



MEDIA STATEMENT

THE SABC DENIES SUNDAY TIMES CLAIM THAT THE PUBLIC BROADCASTER IS REQUESTING AN ADDITIONAL BAILOUT

Johannesburg- Sunday, 10 May 2020- The South African Broadcasting Corporation (SABC) has noted with concern the incorrect and misleading article titled “*SABC again pleads poverty, cites virus*”, published by the Sunday Times newspaper today.

The article states that the Corporation will tomorrow appear before Parliament’s Portfolio Committee on Communications and Digital Technology to request additional funding. This is not true. The SABC has not requested any additional funding, and has no meeting scheduled for tomorrow with the Portfolio Committee on this matter. In fact, the SABC will be presenting its 2020/2021 Corporate Plan to the Portfolio committee on Wednesday, 13 May 2020.

It is worth noting that the COVID-19 pandemic has had a significant impact on every industry globally, including the broadcasting industry. Advertising revenues have been slashed across the media industry, causing many media entities to look at cost cutting mechanisms.

While the pandemic has affected the SABC’s revenue projections for this fiscal due to the decline in advertising spend, the revenue shortfall figures and forecasted losses quoted by the Sunday Times are inaccurate. The correct forecasted numbers have been submitted to the Shareholder and will be presented to the Portfolio Committee in due course.

Despite the revenue shortfall, the SABC has instituted measures to mitigate the impact of the pandemic on its operations.

Considering the above, the SABC would like to state categorically that there is no application for any additional bailout from Treasury. Since it received its bailout allocation from Treasury, the SABC has restored a healthy working capital cycle aligned with the cashflow forecasting models.

The SABC Board remains committed to ensuring that the public service broadcaster fulfils its public service mandate, while striving to be financially sustainable.

END

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Media Enquiries: Ms. Mmoni Seapolelo SABC Spokesperson (Acting)

seapolelomv@sabc.co.za|T. 011 714 3057|C. 073 688 1590