
Corporate information

Secretary and registered office

E Sather, (FCIS, CPA, BMDP)
6th Floor
Primedia Place
5 Gwen Lane
Sandton, 2196
(PO Box 652110, Benmore, 2010)

Sponsor

Investec Bank Limited
(Registration number 1969/004763/06)
100 Grayston Drive
Sandton, 2196
(PO Box 78055, Sandton, 2146)

Joint adviser, arranger and underwriter

Rand Merchant Bank
A division of FirstRand Bank Limited
(Registration number 1929/001225/06)
4 Merchant Place
Corner Fredman Drive and Rivonia Road
Sandton, 2196
(PO Box 786273, Sandton, 2146)

Bankers

The Standard Bank of South Africa Limited
(Registration number 1962/000738/06)
Standard Bank Centre
5 Simmons Street
Johannesburg 2001
(PO Box 7725, Johannesburg 2000)

First National Bank
A division of FirstRand Bank Limited
(Registration number 1929/001225/06)
4 Merchant Place
Corner Fredman Drive and Rivonia Road
Sandton, 2196
(PO Box 786273, Sandton, 2146)

Rand Merchant Bank
A division of FirstRand Bank Limited
(Registration number 1929/001225/06)
4 Merchant Place
Corner Fredman Drive and Rivonia Road
Sandton, 2196
(PO Box 786273, Sandton, 2146)

Investec Bank Limited
(Registration number 1969/004763/06)
100 Grayston Drive
Sandown
Sandton, 2196
(PO Box 785700, Sandton, 2146)

Corporate law advisers

Edward Nathan (Proprietary) Limited
(Registration number 2004/005665/07)
150 West Street
Sandton, 2196
(PO Box 783347, Sandton, 2146)

Transfer secretaries

Computershare Investor Services 2004
(Proprietary) Limited
(Registration number 2004/003647/07)
70 Marshall Street
Johannesburg, 2001
(PO Box 61763, Marshalltown, 2107)

Joint adviser, arranger and underwriter

Nedbank Capital
A division of Nedbank Limited
(Registration number 1951/000009/06)
Corporate Place
135 Rivonia Road
Sandton, 2196
(Private Bag X25, Benmore, 2010)

Table of contents

The definitions and interpretations on pages 6 and 7 of this Pre-listing statement apply, *mutatis mutandis*, to this table of contents.

	<i>Page</i>
Corporate information	1
Salient features	3
1. Introduction and rationale	3
2. Details of the Private Placement and the Listing	3
3. Salient features of the preference shares	4
4. Further copies of this Pre-listing statement	4
Timetable	5
Definitions and interpretations	6
Pre-listing statement	
A. PRIVATE PLACEMENT AND LISTING	8
1. Introduction and purpose	8
2. Details of the Private Placement and the Listing	8
3. Share capital of Primedia	11
4. Underwriting	13
5. Over-subscriptions and minimum subscription	13
6. Exchange Control Regulations	14
7. Expenses of the Private Placement and the Listing	14
B. INFORMATION RELATING TO PRIMEDIA	15
8. General information	15
9. Directors	17
10. Major shareholders	18
11. Directors' interests	18
12. General information regarding the share capital	19
13. Material changes	19
14. Litigation statement	19
15. Experts' consents	19
16. Lodging of documents	19
17. Directors' responsibility statement	20
18. Documents available for inspection	20
Annexure 1 Extracts from the articles of association of Primedia	21
Annexure 2 Extract from the articles of association relating to the terms of the non-redeemable, cumulative, non-participating preference shares	22
Annexure 3 Details of outstanding liabilities at 31 March 2006	25
Annexure 4 Details of interim results for the six months ended 31 December 2005	27
Annexure 5 Details of directors	33

Salient features

This document is for the use of investors participating in the Private Placement and prospective investors post the Listing. The information required by the Listings Requirements and included in this Pre-listing statement has been provided, together with the special resolutions to create and issue the preference shares passed by shareholders at the General meeting held on Thursday, 4 May 2006 and registered by the Registrar.

The definitions and interpretation set out on pages 6 and 7 of this Pre-listing statement apply to this section.

1. Introduction and rationale

Primedia wishes to raise cost-effective permanent share capital as part of a general capital management programme and to obtain funding for strategic initiatives of the Group.

This Pre-listing statement:

- provides prospective investors and the market with information relating to Primedia, its operations and its directors;
- enables Primedia to issue 1 500 000 preference shares to selected investors by way of a Private Placement and to bring about the listing of such preference shares; and
- sets out the salient features of the preference shares and the Private Placement.

2. Details of the Private Placement and the Listing

2.1 Details of the Private Placement

Prior to the issue of this Pre-listing statement, selected investors gave irrevocable commitments to subscribe for 1 500 000 preference shares at a subscription price of R100 per share.

Subscription price per preference share (including premium)	R100
Minimum Rand value of subscription per applicant acting as principal	R100 000
Number of preference shares offered	1 500 000
Amount to be raised in terms of the Private Placement	R150 000 000

No contracts, arrangements, proposed contracts or proposed arrangements, whereby any option or preferential right of any kind has or is proposed to be given to any person/s pursuant to the subscription of any of the preference shares have been entered into.

2.2 Details of the Listing

The JSE has granted Primedia a listing of 1 500 000 preference shares, in the Preference Shares – “Preference Shares” sector with the abbreviated name PRIMEDIA PREF, JSE Code PMAP and ISIN ZAE000080529, subject to the conditions referred to in paragraph 2.4 below. It is anticipated that the Listing will be effective from the commencement of business on Tuesday, 16 May 2006.

2.3 Underwriting agreement

Primedia has entered into an underwriting agreement with RMB and Nedbank Capital whereby the joint underwriters have underwritten the Private Placement of the 1 500 000 preference shares. In terms of the underwriting agreement, RMB and Nedbank Capital are entitled to withdraw from underwriting at any time prior to 12:00 on 15 May 2006, under certain material adverse changes.

2.4 Condition precedent

The Private Placement and Listing are subject to the following condition precedent:

- the requirements of the JSE in respect of the requisite spread of preference shareholders, being a minimum of 50 (fifty) public preference shareholders, excluding Primedia employees and their associates, being met.

3. Salient features of the preference shares

3.1 General

The preference shares are non-redeemable, cumulative and non-participating beyond the entitlement to the preference share dividends. The complete terms and conditions of the preference shares, as set out in the Articles of Association of Primedia, have been reproduced in Annexure 2 of this Pre-listing statement. The terms relating to voting rights, entitlement to dividends, changes to the prime rate and changes in tax status are summarised below.

3.2 Voting rights

The preference shares are non-voting, save that preference shareholders will be entitled to vote at a general meeting of the Company if one or more of the following circumstances prevail at the date of such meeting:

- during any period determined as provided in section 194(2) of the Companies Act in which any dividend or any part of any dividend on the preference shares remains in arrear and unpaid; or
- a resolution of Primedia is proposed which directly affects the rights attached to the preference shares or the interests of the holders of the preference shares.

3.3 Entitlements to dividends

Preference shareholders will receive, if declared, dividends out of the profits or reserves of Primedia payable on the dividend payment date, which is intended to be, in respect of the first preference dividend, not later than 30 September 2006, and thereafter not later than 31 March and 30 September of each year. The preference dividend for each of the preference shares shall be calculated in arrear in accordance with the following formula:

$$A = \frac{B \times C \times R100}{365}$$

Where:

- A = the preference dividend per preference share;
- B = 75% of the average daily prime rate which prevailed in respect of the relevant period for which the dividend is calculated (as contemplated in paragraph 3.4 below, but subject to paragraph 2.4.5 of this Pre-listing statement); and
- C = the number of days of the relevant period for which the dividend is calculated.

The preference share dividend shall be calculated in accordance with the formula above from the day following the last dividend payment date or the issue date as applicable for the first period, to and including the subsequent dividend payment date. Save that, if there are accumulated dividends, whether declared or not, that remain unpaid for a period of more than 7 (seven) months after the issue date, or the last dividend payment date, if later, the preference dividend shall continue to be calculated in accordance with the formula above, save that "B" shall be increased to 100% (one hundred per cent) of the prime rate, for the period from the expiration of the 7 (seven)-month period to the subsequent dividend payment date.

For so long as "B" is 100%, no distribution or dividend will be paid to ordinary and N ordinary shareholders and the Company will not be entitled to repurchase any of its issued ordinary or N ordinary shares.

3.4 Changes to the prime rate

In respect of any preference dividend declared, in the application of the formula in paragraph 3.3 above:

- the actual daily prime rate which prevailed over the period from the day following the last dividend payment date to the day immediately preceding the declaration date will be applied for the period in calculating the relevant preference dividend; and
- the prime rate which prevailed on the day immediately preceding the date on which the dividend is declared, if it is so declared, will be applied to the dividend period from the declaration date to dividend payment date. The effect of the aforementioned is that the preference dividend will not be adjusted for any changes in the prime rate between the day before the dividend declaration date, if a dividend is so declared, and the dividend payment date. Primedia undertakes that the period between the dividend declaration date and the dividend payment date will not exceed 30 business days.

4. Further copies of this Pre-listing statement

Copies of this Pre-listing statement may be obtained during normal business hours prior to 09:00 on Wednesday, 31 May 2006, from Primedia, the joint underwriters, the sponsors and the transfer secretaries, the addresses of which are set out in the "Corporate information" section of this Pre-listing statement.

Timetable

The definitions and interpretation set out on pages 6 and 7 of this Circular apply to this section.

2006

Irrevocable commitments on	Friday, 5 May
Publication of abridged Pre-listing statement on SENS on	Friday, 12 May
Publication of abridged Pre-listing statement in the press on	Friday, 12 May
Listing of the preference shares commences at 09:00 on	Tuesday, 16 May

Notes:

- (1) The abovementioned times and dates are South African times and dates and are subject to change.
- (2) Any change to the above times and dates will be released on SENS and published in the press.

