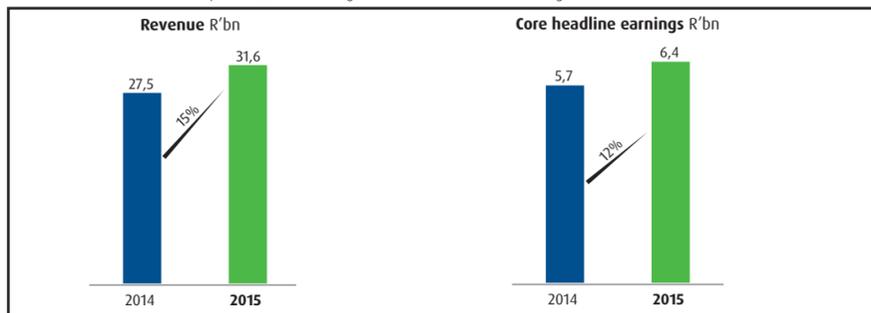


MultiChoice operates video-entertainment (previously pay-television) and internet platforms across the African continent. As the operating environment changes, our business changes. MultiChoice started as an operator of pay-television platforms. Having developed and launched online and connected products, we have begun our transformation to building a successful video-entertainment business.



MultiChoice posted a solid performance over the past year. Full-year consolidated revenues grew by 15%, with core headline earnings growing by 12%. The group's focus remained on growing the business by expanding its customer base, while investing in new technologies and services. MultiChoice continued to contribute to the economy and society in various areas where it can make a sustainable difference.

OPERATIONAL REVIEW

The group delivered an outstanding customer-viewing experience in the financial year by securing the best international and local content and making further technological advances in its product set.

Our customer base grew by 12% (by 573 000) and closed on a record 5.4m households. Excellent international content, sports offerings and increased investment in local content remained the key drivers of growth. The DStv Explora, our flagship personal video recorder (PVR), is proving to be a significant differentiator for the group. Since November 2014 software enhancements enabled the Explora to be connected to the internet, giving connected customers access to a bigger library of DStv Catch Up content. The Explora was voted most innovative technology product of the year in its category for 2015 and continued to drive PVR sales, increasing by 25% from the prior year. We launched a new high-definition (HD) single-view decoder and made our HD channels available on all packages. Our range of decoders was standardised to HD in August 2014.

Our "TV everywhere" strategy continued with the launch of DStv Now in November 2014. This enabled our DStv Premium customers to watch the latest movies, series, live sport and DStv Catch Up content on their tablets or smartphones – anywhere, any time.

BoxOffice, our video-on-demand service, continued to grow with a monthly average of close to 600 000 movie rentals, up 12% on the prior year. The catalogue was expanded to 20 titles on the DStv Explora and 68 titles online. The range of HD channels was expanded and we now carry 21 HD channels on the DStv platform. Eleven new channels were added, with M-Net launching M-Net EDGE (showcasing award-winning, critically acclaimed drama) and VUZU Amp (international first-run drama and reality programming). We also launched Glow, Zee World, EVA, Lifetime, Ebony Life TV, BET International, Lesotho TV, Nicktoons and Nick Jr.

Express from the US was launched by M-Net in 2014, giving DStv Premium customers access to award-winning series such as Gotham (season one), Girls (season two), Looking (season two) and Vikings (season five). All these shows aired soon after or at the same time as their US releases. A notable first for South Africa is the broadcasting of Game of Thrones (season five) at the same time as the USA.

The group continued to invest significantly in local content across the African continent. Stellar performances continued by *Isibaya* (Mzansi Magic's weekday telenovela about taxi wars set in rural KwaZulu-Natal), *Zabalaza* (a soap opera set in Dube, Soweto) and *Rockville* (Mzansi Magic's first local drama) – all currently in their third seasons and well rated in their respective time slots. New offerings such as *Saints* and *Sinners* also performed well.

The Mzansi family of channels (Mzansi Magic, Mzansi Bioskop, Mzansi Wethu and Mzansi Magic Music) performed well on the various packages. Mzansi Bioskop, M-Net's local movie channel that showcases locally produced South African movies, remained popular with audiences and 100 titles were produced the past year.

