MultiChoice began life as the subscriber management arm of the analogue pay TV channel M-Net, and has grown to be the pioneer of multichannel digital satellite television on the African continent.

MultiChoice provides premier television entertainment via its DStv bouquets to more than one million customers in South Africa. There are two distinct areas in the MultiChoice brand: Corporate and Product.

The corporate brand differs from the product brand in that it encompasses a much wider range of associations. It provides a trusted platform from which a range of purchase brands can be launched and built to make the most of the various opportunities in a client’s specific market. It also allows brand management teams to focus on their segments without the need to re-establish trust or social legitimacy or obtain a new license to operate.

The product side of the brand includes Digital Satellite Television (DStv) Premium, DStv Compact, DStv Select and Easy View. The company provides superior customer service through its customer call centre, which is equipped with state of the art technology and highly trained staff.

As a flagship brand under the MIH Holdings banner, MultiChoice makes the most of skills in technology that provide it with a key strategic advantage and give the Group great support and insight into the latest developments and enhancements of paymedia technologies. MIH was one of the first pay TV companies in the world to provide a digital satellite service and it has remained at the forefront of technological developments ever since.

The group’s activities are focused on subscriber platforms providing television and Internet services to over two million paying subscribers in Africa, the Mediterranean and Asia.

A large percent of the subscriber base consists of digital subscribers. Across its platforms, MIH has secured long term rights to premium movies, major sporting events and popular children’s programming, all of which are tailored for each local market.

ACHIEVEMENTS
1986: Africa’s first pay-television station, M-Net, is founded. The subscriber management division (later to become MultiChoice) plays a crucial role in its early success.
1992: MultiChoice launches an analogue service via satellite to over 20 African countries.
1998: M-Web Business was founded, along with CommerceZone, a business-to-business e-commerce product.
2001: DStv Indian and DStv Portuguesa launched.
2003: MultiChoice introduces dual view decoders.
2005: DStv personal video recorder (PVR) launched.
2005: DStv compact, a middle tier bouquet, brings high-quality programming to a wider audience.
2005: DStv reaches 1 million subscribers across South Africa.
2006: DStv Mobile brings live coverage of the FIFA World Cup to South Africans via their mobile phones, through a digital broadcast via Digital Video Broadband-Handheld (DVB-H) trial.
2006: MultiChoice sells 15 percent of its shares to certain eligible people and groups through Phuthuma Nathi 1, a broad based black economic empowerment (BBBEE) initiative. Share offer is almost three times subscribed.
2007: Second Phuthuma Nathi scheme makes an additional 7.5 percent of MultiChoice shares available to eligible persons and groups.

HISTORY
The MultiChoice legend began in South Africa in 1986, when M-Net was founded as one of the first two subscription television services outside of the USA. MultiChoice was incorporated to provide subscriber management services for pay television bouquets. From there, little time has gone by without innovation.

THE PRODUCT
MultiChoice’s flagship satellite broadcasting service, DStv, leverages dynamic technology to deliver a continually expanding platform of world class channels.

The Company’s Broadcast Service Centre in Randburg, near Johannesburg, is one of the largest production and transmission infrastructures in Africa and ranks among the most sophisticated in the world.

This leading-edge technological backbone supports a growing array of digital media services. More than one million customers tune into DStv premium for high-quality 24-hour programming local and international channels. DStv offers the following:

DStv Premium with over 70 video, more than 40 audio channels and 28 radio as well as six interactive channels.

DStv Compact offers a selection of 23 popular channels and the newest offering, DStv Select provides 16 video and four audio channels. MultiChoice also has niche bouquets in its DStv Portuguesa and DStv Indian bouquets, offering 24/7 programming to both North and South Indian communities.

The DStv personal video recorder (PVR) is an addition to MultiChoice’s current range of decoders and includes a number of sophisticated features such as the ability to record programmes directly on its hard drive, pause live television and watch instant replays on demand.

MultiChoice also holds interests in M-Web M-Net, SuperSport and DStv-Mobile.

The company’s core skill in technology is matched by its business acumen, which is required to manage the challenges and business cycles of digital satellite broadcasting. One of the most exciting spin-offs of the M-Net and MultiChoice journeys has been the building of new technical skills in a field where there were none before: MultiChoice now assists technikons and universities in designing their technical curriculum.

RECENT DEVELOPMENTS
New technology developments in the pay TV industry will give MultiChoice customers unprecedented control over their viewing, as well
as an enhanced experience.

