



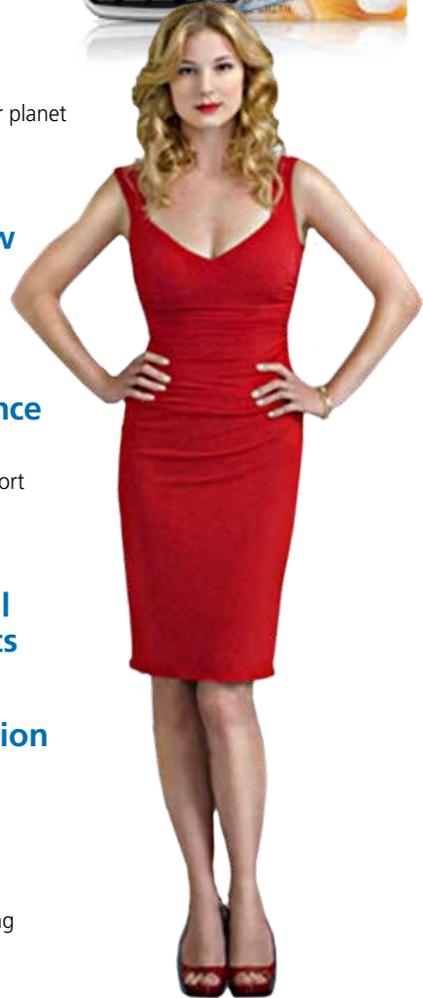
NASPERS

**2013 INTEGRATED ANNUAL REPORT
INCLUDING NOTICE OF
ANNUAL GENERAL MEETING**

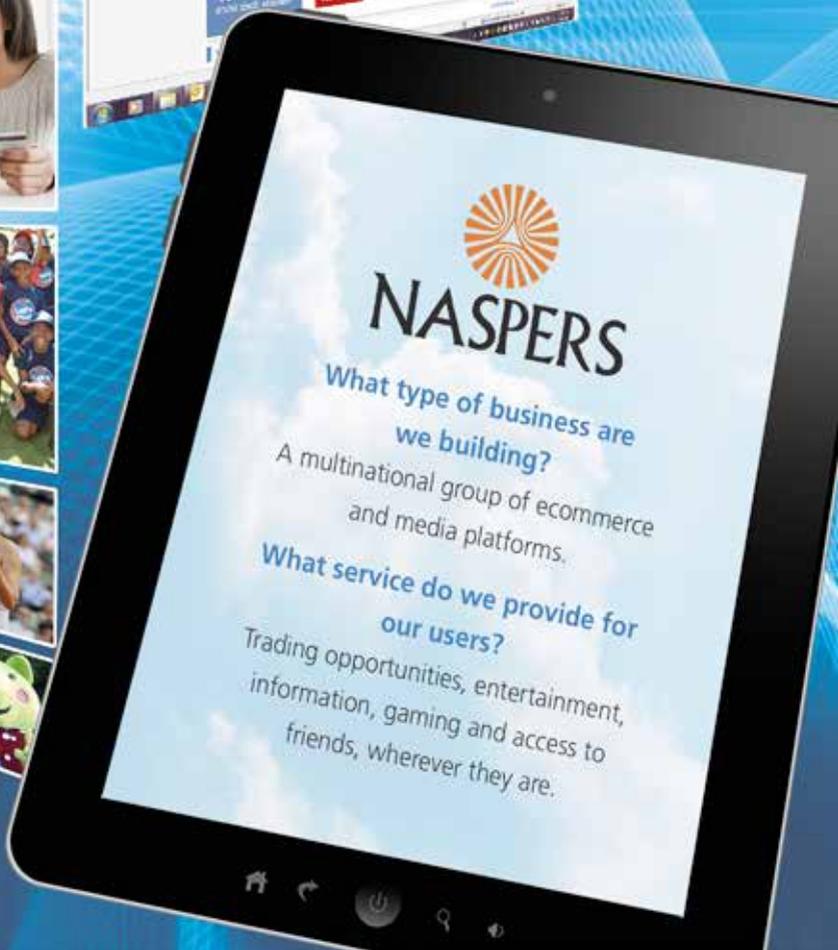


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The Naspers group



Scope of this report and assurance

Since 2008 Naspers has reported annually to stakeholders on its non-financial performance.

This is our third integrated annual report – combining financial and non-financial information for a fuller understanding of our group performance for the financial year from 1 April 2012 to 31 March 2013.

The report was prepared using the guidelines of the Global Reporting Initiative (GRI G3) and recommendations of the latest King Report on Corporate Governance in South Africa (known as King III).

This integrated annual report includes the financial performance of the Naspers group and its subsidiaries, joint ventures and associates. The scope of reporting on non-financial performance covers the holding company, internet operations in Latin America (Buscapé) and Central and Eastern Europe (Allegro), pay-television businesses in South Africa and Nigeria (MultiChoice) and print media operations in South Africa (Media24). Together these account for 82% of consolidated revenue.

Our South African operations publish separate integrated annual reports on **www.media24.com** and **www.multichoice.co.za**.

We continue to develop group reporting standards to make our disclosure increasingly meaningful and measurable for stakeholders. Our report excludes financial and non-financial targets or forward-looking statements other than explained below.

The financial information extracted from the audited Naspers Limited consolidated annual financial statements for the year ended 31 March 2013 has been correctly quoted in this integrated annual report. Refer to page 124 for PricewaterhouseCoopers Inc.'s (PwC) report. The South African broad-based black economic empowerment (BBBEE) information was verified by Empowerlogic (MultiChoice) and AQRate (Media24).

Note: Forward-looking statements

This report may contain forward-looking statements as defined in the United States Private Securities Litigation Reform Act of 1995. Words such as “believe”, “anticipate”, “intend”, “seek”, “will”, “plan”, “could”, “may”, “endeavour” and similar expressions are intended to identify such forward-looking statements, but are not the exclusive means of identifying such statements. While these forward-looking statements represent our judgements and future expectations, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations. These include factors that could adversely affect our businesses and financial performance. We are not under any obligation to (and expressly disclaim any such obligation to) update or alter our forward-looking statements, as a result of new information, future events or otherwise. Investors are cautioned not to place undue reliance on any forward-looking statements in this report.

Statement of the board of directors on the integrated annual report

The audit committee and the board reviewed the integrated annual report and the board approved the report. The financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) and the South African Companies Act No 71 of 2008, while the integrated annual report was prepared in accordance with the guidelines of the Global Reporting Initiative (GRI).

The integrated annual report and financial statements fairly reflect, in our opinion, the true financial position of the group at 31 March 2013 and its operations during this period as described in the report.

On behalf of the board



Ton Vosloo

Chair

Cape Town

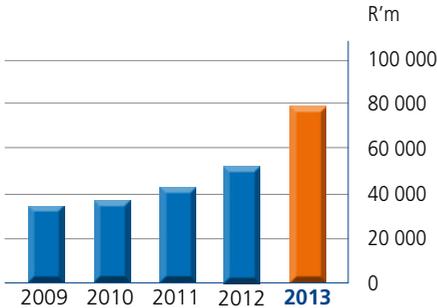
21 June 2013



Highlights of the year in review

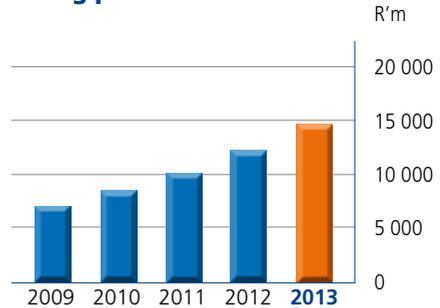
FINANCIAL PERFORMANCE

Revenue*



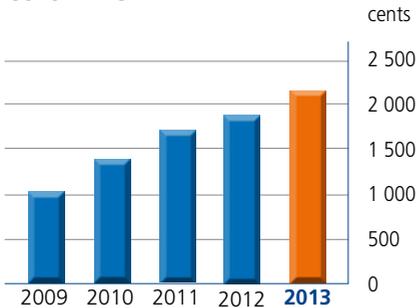
*Including associates on a proportionate basis.

Trading profit*

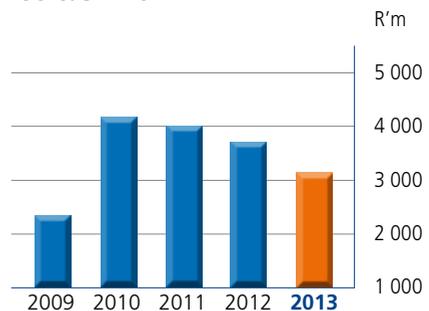


*Including associates on a proportionate basis.

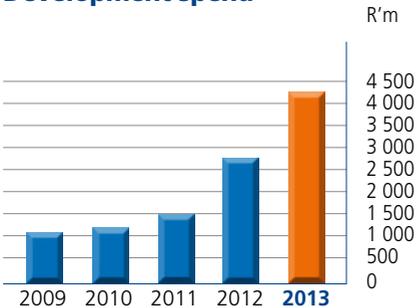
Core HEPS



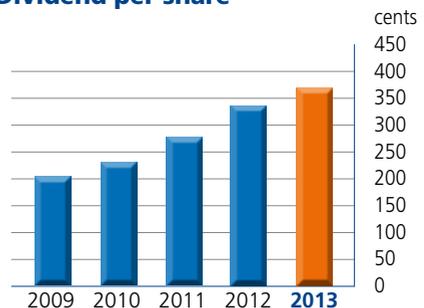
Free cash flow



Development spend



Dividend per share



FIVE-YEAR REVIEW

R'm	2009	2010	2011	2012	2013
Income statement items, including associates on a proportional basis					
Revenue	34 505	37 251	45 103	56 522	76 776
Trading profit	7 173	8 537	10 546	11 762	14 465
Excluding associates					
Trading profit	4 940	5 447	6 098	5 669	5 729
Free cash flow	2 432	4 129	3 991	3 619	3 473
Statement of financial position					
Total assets	54 560	57 468	69 855	81 278	103 536
Total equity	35 217	35 634	42 942	49 576	55 853
Total liabilities	19 343	21 834	26 913	31 702	47 683
Other information					
Development spend	1 144	1 240	1 535	2 823	4 267
Core headline earnings per share (cents)	1 179	1 426	1 612	1 850	2 216
Dividend per N ordinary share (cents) (proposed)	207	235	270	335	385
Weighted average number of N ordinary shares ('000)	371 004	372 951	374 501	375 653	385 064

NON-FINANCIAL PERFORMANCE

USERS AND SERVICES



6,7m households in 48 countries across the African continent enjoy our pay-television channels packed with premium sport and entertainment. SuperSport broadcasts **24 sport channels throughout Africa**, featuring around 12 000 live events per year.

Some **1,2bn internet users worldwide** use our platforms to trade, be entertained or to connect with friends and family.

Media24 publishes around **60 magazines and 90 newspaper titles in Africa**, including the continent's most widely read daily newspaper, *Daily Sun*. 12m people read our magazines monthly and our newspapers each week.

OUR PEOPLE



197 bursaries awarded to Media24 employees for part-time studies.

138 453 hours of training conducted across the Media24 group.

MultiChoice offered **643 learnerships** across production, broadcast engineering and customer care.

117 internships were offered at M-Net, SuperSport and MultiChoice.

Some R1,4m was made available for MultiChoice bursaries,

R900 000 of which was specifically **designated for women**.

Allegro ranks fourth among the **Top 100 Ideal Employees** to work for according to the Universum Students Survey of engineers.

ENVIRONMENT



MultiChoice's **green initiatives** are progressively covering energy efficiency, waste management, products and community outreach.

Paarl Media is a **leader in the local industry** in reducing the impact of print-production processes on natural resources and implementing practices to eliminate emissions.

SOCIO-ECONOMIC DEVELOPMENT



Allegro's e-Business Without Barriers initiative

empowered over 200 disabled people this year, by training them in ecommerce, allowing them to apply for jobs they would have otherwise been excluded from.

Media24's **multi-million rand project** is boosting 24 selected non-profit organisations and small businesses by providing advertising space and editorial coverage

Some **100 000 shareholders** are now able to trade their **Phuthuma Nathi shares**.

Our business

Introduction

The company has its primary listing on the Johannesburg Stock Exchange (JSE) in South Africa, where it has been a constituent of the Top 20 index for some years. It also has a Level I American Depository Receipt programme (ADR programme) listing on the London Stock Exchange (LSE) and trades in the USA on an over-the-counter (OTC) basis.

International investors, which currently account for about 50% of our shareholder base, are therefore able to buy and sell Naspers securities either through the appropriate OTC market, or on the LSE or JSE (details on page 138).

Naspers is a leading broad-based multinational group, with principal operations in ecommerce, other internet services, pay television and related technologies, as well as print media. We operate predominantly in emerging markets with growth potential. These include Africa, China, Latin America, Central and Eastern Europe, Russia, India, South-east Asia and the Middle East. Most of our businesses are market leaders in their sectors.







NASPERS



FORMAT

DTH

DTT

Classifieds

Etail

TYPE

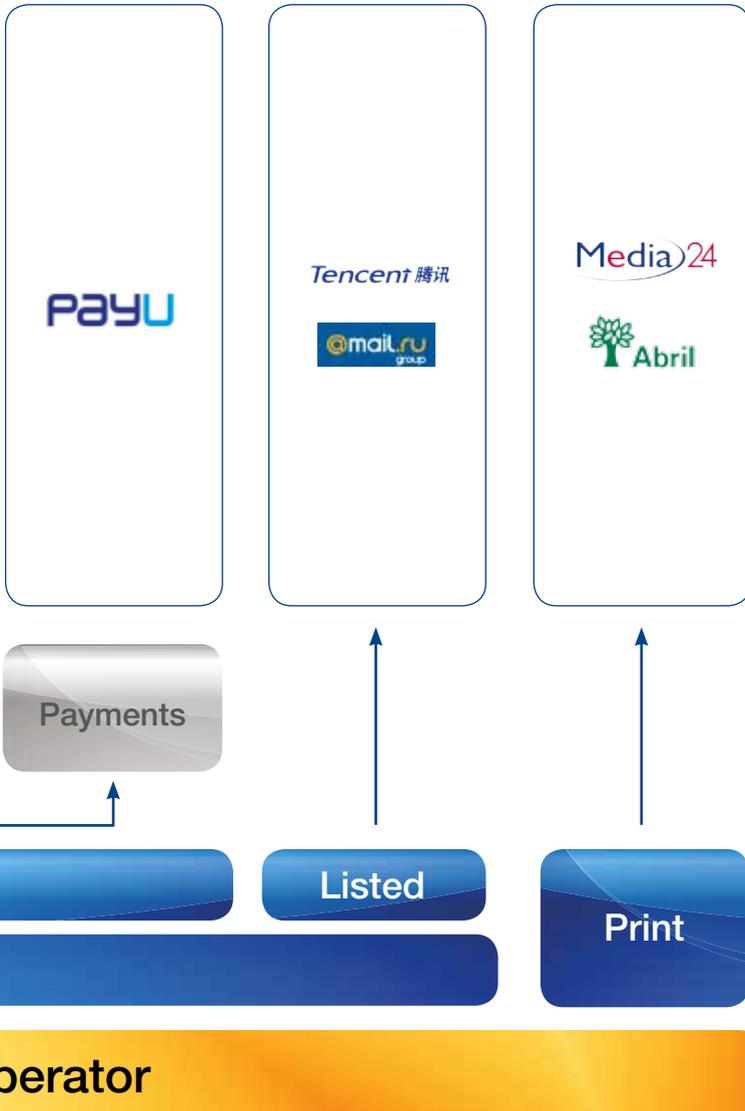
Pay television

Ecommerce

Internet

Global platform

Group at a glance



Overview of segments

Internet

Our internet assets are spread across Eastern and Central Europe, China, Russia, Latin America, India, South-east Asia, Africa and the Middle East. These platforms and communities offer ecommerce services, communication, social networks, entertainment and mobile value-added services.

Historically, we reported on our internet activities by region. Given the growth of the portfolio, we believe reporting by activity now presents a more useful view of our group.

Accordingly, these activities are now segmented within our internet operations as:

- Integrated listed internet platforms – Tencent and Mail.ru.
- Ecommerce platforms – classifieds, etailing and payments.
- Others.

Over the last three years we have sharpened our focus within ecommerce. During this time we expanded our footprint organically and through acquisitions. We believe online shopping is a major global consumer need and anticipate that the proliferation of affordable tablets and smartphones will drive the uptake of this service. We continue to focus our efforts on expanding across the value chain, increasing the number of products and services we offer to our customers and embracing the benefits of mobile internet to increase scale and reach.



A brief description of each ecommerce category is provided below:

Etailing: We are building business-to-consumer (B2C) enterprises that enable consumers to purchase goods and services through online and mobile platforms. The business model typically requires scale for success.



In some markets we purchase and hold inventory for sale in our own warehouses and fulfilment centres and take responsibility for the delivery of items to the end consumer. Delivery could be via owned or contracted third-party distribution systems. Tight working capital management and good merchandising is key to driving satisfactory returns on cash invested. Revenues from etail platforms are derived from the sale of products and goods held in inventory as well as on consignment.

In other markets we facilitate third-party business-to-consumer (B2C) and consumer-to-consumer (C2C) transactions through proprietary platforms. We offer sales management tools and traffic generation, but do not in these cases purchase or hold inventory directly. Revenues from these marketplace services are derived from commission charged on successful transactions, as well as listing and promotional fees.

We also offer online price-comparison services to enable consumers to obtain information,

availability and pricing on products offered by multiple vendors. We receive a fee from vendors for leads generated and/or purchase transactions completed.

Classifieds: We operate online classifieds platforms which list items for sale or wanted for purchase. We create local, online exchanges between buyers and sellers, offering value for all. Our revenues from classifieds include listing and promotional fees.

Given the local nature of this service, we typically build regional teams to drive brand awareness, product development and customer interaction. We focus on liquidity through increased penetration and engagement. The business model requires significant upfront investment over time to build market leadership. Generating returns from our investments by monetising these sites is still some way off.

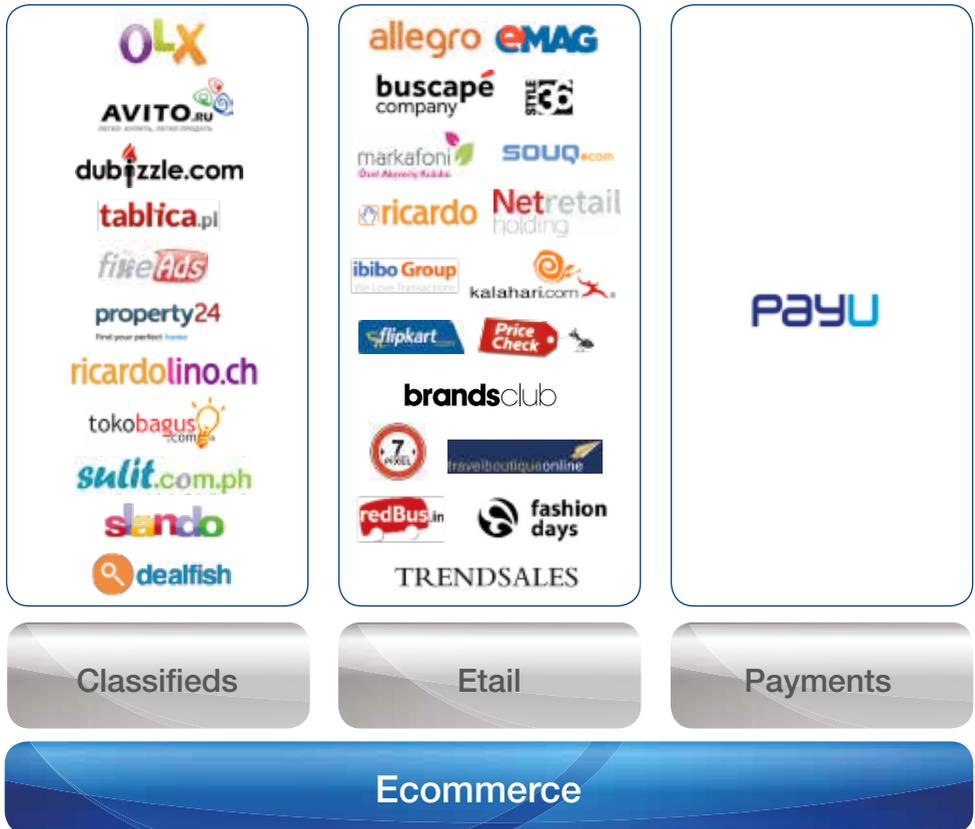


Overview of segments (continued)



Payments: Under the PayU brand, we offer solutions that enable safe and easy payment for goods and services purchased online. These payment solutions are available to consumers on our own ecommerce platforms as well as on third-party operated ecommerce platforms.

Ecommerce sector by category



Pay television

We operate pay-television subscriber platforms in South Africa and sub-Saharan Africa. Naspers also develops underlying content protection and access-management technologies for internet, pay-television and mobile platforms. Main operations include:

MultiChoice: Leading provider of pay-television services, including mobile, under the *DStv* umbrella, serves 6,7m households in 48 African countries.

M-Net: General channel provider, sourcing content from international content owners and commissioning local production.

SuperSport: Premier funder and broadcaster of sporting content in 48 countries in Africa.

MWEB: A leading internet service provider in South Africa.

Irdeto: Global provider of content security, management and delivery for pay-media companies.

Print media

Print media consists of magazines, newspapers, printing, distribution and book-publishing businesses in South Africa and some print media investments in Brazil and China. Main operations include:

Media24: Leading publisher of newspapers, magazines and books in Africa. Its activities include traditional and digital publishing, printing and distribution. Media24 publishes some 60 magazine titles and 90 newspaper titles. The company is evolving into an innovative



multiplatform econtent and services provider.

24.com: Leading internet publisher in Africa.

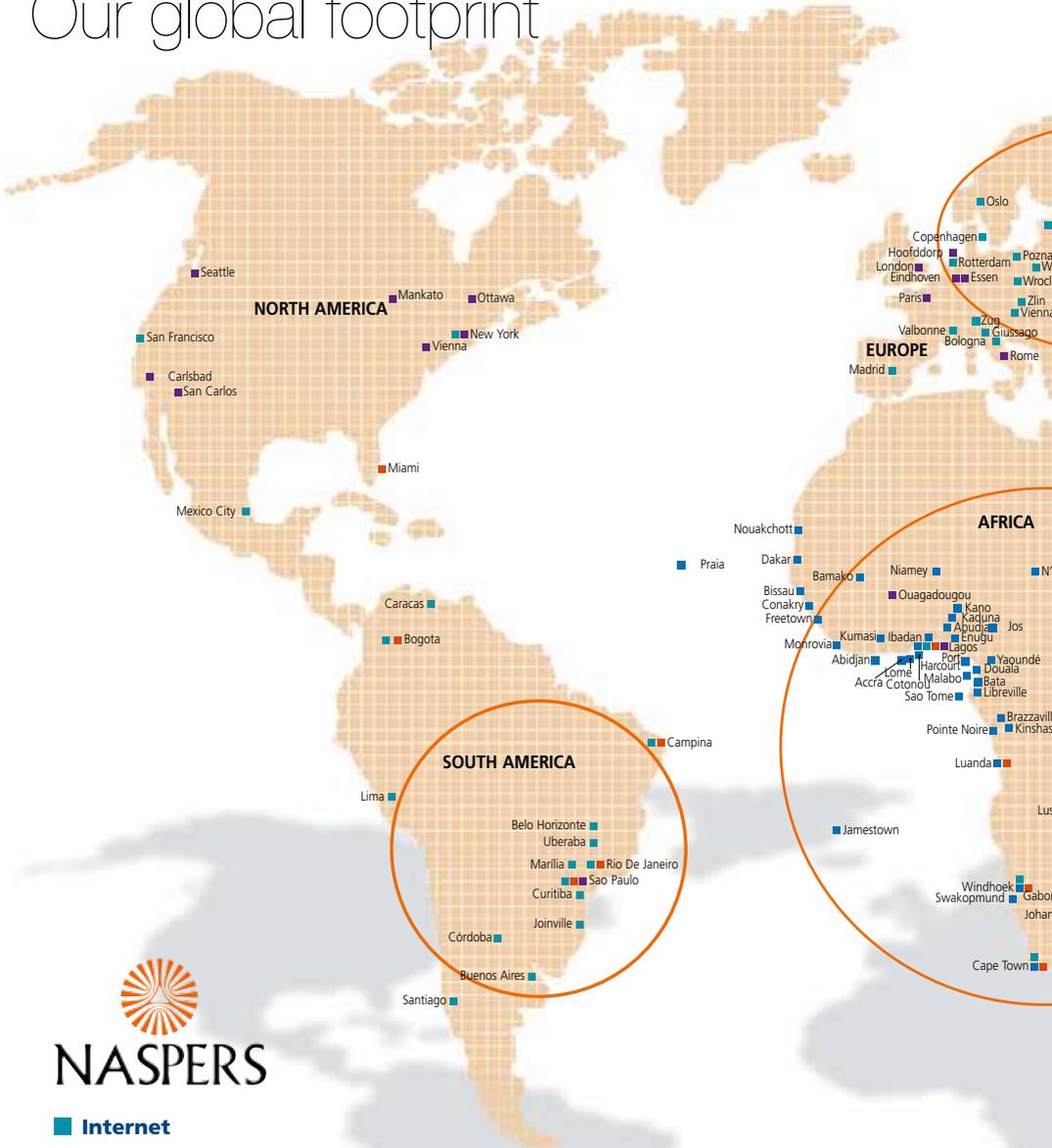
Paarl Media: Leading print and related-services provider, focused on educational and retail markets in South Africa and further north.

Book publishing: Market leaders in some sectors include Via Afrika Publishers, Jonathan Ball Publishers and NB Publishers.

Abril: Leading magazine publisher in Brazil.

Beijing Media Corporation: Operates a Beijing newspaper, the *Beijing Youth Daily*.

Our global footprint



NASPERS

- Internet
- Pay television
- Print
- Technology

We provide services in more than 130 countries.



Chair's report

Overview

This integrated annual report to stakeholders was prepared using the recommendations of King III, Global Reporting Initiative (GRI) guidelines and global best practice, where appropriate. Our aim is to provide a balanced view of our performance for the year to 31 March 2013 and to continually improve our disclosure.

Readers will notice that in relation to our internet businesses, we move from regional reporting to reporting by functional activity. Our portfolio has grown. The nature of our business is global and, in many cases, borderless. The services that drive our internet and pay-television activities can be replicated in different geographies once the underlying technology is in place. In addition, the synergies unfolding between our internet subsidiaries are best illustrated by concentrating on activity as opposed to region. We trust you will find this shift informative and, as always, we welcome your feedback (InvestorRelations@naspers.com).



Ton Vosloo: Chair





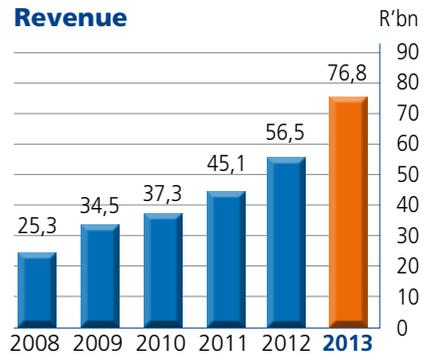
The group continued to expand its businesses during the review period, with an increasing focus on ecommerce, to post growth in consolidated revenues of 27%.

Core headline earnings per share grew 20%. The slower pace of earnings growth is due to more emphasis on developing our businesses organically.

