



NASPERS

INTEGRATED ANNUAL REPORT

for the year ended 31 March 2016





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IT'S LOVE AND WAR
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About this report

■ Scope of this report and assurance

The Naspers integrated annual report combines financial and non-financial information for the year 1 April 2015 to 31 March 2016 for a full understanding of our group's performance. Supported by our internal reporting processes and in combination with our strategy, targets and integrated thinking, we manage the needs and expectations of our key stakeholders to create long-term value for our shareholders. Key metrics are monitored in managing our businesses, and engagement processes are in place to regulate the relationships with our key stakeholders. Their feedback is provided to leadership to ensure that stakeholder views and concerns inform strategic decisionmaking.

The integrated annual report was prepared using the guidelines of the Global Reporting Initiative (GRI G4), recommendations of the King Report on Corporate Governance in South Africa 2009 (King III), requirements of the South African Companies Act No 71 of 2008, as amended, (Companies Act) and International Financial Reporting Standards (IFRS). Naspers also took into account the Integrated Reporting Framework issued by the International Integrated Reporting Council (IIRC) in 2013. This framework follows a principle-based approach and promotes the concept of the six capitals, which takes into consideration material inputs and resources required to create and sustain value in the long term. Naspers describes the key components of its value chain (business model) that create and sustain value for its stakeholders. Naspers's value creation story takes into account the requirements of Companies Act regulation 43, as well as King III, which are incorporated into the six capitals as shown below.

This report includes the financial performance of Naspers and its subsidiaries, joint ventures and associates (the group). The scope of reporting on non-financial performance is indicated in this report. Some South African subsidiaries publish separate integrated annual reports on www.multichoice.co.za, www.media24.com and www.novus.holdings.

SOUTH AFRICAN COMPANIES ACT:	INTEGRATED REPORTING FRAMEWORK:	CORPORATE GOVERNANCE:
<p>Social and ethics committee</p> <hr/> <p>Good corporate citizenship</p> <hr/> <p>Labour and employment</p> <hr/> <p>Social and economic development</p> <hr/> <p>Consumer relationship</p> <hr/> <p>Environmental health and public safety</p>	<p>Our six capitals</p> <ul style="list-style-type: none">  Financial  Human  Social and relationship  Products and services  Intellectual  Natural 	<p>King III Code</p> <hr/> <p>Ethical leadership and corporate citizenship</p> <hr/> <p>Board and directors*</p> <hr/> <p>Audit committees*</p> <hr/> <p>The governance of risk*</p> <hr/> <p>IT governance*</p> <hr/> <p>Compliance with laws, codes, rules and standards*</p> <hr/> <p>Governing stakeholder relationship</p> <hr/> <p>Internal audit*</p> <hr/> <p>Integrated reporting and disclosure</p>

* Dealt with in the report of corporate governance.

We have used these icons throughout this report to indicate links between our strategy, material issues and the six capitals.

About this report (continued)

Group reporting standards are continually being developed to make disclosure meaningful and measurable for stakeholders. This report excludes financial and non-financial targets or forward-looking statements other than as explained below.

Information extracted from the audited Naspers Limited consolidated annual financial statements for the year ended 31 March 2016 has been included in this integrated annual report. Refer to page 112 for the PricewaterhouseCoopers Inc. (PwC) report. South African broad-based black economic empowerment (BBBEE) information was verified by Empowerlogic (MultiChoice), and AQRate Verification Services (Media24 and Novus Holdings).

Where relevant in this report, we have adjusted amounts and percentages for the effects of foreign currency and acquisitions and disposals. Such adjustments (pro forma financial information) are quoted in brackets after the equivalent metrics reported under IFRS. Refer to page 136 of the summarised consolidated financial information for a reconciliation of these metrics with the equivalent amounts reported under IFRS.

■ Statement of the board of directors on the integrated annual report

The audit committee and board reviewed the integrated annual report and the board approved the report. The summarised consolidated annual financial statements were prepared in accordance with IFRS and the Companies Act, while the integrated annual report was prepared using the guidelines of the GRI G4, recommendations of King III and the IIRC framework.

In our opinion the integrated annual report and financial statements fairly reflect the financial position of the group at 31 March 2016 and its operations during this period.

On behalf of the board



Koos Bekker

Chair

Cape Town

24 June 2016

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 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 (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.



Links to further related information within this report and respective websites



Click to view videos

The Naspers group



About Naspers

Our purpose

We build leading companies that empower people and enrich communities.



What we do

At heart, we're entrepreneurs. We push for performance in everything we do. We back local teams and learn from each other. We're nimble and seize opportunities. We do the right thing.

How we win

FOCUS the portfolio around core leadership positions – develop our platforms.

GROW from these core platforms by leveraging leadership positions, rolling out our most successful platforms to new, adjacent business models and expanding into new geographies.

TRANSFORM our portfolio by making investments into new, disruptive platforms.



А мои
туфельки,
как мамыны!



Our business



Founded in 1915, and now operating in more than 130 countries and markets with long-term growth potential. Naspers builds leading companies that empower people and enrich communities. It runs some of the world's leading platforms in internet, video entertainment and media.

Naspers companies connect people to each other and the wider world, help people improve their daily lives, and entertain audiences with the best of local and global content. Every day, millions of people use the products and services of companies in which Naspers has invested, acquired and built, including OLX, Avito, letgo, Allegro, eMAG, Flipkart, PayU, MultiChoice, ShowMax, Mobile, SimilarWeb and Media24. Similarly, hundreds of millions of people have made Tencent's (www.tencent.com; SEHK 00700) and Mail.ru's (www.corp.mail.ru; LSE: MAIL) platforms a part of their daily lives. Looking at our business as a whole (including our share of associates and joint ventures), over 68% of our revenues are now derived from the internet and ecommerce segments, while 77% of our revenues are sourced from outside South Africa.

Shenzhen, China



Every day, millions of people use the products and services of companies in which Naspers has invested.



Our business (continued)

Naspers has its primary listing on the JSE Limited's stock exchange (JSE) (NPN.SJ) in South Africa, where it forms part of the Top 10 index and where most of the trade in its shares takes place. It also has a level 1 American Depositary Receipt (ADR) programme listing on the London Stock Exchange (LSE) (NPSN) and trades on an over-the-counter (OTC) basis. International investors are therefore able to buy and sell Naspers securities either through the appropriate OTC market, on the LSE or JSE (details on page 142). Naspers's indirect wholly owned subsidiary, Myriad International Holdings B.V., also has bonds listed on the Global Exchange Market of the Irish Stock Exchange (ISE).

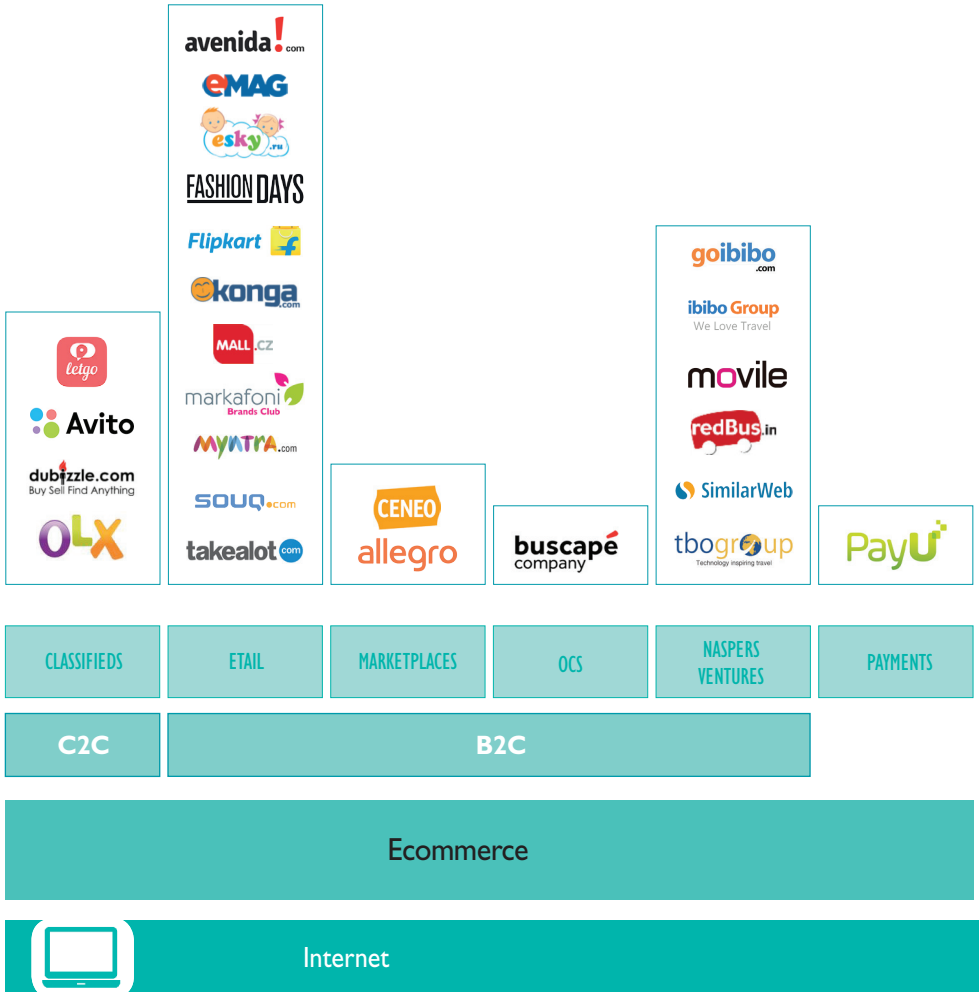
Throughout our 100-year history, we have grown by investing in, acquiring and building leading companies with sustainable competitive advantages. We believe in the power of local-backed-by-global scale, and historically our success has been based on spotting consumer trends with global relevance. We continue to consider new business models to fuel our next wave of growth, and we look for opportunities to address societal needs in the markets where we see growth potential, wherever they are. Where we see a company with promise, we move quickly to expand and scale it.

Operating in more than

130

countries and markets with
long-term growth potential

Our business (continued)



Organogram depicts major brands

Our business (continued)



DTT

DTH

OTHER

Listed investments




Video entertainment



Media



Our business (continued)

330m

buyers and sellers are connected
every month in 40 countries
around the world



We believe we are the best growth partner for founders, startups and other investors with global ambition. Our operating model is different from that of many other companies. We invest in, as well as run, leading companies. We create our own businesses or invest in early stage companies, we take promising models and quickly grow them to scale, we evolve and grow companies already at scale, and we hold investments in listed companies.

■ Internet

Our internet assets are spread across Eastern and Central Europe, North America, China, Russia, Latin America, India, Southeast Asia, Africa and the Middle East. We offer a broad range of services, with sustainable weight on ecommerce, notably:

- Ecommerce platforms
 - Consumer to consumer (C2C)
 - Classifieds (general classifieds platforms and a growing presence in verticals, especially real estate and auto)
 - Business to consumer (B2C)
 - Payments
 - Naspers Ventures
- Listed investments
 - Tencent (www.tencent.com)
 - Mail.ru (www.corp.mail.ru)

Our belief that ecommerce will be the largest segment of the internet in most global markets in future is supported by its growing traction, in turn fuelled by the proliferation of smartphones.

Ecommerce

Consumer to consumer

Classifieds: The Classifieds business provides mobile and digital local marketplaces that connect millions of buyers and sellers every month in 40 countries around the world. OLX, Avito, dubizzle and letgo have the number one mobile classifieds apps in more than 20 countries.

OLX continues to build the world's number one classifieds brand in high-growth markets. letgo is an innovative mobile-only classifieds platform. Avito is the leading classifieds business in Russia.

Our business (continued)



A video for this graphic will play on the online version



Business to consumer

B2C remains one of the largest revenue pools with businesses and models having a strong local bias. We work closely with founders and CEOs to help them scale and grow their local and regional businesses, while constantly looking for new disruptive models to emerge.

Payments

PayU is one of the largest payment service platforms in the world, focusing on markets with long-term growth potential. It has leading positions across Africa, Central and Eastern Europe, India and Latin America. PayU's 250 payment options enable safe transactions in 16 countries for more than 160 000 merchants, allowing them to focus on reaching the 2.2bn consumers in our markets.

PayU's broad range of payment solutions is available to customers of Naspers ecommerce companies as well as third-party platforms. PayU is a regulated financial institution and holds licences from national banks and local regulators. Its products include a digital consumer wallet, a Payment Card Industry Data Security Standard (PCI DSS) certified payment gateway, anti-fraud systems and an online Visa/MasterCard acquirer.



