-	-	(5 449)	(5 449)	-	(5 449)
Dividends	-	-	-	-	-	(71 837)	(71 837)
Share options	10 273	-	-	-	10 273	-	10 273
Acquisition of subsidiaries with non-controlling interests	1 370 000	-	(425)	(122 008)	1 247 567	1 248 284	2 495 851
Balance at 31 March 2014	1 692 429	(17 794)	213 202	726 226	2 614 063	1 230 078	3 844 141
Profit/(loss)	-	-	-	124 813	124 813	27 357	152 170
Foreign operations - FCTR	-	-	14 920	-	14 920	7 808	22 728
Share incentive scheme	-	-	-	4 174	4 174	-	4 174
Dividends	-	-	-	-	-	(70 192)	(70 192)
Share options	11 503	-	-	(11 194)	309	-	309
Rights issue	4 961 451	-	-	-	4 961 451	-	4 961 451
Treasury shares	-	17 794	-	(17 794)	-	-	-
Dividend through demerger	-	-	(212 058)	(1 467 924)	(1 679 982)	179	(1 679 803)
Effect of change in ownership - minority interests	-	-	-	37 152	37 152	(135 828)	(98 676)
Change in ownership - minority interest acquired	-	-	-	(6 998)	(6 998)	(1 002)	(8 000)
Acquisition of subsidiaries with non-controlling interests	-	-	-	-	-	3 627	3 627
Balance at 31 March 2015	6 665 383	-	16 064	(611 545)	6 069 902	1 062 027	7 131 929

* Restated.

HEADLINE EARNINGS

Rand thousands	Reviewed 2015	Audited 2014
Earnings/(loss) attributable to equity owners of the parent	124 813	(11 157)
IAS 16 gains on disposal of plant and equipment	(1 735)	(3 888)
IAS 16 loss on disposal of plant and equipment	-	31 734
IAS 16 impairment of plant and equipment	9 587	4 617
IFRS 3 impairment of goodwill	86 862	-
IFRS 3 gain on bargain purchase	(1 077)	-
IAS 28 gain on disposal of associates	(11 500)	-
IAS 40 fair value adjustment to investment property	(46 792)	(20 726)
Total tax effect of adjustments	486	264
Headline earnings	160 644	844

STATISTICS PER SHARE

		Reviewed 2015	Audited* 2014
Basic earnings			
Earnings	(R'000)	124 813	(11 157)
Continuing operations	(R'000)	134 637	(15 218)
Discontinued operations	(R'000)	(9 824)	4 061
Headline earnings	(R'000)	160 644	844
Continuing operations	(R'000)	161 495	(15 761)
Discontinued operations	(R'000)	(851)	16 605
Basic earnings per share			
Earnings	(cents)	3,03	(1,26)
Continuing operations	(cents)	3,26	(1,72)
Discontinued operations	(cents)	(0,23)	0,46
Headline earnings	(cents)	3,90	0,10
Continuing operations	(cents)	3,92	(1,78)
Discontinued operations	(cents)	(0,02)	1,88
Weighted average number of shares in issue	('000)	4 123 996	884 013
Actual number of share in issue at the end of the year (net of treasury shares)	('000)	4 318 212	1 186 936
Diluted earnings per share			
Earnings	(cents)	3,03	(1,23)
Continuing operations	(cents)	3,26	(1,67)
Discontinued operations	(cents)	(0,23)	0,45
Headline earnings	(cents)	3,90	0,09
Continuing operations	(cents)	3,92	(1,73)
Discontinued operations	(cents)	(0,02)	1,83
Diluted weighted average number of shares in issue	('000)	4 123 996	908 655

* Restated.