Definitions and interpretations

Throughout this Pre-listing statement and the annexures hereto, unless otherwise stated or the context otherwise indicates, the words in the first column shall have the meanings stated opposite them in the second column and words in the singular shall include the plural and *vice versa*, words importing natural persons shall include corporations and associations of persons and any reference to one gender shall include the other genders:

“Common Monetary Area”	South Africa, the Republic of Namibia and the Kingdoms of Swaziland and Lesotho;
“Companies Act”	Companies Act, 1973 (Act 61 of 1973), as amended;
“CSDP”	Central Securities Depository Participant;
“directors”	directors of Primedia;
“General meeting”	general meeting of Primedia shareholders which was held at the registered office of Primedia, at 09.00 on Thursday, 4 May 2006 to consider and, if deemed fit, to pass the resolutions to create and issue the preference shares;
“the Group”	Primedia and its subsidiaries;
“Income Tax Act”	Income Tax Act, 1962 (Act 58 of 1962), as amended;
“issue date”	date of the listing of the preference shares which is expected to be Tuesday, 16 May 2006;
“joint underwriters”	RMB and Nedbank Capital, in their capacities as joint underwriters to the Private Placement;
“JSE”	JSE Limited (Registration number 2005/022939/06), a public company incorporated in accordance with the laws of South Africa, which is licensed as an exchange under the Securities Services Act, 2004 (Act 36 of 2004);
“last practicable date”	close of business, Wednesday, 3 May 2006, being the last practicable date on which information could be included in this Pre-listing statement prior to its finalisation;
“Listing”	listing of the preference shares on the JSE in the Preference Shares-“Preference Shares” sector under the abbreviated name PRIMEDIA PREF, JSE Share Code PMAP and ISIN ZAE000080529, subject to the condition referred to in paragraph 2.3 of this Pre-listing statement;
“N ordinary shares” or “Primedia N ordinary shares”	N ordinary shares with a par value of R0,0002 each in the authorised and issued share capital of Primedia;
“Nedbank Capital”	Nedbank Capital, a division of Nedbank Limited;
“ordinary shares” or “Primedia ordinary shares”	ordinary shares with a par value of R0,02 each in the authorised and issued share capital of Primedia;
“Pre-listing statement”	this Pre-listing statement and its annexures and attachments, dated Friday, 12 May 2006;
“preference shareholder”	registered owner of preference shares;
“preference shares” or “Primedia preference shares”	variable rate non-redeemable, cumulative, non-participating preference shares in Primedia with a par value of R0,0002 each, the rights and privileges of which are set out in Annexure 2 to this Pre-listing statement;
“Primedia” or “the Company”	Primedia Limited (Registration number 1993/003355/06), a company incorporated in South Africa and listed on the JSE;
“prime rate”	the publicly quoted basic rate of interest from time to time (expressed as a percentage per year) quoted by The Standard Bank of South Africa Limited as being its prime overdraft rate, as certified by any manager of such bank whose appointment and/or designation need not be proved;

“Private Placement”	an offer of subscription by way of the placement of 1 500 000 preference shares at the subscription price;
“Registrar”	Registrar of Companies in South Africa;
“RMB”	Rand Merchant Bank, a division of FirstRand Bank Limited;
“SARB”	South African Reserve Bank;
“SENS”	Securities Exchange News Service of the JSE;
“shareholders” or “Primedia shareholders”	holders of ordinary shares and/or N ordinary shares;
“shares”	collectively, ordinary shares, N ordinary shares and preference shares in the share capital of Primedia;
“South Africa”	the Republic of South Africa;
“sponsor”	Investec Bank Limited;
“STRATE”	STRATE Limited (Registration number 1998/022242/06), a registered central securities depository in terms of the Custody and Administration of Securities Act, 1992 (Act 85 of 1992), as amended;
“STRATE system”	a clearing and settlement environment for security transactions to be settled and transfer of ownership to be recorded electronically, managed by STRATE;
“subscription price”	subscription price of each preference share, being an amount of R100 each, which is equivalent to a par value of R0,0002 and premium of R99,9998 per preference share; and
“transfer secretaries”	Computershare Investor Services 2004 (Proprietary) Limited (Registration number 2004/003647/07), a company incorporated in South Africa.



(Incorporated in the Republic of South Africa)
 (Registration number 1993/003355/06)
 Share code: PMA ISIN: ZAE000035119
 Share code: PMN ISIN: ZAE000035127
 Preference share code: PMAP ISIN: ZAE000080529
 (“Primedia” or “the Company”)

Pre-listing statement

A. PRIVATE PLACEMENT AND LISTING

1. Introduction and purpose

Primedia wishes to raise cost-effective permanent share capital as part of a general capital management programme and to obtain funding for strategic initiatives of the Group. More specifically, the proceeds of the Private Placement will enable the Company to attain a more optimal capital structure which, in the opinion of the directors, is deemed appropriate for the activities of the Group.

This Pre-listing statement:

- provides prospective investors and the market with information relating to Primedia, its operations and directors;
- enables Primedia to issue 1 500 000 preference shares to selected investors by way of a Private Placement and to bring about the listing of such preference shares; and
- sets out the salient features of the preference shares and the Private Placement.

Potential investors’ attention is drawn to the fact that subscriptions can only be made for a minimum subscription amount of R100 000 per single addressee acting as principal.

2. Details of the Private Placement and the Listing

2.1 Particulars of the Private Placement

Prior to the issue of this Pre-listing statement, selected investors gave irrevocable commitments to subscribe for 1 500 000 preference shares at a subscription price of R100 per preference share.

Subscription price per preference share	R100
Nominal value per preference share	R0,0002
Minimum Rand value of subscription per applicant acting as principal	R100 000
Number of preference shares offered	1 500 000
Amount to be raised in terms of the offer for subscription	R150 000 000

2.2 Details of the Listing

The JSE has granted Primedia a listing of 1 500 000 preference shares, in the Preference Shares – “Preference Shares” sector with the abbreviated name PRIMEDIA PREF, JSE Code PMAP and ISIN ZAE000080529, subject to the conditions referred to in paragraph 2.3 below. It is anticipated that the Listing will be effective from the commencement of business on Tuesday, 16 May 2006.

2.3 Condition precedent

The Private Placement and Listing are subject to the following condition precedent:

- the requirements of the JSE in respect of the requisite spread of preference shareholders, being a minimum of 50 (fifty) public preference shareholders, excluding Primedia employees and their associates, being met.

2.4 Rights attaching to preference shares

The preference shares are non-redeemable, cumulative and non-participating. The complete terms and conditions of the preference shares, to be included in the Articles of Association of Primedia, upon approval by Primedia shareholders have been reproduced in Annexure 2 to this Pre-listing statement. The terms relating to voting rights, entitlement to dividends, changes to the prime rate and changes in tax status are summarised below.

2.4.1 Voting rights

The preference shares are non-voting, save that preference shareholders will only be entitled to vote at a general meeting of the Company if one or more of the following circumstances prevail at the date of such meeting:

- during any period determined as provided in section 194(2) of the Companies Act in which any dividend or any part of any dividend on the preference shares remains in arrear and unpaid; or
- a resolution of Primedia is proposed which directly affects the rights attached to the preference shares or the interests of the holders of the preference shares.

At every general meeting of the Company at which holders of the preference shares are present and entitled to vote, a preference shareholder shall be entitled to that proportion of the total votes in the Company which the aggregate amount of the nominal value of the shares held by him bears to the aggregate amount of the nominal value of all shares issued by the Company.

2.4.2 Entitlements to dividends

Preference shareholders will receive, if declared, dividends out of the profits or reserves of Primedia payable on the dividend payment date, which is intended to be, in respect of the first preference dividend, not later than 30 September 2006, and thereafter not later than 31 March and 30 September of each year. The preference dividend for each of the preference shares shall be calculated in arrear in accordance with the following formula:

$$A = \frac{B \times C \times R100}{365}$$

Where:

- A = the preference dividend per preference share;
- B = 75% of the average daily prime rate which prevailed in respect of the relevant period for which the dividend is calculated (as contemplated in paragraph 2.4.3 below, but subject to paragraph 2.4.5 below); and
- C = the number of days of the relevant period for which the dividend is calculated.

The preference share dividend shall be calculated in accordance with the formula above from the day following the last dividend payment date or the issue date as applicable for the first period, to and including the subsequent dividend payment date. Save that, if there are accumulated dividends, whether declared or not, that remain unpaid for a period of more than 7 (seven) months after the issue date, or the last dividend payment date, if later, the preference dividend shall continue to be calculated in accordance with the formula above, save that "B" shall be increased to 100% (one hundred per cent) of the prime rate, for the period from the expiration of the 7 (seven) month period to the subsequent dividend payment date.

For so long as "B" is 100%, no distribution or dividend will be paid to ordinary and N ordinary shareholders and the Company will not be entitled to repurchase any of its issued ordinary or N ordinary shares.

2.4.3 Changes to the prime rate

In respect of any preference dividend declared, in the application of the formula in paragraph 2.4.2 above:

- the actual daily prime rate which prevailed over the period from the day following the last dividend payment date to the day immediately preceding the declaration date will be applied for the period in calculating the relevant preference dividend; and
- the prime rate which prevailed on the day immediately preceding the date on which the dividend is declared, if it is so declared, will be applied to the dividend period from the declaration date to dividend payment date. The effect of the aforementioned is that the preference dividend will not be adjusted for any changes in the prime rate between the day before the dividend declaration date, if a dividend is so declared, and the dividend payment date. Primedia undertakes that the period between the dividend declaration date and the dividend payment date will not exceed 30 business days.

2.4.4 Winding-up and liquidation

Each preference share shall confer on the holder of such preference share the right to a return of capital on the winding-up of the Company, in an amount equal to the aggregate of the par value thereof and a proportionate share of the premium paid up on all preference shares issued by the Company together with an amount equal to all dividends accrued and/or accumulated in respect of such preference share (as contemplated in paragraph 2.4.2 above) calculated in accordance with 2.4.2 above, to the date of payment, in priority to any payment in respect of any ordinary shares and N ordinary shares in the capital of the Company.

2.4.5 Changes to tax status

In terms of the Income Tax Act, the preference dividends paid on the preference shares are exempt from income tax in the hands of the preference shareholder. If there is an amendment or amendments to the Income Tax Act that results in the preference dividends being taxable in the hands of the preference shareholders and which results in the payment of preference dividends becoming a deductible expense for the Company, provided such amendment is uniformly applicable to all corporate tax payers and not only because of the particular circumstances of the Company or any preference shareholder, the percentage of the prime rate will be increased by the Company in the application of the formula in paragraph 2.4.2 above. Such increase will be limited to the extent that the Company incurs reduced costs in servicing the preference shares, which cost savings it would not have obtained but for such amendments to the Income Tax Act.

If such amendments to the Income Tax Act do not result in the Company incurring reduced costs in servicing the preference shares, then, notwithstanding that such amendment may result in a decrease in the after-tax returns of any preference shareholder on its holding of preference shares, no change shall be made to the percentage of the prime rate. The Company shall be entitled to require its auditors to verify whether it is obliged to increase the percentage of the prime rate. The auditors, in deciding whether such increase is required, shall act as experts and not as arbitrators and their decision shall, in the absence of manifest error, be final and binding on the Company and all preference shareholders. The costs of such auditors shall be borne and paid by the Company.

The entire terms and conditions of the preference shares, as set out in the articles of association of Primedia, have been included in Annexure 2 to this Pre-listing statement.