During a somewhat bumpy period, Naspers has grown managed revenues, including our share of associates' results, at a compound annual rate of some 25% over the past five years. The figure for managed trading profits is 22%.

The internet segment is our area of fastest growth. This segment's managed revenues, which includes our portion of Tencent and Mail.ru, surpassed pay television's for the first time during

Revenue



this financial year. Margins in pay television were reasonably stable despite the increased development spend and wobbly rand. Our print media businesses had a tough year.

Looking ahead, we remain committed to building our businesses across emerging markets.

Chair's report (continued)

Governance

Given the multinational nature of the group, we are exposed to different risks in various jurisdictions as detailed in the risk management section. Governance and sustainability are therefore essential measures for our stakeholders. The board conducts the group's business with integrity, applying appropriate corporate governance policies and principles.

As several Naspers subsidiaries are governed by independent boards of directors, these apply suitable governance practices and their relevant committees also comply with requirements.

A disciplined reporting structure ensures the holding company board is informed of subsidiary

activities. Detailed strategies and business plans, covering the financial and non-financial elements of operations, are regularly reviewed and management remuneration is based on performance against specified internal targets (financial and operational) linked to strategic objectives.

Naspers continues to evaluate areas where governance at corporate and subsidiary level can be improved. The extent of applying King III in the governance frameworks of Naspers, MIH, MultiChoice and Media24 is outlined on page 92.

Environment in which we operate

Globally, economic growth remained variable over the past year. We played the field as we found it.



An important technology trend for our group is the growth of mobile devices. Globally, smartphone penetration increased 42% in the past year; over 1bn smartphones now account for 20% of all mobile devices worldwide, supporting the view that internet use is shifting steadily from PC to mobile and tablets. In some of our businesses, as much as a third of total traffic now stems from mobile applications.

The broader regulatory environment continues to evolve. In Africa countries are increasing broadcasting regulation and new competition legislation is being introduced. Elsewhere in the world, internet regulation is also increasing. Naspers has various licences to provide services. As noted in the prior report, these licences are subject to conditions that may change over time. Equally, our newspaper and magazine businesses are subject to some regulatory risks. Naspers's two main South African units, MultiChoice and Media24, are complying with unique black economic empowerment requirements.

Managing sustainability

The Naspers board determines strategy and is ultimately responsible for overseeing our group's performance. Management teams across our businesses implement these strategies, guided by the group's code of ethics and business conduct.

Our core competencies and values guide our sustainable development framework, which is underpinned by an understanding

of the concerns of material stakeholders.

These tie into our risk management processes, which integrate financial and non-financial risk identification, management and monitoring for the most significant subsidiaries.

The board is also responsible for the integrity of integrated reporting. It tasked the audit and risk committees to oversee sustainability issues in the integrated annual report and assists the board in its review by ensuring information is reliable and comparable to financial results.



Chair's report (continued)

In line with our sustainable development policy, the group contributes to local communities in which it operates. It also strives to minimise its impact on the environment. Some of our more significant initiatives focus on education, skills development, entrepreneurial spirit, community outreach and environmental sustainability. Most initiatives are implemented in partnership with government, communities or other local organisations.

By using our expertise we are addressing challenges such as education, skills development and environmental sustainability. Our aim is to improve the living conditions of our employees, their families and the communities in which we operate, ultimately balancing profit, people and planet.

In 2012 we launched **www.naspers.org**, an integrated sustainability platform that illuminates Naspers's core value of being useful to the communities we serve. The site captures our combined social awareness and focuses on projects that address social and environmental issues. In time, naspers.org will demonstrate the nature and quality of our group's impact on society and on the planet.

Dividend

The board recommends that the annual gross dividend be increased 15% to 385 cents (previously 335 cents) per listed N ordinary share, and 77 cents (previously 67 cents) per unlisted A ordinary share. If approved by shareholders at the annual general meeting on 30 August 2013, dividends will be payable to shareholders recorded in the books on Friday 20 September 2013 and paid on Monday 23 September 2013. The last date to trade cum dividend will be on Friday 13 September 2013. (The shares will therefore trade ex dividend from Monday 16 September 2013.) Share certificates may not be dematerialised or rematerialised between Monday 16 September 2013 and Friday 20 September 2013, both dates inclusive.

The dividend will be declared from income reserves. There are no STC credits available for utilisation as part of this declaration. The dividend



will therefore be subject to the dividend tax rate of 15%, which will result in a net dividend of 327,25 cents per listed N ordinary share and 65,45 cents per unlisted A ordinary share to those shareholders not exempt from paying dividend tax. Dividend tax will amount to 57,75 cents per listed N ordinary share and 11,55 cents per unlisted A ordinary share. The issued ordinary share capital as at 21 June 2013 was 415 540 259 N ordinary shares and 712 131 A ordinary shares. (The company's income tax reference number is 9550138714.)

Directors

In terms of the company's memorandum of incorporation, one-third of non-executive directors retire annually and reappointment is not automatic. Messrs Lourens Jonker, Fred Phaswana and Ben van der Ross, Adv Francine-Ann du Plessis and I retire by rotation at the annual general meeting, but we are eligible and offer ourselves for re-election.

Shareholders will be asked to consider the re-election of the abovementioned directors at the annual general meeting, notice of which is contained in this report.

It was with great sadness that we suffered the passing of Prof Jakes Gerwel on 28 November 2012. Jakes served on the board of Naspers from July 1999, was chair of Media24 since 2007 and also chaired Welkom Yizani, Media24's empowerment partner. He made an invaluable contribution to the business and will be sorely missed.



Members of the audit committee are Messrs Boetie van Zyl and Ben van der Ross, as well as Adv Francine-Ann du Plessis. The board recommends that shareholders reappoint them as audit committee members (subject to the re-election of Adv Francine-Ann du Plessis and Mr Ben van der Ross to the board). In compliance with the Companies Act, shareholders will be asked to consider their re-election at the annual general meeting. Prof Rachel Jafta resigned as a member of the audit committee on 22 February 2013. The abridged curricula vitae of all directors appear on pages 98 to 101.

I thank my fellow board members for their continued guidance and support in another successful year. We also appreciate the commitment of our management teams and employees around the world.

Ton Vosloo

Chair

21 June 2013

Chief executive's report



Koos Bekker: Chief executive

Overview

The group's results for the year reflect the benefits of a diverse portfolio, global presence and spread of risk.

Sustainable development

Essentially, our group provides the means to transact, communicate and be entertained.

Our sustainability as a group rests on our ability to entertain, inform and connect people, support ecommerce, distribute media products and sell advertising. We like to manage paying subscribers and we develop solutions that meet people's needs in the areas of trading, entertainment, media and communication.

Understanding how to identify consumer needs, develop solutions, collect fees, sell adverts and serve customers remains central to our growth and sustainability.

Our products and services improve people's lives in very practical ways.

Although the board is responsible for ensuring that sustainable development is integrated into business strategy, this policy is implemented by management. Oversight rests with the group audit and risk committees.

Operationally, sustainable development is incorporated into our risk management processes.





Performance in context

The group posted a solid performance over the past year. Investors are reminded that our strategy is to maximise the potential of existing businesses, whilst investing deeper to grow new businesses for the long term. We are mindful that this strategy will reduce both earnings and cash flows in the short term.

Against this background, it is pleasing that we generated consolidated revenue growth of 27% – now some R50bn. The main contribution to this growth came from the internet segment, which experienced robust revenue growth across

all major platforms. Note that not all internet units are profitable as yet.

Despite the step-up in development spend, core headline earnings per N ordinary share grew by 20% to R22,16. However, the major part of this growth came from currency translation effects, as the rand exchange rate weakened over the period.

A milestone was reached this year when managed revenues from our internet units, which include our share in associates, exceeded that of pay television. The pay-television business put in a positive performance with the net subscriber base growing by 1,1m households in the year.

Chief executive's report (continued)



There is a significant shift in user activity from the personal computer to mobile devices such as smartphones and tablets. This trend simultaneously disrupts existing business models and creates new opportunities. The group is moving rapidly to embrace this trend.

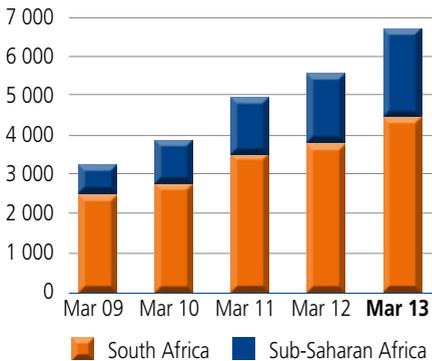


Internet: Over the past eight years and right through the global recession, our fastest-growing segment has added managed revenues at 54% per annum. This came mainly from Allegro, Tencent and Mail.ru.

Over the past year we expanded our retailing operations through a combination of organic and acquisitive growth. We also strengthened our online classifieds portfolio.

Pay television: Subscriber growth in the past year exceeded 1m households (including the entry-level *Easyview* bouquet). The base now stands at 6,7m households across 48 African countries.

Pay-television homes '000



Our pay-television business maintained solid growth in revenues and trading profits. We upgraded our broadcast infrastructure and expanded online services. *GOtv*, our new digital terrestrial television service, is gaining traction. Competitive pressures and regulatory scrutiny continued to intensify across the continent.

Print media: The performance of the print businesses in South Africa and Brazil were strained by the challenging economic climate. Advertising revenues were thin as advertisers either channelled their spend elsewhere, or simply cut their budgets.



Chief executive's report (continued)

Significant acquisitions

The group invested R5,3bn during the year on acquisitions in the ecommerce sector:

- 70% of eMag in Romania for R728m (US\$82m)
- 29,6% of Souq Group in the Middle East for R319m (US\$37m)

- 79% of Netretail for R1,8bn (US\$215 m)
- 10% of Flipkart in India for R858m (US\$102m)

In March 2013 we combined our Slando.ru and OLX.ru assets with a R462m (US\$50m) investment in exchange for a fully diluted 18,6% interest in Avito to create the leading general classifieds business in Russia.

Investor engagement

Naspers wants to provide timely, transparent and relevant information. This helps the investing public to better understand the group's business, governance, financial performance and prospects within the constraints of a highly competitive environment.

We disseminate information through a broad range of channels. Shareholders, investors and analysts all have access to our investor relations team and investor relations website.

We conduct roadshows locally and internationally and attended a number of equity and debt investor conferences. We value feedback from the investment community, and strive to continually improve our investor engagement.

Contact details for the investor relations office are on page 138.

People

A tough industry requires rapid adaptation and securing people with specific (and often rare)



skills. Across the group, skills development is critical to retain our competitive edge. In a diverse, global group, management talent is important and succession plans for key management are in place.

Attracting entrepreneurs is key to our group's sustainability. We aim to attract and retain the best talent, specifically young engineers, which are critical in our internet operations. In addition, our remuneration mix of fixed salary, short-term bonuses based on specific objectives, as well as share-based incentive schemes for each business, focuses our people in each unit on building shareholder value for the long term (refer to pages 79 to 96 of the annual financial statements,

which can be found on www.naspers.com, for further details on the share-based incentive schemes).

Our people around the world display admirable resilience and innovation in achieving our goals. Their commitment, and the support and guidance of the Naspers board, as well as the boards of our subsidiaries and associates, underpin our sustainability.

Preparing for growth

Over the past year growth in revenue reflected the expansion of our group. While our strategy is continually refined, three legs are unchanged: organic growth of existing businesses, pursuing acquisitions that add value and developing new technologies. In the year ahead we will focus especially on growing our businesses organically. This will mute earnings in the short term as the cost of developing these businesses is expensed through the income statement. However, we believe this strategy is sound.

Our aim is to deliver value to our shareholders over the medium to longer term and to contribute to the communities in which we operate.



Koos Bekker

Chief executive

21 June 2013



Risk management

Risk management is integral in the day-to-day operations of our businesses. As a multinational multimedia group with activities in over 130 countries, the group is exposed to a wide range of risks that may have serious consequences. The diversified nature of the group spreads this exposure, although it does add complexity.

Risk philosophy

Naspers identifies and manages risk in line with international best corporate governance practice and applies the relevant rules and regulations.

The board is responsible for the governance of risk and is satisfied with the effectiveness of the risk management process. Risk management plans and processes are presented, discussed and approved at risk committee meetings. Registers of significant risks facing the group are discussed, along with management actions to control these risks within board-approved ranges of tolerance.

The diversified nature of the group helps spread risk, particularly in terms of global political and economic instability, market development, regulatory matters and currency fluctuations. Identifying risk and developing plans to manage risks are part of each unit's business plan. These are annually assessed by the board.

Risk policy

The group's risk profile is based on a formal and planned approach to risk management. Risk identification, management and reporting are embedded in business activities and processes.

The group risk policy applies to all operations where Naspers has more than 50% ownership and management control.

Using a board-approved top-down, bottom-up approach to risk management, areas of focus for the 2013 reporting year spanned:

- Naspers corporate
- MIH corporate
- Media24
- MultiChoice South Africa
- MultiChoice Nigeria
- Buscapé, and
- Allegro.

The risk policy applies to risks the group faces in executing its strategy, operations, reporting and compliance activities. The policy is reviewed

annually. Some group companies have specific risk management functions and the Naspers risk committee is responsible for reviewing these.

Risk management support advises on, formulates, oversees and manages the risk management system and monitors the group's risk profile, ensuring major risks are identified and reported at the appropriate level in the group.

Risk framework

The Naspers enterprise-wide risk management (ERM) framework is designed to ensure significant risks and related incidents are identified, documented, managed, monitored and reported in a consistent and structured manner across the group. It is modelled on the COSO ERM¹ framework as well as the COBIT² framework for information technology.



Material issues and how we manage these

Certain material risks are outside our control and other factors, besides those listed, may affect the overall performance of the business. Despite our

structured approach to risk identification, some risks may currently be unknown and other risks, regarded as immaterial, may become material. An internal oversight forum monitors the system of internal control.

⁽¹⁾COSO ERM: *The Committee of the Sponsoring Organisations of the Treadway Commission Framework for Enterprise-wide Risk Management.*

⁽²⁾COBIT: *Internationally accepted framework for IT governance.*

Risk management (continued)

At present the following material group risks are evident among a wide range of potential exposures:



Material issue

Regulatory and compliance issues

Most of our businesses are subject to extensive regulations.

Naspers operates in over 130 countries, each with a set of regulatory and compliance obligations that affect the group's operations.

South Africa's exchange control regulations require approval for transactions outside the common monetary area. If approvals are not received this could hinder our ability to make foreign investments.

Strategic and operational issues

The Naspers group has a decentralised operational control environment, while operating in entrepreneurial, international businesses.

The geographical spread of operations exposes us to a variety of economic, social and political risks. Certain countries in which we operate may face difficulties due to currency fluctuations, interest rates, bankruptcies, stock market declines, terrorist attacks, corruption, political instability, threats and ransom, epidemics and other factors that may materially harm our businesses.

We do not exercise control over our minority investments and the value of our stake in such investments could decrease if these businesses adopt strategies or take actions contrary to our preferred strategies and actions.



How we manage the issue

Regulatory and compliance issues

A regulatory and legal compliance programme has been implemented.

- Regular reviews of applicable legislation by in-house legal resources.
- External legal advisers assist management.
- Communication of regulatory issues to decision-makers.
- Proactive interaction with government agencies and regulators.
- Participating in public processes on new regulations.

Naspers complies with the South African Reserve Bank's regulations and with conditions under which approval for transactions outside the common monetary area are granted.

Strategic and operational issues

A top-down approach to governance ensures policies are aligned between businesses and subsidiaries where we have management control.

Governance documents and processes are reviewed by the respective boards, company secretaries and Naspers's internal control oversight forum.

In exercising the business strategy we evaluate countries and businesses on a regular basis. We diversify markets we invest in, monitor economic, social and political issues and take appropriate actions.

Leading advisers are used for reviewing markets or businesses, including due diligence processes.

The group is represented on the boards and audit committees of most of these entities and has a voice in material decisions.

The group builds strong relationships with management and partners.

We monitor the performance and operations of these businesses.

Risk management (continued)

Material issue

Significant investments might not be monetised effectively according to shareholder expectations.

Technology is an integral part of our operations.

We may be caught off-guard by the pace of new technologies or start-ups, or deploy new technologies too slowly or ineffectively.

We may not detect social, technical or economic shifts in time.

Competitors in our markets may threaten the position of our companies and associates.

Competition includes new or traditional players as well as new products and services. Loss of market share and scale may place pressure on margins.

Failure of systems, software or infrastructure could disrupt continuous service to our customers.

A number of our businesses require significant investment to drive growth. In most instances development spend is made over multiple years. There is a risk that we do not realise the planned return on these investments.

Internet usage is rapidly moving to mobile devices. If we fail to deliver our services and products adequately on mobile devices it will severely impact our long-term prospects.

Failure to secure significant content rights could result in loss of pay-television subscribers. Rising content prices impact margins significantly.



How we manage the issue

Strategic and operational issues (continued)

Naspers maintains transparent communications with investors, aiming to provide insight into our operations while protecting our competitive advantage and complying with stock exchanges' listing requirements.

Segmental results enable the investment community to form an opinion of the valuation of individual businesses in the group.

Regular impairment tests are performed and reported on in terms of investments.

Continued focus on emerging technologies in own products and services.

Acquiring companies that have developed new technologies and demonstrated relevance in our segments and markets.

Focus on engineering resources and implementing recruitment programmes for the best engineers.

The group monitors technology developments and disseminates knowledge to operating companies.

First to market with products and services we believe hold promise.

Establish complementary businesses, reducing dependency on single elements of the value chain.

Regular market reviews including reviews of operational statistics.

Acquiring new players or new technologies that may enhance or increase longevity of our platforms.

Business continuity plans include: back-up, some redundancy and recovery measures.

Regular review and discussion of business plans and monitor progress. We disclose in a transparent way to stakeholders.

Building mobile applications for our products and services.

Measuring and tracking performance of our products and services on mobile.

Review content rights and their economic value regularly.

Risk management (continued)

Material issue

Financial and related reporting risks

Our level of debt could affect our business. Our ability to make payments on our debt depends on our operating performance, which is in turn subject to risks that may be outside our control.

Should financial institutions where the group invests its surplus cash experience significant financial difficulty, the group could suffer losses.

Dislocations in credit and capital markets may make it more difficult for us to borrow money or raise capital to finance expansion of our existing businesses or make acquisitions.

The group reports in South African rand and this exchange rate may vary against other currencies. In addition, in several markets, the group has substantial input costs in foreign currencies. The movements of these currencies could have a negative or positive impact on our income or expenses. Unrealised and realised currency translation gains or losses may distort the group's financial accounts.

Human capital

We rely on the skills of key individuals with detailed knowledge of our business and the markets in which we operate. Unanticipated loss of these individuals may disrupt the business.

Health and safety

Incidents at any of our facilities resulting in death or serious injury while on duty may also result in criminal liability, fines and penalties for the company, its directors and/or officers.



How we manage the issue

Financial and related reporting risks

The group has a conservative approach to its debt profile, based on considering the adequacy of internal free cash flow resources in servicing debt and the level of investments it makes. Debt-bearing capacity is reviewed and approved by the board.

Naspers has a treasury policy approved by the risk committee that monitors distribution of cash resources (and thus the impact of a loss) and the grade of financial institutions. Cash resources are constantly monitored by management.

Constantly monitor credit markets to determine optimal time to arrange funding.
Ensure the group has spare debt capacity to tide it over in times of difficulty.

Management explains the impact of changes in exchange rates on results in its analysis to stakeholders.

In South Africa the group has a policy to hedge some of its operational foreign currency exposures, where possible.

Human capital

Succession plans reviewed annually by the relevant human resources and remuneration committees.

Health and safety

Comprehensive risk audits are performed annually to ensure compliance with policies, procedures and legislation.

Naspers has a comprehensive group-wide directors and officers liability insurance policy as well as relevant short-term insurance in place.

Balancing profit, people and our planet



We recognise that sustainable development and economic, social and environmental protection are global imperatives that present both opportunities and risks for business. Naspers, as a leading multinational multimedia and internet company, is positioning itself to meet these challenges.

In tandem with the expansion of our business, we aim to contribute to the communities in which we operate; develop our own people; contribute to general economic prosperity; and minimise our impact on the environment.

In formulating the group sustainable development policy, we analysed areas where the group can contribute to sustainable development in the markets in which it operates.



Extract from group sustainable development policy

Naspers creates communities, packages content and runs platforms. We connect people, distribute media products and conduct ecommerce. Our products and services play a developmental role in the markets where we operate.

Naspers is not only a business; as a responsible corporate citizen, we give back to the communities in which we operate. Through myriads of projects (www.naspers.org) our group companies touch the lives of thousands of people around the world.

Education is one of our most important contributions to the African continent. We help to improve literacy levels through various forms of print and digital media from newspapers and magazines to schoolbooks and digital ventures, including social networking.

SuperSport is the predominant funder of sport across the continent, especially soccer, while promoting associated social and economic goals.



M-Net's initiatives have stimulated the South African film industry by partnering with local filmmakers and content producers to assist emerging talent to make programming with universal appeal for its *Africa Magic* and *Mzansi Magic* channels.

Our internet platforms focus on ecommerce, communities, content, communication and games to bring previously inaccessible products and services to our users.

Our most direct impact on the environment is from print media, given that the internet businesses inherently have a lower impact on the environment. Through some of their trading activities, our internet businesses stimulate buying and selling used or recycled goods in a paperless environment, and strive to make a difference, for example Allegro's All For Planet initiative (page 90).

The value added statement on page 40 illustrates how the group distributes its earnings to employees, providers of capital and governments,

and how much it retains for reinvestment. In the past year the group has paid some R9,2bn (or 30% of the wealth created) to employees, which included salaries, bonuses and benefits, cost of training and participation in group share incentive schemes.

We contributed R7,6bn (or 25% of the wealth created) to local governments where we have operations, comprising tax on company profits, tax on employee salaries, other taxes on companies, skills development levies, et cetera. This assists in building the economies in countries in which we operate.

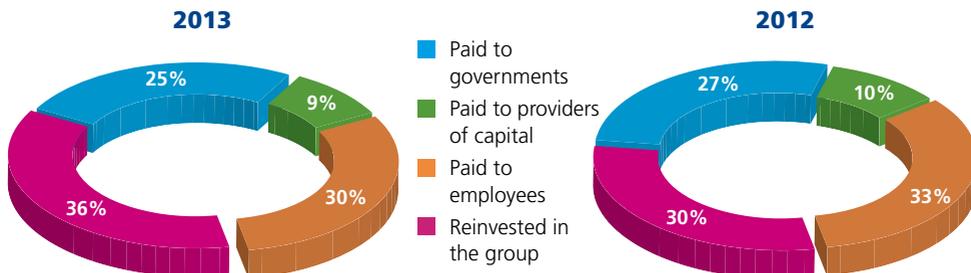
To fund our expansion and growth strategy, we rely on investors and debt providers, who in turn are compensated by dividends, share price appreciation and interest payments. This accounts for 9% of total earnings distributed. The remaining 36% has been reinvested to ensure we maintain a sustainable group that can enrich people's lives, provide jobs to over 21 000 people (excluding associates) and contribute to the economies of countries in which we operate.

Value added statement

for the year ended 31 March 2013

	31 March 2013 R'm	31 March 2012 R'm
Revenue	50 249	39 487
Cost of generating revenue	29 454	21 488
Value added	20 795	17 999
Income from investments	9 831	4 870
Wealth created	30 626	22 869
Wealth distribution:		
Employees		
Salaries, wages and benefits	9 233	7 469
Providers of capital		
Finance cost	1 501	1 271
Dividends paid	1 291	1 012
Governments		
Total tax paid	7 605	6 212
Reinvested in the group		
Depreciation and amortisation	2 933	2 602
Other capital items	3 405	2 417
Retained earnings	4 658	1 886
	30 626	22 869

Wealth distribution



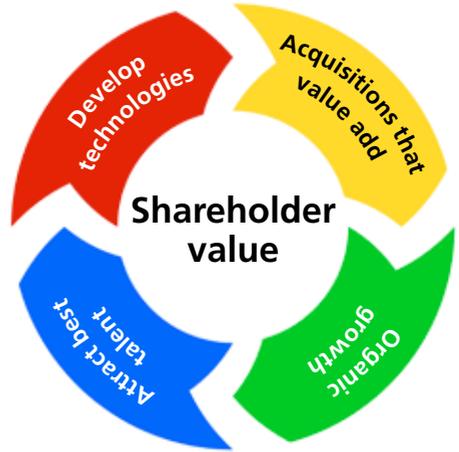
Strategy

Strategic focus

We are building a multinational group of ecommerce and media platforms to give users trading opportunities, entertainment, information, gaming and access to friends, wherever our users may be. In the process we create value for shareholders, attract innovative employees, and contribute to the communities in which we operate to ensure a sustainable business for the future.

How we do this

- Sustain organic growth of the business, combined with some investments.
- Focus on markets with higher growth potential, where we can achieve sustainable positions.
- Increase the number of users accessing our internet products and services, and deepen their engagement with our group.
- Attract the best talent, including entrepreneurs and engineers, and train and develop employees.
- Expand the pay-television subscriber base – maintain a local approach and deploy innovative technology.
- Continue working with regulators.
- Use our expertise and resources to benefit local communities where we operate.



Examples of our strategy in action

- We are growing our core internet business and broadening our base by rolling out new services.
- MultiChoice's platforms now deliver entertainment to more than 6,7m households in Africa.
- Our print media businesses are expanding their reach by offering online content.

Looking ahead

Focusing on the internet and pay-television (digital terrestrial television and online), we plan to expand the group mainly through organic growth in the year ahead, and through appropriate acquisitions, to deliver value to our shareholders over the medium to longer term. Strict and robust processes apply when evaluating investment opportunities.

Strategy (continued)

Naspers across the globe

For a fuller understanding of the Naspers group in context, we summarise some key indicators of our major operating regions.

	Population (m)	Internet users (m)	%	Mobile population (m)	%	PPP* GDP (US\$bn)	GDP per capita (US\$)
Africa and Middle East	1 072	240	22	835	78	7 009	6 538
China	1 354	538	40	1 110	82	12 406	9 161
Eastern Europe	295	162	55	395	134	4 740	16 068
India	1 223	119	10	868	71	4 684	3 830
South-east Asia	2 035	256	13	1 454	71	7 747	3 807
Latin America	447	231	52	527	118	6 893	15 421
Russia	142	79	56	230	162	2 513	17 697
Western Europe	408	307	75	530	130	16 092	39 441

*Purchase price parity

Sources: IMF, BOA Merrill Lynch, CNNIC

Challenges

Each business unit in the Naspers group faces its own set of competitors. This diversity adds complexity, but reduces group risk. The group approach to risk management is detailed on page 30.

Globally the regulatory environment for media and broadcasting is changing. The internet is subject to at least some legislation in all countries, but is less regulated than television or print in most countries. Competition in pay television has increased across Africa.





Key challenges include:

- Inflated internet asset valuations, which make acquisitions difficult.
- Ability to innovate in a changing technological environment to sustain growth.
- Achieving the right balance when rolling out governance initiatives across a group operating in more than 130 countries, while encouraging those businesses to be entrepreneurial.
- Attracting and retaining the right people.
- Increasing competition in all our markets and sectors.
- Embracing mobile.

Stakeholder engagement

Naspers has a range of stakeholder groups that differ by region. Broadly, the group deals with stakeholders through:

- employee newsletters, surveys, management briefings and intranet sites
- one-on-one meetings with suppliers, business partners and opinion formers
- feedback from readers through channels such as letters to editors, and social media
- interaction with readers/users/subscribers and the community
- participation in industry groups to develop shared practices
- frequent engagement with our shareholders
- policy engagement with regulators, and
- engaging with local communities through corporate citizenship activities.