NOTES TO THE REVIEWED CONSOLIDATED CONDENSED RESULTS FOR THE YEAR ENDED 31 MARCH 2015

BASIS OF PREPARATION AND ACCOUNTING POLICIES

The results for the year ended 31 March 2015 have been prepared in accordance with International Financial Reporting Standards (IFRS), the disclosure requirements of IAS 34, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the requirements of the South African Companies Act, 2008 and the Listings Requirements of the JSE Limited. Except for the change in accounting policy and the new standards adopted as set out and as further noted below, the accounting policies applied by the Group in the preparation of these reviewed condensed consolidated financial statements are consistent with those applied by the Group in its consolidated financial statements as at and for the year ended 31 March 2014.

The group has adopted the following new standards that became effective on 1 January 2014:

i. IAS 32 : Financial Instruments - Presentation
ii. IAS 36 : Impairment of Assets
iii. IAS 39 : Financial Instruments - Recognition and Measurement

There was no material impact on the financial results identified based on management's assessment of these standards. As required by the JSE Limited Listings Requirements, the Group reports headline earnings in accordance with Circular 2/2013: Headline Earnings as issued by the South African Institute of Chartered Accountants.
These financial statements were prepared under the supervision of the financial director, A S Lee (CA)SA.

RESTATEMENT OF PRIOR YEAR RESULTS

During the period under review the Group changed the accounting policy as it relates to owner-occupied buildings, from initially being recognised at cost and subsequently revalued to approximate fair value, to now the cost convention whereby owner-occupied buildings are being initially recognised at cost and subsequently measured at cost less accumulated depreciation and any impairment losses. The adjustments in respect of the measurement change were not treated as movements in the current financial year, but as adjustments to the comparative consolidated statement of comprehensive income for the year ended 31 March 2014 and the comparative consolidated statement of financial position as at 31 March 2014 and 31 March 2013. The comparative results were restated as follows:

Rand thousands	Previously reported	Change in policy	Restated
Impact of changes in accounting policy on consolidated statement of financial position on 31 March:			
2014			
Non-current assets			
Property, plant and equipment	838 496	(121 960)	716 536
Equity			
Equity attributable to equity holders of the parent	2 717 969	(103 906)	2 614 063
Non-current liabilities			
Deferred tax liabilities	486 583	(18 054)	468 529
2013			
Non-current assets			
Property, plant and equipment	418 605	(100 623)	317 982
Deferred tax assets	42 093	7 510	49 603
Equity			
Equity attributable to equity holders of the parent	1 460 586	(84 713)	1 375 873
Non-controlling interest	-	-	-
Non-current liabilities			
Deferred tax liabilities	8 400	(8 400)	-
Impact of changes in accounting policy on consolidated statement of comprehensive income on 31 March:			
2014			
Decrease in other comprehensive income, net of tax	19 193	(19 193)	-
2013			
Decrease in other comprehensive income, net of tax	23 489	(23 489)	-

BUSINESS COMBINATIONS
During the year the Group acquired 100% of Longkloof Limited, which houses the offshore media assets. The total purchase consideration was R497 million and the goodwill through the business combination was R130 million. This goodwill was subsequently impaired by the Group given the reinvestment required to turn the Longkloof assets around.

On 1 March 2015 the Group acquired 50% plus one share of Coleske Artists (Pty) Limited (Coleske) and Afrikaans is Groot (Pty) Limited (AIG) for a total purchase consideration of R42 million. Goodwill through business combinations based on the provisional accounting of Coleske and AIG was R38 million. If new information is obtained within one year of the date of acquisition about the facts and circumstances that existed at the date of acquisition, the accounting for the acquisition will be revised.

Other media assets acquired include 70% of TVPC Media (Pty) Ltd ("TVPC") and 100% of Crystal Brook Distribution (Pty) Ltd ("Crystal Brook") for a total purchase consideration of R6 million and R11 million respectively. Goodwill for TVPC through the business combination was R8 million and gain on bargain purchase for Crystal Brook was R2 million.

In respect of the unbundled non-media assets, acquisitions included 100% of Limtech Biometric Solutions (Pty) Ltd and 51% of Deneb Invest 141 Holdco (Pty) Ltd for a total purchase consideration of R1.4 million. The goodwill through business combination was R1.5 million.