2.4.6 Variation of rights

The terms of the preference shares may not be modified, altered, varied, added to or abrogated without the prior written consent of at least three-fourths of the preference shareholders or the prior sanction of a resolution passed at a separate class meeting of the preference shareholders in the same manner, *mutatis mutandis*, as a special resolution.

2.5 Taxation considerations

Based on current taxation law interpretation dividends arising from the preference share shall not be taxable in the hands of the holder. Capital gains arising on a sale of the preference shares shall be taxable under the provisions of 8th Schedule to the Income Tax Act.

3. Share capital of Primedia

3.1 Authorised and issued share capital

The authorised and issued share capital of Primedia, before and after the Private Placement, assuming that preference shares with an aggregate value of R150 000 000 are allotted and issued, are set out below.

Before the private placement

	R'000
Authorised share capital	
100 000 000 ordinary shares of R0,02 each	2 000
200 000 000 N ordinary shares of R0,0002 each	40
5 000 000 non-redeemable, cumulative, non-participating preference shares of R0,0002 each ⁽¹⁾	1
Total authorised share capital	2 041
Issued share capital	
52 086 276 ordinary shares of R0,02 each	1 042
184 541 569 N ordinary shares of R0,0002 each	37
	1 079
Less: Shares held by the Primedia Trust	
304 747 ordinary shares of R0,02 each	(6)
7 753 778 N ordinary shares of R0,0002 each	(2)
Total issued share capital	1 071
Share Premium	
Gross premium, less issue expenses and intangibles written-off	502 091
Premium on share buy-backs and shares held in The Primedia Trust	(48 109)
Distribution to shareholders	(269 055)
Total share premium	184 927

⁽¹⁾ Creation of 5 000 000 non-redeemable, cumulative, non-participating preference shares was approved at a special general meeting of Primedia shareholders held on 4 May 2006.

After the private placement

	R'000
Authorised share capital	
100 000 000 ordinary shares of R0,02 each	2 000
200 000 000 N ordinary shares of R0,0002 each	40
5 000 000 non-redeemable, cumulative, non-participating preference shares of R0,0002 each	1
Total authorised share capital	2 041
Issued share capital	
52 086 276 ordinary shares of R0,02 each	1 042
184 541 569 N ordinary shares of R0,0002 each	37
1 500 000 non-redeemable, cumulative, non-participating preference shares of R0,0002 each	-
	1 079
<i>Less: Shares held by the Primedia Trust</i>	
304 747 ordinary shares of R0,02 each	(6)
7 753 778 N ordinary shares of R0,0002 each	(2)
Total issued share capital	1 071
Share Premium	
Gross premium, less issue expenses and intangibles written-off	502 091
Premium on share buy-backs and shares held in the Primedia Trust	(48 109)
Distribution to shareholders	(269 055)
1 500 000 non-redeemable, cumulative, non-participating preference shares of R0,0002 each less issue expenses	143 392
Total share premium	328 319

The directors of the Company are authorised in terms of section 221 of the Companies Act, to allot and issue, for cash, all or any of the 5 000 000 (five million) non-redeemable, cumulative, non-participating preference shares to such persons who subscribe therefor pursuant to a private placing to be conducted by the Company and that all of the preference shares be and are hereby placed under the control of the directors for such allotment and issue, subject to the provisions of the Companies Act and the articles of association of the Company and section 222(1)(a) of the Companies Act, to allot and issue preference shares at an issue price of R100 (one hundred Rand) per preference share, to those directors of the Company who may participate in the aforesaid private placement.

4. Underwriting

The joint underwriters have underwritten the Private Placement of 1 500 000 of the preference shares. In terms of the underwriting agreement, the underwriting, arranging and advising fee payable to the joint underwriters amounts to R6,018 million plus VAT.

Subject to the terms and conditions set out in the underwriting agreement, the underwriter will subscribe for the preference shares not taken up in the Private Placement. This underwriting agreement was concluded on 11 April 2006. In terms of the underwriting agreement, RMB and Nedbank Capital are entitled to withdraw from underwriting at any time prior to 12:00 on Monday, 15 May 2006, under certain material adverse changes.

Details of the joint underwriters:

Name of underwriter	FirstRand Bank Limited	Nedbank Limited
Registration number	1929/001225/06	1951/000009/06
Registered office	1 Merchant Place Corner Fredman Drive and Rivonia Road Sandton, 2196 PO Box 786273 Sandton	135 Rivonia Road Sandown, 2196 PO Box 1144 Johannesburg
Secretary	B W Unser	G S Nienaber
Directors	G T Ferreira (<i>Chairman</i>) S E Nxasana (<i>Chief Executive</i>) V W Barlett J P Burger L L Dippenaar D M Falck P M Goss P K Harris W R Jardine R K Store B J van der Ross R A Williams	W A M Clewlow (<i>Chairman</i>) Prof M M Katz (<i>Vice-chairman</i>) M L Ndlovu (<i>Vice-chairman</i>) T A Boardman (<i>Chief Executive</i>) C J W Ball M W T Brown R G Cottrell B E Davison N Dennis (British) M A Enus-Brey Prof B de L Figaji R M Head (British) R J Khoza J B Magwaza M E Mkwanzazi J V F Roberts C M L Savage G T Serobe J H Sutcliffe

Issued share capital at the last practicable date

	FirstRand Bank Limited <i>R'million</i>	Nedbank Limited <i>R'million</i>
Share capital	4	443
Share premium	5 612	12 167
	5 616	12 610

5. Over-subscriptions and minimum subscription

If the Private Placement is oversubscribed, all applications may be reduced as determined by the joint underwriters, in consultation with the directors, subject to the minimum subscription amount of R100 000 for a single addressee acting as principal.

Subscriptions can only be made for a minimum amount of R100 000 per single addressee acting as principal.

6. Exchange Control Regulations

The following summary is intended as a guide and is therefore not comprehensive. If you are in any doubt in regard hereto, please consult your professional adviser.

6.1 South African Exchange Control Regulations

In terms of the South African Exchange Control Regulations:

- 6.1.1 a former resident of the Common Monetary Area who has emigrated may use emigrant blocked funds to subscribe for preference shares in terms of the Private Placement or purchase preference shares pursuant to the Listing;
- 6.1.2 all payments in respect of subscriptions for preference shares in terms of the Private Placement or purchases preference shares pursuant to the Listing by an emigrant using emigrant blocked funds must be made through the authorised dealer in foreign exchange controlling the blocked assets;
- 6.1.3 any preference share certificates that might be issued pursuant to the use of emigrant blocked funds will be endorsed "non-resident" and will be sent to the authorised dealer in foreign exchange through whom the payment was made; and
- 6.1.4 if applicable, refund monies payable in respect of unsuccessful applications or partly successful applications, as the case may be, for preference shares in terms of the Private Placement emanating from emigrant blocked accounts will be returned to the authorised dealer in foreign exchange through whom the payments were made, for credit to such applicants' blocked accounts. Applicants resident outside the Common Monetary Area should note that, where preference share certificates are in fact issued, such preference share certificates will be endorsed "non-resident" in terms of the South African Exchange Control Regulations.

6.2 Applicants resident outside the Common Monetary Area

- 6.2.1 In terms of the Exchange Control Regulations of South Africa, non-residents, excluding former residents of the Common Monetary Area, will be allowed to subscribe for preference shares in terms of the Private Placement or purchase preference shares pursuant to the Listing provided payment is received either through normal banking channels from abroad or from a non-resident account. All applications by non-residents must be made through an authorised dealer in foreign exchange.
- 6.2.2 A person who is not resident in the Common Monetary Area should obtain advice as to whether any governmental and/or legal consent is required and/or whether any other formality must be observed to enable a subscription to be made in terms of the Private Placement or purchase preference shares pursuant to the Listing.
- 6.2.3 The Private Placement does not constitute an offer in any area of jurisdiction in which it is illegal to make such an offer.

7. Expenses of the Private Placement and the Listing

The cash expenses of the Private Placement and the Listing including expenses related to the creation of the preference shares and underwriting commissions, as detailed below, are estimated to be R6 607 724 and relate, *inter alia*, to:

- the printing, publication and distribution costs of this Pre-listing statement and other related announcements of R230 000;
- fees payable to professional advisers of R6 018 320;
- JSE documentation and listing fees of R39 950 and R69 454, respectively.

All the fees payable to the parties below are exclusive of VAT.

	Amount R
RMB	3 009 160
Nedbank Capital	3 009 160
Edward Nathan	250 000
Ince (Proprietary) Limited	230 000

B. INFORMATION RELATING TO PRIMEDIA

8. General information

8.1 Incorporation

Primedia was incorporated in South Africa on 18 June 1993 and was listed on the JSE on 19 November 1993 under the name Primequity Limited. In 1995, the Company changed its name to Primedia Limited.

8.2 Background

Primedia is a leading South African media group, which has an established portfolio of businesses that cover advertising, content and one to one marketing. These businesses have leading positions in the markets in which they operate.

Primedia's advertising businesses are located principally in South Africa and span both the traditional and non-traditional media sectors. This mix strategically positions Primedia well, as advertisers attempt to reach an increasingly fragmented and diverse audience. The businesses enjoy a high degree of exclusivity, derived from regulated rights to various delivery platforms, which contributes to their attractive operating margins.

The Group's content businesses currently comprise filmed entertainment and electronic games. Filmed entertainment included the group's cinema exhibition, filmed distribution and home entertainment interests.

The recently launched Primedia Unlimited division focuses on new, growing advertising and content sectors.


The Group's strategy is to invest in:

- media assets that have significant rights exclusivity, critical mass, and which target customers with higher spending capacity;
- media sectors that show long-term growth, which are synergistic and have complementary economic cycles.

Key elements of the Group's strategy are summarised as follows:

- continued focus on growth, organically and through innovation, acquisitions and geographic expansion into the rest of Africa;
- investment in new high-growth media sectors;
- creating a greater diversity of assets; and
- maximisation of cash flow.