Key issues pertinent to our three business segments are tabulated below:

Strategy (continued)

Key issues pertinent to our three business segments are tabulated below:

	Stakeholders	Issue and response
Internet	Customers	<p>Allegro and Buscapé use discussion pages on their websites to elicit feedback. Sellers and buyers comment on additions to the websites, changes in layout, new rules, regulations and the terms of selling and buying. Feedback on technical problems are also raised and discussed. Call centres are available for services where specialised products are sold. Buyers and sellers rate each other via a star-rating system used to differentiate between good and bad counterparties. Social media services like Twitter, Facebook and YouTube are extensively used for communication with customers.</p>
	Industry	<p>Allegro is organising an annual conference in Poznan, Poland, called e-novation. This includes presentations on the latest ecommerce trends and novelties, discussion groups and a competition for new ideas.</p> <p>Buscapé launched an ecommerce price index, the FIPE/Buscapé Index, based on data gathered from Buscapé's websites. Retailers, consumers, the press, importers and providers of finance all benefit from this data on prices charged by online stores.</p>
Print	Customers	<p>Media24's magazine division is an industry leader in terms of its social media interests. Editorial teams use Facebook and Twitter to engage with readers on topical issues and test ideas for special magazine issues. The division uses its customer service call centres in particular to conduct satisfaction surveys on service levels and content among subscribers. Media24's newspaper division uses social media platforms as a news channel as well as an interactive discussion platform for readers. Paarl Media conducts client satisfaction surveys and staff optimism surveys.</p>
	Industry	<p>Paarl Media is a member of the Print Industries Federation of South Africa (Pifsa) and attends international industry events to remain abreast of developments.</p> <p>Media24, through its newspaper, magazine and book divisions, is a member of various industry bodies, locally and internationally. In South Africa these include: Print and Digital Media South Africa (PMSA), the Audit Bureau of Circulations of South Africa (ABC), the South African Advertising Research</p>



Stakeholders

Issue and response

Print (continued)		
	Industry (continued)	Foundation (Saarf), the South African National Editors' Forum (Sanef), the Digital Media, Marketing Association (DMMA) and the South African Publishers Association (Pasa).
	Employees	Media24 has continued to promote and entrench its core values – courage, integrity, accountability and respect – through a revised induction programme for new employees, and improved and simplified performance management system and awards that recognise staff who live the values. Media24 has made significant investments in leadership development and training for specialists.
	Regulators	Paarl Media facilitates regular audits of its operations (for example Forest Stewardship Council) to ensure global standards are maintained. Print media is self-regulated. Media24 participates in all activities relating to self-regulation mechanisms in the industry.
Pay television		
	Customers	<p>MultiChoice has a number of touch points for engagement and ongoing interaction with its customers. These range from traditional interaction such as service centres to non-traditional such as <i>DStv</i> Forum, Twitter and Facebook.</p> <p>MultiChoice also engages its customers in product development through the email research panel and its field trial panel, which assist with decoder software developments.</p>
	Industry	<p>MultiChoice Nigeria runs the annual media workshop for journalists and training for production members of the movie industry in Nigeria. It has a strategic partnership with the local broadcast industry via the uplink of indigenous free-to-air stations to the <i>DStv</i> platform at no charge to operators.</p> <p>MultiChoice South Africa continues to play an active and constructive role in its industry. As a member of the National Association of Broadcasters it has succeeded in raising pertinent industry issues with both the Ministry of Communications and the regulator, Icasa and the portfolio committee on communications.</p>

Strategy (continued)



Stakeholders

Issue and response

Pay television (continued)		
	Industry (continued)	<p>MultiChoice is represented on the ministerial ICT review panel established to assist the minister in the review of legislation that governs the ICT sector. In the new financial year, MultiChoice will be involved in a number of policy formulation processes.</p>
	Employees	<p>MultiChoice creates a number of opportunities to keep its employees abreast of company developments. These range from print to electronic platforms, as well as face to face, which allows executives to interface with employees on a more personal level. It has a workplace forum, an employee body, which represents employees' interests and continually interacts with the company on mutually beneficial issues.</p>
	Regulators	<p>MultiChoice Nigeria organises awareness meetings and shares information on piracy in the country. At policy level, it engages with the National Broadcasting Commission and Nigerian Copyright Commission.</p> <p>MultiChoice South Africa participates in the regulatory processes initiated by Icasa. The key output for these interactions is the development of an environment that is conducive to the growth of the ICT sector. MultiChoice is subject to the Broadcasting Complaints Commission of South Africa (BCCSA) which is responsible for certain content regulation, and it works closely with BCCSA to ensure that the regulation of content stays current as it moves from an analogue to a digital environment.</p>
	Suppliers	<p>MultiChoice Nigeria uses social media to communicate important information and runs retailers/dealers awards, training and workshop programmes.</p>

Performance review



Financial review

This review sets out highlights of the group's financial performance for the past year. Full details appear in the annual financial statements.

Overview of group results

Consolidated revenues grew by 27% to R50,2bn. Growth came from organic expansion of existing businesses and acquisitions, supplemented by the depreciation of the rand (which has a positive effect when we translate foreign revenues into rand).

Development spend accelerated to R4,3bn (2012: R2,8bn), focused mainly on growing our ecommerce businesses and the roll-out of pay-television services across Africa. As this development spend is expensed through the

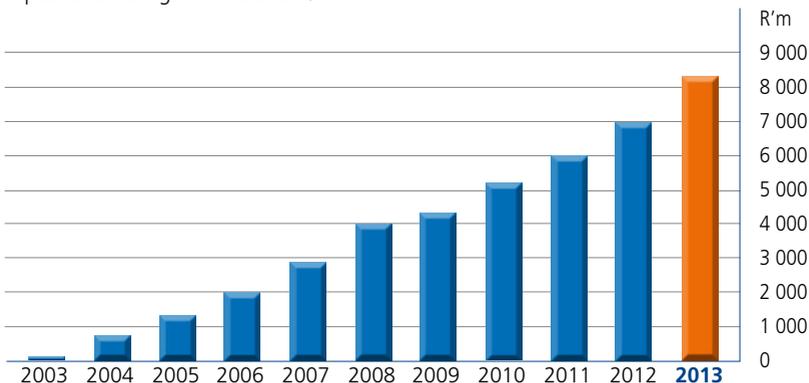
income statement, our consolidated trading profits for the year were flat at R5,7bn.

Net interest cost on borrowings amounted to R630m (2012: R517m) – largely to fund acquisitions.

Our equity-accounted associates, Tencent and Mail.ru, both reported positive growth and contributed R7,3bn to core headline earnings. We recorded a non-recurring book profit of R2,6bn, flowing from Mail.ru's sale of shares in Facebook. This profit is excluded from core headline earnings.

Core headline earnings

Compound annual growth rate: 91%



The impairment of equity-accounted investments amounts to R2,1bn and relates mainly to our print media investment, Abril. Revenues in the print industry continue to be buffeted by the dual headwinds of the macro-economic downturn and increased online competition. Whilst cost savings initiatives have been implemented, we believe it prudent to book this impairment.

The net result of the above is that core headline earnings grew 20% to R22,16 per N ordinary share. Free cash flow for the period was R3,5bn, slightly lower than last year because of the higher capital expenditure.

Consolidated balance sheet gearing stands at 12%, excluding transponder leases and non-interest bearing liabilities.

Significant acquisitions

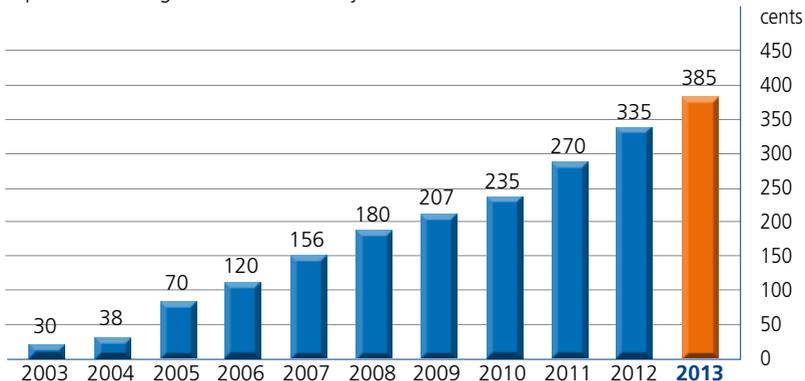
Details of significant acquisitions appear in the summarised annual financial statements under "Business combinations and other acquisitions" on page 136.

Summarised annual financial statements

The summarised annual financial statements appear on pages 121 to 136 of this integrated annual report. The full annual financial statements for the year ended 31 March 2013 are available on our website at www.naspers.com.

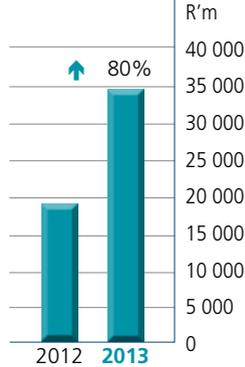
Dividend N shares

Compound annual growth rate over 10 years: 29%

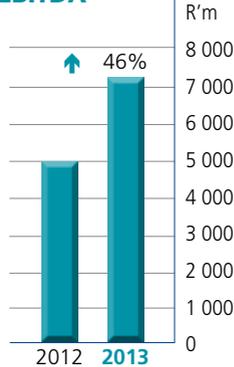


Operational review

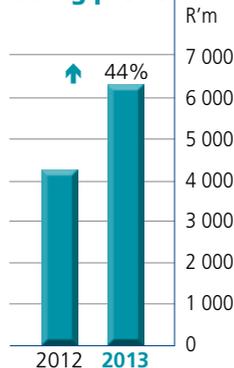
Revenue*



EBITDA*



Trading profit



INTERNET

Naspers operates platforms that offer customers fast, intuitive and secure environments where they can communicate, participate, entertain and shop. The group's ecommerce services include marketplaces, general and vertical retail, classified, lead generation and payments.

Tencent

Tencent continues to perform well in a highly competitive environment. The number of internet users in China grew by some 12% to 564m at the end of 2012. Fuelled by the increasing adoption of smartphones and a variety of compelling mobile applications, mobile internet users comprised 74% of the total internet user base at the end of 2012, up from 69% the prior year. This has enabled Tencent to extend the growth of its core platforms by concentrating on continually improving the user experience.

Tencent's core operating platforms again posted good growth. The QQ instant messaging platform recorded peak concurrent users of over 173m,

*Including associates on a proportionate basis.

while the online gaming business, particularly Riot Games, delivered a solid performance in China and beyond.

Qzone remains the leading social networking services (SNS) platform in China with 611m active users on 31 March 2013. New platforms, such as *Weixin/WeChat*, which is a next-generation communications service for smartphones, have established good market positions and are expanding internationally. The combined monthly active users for *Weixin/*



WeChat at 31 March 2013 was 194m, representing a year-on-year growth rate of 228%. Tencent has strengthened its position in online advertising and expanded further into the ecommerce field.

Given the competitive nature of its industry, Tencent continues to invest in its research and development capability, technical infrastructure and personnel development. It is also expanding its open-platform strategy, allowing third parties to develop apps for Tencent platforms. These are playing a key role in building a collaborative internet industry in China.

Total revenue for the year to 31 December 2012 was RMB43,9bn, up 54%. Profit attributable to equity holders was RMB12,7bn, 25% higher year on year. Tencent successfully completed a US\$600m



Operational review (continued)

senior unsecured notes offering in September 2012. Tencent maintains a strong credit profile and investment grade credit rating.

Tencent is listed on the Hong Kong stock exchange and further information is available on its website www.tencent.com.

Mail.ru

Mail.ru Group recorded good growth last year, with revenue rising 40% in local currency to RUR20,9bn, despite a soft advertising market in the second half. The slowdown in display revenue growth was partially driven by a combination of a planned reduction in advertising inventory on certain sites as well as the ban on alcohol advertising in Russia.

Community internet value-added services (IVAS) has become a key contributor to Mail.ru revenues as well as a material driver of revenue growth, delivering 79% growth year on year in the 2012 financial year. The main driver of this growth is the increase in the number of paying users, especially in virtual gifts and related services.

Mail.ru's massively multiplayer online (MMO) games strategy to focus on a small number of





During the year Mail.ru paid two special dividends after disposing of its minority interests in certain investments, returning over US\$1,7bn to shareholders.

Mail.ru's depository receipts are listed on the London Stock Exchange. Further information is available at www.corp.mail.ru.

high quality releases and to focus its marketing effort and resources where they are most likely to have an impact, is producing good results, with revenues growing 24% during the year. Mail.ru now operates the largest online games business in Russia. Portfolio titles include leading games such as *Perfect World*, *Allods Online*, *Legacy of the Dragons* and *Warface*. In 2012 the average number of monthly paying users reached 261 000 demonstrating 11,5% year-on-year growth.

As in other regions where Naspers is active, mobile internet traffic in Mail.ru's operating regions continues to grow rapidly. Mail.ru launched several new innovative mobile products during the year as it continues to move rapidly to build and integrate its communications and entertainment platforms.



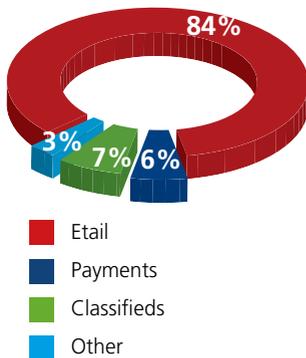
Operational review (continued)

» ECOMMERCE

During the year we further expanded our ecommerce operations through a combination of organic and acquisitive growth. Revenue from this division more than doubled compared to the previous year to R11,4bn (US\$1,3bn). Given the different time to monetisation of the various ecommerce models, etail currently generates the bulk of revenues.



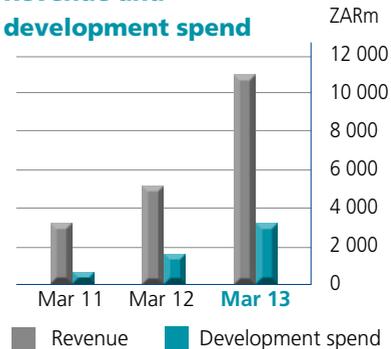
Revenue by type



Classifieds

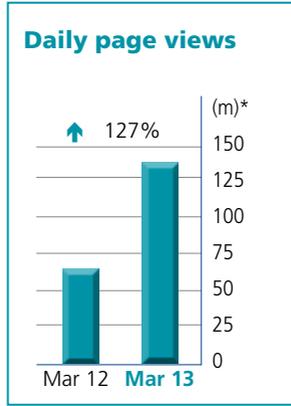
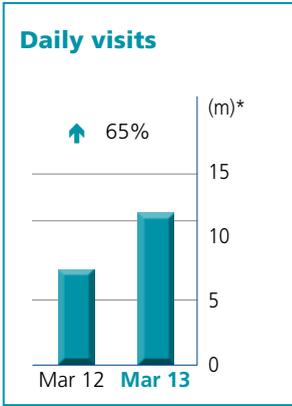
During the year we strengthened our online classifieds portfolio. We increased product performance; simplified and improved the quality of the organisation and enhanced our competitiveness. As this portfolio is still in the early stage of development, generating returns from these investments is still some way off.

Revenue and development spend

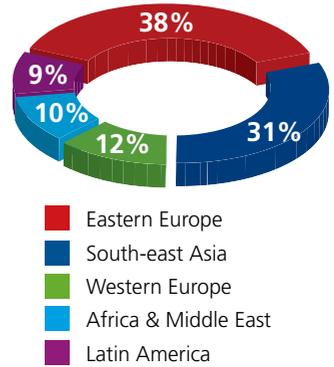


In OLX we narrowed focus on very specific markets and on product quality and brand building. In Portugal we merged OLX.pt with a local market leader, FixeAds, to entrench our position in that market.

Positions in Central and Eastern Europe were strengthened with various classifieds platforms falling under the Allegro umbrella. This doubled



Page views by region



*Select criteria as measured for the month of March, adjusted for acquisitions.

the group's page views to 60m per day compared to last year.

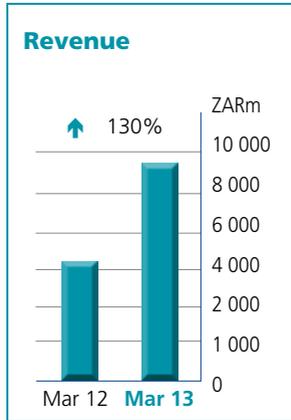
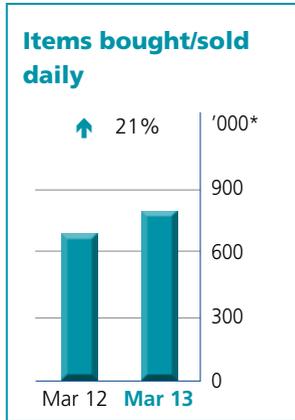
In March this year we secured a fully diluted 18,6% interest in Avito.ru, the leading classifieds business in Russia. Other classifieds sites include *Ricardolino* in Switzerland, UAE-based *Dubizzle*, *Sulit* in the Philippines, *Dealfish* in Thailand and *Tokobagus* in Indonesia.

During the year Korbitec concluded deals with over 2 400 of the estate agent offices in South Africa to roll out its integrated services.

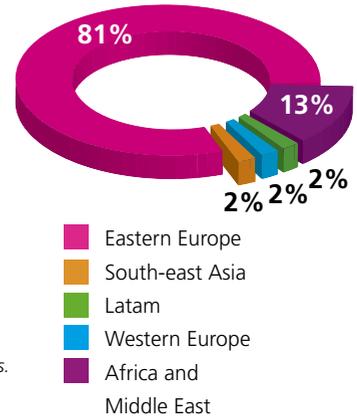


Operational review (continued)

Etailing



Page views by region



*Select criteria as measured for the month of March, adjusted for acquisitions.

We continued to build leadership positions in selected markets. The main focus of this segment is to facilitate third-party business-to-consumer (B2C) and consumer-to-consumer (C2C) transactions through our proprietary platform offering sales management tools, traffic generation and useful user experience.

As with other segments of ecommerce, one of the major opportunities for further development and expansion is in mobile, with a number of apps for various services already developed. Smartphone development is concentrated around three platforms: iOS, Android and Windows Mobile; all offering features such as price comparison, image recognition and barcode scanning.

Building on its steady growth in recent years, Allegro Group's marketplace generated revenue of US\$272m (up 6,8% year on year). The existing portfolio of services was augmented with the launch of an ebook platform on Allegro.pl, while the user experience was further improved by introducing a new layout to its service-oriented platform. In August 2012 we launched *Brand Zone* in Poland, a merchant marketplace for high-value brands.

In 2013 we expanded our portfolio of etailing operations through acquisitions and continued organic investment in our existing businesses:

- kalahari.com recorded strong revenue growth by launching seven new product categories and improving in-stock product availability for faster customer delivery times.
- In Europe, Allegro concluded deals with *FashionDays*, *Netretail*, *eMag*, *Agito.pl* and *Lazienkaplus*.
- We extended our footprint in the Middle East and North Africa by acquiring an interest in Souq.

In Latin America, the Buscapé and Bondfaro price-comparison businesses increased total price-comparison clicks sold and used by 38%.

PriceCheck remains the leading online price-comparison site in South Africa. We also launched this service in Nigeria in November 2012.

Payments

During the year we rolled out payment systems under the *PayU* brand in selected markets.

In Central and Eastern Europe, *PayU* revenue increased 34% year on year, reflecting strong brand acceptance and, most importantly, consumer trust in the system.

We are expanding *PayU* in Latin America, with operations now in seven countries. Using *PayU*, Buscapé implemented 'buy now' functionality on its platform with encouraging initial results.

payu

Others

Movile had a good year with its core mobile app distribution platform performing well in Latin America, and increased revenue through further mobile entertainment and content growth.



Operational review (continued)» **PAY TELEVISION**

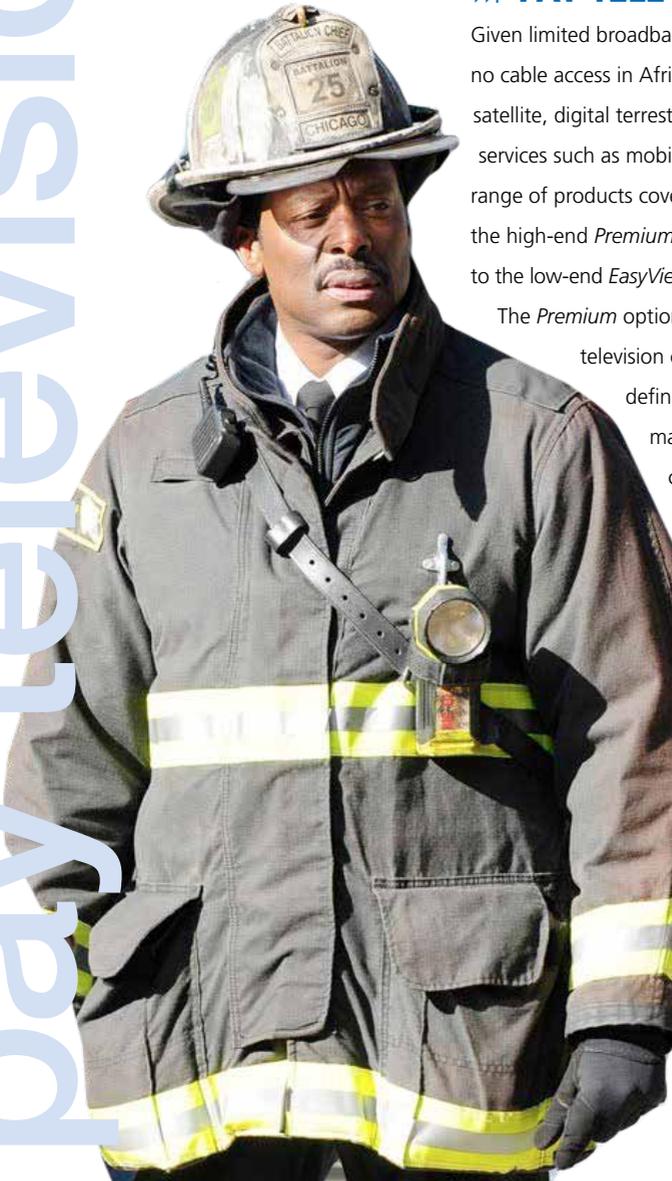
Given limited broadband infrastructure and almost no cable access in Africa, the group offers digital satellite, digital terrestrial and other pay-television services such as mobile television. The wide range of products covers all income groups from the high-end *Premium* package (R625 per month) to the low-end *EasyView* bouquet (R29 per month).

The *Premium* option includes over 100 television channels (14 in high definition), premium movies, major sport events, popular children's programming and more than 40 audio channels. To meet rising demand for mobile applications, we launched apps on both smart and feature phones for payments, information and communication.

Sales

In South Africa the combination of strong demand for the *Compact* bouquet, aggressive marketing and increased

pay television



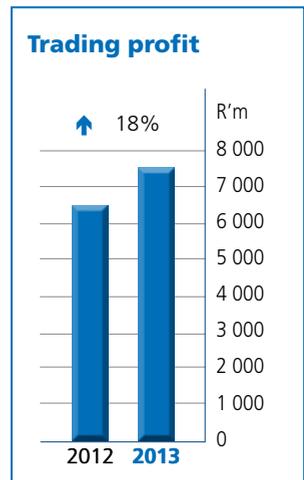
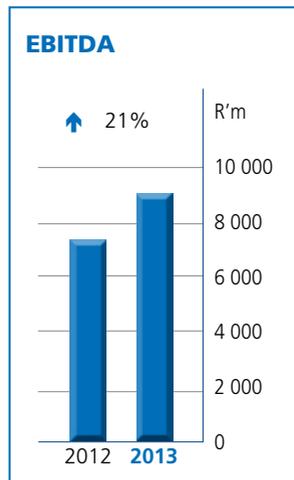
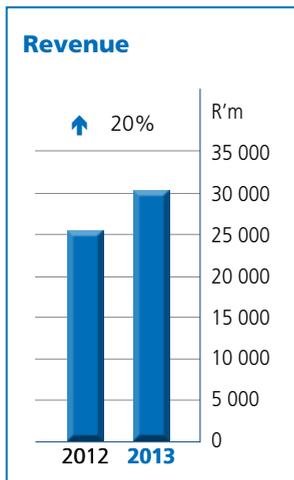
viewership stimulated by events such as Euro 2012, the London Olympics, T20 Cricket World Cup and Africa Cup of Nations saw subscriber growth exceed 470 000 for the period to almost 4,5m at year end. Advertising revenue performed particularly well, with television's share of this revenue continuing to grow despite a tough economic environment. Personal video recorders (PVRs) recorded strong net growth of 173 000, with the base closing on 830 000.

In the sub-Saharan region (outside South Africa), MultiChoice Africa recorded good subscriber growth, with the total subscriber base rising by 657 000 to end the year at 2,29m households. The *DStv* subscriber base increased by 303 000 while the *GOtv* subscriber base grew by 354 000 and now reaches 376 000 homes in eight African countries. We now have a base of 126 000 PVRs in this region.



Content

The focus on providing content that is highly valued by viewers continued during the year. South African launches included *Trace Sports*, *iTV Networks*, *Blackbelt TV*, *VH1 Classic*, *Mzansi Music*, *kykNET Musiek* and *Dumisa*.



Operational review (continued)

M-Net implemented significant changes to its *Africa Magic* portfolio of channels. Local commissioned content for the rest of Africa is now scheduled within the *Africa Magic* brand, packaged with acquired local content, and broadcast on the new premium channel, *Africa Magic Entertainment*. This channel is

supplemented by the *Africa Magic* channel and two dedicated movie channels, *Africa Magic Movies* and *Africa Magic Movies 1*. The *Africa Magic Viewer's Choice Awards*, the Oscars for African movie productions, was hosted for the first time in Lagos.

M-Net's genre movie channels were successfully launched in October 2012, with eight movie channels available in South Africa. Local interests were further met by adding two community channels to the *DStv* platform, *Bay TV* and *1 KZN*.

The emphasis on airing local productions that resonate with South African audiences was maintained, including:

- *iNKABA*, a successful telenovela (nine-month series) on *Mzansi Magic*.
- Reality singing format – *Clash of the Choirs*.
- *Idols* season eight proved the most successful to date, with viewer participation increasing by 8%, reaching a record level of 9m votes for the season. Similarly, localised programming and channels remained a key focus across Africa:





- Specialist local productions include *Mashariki Mix*, *Corner*, *Changes*, *The Agency*, *The Patricia Show*, *Comedy Club* and the ever-popular *Big Brother Africa*.

- Local channels launched included *MalawiTV*, *StarTV*, *TV3*, *WBS Uganda* and *KissTV*.

DStv English-market subscribers received new channels including *Trace Sports*, *EWTN*, *Blackbelt TV*, *True Movies*, *Vox Africa* and the M-Net genre movie channels. New channels for *DStv* Portuguese subscribers included *Nat Geo Wild*, *Miramar*, *Panda Biggs*, *TVC4* and *TVC Series*.

SuperSport remains the biggest funder of sport in Africa. Its football coverage continued in Angola, Ghana, Nigeria, Kenya and Zambia and was extended to Uganda and Zimbabwe. English Premier League

(EPL) rights were renewed for all our territories for another three seasons. Sport enthusiasts enjoyed the SuperSport broadcasts of the Euro 2012, London Olympics and Paralympics, T20 Cricket World Cup and Africa Cup of Nations during



Operational review (continued)

the year. To enhance the viewing experience SuperSport launched *SuperSport HD 4*, its fourth high definition (HD) sport channel.