Lokshin Bioskop – local films produced by up-and-coming producers – is another of M-Net's successful local investments. Local versions of reality shows *Clash of the Choirs* (season two), *MasterChef South Africa* (season three), *Big Brother Africa* (season nine) and the top singing contest *Idols SA* (season ten) continued to engage customers. *Vallei van Sluiers* – a drama series on kykNET about farming, family intrigues and conflicts, set against the backdrop of the Ceres valley in the Western Cape – is popular with our Afrikaans audience.

M-Net also launched a successful Afrikaans movie pop-up channel, *fliëkNET*, with 24 hours of uninterrupted Afrikaans movies in the summer holidays.

SuperSport remains the biggest funder of sport on the African continent. It invests in local leagues at all levels by paying broadcast licence fees, developing local administrators and production crews, improving facilities and helping federations to obtain sponsorships.

MultiChoice continues to play a role in the communities in which it operates. A significant milestone was the launch of the MultiChoice Diski Challenge in September 2014 – a three-year multipronged corporate social investment (CSI) initiative. With Diski we aim to improve the skills levels of football players and broadcasting professionals, while still bringing the best in sports entertainment to our customers' screens. M-Net launched *Magic in Motion* in 2015. This is an exciting CSI initiative committed to developing talent in the field of film and television production.

The Ministry of Communications has started its review of the broadcasting sector. This will open debates on a number of issues that may impact our business. A number of broadcasting regulations have been identified for review. These include regulations on local content and provision for people with disabilities. We will work with the regulator, Independent Communications Authority of South Africa (Icasa), and other stakeholders and use our best endeavours to ensure that appropriate and practical solutions are developed.

FINANCIAL REVIEW

Consolidated revenues increased to R31,6bn, driven by growth in the customer base and advertising revenues.

Our trading profits improved by 13% despite cost pressures from growth in the customer base, investment in new technologies, further investment in local content, programming costs and the weaker exchange rate. After paying all other costs, including taxes, core headline earnings were R6,4bn – an increase of 12% on the prior year. We generated free cash flows of R6,4bn and the balance sheet remains in good shape.

During the review period MWEB disposed of its technical backend infrastructure and entered into a joint Wi-Fi business venture with a 49% shareholding. MWEB is now a consumer-focused internet service provider only. An aggregate loss on disposal of R219m has been recognised with this transaction.

Additional transponder capacity was purchased from Intelsat to strengthen our in-orbit backup capacity and provide for future expansion of services. This will launch in 2016. The group also invested in a second broadcast site as part of its business continuity plan.

The assets and liabilities of Phuthuma Nathi Investments, a wholly owned subsidiary of the group, have been reclassified to held-for-sale at 31 March 2015 as management evaluates offers for MultiChoice's shareholding in this company.

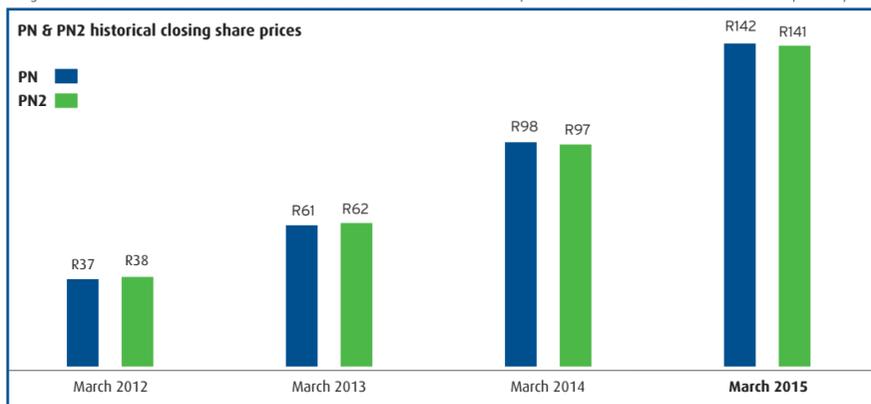
The board recommends that an ordinary dividend of R6,2bn be paid to ordinary shareholders subject to the approval of shareholders at the annual general meeting on 2 September 2015.