8.3 Group structure

		Effective economic interest
	BROADCASTING AND INTERNET	
	Africa on Air (Proprietary) Limited t/a 94.7 Highveld Stereo*	85,8%
	KFM Radio (Proprietary) Limited t/a 94.5 Kfm	92,2%
	Primedia Broadcasting (Proprietary) Limited t/a 702 Talk Radio	100,0%
	Cape Talk (Proprietary) Limited t/a 567 CapeTalk	100,0%
	Metropolis Transactive (Proprietary) Limited t/a iafrica.com	100,0%
	OUT OF HOME	
	Primedia Outdoor (Proprietary) Limited	100,0%
	Cartad In-Store Media (Proprietary) Limited t/a Primedia Instore	100,0%
	Primedia Face 2 Face (Proprietary) Limited	100,0%
	ADVERTISING	
	COMMUTER MEDIA	
	ComutaNet (Proprietary) Limited	100,0%
	Rank TV (Proprietary) Limited	100,0%
	Rank Branding (Proprietary) Limited	100,0%
	CINEMA AND PRINT	
	Primedia Cinema & Print (Proprietary) Limited t/a – Cinemark – Primedia @ Home – Primedia Publishing	100,0%
	SPORT	
	Primedia Sport (Proprietary) Limited	85,0%
Megapro Marketing (Proprietary) Limited	85,0%	
Signet Licensing and Marketing (Proprietary) Limited	80,0%	
Kaizer Chiefs (Proprietary) Limited	40,0%	
PRIMEDIA UNLIMITED ADVERTISING		
Go Transit (Proprietary) Limited t/a Primedia Unlimited	88,25%	
Wide Open Platform (Proprietary) Limited	60,0%	
Primall Media (Proprietary) Limited	50,1%	
Primestars Marketing (Proprietary) Limited	51,0%	
Forecourt Television Networks (Proprietary) Limited	100,0%	
XProcure (Proprietary) Limited	80,0%	
Roga Properties (Proprietary) Limited t/a The Letter Corporation	90,0%	
CONTENT		
FILMED ENTERTAINMENT		
Ster-Kinekor (Proprietary) Limited t/a – Ster-Kinekor Theatres – Ster-Kinekor Product Distribution – Ster-Kinekor Home Entertainment – Ster-Kinekor Games	100,0%	
PRIMEDIA UNLIMITED CONTENT		
Book4Golf (Proprietary) Limited	51,0%	
Mobile Games Company (Proprietary) Limited t/a Airgames	50,0%	
ONE TO ONE MARKETING		
ONE TO ONE MARKETING		
Knowledge Factory (Proprietary) Limited	100,0%	
The Database Group Company (UK)	97,1%	

* The acquisition of the remaining minority interest in Africa on Air (Proprietary) Limited, the licenceholder of 94.7 Highveld Stereo, has been approved by ICASA but is pending the approval of the Competition Board.

8.4 Prospects

Primedia has a strong management team and the appropriate assets to deliver on its key strategies going forward. The Group's continued focus on growth, together with the buoyancy of the economy should continue to drive operational leverage and support the positive momentum within the Group. Further growth is anticipated, through the acquisitions made during and subsequent to the 2005 financial year.

9. Directors

9.1 Directors

The full names, ages, nationalities (if not South African), addresses and profiles of the directors at the last practicable date are set out in Annexure 5.

9.2 Borrowing powers

The relevant provisions of the articles of association of Primedia governing the borrowing powers of directors are set out in Annexure 1 to this Pre-listing statement. The Articles of Association of Primedia may be amended by the passing of a special resolution of the shareholders of Primedia.

9.3 Corporate governance

The directors of Primedia are responsible and accountable to shareholders for ensuring compliance with the highest standard of corporate governance and for maintaining an effective system of internal controls. The board remains fully committed to the principles of integrity, transparency and accountability in its dealings with its shareholders and other stakeholders. It endorses and ensures that the Company remains compliant with the Code of Corporate Practices and Conduct, as stipulated in the King II Report, the JSE Listings Requirements and the Companies Act.

Structure

The board is responsible to shareholders for setting the direction of Primedia through the establishment of strategic objectives and key policies. A formal charter setting out the board's responsibilities has been adopted by the board. The board considers issues of strategic direction, major acquisitions and disposals, approves major capital expenditure and other matters having a material effect on Primedia.

Primedia has a unitary board of fifteen directors. The board consists of four executive directors, five non-executive directors and six independent non-executive directors in order to ensure that no one individual has unfettered powers of decision and authority.

Subject to specific fundamental, strategic and formal matters reserved for its decision, the board delegates certain responsibilities to a number of standing committees, which operate within defined terms of reference laid down by the board.

Skills and experience of the board

Primedia's directors have a wide range of expertise as well as significant experience in financial and commercial activities. All directors have access to management and to such information as is needed to carry out their duties and responsibilities fully and effectively. Furthermore, all directors are entitled to seek independent professional advice concerning the affairs of Primedia, at the Company's expense. The board undertakes a self-assessment annually to review its mix of skills, performance during the year, the contribution of individual directors and the effectiveness of its committees.

Selection, appointment and rotation of directors

All directors are subject to election by shareholders at the first opportunity following their appointment and, thereafter, at each three-year interval, in accordance with Primedia's articles of association. In total, at least one-third of the directors retire by rotation annually.

The Remuneration and Nominations Committee considers the appointment of all directors. The charter of the Committee makes provision for formalising procedures for assisting the board with director selection and appointment of directors. The committee makes recommendations to the board on the appointment of new executives and non-executive directors, the composition of the board generally and the balance between executive and non-executive directors.

The committee also co-ordinates an annual written review of the performance of all the board committees and the board itself, and performs an appraisal of the chief executive and the chairman.

Board committees

Subject to specific fundamental, strategic and formal matters reserved for its decision, the board delegates certain responsibilities to a number of standing committees, which operate within defined terms of reference laid down by the board. The board has expressly included in its charter an annual review of the composition and chairmanship of its various committees to ensure their continued relevance. Board committees have clearly defined, written terms of reference setting out their role and function, term, responsibility, scope of authority and procedures for reporting to the

board of directors. The committees fulfil an essential role in assisting the board in the performance of its duties. The committees are each chaired by an independent non-executive director except for the Executive Committee and the Remuneration and Nominations Committee which is chaired by an executive director and a non-executive director, respectively. The committees are as follows:

- Executive Committee;
- Audit and Governance Committee;
- Risk Committee;
- Transformation Committee; and
- Remuneration and Nominations Committee.

For a full report of the Company's corporate governance policies, potential investors are referred to the Company's 2005 Annual Report which may be obtained from Primedia's website (www.primedia.co.za).

10. Major shareholders

Insofar as is known to Primedia, the following major shareholders were, at 31 March 2006, the beneficial owners of 5% or more of the issued share capital of Primedia:

Shareholder	Number of Primedia N ordinary shares held	Percentage of issued N ordinary share capital (%)	Number of Primedia ordinary shares held	Percentage of issued ordinary share capital (%)
Coronation Fund Managers Mineworkers Investment Company (Proprietary) Limited	39 964 556	21.7	94 448	0,2
Old Mutual Asset Managers	26 617 635	14.4	11 325 930	21.7
Allan Gray Investment Council	6 986 765	3.8	17 117 018	32.9
Stanlib Asset Management	20 828 470	11.3	816 586	1,6
Investec Asset Management	10 575 971	5.7	1 835 230	3,5
Coltell Investments Limited	10 347 656	5.6	27 570	-
William Kirsh Family Trust	5 061 819	2.8	5 614 351	10.8
	1 260 863	0.7	4 723 767	9.1
	121 643 735	66.0	41 554 900	79.8

11. Directors' interests

The aggregate interests of the directors in the issued share capital of Primedia, at the last practicable date, are detailed below:

Ordinary shares	Direct		Indirect		Total
	Beneficial	Non-beneficial	Beneficial	Non-beneficial	
I Kirsh	90 000	-	-	7 544 420	7 634 420
W Kirsh	11 071	-	76 116	5 419 192	5 506 379
P Maw	15 540	-	-	896 820	912 360
C S Seabrooke	-	-	-	10 000	10 000
B J T Shongwe	9 400	-	-	-	9 400
M Bosman	-	-	-	1 594	1 594
K Pillay	-	-	770	-	770
	126 011	-	76 886	13 872 026	14 074 923

N ordinary shares	Direct		Indirect		Total
	Beneficial	Non-beneficial	Beneficial	Non-beneficial	
I Kirsh	37 295	-	-	5 706 238	5 743 533
W Kirsh	11 077	-	1 402 225	2 174 704	3 588 006
P Maw	44 271	-	-	574 641	618 912
M Bosman	-	-	-	269 708	269 708
C S Seabrooke	-	-	-	40 000	40 000
K Pillay	-	-	36 504	-	36 504
	92 643	-	1 438 729	8 765 291	10 296 663

No variation in the remuneration of the directors shall be receivable in consequence of the listing of the preference shares.

12. General information regarding the share capital

The issued ordinary and N ordinary shares of Primedia are listed on the JSE in the Media sector. The JSE has granted Primedia a listing of a maximum of 5 000 000 preference shares, in the Preference Shares – “Preference Shares” sector under the abbreviated name PRIMEDIA PREE, JSE Share Code PMAP and ISIN ZAE000080529, subject to the conditions referred to in paragraph 2.3 above.

The movement in the Company’s issued share capital over the last three years is set out as follows:

On 15 November 2002, Primedia issued 1 697 260 Primedia ordinary shares in settlement of the balance of the purchase price in respect of Comutanet (Proprietary) Limited. On 2 June 2003, Primedia issued 705 556 Primedia ordinary shares in settlement of the purchase price in respect of Primedia Sport (Proprietary) Limited. In terms of a general authority received from Primedia shareholders, Primedia purchased 4 438 839 Primedia N shares, which were subsequently cancelled and the listing on the JSE terminated. On 1 July 2004 Primedia issued 1 449 580 Primedia ordinary shares and 3 174 603 Primedia N shares to Mineworkers Investment Company (Proprietary) Limited. On 18 November 2005, in terms of a BEE transaction to increase its BEE shareholding, Primedia issued 8 000 000 N ordinary shares to Mineworkers Investment Company (Proprietary) Limited. There was no other movement in the share capital of Primedia in the previous three years.

In the 2005 annual financial report issued on 21 October 2005 Primedia announced its intention to acquire the remaining minority interests in its subsidiary, Africa on Air (Pty) Limited, for a purchase consideration of cash of R7,1 million and 5 962 385 N ordinary shares.

No commission or consideration has been paid by Primedia in respect of the allotment or issue of shares during the three years preceding the date of this Pre-listing statement.

The authorised but unissued preference shares will be under the control of the directors until Primedia’s next Annual General Meeting, subject to the provisions of the Companies Act and the JSE Listings Requirements.

The Company’s authorised share capital was increased by R1 000 (one thousand Rand) by the creation of 5 000 000 non-redeemable, cumulative, non-participating preference shares of a nominal value of R0,0002 each by special resolution approved by the requisite number of shareholders at the General Meeting of Primedia held on Thursday, 4 May 2006.

At the General Meeting of Primedia held on 4 May 2006, shareholders approved the ordinary resolution placing the preference shares under the control of the directors of the Company who were authorised to allot and issue the preference shares at their discretion until the next annual general meeting of the Company.

13. Material changes

There have been no material changes in the financial or trading position of Primedia between the release of its unaudited results for the six months ended 31 December 2005 and the last practicable date.