Operational and new technologies

The group's investment in new technologies included migrating to a new satellite IS-20, which allows for additional capacity, enabling the launch of more HD channels and new services for customers. Other investments during the review period included additional HD channels, taking the total number of HD channels on *DStv* in South Africa to 14. The viewer experience was improved by reorganising the *DStv* platform and grouping relevant channels together for better channel navigation.

BoxOffice, the video-on-demand service for *Premium PVR* subscribers in South Africa that allows them to view the latest blockbuster movies, is proving popular, with an average of over 400 000 movie rentals per month. The *BoxOffice* service was recently made available online to customers.

We continue to expand the catch-up service, *DStv On Demand*, to our customers. This included a *DStv* iPad application for catch-up services that were launched during the year. In the mobile technology arena, *DStv Mobile* launched the *Walka7* and *iDrifta* for iOS devices in South Africa and on the continent.



We also introduced our *DStv Mobile* streaming service in several African markets.

We have invested significantly in building digital terrestrial television (DTT) platforms under the *GOtv* brand and this service is now available in Kenya, Uganda, Zambia, Nigeria, Ghana, Malawi and Namibia. It offers 20 to 40 channels via two bouquets – *GOtv* and *GOtv Plus*.

We are pioneering mobile television services in Africa – a market with significant growth potential. Our service offers *DStv/GOtv* channels on mobile devices, available as a standalone subscription or as added value for *DStv/GOtv* subscribers.

Overall, our pay-television business is therefore well positioned to manage increasing competition in our chosen markets as new players emerge on different platforms.

Regulatory

The pay-television market is moving through a period of significant change in Africa, including the migration from analogue to DTT.

MWEB

MWEB's international bandwidth capability now connects to both Seacom and West Africa Cable System (WACS) – east and west coasts of Africa – to Europe and the United Kingdom.

The company concluded a rich-media content-delivery deal with Level 3, reducing internet protocol delivery costs into Africa.

In April 2012 MWEB was the first internet service provider (ISP) to introduce one megabyte (MB) per second as the entry-level speed for ADSL in South Africa.

Irdeto

Irdeto operates under challenging economic conditions. Customers in more developed markets, such as Western Europe, reduced volumes. While this was offset by volumes from customers in developing markets, price differences between these markets reduced annual revenue.

New business acquisition for Irdeto's Cloaked CA (software for conditional access) was strong throughout the world, including in some competitor accounts. Many customer multiscreen deployments went live as customers extended their services via the internet to their subscribers.

For the review period Irdeto delivered 21,8m conditional access secure units – a 15% increase on the prior year – and 24 patents were filed. Its customer care business was sold to enable Irdeto to focus on its core activities. In addition, further cost reductions have right-sized the company for its current focus and opportunities.



Operational review (continued)

»» PRINT MEDIA

Ethics, press regulation and media ownership remained strong themes in the review period. The South African government continues to take an active interest in the transformation and diversification of the media, while the competition authorities are taking a more aggressive approach to investigations of the media.

Newspapers

Despite cost-control measures, shortfalls in circulation and national advertising income were significant. Notable performances were recorded by *Daily Sun*, which grew readership 9% to 5,7m, *Sunday Sun* from 2,4m to 2,6m (8%) and *City Press* from 1,6m to 1,8m (16%). *Soccer Laduuuuuma!* grew circulation impressively over the year, with sales exceeding the 400 000 copy mark in August 2012, making it one of the best-selling titles in the country.

print media



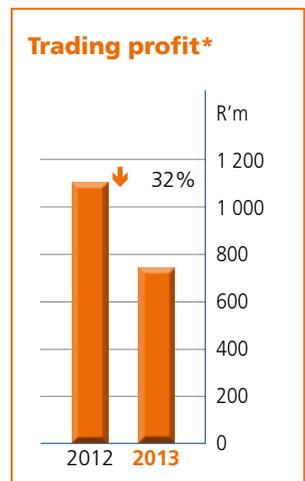
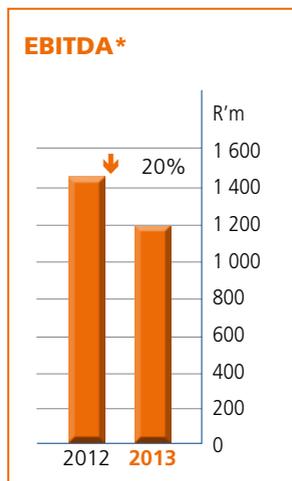
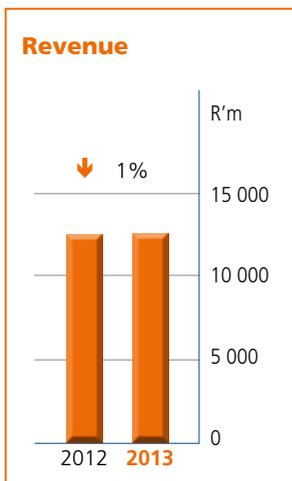
The focus on innovation is ensuring our newspapers remain a vibrant and influential force in the South African media landscape, with a number of related initiatives under way. During the year the digital division developed and launched iPad, mobile and web applications for *Beeld*, *Die Burger* and *Volksblad*.

Magazines

Despite contraction in both advertising spend and circulation, this division retained its market share among the top five publishers.

The division implemented serious cost reductions during the year to protect its profit contribution in tough trading conditions.

Although revenues were down year on year, the division still delivered a profit and made a positive cash flow contribution.



*Including associates on a proportionate basis.

Operational review (continued)



Our investment in new and emerging market segments is starting to deliver returns; *Kuier* broke through the 100 000 circulation mark in December 2012.

Paarl Media

Paarl Media has continued to grow its printing capacity. During the year additional productivity and efficiency programmes were initiated to ensure sustainability.

Paarl Media's environmental programme will be further enhanced with biomass boilers replacing electrical/diesel boilers.

The new gravure press is at full capacity. *Natal Witness* has been fully assimilated into Paarl Coldset and a capital programme is under way to further commercialise this KwaZulu-Natal plant.

On the Dot

On the Dot distributed over 73m magazines and 211m newspapers during the past year.

In view of the reality of declining circulations, On the Dot focused on optimising its distribution network and reduced the cost associated with distributing newspapers and magazines.



Book publishing

Media24 Books

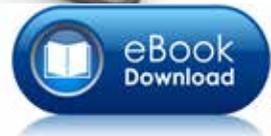
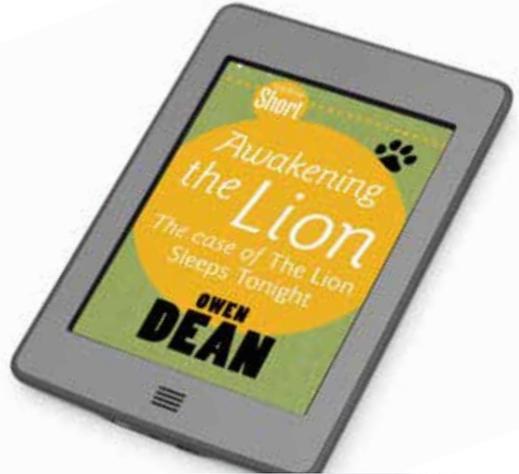
The publishers in Media24 Books focused substantial portions of their development spend on digitisation and improvement projects to expand and enhance their ebook publishing lists. An online academic course was piloted for distance education students, and progress made on building ecommerce sites and a membership app for Leserskring/Leisure Books.

Van Schaik Publishers (the academic textbook publisher) recorded exceptional top- and bottom-line growth.

Jonathan Ball Publishers, along with the rest of the consumer book business, had a turbulent year. However, its ebook sales are growing exponentially.

24.com

24.com remains the leading internet publisher in South Africa, growing the audience across its network of sites by more than 15% on the previous year to 453 000 average daily users and more than 4m average daily page views across web and mobile platforms. 24.com publishes South Africa's leading mobile applications with more than 250 000 daily active users across all major mobile operating systems. *News24*



is consistently ranked as the top free news app across the Apple, Android, Blackberry and Windows platforms.

Brazil

The group has a 30% interest in Abril, the leading magazine publisher in Brazil. Brazil's print industry felt the impact of increasing internet penetration and a slowing economy. Abril had a tough year, with flat revenues and escalating costs. As a result, Abril will need to focus on optimising costs to improve profitability and cash flows, whilst leveraging its investment in content and distribution to build an online presence.

Non-financial review

This section illustrates our group's social awareness, and focuses on projects that address mostly social and environmental issues. Our intention is to be a responsible corporate citizen, entrenching Naspers's core value of being useful in the communities we serve. For a more detailed review of our group's various initiatives, please refer to **www.naspers.org**.

People

We understand our responsibility to the communities in which we operate. Through a number of initiatives that aim to improve the quality of life in these communities, we promote the well-being of society, our customers and our employees.

In our communities:

- We operate in various countries and endeavour, where feasible, to employ local citizens to empower the communities in which we operate.
- We contribute to educational programmes to create awareness of our products, and create much-needed skills.

- We conduct business fairly, ethically and with integrity. Our code of ethics and business conduct defines our culture. This code of ethics and business conduct can be found at **www.naspers.org**.
- In South Africa we support previously disadvantaged businesses by actively seeking such suppliers in line with local legislation.



For our people:

- We invest in the continuous development of our people to retain our competitive advantage.
- We encourage our employees to contribute to sustainability and innovation.
- We respect the rights of our employees and their diversity.
- We encourage employees to report areas where the group might be failing in its business conduct and values through secure channels.
- We comply with local employment laws.

Worldwide, we employ some 21 000 people. Some 2 000 (10% of total workforce) jobs were created during the year as a result of organic growth. We also create income for tens of thousands of people in our communities indirectly by the products and services we consume.



Naspers in its communities

Given the nature and scope of our business as a multinational group of media and ecommerce platforms, we focus our sustainability initiatives in distinct categories:

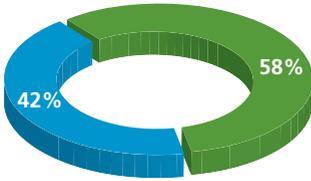
- People
 - Social development
 - Health and safety
 - Children
 - Arts and culture
- Education and skills development
 - Adult basic education and training
 - Childhood development/education
 - Job creation
 - Sport development
 - Skills development
- Environment
 - Energy
 - Infrastructure
 - Access to water and nutrition
 - Urban greening/carbon offset
- Corporate governance
 - Ethics
 - Legal issues
 - Risk management
 - Governance issues
 - Shareholder rights
 - Reporting
 - Stakeholder trust

Education is one of our most important contributions to the African continent. We contribute to improving literacy levels through various forms of print media (from newspapers to school books); electronically through television, which opens up the world to many people; and through social networking. In addition to literacy and educational programmes in Africa, the group also provides social support in Eastern Europe, and community involvement in Latin America. These and other activities are detailed on

www.naspers.org.

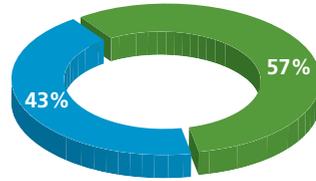
Non-financial review (continued)

Naspers group: Workforce split



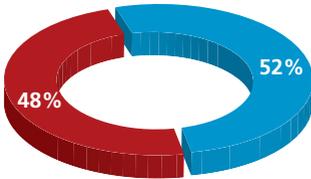
■ Male
■ Female

Media24: Workforce split



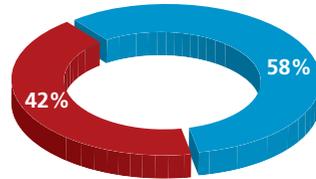
■ Male
■ Female

MultiChoice South Africa: Workforce split



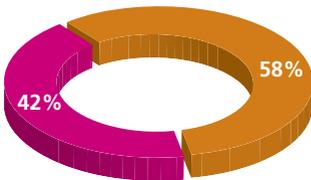
■ Male
■ Female

MultiChoice Nigeria: Workforce split



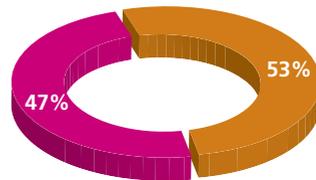
■ Male
■ Female

Allegro: Workforce split



■ Male
■ Female

Buscapé: Workforce split



■ Male
■ Female

Two projects that showcase our commitment to our people and the communities in which we operate are detailed below.

Case study: Rachel's Angels

Named after Rachel Jafta, now Media24's chair, the Rachel's Angels mentorship programme has operated since 2007 in the Western Cape in association with the Stellenbosch University. Funded by Media24 for the past five years, the programme is improving the academic abilities of grade 11 and grade 12 learners and improving their life skills by involving senior students from the university as mentors. Ultimately, Rachel's Angels aims to contribute towards building excellence in high school education in the Western Cape.

The programme includes regular campus visits, attending lectures and exposure to the world of business in the form of an entrepreneurial day, for which learners are required to develop business plans and run a small business. Through this process – experiential learning, mentoring by peers, exposure to academic life and the realities of the business world – students and learners are taught skills that will equip them to play a meaningful role in society.

Mentors are expected to meet with their students twice a month, attend workshops and help learners understand how life at the university works. Mentors act as life coaches by sharing their knowledge and experience with learners. They also assist learners with study techniques and self-esteem.

In return, mentors receive Welkom Yizani



(Media24 BBBEE scheme) and Phuthuma Nathi (MultiChoice BBBEE scheme) shares if they meet all programme requirements – a small, but meaningful head start when they enter the business world.

Carlo Valente, mentor from Stellenbosch University, says: "The Rachel's Angel's project is truly empowering learners and schools from disadvantaged communities. I can see the change in learners' attitudes and you can see they want to learn and go forward. On the market day, I wanted to be there to help them make a success of their hard work. Learners had a great time and they deserved it."

During the 2012/2013 cycle of Rachel's Angels, three new schools were admitted to the programme. Many of our partner schools excelled academically in the final examinations for 2012.

Non-financial review (continued)

Case study: APA (Akcje Pracowników Allegro or Allegro Employees' Auctions)

APA is a workforce initiative launched in 2007.

Each 'edition' is dedicated to a different cause, mostly children in need or ill health. In practice, the concept works by publicising the beneficiary's specific needs to the broader Allegro network. Buyers, sellers, suppliers and staff mobilise to do the best they can for each beneficiary – a charity auction with a difference.

From publishing information about the beneficiary on the About Me page, to creating dedicated accounts for each child to house funds raised and holding collections across the company, families and friends, the APA team taps every resource available. With every edition the number of listed auctions grow. Once the auctions end, the packing frenzy begins. With a few hundred items and buyers, it is a daunting task – and one that is not without mishaps, for example, the team sold a cup that had to be shipped three times before it reached the buyer in one piece. Fortunately, buyers are friendly and patient when they know the cause is a worthy one.



The team tries to attach a note of thanks to every package, as a purchase is frequently only an excuse to help an ill child. Allegro contributes directly by sponsoring shipping costs.

Ten people are permanently engaged in APA operations. Others help with collecting items, preparing descriptions, listing auctions, and any number of related tasks. Ultimately, it is a massive team effort with the ultimate pay-off – the smile of a child.

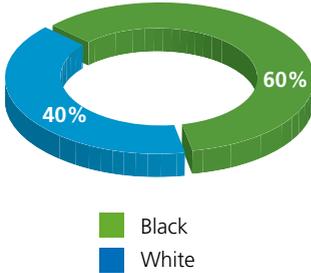
Employment equity

In line with local South African legislation, and our own employment policy, we value diversity in the workplace.

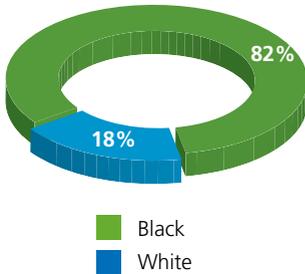
The breakdown of the MultiChoice and Media24 groups' annual employment equity reports to the

South African Department of Labour is shown below. The Department of Trade and Industry defines black people as Africans, Coloureds and Indians who are citizens of the Republic of South Africa by birth or descent or who became citizens by naturalisation.

Media24: Employment equity



MultiChoice SA: Employment equity



Employee benefits

Retirement benefits

Some countries in which we operate have statutory retirement benefit funding. In others, and where appropriate, the group provides retirement benefits for full-time employees, primarily as monthly contributions to defined-contribution pension and provident funds. The assets of these funds are generally held in separate trustee-administered funds.

Medical aid benefits

Medical aid membership is compulsory in most group operations, with the employer contributing a portion of the monthly premium.

Some group companies provide post-retirement healthcare benefits. This entitlement is based on an employee remaining in service until retirement age and completing a minimum service period. These obligations are unfunded.

Equity ownership

To retain the skills on which our sustainability depends, most group companies grant share options/share appreciation rights to employees under a number of equity compensation plans.

Employee relations

The group complies with labour legislation in its areas of operation. In South Africa, MultiChoice and Media24 submit statutory reports.

In regions where child labour is prevalent, we adopt monitoring strategies and risk assessments, including examining local legislation to determine the minimum age for employment, and verifying prospective employees' age by scrutinising supporting documentation. Our assessments have found that the risk of child labour and forced or compulsory labour is low in the group. Where children are used in local productions, strict compliance to their regulated conditions of employment is enforced.

Non-financial review (continued)

Health and safety

Our objectives in terms of health and safety span the group's operations around the globe:

- We aim to have an injury-free workplace.
- We perform health and safety risk assessments at our facilities, supported by training.
- We monitor management's actions through operational, internal and external auditing and reporting processes.
- A healthy workforce contributes to business success. Several of our businesses provide medical aid and wellness programmes for their staff.

The workplace

Implementing a healthy, safe workplace at the group's administrative and production facilities is a priority to achieve the lowest possible harm rate on duty. Where required, health and safety committees – comprising responsible, trained individuals – ensure regulatory compliance. Appropriate medical emergency and disaster-recovery plans have been devised for operating businesses.

Annual occupational health and safety risk-control audits or reviews are conducted by operational entities across the group and improvements implemented as required. Significant matters are reported to and monitored by the Naspers risk committee.



Media24's distribution and printing operations make extensive use of contractors and organisers. Most of these are from previously disadvantaged backgrounds and receive training from Media24 on executing their jobs safely and effectively. The nature of the print business, which owns and manages distribution networks and printing facilities, makes it the area in the Naspers group with the greatest inherent risk for injuries on duty.

Monitoring

The Media24 board's safety, health and environment committee monitors related issues in that group. Media24 and MultiChoice conduct annual health, safety and environmental compliance audits as well as building scans. Injuries on duty are stringently monitored.

Wellness

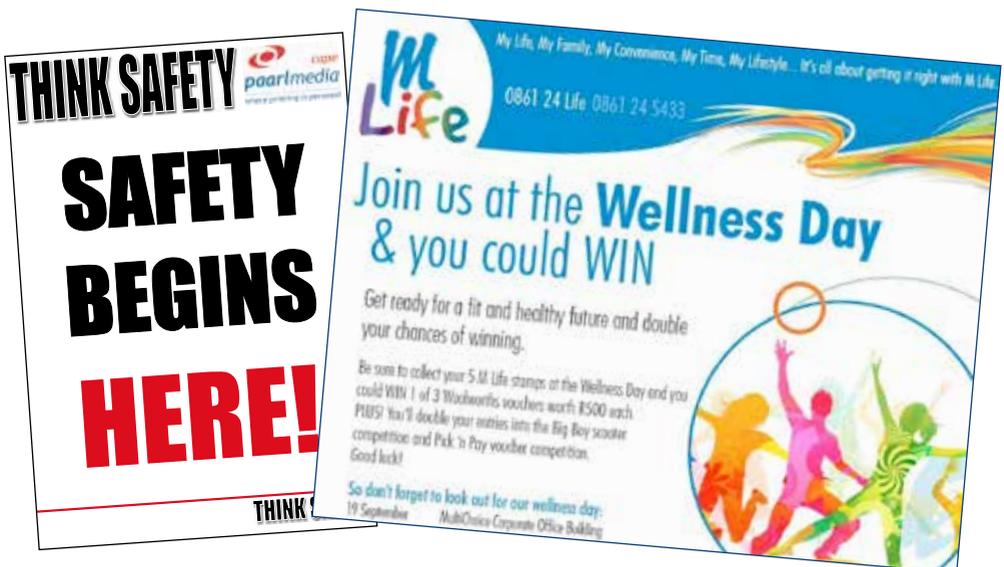
Several wellness programmes are operated by group subsidiaries in a preventative approach to employee health.

MultiChoice

MultiChoice offers a range of wellness and balanced lifestyle services to all employees on site. This includes having a qualified nurse on

site in April every year to administer flu vaccines.

Employees also benefit from bi-weekly visits by an optometrist who conducts voluntary eye tests. At head office, the wellness centre is accessible to all employees, providing a cost-effective, convenient and confidential service. There is a Montessori nursery school for employees' children. MultiChoice offers a unique lifestyle programme to employees, MLife. MLife is a new initiative which offers all staff a number of services 24 hours a day, including their own concierge agent and driver service. It is a useful tool for employees when they are feeling bogged down by personal administration and work pressures and struggling to maintain a work/life balance. It assists staff in saving money, and making them more productive. Over the year we estimate that MLife has saved employees some R1,64m.



Non-financial review (continued)

MultiChoice wellness service	Statistics
Free flu vaccinations for employees	611 vaccinations (some 12% of employees)
Bi-weekly visits from an optometrist who conducts voluntary eye tests	202 visits
Wellness centre visits	6 453 visits
Montessori school attendance	117 employees who have 135 children enrolled

Media24

The Media24 group adopts a preventative approach to employee health, offering for example, programmes to help employees stop smoking and free HIV/Aids tests.

A wellness incentive is paid to employees who successfully complete a basic fitness assessment.

Regular medical, eye and hearing tests are performed on drivers and staff exposed to noise.

Professional and independent psychosocial support is provided for staff in businesses. Media24 offers wellness days, in partnership with Discovery Health, at many of its sites across South Africa. Health services offered include hypertension and diabetes testing, cholesterol testing, HIV/Aids counselling and testing, flu vaccinations and a number of risk-control programmes. Media24 also has wellness centres at certain printing facilities.

Media24 bounce bons

Who cares about me?

We do! Your well-being matters.

The employee wellness programme assists you to:

- Take charge of your well-being
- Reach your goals
- Cope with depression, stress and anxiety
- Achieve work-life balance
- Manage your relationships
- Improve your physical and emotional well-being
- Manage financial and legal challenges
- Cope with trauma and chronic conditions
- Make informed lifestyle choices
- Improve the quality of your life

Call us: 0800 004 770

What's said between us will remain between us, so talk to us. Our professionals are a call away.

Pioneers in wellness since 1986
www.carewaysgroup.com

CAREWAYS



HIV/Aids

We are acutely aware of the HIV/Aids pandemic in Africa, and its social and economic implications.

Comprehensive programmes in Media24, MultiChoice South Africa and MultiChoice in sub-Saharan Africa outside South Africa, comprise:

- information and awareness campaigns
- voluntary free testing (2 189 tests performed at MultiChoice during the year, a 94% increase year on year)
- free counselling, and
- comprehensive medical treatment programmes.

Education and skills development

Investing in skills development is a priority for the group, given the strategic importance of technology and intellectual property to our sustainability in a competitive market.

Our approach has a multiple focus: developing the full potential of our own people, extending this training outside the group to develop a talent pipeline, and offering learnerships and bursaries to young people with potential across the world, particularly in key fields such as engineering.

Internet

In our international businesses, mainly internet operations, we aim to attract young engineers. Training and development are thus key to our strategy of operating leading internet platforms in mainly emerging markets. For the second consecutive year, Allegro has been awarded fourth place in the Universum Top 100 Ideal Employees awards. The survey was carried out on more than 118 000 students, from 71 universities across the globe.



Non-financial review (continued)

MultiChoice

MultiChoice's learnership programmes combine vocational education and training modules towards qualifications registered on the National Qualifications Framework (NQF). Highlights during the year include:

- A total of 643 learnerships across competencies such as production, broadcast engineering, project management, generic management, human resource management and customer care, thus creating employment while addressing skills shortages in the industry.
- One person is currently completing her second year in the Adult Basic Education and Training (ABET) programme.
- 117 internships were offered at M-Net, SuperSport and MultiChoice.
 - An M-Net/Carte Blanche Scholarship was awarded to a Rhodes University graduate for her final year of study towards a Bachelor of Journalism.



- Some R1,4m was made available for bursaries, R900 000 of which was specifically designated for women.
- 232 employees completed various management development programmes, including advanced management programmes, introduction to management and executive coaching.
- 20 IT graduates were employed on our graduate programme.
- SuperSport was accredited by the Media, Information and Communication Technologies (MICT) Seta to offer the Further Education and Training Certificate (FETC): Film and Television Production learnership. They also received ISOE status which is awarded to training centres that map training to occupational excellence and can measure the impact of training.

Training

skills
empowers employees

We're focusing on learning and development because MultiChoice believes everyone can be More.

Taking pride IN OUR PEOPLE

The MultiChoice Employee Development (ED) team creates opportunities for both current employees and future leaders to shine. As a MultiChoice Group function, they're tasked with building an integrated process for people development across the Group. It's their job to ensure the growth and retention of the skills base within the business, as we

move from success to success. The team is divided up into a number of portfolios for the entire group and they are responsible for:

1 SKILLS DEVELOPMENT
 The team ensures that the Group invests in developing people. It is responsible for the Workplace Skills Plan, which details employer/development plans after each Performance Discussion cycle. The team

2 submits an annual training report to ensure the Group meets compliance legislation.

3 LEARNING TECHNOLOGIES
 MCA's Syntiza implementation produced groundbreaking results which were successfully presented at conferences in Turkey and the US.

4 PRODUCT AND SERVICES TRAINING focuses on day-to-day training on subjects such

as products, services and system changes for employees.

5 **IT SYSTEMS** handles maintenance and operation of our HR system PeopleSoft.

6 LEADERSHIP AND WOMEN DEVELOPMENT provides development experiences for leaders at every level and has a specific mandate to provide targeted interventions to accelerate the development of women across the business.

7 GRADUATE RECRUITMENT focuses on attracting skills at university level. MultiChoice subsidises 24 bursaries across various universities and eight graduates have been sent to India for embedded Java training. The team will also be expanding their scope to school level to encourage learners to study maths and science.

8 ASSESSMENT TEAM Recruiting and advancing the right people in our business is critical. The assessment team uses psychometric assessments for recruitment, promotional purposes and for leadership development.

MultiChoice offers many exciting opportunities. Contact the ED team for more details.

	2012	2013
Number of training hours	161 465	180 952
Days per employee	4	4,5

Case study: Developing skills in the film-making industry



HAVE A PASSION FOR FILM-MAKING? BE MORE WITH DStv.

Apply now for the DStv Film Skills Development Programme.



The film industry is one of South Africa's most dynamic sectors, mostly because of the passion and commitment of its film-makers. They are the ones who bring our stories to life, and who allow us to reflect on the beauty of our country and its people. Given the nature of its business, MultiChoice and DStv spearheaded the development of both individual talent and the broader industry in this key sector.

MultiChoice's DStv Film Skills Development Programme was initiated in 2007 as a talent incubator. Over the years this programme has made a significant contribution to the film industry's skills pool. It provides intensive training to talented film-makers from previously disadvantaged communities and in Africa, to date, more than 110 film-makers have benefited.