The following table summarises the consideration paid for the entities and the amount of the assets acquired and liabilities assumed recognised at acquisition date.

Rand thousands	Reviewed 2015	Audited 2014
Cash	558 152	23 440
Contingent consideration	1 400	12 678
Own shares issued	-	1 370 000
Total consideration	559 552	1 406 118
Recognised amounts of identifiable assets acquired and liabilities assumed:		
Property, plant and equipment	21 372	671 543
Intangible assets	176 434	2 805 210
Equity-accounted investees	118 726	131 364
Long-term receivables	21 729	19 835
Deferred tax assets	339	8 823
Programming rights	-	390 599
Trade and other receivables	60 253	601 499
Cash and cash equivalents	50 901	87 327
Other assets	3 213	41 994
Non-current loan	-	(1 576 851)
Preference shares	-	(3 105 764)
Deferred tax liabilities	(5 760)	(488 231)
Trade and other payables	(46 348)	(560 600)
Share-based payment liability	-	(122 465)
Bank overdrafts	(70)	(4 697)
Other liabilities	(7 921)	(76 029)
Total identifiable net assets	392 868	(1 176 443)
Less: Non-controlling interest	(3 627)	(1 248 284)
Goodwill	171 950	3 708 837
Goodwill directly to equity as transactions with owners	-	122 008
Gain on bargain purchase	(1 639)	-
Total consideration	559 552	1 406 118
Cash flow from investing activity		
Cash consideration transferred	(558 152)	(23 440)
Cash and cash equivalents in the business acquired	50 901	87 327
Bank overdraft in the business acquired	(70)	(4 697)
Net cash (outflow)/inflow from investing operations	(507 321)	59 190

DISCONTINUED OPERATIONS
Following a decision to exit the business of e.Botswana Proprietary Limited and e.tv Botswana Proprietary Limited, the results of these operations were reclassified to discontinued operations in the statement of comprehensive income and its assets and liabilities reclassified to disposal groups held for sale in the statement of financial position.

A decision was also taken to sell or exit certain subsidiaries and associates of the Longkloof Limited Group. The results of these operations were classified as discontinued operations in the statement of comprehensive income and its assets and liabilities classified as disposal groups held for sale in the statement of financial position.

Following the declaration and finalisation announcement relating to the proposed unbundling by Seardel of 557 892 317 shares in Deneb Investments Limited (Deneb) to its shareholders on 14 November 2014, the results of the non-media operations (Deneb) were reclassified to discontinued operations in the statement of comprehensive income and its assets and liabilities in the statement of financial position have been unbundled on 1 December 2014 in accordance with IFRIC 17: Distributions of Non-cash Assets to Owners.

Discontinued operations as disclosed in the statement of comprehensive income consist of the following:

Rand thousands	e.Botswana	e.tv Botswana	Longkloof subsidiaries and associates	Non-media assets (Deneb)	Total
2015					
Revenue	4 344	-	27 273	1 927 457	1 959 074
Profit/(loss) after tax	(2 042)	-	(156 909)	94 520	(64 431)
2014					
Revenue	-	-	-	2 163 518	2 163 518
Profit/(loss) after tax	-	-	-	4 061	4 061

Disposal groups held for sale as disclosed in the statement of financial position comprise the following:

Rand thousands	e.Botswana	e.tv Botswana	Longkloof subsidiaries and associates	Total 2015	Total 2014
Assets of disposal group					
Property, plant and equipment	1 212	2 233	521	3 966	54 536
Intangible assets	-	-	155 973	155 973	-
Investment in associates	-	-	37 091	37 091	-
Other assets	2 597	17	49 761	52 375	-
Total assets	3 809	2 250	243 346	249 405	54 536
Liabilities of disposal group					
Deferred taxation liability	-	(40)	(5 592)	(5 632)	-
Other liabilities	(282)	2	(18 967)	(19 247)	-
Total liabilities	(282)	(38)	(24 559)	(24 879)	-

CHANGE IN COMPARATIVES

The results of discontinued operations have been separately disclosed on the face of the statement of comprehensive income. Furthermore, the results of the change in accounting policy have been separately disclosed in the statement of changes in equity with further restatement and disclosure as per the note on restatement of prior year results. Where practical, the prior year results have been restated accordingly.