We believe that ecommerce will be the largest segment of the internet in most global markets.

Our business (continued)

Video entertainment:

10m

subscribing households in
South Africa and more than
50 countries across
sub-Saharan Africa



Naspers Ventures

Our Naspers Ventures team seeks new opportunities to back companies with disruptive potential and exceptional founders to help them scale globally, and also guides a number of Naspers portfolio companies, such as Movable and SimilarWeb.

With expertise in ecommerce strategy, product, mobile and user experience (UX), mergers and acquisitions (M&A), and research and intelligence, the team keeps Naspers one step ahead of emerging consumer, technology and competitive trends.

■ Video entertainment

Through MultiChoice South Africa and MultiChoice Africa, our video-entertainment division brings quality entertainment anytime, anywhere, on any device to more than 10m subscribing households in South Africa and in more than 50 countries across sub-Saharan Africa.

Channels and content are sourced from around the world. We also produce and source local content. Extensive investment in the creation of content made in Africa, for Africa, showcases and builds local talent in all stages of content production. As an African business, our investments have brought social and economic benefits to the communities in which we operate through access to information, job opportunities, partnerships and training. We partner with local entrepreneurs, governments and broadcasters across the continent and tailor our operations to local needs.

We pioneered pay television (pay TV) in Africa and we have a long history of introducing cutting-edge technology, such as digital satellite television, the dual-view decoder; DStv Explora, high-definition channels and mobile television. We also develop content protection and access-management technologies for internet, pay TV and mobile platforms.

Main operations include:

- **MultiChoice:** Leading provider of video-entertainment services, including online and mobile. The brands DStv, GOtv, BoxOffice and DStv Catch Up serve over 10m households in 50 African countries.
- **GOtv:** Leading provider of digital terrestrial television (DTT) video-entertainment services in Africa, with operations in 11 countries and 124 cities.

Our business (continued)

- **M-Net:** General channel provider that sources content from international content owners and commissions local productions.
- **SuperSport:** Premier funder and aggregator of sport content for broadcasting across the African continent.
- **MWEB:** Consumer-focused internet service provider in South Africa.
- **Irdeto:** Global provider of content security management and delivery for pay-media companies.
- **ShowMax:** ShowMax, an online subscription video-on-demand (SVOD) service supplying an extensive catalogue of TV shows and movies launched during the year under review.

■ Media

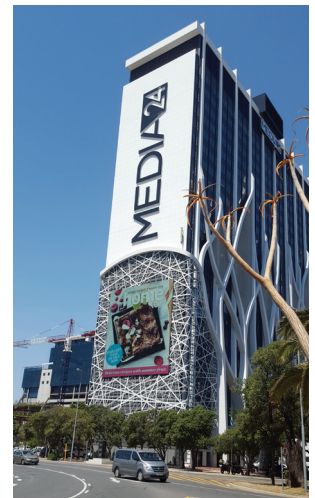
Since 2000 the print and publishing businesses have been organised under the umbrella brand, Media24. It is South Africa's leading publisher, with more than 40 magazines and 80 newspapers reaching more than 13m monthly unique browsers across its digital platforms. The group has interests in traditional and digital media, printing, distribution, book publishing, ecommerce, job classifieds and financial data. Most of its businesses are market leaders in their sectors and the Media24 group continues to adapt to the changing media landscape. Media24's activities are conducted primarily in South Africa, with some operations in neighbouring countries and expansion into select territories in the rest of Africa. Main operations include:

- **Media24:** Publisher of newspapers and magazines in South Africa.
- **24.com:** Digital publisher in Africa.
- **Careers24:** A job classifieds platform in South Africa.
- **Spre:** An online fashion retailer in South Africa.
- **Novus Holdings Limited** (listed on the JSE in March 2015, previously Paarl Media Group): A printing and manufacturing group in Africa.
- **Book publishing:** Operates in the South African trade-publishing market through Jonathan Ball Publishers and NB Publishers. Via Afrika is a publisher of educational content in print and digital format.

Media24 is South Africa's leading publisher, with more than

40

magazines and 80 newspapers reaching more than 13m monthly unique browsers across its digital platforms

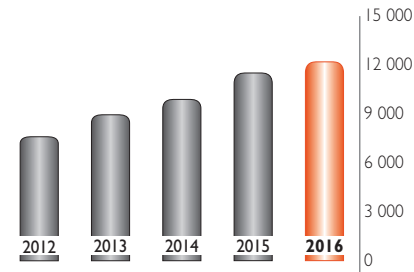


Key figures for 2016



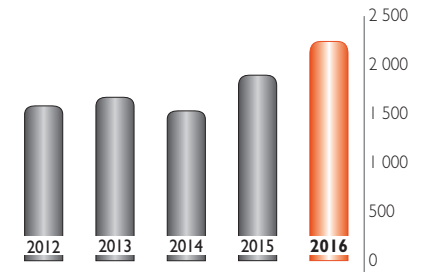
Revenue⁽¹⁾

US\$m



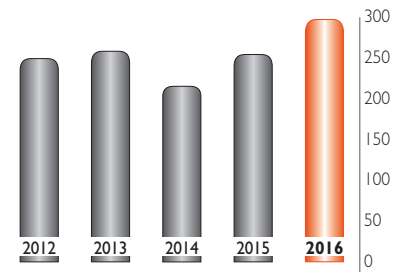
Trading profit⁽¹⁾

US\$m



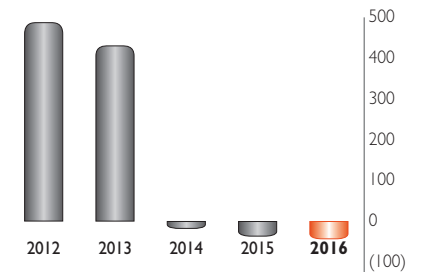
Core HEPS

US\$



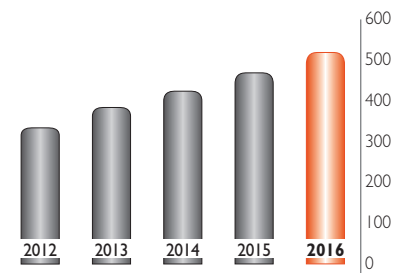
Free cash flow

US\$m



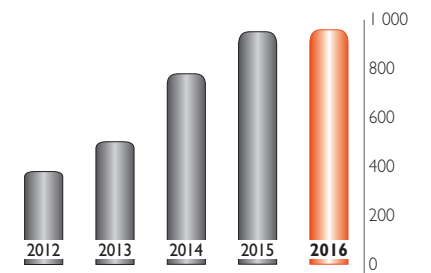
Dividend per share

SA cents



Development spend⁽¹⁾

US\$m



Note

⁽¹⁾ Including associates and joint ventures on a proportionate basis.

Information presented for the 2013 and 2012 financial years have been translated to US dollar using the average exchange rates prevailing over the relevant financial year.



Operational snapshot



■ Users and services

The main battleground for all internet service categories remains mobile internet. In a changing ecommerce landscape, B2C and classifieds are growing fast, and business models are evolving to match customers' rising expectations.

OLX is one of the world's largest classifieds groups. Given the evolution towards mobile, we committed to a US\$100m investment by acquiring a controlling interest in letgo, a hyperlocal marketplace optimised specifically for mobile use, allowing us to pursue new markets such as the US. The consolidation with Wallapop in the US subsequent to year-end will give letgo increased scale. Avito, the leading classifieds site in Russia, with more than 35m monthly unique visitors, is the fastest growing ecommerce site in Russia.

In B2C we have leading market positions in most of the countries in which we operate, including Poland, Romania, South Africa, India and the Middle East. We lead the market in online travel transactions in India, and online food delivery in Brazil.

The consolidated PayU brand gives buyers and sellers efficient and secure payment solutions.

Tencent is building next-generation online-to-offline (O2O) services by investing and partnering with leading companies such as JD.com, 58.com, Dianping and Koudai. User engagement is stimulated by providing local services – from transportation and lifestyle, to restaurant bookings and movie tickets. Weixin and WeChat have reached 762m combined monthly active users (www.tencent.com).

Mail.ru continues to build internet and mobile products and services in line with its 'communitainment' strategy, with a focus on its social network platforms, VKontakte and Odnoklassniki (www.corp.mail.ru).

Avito – fastest growing
ecommerce site in Russia –

35m
monthly unique visitors



Moscow, Russia

Operational snapshot (continued)

A greater selection of entertainment via mobile devices with more than

800

hours of DStv Catch Up



MultiChoice's TV everywhere strategy offers DStv Premium customers access to a greater selection of entertainment via their mobile devices – with more than 800 hours of DStv Catch Up content and a selection of 45 linear channels to stream from (including events channels) and over 500 DStv Catch Up titles. The DStv Catch Up service is now available to DStv Compact subscribers, providing up to 180 hours of on-demand viewing.

The launch of DStv Now in the prior year enables DStv Premium customers to watch the latest movies, series, live sport and DStv Catch Up content on their tablets or smartphones – anywhere, any time. MultiChoice also introduced an enhanced kids catalogue, DStv Kids, on the personal video recorder (PVR) and through the DStv Now app. Since the launch of ShowMax we have created a recognised brand in the South African market that has already become part of popular culture.

Our news and content businesses are investing in digital, particularly mobile delivery, and diversifying their portfolios while managing costs in a challenging trading environment.

■ Our people



With over 27 000 (2015: 24 000) (including joint ventures, but excluding associates) permanent employees in some 130 countries, we have an opportunity to make a difference to our stakeholders. As competition for the best talent is increasing in most markets, our group human resources team is addressing this challenge by focusing on critical issues:

- Attracting talent with capabilities that are in short supply globally, such as mobile technology and ecommerce general management.
- Ensuring our reward packages remain competitive.
- Ensuring Naspers remains an attractive place to work, and a respected partner and investor for entrepreneurs and founders.
- Supporting skills and capability development.



Operational snapshot (continued)

■ Socio-economic development



Core to sustainability are our economic activities. Naspers's products and services directly affect local societies where we operate. We have businesses in many communities, all with different challenges. Each business aims to make a difference to its local community by contributing in line with its strengths and know-how.

The print and video-entertainment segments have a rich history of contributing to sport and industry bodies. This continued during the year, but with a focused approach to elected areas where they want to make a difference.

SuperSport remains the biggest funder of local sport in Africa. The MultiChoice Diski Challenge, a countrywide initiative in South Africa, focused on youth development through a reserve league for the Premier Soccer League (PSL), has been well received. We will also continue with the SuperSport Let's Play initiative. Some US\$325m was spent on local sport and content during the financial year. M-Net's Magic in Motion Film and TV Academy provides an extensive internship programme in film-making.

Media24 focuses on education, digital media training and enterprise development. Its flagship corporate social investment (CSI) project, WeCan24, offers digital journalism training to high school learners and teachers across South Africa, enabling them to publish their school and other local news on the free platform. In its first year WeCan24 reached nearly 350 schools and trained more than 1 000 learners and 500 teachers. The company also continues to play a meaningful role in developing independent publishers of community titles. Over the years, more than 360 000 learners in some 1 000 schools have benefited from Media24's education in the classroom initiatives, including publishing supplementary educational material in its flagship weekly magazines Huisgenoot, YOU and DRUM.

The Allegro charity platform in Poland (charytatywni.allegro.pl) connects an online community willing to help others with relevant non-governmental organisations seeking funds.

The eMAG Foundation invests in education in Romania. For example, its Aiming for the Olympiad project sponsors 14 education training centres to reach almost 1 900 pupils, while over 10 000 pupils enjoy the facilities of nine highly equipped laboratories.

The Tencent Charity Foundation in China has made investments in education programmes, public welfare initiatives and disaster relief efforts, while Tencent employees devote their spare time to assist the Tencent Charity Foundation in implementing its initiatives.



eMAG Foundation invests
in education – over

10 000

pupils enjoy facilities of nine
highly equipped laboratories



Cape Town, South Africa



Chair's report



■ Overview

We are pleased to present our integrated annual report for the year to 31 March 2016 to stakeholders.

Naspers delivered a solid performance this year; against a volatile macroeconomic backdrop. Improved competitive positions and further scale contributed to overall financial performance.