14. Litigation statement

The Group is not, and has not in the 12 (twelve) months preceding the last practicable date, been involved in any legal or arbitration proceedings which may have or have had a material effect on the financial position of the Group, nor is the Group aware of any such proceedings that are pending or threatened.

15. Experts’ consents

The joint underwriters, sponsors, attorneys, and transfer secretaries have consented in writing to act in the capacities stated and to their names being included in this Pre-listing statement and have not withdrawn their consent prior to the publication of this Pre-listing statement.

16. Lodging of documents

A copy of each of the underwriting agreement and the sworn declaration as required by section 153(2) of the Companies Act has been lodged with the Registrar.

17. Directors' responsibility statement

All the directors of Primedia, whose names are set out in Annexure 5 to this Pre-listing statement, 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 this Pre-listing statement contains all information required by law and the JSE Listings Requirements.

18. Documents available for inspection

Copies of the following documents will be available for inspection at the registered office of Primedia during normal business hours (excluding Saturdays, Sundays and public holidays) from the date of issue of this Pre-listing statement up to 09:00 on Wednesday, 31 May 2006:

- 18.1** the memorandum and articles of association of Primedia;
- 18.2** the Primedia Trust deed;
- 18.3** the relationship agreement, dated 1 November 2005, entered into between Primedia and Mineworkers Investment Company (Proprietary) Limited and any addenda thereto;
- 18.4** valuations relative to property, plant and equipment;
- 18.5** copies of service agreements with directors entered into during the last three years;
- 18.6** the unaudited financial results of Primedia for the six month period ended 31 December 2005;
- 18.7** the audited annual financial statements of Primedia for the three financial years ended June 2005;
- 18.8** the underwriting agreement;
- 18.9** written consents of the joint underwriters, sponsors, attorneys and transfer secretaries to the inclusion of their names in this Pre-listing statement in the context and form in which they appear; and
- 18.10** a signed copy of this Pre-listing statement.

SIGNED IN SANDTON BY OR ON BEHALF OF ALL THE DIRECTORS OF PRIMEDIA LIMITED ON 12 MAY 2006.

Extracts from the articles of association of Primedia

An extract of the provisions of the articles of association of Primedia as regards borrowing powers of the directors is set out below:

BORROWING POWERS

- 11.1 The directors may exercise all the powers of the Company to borrow money and to mortgage or encumber its undertaking and property or any part thereof and to issue debentures or debenture stock (whether secured or unsecured) and other securities (with such special privileges, if any, as to allotment of shares or stock, attending and voting at general meetings, appointment of directors or otherwise as may be sanctioned by a general meeting) whether outright or as security for any debt, liability or obligation of the Company or of any third party.
- 11.2 For the purpose of the provisions of Article 11.1, the borrowing powers of the Company shall be unlimited.

Extract from the articles of association relating to the terms of the non-redeemable, cumulative, non-participating preference shares

“38. NON-REDEEMABLE, CUMULATIVE, NON-PARTICIPATING PREFERENCE SHARES (“THE PREFERENCE SHARES”)

The following are the rights, restrictions, privileges and conditions which attach to the preference shares:

38.1 Subject to Article 38.8, each preference share will rank as regards dividends and a repayment of capital on the winding-up of the Company prior to the ordinary shares and N ordinary shares in the capital of the Company as set forth in Articles 38.2 and 38.3.

38.2 Each preference share shall confer on the holder of such preference share the right to a return of capital on the winding-up of the Company, in an amount equal to the aggregate of the par value thereof and a proportionate share of the premium paid up on all preference shares issued by the Company together with an amount equal to all dividends accrued and/or accumulated in respect of such preference share (as contemplated in Article 38.5.1) calculated in accordance with the provisions of Article 38.4, to the date of payment, in priority to any payment in respect of any ordinary shares and N ordinary shares in the capital of the Company.

38.3 Each preference share will confer on the holder of the preference share the right to receive out of the profits or reserves of the Company a cumulative preference dividend which shall be determined in the manner set out in Article 38.4 and paid in priority to any payment of dividends or distributions which may be declared in respect of any ordinary shares or N ordinary shares in the capital of the Company after the issue date provided that such right shall be subject to the Company declaring such preference dividend in the manner set out in these Articles and in accordance with the Statutes.

38.4 The preference dividend shall be calculated:

38.4.1 in accordance with the following formula:

$$A = \frac{B \times C \times D}{365}$$

where:

A = the preference dividend per preference share;

B = the average of the daily preference dividend rate, as defined in Article 39.8, over the number of days of the relevant period for which the preference dividend is calculated as specified in Article 38.4.2 below;

C = the number of days of the relevant period for which the preference dividend is calculated as specified in Articles 38.4.2 and 38.4.3 below; and

D = the deemed capital value of a preference share as defined in Article 39.2, which is and will remain R100,00 (one hundred rand) per preference share;

38.4.2 from the day following a preference dividend payment date (as defined in Article 39.7) until and including the preference dividend payment date immediately following, provided that the first preference dividend payment date, in respect of any tranche of preference shares issued, shall be calculated from the issue date of the preference shares concerned up to and including the preference dividend payment date immediately following such issue date;

38.4.3 notwithstanding what is contained in Articles 38.4.1 and 38.4.2 above, if and for so long as there are accumulated dividends, whether declared or not, that remain unpaid for a period of more than 7 (seven) months after the issue date, or for a period of 7 (seven) months after the last preference dividend payment date, if later, the preference dividend shall continue to be calculated in accordance with Article 38.4.1 above, save that “B” shall be increased to 100% (one hundred per cent) of the prime rate for the period from the expiration of the 7 (seven)-month period to the next preference dividend payment date.

38.5 The preference dividend shall:

38.5.1 accrue and/or accumulate in arrear until a preference dividend payment date; and

38.5.2 shall be paid, if declared in the sole and absolute discretion of the directors of the Company, on a preference dividend payment date.

- 38.6 For so long as Article 38.4.3 is applicable:
- 38.6.1 no dividend may be declared or paid on any ordinary share or N ordinary share in the Company;
 - 38.6.2 the Company may not make any other distributions of any nature to the holders of ordinary shares and N ordinary shares; and
 - 38.6.3 the Company may not repurchase any ordinary shares and any N ordinary shares in its issued share capital.
- 38.7 If there is an amendment or amendments to the Income Tax Act that results in the preference dividends being taxable in the hands of the preference shareholders and which results in payment of the preference dividends becoming a deductible expense for the Company, provided such amendment is uniformly applicable to all corporate taxpayers and not only because of the particular circumstances of the Company or any holder of the preference shares, the percentage of the prime rate used to calculate the preference dividend rate will be increased by the Company. Such increase will be limited to the extent that the Company incurs reduced costs in servicing the preference shares, which cost savings it would not have obtained but for such amendments to the Income Tax Act. If such amendments to the Income Tax Act do not result in the Company incurring reduced costs in servicing the preference shares, then, notwithstanding that such amendment may result in a decrease in the after-tax returns of any preference shareholder on its holding of preference shares, no change shall be made to the percentage of the prime rate used to calculate the preference dividend rate. The Company shall be entitled to require its auditors, for the time being, to verify whether it is obliged to increase such percentage of the prime rate in accordance with this Article 38.7. The auditors, in deciding whether such increase is required in terms of this Article 38.7, shall act as experts and not as arbitrators and their decision shall, in the absence of manifest error, be final and binding on the Company, all preference shareholders and all other shareholders of the Company. The costs of such auditors in making such determination shall be borne and paid by the Company.
- 38.8 The preference shares shall not confer on any holder thereof the right to any participation in the profits or assets of the Company (including, but not limited to the right to participate in any of the surplus assets on the winding-up of the Company) except as set out in Articles 38.2, 38.3, 38.4, 38.5 and 38.7.
- 38.9 Notwithstanding any provisions to the contrary contained herein, at any time after the issue of any preference shares and for so long as such preference shares remain issued the literal terms of the preference shares may not be varied, without the prior sanction of a resolution passed at a separate class meeting of the holders of the preference shares in the same manner mutatis mutandis as a special resolution.
- 38.10 The Company shall be obliged to give the preference shareholders notice, in terms of the Statutes, of any meeting of preference shareholders. At every meeting of preference shareholders, the provisions of these articles relating to general meetings of ordinary members shall apply, mutatis mutandis, except that a quorum at any such class meeting shall be three holders of preference shares entitled to vote, personally present, or if any such preference shareholder is a body corporate, represented at that meeting, provided that if at any adjournment of such meeting a quorum is not so present, the provisions of the articles relating to adjourned general meetings shall apply mutatis mutandis.
- 38.11 The holders of the preference shares shall not be entitled to vote, either in person or by proxy, at any meeting of the Company, by virtue of or in respect of the preference shares, except if any one or more of the following circumstances prevail at the date of the meeting:
- 38.11.1 during any period determined as provided in section 194(2) of the Companies Act in which any dividend or any part of any dividend on such preference shares remains in arrear and unpaid; and/or
 - 38.11.2 a resolution of the Company is proposed which directly affects any of the rights attached to the preference shares or the interests of the holders of the preference shares including, but not limited to, a resolution for the winding-up of the Company or for the reduction of its capital, in which event the preference shareholders shall be entitled to vote only on such resolution.
- 38.12 At every general meeting of the Company at which holders of the preference shares are present and entitled to vote, a preference shareholder shall be entitled to that proportion of the total votes in the Company which the aggregate amount of the nominal value of the shares held by him bears to the aggregate amount of the nominal values of all the shares issued by the Company.

