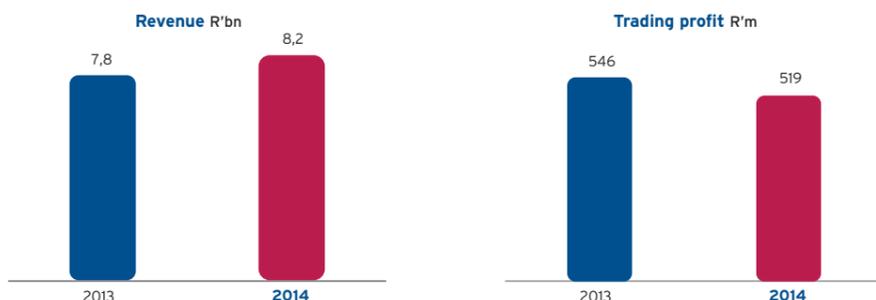


MEDIA24 HOLDINGS PROPRIETARY LIMITED
(Incorporated in the Republic of South Africa)
(Registration number: 2006/021408/07)
("Media24")

A full copy of the Annual Financial Statements are available on the Media24 website.



OVERVIEW
Like traditional media companies across the globe, Media24 continues to face tough economic conditions and large-scale structural changes to the industry. Despite these challenges, revenue grew by 5% to R8,2bn, while trading profit of R519m was 5% lower than last year. Becoming more efficient and achieving cost savings in our traditional media operations remains key. We significantly stepped up investments in related new growth areas to diversify our revenue base and to ensure the long-term sustainability of our business.

OPERATIONAL REVIEW
Our printing operations, Paarl Media, made good progress in improving productivity and operational efficiencies. We also expanded our footprint by diversifying into new markets and securing new contracts on the African continent for printing work.

Advertising and circulation revenues in our news division were under pressure. Encouragingly, subscriptions showed growth from the previous year. Circulation stabilised in recent months and our local newspaper and digital footprints were expanded. Good progress was made to transform the news business into a 24-hour news service across print and digital platforms. Video recording studios were established in Johannesburg and Cape Town. Media24 News now ranks as the second largest digital news publisher in South Africa, with a promising uptake in digital subscriptions to the news platforms of our mainstream Afrikaans dailies - *Die Burger*, *Beeld* and *Volksblad*. The magazines division had an excellent year. Several initiatives were launched to counter declining advertising and circulation revenues. We retained our leading circulation and advertising market share among the top five publishers in the country. Sales of digital editions grew by over 120% year on year and the division reported strong growth in its digital footprint across web, tablet and mobile platforms.

Our book publishing businesses performed well. The educational publisher, *Via Afrika Publishers*, benefited from the final implementation of the South African school curriculum, and was named as Sefika's Educational Publisher of the Year for the third consecutive time. *Jonathan Ball Publishers* re-established itself as the market leader in its segment and *NB Publishers* scooped 33 literary prizes.

Amid declining newspaper and magazine volumes, our distribution business, On the Dot, focused on improving its network to further reduce costs. We also expanded our warehousing and online fulfilment business.

24.com, the leading digital publisher in Africa, grew average daily page views across its network by 15% and average daily visits by 16% year on year. Recording strong mobile audience growth it now reaches 350 000 daily active users via its tablet and mobile apps. *News24* and *Careers24* expanded operations in Nigeria.

McGregor BFA, our financial data services business, acquired I-Net Bridge in November 2013. The combined entity - branded *INET BFA* - is well positioned to become the leading provider of African data to investors and businesses in South Africa and around the world.

Our e-fashion business *Spree* has established itself as a leading player in South African online fashion since its launch in April 2013. In addition to women's apparel, several new categories including home décor and a children's department were launched.

DIRECTORATE
On 1 January 2014 Mrs Jo-Ann Held was appointed as an independent, non-executive director of Media24 and Media24 Proprietary Limited. On the same date, Mr Manie Mayman was appointed as the Media24 director responsible for the finance function. The *curricula vitae* of all directors may be found on the Media24 website. Mr Koos Bekker stepped down as a director on 31 March 2014.