While the internet segment continued to grow rapidly, our video-entertainment segment has borne the brunt of falling commodity prices, which in turn drove African currencies down and weakened consumer sentiment. The video-entertainment segment earns revenues in local currency while incurring a substantial portion of its costs (content and transponder capacity) in United States dollar (US dollar). When local currencies weaken, margins and the financial performance of the business are impacted. By contrast, our ecommerce businesses tend to incur costs and revenues in the same currency, and the US dollar strength has much less of an impact.

In our Classifieds business, trading losses in the core portfolio were markedly reduced and we are making solid progress with our retail businesses.

As announced in April 2016, Naspers has changed its financial reporting from South African rand (SA rand) to US dollar to better reflect its multinational nature and cost base. In preparing consolidated numbers the financial performance of the businesses are consolidated in their respective functional currencies and then translated to US dollar. Given the weakness in emerging market currencies over the past year, the year-on-year performance is affected by this translation.

Core headline earnings, which we consider a reliable indicator of sustainable earnings, grew 21% to US\$1.2bn with consolidated development spend down 14% to US\$708m.

On a 10-year view, the group has grown segment revenues at a compound annual rate of around 19%, and trading profits at 18%. Taking a longer view, our market capitalisation has grown from R2.3bn (US\$622m) on listing in 1994 to R903bn (US\$61bn) at the end of March 2016 and peaking at a new high of over R1trillion on 31 May 2016.

While our international internet ventures scaled pretty well, our African video-entertainment business bore the brunt of falling commodity prices.

Koos Bekker

INTRODUCING GOtv

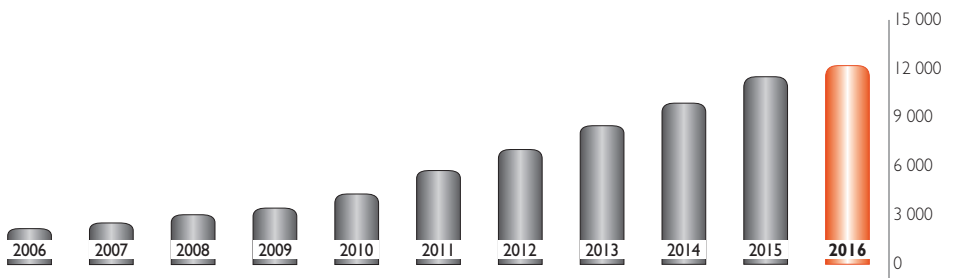
IT'S NOT JUST TELEVISION, IT'S DIGITAL QUALITY ENTERTAINMENT.



Chair's report (continued)

Revenue⁽¹⁾

CAGR 19%
US\$m



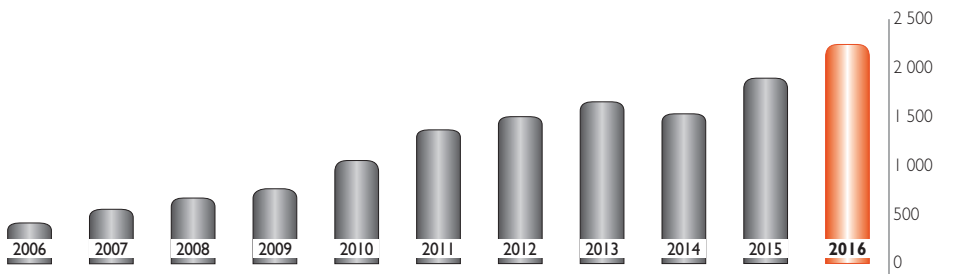
Note

⁽¹⁾ Including associates and joint ventures on a proportionate basis.

Information presented above for periods before the 2014 financial year has been translated to US dollar using the average exchange rates prevailing over the relevant financial year.

Trading profit⁽¹⁾

CAGR 18%
US\$m



Note

⁽¹⁾ Including associates and joint ventures on a proportionate basis.

Information presented above for periods before the 2014 financial year has been translated to US dollar using the average exchange rates prevailing over the relevant financial year.

Chair's report (continued)

There are now over

3bn

internet users around the world



■ Governance

As a multinational group our risks differ by jurisdiction, as detailed in the risk management section of this report. The board conducts the group's business with integrity, applying appropriate corporate governance policies and principles. Where Naspers subsidiaries are governed by independent boards of directors, these apply suitable governance practices and their committees are mandated to comply with relevant requirements. Naspers has a legal compliance programme, detailed on page 79.

Compliance with applicable listings requirements of the JSE Limited (JSE), London Stock Exchange (LSE) and Irish Stock Exchange (ISE) is monitored by the audit and risk committees of the board.

The Naspers board is informed of subsidiary activities via a disciplined reporting structure. Strategies and business plans for financial and non-financial elements of operations are regularly reviewed. Part of management's remuneration is based on performance against targets (financial and operational), individual and group objectives, and is linked to strategic objectives.

We continually evaluate areas where governance can be improved. This is detailed in our application of King III in the governance frameworks of Naspers, MultiChoice and Media24 on page 79.

■ Environment in which we operate

In 2015 a number of global factors affected markets and economies, including falling oil and commodity prices, and a stronger US dollar:

In January 2016 the International Monetary Fund (IMF) revised its global growth forecast for this year to 3.4% (from 3.6%). The picture for emerging-market and developing economies is mixed and forward visibility is low.

There are now over 3bn internet users around the world. In most of our markets internet use continues to grow, driven by incremental broadband and mobile adoption. Mobile is leading the charge as the most disruptive innovation in the technology/internet space. This, together with relatively low penetration of ecommerce in our focus markets, allows our internet businesses to deliver strong growth despite a volatile macroeconomic backdrop.

Although internet access is creating opportunities for our online businesses, the video-entertainment segment needs to adapt fast as

Chair's report *(continued)*

media consumption shifts online. Technology in PVRs is making on-demand television a reality and, in sub-Saharan Africa, the advent of DTT TV networks is addressing a mass market that cannot afford satellite video entertainment. ShowMax recorded a good start in South Africa with a deeper and more customised content offering than competitors and with a focus on service delivery.

Each country and business in our portfolio has its own uncertainties. We believe operating in multiple countries across several businesses should diminish aggregate risk as volatility and short-term shocks come and go, while current cycles will reverse in time.

■ **Managing sustainability**

Naspers invests in creating useful products and services for customers that, in time, will yield a sustainable return to investors and benefit our stakeholders. We are equally mindful of our obligations as a responsible corporate citizen to respect the natural environment and limit our impact as far as possible.

In addition to a structured approach to our sustainability strategy, as summarised below, our governance model and ethical principles are communicated throughout the group.

Flowing from our business activities, we invest in countries where we operate. We create business for local suppliers, employ people and pay taxes and levies to governments, which in turn benefit communities.

Our products and services directly affect local societies. Since each community has its own challenges, each business makes a difference to this community by contributing in line with its strengths and know-how.

Our people are a priority. There is a global shortage of talent and, in key disciplines, we focus on attracting, developing and retaining the best people.

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

The board is responsible for the integrity of our integrated reporting. It has tasked the audit and risk committees to oversee sustainability issues and to ensure information is reliable.



We focus on attracting, developing and retaining the best people.

Chair's report (continued)

The board recommends that the annual gross dividend be increased 11% to

520

SA cents



In our social interactions, we focus on challenges such as education, skills development and environmental sustainability.

In our social interactions, we focus on 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.

For more details, refer to the governance and sustainability section on our corporate website, www.naspers.com.

■ Dividend

The board recommends that the annual gross dividend be increased 11% to 520 SA cents (previously 470 SA cents) per listed N ordinary share, and 104 SA cents (previously 94 SA cents) per unlisted A ordinary share. If confirmed by shareholders at the annual general meeting on Friday 26 August 2016, dividends will be payable to shareholders recorded in the books on Friday 16 September 2016. It will be paid on Monday 19 September 2016. The last date to trade cum dividend will be Tuesday 13 September 2016 (shares therefore to trade ex dividend from Wednesday 14 September 2016). Share certificates may not be dematerialised or rematerialised between Wednesday 14 September 2016 and Friday 16 September 2016, both dates inclusive.

The dividend will be declared from income reserves. It will be subject to a dividend tax rate of 15%, yielding a net dividend of 442 SA cents per listed N ordinary share and 88.4 SA cents per unlisted A ordinary share to those shareholders not exempt from paying dividend tax. Such dividend tax will amount to 78 SA cents per listed N ordinary share and 15.6 SA cents per unlisted A ordinary share. The issued ordinary share capital as at 24 June 2016 was 437 920 115 N ordinary shares and 907 128 A ordinary shares. The company's income tax reference number is 9550138714.

■ Directors

During the financial year several changes to the board occurred. As reported last year, Ton Vosloo as non-executive chair, as well as independent non-executive directors Boetie van Zyl and Yuanhe Ma, retired from the board on 17 April 2015. We have expressed our gratitude before, but wish to reiterate that Ton Vosloo was an outstanding chair, and Boetie van Zyl and Yuanhe Ma exceptional

Chair's report *(continued)*

directors. In addition, I rejoined the board as non-executive chair. Non-executive director, Francine-Ann du Plessis, also resigned from the board with effect from 29 May 2015.

On 1 April 2016, subsequent to year-end, Guijin Liu and Hendrik du Toit were appointed as independent non-executive directors. Guijin is highly experienced in international affairs. He is Dean of the China-Africa International Business School, Zhejiang Normal University and a past Chinese ambassador to South Africa. Hendrik is the chief executive of Investec Asset Management and a director of Investec plc and Investec Ltd.

In terms of the company's memorandum of incorporation one third of non-executive directors retire annually and reappointment is not automatic. Nolo Letele, Roberto Oliveira de Lima, Cobus Stofberg and Debra Meyer retire by rotation at the annual general meeting but, being eligible, offer themselves for re-election.

At the annual general meeting shareholders will be asked to confirm these appointments and to consider the re-election of these directors (see notice on page 146).

Members of the audit committee are Don Eriksson, Ben van der Ross and Rachel Jafta. The board recommends shareholders reappoint them as audit committee members.

In compliance with the Companies Act, shareholders will be asked to consider these proposals at the annual general meeting. Directors' curricula vitae are on pages 84 to 87.

Our board members provided most valuable guidance and support. We appreciate the leadership of our top executives under Bob van Dijk, as well as the commitment of our partners and people around the world. Thank you for the initiative you showed.



Koos Bekker

Chair

24 June 2016





Bengaluru, India

Chief executive's report



■ Overview

The internet has given rise to a new age where power is shifting from large vertically integrated corporations towards 'platforms'. Platforms come in different shapes and forms, but the most effective have common characteristics. They pool fragmented customers. This can create major network effects: the more customers on a platform, the more valuable it becomes. The most powerful platforms are built on high-frequency needs.

Platforms tend to have attractive economics, particularly if one owns the customer interface.

From an obsession to understand consumer behaviour; a key characteristic of our group, we build technology platforms with global potential. Our aim is to anticipate changes in consumer behaviour. Our platforms – currently in ecommerce, online services, video entertainment and media – matter in the lives of our customers.

Naspers has solid platforms in its global portfolio. For example, video entertainment and the Classifieds model address lasting consumer needs, are sustainably monetisable, and have extended into other markets.

As the world around us is changing, we are continuously adapting our approach to shifting realities. We evolve by staying true to our roots – being nimble and creating winning platforms in close partnership with entrepreneurs.

■ Performance in context

On an economic-interest basis, in local currency terms, excluding M&A, revenue increased 22% to US\$12.2bn, driven by strong growth from Tencent (www.tencent.com) and ecommerce on the back of revenue growth in classifieds, travel and retail. Consolidated revenues were US\$5.9bn, down 10% year on year; primarily on the impact of currency translation. Excluding the impact of currency translation, as well as acquisitions and disposals, consolidated revenues improved 11%.

Our teams have delivered meaningful progress in building the global customer platforms of the future.

Bob van Dijk



Click to view video

Go where the road takes you

Celebrate "Read A Road Map Day" with redBus.



Chief executive's report (continued)

Continuing the trend of recent years, over 67% of total segment revenues came from the internet and ecommerce operations. Only around 23% of revenue is now sourced in South Africa.

Some US\$961m was invested in developing our online services, new classifieds markets (primarily the US) via our mobile app-only letgo platform, ShowMax and consumer-facing offerings in PayU. Development spend declined in established classifieds, video-entertainment and retail platforms as these increase monetisation and scale.








Trading profit grew by 18% to US\$2.2bn, again driven by strong growth from Tencent. Trading profit growth was boosted by lower losses in classifieds, consolidated retail and payments, offset by the 17% decline in video-entertainment profitability due to US dollar costs, local currency revenues and a decline in sub-Saharan DTH customers outside South Africa.