- 38.13 *Notwithstanding that the preference shares are non-redeemable, but subject to the provisions and requirements of Article 38.9 above, should the shareholders of the Company, by special resolution, resolve to vary the rights attaching to the preference shares so as to make the preference shares, or any of them, redeemable, the Company shall be entitled, but not obliged, to utilise all or part of the share premium account (subject to the Statutes) in providing for any premium payable on the redemption of such preference shares.*
- 38.14 *A certificate issued by the auditors of the Company shall be prima facie proof of the amount of any preference dividend to be paid on any preference dividend payment date.*
39. *For purposes of Article 38:*
- 39.1 *“business day” means any other day other than a Saturday, Sunday or statutory public holiday in the Republic;*
- 39.2 *“deemed capital value” means in respect of each preference share, R100,00 (one hundred Rand), being the deemed value of each preference share for the purposes of calculating the preference dividend, being an amount determined by the directors on the first allotment date, notwithstanding the issue price of each preference share which may vary because of a difference in the premium at which the preference shares may be issued from time to time;*
- 39.3 *“Income Tax Act” means the Income Tax Act, No. 58 of 1962, as amended from time to time;*
- 39.4 *“issue date” means, in relation to a preference share, the date on which that preference share was issued and allotted pursuant to a resolution of the directors of the Company;*
- 39.5 *“issue price” in respect of any of the preference shares means the aggregate of the par value of preference share plus the premium at which such preference share was allotted and issued as determined by the directors from time to time in respect of each issue;*
- 39.6 *“preference dividend” means a cumulative, non-participating, preference cash dividend calculated in accordance with Article 38.4;*
- 39.7 *“preference dividend payment date” means the actual date of payment of a preference dividend which is intended to be, in respect of the first preference dividend, not later than 30 September 2006, and thereafter not later than 31 March and 30 September of each calendar year provided that if any such date is not a business day then such preference dividend payment date shall be the immediately succeeding day which is a business day;*
- 39.8 *“preference dividend rate” means in respect of a preference share, subject to Article 38.7, a rate that will be determined by the directors on the first allotment date;*
- 39.9 *“preference shares” means 5 000 000 (five million) non-redeemable, cumulative, non-participating, variable rate, par value preference shares of R0.0002 (zero point zero zero zero two Rand) each in the share capital of the Company; and*
- 39.10 *“prime rate” means the publicly quoted basic rate of interest from time to time (expressed as a percentage per year) quoted by The Standard Bank of South Africa Limited (“SBSA”) as being its prime overdraft rate, as certified by any manager of SBSA, whose appointment and/or designation need not be proved, provided that, during the period commencing on and including the date of declaration of any preference dividend until and including the preference dividend payment date in respect of such preference dividend, the prime rate shall be deemed to be the prime rate which prevailed on the business day immediately preceding the date of the declaration of such preference dividend, which period the Company undertakes will not be greater than 30 (thirty) days.”*

Details of outstanding liabilities at 31 March 2006

The details of the outstanding liabilities as at 31 March 2006 are set out below.

Instrument	Net liability R'000	Interest rate	Maturity date
1. Loans			
1.1 Term loans	181 837	3-month JIBAR plus 1,95%	>12 months
<p>The term loans were raised for general funding purposes and bear interest at 3-month JIBAR plus 1,95%. Repayment on these loans commenced on 3 January 2005 and will continue until 31 October 2007.</p>			
1.2 364 day notice bank loans	240 394	Call rate	
<p>These relate to the groups' short-term loan facilities which bear interest at call rates and are repayable on 364-day notice and are available for the group's general working capital purposes.</p>			
1.3 Finance leases	75 635	Various	
<p>The finance leases bear interest at various rates linked to the prime lending rate and are repayable in various monthly installments over a period of one to eleven years.</p>			
1.4 Vendor loans	7 350		
<p>These loans are interest-free and repayable over a period of between 1 and 3 years and relate to the residual liabilities owned to vendors of businesses acquired by the group.</p>			
1.5 Minority shareholder loans			
<p>These loans are interest-free and have no fixed repayment terms and relate to funding provided by minority shareholders to group subsidiary companies for general business purposes.</p>			
	12 813		
Total loans and debentures	518 029		
2. Short-term deposits			
2.1 Bank balances	(19 893)		

Term loans and finance leases are secured over assets with a carrying value of:

	June 2005 R'000
Land and buildings	39 758
Advertising structures	3 503
Office furniture, equipment, décor and computers	1 672
Accounts receivable	201 613
Bank balances and cash	46 197
	292 743

CAPITAL EXPENDITURE, COMMITMENTS AND CONTINGENCIES

	December 2005 R'000	December 2004 R'000
Future capital commitments	49 291	38 099
Financial commitments	35 540	10 402
Operating lease commitments	311 293	290 241
- Due within one year	90 390	43 908
- Thereafter	220 903	246 333
Unindemnified contingent liabilities	22 463	42 212
- Contingent liabilities	162 595	184 358
- Indemnities received	(140 132)	(142 146)

Contingent liabilities represent parent company bank and lease guarantees for Ster Century Middle East and Ster Century Europe.

Details of interim results for the six months ended 31 December 2005

ABRIDGED CONSOLIDATED INCOME STATEMENT

	6 months 31 Dec 2005 R'000	Restated 6 months 31 Dec 2004 R'000	change %	Restated 12 months 30 June 2005 R'000
Revenue	1 297 776	1 025 052	27	2 011 592
Operating profit before depreciation ("EBITDA")	276 013	214 495	29	417 027
Depreciation and amortisation of software	(32 990)	(31 341)		(66 589)
Operating profit before unrealised foreign exchange items, share based expenses and exceptional items ("PBIT")	243 023	183 154	33	350 438
Unrealised foreign exchange (losses)/gains	(7 734)	(3 905)		117
Amortisation of trademarks	(891)	(7)		(13)
Share based expenses	(4 353)	(1 404)		(3 906)
Exceptional items	(96 674)	5 062		14 948
Operating profit	133 371	182 900	(27)	361 584
Investment income	6 222	4 221		7 808
Net finance costs	(30 204)	(34 160)		(55 073)
Share of associated companies' profits	-	457		457
Profit before tax	109 389	153 418	(29)	314 776
Taxation	(59 617)	(46 962)		(86 604)
Net profit	49 772	106 456	(53)	228 172
Attributable to:				
- Primedia Limited's shareholders	36 211	98 825	(63)	210 832
- Minority interests	13 561	7 631	78	17 340
Determination of headline earnings				
Net profit attributable to Primedia Limited's shareholders	36 211	98 825		210 832
Net profit on disposal of assets	(304)	(767)		(206)
Exceptional items:	(3 940)	(33)		(1 832)
- Net (profit)/loss on disposal of assets	(4 483)	167		(2 090)
- Other	543	(200)		258
Tax effect of non-headline earnings items	36	222		95
Headline earnings	32 003	98 247	(67)	208 889
Number of shares ('000)				
- Issued	229 539	225 226		221 747
- Weighted average	223 316	222 595		223 032
- Diluted weighted average	227 533	229 590		228 494
Earnings per share (cents)				
- Adjusted headline earnings *	65	45	45	95
- Headline	14	44	(68)	94
- Basic	16	44	(64)	95
- Diluted headline	14	43	(67)	91
- Diluted basic	16	43	(63)	92
Exceptional items				
Headline reconciling items above	3 940	33		1 832
IFRS 2 expense relating to BEE ownership transaction	(108 398)	-		-
Reversal of loan impairments	5 513	8 550		14 910
Revaluation of listed investment	2 615	-		1 165
Other exceptional items	(344)	(3 521)		(2 959)
Exceptional items	(96 674)	5 062		14 948

* Excluding IFRS 2 share related costs.

ABRIDGED CONSOLIDATED BALANCE SHEET

	31 Dec 2005	Restated 31 Dec 2004	Restated 30 June 2005
	R'000	R'000	R'000
ASSETS			
Non-current assets	1 019 821	877 082	924 843
Property, plant and equipment	312 317	276 350	299 070
Goodwill and intangible assets	556 172	426 837	465 592
Investments and loans	24 196	19 861	23 543
Deferred tax assets	127 136	154 034	136 638
Current assets	715 688	548 356	463 924
Inventories	83 394	40 399	51 767
Trade and other receivables	587 474	446 216	407 789
Bank balances and cash	44 820	61 741	4 368
Total assets	1 735 509	1 425 438	1 388 767
EQUITY AND LIABILITIES			
Total shareholders' funds	502 117	424 490	448 427
Non-current liabilities	277 492	371 044	353 490
Long-term borrowings	182 526	283 141	264 276
Long-term provisions	25 995	25 355	22 699
Deferred tax liabilities	68 971	62 548	66 515
Current liabilities	955 900	629 904	586 850
Short-term borrowings	445 257	110 108	113 225
Other current liabilities	510 643	519 796	473 625
Total equity and liabilities	1 735 509	1 425 438	1 388 767
Net asset value per share (cents)	219	188	202

ABRIDGED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	6 months 31 Dec 2005 R'000	Restated 6 months 31 Dec 2004 R'000	Restated 12 months 30 June 2005 R'000
Total shareholders' funds			
– Primedia Limited's shareholders	407 199	317 159	317 159
– Minority interests	80 927	16 238	16 238
Opening balance previously stated	488 126	333 397	333 397
IFRS adjustments			
– Transfer to loans from outside shareholders	(50 147)	(16 198)	(16 198)
– Depreciation	13 448	14 282	14 282
SA GAAP adjustment			
– Deferred tax	(3 000)	(3 000)	(3 000)
Restated opening balance	448 427	328 481	328 481
Distribution to shareholders	(75 387)	(54 996)	(103 289)
Shares issued	2	29 133	29 133
Net profit for the year	49 772	106 456	228 172
BEE ownership transaction	108 398	–	–
Costs related to BEE ownership transaction	(4 485)	–	(73)
Share option expense	4 353	1 404	3 906
Movement in treasury shares	(31 831)	6 152	(29 106)
Write-back of amounts previously written-off against share premium	555	21 059	(1 766)
Minority interests acquired	3 957	(13 315)	(8 563)
Other movements	(1 644)	116	1 532
Total shareholders' funds	502 117	424 490	448 427
Attributable to:			
– Primedia Limited's shareholders	448 413	408 189	417 647
– Minority interests	53 704	16 301	30 780

ABRIDGED CONSOLIDATED CASH FLOW STATEMENT

	6 months 31 Dec 2005 R'000	Restated 6 months 31 Dec 2004 R'000	Restated 12 months 30 June 2005 R'000
OPERATING ACTIVITIES			
Operating profit before depreciation	276 013	214 495	417 027
Exceptional cash items and non-cash movements	5 558	(5 446)	(12 000)
Increase in receivables	(188 524)	(94 632)	(48 452)
Increase in inventory	(32 072)	(696)	(14 697)
Increase in payables	61 120	74 228	54 432
Decrease in provisions	(26 176)	(27 821)	(6 460)
Cash generated from operations	95 919	160 128	389 850
Net interest paid	(23 074)	(12 861)	(30 845)
Tax paid	(47 640)	(9 184)	(69 365)
Net cash inflow from operating activities	25 205	138 083	289 640
INVESTING ACTIVITIES			
Net acquisition of subsidiaries, minorities and investments	(116 317)	(360 607)	(395 638)
Net acquisition of fixed assets and software	(36 717)	(26 921)	(86 604)
Other investing activities	2 869	1 049	(2 543)
Net cash outflow from investing activities	(150 165)	(386 479)	(484 785)
FINANCING ACTIVITIES			
Distribution to shareholders	(75 387)	(54 996)	(103 289)
(Acquisition)/disposal of shares by The Primedia Share Trust	(31 650)	5 933	(29 106)
Net borrowings raised	22 024	263 817	225 008
Proceeds from share issues net of costs	(4 485)	-	29 060
Other financing activities	(5 092)	(300)	-
Net cash (outflow)/inflow from financing activities	(94 590)	214 454	121 673
Net decrease in cash and cash equivalents	(219 550)	(33 942)	(73 472)
Foreign currency translation	(2 075)	433	1 064
Cash and cash equivalents at beginning of period	(6 411)	65 997	65 997
Cash and cash equivalents at end of period	(228 036)	32 488	(6 411)