This initiative differs from traditional training models, which are generally spread over a longer

period, because it is an accelerated, hands-on programme delivered relatively quickly. This approach has proven itself, producing highly talented and skilled individuals. Extended contact hours with tutors and mentors, all successful film industry practitioners, improves the quality of training delivered by this programme. All participants are involved in content production from a number of perspectives and the programme is structured so that they benefit from being trained in an experiential and learning environment. Candidates produce short films broadcast on Mzansi Magic and Mindset Learn channels on DStv.

Life and business skills form part of the programme and a range of developmental aspects, such as personal financial management and time management, are covered.

Non-financial review (continued)

Media24

Media24 increased its investment in training by extending its bursary scheme for journalism students, introducing a Graduates in Media internship programme and launching an extensive digital media training programme for journalists.

For the year Media24 spent R44m on training; this included R15m to train current and future journalists at its Journalism Academy. Out of the 21 bursaries we awarded to post graduates for journalism the past year, we employed 20. In addition, we trained 20 graduates through a four-week programme and employed 10 of these as interns for a year.

	2012	2013
Number of training hours	65 727	138 453
Days per employee	1,15	2,41

Media24 also awarded 197 bursaries to employees for part-time studies in 2013.

Paarl Media developed a world-class training facility, the Paarl Media Academy of Print. The trade training curriculum has been replaced by new apprenticeship programmes, after extensive research and development. In addition to

technical programmes, the academy offers Paarl Media employees skills and leadership courses. To enhance management skills in the industry, Paarl Media's leadership development programme (through business schools of Stellenbosch, Wits and other institutions) concentrates on developing people at all management levels (supervisory to executive). The leadership pipeline programme ensures potential leaders are identified for further advancement and future management positions. The academy, an acknowledged institute of sectoral and occupational excellence, is an accredited training provider with the Fibre Processing and Manufacturing (FP&M) Seta. It has been awarded international accreditation by City & Guilds, Britain's leading vocational awarding body. In the review period, 84 people graduated with a variety of qualifications.



Transformation

Transformation is important for Naspers to ensure we comply with local legislation and that our workforces reflect local demographics. As a responsible corporate citizen, we respect the dignity and human rights of individuals and communities wherever we operate. We aim to make a positive and enduring contribution to the social and economic development of South Africa, and recognise the role we can play by leveraging our resources and the goodwill of our staff.

MultiChoice South Africa achieved a level 2 BBBEE rating and the following notable achievements in important areas of transformation:

Ownership: Largely through the Phuthuma Nathi share schemes, over 100 000 black South African individuals and groups own shares in MultiChoice South Africa. One of the cornerstones of our approach to ownership was the creation of a scheme that provides an accessible and far reaching shareholding opportunity to a new and vast grouping of South Africans.

Preferential procurement: We recognise the effort of our supply chain teams who work hard to identify and nurture emerging black owned and black women owned suppliers. We are proud of the extent to which the concept of using our



PHUTHUMA NATHI
SHARE THE FUTURE

purchasing power to create opportunities for transformation has been embraced.

Enterprise development: Our achievements in enterprise development (ED) – an increase from a score of 0,4 in 2011 to 12,5 points in 2012, is testimony to the thought, planning and investment placed into this important issue. The MultiChoice Enterprise Development Trust (“the trust”) provides loans to qualifying ED beneficiaries against a sound ED strategy. In addition, we support the cash flow requirements of our qualifying suppliers by paying them early, and provide business development support to partners, producers and innovators in our stable.



BROAD-BASED BLACK ECONOMIC EMPOWERMENT SCORE
Level 2: 85,82%

Ownership
102,87%

Employment
equity
64,75%

Preferential
procurement
81,52%

Socio-economic
development
75,85%

Management
control
98,94%

Skills
development
84,71%

Enterprise
development
78,91%

Non-financial review (continued)

As an example, the trust works to ensure that new talent and previously disadvantaged businesses get the opportunity to compete on fair terms with the established contributors of content. The trust provides finance to enable emerging production companies to acquire the assets and skills needed to supply us with high quality productions. Linked with a contract from our broadcast partners, such as M-Net and SuperSport, to purchase the content, and business support where required, we ensure that these production companies are productive, efficient, profitable and have contracts for their output.

In addition we are constantly innovating to produce content that resonates with our audiences. This includes an increasing focus on local production that provides opportunities to expose emerging film-makers to the world of commercial television production, learning about budgets, schedules and delivery requirements while turning their stories and ideas into films for our viewers.

A platform to share: We recognise our relatively unique position regarding the broadcast platforms we have, and the audiences we reach.



Knowing how powerful this can be in getting important social messages across to our viewers, we provide airtime across our channels to organisations whose work impacts the plight of South Africans in distress.

Media24 has made solid progress with its transformation aims in recent years. These are tracked against a scorecard for the Department of Trade and Industry's code of good practice for broad based black economic empowerment (BBBEE). In terms of the scorecard prepared by Media24's BEE verification agency, Media24 retained its credentials at a level 4 rating with 125% recognition on BEE spend, scoring full points on the ownership, socio-economic development

and enterprise development elements. Black ownership in Media24 has risen to 44,74%, black female ownership has risen to 21,22% and Media24's skills development score has more than tripled in the last year.

B-BBEE SCORE PER ELEMENT	
Equity Ownership	30.00
Management & Control	8.00
Employment Equity	2.74
Skills Development	2.81
Preferential Procurement	18.72
Enterprise Development	18.50
Black Economic Development	0.00
Total Score	71.79

B-BBEE STATUS	
B-BBEE Procurement Recognition Level	100%
B-BBEE Status	Level 4 Contributor
Black Ownership	35.71%
Black Female Ownership	18.86%
Value-Adding Supplier	Yes (Four-Pronged Recognition of entity)
Enterprise Development Beneficiary	Yes
Beneficial Company	Category B
Applicable Scorecard	Generic Scorecard
Applicable BEE Code	General BEE Code (SME)
Verification Date	07 May 2013
Score Date	04 May 2013

Welkom Yizani

In 2006 Media24 launched the largest BBEE share offer in the print media industry, Welkom Yizani, resulting in eligible black people and groups owning some 15% (directly and indirectly) in Media24 Holdings.

The lock-up period for Welkom Yizani ends in December 2013 and we expect to then provide a trading platform for Welkom Yizani shareholders to trade their shares.

Black economic empowerment partners

Media24, MultiChoice and other group companies have combined their buying power in South Africa in a centralised bargaining company, CommerceZone. Suppliers' BEE performance is evaluated against specific criteria and they are expected to boost their annual BEE rating.

The MultiChoice preferential procurement programme supports the development of small, medium and micro-enterprises (SMMEs). In addition, these SMMEs are given opportunities to tackle larger-scale projects, enabling entrepreneurs to develop their skills and capabilities. Over the last four years, MultiChoice's preferential procurement spend on BEE-compliant companies has grown 49%. This equates to over R4bn spent with BEE-compliant companies.

In addition to its own empowerment initiatives, MultiChoice buys large numbers of decoders from a local manufacturer. These decoders are also exported to countries outside South Africa. During the reporting period, some 1,3m decoders valued at R711m were exported. This has created employment opportunities in manufacturing, logistics and sales.

Enterprise development initiatives have created over 620 jobs across the Paarl Media group.

Non-financial review (continued)

Case study: Let's Play



Let's Play is a corporate social responsibility initiative developed by SuperSport and partners in 2005 to stimulate physical activity by the youth in South Africa.

Almost 20% of the country's children are overweight and physical education has only recently been reintroduced into the government school curriculum. According to a study by the University of the Witwatersrand (www.wits.ac.za/birthto20), the average South African child exercises for 34 minutes each week; 20% of children at school smoke; and 23% binge on alcohol at least once a week.

Lifestyle diseases like obesity, high cholesterol, high blood pressure and diabetes, which are

directly related to inactivity and poor nutrition (high-fat foods, too much salt and sugar, and too little fibre, fruits and vegetables), are increasing in young adults.

Results from the South African Nutrition Expert Panel (Sanep) study found modern South African families lack balance, which encourages the formation of these negative lifestyle patterns in children. Tragically, children have forgotten (or have not been taught) how to play. And the issue is not confined to South Africa.

As a result children are growing up without the benefits of regular activity: good health and fitness, physical skills (balance, agility, speed and

coordination), improved immunity, nutritional awareness, better body image, confidence and self-esteem, social skills development and friendships. It is also well documented that children who regularly participate in sport produce better academic results, and are less likely to become involved with negative influences such as crime and drugs.

This is where Let's Play comes in. The aim is to elevate awareness of our social situation and to introduce and encourage play, activity and sport in schools and at home. This is done through advanced media campaigns and close associations with organisations that target children and introduce activities to schools, homes and communities.

Since being established, Let's Play has developed a formidable network of sponsors, partners and affiliations with national and regional bodies, as well as NGOs. Most recently, Let's Play was successfully launched in Nigeria.

Let's Play also facilitated The Sports for Development programme in partnership with the South African Department of Education and the United Nations Children's Fund (Unicef). This programme aims to promote mass participation in sport through community sporting events,

and currently reaches over 236 800 learners in 270 schools across the country. Since its inception in 2007 it has helped train over 1 000 coaches, educators and youth leaders and encouraged over 200 000 girls and boys to participate in weekly sporting activities and quarterly community festivals. Close to 500 000 girls and boys have participated in annual events at provincial level.

Today, Let's Play actively engages with hundreds of thousands of children every week through coaching clinics supported by 1 200 coaches, at 1 500 schools in nine provinces across the country. It has become one of South Africa's most visible and successful CSI programmes, with high awareness across the adult population and, most importantly, making a tangible difference to the lives of thousands of children.



Non-financial review (continued)

Environment

Our gross carbon footprint (scope 1 and 2) is 142 544 (2012: 165 710) tonnes of CO₂e. We measured direct emissions at locations across South Africa, Poland, Hungary, Germany and Nigeria. Print operations remain the largest contributor to the total carbon emissions of the group.

Through improvement and sustainable technological innovation, Naspers strives to create solutions that minimise its impact on the environment.



How we do this

Response

We perform risk assessments identifying operations where our direct impact on the environment is most significant.

Our most direct impact on the environment is from print media (73% of total carbon emissions). The internet businesses inherently have a lower impact on the environment. Through some of their trading activities, they stimulate buying and selling used or recycled goods in a paperless environment, and strive to make a difference, for example Allegro's All For Planet initiative (page 90).

We try using advanced technologies to reduce our impact on the environment.

A number of initiatives have been implemented to reduce our carbon footprint and support the sustainability campaign. Energy-efficiency initiatives include:

- movement-activated lights
- energy-efficient air conditioners
- consolidating data centres
- power-factor correction and load balancing, and
- automatic hibernation of PCs.

Waste management initiatives include:

- recycling office waste more appropriately using labelled waste dispensers, and
- installing ewaste bins for customers and employees to safely dispose of obsolete electronic devices such as decoders, remote controls and PCs.

Irreto's headquarters was designed and built as a green building. This sustainable office meets the GreenCalc score B.



How we do this

Response

<p>Our printing operations apply leading emission-reduction technology to minimise and responsibly dispose of waste.</p>	<p>Throughout Paarl Media, equipment is in place to collect and recycle dust from the printing process.</p>
<p>We monitor environmental compliance standards at our facilities and participate in third-party reviews.</p>	<p>Irdeto conducts its operations in accordance with ISO 9001 and 27001. Its implementation of both standards is regularly audited by an external certification body.</p>
<p>We measure and report on our carbon footprint.</p>	<p>As disclosed above.</p>
<p>Where possible, we use environmentally responsible energy sources, invest in improving energy efficiency and design energy-efficient facilities.</p>	<p>Paarl Media was the first African printing organisation to receive the Forest Stewardship Council (FSC) chain-of-custody certification. This is an independent international verification that printed products can be traced back from their point of origin to responsible, well-managed forestry, controlled and recycled sources.</p> <p>Irdeto supports the European Union's voluntary agreement on energy saving, in addition to the voluntary agreements in the US and Australia.</p> <p>Irdeto Cloaked CA is a cardless software security solution that delivers the same level of uncompromising security as a smart card for protecting digital television content. The result is significantly lower energy usage and less waste.</p> 

Non-financial review (continued)

Case study: Environmentally sustainable paper



Paarl Media offers clients a range of environmentally sustainable paper, leading the South African print industry in recognising the impact of print-production processes on natural resources and implementing practices to eliminate emissions. The Paarl Media group focuses on reduction and recycles all paper not sold as part of the printed product to a leading producer of paper and plastic packaging. Some new initiatives:

- 'Treefree' paper labels made from sugar cane fibre, a 100% renewable source, have been designed and implemented as an option for wine labels.
- Used gravure copper skins from engraved cylinders are recycled.
- Up to 95% of toluene (a thinning agent used in gravure inks) is recovered and sold back to ink manufacturers for reuse.
- Alcohol-free printing – Paarl Media has implemented an alcohol-free printing process on all its heatset web offset presses, which offers lower ink and water settings along with the ability to print a given density using an ink film that is not diluted by alcohol.
- 'Green ink' – Paarl Media uses mineral oil and volatile organic compound (VOC) free offset ink based on vegetable oil on all its sheet-fed presses.

Naspers's operations are diverse, ranging from printing plants to transactional internet platforms offering entertainment or products. Each type of business has a unique effect on the environment, requiring different responses to limit these impacts.



Printing facilities

Paarl Media's paper suppliers are based in South Africa and Europe. They continuously investigate options to limit their environmental impact while ensuring quality paper products are used in our publications.

In April 2012 Paarl Media Cape commissioned an eight-ton wood-fired boiler that will run on a mixture of rubber, wood and plastic pellets fed through a shredder. The existing 11kV electrode boiler will be the backup system. This is expected to consume significantly less electricity, with associated cost saving.

Media24

Media24 produces mainly books, magazines and newspapers, and recycles all unsold publications. Media24 also uses its magazines and newspapers as platforms to educate readers about lowering their impact on the environment.

In the Eastern Cape, *Die Burger* has joined forces with the Waste Trade Company and Goodyear to form the first environmental community project in the region. Via 58 schools, Project Green Footprint educates community members on the importance of conservation and the role of individuals in creating a healthier environment. The aim is to reduce waste to landfills by 200 tonnes over the next 18 months.

Pay television

During the year over 184 tonnes of waste was recycled from MultiChoice offices in South Africa. Around 32% of this waste was recycled, resulting in an estimated carbon footprint reduction of 105,5 tonnes CO₂e. In addition, more than 300 kilograms of defective electronic equipment was recycled during the year.

Internet

Various recycling and energy-saving initiatives are under way in Allegro, Buscapé and our other internet companies. Our new eco-friendly office in Wraclaw is equipped with systems that reduce electricity consumption and create less pollution.

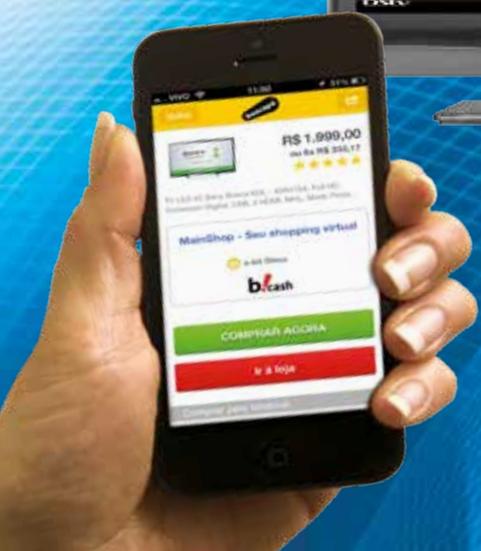
Non-financial review (continued)

Awards

Prestigious awards received by group companies during the year included:

 Business	Award
	<p>MultiChoice's employee development team was awarded a TopCo award for business training and education.</p> <p>Millennium Excellence Foundation (MEF) bestowed a lifetime achievement prize for media development in Africa to the chair of MultiChoice South Africa, Nolo Letele.</p>
	<p>Newspapers</p> <ul style="list-style-type: none"> ■ <i>Die Burger</i> again won the Frewin trophy and <i>Volksblad</i> the McCall prize for layout and printing quality. ■ <i>City Press</i> shared the Joel Mervis prize with Mail & Guardian. ■ Adriaan Basson of <i>City Press</i> won a sought-after CNN prize as news journalist of the year. ■ Our local newspapers won various awards at the MDDA/Sanlam awards ceremony, including best local newspaper for <i>TygerBurger</i>. <p>Magazines</p> <p>Best-ever performance at the PICAs, with Media24 titles winning most major awards:</p> <ul style="list-style-type: none"> ■ Kate Wilson as Editor of the Year. ■ <i>SARIE</i> won four awards, including the coveted Magazine of the Year. <p>Book publishers</p> <p>NB Publishers and its authors were awarded 33 literary prizes (local and international).</p>
	<p>Allegro's All For Planet Foundation was judged the best and most creative public relations project in Poland in Golden Clip 2012. The judges of this prestigious contest recognised Allegro's Spin kilometres park with climate project as the most interesting campaign in the technology, IT and telecommunications sector.</p> <p>PayU received the Ekomers 2012 award for best internet payments system in Poland.</p> <p>Allegro.pl was first in the 2012 ranking of Most Valuable Polish Brands, in the trade category, prepared by Rzeczpospolita, a leading daily newspaper in Poland.</p>
	<p>Ibibo Group was named one of the top five most trusted ecommerce brands in India in The Brand Trust Report, India Study – 2013.</p> <p>Ashish Kashyap, CEO, was named one of the top 100 icons of India's digital ecosystem.</p>

Corporate governance



Corporate governance

The board of directors conducts the group's business with integrity by applying appropriate corporate governance policies and practices.

Introduction

Compliance with both the JSE and applicable LSE listings requirements is monitored by the audit and risk committees of the board.

The board's executive, audit, risk, human resources and remuneration, nomination, and social and ethics committees fulfil key roles in ensuring good corporate governance. The group uses independent external advisers to monitor regulatory developments, locally and internationally, to enable management to make recommendations to the Naspers board on matters of corporate governance.

Application of and approach to King III

The board, its committees, and the boards and committees of subsidiaries MIH, MultiChoice and Media24 are responsible for ensuring the appropriate principles and practices contained in King III are applied and embedded in the governance practices of the group companies.

A disciplined reporting structure ensures the Naspers board is fully apprised of subsidiary activities, risks and opportunities. All controlled entities in the group are required to subscribe to the relevant principles of King III. Business and governance structures have clear approval frameworks.

Naspers has an internal control oversight forum comprising the CFOs and risk and internal audit managers of Naspers, MIH, MultiChoice and Media24 and the group company secretary and group general counsel. The forum was tasked to ensure the Naspers group's governance structures and framework are employed in the in-scope entities in the group during the financial year. Compliance and progress are monitored by the audit and risk committees and reported to the board.

For a review of Naspers's application of King III please go to www.naspers.org/corporate-governance.php.

Business ethics

The group's code of business ethics and business conduct is available on www.naspers.com.

This code applies to all directors and employees in the group. Ensuring that group companies adopt appropriate processes and establish supporting policies and procedures is an ongoing process. Management focuses on policies and procedures that address key ethical risks, such as conflicts of interest, accepting inappropriate gifts and acceptable business conduct.

The human resources and remuneration committee is the overall custodian of business ethics. Unethical behaviour by senior staff members is reported to this committee, along with the manner in which the company's disciplinary code was applied. The social and ethics committee has a monitoring role.

Naspers is committed to conducting its business on the basis of complying with the law, with integrity and with proper regard for ethical business practices.

Whistle-blowing facilities at most major subsidiaries enable employees to anonymously report unethical business conduct.

Compliance framework

Naspers has a legal compliance programme which involves preparing and maintaining inventories of

material laws and regulations for each business unit, implementing policies and procedures based on these laws and regulations, establishing processes to supervise compliance and mitigate risks, monitoring compliance, implementing effective training and awareness programmes and reporting to the various boards and management on the effectiveness of these efforts.

The board

Composition

Details of directors at 31 March 2013 are set out on pages 98 to 101.

Naspers has a unitary board, which fulfils oversight and controlling functions. The board charter sets out the division of responsibilities. The majority of board members are non-executive directors and independent of management. To ensure that no one individual has unfettered powers of decision-making and authority, the roles of chair and chief executive are separate.

At 31 March 2013 the board comprised nine independent non-executive directors, two non-executive directors and two executive directors, as defined under the Listings Requirements of the JSE. Four directors (31%) are from previously disadvantaged groups and three directors (23%) are female. These figures are above the average for JSE-listed companies.

Corporate governance (continued)

The chair

The chair, Ton Vosloo, is a non-executive director. Boetie van Zyl acts as lead director in all matters not dealt with by the non-executive chair.

The chief executive

The chief executive, Koos Bekker, reports to the board and is responsible for the day-to-day business of the group and implementation of policies and strategies approved by the board. Chief executives of the various businesses assist him in this task. Board authority conferred on management is delegated through the chief executive, against approved authority levels.

Orientation and development

An induction programme is held for new members of the board and key committees, tailored to the needs of individual appointees. The company secretary assists the chair with the induction and orientation of directors, and arranges specific training if required.

Conflicts of interest

Potential conflicts are appropriately managed to ensure candidate and existing directors have

no conflicting interests between their obligations to the company and their personal interests. Any interest in contracts with the company must be formally disclosed and documented. Directors must also adhere to a policy on trading in securities of the company.

Independent advice

Individual directors may, after consulting with the chair or chief executive, seek independent professional advice, at the expense of the company, on any matter connected with discharging their responsibilities as directors.

Meetings and attendance

The board meets at least four times a year, or as required. The executive committee attends to matters that cannot wait for the next scheduled meeting. Independent non-executive directors meet at least once annually without the chief executive, financial director and chair present, to discuss the performance of these individuals.

Details of attendance at board and committee meetings are provided on pages 102 and 103.

Evaluation

The nomination committee carries out the annual evaluation process. The performance of the board

and its committees, as well as the chair of the board, against their respective mandates in terms of the board charter and the charters of its committees, is appraised. The committees perform self-evaluations against their charters for consideration by the board. In addition, the performance of each director is evaluated by the other board members, using an evaluation questionnaire. The chair of the nomination committee discusses the results with each director. A consolidated summary of the evaluation is discussed by the board. The lead independent director leads the discussion on the performance of the chair.

Board committees

While the whole board remains accountable for the performance and affairs of the company, it delegates certain functions to committees and management to assist in discharging its duties. Appropriate structures for those delegations are in place, accompanied by monitoring and reporting systems.

Each committee acts within agreed, written terms of reference. The chair of each committee, all of whom are non-executive directors, reports at each scheduled board meeting.

The chair of each committee is required to attend annual general meetings to answer questions.

The established board committees in operation during the financial year are: executive committee, audit committee, risk committee, human resources and remuneration committee, nomination committee and the social and ethics committee. The board is satisfied that the committees properly discharged their responsibilities over the past year.

Internal control systems

The company has a system of internal controls, based on the group's policies and guidelines, in all material subsidiaries and joint ventures under its control. For those entities in which Naspers does not have a controlling interest, the directors representing Naspers on these boards seek assurance that significant risks are managed and systems of internal control are effective. Internal auditors monitor the functioning of internal control systems and make recommendations to management and the audit and risk committees. The external auditor considers elements of the internal control systems as part of its audit and communicates deficiencies when identified.

All internal control systems have shortcomings, including the possibility of human error or flouting of control measures.

Corporate governance (continued)

Even the best system may provide only partial assurance. The group's internal controls and systems are designed to provide reasonable, and not absolute, assurance on the integrity and reliability of the financial statements; to safeguard, verify and maintain accountability of its assets; and to detect fraud, potential liability, loss and material misstatement, while complying with regulations.

The board reviewed the effectiveness of controls for the year ending 31 March 2013, principally through a process of management self-assessment, including formal confirmation in the form of representation letters by executive management. Consideration was given to input, including reports from internal audit and the external auditor, compliance and the risk management process. Where necessary, programmes for corrective actions have been initiated.

Nothing has come to the attention of the board, external or internal auditors to indicate any material breakdown in the functioning of internal controls and systems during the year under review.

Internal audit

An internal audit function is in place throughout the group. The head of internal audit reports to the chair of the Naspers audit committee, with administrative reporting to the financial director. A large part of the internal audit fieldwork is outsourced.

Non-audit services

The group's policy on non-audit services provides guidelines on dealing with audit, audit-related, tax and other non-audit services that may be provided by Naspers's independent auditor to group entities. It also sets out services that may not be performed by the independent auditor.

IT governance

Information technology (IT) governance is integrated in the operations of the Naspers businesses. Management of each subsidiary or business unit is responsible for ensuring effective processes on IT governance are in place.

Internal audit provides assurance to management and the audit committee on the effectiveness of IT governance.

Company secretary

The group company secretary, Gillian Kisbey-Green, and group legal counsel (legal compliance officer), André Coetzee, are responsible for guiding the board in discharging its regulatory responsibilities.

Directors have unlimited access to the advice and services of the group company secretary. She plays a pivotal role in the company's corporate governance and ensures that, in accordance with the pertinent laws, the proceedings and affairs of the board, the company itself and, where appropriate, shareholders are properly administered. She is also the company's compliance officer as defined in the Companies Act and delegated information officer. The group company secretary monitors directors' dealings in securities and ensures adherence to closed periods. She attends all board and committee meetings.

As required by JSE Listings Requirement 3.84 (i), the board has determined that the group company secretary, who is a chartered accountant (SA) with more than 20 years' company secretarial experience, has the requisite competence, knowledge and experience to carry out the duties of a secretary of a public company, and has an arm's length relationship with the board.

Investor relations

Naspers's investor relations policy can be found on www.naspers.com. It describes the principles and practices applied in interacting with shareholders and investors. Naspers is committed to providing timely and transparent information on corporate strategies and financial data to the investing public. In addition, we consider the growing demand for transparency and accountability on our non-financial (or sustainability) performance. In line with King III, Naspers recognises that this performance is based on its risk profile and strategy, which includes non-financial risks and opportunities.

The company manages communications with its key financial audiences, including institutional shareholders and financial (debt and equity) analysts, through a dedicated investor relations unit. Presentations and conference calls take place after publishing interim and final results.

Directorate

Ton Vosloo (75) became managing director of Naspers in 1984, serving as executive chair from 1992 to 1997. Mr Vosloo worked as a journalist from 1956 to 1983 and as editor of *Beeld* from 1977 to 1983. He is a director of Media24 and MultiChoice South Africa Holdings, chair of MIH Holdings and non-executive chair of the board of Naspers, a position he has held since 1997. He is a former chair of Sanlam, M-Net, WWF South Africa and the Cape Philharmonic Orchestra. He was awarded the Nieman Fellowship from Harvard University in 1970. Mr Vosloo has been awarded three honorary doctorates.



Rachel Jafta (52), MEcon and PhD, is a professor in economics at Stellenbosch University. She joined Naspers as a director in 2003 and was appointed a director of Media24 in 2007. She is a member of the South African Economic Society, director of Econex, chair of the Cape Town Carnival Trust and board member of the South African Institute of Race Relations. She is a member of the nomination committee at Naspers and the human resources and remuneration committee of Media24. She is chair of the human resources and remuneration committee of Naspers and the nomination committee of Media24. She was appointed chair of the Media24 board in April 2013 and a member of the Naspers social and ethics committee on 21 June 2013.



Koos Bekker (60) led the founding team of M-Net/MultiChoice pay-television business in 1985. He was also a founder of MTN in cellular telephony. Koos headed the MIH group in its international and internet expansion until 1997, when he became chief executive of Naspers. He serves on the boards of other companies in the wider group, as well as on various public bodies. Academic qualifications include BAHons and honorary doctorate in commerce (Stellenbosch), LLB (Wits) and MBA (Columbia).