We raised capital of US\$2.5bn in December 2015 before transaction costs, with almost half used to acquire a controlling stake in Avito, a leading classifieds business in Russia. Furthermore, a portion of the proceeds from the equity raise was used to repay borrowings. As a result, consolidated net gearing dropped to 12%.

Key developments in our business units are summarised below (including associates and joint ventures on a proportionate basis):

- **Internet:** This segment, which includes our ecommerce activities and listed investments, benefited from good growth in Tencent and ecommerce and delivered revenues of US\$8.2bn, an increase of 18% (31%) year on year. Trading profit was up 38% for the same period to US\$1.6bn. Driven by strong mobile engagement, Tencent again performed well, with non-GAAP profit attributable to shareholders growing by 31%.
- **Ecommerce:** This segment recorded another successful year. Given the different stages of maturity and revenue structure of our ecommerce models, our retail and marketplaces activities currently

Currency movements relative to US dollar: 31 March 2015 to 31 March 2016

		% change
	Euro	6
	South African rand	(22)
	Russian rouble	(15)
	Polish zloty	2
	Brazilian real	(13)
	Indian rupee	(6)
	Nigerian naira	0
	Angolan kwanza	(49)

Chief executive's report (continued)

Our DTT network is substantially in place, with GOtv now operating in 11 countries and

124

cities, serving over 2.2m customers



generate the bulk of segment revenues. Etail delivered solid revenue growth of 12% (27%) despite aggressive competition in many of our target markets, with notable contributions from Flipkart (India), Souq (Middle East and North Africa) and eMAG (Central and Eastern Europe). Marketplaces recorded improved margins with limited revenue growth.

The ecommerce business model relies on the continued growth and success of existing businesses while identifying and successfully integrating new investments. Accordingly, we continue investing to fuel long-term growth as reflected in acquiring a controlling stake in Avito in December 2015 for an additional investment of US\$1.2bn. We also committed to invest US\$100m for a controlling interest in Ietgo, a more contemporary mobile app-only product that allows us to pursue new markets, such as the US where incumbents have not adequately addressed the transition to mobile.

- Video entertainment:** This segment generated revenues of US\$3.4bn, down 11% (up 10%) year on year. Apart from the currency devaluations noted earlier, performance was hampered by US dollar-denominated costs and increased competition for content. The total customer base was 10.4m at year-end, net growth of 185 000.

Given the severity of currency devaluations and resulting impact on our businesses, we implemented significant subscription price increases in most markets in sub-Saharan Africa at a time when consumers find their real disposable income decreasing. This resulted in customer losses in many of our markets and a loss of 288 000 DTH customers. Our South African base was more resilient, adding over 325 000 DTH customers. Macroeconomic headwinds are likely to prevail for a while longer and, in the year ahead, we will absorb the full impact of currency and customer declines, which will continue to depress financial performance in the near term. Our strategy is to focus on the mid and lower segments of the market where there is still room for growth. While early indications are encouraging after content changes and a commitment to maintain pricing in most sub-Saharan markets, current volatility remains a significant risk.

Consolidated development spend for the segment declined year on year as DTT services scaled. ShowMax and DTT in sub-Saharan Africa outside South Africa accounted for the bulk of development spend.

Our DTT network is substantially in place, with GOtv now operating in 11 countries and 124 cities, serving over 2.2m customers. Given the uncertainty about analogue switchoffs (the migration of terrestrial



Chief executive's report (continued)

television broadcasting from analogue to digital format), we have chosen to focus on content, service delivery, decoder sales and retention.

- **Media:** Sectoral and macroeconomic headwinds affected Media24's topline growth with revenues declining 20% (2%). Year-on-year trading profit improved marginally to US\$29m despite continued investment in new initiatives. These delivered satisfactory topline growth of 8%.

■ Significant acquisitions

The group invested US\$1.5bn during the year on acquisitions in the ecommerce sector and also disposed of some businesses. Key transactions included:

- Acquisitions
 - In December 2015 an additional 49% interest was acquired in the group's associate Avito AB (Avito), the leading online classifieds platform in Russia. The total cash purchase consideration was US\$1.23bn. The additional investment resulted in the group obtaining control of Avito and holding a 67.5% interest in Avito on a fully diluted basis directly following the investment.
 - In May 2015 US\$10m was invested in Ambatana Holdings B.V. (Ambatana), an entity operating a hyperlocal classifieds marketplace app under the letgo brand. A further US\$50m was invested in Ambatana during September 2015, resulting in the group holding a 67.5% interest on a fully diluted basis at the date of the additional investment.
 - During April 2015 we invested US\$41m in joint venture Konga Online Shopping Limited (Konga). Following the additional investment, the group continues to exert joint control over Konga with its 50.9% interest on a fully diluted basis.
 - During May 2015 we invested US\$10m in joint venture Souq Group Limited (Souq) as part of a funding round. Souq undertook another funding round during July 2015 in which Naspers did not participate. We now hold a 36.4% interest in Souq on a fully diluted basis.
 - US\$20m was invested in available-for-sale investment Avenida Inc. (Avenida) during July 2015. The transaction resulted in Avenida becoming an associate and the group now holds a 23.4% interest in Avenida on a fully diluted basis.

In December 2015 an additional

49%

interest was acquired in the group's associate Avito AB (Avito), the leading online classifieds platform in Russia



Chief executive's report (continued)

During December 2015

US\$2.5bn

capital was raised

- US\$54m was invested in associate Takealot Online (RF) Proprietary Limited (Takealot) during August 2015 as part of a funding round. The group holds a 42.4% interest in Takealot on a fully diluted basis.
- Disposals
 - During September 2015 we disposed of our interest in subsidiary Ricardo.ch AG for US\$248m following approval of the transaction by regulatory authorities.
 - The group disposed of its interest in subsidiary Korbitec Proprietary Limited during November 2015 for US\$33m following the receipt of regulatory approval.
 - During March 2016 we disposed of our interest in subsidiary PayProp Group Services Proprietary Limited for US\$10m.
- Capital raising
 - During December 2015, 18 167 848 new N ordinary shares were placed with qualifying institutional investors at a price of R1 975 per share, raising gross proceeds of approximately US\$2.5bn before transaction costs. The placing represented approximately 4.3% of Naspers's issued N ordinary share capital prior to the share issuance.
 - In July 2015 a 10-year US\$1.2bn bond was issued by subsidiary Myriad International Holdings B.V. The bond matures in July 2025 and carries a fixed interest rate of 5.5% per annum.

■ Investor engagement

We are committed to provide timely, transparent and relevant information, which helps the investing public understand our business, governance, financial performance and prospects in a competitive environment. We disseminate information through a broad range of channels (including stock exchange news services (SENS), the corporate website and news distribution service providers). This is supplemented by direct communication such as investor conference calls, group presentations and one-on-one meetings.

Following the release of interim and full-year results, we conducted roadshows in South Africa, the United Kingdom and the United States of America. We also attended a number of investor conferences in these regions, as well as in Asia. During the year we had more than 500 direct interactions with equity and debt investors, involving 17 of our executives, through a combination of meetings and teleconference calls.

■ Investing for growth

Over the past century Naspers has evolved from a single-country newspaper group and early investor in mobile telephony in South Africa



Powrót do przeszłości

Chief executive's report (continued)

to a multinational video-entertainment leader and a prominent global consumer internet and ecommerce group.

Our ecommerce business has scaled rapidly on the back of substantial investment. We now have one of the largest ecommerce audiences in the world and we are gaining share from our competitors, most importantly on mobile devices. This means we are becoming a largely mobile-services company. Classifieds, retail and online payments are transforming ecommerce and we are investing to meet this demand. Similarly, in our video-entertainment business, we have invested to accommodate platform shifts from linear television services to connected video experiences.

We are playing to win by investing in proven business models that can become strong cash generators if executed well, such as classifieds, retail and DTT. In addition, we invest in new opportunities, such as online travel and mobile-only services, including letgo and other value-added services.

We believe this strategy remains sound – our aim is to deliver value to our shareholders over the medium to long term and to being an asset to the communities in which we operate. In 2015 we established Naspers Ventures, which combines funding with the deep, global operating experience of the Naspers group, to provide a unique resource to identified entrepreneurs to build their businesses around the world.

■ People

Change is fundamental and rapid in our operating industries, and an important part of our competitive advantage lies in the quality of our people. We invest to create an attractive environment for all our people: entrepreneurs, engineers, leaders and professionals at all levels. We provide our people with a meaningful purpose, and the opportunity to learn and grow in an environment based on solid values, underpinned by a competitive reward strategy.

Around the world, our people are proving their commitment, innovation and agility. The support and guidance of the Naspers board, as well as the boards of our subsidiaries, associates and joint ventures, is integral to our success. Your contributions are deeply valued.



Bob van Dijk
Chief executive

24 June 2016

We provide our people with a meaningful purpose and opportunity to learn.



Our strategy



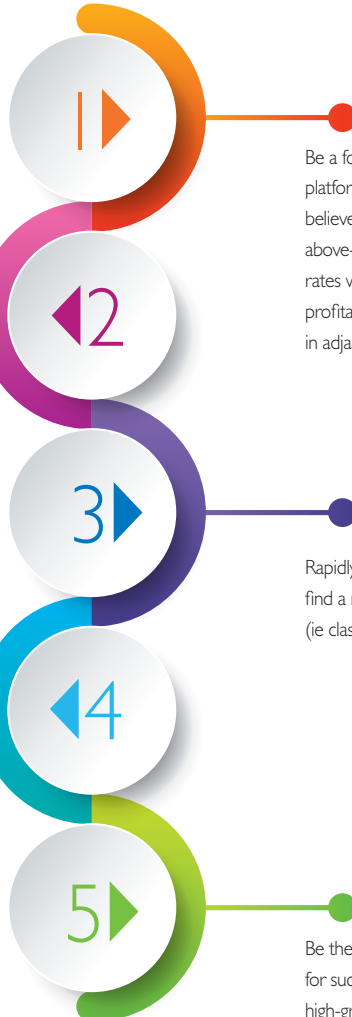
■ What we do: Building winning platforms

The internet has given rise to a new age where power is shifting from large vertically integrated corporations towards 'platforms'. Platforms come in different shapes and forms, but the most effective have common characteristics. They pool fragmented customers. This can create major network effects: the more customers on a platform, the more valuable it becomes. The most powerful platforms are built on high-frequency needs. Platforms tend to have attractive economics, particularly if one owns the customer interface.

To achieve our goal of building winning platforms, we aim to:

Focus on sizeable economies with strong internet user growth. Despite our historical focus on non-Western economies, letgo illustrates that we will also invest in more mature markets like the US if we identify potentially disruptive platforms.

Continue to place selective, strategic bets on emerging platforms that could represent the next wave of growth for the company.



Be a focused operator of platforms in which we believe, maintaining above-market growth rates while improving profitability and growing in adjacent markets.

Rapidly expand when we find a model with promise (ie classifieds).

Be the most desired partner for successful entrepreneurs in high-growth markets.

Our strategy (continued)

As the world around us changes, we continually adapt our approach and balance this with staying true to our roots – being nimble and creating winning platforms in close partnership with entrepreneurs.











For a fuller understanding of the group in context, key indicators in our major operating regions are summarised below:

Selected statistics of key focus markets

	Population	Internet penetration	GDP per capita	Ecommerce size (B2C)	Ecommerce growth
	2015 calendar year 'm	2015 calendar year %	2015 calendar year US\$'000	2015 calendar year US\$'bn	2015 – 2018 calendar year %
World	7 351	42	10.1	3 036	18

Classifieds	B2C	Payments	Other
Y = Naspers presence			

Largest global economies with significant Naspers presence

	China	1 361	53	8.3	912	32
	India	1 274	18	1.8	47	28
	Indonesia	256	27	3.6	16	32
	Brazil	205	57	9.8	108	14
	Russia	143	69	8.8	63	30
	South Africa	53	52	7.1	13	41
	Poland	38	67	13.5	29	17
	Ukraine	45	37	2.1	3	19
	Romania	20	52	8.8	3	16
	Nigeria	180	38	2.8	1	16
Total share (%)		49			40	

Y	Y	Y	Y
Y	Y	Y	Y
Y			
Y	Y	Y	Y
Y	Y	Y	Y
Y	Y	Y	
Y	Y	Y	
Y	Y		
Y	Y		

Data sources: IDC Internet Database (Q2 2015 version), Euromonitor (2016), International Monetary Fund (2015), and Internet Live stats for internet penetration (2016).