NOTES TO THE FINANCIAL STATEMENTS

	6 months 31 Dec 2005 R'000	Restated 6 months 31 Dec 2004 R'000	%	Restated 12 months 30 June 2005 R'000
			change	
SEGMENTAL ANALYSIS:				
REVENUE				
Advertising	586 818	467 879	25	950 288
Content	645 846	521 782	24	965 111
New media sectors	34 777	4 828	620	33 467
One to one marketing	30 062	30 358	(1)	62 726
Other	273	205	33	-
	1 297 776	1 025 052	27	2 011 592
EBITDA				
Advertising	224 891	164 116	37	331 444
Content	61 036	60 507	1	93 789
New media sectors	3 145	521	504	3 587
One to one marketing	1 409	989	42	3 576
Other	(14 468)	(11 638)	(24)	(15 369)
	276 013	214 495	29	417 027
PBIT				
Advertising	207 797	147 863	41	298 059
Content	47 738	47 051	1	64 497
New media sectors	1 997	405	393	2 782
One to one marketing	703	215	227	2 095
Other	(15 212)	(12 380)	(23)	(16 995)
	243 023	183 154	33	350 438

BASIS OF PREPARATION

The condensed unaudited interim results have been prepared in accordance with International Financial Reporting Standards and IAS 34 – Interim financial reporting. The group is reporting under IFRS for the first time for the six months ended 31 December 2005 and accordingly comparatives have been restated. The accounting policies used in preparation of the statements are compliant with IFRS and are consistent with those applied in the annual financial statements for the year ended 30 June 2005, except as disclosed below.

Property, plant and equipment

In terms of the transitional election made under IFRS 1 – First-time Adoption of International Financial Reporting Standards, certain items of property, plant and equipment were recognised at deemed cost, being fair value as at 1 July 2004. In subsequent periods, these items have been measured at deemed cost less accumulated depreciation and impairment losses. In line with the changes to IAS 16 – Property, plant and equipment, residual values and useful lives of the assets, for which the election in terms of IFRS 1 was not made, were re-assessed and where applicable, restated as required by IAS 16.

Share-based payments

The group has elected not to apply IFRS 2 – Share-based payments retrospectively to equity instruments granted on or before 7 November 2002. In accordance with the provisions of IFRS 2 – Share-based payments, the group now recognises an expense in the income statement in respect of options granted after 7 November 2002, which had not vested as at 1 January 2005, with a corresponding credit to equity representing the fair value of employee share options granted.

Following the issue of international interpretation IFRIC 8 – Scope of IFRS 2, the group is extending the scope of IFRS 2 to include the group's black economic empowerment initiative. Consequently, the fair value of the shares issued at par to Mineworkers Investment Company (Proprietary) Limited ("MIC") pursuant to the group's BEE initiative has been expensed in the income statement.

Details of directors

The full names, ages, nationalities (if not South African), addresses and profiles of the directors as at the last practicable date are set out below:

- 1. A P Nkuna** Chairman
- Appointed: 18 May 2000
- Age: 53
- Business Address: 29 Queens Road
Parktown
2193
- Profile: Paul is the chief executive officer of Mineworkers Investment Company. He began his career as a teacher before joining the mining industry in 1977. He served as the Treasurer General of the National Union of Mineworkers for 10 years and as chairman of the executive committee of the Brakpan Transitional Local Council.
- Directorships held during the past 5 years:
- Mineworkers Investment Company (Pty) Limited
 - Mathomo Group Limited
 - South African Teemane Holdings (Pty) Limited – resigned
 - Tracker Investment Holdings
 - BP Southern Africa (Pty) Limited
 - Lionheart Management (Pty) Limited – resigned
 - South African Airways
 - Credit Management Solutions Group (Pty) Limited – resigned
 - First Rand Limited
 - Masana Petroleum Solutions (Pty) Limited
 - Decillion (Pty) Limited – resigned
 - Rebhold (Pty) Limited – resigned
- 2. W Kirsh** Chief Executive Officer
- Appointed: 1 July 1993
- Age: 45
- Business Address: Primedia Place
5 Gwen Lane
Sandton
2196
- Qualifications: BCom, BAcc, CA(SA), HDip Tax Law
- Profile: From 1988 to 1991, William worked in the United States for investment bankers, Lehman Brothers, in the mergers and acquisitions division and subsequent to that, founded Primequity in 1993, which became Primedia. He is the principal founder of Primedia and has been chief executive since the Group listed on the JSE in November 1993.
- Directorships held during the past 5 years:
- Legal and Tax Services (Pty) Limited
 - Massmart Holdings Limited – resigned
 - Kaizer Chiefs (Pty) Limited – resigned

- 3. O Ighodaro** Chief Financial Officer
- Appointed: 1 September 2001
- Age: 43
- Nationality Nigerian/British
- Business Address: Primedia Place
5 Gwen Lane
Sandton
2196
- Qualifications: BSc(Hons), FCA (England and Wales)
- Profile: Funke joined Primedia in September 2001 as chief financial officer. She was previously managing director of Kagiso Ventures Limited, the private equity management arm of Kagiso Trust Investment Company of which she was also an executive director. Prior to this, she spent two years in the corporate finance division of Standard Corporate and Merchant Bank and a total of ten years with PriceWaterhouse London.
- Directorships held during the past 5 years:
- Kaizer Chiefs (Pty) Limited
 - Kagiso Trust Investments (Pty) Limited – resigned
 - Kagiso Media Limited – resigned
 - Kagiso Ventures (Pty) Limited – resigned
 - Debis Fleet Management (Pty) Limited – resigned
 - Callguard Security Services (Pty) Limited – resigned
 - Souther African Venture Capital & Private Equity Association – resigned
 - Johannesburg Fresh Produce Market (Pty) Limited – resigned
- 4. K Pillay** Executive Director and CEO – Advertising Division
- Appointed: 19 November 1998
- Age: 44
- Business Address: Primedia Place
5 Gwen Lane
Sandton
2196
- Qualifications: BA, LLB, MCJ
- Profile: Kuben joined Primedia as an executive director in May 2000 and was appointed as chief executive officer of the advertising division of Primedia in September 2002. An attorney by profession, he was the managing financial partner at attorneys Cheadle Thompson and Haysom before joining Mineworkers Investment Company in 1996 as a founding executive director. Kuben has previously served on the boards of several public companies in which Mineworkers Investment Company has had an interest and was previously a member of the Financial Services Board’s Consumer Advisory Panel.
- Directorships held during the past 5 years:
- Kaizer Chiefs (Pty) Limited
 - Mineworkers Investment Company (Pty) Limited
- 5. F A Gazendam** Executive Director and CEO – Content Division
- Appointed: 18 February 2000
- Age: 47
- Business Address: Primovie Park
185 Katherine Street Eastgate
Sandton
2143
- Qualifications: BCom(Hons), CA(SA)

Profile: Previously chief operating officer of Primedia and chief executive of the Ster-Kinekor group, Ferdi was appointed chief executive of Primedia Content in September 2005. He started his career as an articled clerk with Deloitte & Touche. After three years with Deloitte in London, UK, he was appointed a director of Deloitte & Touche Consulting in South Africa. Before joining Primedia, he spent seven years at Teljoy Limited, the last few years of which he served as managing director of Teljoy Cellular Services: Prepaid & Subscriber Services.

6. M J Bosman Independent Non-Executive Director

Appointed: 20 September 2002

Age: 44

Business Address: 51 Wierda Road West
Wierda Valley
Sandton
2196

Qualifications: BCom(Hons), LLM, CA(SA), AMP

Profile: Mike is group chief executive of the advertising agency group TBWA South Africa. He was previously a strategic consultant and worked on a wide range of business issues. Between 2000 and 2002, Mike was president and chief operating officer of FCB North America, prior to which he was the chairman and chief executive officer of Lindsay Smithers FCB (now FCB South Africa).

Directorships held during the past 5 years:

- VenFin Limited – resigned
- TBWA\South Africa (Pty) Limited
- TBWA\Hunt\Lascaris (Pty) Limited
- TBWA\Fusion (Pty) Limited
- TBWA\Gavin\Reddy (Pty) Limited
- TBWA\Hunt\Lascaris\Durban (Pty) Limited
- Tequila Johannesburg (Pty) Limited
- Skystream Air Charters (Pty) Limited
- Saldanha Group Holdings (Pty) Limited
- Magna Carta Public Relations (Pty) Limited
- Klein Champagne (Pty) Limited
- Association for Communications and Advertising (Pty) Limited

7. N J M Canca Independent Non-Executive Director

Appointed: 29 August 2003

Age: 40

Business Address: 1 President Street
Newtown
Johannesburg
2001

Qualifications: BA (Political Science and Economics)

Profile: Nomhle was a registered investment advisor in the USA. Her work experience has been with the US Government; Merrill Lynch, Atlanta; Smith Barney Harris Upham Brokerage House and Oppenheimer & Co, New York and Atlanta. On her return to South Africa in 1991, she worked for Anglo American. Her entrepreneurial career began in 1994 as a founder of Women Investment Portfolio (“WIPHOLD”), which she left after ten years to start a private equity company, Canca Financial Services (Proprietary) Limited, in 2002. In September 2004, Nomhle took the position as chief executive officer of Blue IQ Investment Holdings (Proprietary) Limited.

Directorships held during the past 5 years:

- AIDC
- AVI Limited
- Blue Catalyst Investment (Pty) Limited
- Blue IQ Investment Holdings (Pty) Limited

- Constitutional Hill Development Company (Pty) Limited
- Land And Agricultural Development Bank Of South Africa – resigned
- Greater Newtown Development Company (Pty) Limited
- Pareto Limited
- Supplier Park Development Company (Pty) Limited
- The Innovation Hub Incubator (Pty) Limited
- Mobu Resources (Pty) Limited
- Wiphold Trust – resigned
- Sentech Limited – resigned
- Woman Investment Portfolio Holdings Limited – resigned
- WIP Capital – resigned
- Afrocentric Investment Corporation Limited
- Basil Read Holdings Limited – resigned
- Media Promoters Holdings (Pty) Limited

8. H M Khoza Independent Non-Executive Director

Appointed: 20 September 2002

Age: 58

Business Address: Shangai House
53 Wierda Road West
Wierda Valley
Sandton
2196

Qualifications: BSc

Profile: Humphrey is the non-executive chairman and former chief executive officer of Orion Technologies Nigeria, the licensed operator of the Lagos State Lotteries. He was previously the chief executive officer of Uthingo Management, the licensed operator of the South African National Lottery. Prior to joining Uthingo, Humphrey worked for Shell Oil South Africa for fourteen years and Nestlé South Africa for eleven years as Director: Corporate Services and Director: Human Resources respectively. In 1994 Humphrey was seconded to the Independent Electoral Commission as chief director of communication. Humphrey has also previously served as the president of the South African Chamber of Business for two years as well as deputy president of the Black Management Forum.