Debra Meyer (46) was appointed as director in 2009. She is a professor of biochemistry and currently heads this department at the University of Pretoria. She was a Fulbright Scholar at UC Davis (University of California) where she obtained a PhD in biochemistry and molecular biology. She regularly publishes HIV/Aids research in science journals and organises education and community service projects on this topic. She has completed modules in media strategy and academic leadership at Harvard and Gibs (University of Pretoria) and makes regular contributions to several newspapers and magazines. She is a published poet and has received several awards in her area of expertise. She serves as trustee or board member of several organisations including Dagbreektrust, Aardklop arts festival and the council of Northwest University.



Steve Pacak (58), a chartered accountant(SA), began his career with Naspers at M-Net in 1988 and has held various executive positions in the MIH group. He is a director of Media24, MIH Holdings, MultiChoice South Africa Holdings and other companies in the wider Naspers group. He was appointed an executive director of Naspers in 1998.



Boetie van Zyl (74) holds the qualifications PrEng and BScEng (Mechanical) (UCT). He joined Naspers as a director in 1988. He is a member of the boards of MIH Holdings and Media24, a director of the Peace Parks Foundation, and a trustee of WWF South Africa. He is chair of the audit, risk and social and ethics committees of Naspers, a member of the audit and risk committees of Media24 and MIH, and a member of the human resources and remuneration committees and nomination committees of Media24 and Naspers.



Directorate (continued)

Francine-Ann du Plessis (58) has been a director of Naspers since 2003 and holds the qualifications BComHons(Taxation), LLB and CA(SA). Although she is admitted as an advocate of the Cape High Court, she practises as a chartered accountant and is a director of Loubser du Plessis Inc. She is a member of the audit and risk committees of Naspers. She also serves on the boards of ArcelorMittal and Life Healthcare.



Fred Phaswana (68) holds the qualifications MA and BComHons, and obtained a BA(Philosophy, Politics and Economics) from the University of South Africa in 2010. He joined Naspers as a director in 2003. He is chair of The Standard Bank Group and of Standard Bank of South Africa Limited and joint chair of Mondi Group.



Lambert Retief (60) obtained the qualifications BCom and BComHons from Stellenbosch University. He then qualified as a chartered accountant(SA) and completed the Owner President Management (OPM) programme at Harvard Business School. He is a director of Media24, chair and former chief executive of Paarl Media group and a director of other group subsidiaries. He is also a director of the listed Zeder Investments Limited and Pioneer Foods Group Limited.



Ben van der Ross (66), who holds the qualification DiPLaw (UCT) and is an admitted attorney, is chair of Strategic Real Estate Management Proprietary Limited, the managers of the Emira Property Fund. He also serves inter alia on the boards of FirstRand Limited, MMI Holdings Limited, Pick n Pay Stores Limited, Distell Limited and Lewis Group Limited.



Lourens Jonker (73) obtained the qualification BScAgric with further studies at UC Davis (University of California). He has completed programmes for director development at IMD, Lausanne, Switzerland and Gibs (University of Pretoria). He is the owner of Weltevrede Wine Estate. He joined the board of KVV Cooperative in 1981 and became chair of KVV Group Limited in 1994. He led the successful transformation of KVV from a cooperative to a fully commercialised company. He resigned from the KVV board in December 2003.



Hein Willemse (55) holds an MA (cum laude), MBL and DLitt degrees. He is currently a Professor of Literature in the Department of Afrikaans at the University of Pretoria. He is a board member or trustee of various national and international subject associations or community organisations.



Neil van Heerden (73), who holds a BA qualification, is a trustee of the University of the Western Cape, former director-general of foreign affairs, ambassador to the Federal Republic of Germany, ambassador to the European Union and former executive director of the South Africa Foundation (now South Africa Business Leadership). He is also a director of other companies.



Directorate (continued)

Directors and attendance at meetings

	Date first appointed in current position	Date last appointed	Five board meetings were held during the year. Attendance:	Category
T Vosloo	6 October 1997	27 August 2010	5	Non-executive
J P Bekker	6 October 1997	1 April 2008	5	Executive
F-A du Plessis	23 October 2003	26 August 2011	5	Independent non-executive
G J Gerwel ⁽¹⁾	12 July 1999	26 August 2011	3	Independent non-executive
R C C Jafta	23 October 2003	31 August 2012	5	Independent non-executive
L N Jonker	7 June 1996	27 August 2010	5	Independent non-executive
D Meyer	25 November 2009	31 August 2012	5	Independent non-executive
S J Z Pacak	24 April 1998	1 April 2009	5	Executive
T M F Phaswana	23 October 2003	26 August 2011	5	Independent non-executive
L P Retief	1 September 2008	31 August 2012	5	Non-executive
B J van der Ross	12 February 1999	26 August 2011	5	Independent non-executive
N P van Heerden	7 June 1996	31 August 2012	5	Independent non-executive
J J M van Zyl	1 January 1988	26 August 2011	5	Independent non-executive
H S S Willemse	30 August 2002	31 August 2012	5	Independent non-executive

Note

⁽¹⁾Deceased – 28 November 2012.

Committees and attendance at meetings

	Executive committee	Audit committee ⁽¹⁾		Risk committee		Human resources and remuneration committee ⁽¹⁾		Nomination committee ⁽¹⁾		Social and ethics committee		Category
	No meetings held during the year.	Four meetings held during the year. Attendance:	Four meetings held during the year. Attendance:	Four meetings held during the year. Attendance:	Five meetings held during the year. Attendance:	Five meetings held during the year. Attendance:	Five meetings held during the year. Attendance:	Two meetings held during the year. Attendance:				
T Vosloo	✓			✓	4	✓	5	✓	5			Non-executive
J P Bekker	✓			✓	4					✓	2	Executive
F-A du Plessis		✓	4	✓	4							Independent non-executive
G J Gerwel ⁽²⁾	✓					✓	3	✓	3	✓	1	Independent non-executive
R C C Jafta ⁽³⁾		✓	4	✓	4	✓	n/a	✓	n/a			Independent non-executive
F L N Letele										✓	2	Non-executive
D Meyer										✓	2	Independent non-executive
S J Z Pacak	✓			✓	4					✓	2	Executive
J J M van Zyl	✓	✓	4	✓	4	✓	5	✓	5	✓	2	Independent non-executive
B J van der Ross		✓	4	✓	4							Independent non-executive
E Weideman										✓	2	Non-executive

Notes

✓ Member.

⁽¹⁾Executive directors attend meetings by invitation.

⁽²⁾Deceased – 28 November 2012.

⁽³⁾On 22 February 2013 Prof Jafta resigned as a member of the audit and risk committee and replaced Prof Gerwel as chair of the Naspers human resources and remuneration committee. Furthermore, Prof Jafta replaced Prof Gerwel as a member of the nomination committee. On 21 June 2013 she was appointed as a member of the social and ethics committee.

Social and ethics committee report

The purpose of this report is to outline how the social and ethics committee has discharged its responsibilities as set out in section 72 of the South African Companies Act No 71 of 2008, as amended ("the Act") and regulation 43 of the Companies Regulations, 2011 ("the regulation"), issued in terms of the Act.

Composition

The first members appointed to the committee were Messrs J J M van Zyl (chair), J P Bekker, Prof G J Gerwel, Mr F L N Letele, Prof D Meyer, Mr S J Z Pacak and Mrs E Weideman. The company secretary also acts as the secretary of the committee. On 28 November 2012 Prof Gerwel passed away. Prof R C C Jafta was appointed to the committee on 21 June 2013.

Responsibilities

The committee's responsibilities cover the group's South African operations: MultiChoice, Media24 and MIH Internet Africa. Its mandate, set out in its charter is aligned with the committee's statutory responsibilities as set out in the regulations. The committee monitors:

- Social and economic development, including the company's standing in terms of the goals and purposes of:
 - the ten principles set out in the United Nations Global Compact Principles
 - the Organisation for Economic Co-operation and Development (OECD) recommendations regarding corruption
 - the Employment Equity Act, and
 - the Broad-based Black Economic Empowerment Act.
- Corporate citizenship, including the company's:
 - promotion of equality, prevention of unfair discrimination, and reduction of corruption
 - contribution to development of the communities in which its activities are predominantly conducted or within which its products or services are predominantly marketed, and
 - record of sponsorship, donations and charitable giving.
- Environmental, health and public safety matters, including the impact of the company's activities and of its products or services.
- Consumer relationships, including the company's advertising, public relations and compliance with consumer protection laws.
- Labour and employment, including:
 - the company's standing in terms of the International Labour Organization Protocol (ILO) on decent work and working conditions.
- The company's employment relationships and its contribution toward the educational development of its employees.

- Draws matters within its mandate to the attention of the board as the occasion requires.
- Reports to the shareholders on the matters within its mandate.

Discharge of responsibilities

The committee reviewed:

- Employment equity plans for its South African businesses.
- Performance in regard to black economic empowerment as measured against the Department of Trade and Industry (dti) generic broad-based black economic empowerment (BBBEE) scorecard.
- Skills and other development programmes, aimed at the educational development of its employees.
- Employment philosophy, and how it is founded on promoting equality and preventing unfair discrimination.
- Labour practices and policies, and how these compare to the ILO Protocol on decent working conditions.
- Corporate social investment programmes, including details of donations and charitable giving.
- The progress of the South African businesses in addressing the principles of the UN Global Compact and OEC.

- A risk register, which addresses the risks associated with the South African companies in addressing the statutory responsibilities of the committee, how they are addressed, including combined assurance responses.

Conclusion

The committee is of the view that the group takes its environmental, social and governance responsibilities seriously. Appropriate policies, plans and programmes are in place to contribute to social and economic development, good corporate citizenship, environmental responsibility, fair labour practices and good consumer relations.

No substantive non-compliance with legislation and regulation, or non-adherence with codes of best practice, relevant to the areas within the committee's mandate has been brought to its attention. Based on its monitoring activities to date, the committee has no reason to believe that any such non-compliance or non-adherence has occurred.

The committee recognises that the areas within its mandate are evolving and that management's responses too will adapt to changes in the environmental, social and governance agenda.



J J M van Zyl

Chair: Social and ethics committee

21 June 2013

Remuneration report

Human resources and remuneration committee and its role

The human resources and remuneration committee comprises only non-executive directors. Executive directors and certain members of management attend meetings by invitation. This committee met five times during the financial year. Details of attendance at meetings are provided on page 103.

The main responsibilities of the committee are as follows:

- Determine and approve the group's general remuneration policy, which must be tabled at each annual general meeting for a non-binding advisory vote by shareholders.
- Prepare an annual remuneration report for inclusion in the company's integrated annual report.
- Review and approve annually the remuneration packages of the most senior executives, including incentive schemes and increases, ensuring they are appropriate and in line with the remuneration policy.
- Annually appraise the performance of the chief executive.
- Review the remuneration of non-executive directors of the board and its committees annually. Make proposals to the board for final approval by shareholders in the annual

general meeting. Remuneration is approved by shareholders in advance.

- Fulfil delegated responsibilities on Naspers's share-based incentive plans, for example appointing trustees and compliance officers.
- Approve the most senior appointments and promotions.
- Review incidents of unethical behaviour by senior managers and the chief executive.
- Review annually the company's code of ethics and business conduct.
- Review annually the committee's charter and recommend required amendments.
- Approve amendments to the Naspers share-based incentive plans.
- Perform an annual self-assessment of the effectiveness of the committee, reporting these findings to the board.
- Review annually the charters of the group's significant subsidiaries' remuneration committees, and their annual assessment of compliance with these charters to establish if the Naspers committee can rely on the work of the subsidiary companies' committees.

The committee fulfilled its remit during the year.

Remuneration strategy and policy

Naspers's remuneration strategy aims to attract, motivate and retain competent leaders in its drive to create sustainable shareholder value.

We aim to attract entrepreneurs and the best creative engineers to grow the value of the group and to recognise top performance.

Our policies and practices align the remuneration and incentives of executives and employees to the group's long-term business strategy. Group companies are responsible for developing their own policies and benefits within the confines of the group remuneration policy and in accordance with their local laws and each company's needs.

Primary objectives include the need to promote superior performance; direct employees' energies towards key business goals; achieve the most effective returns for employee spend; address needs across differing cultures; and have credible remuneration policies.

Naspers has an integrated approach to its reward strategy, encompassing a balanced design in which reward components are aligned to the strategic direction and business-specific value drivers of Naspers.

Overview of remuneration

Non-executive directors currently receive annual remuneration as opposed to a fee per meeting. This recognises the ongoing responsibility of directors for the efficient control of the company. This remuneration is augmented by compensation for services on committees of the board and boards of subsidiaries. A premium is payable to the chair of the board, as well as to the chairs of the committees.

Remuneration is reviewed annually. Independent advice is acquired to assist the human resources and remuneration committee. This remuneration is not linked to the company's share price or performance. Non-executive directors do not qualify for shares in terms of the group's incentive schemes. The board annually recommends remuneration of non-executive directors for approval by shareholders in advance.

In the past, the benchmark used for directors' fees was referenced to the JSE Top 20 as well as dual-listed companies. However, with the expansion of the dual-listed company population to include smaller companies and listings on exchanges with less onerous reporting requirements, the dual-listed comparator peer group is no longer appropriate.

Therefore, we now compare fees to the Top 20 JSE-listed companies only, some (but not all) of which have dual listings on major international exchanges – Naspers currently ranks seventh in terms of market cap. This comparison showed that due to our fast growth, Naspers has fallen significantly behind. To rectify this, an appropriate catch-up increase is recommended for the 2014 financial year, after which a slower pace of increase is envisaged. In addition, to attract international directors, fees for non-South African resident directors, payable in US dollars, will be tabled for approval by shareholders at the upcoming annual general meeting. An additional amount per day for all directors spent travelling to meetings held not in their home countries, is

Remuneration report (continued)

also proposed. In arriving at these proposals, the committee used data comparisons compiled by an independent consultant.

In remunerating executives, the group aims to attract, motivate and retain competent and committed leaders in its drive to create sustainable shareholder value. We aim to recognise top performance and attract entrepreneurs and the best creative engineers to grow the value of the group. The remuneration policies strive to meet this objective. Accordingly, the focus is not primarily on guaranteed annual remuneration, but on individual incentive plans linked to creating shareholder value.

Naspers usually structures packages on a total cost-to-company basis, which incorporates base pay, car allowance, pension, medical aid and other optional benefits. In addition, most executives qualify for individual and/or team performance incentives. At senior level, we avoid standardised packages and aim to tailor the compensation structure to the needs of the specific business.

Remuneration packages are reviewed annually and are monitored and compared with reported figures for similar positions to ensure they are fair and sensible. In some cases independent consultants provide benchmarks. We have no specific group policies to, for example, pay the median, as the requirements of a group serving a multitude of countries differ widely.

Annual bonus

Most executives have an annual cash bonus scheme that may comprise a variable component based on surpassing financial and operational objectives, as well as fixed amounts for achieving specific discrete objectives. The incentive for each executive is agreed annually in advance. Incentives are based on targets that are verifiable and aligned to the group's business plan, risk management policy and strategy. If targets are not met, no bonus is paid.

Long-term incentives

Long-term incentives are generally share-based incentive schemes for Naspers N ordinary shares and/or shares or appreciation rights in respective companies or subsidiaries. These awards normally vest over a period of four or five years and must be exercised within five to ten years from the date of grant. The shares/appreciation rights are not free: the employee is offered the shares/appreciation rights at market value on the day of the award. Employees benefit only if they, together with colleagues in that unit, can create additional value above the value on the date of issue. The various remuneration committees in the group annually review the share awards. In addition, if a particular group company employs people during the year, that remuneration committee may decide to make awards to those

individuals. No awards of shares/appreciation rights are made during a closed period for trading, backdating awards is prohibited, there is no repricing and automatic regranting of underwater shares/appreciation rights.

There is no automatic entitlement to bonuses or early vesting of share-based incentives should an executive leave the employment of the company. There is a maximum number of shares/appreciation rights that may be awarded in aggregate and to any individual for each share-based incentive scheme.

The group operates numerous share-based incentive schemes, as set out in equity compensation benefits in the notes to the annual financial statements which can be found on **www.naspers.com**.

Pension fund and medical aid

During the year the relevant group companies made contributions for executive directors to the Naspers pension fund. The rate of contribution is 10%, based on the pensionable salary of these individuals. The value of contributions for each executive director appears in the summary of directors' emoluments on page 110. None of the non-executive directors of Naspers contributed to any group pension fund during 2013.

Service contracts

Executives' contracts generally are subject to terms and conditions of employment in the local jurisdiction. The company's executive and

non-executive directors' contracts do not contain 'golden parachute' clauses and do not activate any restraint payments.

Non-executive directors are subject to regulations on appointment and rotation in terms of the company's memorandum of incorporation and the South African Companies Act.

Share-based incentive plans

The group operates a number of share-based incentive schemes. Some offer employees Naspers shares, others relate directly to individual operating companies. Details are contained in the annual financial statements, which can be found on **www.naspers.com**.

At 31 March 2013 the group held 16 458 521 (2012: 22 179 675) Naspers N ordinary shares as treasury shares to settle outstanding options under certain of the group's share incentive schemes. The dilution effect of these treasury shares amounted to 37 cents per N ordinary share (2012: 25 cents).

In accordance with schedule 14 of the JSE Limited's Listings Requirements and the requirements of the South African Companies Act, at the annual general meeting in August 2011, shareholders approved that going forward, up to 40 588 541 new Naspers N ordinary shares (approximately 10% of Naspers's N ordinary share capital at 31 March 2010) may be issued for purposes of the group's share-based incentive schemes. As at 31 March 2013, 3 828 906 new N ordinary shares had been issued for this purpose.

Remuneration report (continued)

Executive directors

	Salary R'000	Annual cash bonuses and performance- related payments R'000	Pension contribution paid on behalf of director to the pension scheme R'000	Total R'000
2013				
S J Z Pacak				
Paid by other companies in the group	3 801	3 200	391	7 392
2012				
S J Z Pacak				
Paid by other companies in the group	3 414	3 400	386	7 200

Mr S J Z Pacak's annual performance payment is based on financial, operational and discrete objectives, which were approved by the human resources and remuneration committee in advance. The bonus is capped at 100% of total cost to company.

The chief executive, Mr J P Bekker, does not earn any remuneration from the group. In particular no salary, bonus, car scheme, medical or pension contributions of any nature are payable.

No other remuneration is paid to the executive directors. Remuneration is earned for services rendered in connection with the carrying on of the affairs of the business in the company. Interests in group share-based incentive schemes are set out below.

Executive directors' contracts

No executive director has a notice period of more than one year. No executive director's service contract includes predetermined compensation as a result of termination exceeding one year's salary and benefits.

Mr J P Bekker's five-year contract, which started on 1 April 2008 was extended to February 2014. No remuneration is paid in respect of the extended contract for the 2013/2014 financial year and no share offers were made. No compensation will apply to termination.

The chief financial officer, Mr S J Z Pacak, has an indefinite employment contract.

Directors' interests in scheme shares of the group's share incentive schemes

The executive directors of Naspers are allowed to participate in Naspers scheme shares in the group's share incentive schemes. Details as at 31 March 2013 in respect of the executive directors' participation in scheme shares not yet released, are as follows:

Name	Incentive scheme	Offer date	Number of N shares	Purchase price	Release period	Value of option ⁽¹⁾
S J Z Pacak	MIH (Mauritius) Limited share incentive scheme	2012/09/07	18 000	R484,70	2017/09/07	R189,16
	MIH (Mauritius) Limited share incentive scheme	2012/09/07	18 000	R484,70	2016/09/07	R175,38
	MIH (Mauritius) Limited share incentive scheme	2012/09/07	18 000	R484,70	2015/09/07	R159,91
	MIH (Mauritius) Limited share incentive scheme	2009/02/27	66 667	R154,00	2014/02/27	R84,77

Note

⁽¹⁾The value of the option represents the fair value on grant date in accordance with IFRS.

Remuneration report (continued)

Non-executive directors' terms of appointment

Appointments to the board

The board has a policy on procedures for the appointment and orientation of directors. The nomination committee periodically assesses the skills represented on the board by non-executive directors and determines whether these meet the company's needs. Annual self-evaluations conducted by the board and its committees also assist. Directors are invited to give their input in identifying potential candidates. The members of the nomination committee propose suitable candidates for consideration by the board. A fit and proper evaluation is performed for each candidate.

Retirement and re-election of directors

All non-executive directors are subject to retirement and re-election by shareholders every three years. In addition all non-executive directors are subject to election by shareholders at the first suitable opportunity for interim appointments. The names of non-executive directors submitted for election or re-election are accompanied by brief biographical details to enable shareholders to make an informed decision on their election. The reappointment of non-executive directors is not automatic.

Directors' emoluments

	2013	2012
	R'000	R'000
Non-executive directors		
Fees for services as directors	9 743	8 754
Fees for services as directors of subsidiary companies	6 255	6 961
	15 998	15 715

Fees for the current year and proposed for 31 March 2014 and 31 March 2015 are as follows:

	31 March 2013*	31 March 2014** (proposed)	31 March 2015** (proposed)
Board			
1.1 Chair***	R2 630 000	R3 145 000	R3 335 000
1.2 Member (South African resident)	R473 000	R615 000	R650 000
Member (non-South African resident)	—	US\$97 500	US\$103 000
Consulting fee for non-South African resident (when needed)	—	US\$60 000 (maximum)	US\$63 500 (maximum)
All members: daily fees when travelling to and attending meetings outside home country	—	US\$3 500	US\$3 500
Committees			
1.3 ■ Audit committee: Chair	R308 000	R360 000	R380 000
1.4 Member	R154 000	R180 000	R190 000
1.5 ■ Risk committee: Chair	R154 000	R200 000	R210 000
1.6 Member	R77 000	R100 000	R105 000
1.7 ■ Human resources and remuneration committee: Chair	R180 000	R235 000	R270 000
1.8 Member	R90 000	R117 500	R135 000
1.9 ■ Nomination committee: Chair	R66 000	R86 000	R96 000
1.10 Member	R33 000	R43 000	R48 000
1.11 ■ Social and ethics committee: Chair	R154 000	R175 000	R185 000
1.12 Member	R77 000	R87 500	R92 500
Other			
1.13 Naspers representatives on Media24 safety, health and environment committee: Member	R51 000	R54 500	R58 300
1.14 Trustee of group share schemes/other personnel funds	R36 100	R38 600	R41 300
1.15 Media24 pension fund: Chair	R91 200	R97 500	R104 250
1.16 Trustee	R60 800	R65 000	R69 500

Notes

*These fees were approved by shareholders on 31 August 2012.

**The proposed 31 March remuneration is subject to such annual increase as may be retrospectively approved by the shareholders at the respective 2014 and 2015 Naspers annual general meetings.

***The chair of the board does not receive additional remuneration if he/she is a member of or chairs any committee of the board.

Remuneration report (continued)

Individual non-executive directors received the following remuneration and emoluments during the current financial year:

Non-executive directors	Directors' fees		Committee ⁽¹⁾ and trustee ⁽²⁾ fees		Total 2013 R'000	Directors' fees		Committee ⁽¹⁾ and trustee ⁽²⁾ fees		Total 2012 R'000
	Paid by company R'000	Paid by subsidiary R'000	Paid by company R'000	Paid by subsidiary R'000		Paid by company R'000	Paid by subsidiary R'000	Paid by company R'000	Paid by subsidiary R'000	
	T Vosloo ⁽³⁾	2 630	1 845	—		165	4 640	2 390	1 520	
J J M van Zyl ⁽³⁾	473	885	775	243	2 376	430	750	564	226	1 970
L N Jonker ⁽³⁾	473	—	51	—	524	430	—	48	—	478
N P van Heerden	473	—	—	—	473	430	—	—	—	430
B J van der Ross	473	—	231	—	704	430	—	210	—	640
G J Gerwel ^{(3), (4)}	355	504	218	60	1 137	430	630	190	75	1 325
H S S Willemse	473	—	51	—	524	430	—	48	—	478
F-A du Plessis	473	—	394	—	867	430	—	364	—	794
T M F Phaswana	473	—	—	—	473	430	—	—	—	430
L P Retief ⁽³⁾	473	1 933	—	51	2 457	430	3 032	—	48	3 510
R C C Jafta ⁽³⁾	473	224	231	345	1 273	430	210	210	320	1 170
D Meyer	473	—	77	—	550	430	—	—	—	430
	7 715	5 391	2 028	864	15 998	7 120	6 142	1 634	819	15 715

Notes

⁽¹⁾Committee fees include fees for the attendance of the audit committee, risk committee, human resources and remuneration committee, the nomination committee and the social and ethics committee meetings of the board. The committee fee for 2013 now includes fees for the social and ethics committee.

⁽²⁾Trustee fees include fees for the attendance of the various retirement fund trustee meetings of the group's retirement funds.

⁽³⁾Directors' fees include fees for services as directors, where appropriate, of Media24 Proprietary Limited, Paarl Media Holdings Proprietary Limited, MIH Holdings Proprietary Limited and MultiChoice South Africa Holdings Proprietary Limited.

⁽⁴⁾Deceased – 28 November 2012.

General notes

Committee and trustee fees include, where appropriate, fees to be considered by shareholders at the annual general meeting on 30 August 2013 for services as trustees or members, as appropriate, of the group share schemes/retirement funds/Media24 safety, health and environment committee.

Non-executive directors are subject to regulations on appointment and rotation in terms of the company's memorandum of incorporation and the South African Companies Act.

Shareholding

Directors' interest in Naspers shares

The directors of Naspers have the following interests in Naspers A ordinary shares on 31 March 2013:

Name	31 March 2013			31 March 2012		
	Naspers A ordinary shares			Naspers A ordinary shares		
	Beneficial			Beneficial		
	Direct	Indirect	Total	Direct	Indirect	Total
J J M van Zyl	745	—	745	745	—	745

Mr J P Bekker has an indirect 25% interest in Wheatfields 221 Proprietary Limited, which controls 168 605 Naspers Beleggings (RF) Beperk ordinary shares, 16 860 500 Keeromstraat 30 Beleggings (RF) Beperk ordinary shares and 133 350 Naspers A shares.

No other director of Naspers had any direct interest in Naspers A ordinary shares at 31 March 2013 or 31 March 2012.

Remuneration report (continued)

The directors of Naspers (and their associates) had the following interests in Naspers N ordinary shares as at 31 March:

Name	31 March 2013			31 March 2012		
	Naspers N ordinary shares			Naspers N ordinary shares		
	Beneficial			Beneficial		
	Direct	Indirect	Total	Direct	Indirect	Total
T Vosloo ⁽⁵⁾	—	185 000	185 000	—	213 000	213 000
J P Bekker ⁽²⁾	11 687 808	4 688 691	16 376 499	7 791 872	4 688 691	12 480 563
J J M van Zyl	50 361	150 796	201 157	50 361	150 796	201 157
L N Jonker	1 000	52 000	53 000	1 000	52 000	53 000
N P van Heerden	—	2 600	2 600	—	2 600	2 600
B J van der Ross	—	400	400	—	400	400
G J Gerwel ⁽⁴⁾	—	—	—	—	—	—
H S S Willemse	85	3 205	3 290	85	3 205	3 290
F-A du Plessis	—	—	—	—	—	—
T M F Phaswana	—	3 530	3 530	—	3 530	3 530
L P Retief ⁽¹⁾	—	—	—	—	—	—
R C C Jafta	—	—	—	—	—	—
S J Z Pacak ⁽³⁾	711 843	282 548	994 391	545 176	282 548	827 724
D Meyer	—	—	—	—	—	—
	12 451 097	5 368 770	17 819 867	8 388 494	5 396 770	13 785 264

Notes

⁽¹⁾The Media24 group entered into a contract with the Retief family trust in October 2008, which contains a put option whereby the Retief family trust can enforce a buy-out by Media24 group of their remaining interest in Paarl Media Holdings Proprietary Limited (currently 5%) and Paarl Coldset Proprietary Limited (currently 12,6%). Mr L P Retief, a director of Naspers Limited, is a related party to the Retief family trust.