■ Looking ahead

We focus on internet and video entertainment to create value over the medium to longer term for our shareholders. While we plan to expand our business mainly through organic growth, we are also prepared to strengthen our position with appropriate acquisitions, subject to a robust evaluation process.

In the year ahead, the focus is on continuing to deliver topline growth while scaling the more established ecommerce businesses. Naspers will invest in long-term growth opportunities such as ShowMax, letgo and ibibo, and seek out further new promising models. In video entertainment, the loss of DTH subscribers and falling currencies in sub-Saharan Africa will have a significant impact on earnings and cash flows. It could take some time before the plans implemented to reinvigorate growth and cut costs have a positive impact.



How we manage risk

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

■ Risk philosophy

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

Management and the board run a process of identifying major risks in each of the managed business units, using topdown and bottomup approaches. These are reported to the risk committees of the respective boards, together with tolerance levels and mitigation plans. We assess the level of risk we wish to bear, given potential returns. Major risks from a group perspective are summarised on page 34.

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 assessed biannually by the risk committee and by the board.





How we manage risk (continued)

■ 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's risk policy applies to all operations where Naspers has over 50% ownership and management control. The policy applies to risks the group faces in executing its strategy, operations, reporting and compliance activities and is reviewed annually. Some group companies have specific risk management functions whose output is reviewed by the Naspers risk committee.

Risk management supports, 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 ERM⁽¹⁾ framework, and ISACA's Risk IT⁽²⁾ framework for information technology (IT).

⁽¹⁾ Committee of Sponsoring Organisations of Treadway Commission: 2004 Enterprise Risk Management – Integrated Framework.

⁽²⁾ ISACA: 2009 Risk IT framework (based on COBIT).

The group's risk profile is based on a formal and planned approval to risk management.

How we manage risk (continued)









■ Major risks

We follow a process of identifying major risks in each of our managed business units, which includes both topdown and bottomup approaches. These are reported to the risk committees of the respective boards, together with tolerance levels and plans for mitigation. The group then assesses the level of risk we wish to bear, given potential returns. From a group perspective, major risks include:

Our risks		How we manage the issue
Competition and technical innovations 	The group operates in fiercely competitive markets. While new technology threatens the future of existing businesses, in ecommerce we also face sector specialists, traditional retailers and new mobile disruptors. We may be caught off guard by new technologies or startups, or by current competitors.	Significant resources are devoted to analysing competitors, emerging trends in technology and consumer demand, and developing new products and services. We plan to invest in earlier-stage companies to identify opportunities for our markets sooner and stay ahead of competitors.

How we manage risk (continued)

Our risks		How we manage the issue
Key management 	<p>The group relies on individuals with detailed knowledge of our businesses and markets.</p>	<p>Succession plans are prepared annually, with specific focus on recruiting and retaining entrepreneurs, management and engineers.</p>
Global and political market developments 	<p>The Naspers group operates globally in markets that are sensitive to political, economic and other events that may influence its activities.</p>	<p>Although we can hardly change such developments, we monitor them as best we can and adjust quickly.</p>
Legislation and regulation 	<p>The industries we operate in are subject to increasing regulation. The video-entertainment businesses throughout Africa face growing regulatory scrutiny and changes in regulation are expected, which, if not adequately mitigated, could have a significant financial impact. Failure or delays in obtaining or renewing approvals could also affect the business. Furthermore, tax authorities around the world are increasingly questioning the structures and transfer pricing of international groups. In some of the countries we operate in, tax regulation is opaque.</p>	<p>We are strengthening our regulatory and tax teams, increasing engagement with regulators, improving our relationships and services to our customers, and strengthening our corporate and public communications. We always strive to comply with applicable laws and regulations, and cooperate with regulators in countries where we operate.</p>
Currency fluctuations and repatriation of cash 	<p>The video-entertainment segment has significant input costs in foreign currency, but bills in local currency. It also has cash trapped in countries such as Angola and Nigeria. The weakening of the SA rand and sub-Saharan currencies over the past year has had a profound impact on customer growth and cash flows from this business.</p>	<p>In 2015 it became clearer that price increases and our hedging policy would not be enough to offset this risk if current conditions persist long term. We therefore need to boost growth and cut costs, including renegotiating content purchase agreements.</p>
Funding 	<p>While our balance sheet is strong with gearing at 12%, the material change in the financial outlook of the video-entertainment business has an impact on group funding, debt capacity and ratings.</p>	<p>We have a broad range of options to fund expansion and a fully funded business plan. Furthermore, we are focused on reinvigorating growth and cutting costs in our video-entertainment segment.</p>
Technical failures and cyber security 	<p>The internet is subject to numerous risks, including technical failure, attacks, viruses and piracy. Globally, cyber risks and related crimes are a growing concern.</p>	<p>Our businesses aim to manage any identified cyber and other information security risks to levels that are considered acceptable and build necessary resilience into systems and operations. We also conduct rigorous vulnerability assessments to identify and mitigate sizeable risks. The video-entertainment services are mostly delivered to customers via satellite, and any damage or destruction may disrupt services. Mitigating procedures range from backup capacity to built-in redundancy. The cost of each mitigating option is considered against the likelihood and impact of the risk occurring. In some cases, the result is that satellites or other key technical components are unprotected or only partially covered.</p>

For a detailed review of Naspers's material issues and how we manage these, refer to 




Stakeholder engagement



Stakeholder engagement (continued)






■ Stakeholders' issues and response

→ Internet

STAKEHOLDERS	RESPONSE
<p>CUSTOMERS</p> 	<p>Most of our internet businesses have adopted the net promoter score (NPS) metric to measure customer satisfaction. We focus on providing the best experience to all our customers, whether they are consumers, merchants or partners. On the merchant side, we are committed to working with upstream and downstream partners to provide quality solutions for their businesses. We also use customer satisfaction (CSAT) scores to measure the degree to which our products and services meet customers' expectations.</p>
<p>REGULATORS</p> 	<p>We engage with legislators through our public policy teams in each region to operate in an efficient and positive regulatory environment, and as part of our compliance activities. Group businesses belong to relevant industry bodies and associations to support the development of specific sectors.</p>
<p>EMPLOYEES</p> 	<p>Our most important asset is our people. At heart we are entrepreneurs, so we push for performance, back local teams and learn from each other.</p> <p>We aim to be recognised for providing meaningful work, opportunities to learn and grow, and rewards for a job well done. In this culture we believe our people will be motivated to achieve by taking personal responsibility for high performance.</p> <p>Group companies set and communicate targets that are translated into local and personal goals to ensure everyone understands the bigger picture. We encourage our teams to discuss performance to enable everyone to learn and grow, supported by ongoing education and training. We find new ways to listen and engage with our teams about making Naspers the best place to work at.</p>






Stakeholder engagement (continued)

 Video entertainment

STAKEHOLDERS	RESPONSE
CUSTOMERS 	<p>The video-entertainment group has a number of points for customer engagement: the call centre, email, SMS and social media platforms (such as the DStv Forum, Twitter and Facebook). Customer insights from email research and field trial panels are used in product development.</p>
INDUSTRY AND BUSINESS PARTNERS 	<p>The video-entertainment group plays an active and constructive role in the broadcast industry in the countries in which it operates. In South Africa, as a member of the National Association of Broadcasters, it raises industry issues with the Department of Communications, the regulator; the Independent Communications Authority of South Africa (Icasa), and the parliamentary portfolio committee on communications. It is represented on the information and communications technology (ICT) policy review panel assisting the Minister to review legislation governing the sector. In 2016 it participated in a number of industry workshops and policy-formulation processes and regularly engaged with suppliers and business partners to develop shared practices. Investment in local content has deepened, with competitively priced productions that resonate with our audiences.</p>
SHAREHOLDERS AND INVESTORS 	<p>The group holds regular meetings with shareholders and investors to discuss strategy, performance and material issues. It also communicates via presentations (such as the annual and interim results reports) and annual general meetings.</p>
REGULATORS 	<p>In South Africa we participate in regulatory processes initiated by Icasa to develop an environment conducive to the growth of the ICT sector. The group also engages with opinion leaders and regulators to assist with policy development and is subject to regulation by the Broadcasting Complaints Commission of South Africa (BCCSA). We work closely with the BCCSA to ensure compliance as South Africa moves from an analogue to a digital environment. In the rest of Africa we engage with regulators in the countries in which we operate.</p>
EMPLOYEES 	<p>The video-entertainment group uses a number of platforms (from print to electronic and face-to-face engagements) to interact with employees and keep them informed. In South Africa the group also has a workplace forum to represent employees' interests and interacts with the company. The group communicates with local communities through its corporate citizenship activities.</p>

Stakeholder engagement (continued)

 Media24

STAKEHOLDERS	RESPONSE
<p>CUSTOMERS</p> 	<p>Media24's divisions are active on social media platforms. Editorial teams use Facebook and Twitter to engage with audiences on topical issues, share and promote content from their latest print and digital offerings, and test new ideas. Business units conduct client satisfaction surveys with advertising agencies, readers and digital audiences through various channels, including customer service call centres and surveys to determine NPS ratings.</p>
<p>SHAREHOLDERS</p> 	<p>Media24 keeps shareholders informed of developments by posting the integrated annual report, publishing provisional and interim reports in local newspapers and online, holding annual general meetings where shareholders may ask questions, and by updating company websites (www.media24.com and www.welkomyizani.co.za).</p>
<p>INDUSTRY</p> 	<p>Media24 is a member of local and international industry bodies and attends regular meetings. In South Africa these include: participation in the Publishers Support Services (PSS) (which has replaced the industry body Print and Digital Media South Africa) as well as engagement with various organisations such as the Audit Bureau of Circulations of South Africa (ABC), the Print Research Council (PRC), the South African National Editors' Forum (Sanef), the South African Publishers Association (Pasa), the Media Development and Diversity Agency (MDDA), the Association of Independent Publishers (AIP) and the Advertising Standards Authority (ASA). Novus Holdings is a member of the Print Industries Federation of Southern Africa (Pifsa) and attends international industry events to remain abreast of developments.</p>
<p>REGULATORS</p> 	<p>Print media is regulated by the press code and the ASA. Media24 abides by the codes and rulings of these regulatory bodies.</p>
<p>EMPLOYEES</p> 	<p>Media24 is an employer of choice, providing an inspiring work environment. Ongoing staff engagement includes management briefings and roadshows, weekly electronic newsletters, workshops, knowledge-sharing sessions on industry topics, an annual leadership conference and staff surveys. Workplace forums representing employees regularly interact with management. Media24 invests substantially in leadership training and development.</p>



Balancing profit, people and our planet

Naspers runs platforms that package content to create communities. We connect people by distributing media products and conducting ecommerce. Our products and services play a developmental role in societies where we operate by employing people, improving quality of life and stimulating the economy.




Education is one of our most important contributions to Africa.

Naspers is not only a business; as a responsible corporate citizen we give back to our communities. Through numerous projects (see the sustainability section on www.naspers.com), we touch the lives of millions of people around the world.

Education is one of our most important contributions to Africa. We help to improve literacy levels through print and digital media, from newspapers and magazines to school books and digital ventures, including social networking.

Naspers is operated as a sustainable business, both in terms of the environment and long-term profitability. We view this as a journey, and we endeavour to ensure our values and philosophy demonstrate this.

The section on non-financial performance (page 64) focuses mostly on social and environmental projects with more detail on our website. 



Poznań, Poland



Balancing profit, people and planet (continued)

By harnessing our global infrastructure and ability to innovate and adapt in a changing world, we aim to address education, skills development and environmental sustainability. We hope to improve the living conditions of our employees, their families and the communities in which we operate, ultimately balancing profit, people and our planet.

The value-added statement on page 42 illustrates how the group distributes its earnings and how much it retains for reinvestment.

Naspers has a significant effect on the economy of sub-Saharan Africa. In the review period, we contributed more than US\$800m (or as much as 25% of the total wealth we created) to local governments where we operate. This comprises various taxes and skills development levies and is nearly five times what we pay shareholders in dividends. In addition, the jobs we create stimulate further economic activity.

In the past year we paid US\$1bn (31% of wealth created) to employees, including salaries, bonuses and benefits, and the cost of training and participating in group share incentive schemes. We provide jobs to over 27 000 (2015: 24 000) (excluding joint ventures and associates) permanently employed people and contribute materially to the countries in which we operate.