The convergence of broadcast media and telecommunications is happening on a global scale. New developments include:

- **DStv-Mobile**
  Enter digital video Broadcasting Handheld (DVB-H), which lets you watch live television channels over a specially equipped mobile phone. DVB-H offers exceptional video and audio quality, regardless of bandwidth, and MultiChoice-owned DStv mobile is putting South Africa in the lead in the international race to deploy this exciting technology. In 2006, MultiChoice erected DVB-H masts across South Africa, enabling trial DStv mobile users to watch the soccer World Cup on their mobile phones. In three years, sports fans will be able to watch every minute of the 2010 FIFA World Cup wherever they may be.

- **Broadband**
  MultiChoice has launched a trial website offering programming from selected DStv channels. This value-added service, available to DStv Premium customers will allow them the opportunity to catch-up on missed programming and view at their own leisure. MultiChoice believes three or four developments will dominate the immediate future of the industry:
  - As digital networks evolve and speed up, bandwidth costs will also drop considerably
  - Interactive services and accompanying applications are set to enhance the value of the services offered to customers
  - The ability to store content on their decoders with a Personal Video Recorder (PVR) will fundamentally change the way customers interact with their television
  - The company is currently trialing DVB-H and examining High Definition Television (HDTV) technology, both of which may dramatically alter viewing of broadcast content

**PROMOTION**

MultiChoice’s commitment to enriching lives throughout South Africa is manifest in its broad and far reaching corporate social investment (CSI) projects, which focuses on media development and education. The projects in the areas of Education, are Mindset and e-Schools, and in the area Media are the MultiChoice VUKA! Awards, Film Talent Incubator, and the CNN MultiChoice African Journalist Awards.

Together with the provincial departments of Education in Gauteng, Limpopo and North West, MultiChoice initiated a project to recognise top performing high schools from previously disadvantaged areas. The project involves providing multimedia laboratories in seven schools across three provinces, each equipped with a TV, DStv decoder and DVD recorder.

Each laboratory also has a computer network of 20 PCs with a server and dialup Internet connectivity, as well as multi-function printers with scanners.

**MultiChoice Vuka!**

2006 saw many NGO’s and social issues benefiting from free publicity support, over 150 Public Service Announcements (PSAs) were produced by entrants for the annual Vuka! Awards. Representing MultiChoice’s flagship corporate social investment programme, these awards encourage established and aspirant filmmakers - and other creative people - to make a TV commercial for a charity or cause that is close to their hearts. The 20 winning commercials - 10 made by professionals and 10 made by industry newcomers - are then screened on DStv channels, giving various NGOs much needed publicity and creating immense public awareness of key socio-economic issues.

MultiChoice is also committed to transformation in South Africa. The Company completed two successful empowerment transactions, Phuthuma Nathi 1 and 2. These transaction were structured to be truly broadbased. The response to the schemes was overwhelming.

Phuthuma Nathi (PN1) offered an indirect interest of 15 percent in MultiChoice South Africa (Pty) Ltd to eligible Black Persons and Black Groups. The offer was oversubscribed by almost three times. 120,000 applications were received for the 45,000 000 Phuthuma Nathi ordinary shares. 98 percent of the applicants received the full number of shares they applied for and applicants who applied for more than 5,000 shares received at least 5,000 shares.

Phuthuma Nathi 2 (PN2) offered a further indirect interest of 7.5 percent in MultiChoice South Africa (Pty) Ltd to those applicants who did not receive their full allocation in PN1. Again, the offer was nearly 2.5 times oversubscribed. 3,500 applications were received for the 22,500 000 PN2 ordinary shares.

Through direct technology investments and support of long-term social development projects, MultiChoice aims to enable individuals and communities to help themselves, thereby minimising dependence and promoting sustainable economic growth.

As the digital revolution shifts expectations daily, the MultiChoice role involves creating a richer life through digital media. Real vision comes from seeing beyond current possibilities and MultiChoice’s digital TV is a pinnacle of creative visions brought to life. But the company is not stopping there; it is looking ahead to the great potential of a technological future where nothing is impossible.

The future is there for shaping by those with will and imagination, and MultiChoice is a company that lives by this quest. The company pursues its mission of “Enriching Lives” through partnering with innovative projects that offer new opportunities to develop and distribute content.

**BRAND VALUES**

The MultiChoice mission statement is “Enriching Lives through innovative delivery of compelling digital media content”. Its vision is to be “Number One in all chosen market segments” as the most trusted and best-value provider of gripping digital media content, with the most innovative delivery and the best customer care. Core values include:

- Innovation
- Customer focused
- Performance driven
- Development
- Mutual respect