⁽²⁾At 31 March 2013, 3 895 936 Naspers N ordinary shares at an offer price of R185,56 per share were released and reserved for Mr J P Bekker in the Naspers share incentive scheme. This is the final tranche of his five-year contract entered into on 1 April 2008. Furthermore, in terms of the rules of the Naspers share incentive trust, offers to participants expire on the 10th anniversary of the date of the offer, or, if the expiry date is in a closed period, 90 days after the end of the closed period. On 1 October 2002 and 17 December 2002, 2 452 411 and 2 236 280 Naspers N ordinary shares, respectively (a total of 4 688 691 N shares), were offered to and accepted by Mr J P Bekker, chief executive of Naspers. Offer prices ranged from R22,39 to R31,54, being the original offer prices on 1 October 2002 and 17 December 2002 based on the listed market price of Naspers N ordinary shares on the dates of the offers, adjusted by anticipated inflation over the course of the vesting periods. Inflation expectations were calculated by the Bureau for Economic Research of Stellenbosch University. On 14 December 2012, 4 688 691 Naspers N ordinary shares were delivered off market to Mr Bekker's family trust upon payment of R125 252 946,38 to the Naspers share incentive trust. The nature of Mr Bekker's interest is an indirect beneficial interest.

⁽³⁾During the financial year 166 667 Naspers N ordinary shares at offer prices of between R138,87 and R154,00 were released and reserved for Mr S J Z Pacak in the Naspers group's share incentive schemes. On 2 January 2002 Mr S J Z Pacak was offered, and accepted, 115 000 Naspers N ordinary shares at the listed market price of the shares on that date. In terms of the rules of the Naspers share incentive trust the shares vested over time and delivery of the shares acquired must be taken no later than the tenth anniversary of the offer date. Accordingly, on 4 September 2012 a total of 115 000 Naspers N ordinary shares were delivered to his family trust upon payment of the amount of R2 702 500,00 being the listed market value on the date of the offer.

⁽⁴⁾Deceased – 28 November 2012.

⁽⁵⁾In September 2012 Mr T Vosloo's family trust sold 28 000 Naspers N ordinary shares at average market prices ranging between R490,00 and R499,72 per share.

There have been no changes to the directors' interests between the end of the financial year and 21 June 2013, as indicated in the table on page 116.



Prof R C C Jafta

Chair: Human resources and remuneration committee

21 June 2013

Report of the audit committee

for the year ended 31 March 2013

The audit committee submits this report, as required by section 94 of the South African Companies Act No 71 of 2008 ("the Act").

Functions of the audit committee

The audit committee has adopted formal terms of reference, delegated by the board of directors, as set out in its audit committee charter.

The audit committee has discharged the functions in terms of its charter and ascribed to it in terms of the Act as follows:

- Reviewed the interim, provisional, year-end financial statements and integrated annual report, culminating in a recommendation to the board to adopt them. In the course of its review the committee:
 - took appropriate steps to ensure the financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Act
 - considered and, when appropriate, made recommendations on internal financial controls
 - dealt with concerns or complaints on accounting policies, internal audit, the auditing or content of annual financial statements, and internal financial controls, and

- reviewed legal matters that could have a significant impact on the organisation's financial statements.
- Reviewed external audit reports on the annual financial statements.
- Reviewed the board-approved internal audit charter.
- Reviewed and approved the internal audit plan.
- Reviewed internal audit and risk management reports and, where relevant, made recommendations to the board.
- Evaluated the effectiveness of risk management, controls and governance processes.
- Verified the independence of the external auditor, nominated PricewaterhouseCoopers Inc. as auditor for 2013 and noted the appointment of Mr Anton Wentzel as the designated auditor.
- Approved audit fees and engagement terms of the external auditor.
- Determined the nature and extent of allowable non-audit services and approved contract terms for non-audit services by the external auditor.

Members of the audit committee and attendance at meetings

The audit committee consists of the independent non-executive directors listed below and meets at least three times per year in accordance with its charter. All members act independently as described in section 94 of the Act. During the year under review four meetings were held.

Details of attendance are on page 103 of the integrated annual report.

Name of committee member	Qualifications
F-A du Plessis	BComHons(Taxation), LLB and CA(SA)
R C C Jafta*	MEcon and PhD
B J van der Ross	DipLaw (UCT)
J J M van Zyl	BScEng(Mechanical) (UCT) and PrEng

Note

*Prof Rachel Jafta resigned as a member of the audit committee on 22 February 2013.

All committee members, with the exception of Prof R C C Jafta, served on the committee for the full financial year.

Internal audit

The audit committee has oversight of the group's financial statements and reporting process, including the system of internal financial control. It is responsible for ensuring that the group's internal audit function is independent and has the necessary resources, standing and authority in the organisation to discharge its duties. The committee oversees cooperation between internal and external auditors, and serves as a link between the board of directors and these functions. The head of internal audit reports functionally to the chair of the committee and administratively to the financial director.

Attendance

The internal and external auditors, in their capacity as auditors to the group, attended and reported at all meetings of the audit committee. The group risk management function was also represented. Executive directors and relevant senior managers attended meetings by invitation.

Report of the audit committee (continued)

for the year ended 31 March 2013

Confidential meetings

Audit committee agendas provide for confidential meetings between committee members and the internal and external auditors.

Independence of the external auditor

During the year the audit committee reviewed a representation by the external auditor and, after conducting its own review, confirmed the independence of the auditor.

Expertise and experience of financial director and the finance function

As required by the JSE Listings Requirement 3.84(h), the audit committee has satisfied itself that the financial director has appropriate expertise and experience.

In addition, the committee satisfied itself that the composition, experience and skills set of the finance function met the group's requirements.

Discharge of responsibilities

The committee determined that during the financial year under review it had discharged its legal and other responsibilities as outlined in terms of its remit, details of which are included in the full corporate governance report on

www.naspers.org/corporate-governance.php.

The board concurred with this assessment.



J J M van Zyl

Chair: Audit committee

21 June 2013

Summarised annual financial statements



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» Statement of responsibility by the board of directors

for the year ended 31 March 2013

The summarised annual financial statements of the group are the responsibility of the directors of Naspers Limited. In discharging this responsibility, they rely on the management of the group to prepare the annual financial statements separately available on **www.naspers.com** in accordance with International Financial Reporting Standards (IFRS) and the South African Companies Act No 71 of 2008. As such, the summarised annual financial statements include amounts based on judgements and estimates made by management. The information given is comprehensive and presented in a responsible manner.

The directors accept responsibility for the preparation, integrity and fair presentation of the summarised annual financial statements and are satisfied that the systems and internal financial controls implemented by management are effective.

The directors believe that the company and group have adequate resources to continue operations as a going concern in the foreseeable future, based on forecasts and available cash resources. The annual financial statements support the viability of the company and the group.

The preparation of the financial results was supervised by our financial director, Steve Pacak CA(SA).

The independent auditing firm PricewaterhouseCoopers Inc., which was given unrestricted access to all financial records and related data, including minutes of all meetings of shareholders, the board of directors and committees of the board, has audited the group annual financial statements from which the summarised annual financial statements were derived. The directors believe that all representations made to the independent auditor during his audit were valid and appropriate. PricewaterhouseCoopers Inc.'s audit report is presented on page 124.

The summarised annual financial statements were approved by the board of directors on 21 June 2013 and are signed on its behalf by:



T Vosloo
Chair



J P Bekker
Chief executive

21 June 2013

» Report of the independent auditor on the summarised consolidated financial statements

to the shareholders of Naspers Limited

The summarised consolidated financial statements, which comprise the condensed consolidated statement of financial position as at 31 March 2013, and the consolidated income statement and condensed consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and related notes, as set out on pages 125 to 136 are derived from the audited consolidated financial statements of Naspers Limited for the year ended 31 March 2013. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated 21 June 2013. Our auditor's report on the audited consolidated financial statements contained an "Other Matter" paragraph (refer below).

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

Directors' responsibility for the summarised consolidated financial statements

The company's directors are responsible for the preparation of a summary of the audited consolidated annual financial statements in accordance with the requirements of Section 8.57 of the JSE Limited Listings Requirements and the requirements of the Companies Act of South Africa as applicable to summarised financial statements.

Auditor's responsibility

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

Opinion

In our opinion, the summarised consolidated financial statements derived from the audited consolidated financial statements of Naspers Limited for the year ended 31 March 2013 are consistent, in all material respects, with those consolidated financial statements, in accordance with the requirements of Section 8.57 of the JSE Limited Listings Requirements and the requirements of the Companies Act of South Africa as applicable to summarised financial statements.

The "Other Matter" paragraph in our audit report dated 21 June 2013 states that as part of our audit of the consolidated financial statements for the year ended 31 March 2013, we have read the directors' report, the audit committee's report and the company secretary's certificate for the purpose of identifying whether there are material inconsistencies between these reports and the audited consolidated financial statements. These reports are the responsibility of the respective preparers. The "Other Matter" paragraph states that, based on reading these reports, we have not identified material inconsistencies between these reports and the audited consolidated financial statements. The paragraph furthermore states that we have not audited these reports and accordingly do not express an opinion on these reports. "The Other Matter" paragraph does not have an effect on the summarised consolidated financial statements or our opinion thereon.



PricewaterhouseCoopers Inc.

Director: A Wentzel

Registered auditor

Cape Town, South Africa
21 June 2013

»» Basis of presentation and accounting policies

These summarised annual financial statements for the year ended 31 March 2013 have been prepared in accordance with the requirements of the JSE Limited Listings Requirements and the South African Companies Act No 71 of 2008. The Listings Requirements require summarised annual financial statements to be prepared in accordance with the framework concepts, the measurement and recognition requirements of International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and must also, as a minimum, contain the information required by IAS 34 "Interim Financial Reporting". The accounting policies applied in the preparation of the summarised annual financial statements are in terms of IFRS and are, except as noted below, also consistent with those applied in the previous annual financial statements. These results have been audited by the company's auditor, PricewaterhouseCoopers Inc., whose unqualified report is presented on page 124.

The group adopted the following amendments for the year ended 31 March 2013:

The pay-television and technology segments have been combined as these segments are interdependent in the provision of pay-television services. Our internet segment has previously been disclosed as "Tencent" and "Other internet". We will in future disclose

four separate reporting units, being "Tencent", "Mail.ru", "Ecommerce" and "Other internet". The group's focus on ecommerce, as well as Tencent and Mail.ru being listed entities, prompted us to disclose these units on their own. The definition of trading profit has been updated to exclude equity-settled share scheme charges and retention option expenses. This resulted in the March 2012 trading profit being restated from R5,5bn to R5,7bn. This is in line with our core headline earnings definition, where these non-cash expenses are excluded from the sustainable earnings measurements of the group. Comparative segmental results have been restated in accordance with IFRS 8 "Operating Segments".

Transponder lease commitments disclosed at 31 March 2012 have been restated by R3,3bn to exclude assets already capitalised.

Trading profit excludes amortisation of intangible assets (other than software), equity-settled share scheme charges, retention option expenses and other gains or losses, but includes the finance cost on transponder leases.

Core headline earnings exclude once-off and non-operating items. Our board's opinion is that it is a useful measure for shareholders of the group's sustainable operating performance. However, this is not a defined term under IFRS and may not be comparable with similarly titled measures reported by other companies.

» Segmental review

for the year ended 31 March 2013

Revenue

Year ended 31 March

	2013 R'm	2012 R'm	% change
Internet	34 587	19 192	80
– Tencent	20 532	11 455	79
– Mail.ru	1 669	1 094	53
– Ecommerce	11 433	5 736	100
– Other internet	953	907	5
Pay television	30 257	25 259	20
Print	11 932	12 071	—
Economic interest	76 776	56 522	36
Less: associates	(26 527)	(17 035)	56
Consolidated	50 249	39 487	27

EBITDA

Year ended 31 March

	2013 R'm	2012 R'm	% change
Internet	7 389	5 053	46
– Tencent	8 603	5 487	57
– Mail.ru	895	591	51
– Ecommerce	(1 979)	(760)	(100)
– Other internet	(130)	(265)	51
Pay television	8 933	7 392	21
Print	1 167	1 465	(20)
Economic interest	17 489	13 910	26
Corporate services	(138)	(99)	—
Less: associates	(9 730)	(6 667)	46
Consolidated	7 621	7 144	7

» Segmental review (continued)

for the year ended 31 March 2013

	Trading profit		
	Year ended 31 March		
	2013 R'm	2012 R'm	% change
Internet	6 163	4 293	44
– Tencent	7 702	4 988	54
– Mail.ru	798	517	54
– Ecommerce	(2 192)	(914)	(100)
– Other internet	(145)	(298)	51
Pay television	7 559	6 379	18
Print	743	1 090	(32)
Economic interest	14 465	11 762	23
Corporate services	(139)	(100)	—
Less: associates	(8 597)	(5 993)	43
Consolidated	5 729	5 669	—

» Reconciliation of trading profit to operating profit

for the year ended 31 March 2013

	Year ended 31 March	
	2013 R'm	2012 R'm
Trading profit	5 729	5 669
Finance cost on transponder leases	231	132
Amortisation of intangible assets	(1 001)	(967)
Other gains/(losses) – net	(831)	(1 448)
Retention option expense	(138)	—
Equity-settled share-based charge	(175)	(184)
Operating profit	3 815	3 202

Note

For a reconciliation of operating profit to profit before taxation, refer to the "Consolidated income statement".

Consolidated income statement

for the year ended 31 March 2013

	31 March 2013 R'm	31 March 2012 R'm	% change
Revenue	50 249	39 487	27
Cost of providing services and sale of goods	(27 852)	(20 863)	
Selling, general and administration expenses	(17 751)	(13 974)	
Other gains/(losses) – net	(831)	(1 448)	
Operating profit	3 815	3 202	19
Interest received	433	400	
Interest paid	(1 501)	(1 271)	
Other finance income/(costs) – net	(248)	174	
Share of equity-accounted results	9 001	3 869	
– excluding net gain on disposal of investments	6 359	3 869	64
– net gain on disposal of investments	2 642	—	
Impairment of equity-accounted investments*	(2 057)	(94)	
Dilution losses on equity-accounted investments	(96)	(606)	
Losses on acquisitions and disposals	(47)	(134)	
Income before taxation	9 300	5 540	68
Taxation	(2 552)	(2 059)	
Profit for the year	6 748	3 481	94
Attributable to:			
Equity holders of the group	6 047	2 894	
Non-controlling interest	701	587	
	6 748	3 481	
Core headline earnings for the year (R'm)	8 533	6 951	23
Core headline earnings per N ordinary share (cents)	2 216	1 850	20
Fully diluted core headline earnings per N ordinary share (cents)	2 164	1 789	21
Headline earnings for the year (R'm)	6 630	4 874	36
Headline earnings per N ordinary share (cents)	1 722	1 297	33
Fully diluted headline earnings per N ordinary share (cents)	1 681	1 254	34
Earnings per N ordinary share (cents)	1 570	770	104
Fully diluted earnings per N ordinary share (cents)	1 533	745	106
Net number of shares issued ('000)			
– At year end	394 272	384 714	
– Weighted average for the year	385 064	375 653	
– Fully diluted weighted average	394 365	388 567	

Condensed consolidated statement of comprehensive income

for the year ended 31 March 2013

	31 March 2013 R'm	31 March 2012 R'm
Profit for the year	6 748	3 481
Total other comprehensive income, net of tax, for the year	1 527	4 315
Translation of foreign operations	5 294	2 172
Cash flow hedges	237	162
Share of associates' other comprehensive income and reserves**	(3 948)	2 109
Tax on other comprehensive income	(56)	(128)
Total comprehensive income for the year	8 275	7 796
Attributable to:		
Equity holders of the group	7 463	7 138
Non-controlling interest	812	658
	8 275	7 796

Notes

*The impairment of equity-accounted investments amounts to R2,1bn and relates mainly to our print media investment, Abril.

**The movement is mainly due to the movement in the fair value and share-based compensation reserves.

Condensed consolidated statement of changes in equity

for the year ended 31 March 2013

	31 March 2013 R'm	31 March 2012 R'm
Balance at beginning of the year	49 576	42 942
Changes in share capital and premium		
Movement in treasury shares	(1 695)	(1 603)
Share capital and premium issued	2 067	1 908
Changes in reserves		
Total comprehensive income for the year	7 463	7 138
Movement in share-based compensation reserve	441	401
Movement in existing control business combination reserve	(700)	17
Movement in valuation reserve	39	—
Direct retained earnings movements	(98)	4
Dividends paid to Naspers shareholders	(1 291)	(1 012)
Changes in non-controlling interest		
Total comprehensive income for the year	812	658
Dividends paid to non-controlling shareholders	(1 180)	(1 362)
Movement in non-controlling interest in reserves	419	485
Balance at end of the year	55 853	49 576
Comprising:		
Share capital and premium	15 061	14 689
Retained earnings	27 723	23 065
Share-based compensation reserve	4 006	3 134
Existing control business combination reserve	(688)	42
Hedging reserve	(175)	(328)
Valuation reserve	1 622	5 933
Foreign currency translation reserve	6 192	980
Non-controlling interest	2 112	2 061
Total	55 853	49 576

Condensed consolidated statement of financial position

at 31 March 2013

	31 March 2013 R'm	31 March 2012 R'm
ASSETS		
Non-current assets	76 109	62 037
Property, plant and equipment	13 810	8 879
Goodwill	21 625	17 884
Other intangible assets	4 815	3 884
Investment in associates	33 150	28 095
Other investments and loans	1 891	2 564
Derivatives	72	86
Deferred taxation	746	645
Current assets	27 427	19 241
Inventory	1 941	1 238
Programme and film rights	1 868	1 522
Trade receivables	4 121	3 296
Other receivables and loans	3 189	2 639
Derivatives	449	85
Cash and cash equivalents	15 813	9 825
	27 381	18 605
Assets classified as held-for-sale	46	636
Total assets	103 536	81 278
EQUITY AND LIABILITIES		
Share capital and reserves	53 741	47 515
Share capital and premium	15 061	14 689
Other reserves	10 957	9 761
Retained earnings	27 723	23 065
Non-controlling shareholders' interest	2 112	2 061
Total equity	55 853	49 576
Non-current liabilities	29 192	17 845
Capitalised finance leases	5 868	2 208
Liabilities – interest-bearing	20 573	12 996
– non-interest-bearing	279	348
Post-employment medical liability	164	139
Derivatives	972	839
Deferred taxation	1 336	1 315
Current liabilities	18 491	13 857
Current portion of long-term debt	2 298	1 613
Trade payables	4 179	2 865
Accrued expenses and other current liabilities	10 411	7 980
Derivatives	180	206
Bank overdrafts and call loans	1 423	1 034
	18 491	13 698
Liabilities classified as held-for-sale	—	159
Total equity and liabilities	103 536	81 278
Net asset value per N ordinary share (cents)	13 630	12 351

Condensed consolidated statement of cash flows

for the year ended 31 March 2013

	31 March 2013 R'm	31 March 2012 R'm
Cash flow generated from operating activities	9 845	5 394
Cash flow utilised in investing activities	(6 213)	(2 360)
Cash flow generated from/(utilised in) financing activities	1 280	(1 745)
Net movement in cash and cash equivalents	4 912	1 289
Foreign exchange translation adjustments	687	139
Cash and cash equivalents at beginning of the year	8 791	7 401
Cash and cash equivalents at end of the year	14 390	8 829
Included in:		
– Cash and cash equivalents	14 390	8 791
– Assets classified as held-for-sale	—	38
	14 390	8 829

Calculation of headline and core headline earnings

for the year ended 31 March 2013

	31 March 2013 R'm	31 March 2012 R'm
Net profit attributable to shareholders	6 047	2 894
Adjusted for:		
– insurance proceeds	(2)	(2)
– impairment of property, plant and equipment and other assets	97	—
– impairment of goodwill and intangible assets	684	1 487
– loss on sale of property, plant and equipment and intangible assets	17	—
– (gains)/losses on acquisitions and disposals of investments	(4)	45
– dilution losses on equity-accounted investments	96	606
– remeasurements included in equity-accounted earnings	(2 301)	32
– impairment of equity-accounted investments	2 057	94
	6 691	5 156
Total tax effects of adjustments	(29)	(207)
Total adjustment for non-controlling interest	(32)	(75)
Headline earnings	6 630	4 874
Adjusted for:		
– equity-settled share scheme charges	850	652
– recognition of deferred tax assets	(195)	(38)
– special dividend income	(423)	—
– taxation adjustment	(191)	—
– amortisation of intangible assets	1 403	1 191
– fair value adjustments and currency translation differences	273	162
– retention option expense	135	—
– business combination costs	51	110
Core headline earnings	8 533	6 951

Supplementary information

for the year ended 31 March 2013

	31 March 2013 R'm	31 March 2012 R'm
Depreciation of property, plant and equipment	1 509	1 222
Amortisation	1 153	1 088
– intangible assets	1 001	967
– software	152	121
Other gains/(losses) – net	(831)	(1 448)
– loss on sale of property, plant and equipment and intangible assets	(17)	(95)
– impairment of goodwill and intangible assets	(684)	(1 487)
– impairment of property, plant and equipment and other assets	(97)	—
– insurance proceeds	2	2
– profit on transponder lease settlement	—	100
– fair value adjustment on shareholders' liability	(35)	32
Interest received	433	400
– loans and bank accounts	415	360
– other	18	40
Interest paid	(1 501)	(1 271)
– loans and overdrafts	(1 045)	(877)
– transponder leases	(231)	(132)
– other	(225)	(262)
Other finance income/(cost) – net	(248)	174
– net foreign exchange differences and fair value adjustments on derivatives	(373)	(135)
– preference dividends received	125	309
Losses on acquisitions and disposals	(47)	(134)
– profit/(loss) on sale of investments	61	(7)
– losses recognised on loss of control transactions	(44)	—
– acquisition-related costs	(73)	(72)
– other	9	(55)

Supplementary information (continued)

for the year ended 31 March 2013

	31 March 2013 R'm	31 March 2012 R'm
Goodwill		
– cost	19 801	18 371
– accumulated impairment	(1 917)	(1 093)
Opening balance	17 884	17 278
– foreign currency translation effects	2 123	583
– acquisitions	2 423	1 184
– disposals	(203)	(99)
– transferred to non-current assets held-for-sale	—	(226)
– impairment	(602)	(836)
Closing balance	21 625	17 884
– cost	24 253	19 801
– accumulated impairment	(2 628)	(1 917)
Investments and loans	35 041	30 659
– listed investments	29 157	24 331
– unlisted investments	5 884	6 328
Commitments	18 099	19 202
– capital expenditure	1 064	299
– programme and film rights	13 559	12 143
– network and other service commitments	1 158	953
– transponder leases	399	4 496
– operating lease commitments	1 359	1 083
– set-top box commitments	560	228
Share of equity-accounted results	9 001	3 869
– dilution losses	—	16
– sale of investments	(2 642)	—
– impairment of investments	348	122
– gains on acquisitions and disposals	(8)	(112)
Contribution to headline earnings	6 699	3 895
– amortisation of intangible assets	690	538
– equity-settled share scheme charges	675	468
– business combination costs	—	22
– special dividend income	(423)	—
– taxation adjustment	(191)	—
– fair value adjustments	(55)	67
– recognition of deferred tax assets	(195)	(38)
Contribution to core headline earnings	7 200	4 952
Tencent	6 652	4 376
Mail.ru	652	364
Abril	(69)	205
Other	(35)	7

» Business combinations and other acquisitions

In June 2012 the group acquired a 79% interest in Netretail, an online retailer with operations in Czech Republic, Poland, Hungary, Slovakia and Slovenia. The fair value of the total purchase consideration was R1,8bn in cash. The purchase price allocation: property, plant and equipment R36m; intangible assets R626m; cash R79m; trade and other receivables R213m; inventory R116m; trade and other payables R507m; deferred tax liability R114m and the balance to goodwill. A non-controlling interest of R116m was recognised at the acquisition date.

During October 2012 the group acquired a controlling stake in Dante International S.A. trading as eMag, a leading online retailer in Romania. The fair value of the total purchase consideration was R728m in cash. The purchase price allocation: property, plant and equipment R40m; intangible assets R358m; investments R106m; cash R12m; trade and other receivables R81m; inventory R182m; trade and other payables R293m; deferred tax liability R55m and the balance to goodwill. A non-controlling interest of R116m was recognised at the acquisition date.

The main factor contributing to the goodwill recognised in these acquisitions is their market presence. This goodwill is not expected to be deductible for income tax purposes. The non-controlling interest was measured using the proportionate share of the identifiable net assets.

The group made various smaller acquisitions with a combined cost of R450m. Total acquisition-related costs of R73m were recorded in "Losses on acquisitions and disposals" in the income statement. Had the revenues and net results of Netretail and eMag been included from 1 April 2012, the group's consolidated revenue would have been R1,8bn higher and the net results decreased by R55m. The smaller acquisitions made during the period would not have had a significant effect on the group's consolidated revenue and net results.

The following investments in associated companies were made:

In August 2012 the group acquired a 10% interest in Flipkart Private Limited, a leading ecommerce platform in India, for R858m in cash.

In October 2012 the group acquired a 29,6% interest in Souq Group Limited, an online retailer, marketplace and payment platform business, with operations in the UAE, Saudi Arabia, Egypt and Kuwait for R319m in cash.

In March 2013 the group contributed its Slando.ru and OLX.ru assets as well as R462m in cash in exchange for a fully diluted interest of 18,6% in Avito Holdings AB. Avito.ru is the leading general classifieds platform in Russia.

The above mentioned acquisitions were primarily funded through the utilisation of existing credit facilities.

Shareholder and corporate information



Administration and corporate information

Group secretary

G Kisbey-Green
251 Oak Avenue
Randburg 2194
South Africa

Registered office

40 Heerengracht
Cape Town 8001
South Africa
PO Box 2271
Cape Town 8000
South Africa
Tel: +27 (0)21 406 2121
Fax: +27 (0)21 406 3753

Registration number

1925/001431/06
Incorporated in South Africa

Auditor

PricewaterhouseCoopers Inc.