To fund our growth, we rely on investors and finance providers, who are compensated by dividends, share price appreciation and interest payments. This accounts for 13% of total earnings distributed. The remaining 31% has been reinvested to ensure we maintain a sustainable group.

We contributed more than
US\$800m (or as much as

25%

of the total wealth we created)
to local governments where we
operate

Value-added statement

for the year ended 31 March

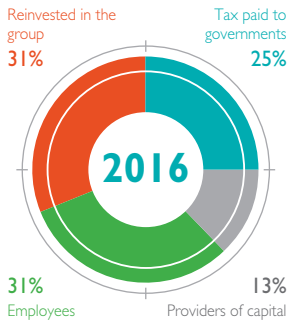


Value added is defined as the value created by the activities of a business and its employees and is calculated as revenue less the cost of generating that revenue. The value-added statement reports on the calculation of value added and its application across stakeholder groupings. This statement shows the total wealth created and how it was distributed, taking into account the amounts retained and reinvested in the group.

	31 March 2016 US\$'m	31 March 2015 US\$'m	% change
Revenue	5 930	6 569	(10)
Cost of generating revenue	3 975	4 345	(9)
Value added	1 955	2 224	(12)
Income from investments	1 329	1 535	(13)
Wealth created	3 284	3 759	(13)
Wealth distribution:			
Employees			
Salaries, wages and benefits	1 015	1 131	(10)
Providers of capital	432	399	8
Finance cost	292	247	18
Dividends paid	140	152	(8)
Governments			
Total tax paid	813	939	(13)
Reinvested in the group	1 024	1 290	(21)
Depreciation and amortisation	278	296	(6)
Other capital items	(115)	(103)	12
Retained earnings	861	1 097	(22)
Wealth distributed	3 284	3 759	(13)

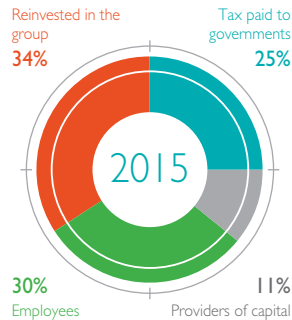
Value-added statement

US\$'bn



Value-added statement

US\$'bn



Performance review



I WAS SAD
• but then •

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SOMETHING ONLINE

I feel better now

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16 chances de você ganhar!**

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Confirme o seu cadastro

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[*] Prêmios entregues em Certificado de Barra de Ouro. Certificado de Autorização Caixa nº 14



Performance review

■ Financial review



As announced on 18 April 2016 and in view of the growing international spread of its business, the group has changed the presentation currency for financial reporting purposes from South African rand (SA rand) to United States dollar (US dollar). These are the group's first results reported in US dollar:

Revenues grew 6% (22%) to US\$12.2bn, driven by growth from Tencent (www.tencent.com) and from ecommerce on the back of revenue growth in classifieds, travel and retail. Consolidated revenues were US\$5.9bn – down 10% year on year – primarily due to the impact of currency translation. Excluding the currency translation, as well as the impact of acquisitions and disposals, consolidated revenues improved 11%.

Development spend, measured on an economic-interest basis, was stable at US\$961m, while consolidated development spend reduced 14% to US\$708m. Classifieds development spend, excluding investment in new markets through letgo, declined by a meaningful US\$59m, DTT development spend in the video-entertainment segment reduced US\$143m and consolidated retail platforms development spend dropped US\$26m, as all three businesses continued to increase monetisation and scale. New areas of investment include: ibibo's hotels offering; building new classifieds markets (primarily the US) via the mobile app-only letgo platform; ShowMax; and developing consumer-facing offerings in PayU. Together these accounted for development spend of US\$192m. Losses in our equity-accounted retail investments widened by US\$68m as they build their platforms and grow revenues to outpace competition.

Trading profit increased 18% (38%) to US\$2.2bn, driven by expansion of 39% (43%) in the group's share of Tencent's trading profit. Lower losses in classifieds and DTT, combined with ibibo's air-travel business turning profitable and a reduction in PayU's PSP losses as it scales, also boosted growth. These positives were offset by new



The group has changed the presentation currency for financial reporting from SA rand to US dollar.



Performance review (continued)

■ Financial review (continued)

investments discussed above and a decline in video entertainment's profitability. With significant US dollar costs, local currency revenues and a loss in sub-Saharan DTH customers, trading profit in the video-entertainment segment declined 17%.

IFRS operating profit declined from a positive US\$161m to a negative US\$177m in the current year, mainly due to the effects of currency weakness in the video-entertainment segment and impairments, as discussed below. The group's share of equity-accounted results was 13% lower at US\$1.3bn, largely due to one-off gains of US\$498m in the prior-year figure. In the current year, the group's share of equity-accounted earnings includes one-off gains of US\$251m and impairment losses of US\$180m recognised by our associates and joint ventures. The contribution to core headline earnings by equity-accounted investments, adjusted for these capital items, was up 25% to US\$1.6bn.

The group recognised impairment losses of US\$251m during the year, including US\$53m relating to Nigerian equity-accounted retail investment, Konga. As reported in the first half, the group wrote off US\$140m on its Brazilian online comparison shopping (OCS) business, Buscapé, which faced headwinds. As announced in February 2016, the group waived the preference share debt owed by Welkom Yizani Investments, the largest black economic empowerment structure in the South African print media industry. This gave rise to an impairment of US\$29m.

The group's Czech retail and ecommerce business, Netretail, and OCS platform, Heureka, were classified as held for sale on 30 September 2015. At year-end, the group recognised a writedown to fair value less costs of disposal of US\$88m for Netretail. The sale of these businesses was subject to regulatory approval as at 31 March 2016. Subsequent to year-end, approval was received for the Heureka sale and we consequently recognised a gain on disposal of approximately US\$61m.

Revenues grew 6% to

US\$12.2bn





Performance review (continued)

■ Financial review (continued)

Net interest expense on borrowings rose 19% to US\$170m due to increased interest obligations after the US\$1.2bn bond issued in July 2015.

Core headline earnings increased by 21% (49%) to US\$1.2bn on the back of Tencent's contribution.

Consolidated free cash outflow of US\$38m was recorded, marginally higher year on year. Lower capital expenditure in the video-entertainment business, a US\$118m reduction in development spend and higher dividends from associates were offset by weaker cash flow from the sub-Saharan Africa video-entertainment business.

Following the US\$2.5bn equity raise in December 2015, consolidated net gearing dropped to 12%. Some US\$1.2bn of the proceeds was used for the acquisition of a controlling stake in Avito.

Significant acquisitions

Details of significant acquisitions appear in the summarised consolidated annual financial statements under business combinations and other acquisitions (page 129).

Summarised consolidated annual financial statements

The summarised consolidated annual financial statements appear on pages 116 to 140 of this report. The complete consolidated annual financial statements for the year ended 31 March 2016 are on our website, www.naspers.com.

Core headline earnings
increased by

21%

to US\$1.2bn

Performance review (continued)

■ Five-year review

US\$m	2016	2015	2014	2013 ⁽²⁾	2012 ⁽²⁾
Income statement items, including equity-accounted investments on an economic-interest basis					
Revenue	12 224	11 541	9 919	8 976	7 628
Trading profit	2 246	1 901	1 536	1 675	1 587
Statement of financial position on a consolidated basis					
Total assets	16 723	12 936	12 213	11 180	10 598
Total equity	10 654	6 903	6 477	6 047	6 464
Total liabilities	6 069	6 033	5 736	5 133	4 134
Other information					
Development spend ⁽¹⁾	961	953	781	503	381
Core headline earnings per share (US cents)	298	255	216	259	250
Dividend per N ordinary share (SA cents) (proposed)	520	470	425	385	335
Weighted average number of N ordinary shares ('000)	417 575	403 576	395 078	385 064	375 653

Notes

⁽¹⁾ Including associates and joint ventures on a proportionate basis.

⁽²⁾ Translated from SA rand into US dollar at the average exchange rate for the relevant year.

Performance review (continued)

■ Operational review ■ Internet

→ Internet

Naspers operates platforms that offer customers fast, intuitive and secure environments to communicate, entertain and shop. Our ecommerce services span general and vertical classifieds, B2C, specialised online services such as travel and food delivery, and payments platforms. In the Naspers Ventures unit we acquire and operate disruptive platforms. The internet segment benefited from good growth in Tencent and ecommerce to deliver revenues of US\$8.2bn, up 18% (31%) year on year. Trading profit was 38% higher at US\$1.6bn.

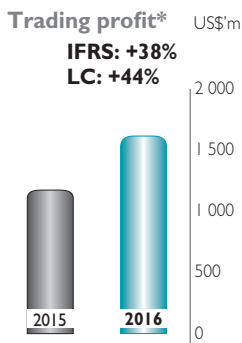
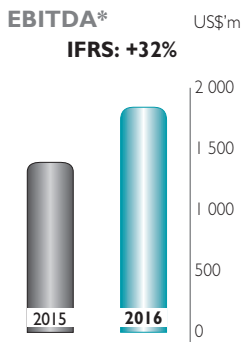
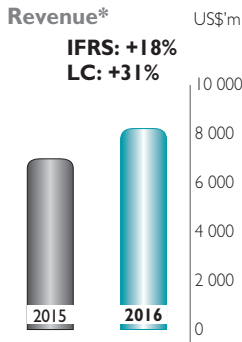
Listed investments

Tencent

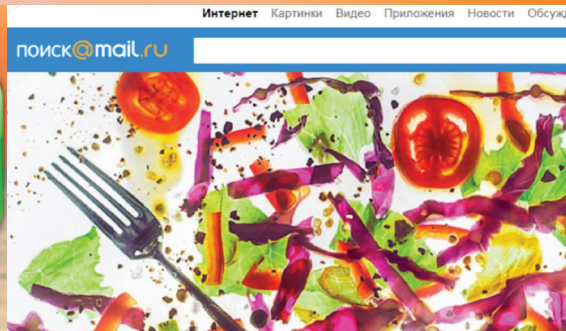
Tencent again performed well in an increasingly competitive environment in China. Through new and expanded services and the excellent management of Pony Ma, Martin Lau and their teams, it remained the largest platform operator in China.

In the past year the internet contributed to daily life in China even more, facilitated by an ongoing transition from desktop PC to mobile. Messaging and social networking continued to account for the highest time spent on smartphones, while search queries have now moved primarily to mobile. Online shopping became increasingly widespread, especially in lower-tier cities, and ecommerce transaction volumes showed healthy growth rates. Online advertising activity shifted decisively from PC to mobile. Users proved increasingly willing to pay for digital content such as movies, television series and music.

Weixin/WeChat (the mobile communication, social and commerce platform), QQ Instant Messaging (QQ IM) and QZone (the social network) anchored Tencent's leadership in social networking and communication in China. By the end of March 2016, combined monthly active users of Weixin and WeChat reached 762m, up 39% year on year. QQ IM and QZone increased the number of monthly active users on mobile devices to 658m and 588m respectively. Weixin maintains its strong market position through richer functionality and by connecting



* Including associates and joint ventures on a proportionate basis.
LC = local currency.



Performance review (continued)

■ Operational review ■ Internet (continued)

more third-party services to meet the daily needs of its users. It is now one of the key distribution platforms in China for online-to-offline (O2O) services, including search for local restaurants and services, meal delivery and on-demand transportation. Mobile QQ is following Weixin in developing a similar open-platform strategy.

The mobile games market in China grew rapidly in the past year, becoming the largest of its kind globally. Tencent continued to lead the mobile and online games market. Mobile remains a key growth driver for the online advertising market, particularly in search, video, news and social platforms. Advertising on Tencent's social platforms, including Weixin Moments, Weixin Official Accounts, QQ and QZone, drove excellent growth in advertising revenues. Mobile also brought dynamic evolution to payments and internet finance. The explosive rise in social payments drove the growth of Weixin and QQ payment services. As example, gifting digital red envelopes via Weixin Pay has become a major tradition during the Chinese New Year; with a record RMB8bn worth of red envelopes sent via this platform on New Year's Eve – an eightfold increase on the year prior.

Revenues for the year were RMB102.9bn, up 30% annually. Non-GAAP profit attributable to shareholders (Tencent's measure of normalised performance) grew by 31% to RMB32.4bn. Online value-added services revenue rose 27% to RMB80.7bn and advertising revenue was up 110% to RMB17.5bn. During the year Tencent continued to invest aggressively in existing services and new areas, including video, finance, cloud, payments and healthcare.