DIRECTORATE

On 1 April 2015 Mr Elias Masilela was appointed a non-executive director of MultiChoice and MultiChoice South Africa Proprietary Limited. Mr Nazeer Wadee (chief financial officer, MultiChoice group) was appointed as the director responsible for the finance function of said companies with effect from 15 June 2015. Short biographical details of all directors may be found on the MultiChoice website. Messrs Fergus Sampson and Timothy Jacobs resigned as directors on 31 October 2014 and 17 April 2015 respectively. The board thanks them for their valuable contributions to the group.

PHUTHUMA NATHI

The trading platforms for Phuthuma Nathi Investments (RF) Limited (PN) and Phuthuma Nathi Investments 2 (RF) Limited (PN2), our two black economic empowerment (BEE) companies, hosted over 15 000 deals for the year, representing a volume of 5,3m shares. We are delighted that close to 70% of our shareholders have held their shares since inception of the schemes in 2006 and 2007 respectively.



The PN and PN2 annual general meetings will be held on 2 September 2015. The Phuthuma Nathi boards recommend that an ordinary dividend of 1 837,04 cents per PN share and PN2 share (2014: 165,93 cents and a special dividend of 586,40 cents per PN and 801,28 cents per PN2 share) be paid to shareholders. This will result in a total dividend received by PN and PN2 shareholders of R1,2bn (2014: R556m).

The dividend payments made in September 2014 essentially discharged the funding obligations of PN and PN2 in respect of the schemes. We look forward to continuing a long and prosperous relationship with our Phuthuma Nathi shareholders.

During the past year the Registrar of Securities Services ("the Registrar") indicated that all traditional over-the-counter trading platforms like the platforms operated by PN and PN2 should regularise their affairs in terms of the Financial Markets Act, 2012. PN and PN2 have engaged and continue to engage proactively with the Registrar in this regard and will continue to build on the positive engagement it has had with the Registrar thus far. PN and PN2 remain committed to complying with any directives and/or conditions issued by the Registrar.

BASIS OF PRESENTATION

These summarised consolidated financial statements have been extracted from the complete set of audited consolidated annual financial statements for the year ended 31 March 2015, which have been prepared in accordance with 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 Companies Act of South Africa. The summarised consolidated financial statements have been prepared using the principles of IAS 34 *Interim Financial Reporting* and should be read in conjunction with the complete set of audited consolidated annual financial statements. These accounting policies have been consistently applied to all the years presented, unless otherwise stated.

No new accounting pronouncements or amendments have been issued by the International Accounting Standards Board (IASB) that impact the group.

Management operates the business under one video-entertainment segment. The balance sheet reflects the fair value of assets and liabilities.

Trading profit excludes amortisation of intangible assets (other than software), but includes the finance cost on transponder leases. The trading profit definition has been amended to exclude impairment of assets and other gains and losses. The comparative has been adjusted accordingly. Core headline earnings exclude non-recurring and non-operating items. We believe this is a useful measure of the group's sustainable operating performance. However, core headline earnings and trading profit are not defined terms under IFRS, are not audited and may not be comparable with similarly titled measures reported by other companies.

These financial results have been prepared under the supervision of Mr Nazeer Wadee (director responsible for finance function).

The complete annual financial statements are available on the MultiChoice and Phuthuma Nathi websites: www.multichoice.co.za/ www.phuthumanathi.co.za/

REPORT OF THE INDEPENDENT AUDITOR

The annual financial statements have been audited by the company's auditor, PricewaterhouseCoopers Inc., whose unqualified audit reports on the annual financial statements and annual results announcement are available for inspection at the registered office of the company and on the company's website. The auditor's report does not necessarily cover all the information in this annual results announcement. Shareholders are advised that to obtain a complete understanding of the nature of the auditor's work they should obtain a copy of that report, together with the annual financial statements, from the registered office of the company or the company's website. Any reference to future performance in this announcement has not been reviewed or reported on by PricewaterhouseCoopers Inc.