FINANCIAL REVIEW
Group consolidated revenues grew by 5% to R8,2bn for the year. Contributions to revenue growth came from book publishing (+10%), printing (+6%), and subscription revenue growth (+25%) primarily due to the I-Net Bridge acquisition, while contract publishing revenue benefited from the effect of the full consolidation of New Media Publishing. The group's focus on growing its non-print revenues was boosted by the substantial growth in e-commerce activities. Advertising revenues declined by 3%, mainly due to a shift of national advertising away from print media, while circulation revenue was down 2%.

Consolidated trading profit declined by 5% to R519m. The magazines division delivered a sterling trading profit performance, boosted by the full consolidation of New Media Publishing. Despite cost reductions, the news division's trading profit suffered as a result of a sharp drop in advertising revenue. The printing division delivered good trading profits and continued to build on initiatives to grow revenues outside of South Africa. The group continues to make substantial investments in digital, financial data and e-commerce to diversify its operations, with the consequent short- to medium-term impact on trading profit. Given these investments, the trading profit of our traditional printing operations grew 2% year on year.

The group's free cash flow is R351m lower than the previous financial year, largely due to the lower cash generated from operations and capital expenditure of R109m higher than the previous year.

DIVIDEND
The board recommends that, subject to the approval of shareholders at the annual general meeting on 1 September 2014, a dividend of R144,8m be declared and paid to shareholders.

WELKOM YIZANI
Welkom Yizani, Media24's broad-based black economic empowerment scheme launched in 2006, started trading on 9 December 2013. This brought to an end the seven-year retention period of the scheme and enables existing shareholders to trade their shares, as well as opening the scheme to new qualifying shareholders. As at 31 March 2014 a total of 6 627 transactions, comprising 1 094 285 shares to the value of R11 562 041 were completed through the trading platform.

The Welkom Yizani annual general meeting will be held on 1 September 2014. The Welkom Yizani board recommends that a dividend of R4,3m (2013: R4,2m) be declared to ordinary shareholders. This means a dividend of 29,4 cents per ordinary share before dividend tax. In terms of the preference share agreement a dividend of 46,6 cents per preference share, before dividend tax, is recommended. After the deduction of dividend tax, Welkom Yizani ordinary shareholders will receive a net dividend of 25 cents per ordinary share (2013: 24,4 cents per ordinary share). The declaration of the dividends is subject to approval by the shareholders at the annual general meeting on 1 September 2014.

BASIS OF PRESENTATION
The summarised consolidated financial statements have been extracted from the full set of audited financial statements for the year ended 31 March 2014. The latter have been prepared in accordance with the International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretations Committee (IFRIC) interpretations issued and effective, or issued and early adopted, and in the manner required by the South African Companies Act No 71 of 2008. The summarised consolidated financial statements should be read in conjunction with the full set of audited consolidated annual financial statements. The accounting policies have been applied consistently to all the years presented, unless otherwise stated.

Core headline earnings exclude non-recurring and non-operating items. We believe that it is a useful measure of the group's sustainable operating performance. However, it is not a defined term under IFRS and may not be comparable with similarly titled measures reported by other companies.

The financial results have been prepared under the supervision of Manie Mayman, chief financial officer of the Media24 group.

REPORT OF THE INDEPENDENT AUDITOR
The summarised consolidated financial statements have been audited by PricewaterhouseCoopers Inc., registered auditor. Their unqualified audit opinion is available on request at the company's registered office during normal office hours (contact person: Manie Mayman). Any reference to future financial performance in this announcement has not been reviewed or reported on by PricewaterhouseCoopers Inc.

On behalf of the board

Rachel Jaffa Chair
Cape Town
23 June 2014

Esmaré Weideman Chief executive

Directors
R C C Jaffa (chair), E Weideman, G M Landman, S S de Swardt, H R Botman, D Meyer, L N Jonker, N P van Heerden, H S S Willemsse, J C Held, S J Z Pacak, A Mayman

Group company secretary
L J Klink

Registered office
40 Heerengracht, Cape Town 8001
(PO Box 2271, Cape Town 8000)

Transfer secretaries
Equity Express, a division of Singular Systems Proprietary Limited
71 Corlett Drive, Birnam 2196
(PO Box 1266, Bramley 2018)