RELATED PARTY TRANSACTIONS

During the year, in the ordinary course of business, certain companies within the group entered into transactions with one another. These intra-group transactions have been eliminated on consolidation.

Transactions with Hosken Consolidated Investments Limited ("HCI") (ultimate holding company), entities in which HCI has an interest, SACTWU (shareholder in Seardel), Remgro Limited ("Remgro") (shareholder in Sabido) and Venfin Media Investments (Pty) Ltd ("Venfin") (a wholly-owned subsidiary of Remgro) are included in the following table:

Rand thousands	Reviewed 2015	Audited 2014
Income/(expense) transaction values with related parties		
Unbundled assets		
SACTWU - disposal of apparel		
SACTWU - disposal of apparel manufacturing operation	5 312	(31 260)
SACTWU - loan advance relating to the disposal of the apparel manufacturing operation	-	(957)
HCI - fees for managerial and secretarial services paid	(2 800)	(4 200)
HCI - working capital loan advanced	(1 943)	(2 499)
HCI - loan at prime, repayable on demand	3 245	-
Formex Industries (subsidiary of HCI) - management fees received	864	1 296
HCI - fees for risk management received	261	617
Media assets		
SACTWU - loan relating to the acquisition of Sabido	(5 987)	(33 138)
HCI - preference shares relating to the acquisition of Sabido	(13 972)	(77 341)
HCI - management fees paid	(14 205)	(13 529)
Venfin - management fees paid	(1 608)	(1 532)
Longkloof Limited - management fees received	1 331	3 014

Rand thousands	Reviewed 2015	Audited 2014
Balances owing (to) by related parties		
Unbundled assets		
SACTWU - disposal of apparel manufacturing operation	-	107 588
SACTWU - loan advance relating to the disposal of the apparel manufacturing operation	-	(30 957)
HCI - fees for managerial and secretarial services paid	-	(10 195)
Media assets		
SACTWU - loan relating to the acquisition of Sabido*	-	(1 363 860)
HCI - preference shares relating to the acquisition of Sabido*	-	(3 183 105)
HCI - working capital loan	(8 602)	-
Venfin - loan relating to the acquisition of Longkloof Limited	(156 605)	-
Cape Town Film Studios - associate loan	71 786	63 685
Dreamworld Management Company - associate loan	10 624	10 313
Global Media Alliance Broadcasting Limited - associate loan	73 772	63 544

* The repayment of these balances as at 31 March 2014 was out of the capital raised through the rights issue.

Business combinations with related parties:
Sabido Investments (Pty) Ltd ("Sabido"), a subsidiary of Seardel, acquired the shares of the following entities:
- 100% of the issued share capital in Longkloof Limited, which was previously owned 80% by Deepkloof, a subsidiary of HCI and 20% by Iprop Holdings Limited, a subsidiary of Remgro for a purchase consideration of R497 million; and
- 100% of the issued share capital of Crystal Brook Distribution (Pty) Ltd which was previously owned 80% by HCI International Holdings Limited, a wholly-owned subsidiary of HCI and 20% by Venfin Media Investments (Pty) Ltd, a wholly-owned subsidiary of Remgro for a purchase consideration of R11 million.

Further detail of which was published on SENS on 28 August 2014.

In respect of the unbundled assets, 100% of the issued share capital of Limtech Biometric Solutions (Pty) Ltd, which was previously owned by HCI, for a purchase consideration of R1.