On behalf of the board

Nolo Letele
Chair

Randburg
29 June 2015

Imtiaz Patel
Chief executive

Randburg
29 June 2015

Consolidated statements of profit or loss	Years ended 31 March	
	2015 R'm	2014 R'm
Revenue	31 580	27 465
Cost of providing services and sale of goods	(16 646)	(14 409)
Selling, general and administration expenses	(6 117)	(5 105)
Operating profit	8 817	7 951
Interest received	144	109
Interest paid	(443)	(486)
Foreign exchange losses	(408)	(374)
Dividend received	-	6
Share of equity-accounted results	(28)	4
Reversal/(impairment of equity-accounted investments)	8	(23)
Acquisitions and disposals	(213)	1 386
Profit before taxation	7 877	8 573
Taxation	(2 238)	(2 276)
Profit for the year	5 639	6 297
Attributable to:		
Equity holders of the group	5 639	6 300
Non-controlling interest	-	(3)
	5 639	6 297
Core headline earnings for the year	6 349	5 660
Headline earnings for the year	5 867	5 189

Reconciliation of operating profit to trading profit

Reconciliation of operating profit to trading profit	Years ended 31 March	
	2015 R'm	2014 R'm
Operating profit	8 817	7 951
Finance cost on transponder leases	(188)	(174)
Amortisation of intangible assets	23	23
Impairment of assets	228	3
Other losses	6	31
Trading profit	8 886	7 834

Condensed consolidated statements of comprehensive income and changes in equity

Condensed consolidated statements of comprehensive income and changes in equity	Years ended 31 March	
	2015 R'm	2014 R'm
Balance at beginning of the year	7 968	7 101
Profit for the year	5 639	6 300
Total other comprehensive income, net of tax, for the year	194	(902)
Translation of foreign operations	2	24
Cash flow hedges	267	(279)
Revaluations of investments	-	(725)
Tax on other comprehensive income	(75)	78
Changes in other reserves		
Share-based compensation movement	33	(20)
Movement in existing control business combination reserve	68	(26)
Dividends paid to shareholders	(5 000)	(4 500)
Translation of foreign operations	(56)	-
Changes in non-controlling interest		
Total comprehensive income for the year	-	(3)
Movement in non-controlling interest in reserves	-	18
Balance at end of year	8 346	7 968
Comprising:		
Share capital and premium	17 216	17 216
Retained earnings	5 859	5 720
Share-based compensation reserve	179	147
Existing control business combination reserve	(15 088)	(15 156)
Hedging reserve	158	(35)
Fair value reserve	17	17
Foreign currency translation reserve	5	59
Total	8 346	7 968

Condensed consolidated statement of financial position

Condensed consolidated statement of financial position	Years ended 31 March	
	2015 R'm	2014 R'm
ASSETS		
Non-current assets	12 360	11 518
Current assets	8 628	8 569
Non-current assets classified as held-for-sale	109	-
Total assets	21 097	20 087
EQUITY AND LIABILITIES		
Capital and reserves	8 346	7 968
Non-current liabilities	4 613	4 720
Current liabilities	8 122	7 399
Non-current liabilities classified as held-for-sale	16	-
Total equity and liabilities	21 097	20 087

Commitments

Commitments	Years ended 31 March	
	2015 R'm	2014 R'm
Capital expenditure	46	672
Programme and film rights	18 416	17 701
Network and other service commitments	1 504	1 054
Transponder leases	7 248	424
Operating lease commitments	83	183
Set-top box commitments	588	609
	27 885	20 643

Condensed consolidated statements of cash flows

Condensed consolidated statements of cash flows	Years ended 31 March	
	2015 R'm	2014 R'm
Cash flow generated from operating activities	7 659	6 127
Cash flow (utilised in)/generated from investing activities	(1 251)	2
Cash flow utilised in financing activities	(6 512)	(4 826)
Net movement in cash and cash equivalents	(104)	1 303
Foreign exchange translation adjustments	24	(39)
Reclassification of cash to held-for-sale	(21)	-
Cash and cash equivalents at beginning of the year	2 594	1 330
Cash and cash equivalents at end of the year	2 493	2 594