Transfer secretaries

Link Market Services South Africa
Proprietary Limited
(Registration number: 2000/007239/07)
PO Box 4844
Johannesburg 2000
South Africa
Tel: +27 (0)11 630 0800
Fax: +27 (0)11 834 4398

ADR programme

The Bank of New York Mellon maintains a Global BuyDIRECT™ plan for Naspers Limited. For additional information, please visit The Bank of New York Mellon's website at **www.globalbuydirect.com** or call Shareholder Relations at 1-888-BNY-ADRS or 1-800-345-1612 or write to: The Bank of New York Mellon
Shareholder Relations Department –
Global BuyDIRECT™
Church Street Station
PO Box 11258, New York, NY 10286-1258, USA

Sponsor

Investec Bank Limited
(Registration number: 1969/004763/06)
PO Box 785700, Sandton 2146
South Africa
Tel: +27 (0)11 286 7326
Fax: +27 (0)11 286 9986

Attorneys

Werksmans Inc.
PO Box 1474, Cape Town 8000
South Africa

Investor relations

M Horn
InvestorRelations@naspers.com
Tel: +27 (0)11 289 3320
Fax: +27 (0)11 289 3026

www.naspers.com

Analysis of shareholders and shareholders' diary

Analysis of shareholders

Size of holdings	Number of shareholders	Number of shares owned
1 – 100 shares	24 476	993 361
101 – 1 000 shares	22 760	7 928 611
1 001 – 5 000 shares	3 905	8 333 750
5 001 – 10 000 shares	615	4 486 142
More than 10 000 shares	1 261	393 798 395

The following shareholders hold 5% and more of the issued share capital of the company:

Name	% held	Number of shares owned
Public Investment Corporation of South Africa	11,03	45 841 243
Capital Research and Management Company	6,64	27 604 200
Coronation Fund Managers Proprietary Limited	6,60	27 420 879
Dodge & Cox, Incorporated	6,32	26 245 195

Public shareholder spread

To the best knowledge of the directors, the spread of public shareholders in terms of section 4.25 of the JSE Limited's Listings Requirements at 31 March 2013 was 91%, represented by 52 989 shareholders holding 376 380 132 ordinary shares in the company. The non-public shareholders of the company comprising 28 shareholders representing 39 160 127 ordinary shares are analysed as follows:

Category	Number of shares	% of issued share capital
Naspers share trusts	16 530 327	4,0
Directors	17 819 867	4,3
Group companies	4 809 933	1,2

Shareholders' diary

Annual general meeting

Reports	August
Interim for half-year to September	November
Announcement of annual results	June
Annual financial statements	July

Dividend

Declaration	August
Payment	September

Financial year-end

March

Notice of annual general meeting

Notice is hereby given in terms of the Companies Act No 71 of 2008, as amended (“the Act”) that the ninety-ninth annual general meeting of Naspers Limited (“the company” or “Naspers”) will be held on the 17th floor of Naspers Centre, 40 Heerengracht in Cape Town, South Africa, on Friday 30 August 2013 at 11:15.

Record date, attendance and voting

The record date for the meeting (being the date used for the purpose of determining which shareholders are entitled to participate in and vote at the meeting) is 16 August 2013.

Votes at the annual general meeting will be taken by way of a poll and not on a show of hands.

A shareholder entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, participate in and vote at the meeting in the place of the shareholder. A proxy need not be a shareholder of the company.

Before any person may attend or participate in a shareholders’ meeting, that person must present reasonably satisfactory identification and the person presiding at the meeting must be reasonably satisfied that the right of that person to participate and vote,

either as a shareholder, or as a proxy for a shareholder, has been reasonably verified. Forms of identification include valid identity documents, driver’s licences and passports.

A form of proxy, which includes the relevant instructions for its completion, is attached for the use of holders of certificated shares and “own name” dematerialised shareholders who wish to be represented at the annual general meeting. Completion of a form of proxy will not preclude such a shareholder from attending and voting (in preference to that shareholder’s proxy) at the annual general meeting.

Holders of dematerialised shares, other than “own name” dematerialised shareholders, who wish to vote at the annual general meeting must instruct their central securities depository participant (CSDP) or broker accordingly in the manner and cut-off time stipulated by their CSDP or broker.

Holders of dematerialised shares, other than “own name” dematerialised shareholders, who wish to attend the annual general meeting in person need to arrange the necessary authorisation as soon as possible through their CSDP or broker.

The form appointing a proxy and the authority (if any) under which it is signed must

reach the transfer secretaries of the company (Link Market Services South Africa Proprietary Limited, 13th floor, Rennie House, 19 Ameshoff Street, Braamfontein 2001 or PO Box 4844, Johannesburg 2000) by no later than 11:15 on Wednesday 28 August 2013. Should you hold Naspers A ordinary shares the signed proxy must reach the registered office of the company by no later than 11:15 on Wednesday 28 August 2013. A form of proxy is enclosed with this notice. The form of proxy may also be obtained from the registered office of the company.

Purpose of meeting

The purpose of the meeting is (i) to present the directors' report and the audited annual financial statements of the company for the immediate preceding financial year, an audit committee report and the social and ethics committee report, (ii) to consider and, if approved, to adopt with or without amendment, the resolutions set out below and (iii) to consider any matters raised by the shareholders of the company, with or without advance notice to the company.

Electronic participation

Shareholders entitled to attend and vote at the meeting or proxies of such shareholders shall be entitled to participate in the meeting (but not vote)

by electronic communication. Should a shareholder wish to participate in the meeting by electronic communication, the shareholder concerned should advise the company thereof by no later than 09:00 on Friday 23 August 2013 by submitting via registered mail addressed to the company (for the attention of Mrs Gillian Kisbey-Green) relevant contact details as well as full details of the shareholder's title to securities issued by the company and proof of identity, in the form of certified copies of identity documents and share certificates (in the case of materialised shares) and (in the case of dematerialised shares) written confirmation from the shareholder's CSDP confirming the shareholder's title to the dematerialised shares. Upon receipt of the required information, the shareholder concerned will be provided with a secure code and instructions to access the electronic communication during the annual general meeting. Shareholders must note that access to the electronic communication will be at the expense of the shareholders who wish to utilise the facility.

Integrated annual report

The integrated annual report of the company for the year ended 31 March 2013 is available on **www.naspers.com** or on request during

Notice of annual general meeting (continued)

normal business hours at Naspers's registered address, 40 Heerengracht, Cape Town 8000 (contact person Ms Yasmin Abrahams) and in Johannesburg at 251 Oak Avenue, Randburg 2194 (contact person Mrs Toni Lutz).

Ordinary resolutions

In order for the ordinary resolutions below to be adopted, the support of a majority of votes exercised by shareholders present or represented by proxy at this meeting is required. Ordinary resolution number 8 requires the support of at least 75% of the total number of votes which may be exercised by the shareholders present or represented by proxy at this meeting.

1. The financial statements of the company and the group for the twelve (12) months ended 31 March 2013 and the reports of the directors, the auditor and the audit committee to be considered and accepted.

The summarised form of the financial statements is attached to this notice.

A copy of the complete annual financial statements of the company for the financial year ended 31 March 2013 can be obtained from **www.naspers.com** or on request during normal business hours at Naspers's registered address, 40 Heerengracht, Cape Town 8000 (contact person Ms Yasmin

Abrahams) and in Johannesburg at 251 Oak Avenue, Randburg 2194 (contact person Mrs Toni Lutz).

2. The confirmation and approval of payment of dividends in relation to the N ordinary and A ordinary shares of the company as authorised by the board after having applied the solvency and liquidity tests contemplated in the Act.
3. To reappoint, on the recommendation of the company's audit committee, the firm PricewaterhouseCoopers Inc. as independent registered auditor of the company (noting that Mr A Wentzel is the individual registered auditor of that firm who will undertake the audit) for the period until the next annual general meeting of the company.
4. To elect Messrs L N Jonker, T M F Phaswana, B J van der Ross, T Vosloo and Adv F-A du Plessis, who retire by rotation and, being eligible, offer themselves for re-election as directors of the company. Their abridged curricula vitae appear in the integrated annual report.

The board unanimously recommends that the re-election of directors in terms of resolution number 4 be approved by the shareholders of the company. The re-election is to be conducted as a series of votes, each of

which is on the candidacy of a single individual to fill a single vacancy, and in each vote to fill a vacancy, each voting right entitled to be exercised may be exercised once.

5. To appoint the audit committee members as required in terms of the Act and as recommended by the King Code of Governance for South Africa 2009 (King III) (chapter 3).

The board and the nomination committee are satisfied that the company's audit committee members are suitably skilled and experienced independent non-executive directors. Collectively they have sufficient qualifications and experience to fulfil their duties, as contemplated in regulation 42 of the Companies Regulations 2011. They have a comprehensive understanding of financial reporting, internal financial controls, risk management and governance processes within the company, as well as International Financial Reporting Standards and other regulations and guidelines applicable to the company. They keep up to date with developments affecting their required skills set.

The board and the nomination committee therefore unanimously recommend Adv F-A du Plessis, Messrs B J van der Ross

and J J M van Zyl for election to the audit committee. Their abridged curricula vitae appear in the integrated annual report.

The appointment of the members of the audit committee will be conducted by way of a separate vote in respect of each individual.

6. To endorse the company's remuneration policy, as set out in the remuneration report contained in the integrated annual report, by way of a non-binding advisory vote.
7. To place the authorised but unissued share capital of the company under the control of the directors and to grant, until the conclusion of the next annual general meeting of the company, an unconditional authority to the directors to allot and issue at their discretion (but subject to the provisions of the Act, and the requirements of the JSE Limited (the JSE) and any other exchange on which the shares of the company may be quoted or listed from time to time and the memorandum of incorporation of the company), the unissued shares of the company, on such terms and conditions and to such persons, whether they be shareholders or not, as the directors at their discretion deem fit.
8. Subject to a minimum of 75% of the votes of shareholders of the company present in person

Notice of annual general meeting (continued)

or by proxy at the annual general meeting and entitled to vote, voting in favour thereof, the directors be authorised and are hereby authorised to issue unissued shares of a class of shares already in issue in the capital of the company for cash as and when the opportunity arises, subject to the requirements of the JSE, including the following:

- this authority shall not endure beyond the earlier of the next annual general meeting of the company or beyond fifteen (15) months from the date of the meeting
- that a paid press announcement giving full details, including the impact on the net asset value and earnings per share, will be published at the time of any issue representing, on a cumulative basis within one year, 5% or more of the number of shares of that class in issue prior to the issue
- the aggregate issue of any particular class of shares in any financial year will not exceed 5% of the issued number of that class of shares (including securities which are compulsorily convertible into shares of that class)
- that in determining the price at which an issue of shares will be made in terms of this authority, the discount at which the shares may be issued may not exceed 10% of the weighted average traded price of the shares in question, as determined over the thirty (30) business days prior to the date that the price of the issue is determined, and
- that the shares will only be issued to “public shareholders” as defined in the Listings Requirements of the JSE, and not to related parties.

Special resolutions

The special resolutions set out below require the support of at least 75% of votes exercised by shareholders present or represented by proxy at this meeting in order to be adopted.

Special resolutions numbers 1.1 – 1.16

The approval of the remuneration of the non-executive directors for the years ending 31 March 2014 and 31 March 2015, as follows:

	31 March 2013*	31 March 2014** (proposed)	31 March 2015** (proposed)
Board			
1.1 Chair***	R2 630 000	R3 145 000	R3 335 000
1.2 Member (South African resident)	R473 000	R615 000	R650 000
Member (non-South African resident)	—	US\$97 500	US\$103 000
Consulting fee for non-South African resident (when needed)	—	US\$60 000 (maximum)	US\$63 500 (maximum)
All members: Daily fees when travelling to and attending meetings outside home country	—	US\$3 500	US\$3 500
Committees			
1.3 ■ Audit committee: Chair	R308 000	R360 000	R380 000
1.4 Member	R154 000	R180 000	R190 000
1.5 ■ Risk committee: Chair	R154 000	R200 000	R210 000
1.6 Member	R77 000	R100 000	R105 000
1.7 ■ Human resources and remuneration committee: Chair	R180 000	R235 000	R270 000
1.8 Member	R90 000	R117 500	R135 000
1.9 ■ Nomination committee: Chair	R66 000	R86 000	R96 000
1.10 Member	R33 000	R43 000	R48 000
1.11 ■ Social and ethics committee: Chair	R154 000	R175 000	R185 000
1.12 Member	R77 000	R87 500	R92 500
Other			
1.13 Naspers representatives on Media24 safety, health and environment committee: Member	R51 000	R54 500	R58 300
1.14 Trustee of group share schemes/other personnel funds	R36 100	R38 600	R41 300
1.15 Media24 pension fund: Chair	R91 200	R97 500	R104 250
1.16 Trustee	R60 800	R65 000	R69 500

Notes

*These fees were approved by shareholders on 31 August 2012.

**The proposed 31 March 2014 and 31 March 2015 remuneration is subject to such annual increase as may be retrospectively approved by the shareholders at the respective 2014 and 2015 Naspers annual general meetings.

***The chair of the board does not receive additional remuneration if he/she is a member of, or chairs any committee of the board.

Notice of annual general meeting (continued)

The reason and effect of special resolutions numbers 1.1 to 1.16 is to grant the company the authority to pay remuneration to its directors for their services as directors.

Each of the special resolutions numbers 1.1 to 1.16 in respect of each of the proposed 31 March 2014 and the proposed 31 March 2015 remuneration will be considered by way of a separate vote.

Special resolution number 2

That the memorandum of incorporation (MOI) of the company be amended in accordance with section 16(5)(b)(ii) and (iii) of the Act in the following respects:

by replacing article 26.1 with the following:

“26.1 The board comprises of not less than four (4) and not more than fifteen (15) directors, the majority of whom are to be elected by the shareholders, as contemplated in section 66(4)(b) of the Act.”

by replacing article 26.2 with the following:

“26.2 In addition to the elected directors:

26.2.1 the board may in terms of section 66(4)(a)(i) of the Act appoint and remove directors to the board;

26.2.2 there are no ex officio directors of the company, as contemplated in section 66(4)(a)(ii) of the Act;

26.2.3 the board may, in terms of section 66(4)(a)(iii), appoint one or more alternate directors.”

and the appointment of all directors contemplated in 26.2.1 shall be subject to shareholder approval at the next annual general meeting of the company [10.16(c)].

The reason for and effect of special resolution number 2 is to afford the board the power to appoint additional directors and alternate directors between annual general meetings of the company.

Special resolution number 3

That the board may authorise the company to generally provide any financial assistance in the manner contemplated in and subject to the provisions of section 44 of the Act to a director or prescribed officer of the company or of a related or inter-related company, or to a related or inter-related company or corporation, or to a member of a related or inter-related corporation, pursuant to the authority hereby conferred upon the board for these purposes. This authority shall include and also apply to the granting of financial assistance to the Naspers share incentive scheme, the other existing group share-based incentive schemes (details of which appear in the integrated annual report) and such group share-based incentive schemes that are established in future

(collectively “the Naspers group share-based incentive schemes”) and participants thereunder (which may include directors, future directors, prescribed officers and future prescribed officers of the company or of a related or inter-related company) (“participants”) for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the company or a related or inter-related company, or for the purchase of any securities of the company or a related or inter-related company pursuant to the administration and implementation of the Naspers group share-based incentive schemes, in each instance on the terms applicable to the Naspers group share-based incentive scheme in question.

The reason for and effect of special resolution number 3 is to approve generally the provision of financial assistance to the potential recipients as set out in the resolution.

Special resolution number 4

That the company, as authorised by the board, may generally provide, in terms of and subject to the requirements of section 45 of the Act, any direct or indirect financial assistance to a related or inter-related company or corporation, or to a member of a related or inter-related corporation, pursuant to the authority hereby conferred upon the board for these purposes.

The reason for and effect of special resolution number 4 is to approve generally the provision of financial assistance to the potential recipients as set out in the resolution.

Special resolution number 5

That the company or any of its subsidiaries be and are hereby authorised to acquire N ordinary shares issued by the company from any person whatsoever (including any director or prescribed officer of the company or any person related to any director or prescribed officer of the company), in terms of and subject to the Act and in terms of the rules and requirements of the JSE being that:

- any such acquisition of N ordinary shares shall be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement
- this general authority shall be valid until the company’s next annual general meeting, provided that it shall not extend beyond fifteen (15) months from the date of passing of this special resolution
- an announcement will be published as soon as the company or any of its subsidiaries have acquired N ordinary shares constituting, on a cumulative basis, 3% of the number of N ordinary shares in issue prior to the acquisition pursuant to which the aforesaid

Notice of annual general meeting (continued)

3% threshold is reached, and for each 3% in aggregate acquired thereafter, containing full details of such acquisitions

- acquisitions of N ordinary shares in aggregate in any one financial year may not exceed 20% of the company's N ordinary issued share capital as at the date of passing of this special resolution
- in determining the price at which N ordinary shares issued by the company are acquired by it or any of its subsidiaries in terms of this general authority, the maximum premium at which such N ordinary shares may be acquired will not exceed 10% of the weighted average of the market value at which such N ordinary shares are traded on the JSE as determined over the five (5) business days immediately preceding the date of repurchase of such N ordinary shares by the company or any of its subsidiaries
- at any point, the company may only appoint one agent to effect any repurchase on the company's behalf
- the company's sponsor must confirm the adequacy of the company's working capital for purposes of undertaking the repurchase of N ordinary shares in writing to the JSE before entering the market for the repurchase
- the company remaining in compliance with the minimum shareholder spread requirements of the JSE Listings Requirements, and

- the company and/or its subsidiaries may not repurchase any N ordinary shares during a prohibited period as defined by the JSE Listings Requirements, unless a repurchase programme is in place where dates and quantities of shares to be traded during the prohibited period are fixed and full details of the programme have been disclosed in an announcement over the Securities Exchange News Service (SENS) prior to the commencement of the prohibited period.

Before the general repurchase is effected, the directors, having considered the effects of the repurchase of the maximum number of N ordinary shares in terms of the foregoing general authority, will ensure that for a period of twelve (12) months after the date of the notice of the annual general meeting:

- the company and the group will be able, in the ordinary course of business, to pay their debts
- the assets of the company and the group, fairly valued in accordance with International Financial Reporting Standards, will exceed the liabilities of the company and the group, and
- the company and the group's ordinary share capital, reserves and working capital will be adequate for ordinary business purposes.

Additional information in respect of the following appears in the integrated annual report and in the annual financial statements, and is provided in terms of the JSE Listings Requirements for purposes of the general authority:

- directors
- major shareholders
- directors' interests in ordinary shares, and
- share capital of the company, and litigation.

Directors' responsibility statement

The directors, whose names appear in the list of directors contained in the integrated annual report, collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution number 5 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 special resolution number 5 contains all relevant information.

Material changes

Other than the facts and developments reported on in the integrated annual report and annual

financial statements, there have been no material changes in the affairs or financial position of the company and its subsidiaries since the date of signature of the audit report and up to the date of this notice.

The directors have no specific intention, at present, for the company to repurchase any of its N ordinary shares, but consider that such a general authority should be put in place should an opportunity present itself to do so during the year, which is in the best interests of the company and its shareholders.

The reason for and effect of special resolution number 5 is to grant the company the authority in terms of the Act and the JSE Listings Requirements for the acquisition by the company, or a subsidiary of the company, of the company's N ordinary shares.

Special resolution number 6

That the company or any of its subsidiaries be and are hereby authorised to acquire A ordinary shares issued by the company from any person whatsoever (including any director or prescribed officer of the company or any person related to any director or prescribed officer of the company), in terms of and subject to the Act.

Notice of annual general meeting (continued)

The reason for and effect of special resolution number 6 is to grant the company the authority in terms of the Act for the acquisition by the company, or a subsidiary of the company, of the company's A ordinary shares.

Ordinary resolution

- Each of the directors of the company or the company secretary is hereby authorised to do all things, perform all acts and sign all documentation necessary to effect the implementation of the ordinary and special resolutions adopted at this annual general meeting.

Other business

To transact such other business as may be transacted at an annual general meeting.

By order of the board



G Kisbey-Green

Company secretary

26 July 2013

Cape Town

Form of proxy

Naspers Limited

Incorporated in the Republic of South Africa JSE code: NPN ISIN: ZAE000015889

Registration number: 1925/001431/06 LSE code: NPSN

("the company")

Ninety-ninth annual general meeting of shareholders

For use by holders of certificated shares or "own name" dematerialised shareholders at the ninety-ninth annual general meeting of shareholders of the company to be held on the 17th floor of the Naspers Centre, 40 Heerengracht, Cape Town, South Africa on Friday 30 August 2013 at 11:15.

I/We _____ (please print)

of _____

being a holder of _____ certificated shares or

"own name" dematerialised shares of Naspers and entitled to _____ votes hereby appoint,

(see note 1) _____

1. _____ or, failing him/her,

2. _____ or, failing him/her,

3. the chair of the annual general meeting as my/our proxy to act for me/us at the annual general meeting, which will be held in the boardroom on the 17th floor, Naspers Centre, 40 Heerengracht in Cape Town on Friday 30 August 2013 at 11:15 for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed thereat and at each adjournment or postponement thereof, and to vote for or against the resolutions and/or abstain from voting in respect of the shares in the issued share capital of the company registered in my/our name(s) (see note 2) as follows:

	In favour of	Against	Abstain
Ordinary resolutions			
1. Acceptance of annual financial statements			
2. Confirmation and approval of payment of dividends			
3. Reappointment of PricewaterhouseCoopers Inc. as auditor			
4. To elect the following directors:			
4.1 Mr L N Jonker			
4.2 Mr T M F Phaswana			
4.3 Mr B J van der Ross			
4.4 Mr T Vosloo			
4.5 Adv F-A du Plessis			
5. Appointment of the following audit committee members:			
5.1 Adv F-A du Plessis			
5.2 Mr B J van der Ross			
5.3 Mr J J M van Zyl			

Form of proxy (continued)

	In favour of	Against	Abstain
6. To endorse the company's remuneration policy			
7. Approval of general authority placing unissued shares under the control of the directors			
8. Approval of issue of shares for cash			
9. Authorisation to implement all resolutions adopted at the annual general meeting			
Special resolution number 1			
Approval of the remuneration of the non-executive directors:			
Proposed 31 March 2014			
1.1 Board – chair			
1.2 Board – member (South African resident)			
Board – member (non-South African resident)			
Board – member (consultation fee for non-South African resident)			
Board – member (daily fee)			
1.3 Audit committee – chair			
1.4 Audit committee – member			
1.5 Risk committee – chair			
1.6 Risk committee – member			
1.7 Human resources and remuneration committee – chair			
1.8 Human resources and remuneration committee – member			
1.9 Nomination committee – chair			
1.10 Nomination committee – member			
1.11 Social and ethics committee – chair			
1.12 Social and ethics committee – member			
1.13 Naspers representatives on the Media24 safety, health and environment committee			
1.14 Trustees of group share schemes/other personnel funds			
1.15 Media24 pension fund – chair			
1.16 Media24 pension fund – trustee			
Proposed 31 March 2015			
1.1 Board – chair			
1.2 Board – member (South African resident)			
Board – member (non-South African resident)			
Board – member (consultation fee for non-South African resident)			
Board – member (daily fee)			

	In favour of	Against	Abstain
1.3 Audit committee – chair			
1.4 Audit committee – member			
1.5 Risk committee – chair			
1.6 Risk committee – member			
1.7 Human resources and remuneration committee – chair			
1.8 Human resources and remuneration committee – member			
1.9 Nomination committee – chair			
1.10 Nomination committee – member			
1.11 Social and ethics committee – chair			
1.12 Social and ethics committee – member			
1.13 Naspers representatives on the Media24 safety, health and environment committee			
1.14 Trustees of group share schemes/other personnel funds			
1.15 Media24 pension fund – chair			
1.16 Media24 pension fund – trustee			
Special resolution number 2			
Amendment to clause 26 of the memorandum of incorporation			
Special resolution number 3			
Approve generally the provision of financial assistance in terms of section 44			
Special resolution number 4			
Approve generally the provision of financial assistance in terms of section 45			
Special resolution number 5			
General authority for the company or its subsidiaries to acquire N ordinary shares in the company			
Special resolution number 6			
General authority for the company or its subsidiaries to acquire A ordinary shares in the company			

and generally to act as my/our proxy at the said annual general meeting (tick whichever is applicable. If no indication is given, the proxy holder will be entitled to vote or to abstain from voting as the proxy holder deems fit).

Signed at _____ on this _____ day of _____ 2013

Signature _____

Assisted (where applicable) _____

Notes to form of proxy

1. The following provisions shall apply in relation to proxies:
 - 1.1 a shareholder of the company may appoint any individual (including an individual who is not a shareholder of the company) as a proxy to participate in, and speak and vote at, the annual general meeting of the company
 - 1.2 a shareholder may appoint two or more persons concurrently as proxies and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder
 - 1.3 a proxy instrument must be in writing, dated and signed by the shareholder
 - 1.4 a proxy may delegate the proxy's authority to act on behalf of the shareholder to another person subject to any restrictions set out in the instrument appointing the proxy
 - 1.5 a copy of the instrument appointing a proxy must be delivered to the company, or to any other person on behalf of the company, before the proxy exercises any rights of the shareholder at the annual general meeting
 - 1.6 irrespective of the form of instrument used to appoint the proxy (i) the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder
 - (ii) the appointment is revocable unless the proxy appointment expressly states otherwise and
 - (iii) if the appointment is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing or making a later inconsistent appointment of a proxy and delivering a copy of the revocation instrument to the proxy and the company, and
 - 1.7 the proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction except to the extent that the memorandum of incorporation of the company, or the instrument appointing the proxy, provides otherwise.
2. A certificated or "own name" dematerialised shareholder may insert the names of two alternative proxies of the shareholder's choice in the space provided, with or without deleting "the chair of the annual general meeting". The person whose name appears first on the form of proxy and whose name has not been deleted and who attends the meeting will be entitled and authorised to act as proxy to the exclusion of those whose names follow.
3. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate space provided. Failure to comply herewith will be deemed to authorise the proxy to vote at the annual general meeting as he/she deems fit in respect of the shareholder's votes exercisable at that meeting, but where the proxy is the chair, failure to so comply will be deemed to authorise the chair to vote in favour of the resolutions. A shareholder or his/her proxy is not obliged to use all the votes exercisable by the shareholder or by the proxy.
4. Forms of proxy for Naspers N ordinary shares must be lodged at or posted to the transfer secretaries of the company, Link Market Services South Africa Proprietary Limited, 13th floor, Rennie House, 19 Ameshoff Street, Braamfontein 2001 or PO Box 4844, Johannesburg 2000. Forms of proxy for Naspers A ordinary shares must be lodged at or posted to the registered office of the company, 40 Heerengracht, Cape Town 8001 or PO Box 2271, Cape Town 8000. Forms of proxy to be received by not later than 11:15 on Wednesday 28 August 2013, or such later date if the annual general meeting is postponed.
5. The completion and lodging of this form of proxy will not preclude the certificated shareholder or "own name" dematerialised shareholder from attending the annual general meeting and speaking and voting in person at the meeting to the exclusion of any proxy appointed in terms hereof.
6. An instrument of proxy shall be valid for any adjournment or postponement of the annual general meeting as well as for the meeting to which it relates, unless the contrary is stated therein but shall not be used at the resumption of an adjourned annual general meeting if it could not have been used at the annual general meeting from which it was adjourned for any reason other than that it was not lodged timely for the meeting from which the adjournment took place.
7. A vote cast or act done in accordance with the terms of a form of proxy shall be deemed to be valid despite:
 - the death, insanity, or any other legal disability of the person appointing the proxy, or
 - the revocation of the proxy, or
 - the transfer of a share in respect of which the proxy was given, unless notice as to any of the abovementioned matters shall have been received by the company at its registered office or by the chair of the annual general meeting at the place of the annual general meeting if not held at the registered office, before the commencement or resumption (if adjourned) of the annual general meeting at which the vote was cast or the act was done or before the poll on which the vote was cast.
8. The authority of a person signing the form of proxy:
 - 8.1 under a power of attorney, or
 - 8.2 on behalf of a company or close corporation or trust, must be attached to the form of proxy unless the full power of attorney has already been received by the company or the transfer secretaries.
9. Where shares are held jointly, all joint holders must sign.
10. Dematerialised shareholders, other than by "own name" registration, must NOT complete this form of proxy and must provide their central securities depository participant (CSDP) or broker of their voting instructions in terms of the custody agreement entered into between such shareholders and their CSDP and/or broker.

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The background is a vibrant blue with a subtle grid pattern. A bright light source on the right side creates a lens flare effect, illuminating the scene. The grid pattern is composed of thin, light blue lines that form a mesh across the entire image.

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