	Year ended 31 March	
	2014 Audited R'm	2013 Audited R'm
CONSOLIDATED INCOME STATEMENTS		
Revenue	8 171	7 790
Cost of providing services and sale of goods	(5 488)	(5 217)
Selling, general and administration expenses	(2 175)	(2 054)
Other gains/(losses)	85	(10)
Operating profit	593	509
Interest received	16	18
Interest paid	(81)	(136)
Other finance costs - net	(25)	(22)
Share of associate equity-accounted results	(2)	-
Share of joint-venture equity-accounted results	28	48
Profit/(losses) on acquisitions and disposals	78	(27)
Profit before taxation	607	390
Taxation	(241)	(177)
Profit for the period	366	213
Attributable to:		
Equity holders of the group	288	183
Non-controlling interest	78	30
	366	213
Core headline earnings for the year	142	259
Headline earnings for the year	255	255

	Year ended 31 March	
	2014 Audited R'm	2013 Audited R'm
RECONCILIATION OF OPERATING PROFIT TO TRADING PROFIT		
Operating profit	593	509
Amortisation of intangible assets	11	27
Other (gains)/losses	(85)	10
Trading profit	519	546

	Year ended 31 March	
	2014 Audited R'm	2013 Audited R'm
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME AND CHANGES IN EQUITY		
Balance at beginning of the period	2 123	988
Profit for the period	288	183
Total other comprehensive income, net of tax, for the period	4	-
Cash flow hedges	-	(5)
Movement in other reserves	4	4
Tax on other comprehensive income	-	1
Changes in other reserves	(135)	939
Movement in share-based compensation reserve	2	2
Movement in other reserves	5	(2)
Dividends paid to shareholders	(142)	(138)
Capital contribution	-	1 077
Changes in non-controlling interest	55	13
Total comprehensive income for the period	78	30
Dividends paid to minorities	(23)	(16)
Movement in non-controlling interest in reserves	-	(1)
Balance at end of period	2 335	2 123
Comprising:		
Share capital and premium	4 867	4 867
Retained earnings	88	(44)
Share-based compensation reserve	63	60
Existing control business combination reserve	(4 048)	(4 067)
Capital contribution	1 077	1 077
Hedging reserve	(1)	(1)
Actuarial re-measurement reserve	1	-
Foreign currency translation reserve	18	16
Non-controlling interest	270	215
Total	2 335	2 123

	Year ended 31 March	
	2014 Audited R'm	2013 Audited R'm
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION		
ASSETS		
Non-current assets	3 378	3 051
Current assets	2 494	2 502
Total assets	5 872	5 553
EQUITY AND LIABILITIES		
Capital and reserves	2 335	2 123
Non-current liabilities	591	1 047
Current liabilities	2 946	2 383
Total equity and liabilities	5 872	5 533

	Year ended 31 March	
	2014 Audited R'm	2013 Audited R'm
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS		
Cash flow generated from operating activities	436	658
Cash flow utilised in investing activities	(558)	(317)
Cash flow utilised in financing activities	(171)	(359)
Net movement in cash and cash equivalents	(292)	(18)
Foreign exchange translation adjustments	1	1
Cash and cash equivalents at beginning of the period	(144)	(127)
Cash and cash equivalents at end of the period	(435)	(144)

	Year ended 31 March	
	2014 Audited R'm	2013 Audited R'm
CALCULATION OF HEADLINE AND CORE HEADLINE EARNINGS		
Net profit attributable to shareholders	288	183
Adjusted for:		
- Impairment of goodwill/other assets	41	29
- Loss on sale of property, plant and equipment and intangibles	15	6
- (Profit)/loss on sale of investments	(82)	33
- Headline earnings adjustments of joint ventures	-	7
Total tax effects of adjustments	(5)	(2)
Total adjustment for non-controlling interest	(2)	(1)
Headline earnings	255	255
Adjusted for:		
- Business combination related costs	4	6
- Amortisation of intangible assets	10	20
- Foreign exchange losses	14	25
- Fair value adjustment on put liability	(142)	(37)
- Core earnings adjustments of joint ventures	1	(10)
Core headline earnings	142	259