Directorships held during the past 5 years:

- Nestlé South Africa (Pty) Limited
- Ellerines Holdings Limited
- Relyant Retail Limited – resigned
- Coris Capital (Pty) Limited
- BLM (Pty) Limited
- Air Traffic and Navigation Services Company Limited – resigned

9. I Kirsh Non-Executive Director

Appointed: 6 April 1995

Age: 71

Business Address: Primedia Place
5 Gwen Lane
Sandton
2196

Profile: Issie is the founder of Radio 702, which he established in 1980. Radio 702 was one of Primedia's first acquisitions and the catalyst that spearheaded the group's rapid growth as a media company. He was also the group's first chairman and held the position until Paul Nkuna's appointment as chairman in June 2001. Issie is chairman of the Primedia Foundation which co-ordinates the group's various corporate social investment programmes.

Directorships held during the past 5 years:

- Legal and Tax Services (Pty) Limited
- SA Jewish Report
- Chip n Dip (Pty) Limited – resigned

10. H M Madima Non-Executive Director

Appointed: 20 September 2002

Age: 42

Business Address: 29 Queens Road
Parktown
2193

Qualifications: BA(Hons), MA (Accounting and Financial Economics)

Profile: Prior to joining Mineworkers Investment Company in September 2000, Tshidi was general manager of Equal Access Consulting and held various financial positions with ABSA Asset Management, RMB Asset Management and Momentum Life. Tshidi is also a director of Primedia Broadcasting, Africa on Air, Primedia Outdoor and an alternate director of BP Southern Africa.

Directorships held during the past 5 years:

- BP Southern Africa (Pty) Limited
- Marang (East Rand) Gaming Investments (Pty) Limited
- Peermont Global Resorts East Rand
- Lekana Employee Benefit Solutions (Pty) Limited
- Izazi Solutions (Pty) Limited
- The Rewards Company (Pty) Limited – resigned

11. P Maw Non-Executive Director

Appointed: 1 July 1993

Age: 44

Business Address: 3rd Floor
Mariendahl House
Newlands on Main
Main Road
Newlands
7700

Qualifications: BCom(Hons), CA(SA), HDip Tax Law

Profile: Peter was one of the founders of Primedia and has been with the Group from inception. Prior thereto, Peter was with Standard Merchant Bank in Corporate Finance. He was responsible for the Primedia Group's corporate finance activities from 1994 to 2004. Peter is also a non-executive director of Massmart and now heads the private equity interests of the Oppenheimer family in South Africa.

Directorships held during the past 5 years:

- Colwald Investments (Pty) Limited
- Legal & Tax Services (Pty) Limited
- Massmart Holdings Limited
- Paswald Investments (Pty) Limited
- Saicom Group (Pty) Limited
- The Fuel Logistics Group (Pty) Limited
- Tiso Industries (Pty) Limited
- Watercreek (Pty) Limited
- Kirsh Maw Holdings (Pty) Limited – resigned
- Select Equity Holdings (Pty) Limited – resigned

- 12. K Motaung** Non-Executive Director
- Appointed: 25 February 2005
- Age: 61
- Business Address: Chiefs Village
5/6 Lenaron Road
Naturena
2064
- Profile: Kaizer went from being an international soccer star on the field to founding what has become the biggest sports brand in the country, Kaizer Chiefs Football Club, in 1970. He is currently the chairman and managing director of Kaizer Chiefs. In 1968 he was recruited by Atlanta Chiefs to play in the North American Soccer League (“NASL”). He ended the 1968 season being voted “rookie of the year” and was the top goal scorer in the league and nominated to play in the NASL All-Star team in 1969. He served on the National Soccer League, South African Football Association and helped to form the present-day South African Premier Soccer League and has served as a director on the boards of several South African companies.
- Directorships held during the past 5 years:
- Kaizer Chiefs (Pty) Limited
 - Chiefs Village (Pty) Limited
 - Chief’s Village Centre (Pty) Limited
 - Kaimot Investments (Pty) Limited
 - Kaizer Chiefs Soccer Development Company (Pty) Limited
 - Kaizer Holdings (Pty) Limited
 - Motor Inns (Pty) Limited
 - Kaizer Motaung Investment Holdings (Pty) Limited
 - Kaizer Marines (Pty) Limited
- 13. C S Seabrooke** Independent Non-Executive Director
- Appointed: 1 July 1993
- Age: 52
- Business Address: Block 4
Four Commerce Square
39 Rivonia Road
Sandhurst
2196
- Qualifications: BCom, BAcc, MBA, FCMA
- Profile: Chris has been a director of more than twenty JSE listed companies over the years. He is currently the chief executive officer of Sabvest Limited, non-executive chairman of Massmart Holdings, Metrofile Holdings and Setpoint Technologies, a director of Datatec and Nasdaq listed Net1 U.E.P.S Technologies Inc. He is also on the boards of a number of unlisted companies in South Africa and Europe. He is a former chairman of the South African State Theatre, and former deputy chairman of both the inaugural National Arts Council and the founding board of Business & Arts South Africa.
- Directorships held during the past 5 years:
- Appaloosa Estate (Pty) Limited
 - Comfin Capital (Pty) Limited
 - Comfin Investments (Pty) Limited
 - Comfin Securities (Pty) Limited
 - Datatec Limited
 - HDS Tech Holdings (Pty) Limited
 - Jazzmetrix (Pty) Limited
 - Korbitec Holdings (Pty) Limited
 - Limosa Investments 111 (Pty) Limited
 - Massmart Holdings Limited
 - Merhold Kirsh Capital Limited

- Metrofile (Pty) Limited
- Metrofile Holdings Limited
- Midsouth Distributors (Pty) Limited
- Mineworkers Investment Company (Pty) Limited
- Moneyworks Limited
- Newfam Investments (Pty) Limited
- Nutritional Foods (Pty) Limited
- S A Bias Industries Limited
- S D Nominees (Pty) Limited
- Sabvest Limited
- Sabvest Finance and Guarantee Corporation Limited
- Sabvest Financial Services (Pty) Limited
- Sabvest Investments (Pty) Limited
- Sabvest Securities (Pty) Limited
- Set Point Technology Holdings Limited
- Primeserv Limited – resigned
- Business and Arts South Africa – resigned
- South African State Theatre – resigned
- Merchant Trade Finance (Pty) Limited – resigned

14. B J T Shongwe Independent Non-Executive Director

Appointed: 1 January 1999

Age: 50

Business Address: 1 Raikes Road
Braamfontein
Johannesburg
2001

Qualifications: BA (Econ), MBA, ACIS, FCIBM

Profile: Bheki is currently managing director of Metrobus (Proprietary) Limited and previously deputy managing director of Fleet Africa. He has extensive operational experience at senior management levels in a variety of sectors and was previously an executive director of Primedia. He holds non-executive directorships in Highveld Steel and Vanadium Corporation, African Bank Investments Limited and Super Group Limited and is the founder chairman of Matsamo Global Investment Holdings (Proprietary) Limited.

Directorships held during the past 5 years:

- African Bank Investments Limited – resigned
- African Bank Limited – resigned
- Highveld Steel & Vanadium Company Limited
- PEU Investments Group (Pty) Limited
- African Value Investments Holdings Limited – resigned
- Maritane Investments Holdings Limited – resigned
- Matsamo Global Investment Holdings (Pty) Limited
- Heritage Hospitality and Leisure (Pty) Limited
- Remchannel (Pty) Limited
- Hiside Group (Pty) Limited
- Super Group Limited – resigned
- Sabvest Limited
- Kaizer Chiefs (Pty) Limited
- Wellness Nexus (Pty) Limited – resigned
- Interfocus SA Investments 52 (Pty) Limited
- Masana Technologies (Pty) Limited – resigned
- Afro-Asian Trading Corporation (Pty) Limited
- Air Traffic and Navigation Services Company Limited
- Core Value Investment Holdings (Pty) Limited – resigned
- Fleet Africa (Pty) Limited – resigned

- Johannesburg Metropolitan Bus Services (Pty) Limited
- PEU Espial Holdings (Pty) Limited – resigned
- PEU Group (Pty) Limited
- Swamozza Investment Holdings (Pty) Limited

15. S V Zilwa Independent Non-Executive Director

Appointed: 20 September 2002

Age: 38

Business Address: Building 1
Leo Burnett House
3 Simba Road
Sunninghill
2157

Qualifications: BCompt(Hons), CA(SA)

Profile: Sindi is the chief executive officer of Nkonki, one of South Africa's leading black accounting firms, which she co-founded in 1993. Sindi is also a director of Woolworths, Discovery Health and Strate Limited. She is also a member of the SAICA Education Committee, a member of SAICA Banking Project Group and the GAAP Monitoring Panel and the chairman of the BUSA Standing Committee on Transformation. Her past directorships include The Transkei National Building Society, The South African Mint, The South African Reserve Bank Cell Captive Insurance Company, WIPHOLD, Telkom and the Public Accountants and Auditors Board. In 1998, she won the business woman of the year award presented by The Executive Women's Club.

Directorships held during the past 5 years:

- Sikhona Financial Advisors (Pty) Limited
- Nkonki (Pty) Limited
- Woolworths (Pty) Limited
- Discovery Holdings Limited
- Mawavune (Pty) Limited
- Strate Limited
- Ethos Private Equity Limited
- Eskom Holdings Limited – resigned
- Decillion Limited – resigned
- South African Reserve Bank Captive Insurance Company Limited – resigned
- Network Healthcare Holdings Limited – resigned
- South African Mint Company (Pty) Limited – resigned

There are no details of any bankruptcies, insolvencies or individual voluntary compromise arrangements in relation to the directors set out above.

There are no details of any receiverships, compulsory liquidations, creditors voluntary liquidations, administrations, company voluntary arrangements or any class of creditors of any company where such person is or was a director with an executive function of such company at the time of or within 12 months preceding any such event/s in relation to the directors set out above.

There are no details of any compulsory liquidations, administrations, or partnership voluntary arrangements of any partnerships where such person was a partner at the time of or within 12 months preceding such event/s in relation to the directors set out above.

There are no details of receiverships of any asset/s of such person or of a partnership of which the person is or was a partner at the time of or within 12 months preceding such event in relation to the directors set out above.

There are no detail of any public criticisms of such person by statutory or regulatory authorise, including recognised professional bodies, and whether such person has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company in relation to the directors set out above.

There are no details of any offence involving dishonesty in relation to the directors set out above.