Tencent is listed on the Hong Kong Stock Exchange and extensive information is available on its website, www.tencent.com.

Mail.ru

Mail.ru offers leading platforms in Russia for gaming, social networking, email, portal, search, instant messaging and online finance. Russia is the

Tencent 腾讯



QZone increased the number of monthly active users on mobile devices to

658m



Performance review (continued)

■ Operational review ■ Internet (continued)

sixth-largest internet population globally, with a user base of 103m increasingly accessing the internet via mobile devices.

Mail.ru continues to build internet and mobile products and services in line with its 'communitainment' strategy, with mobile daily users of its leading social network platforms, VKontakte and Odnoklassniki, exceeding those on desktop for the first time. Mail.ru's My Target programmatic ad platform has opened up the mobile advertising market in Russia and is recording strong growth rates, especially mobile and VKontakte.

Mail.ru is expanding internationally with a range of communication tools and entertainment products. Building on its position as the largest platform in Russian online gaming, a key new gaming title, Armored Warfare, was released in Europe, North America and Russia.

Total revenue for the year was up 11% to RUB36.3bn. Advertising contributed 40% of the total with revenues of RUB14.7bn, up 19% year on year. While brand advertising declined slightly, target and web contextual ads grew 62% and 46% respectively. Massively multiplayer online (MMO) games revenues grew 6.3% compared to the previous year to RUB8.95bn, driven by the continued success of Skyforge and Armored Warfare. Community internet value-added services (IVAS) revenues increased 5.4% in 2015 to RUB12.5bn.

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

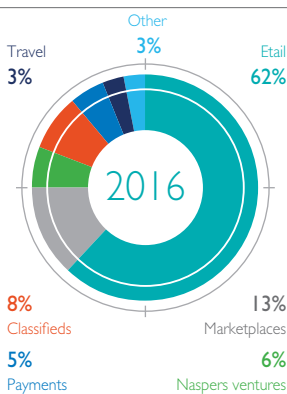
Ecommerce

Naspers has a broad portfolio of ecommerce businesses organised by functional lines, including classifieds, B2C, payments and other specialised online services. This focus allows us to move faster and build scale more rapidly, while enabling the businesses to share knowledge, technology and expertise more effectively. This segment recorded a bright year: Revenue grew 6% (24%) to US\$2.6bn.

Ecommerce is a strategic area of expansion and we are investing in our platforms to build leadership and scale, deliver superior customer experiences and expand the market.

Given the differing stages of maturity, timelines to monetisation and the nature of the various ecommerce models, most ecommerce revenues are currently generated from the B2C businesses. A number of ecommerce businesses are still in early stages. We are making investments in these businesses, particularly in our classifieds, B2C and travel operations, to drive growth, improve our products and customer experience, and expand the group's geographic footprint. We will continue to invest in these businesses in future.

Revenue split



Performance review (continued)

■ Operational review ■ Internet (continued)

B2C

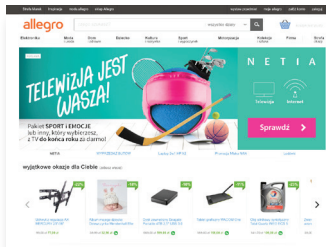
Focusing on attractive growth markets

Etail

Nine companies,

17 markets
#1 in almost all businesses

Marketplaces



Allegro #1 in Poland

Payments

One brand, 16 markets
250+ payment options

100 000+ merchants

Classifieds

OLX is a
leader across
growth
markets
40+ countries1.7bn
monthly visits

Travel

goibibo: #1 in hotel booking
3.7m transactions – growing at
429% year on yearredBus: #1 in bus ticketing –
growing 59% year on year

iFood:

More than

800 000



orders per month

SimilarWeb

Measures and analyses

5m apps and
80m websites

Performance review (continued)

■ Operational review ■ Internet (continued)

Consumer to consumer (C2C)

Classifieds

Strong progress was made across our markets, while managing to reduce spending levels as we faced fewer competitive battles and business matured. The global footprint expanded by entering a new exciting market. The Classifieds portfolio now comprises 40 markets with 34 leading positions, 10 of which are being monetised.

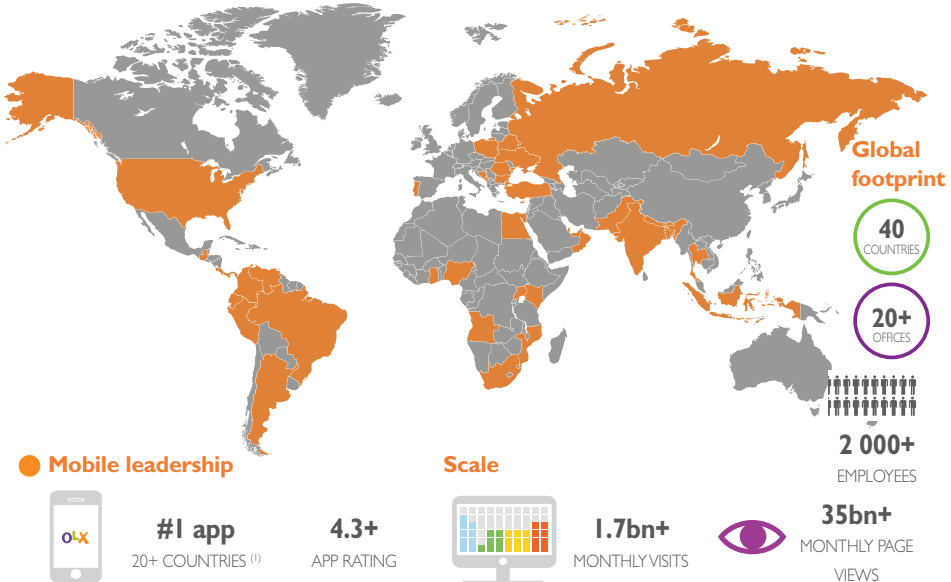
We continue to invest through acquisitions where there is opportunity. In the financial year 2016, Naspers increased its investment in the Russian classifieds leader, Avito, to a majority stake.

Mobile remains a priority. During the year we invested in letgo, an app-only classifieds offering that is already capturing share in exciting markets such as the US.

Fuelled by a focus on strong execution, market share increased in most countries. We are also establishing ourselves as the global leader in classifieds by creating adjacent verticals to our leading horizontal positions in key markets. Led by industry veterans, Stradia (auto brand in India) and Storia (real estate brand in Indonesia) launched in the last fiscal quarter.

The Classifieds team continues to create a global technology platform adapted to local needs. The aim is more speed at higher quality than any other platform, making the OLX group the industry benchmark.

As part of an ongoing initiative to transform OLX into the world's largest C2C marketplace, we completed rebranding to OLX by converting all the group's Middle Eastern/North African platforms from dubizzle to OLX, except for the UAE where we serve dual branding.



Note:

⁽¹⁾ Google play store; shopping/lifestyle categories

Excludes letgo, includes associates on a proportionate basis

Performance review (continued)

■ Operational review ■ Internet (continued)

Business to consumer (B2C)

B2C covers nine companies in 17 markets across four continents.



Allegro Group

Allegro had a successful year and reported solid results. It accelerated growth rates for gross merchandise value and revenue while maintaining strong margins in its core business. Particularly, the B2C business is growing faster than the market. For the first time Allegro complemented its B2C business by selling directly to customers (first party) to fill supply gaps and set expectation levels for pricing and service delivery to its marketplace sellers (third party).

Allegro has also added a new revenue stream – advertising. Clients are either brands or marketplace sellers in various formats, leveraging Allegro's highly frequented platform without compromising the overall user experience.

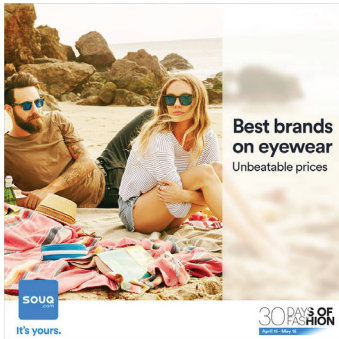
eMAG

eMAG is a clear market leader in its home market of Romania. Margins have improved by expanding marketplace services (third party) and private labels,



Performance review (continued)

■ Operational review ■ Internet (continued)



while increased scale has generated better leverage in headcount and marketing-related cost. This will support future profitability, first in Romania and then at group level.

eMAG has also expanded into nearby growth markets where it can take advantage of its brand, platform and delivery capabilities.

Flipkart

Flipkart is widely regarded as the ecommerce pioneer in India. In addition to growth and scale, it has concentrated on driving use of its mobile app. As a result, Flipkart has mobile market share of over 50% with more than a third of Indian Android users having installed its app, according to SimilarWeb.

At the same time, Flipkart has accelerated its third-party marketplace business. The Indian market has enjoyed hyper growth in recent years and is expected to become the second-largest ecommerce market in the world over time. This has generated a competitive environment, with Flipkart competing mainly with Amazon India and Snapdeal for market share.

Souq

Souq is a market leader in the Middle Eastern/North African region, with the UAE and Saudi Arabia accounting for the largest share of revenues. Revenue growth remains good on the back of the high mobile share of transactions, combination of first-party and third-party offerings on the site, and enhanced own last-mile delivery services to customers. The business is focused on maintaining its leadership and growth while driving operating efficiencies.

Takealot

Takealot has become a market leader in South Africa. The business is growing fast and gaining online market share. As the domestic ecommerce market is still at an early stage, the focus is to further mature and scale this business.

Konga

Nigeria faced a tough macroeconomic environment in 2015 due to the impact of falling oil prices and currency, fuel shortages, as well as political unrest in the north. Konga is accordingly refining its strategy by promoting third-party marketplace services, focusing on key cities and early adopters of online shopping.



Flipkart has mobile market share of over 50% with more than a third of Indian Android users having installed its app, according to SimilarWeb.

Performance review (continued)

■ Operational review ■ Internet (continued)

Markafoni

Markafoni operates a leading online fashion retailer in Turkey, which started as a flash-sales site of off-season products. The business is focusing on increasing its in-season selection of branded products and offering more convenient ways for customers to receive their orders.

Travel

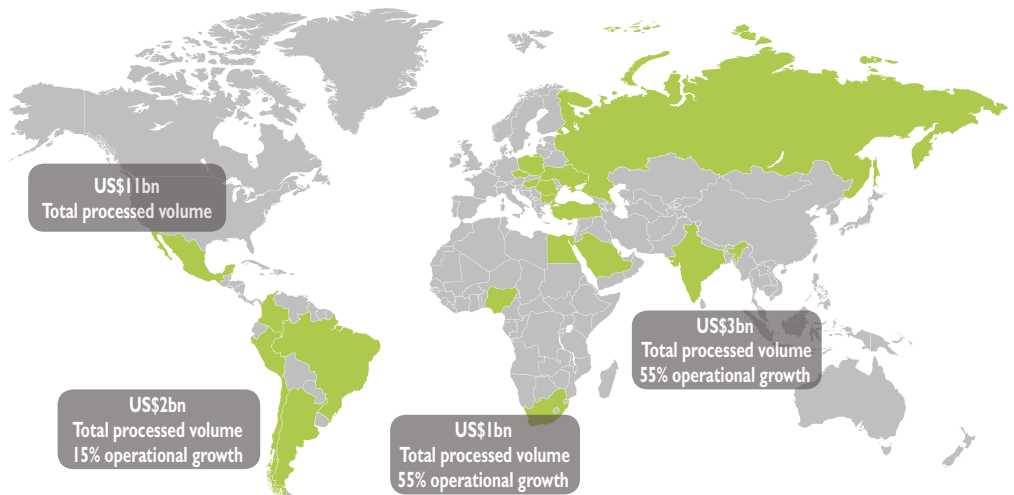
ibibo Group has emerged as the online travel market leader in India in terms of transactions, focusing mainly on bus, air and hotel platforms. Hotel has been a key investment focus given the size of this market and online disruption potential. Based on a technology-orientated and service-orientated strategy that ensures best selection at good prices, the resulting growth has allowed ibibo to take a leadership position against incumbents.

In bus ticketing, redBus maintains its leading share in a market characterised by network effects and fragmented bus operators. Based on its success in India, redBus is expanding internationally, starting with Singapore and Malaysia.

ibibo Group
We Love Travel

Payments

PayU



- Global footprint



Rio de Janeiro, Brazil

Performance review (continued)

■ Operational review ■ Internet (continued)

PayU is present across

16

countries and organised in three main regions: Latin America, EMEA (Europe, Middle East and Africa), and India

The payments segment was built through organic growth and selective acquisitions. It now operates under one global brand, PayU, and is present across 16 countries and organised in three main regions: Latin America, Europe, Middle East and Africa (EMEA), and India.