Calculation of headline and core headline earnings

Calculation of headline and core headline earnings	Years ended 31 March	
	2015 R'm	2014 R'm
Net profit attributable to shareholders	5 639	6 300
Adjusted for:		
- (Profit)/loss on sale of property, plant and equipment	(5)	11
- Impairment of assets	234	27
- Reversal of impairment of assets	(10)	-
- Gain from bargain purchase	(4)	-
- Third-party compensation	(21)	-
- Gain on loss of control	93	-
- Profit on sale of investments	-	(1 386)
- Profit on sale of intangible assets	(5)	-
	5 921	4 952
Total tax effects of adjustments	(54)	237
Total adjustment for non-controlling interest	-	-
Headline earnings	5 867	5 189
Adjusted for:		
- Amortisation of intangible assets	16	17
- Foreign exchange losses	344	432
- IFRS 3 acquisition and remeasurement costs	89	-
- IFRS 2 equity-settled charges	33	22
Core headline earnings	6 349	5 660
Number of shares (000)	337 500	337 500

Directors
F L N Letele (chair), S Dakile-Hlongwane, D G Eriksson, K D Moroka, B van Dijk, S J Z Pacak, M I Patel, K B Sibiyi, J J Volkwyn, E Masilela, N A Wadee

Group company secretary
L J Klink

Registered office
144 Bram Fischer Drive, Randburg 2194 (PO Box 1502, Randburg 2125)

Transfer secretaries
Equity Express, a division of Singular Systems (Pty) Ltd, 71 Corlett Drive, Birnam 2196 (PO Box 1244, Bramley 1818)



INDEPENDENT AUDITOR'S REPORT ON SUMMARY FINANCIAL STATEMENTS

TO THE SHAREHOLDERS OF MULTICHOICE SOUTH AFRICA HOLDINGS PROPRIETARY LIMITED

The summary consolidated financial statements of MultiChoice South Africa Holdings Proprietary Limited, contained in the accompanying annual results announcement, which comprise the summary consolidated statement of financial position as at 31 March 2015, the summary consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of MultiChoice South Africa Holdings Proprietary Limited for the year ended 31 March 2015. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated 12 June 2015. Our auditor's report on the audited consolidated financial statements contained an Other Matter paragraph: "Other Reports Required by the Companies Act" (refer below). Those consolidated financial statements and the summary consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on those consolidated financial statements.

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summary consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of MultiChoice South Africa Holdings Proprietary Limited.

Directors' Responsibility for the Summary Consolidated Financial Statements

The directors are responsible for the preparation of a summary of the audited consolidated financial statements in accordance on the basis described in the notes to the summary consolidated financial statements and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Auditor's Responsibility

Our responsibility is to express an opinion on the summary consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, *Engagements to Report on Summary Financial Statements*.

Opinion

In our opinion, the summary consolidated financial statements derived from the audited consolidated financial statements of MultiChoice South Africa Holdings Proprietary Limited for the year ended 31 March 2015 are consistent, in all material respects, with those consolidated financial statements and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Other Reports Required by the Companies Act

The "Other Reports Required by the Companies Act" paragraph in our audit report dated 29 June 2015 states that as part of our audit of the consolidated financial statements for the year ended 31 March 2015, we have read the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate for the purpose of identifying whether there are material inconsistencies between these reports and the audited consolidated financial statements. These reports are the responsibility of the respective preparers. The paragraph states that, based on reading these reports, we have not identified material inconsistencies between these reports and the audited consolidated financial statements. The paragraph furthermore states that we have not audited these reports and accordingly do not express an opinion on these reports. The paragraph does not have an effect on the summary consolidated financial statements or our opinion thereon.


PricewaterhouseCoopers Inc.
Director: SN Madikane
Registered Auditor
Johannesburg
29 June 2015

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