AUDITOR'S REVIEW

These condensed consolidated financial statements for the year ended 31 March 2015 have been reviewed by Grant Thornton Johannesburg, who expressed an unmodified review conclusion. The auditor's report does not necessarily report on all of the information contained in this announcement / financial results. Shareholders are therefore advised that in order to obtain a full understanding of the engagement they should obtain a copy of the auditor's report together with the accompanying financial information from the issuer's registered office. A copy of the auditor's review report is available for inspection at the company's registered office together with the financial statements identified in the auditor's report.

CHANGES IN DIRECTORATE

With effect from 1 December 2014 the following directors, i.e. Stuart Queen, Gys Wege, Amon Ntuli, David Duncan, Yunis Shaik and Nazien Jappie, have resigned from the board of Seardel and Elias Mphande and Antonio Lee were appointed to the board of Seardel as independent non-executive director and financial director respectively. Elias Mphande was also appointed as a member of the audit committee. Kevin Govender, a non-executive director of the company, was appointed as acting chief executive officer.

Subsequent to year-end and with effect from 14 April 2015, Mohamed Ahmed has resigned as director of the company and Loganathan Govender was appointed to the board of Seardel as an independent non-executive director and will serve as a member of the audit and risk committee.

The reconstituted board of the company accordingly comprises John Copelyn (non-executive chairman), Kevin Govender (acting chief executive officer), Antonio Lee (financial director), Rachel Watson (independent non-executive director and member of the audit committee), Elias Mphande (independent non-executive director and member of the audit committee) and Loganathan Govender (independent non-executive director and member of the audit committee).

CHANGE OF NAME

Due to restructuring within the Group with the unbundling of the non-media assets and the Group then mainly becoming a media investment holding company, the directors have resolved, subject to shareholder approval in a general meeting, to change the name to eMedia Holdings. A notice of general meeting will be posted to shareholders in due course.

DIVIDEND TO SHAREHOLDERS

The directors have resolved not to declare a dividend for the year ended 31 March 2015 (2014: Nil).

COMMENTARY

GROUP

The Group's results for the year ended 31 March 2015 are not comparable to the prior year due to the corporate activity that occurred during the past two years which transformed the Group from an investment holding company owning mainly clothing, textile, branded products and property investments to a media investment holding company. At year-end the company's sole investment is its 64% interest in Sabido Investments Proprietary Limited (Sabido). Sabido is the media investment vehicle that houses e.tv (Pty) Ltd ("e.tv"), eSat.TV (Pty) Ltd ("eNCA"), Yired (Pty) Ltd ("Yfm") and Sasani Africa (Pty) Ltd ("Sasani Studios"), amongst others. Sabido was acquired in the second half of the previous financial year. In April 2014 Seardel successfully concluded a R5 billion rights issue which resulted in the Group issuing 3,125 billion N shares, the proceeds of which were utilised primarily to redeem the debt associated with the Sabido acquisition.

In addition to the above, shareholders should note the following items which are reflected in the results and are important considerations in analysing the overall financial performance for the year ended 31 March 2015:

(a) Finance expenses include R20 million relating to the debt assumed on the acquisition of Sabido. This debt was fully repaid on 25 April 2014.

(b) The amortisation of the intangible assets arising on the acquisition of Sabido amounted to R80 million for the year.

(c) On 1 December 2014 the company unbundled its non-media investments by way of a dividend in specie to shareholders and listed them separately on the JSE Limited as Deneb Investments Limited. Accordingly, the results for the non-media assets are included in discontinued operations and the comparative results have been restated for this.

The group ended the year with a profit attributable to the equity owners of the company of R124,8 million after the equity owners portion of impairment of goodwill of R84,9 million and an EBITDA of R594,6 million compared to a loss of R11, 2 million and an EBITDA of R340,4 million for prior year, respectively. Headline earnings for the year is R160,6 million compared to R0,8 million for the prior year.

The Group also changed its accounting policy with regards to owner-occupied property from disclosing these properties at their revalued carrying values to the cost convention. The effects of this are more fully disclosed in the notes to the financial statements.

SABIDO

The current financial year has been one of consolidation and investment for Sabido. During the second half of the year management took a critical look at all of the business units. A strategic decision has been made to exit some non-core and certain underperforming entities within the Group. Some of these entities were either sold or discontinued during the current year, where commercial requirements dictated. These include the production arms of a factuals unit in Sabido Productions and the Natural History Unit, the eNCA Africa division, e.tv China and the Africa Channel. The Group expects to exit its investment in Power and Setanta once suitable opportunities arise to do so. This closure and exit strategy resulted in R154,9 million being reflected as discontinued operations, which includes the impairment of goodwill on these discontinued investments of R130 million. The Group continues to focus on its core SA operations, being e.tv, eNCA, e.tv Multichannel, OpenView HD (Platco), and its radio, production and property interests. The Group continued with its strategy to further develop its multi-channel and OVHD platforms with an additional investment of R244,6 million during the year. This, albeit costly and currently loss making in the absence of significant revenue due to the delays in DTT and the slow box uptake, is necessary to establish these platforms for future content development and channel creation.

It is important to recognise that the above-mentioned issues resulted in significantly reduced profits for the year under review. If one excludes the impact of the discontinued operations and the investment into multi-channel and OVHD, the latter of which will yield future returns, the "normalised earnings" for the year amounted to R519,7 million compared to a prior year figure of R571,9 million, a 9% decrease year on year.

The year under review was a difficult one for free-to-air broadcaster, e.tv. Rights to broadcast the FIFA 2014 World Cup were held by third-party broadcasters, which took audiences away from e.tv. Competitor broadcasters also invested significantly in local (and often vernacular) content, which necessitated increased programming investment by e.tv. Aggressive counter-scheduling by free-to-air competitor channels, combined with local programme investment, also contributed to audience drop-off in the year. These factors contributed to a new television landscape characterised by increased choice and a less loyal viewer population. Finally, the general downturn in above-the-line marketing spend because of a downturn in the economy saw revenues under pressure. To counter the prevailing market conditions e.tv continued to invest significantly in new local programming and the new prime time schedule was launched in March 2015. We expect that this revised schedule will be the driving force behind a resurgent e.tv in the forthcoming fiscal.

The concept of increased choice is becoming commonplace amongst South African television viewers. To bring viewers into the group stable e.tv's multi-channel bouquet, currently available on satellite platform OpenView HD, is the route to providing viewers who want choice with that possibility. We expect better growth in the take up of OpenView HD set top boxes in 2015/16 and, consequently, better revenues.

eNCA continues to perform strongly as the best, by share and revenue, of all television news services available in South Africa. Its "know more" policy and skilled, independent voice have gained a strong foothold in the news environment. A long-term contract with MultiChoice terminates next year and negotiations will commence towards the end of the 2016 financial year to renew our deal on the DStv platform.

Solid performances by subsidiaries, Sasani Studios and Yfm, also bolstered the Group while other Group companies, Silverline 360 and affiliate, Cape Town Film Studios, began to demonstrate the turnaround which was contemplated in the strategic plan developed over recent years.

Terrestrial television broadcasting in South Africa is in an imminent phase of migration from analogue to digital platforms. The mechanism of the rollout of digital terrestrial television (DTT) is dependent on the policy on digital migration which is determined by the Minister of Communications. e.tv is contesting the decision-making process in this regard and has instituted proceedings against the Minister which will be heard in late May 2015 and hopefully determined in June or July. As soon as DTT rolls out, our multi-channel offering will be available on more screens than ever before which, in turn, will help stimulate revenues.

Signed for and on behalf of the board on 21 May 2015.

T G Govender	A S Lee
Acting Chief Executive Officer	Financial Director

CORPORATE INFORMATION
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