Its main competitive advantage is to serve online merchants through local payment platforms, enabling a large and unique choice of local payment types (250+ payment types) used by consumers and simplicity of integration.

PayU serves a large number of small online businesses, as well as some of the most sophisticated brands in select geographies.

Naspers Ventures

Naspers Ventures partners with entrepreneurs to build leading technology companies in high-growth markets. We identify companies and founders with high potential and the ambition to scale globally, quickly impacting the communities where they operate and providing them with tailored support that enables them to be leaders in their chosen markets.

Naspers Ventures leverages the global reach, knowledge and resources of Naspers, one of the largest technology investors in the world, to enable an environment that helps entrepreneurs build, grow and scale their businesses. With in-depth experience in more than 130 markets and countries around the world, the Naspers Ventures team thrives on the unconventional and unprecedented to do what it takes to help its companies succeed.



ERSÃO
IVER

mobile.com



Performance review (continued)

■ Operational review ■ Internet (continued)

Mobile

Mobile operates a wide range of mobile services in Latin America and is selectively expanding into other global markets. Its growing core mobile carrier-related value-added services business geographically spreads across the South American continent.

Mobile focuses on B2C-orientated smartphone app-based services, especially in the online-to-offline (O2O) mobile segment in Latin America:

- PlayKids is a mobile app for children up to age of seven that was spun off from the value-added services business and expanded globally.
- iFood is the online food-delivery market leader in Brazil and Mexico, and expanding across Latin America.

Mobile continues to expand its footprint in other mobile O2O services, including mobile entertainment ticketing service, Ingresso Rápido, and logistics and same-day delivery services, TruckPad and Rapiddo.

SimilarWeb

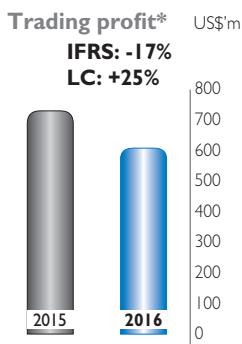
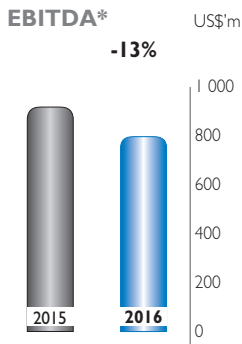
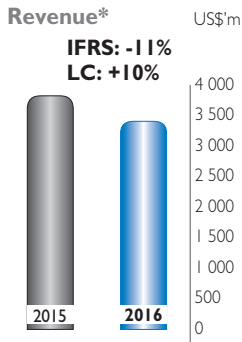
SimilarWeb.com is a free web ranking and competitive analysis tool. The platform is based on data technology that includes traffic and user-engagement stats for websites and mobile apps. Given the importance of data analytics in our broader portfolio, SimilarWeb measures and analyses over 3m apps and 80m websites, providing deep insight into traffic flows and consumer behaviour in the mobile and web-based online world. In the past year SimilarWeb added product functionality, including user-engagement metrics for apps in multiple markets.

SimilarWeb



Performance review (continued)

- **Operational review**
 - **Video entertainment**



* Including associates and joint ventures on a proportionate basis.
LC = local currency.

➔ Video entertainment

Given the headwinds across most of sub-Saharan Africa, mainly due to the rout in commodity prices, coupled with severe currency weakness, the video-entertainment business faced a challenging year.

Weak local currencies across key markets, coupled with increased competition for content, have affected the cost base and therefore profitability. We bill customers in local currency which exacerbates the net negative impact of currency weakness against the US dollar (the greater proportion of our costs are US dollar denominated). To counter this, we were forced to increase subscription prices, but in an environment of shrinking real disposable income, price increases have resulted in heavy customer losses across most of our key markets.

A net 38 000 new DTH customers were added to the base. The DTT base grew by 147 000 customers, bringing the closing DTT and DTH base to 10.4m customers.

Robust strategies have been implemented to boost growth and expand the business over the longer term, by increasing value and focusing on our goal of building the leading video-entertainment business in Africa. At the same time, there is a focus on reducing costs through monitoring of non-performing content and non-value-adding activities.

Innovation and customer service

Making content available to our customers anywhere, anytime is key to our long-term growth. We remain focused on developing and enhancing innovative products and delivering great local and international content on multiple platforms.

Our flagship DStv Explora remains a key differentiator and is available to customers at increasingly competitive prices. BoxOffice is now available in 16 territories across Africa, while the Express from the US service, which makes content available at the same time it is first broadcast in the US, is growing in popularity. The DStv Catch Up offering has been improved. Similarly, the connected Explora ensures



RENT 12 BY END MARCH
& YOU COULD WIN
**A PRIVATE ISLAND
GETAWAY**
FOR YOU & 9 FRIENDS!
COME & GET IT

BoxOffice

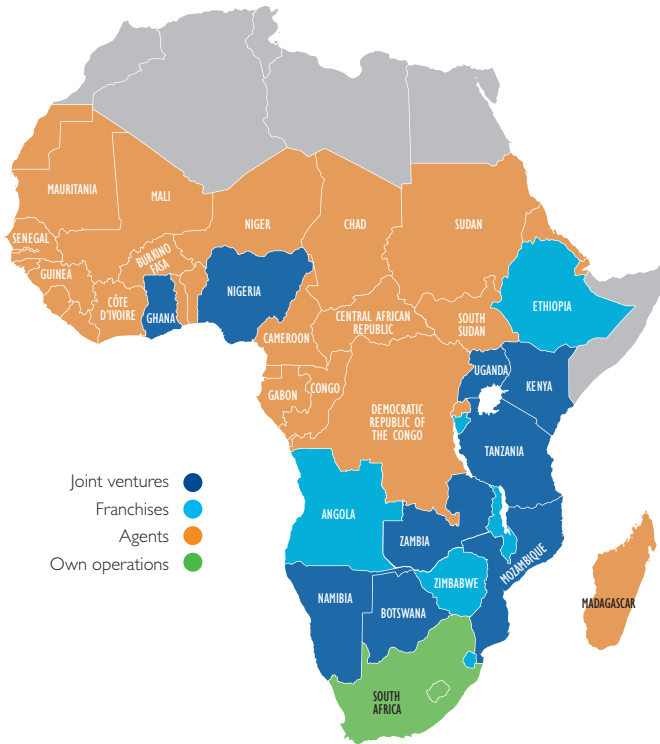


Performance review (continued)

■ **Operational review** ■ **Video entertainment** (continued)

Our African footprint

"A world of entertainment, anywhere, anytime"



The DTT base grew by 147 000 customers, bringing the closing DTT and DTH base to

10.4m
customers



Performance review (continued)

■ Operational review ■ Video entertainment (continued)



Sport enthusiasts enjoyed the production and broadcast of top events, including the 2015 Rugby World Cup, 2016 ICC World Twenty20, All Africa Games, Cosafa Cup and Copa America.

customers have access to a more extensive library of the latest content. The DStv Now and SuperSport apps have enhanced their search capabilities and introduced a recommendation engine. The value added by these apps, such as improved bit-rate technologies and download functionality, has made them compelling to customers. The launch of ShowMax added greater depth to our customer offering and further boosted the anywhere, anytime proposition.

Customer retention, customer service and general cost control remain key focus areas going forward.

Content

SuperSport strengthened its position as a world-class sport-content provider and entertained customers with investments in local and international content on all platforms throughout our broadcast territories. Sport enthusiasts enjoyed the production and broadcast of top events, including the 2015 Rugby World Cup, 2016 ICC World Twenty20, All Africa Games, Cosafa Cup and Copa America. SuperSport remains the biggest funder of sport in Africa and continues to invest in local sport leagues at all levels.

M-Net continues to carry great local and international content. In response to the growing popularity of reality format shows like The Voice and Idols, and M-Net's own shows such as Our Perfect Wedding and Date My Family, regional versions of these shows are also being produced. In territories where we operate, we continue to invest in production facilities and partner with local production houses. Investment in local content has deepened, with competitively priced productions that resonate with our audiences.



Performance review (continued)

■ Operational review ■ Video entertainment (continued)

Regulatory

Video-entertainment operations are regulated by relevant bodies across the continent. Various competition and consumer investigations are under way and the companies continue to cooperate with regulators. Regulations are under constant review and we regularly engage with authorities, whom we consider key stakeholders. The businesses continue to face regulatory pressure.

Competition

The competitive landscape is fluid, and video consumption on mobile platforms continues to grow. This year, various over-the-top (OTT) players entered the territories in which we operate, while aspiring international groups with large budgets continue to explore investments across Africa. Regional competitors with sizeable local-content budgets have also emerged. In response, MultiChoice is expanding its delivery platforms and improving its products and services.

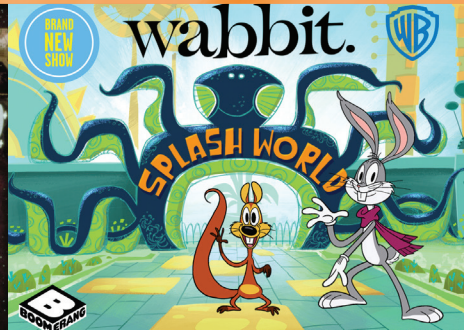
Business continuity

The Eutelsat 36C satellite was successfully launched on 24 December 2015, providing new capacity to MultiChoice Africa. This marks an investment to improve infrastructure and allows us to provide extended services to our customers.

An additional satellite for MultiChoice South Africa will become available in December 2016. This will further enhance the DStv service through the addition of more content or channels.



The Eutelsat 36C satellite was successfully launched on 24 December 2015, providing new capacity to MultiChoice Africa



Performance review (continued)

■ Operational review ■ Video entertainment (continued)

ShowMax

ShowMax is the Naspers group's SVOD service. It was launched in August 2015, and offers a comprehensive selection of movies and TV series from leading Hollywood studios, as well as local African shows produced on the continent.

Customers are able to watch ShowMax on mobile devices such as smartphones and tablets, on laptops as well as smart TVs and other media players. Customers are able to download content to their smartphones or tablets to watch on the move or when they do not have an adequate internet connection.

Despite the short-term challenges of a suboptimal broadband infrastructure in key markets, after seven months, we have created a recognised brand in the South African market that has already become part of popular culture.

SHOW MAX



Performance review (continued)

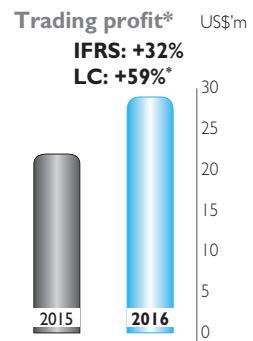
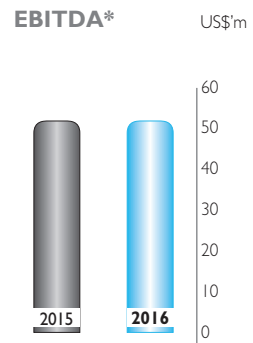
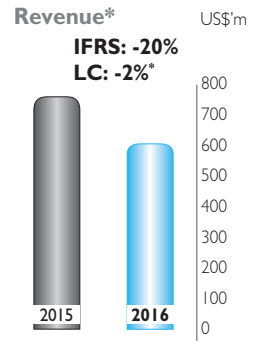
■ Operational review ■ Media

➔ Media

Media24 delivered a solid financial performance despite a decline in print media advertising and circulation revenues due to structural shifts in the industry and a weak South African economy. Savings in the mature print publishing operations lifted the overall trading performance, and several initiatives are under way to further reduce the cost base and improve efficiencies.

In parallel, the Media24 group continues to invest to build momentum in its growth portfolio comprising digital media through 24.com, its efashion business, Spree, and online job classifieds platform, Careers24.

In the past year, 24.com realigned its digital media operations for commercial and product focus, especially for mobile. Accelerating the migration of audiences and advertisers onto digital platforms is key to Media24's future – mobile web and apps now account for roughly 80% of traffic and 70% of page views across 24.com's publishing network.



* Including associates and joint ventures on a proportionate basis.
LC = local currency.



Performance review (continued)

■ Non-financial review



■ Sustainable investment

Sustainable development and economic, social and environmental protection are global imperatives that present both opportunities and risks for business. As a leading media company, Naspers is positioning itself to meet these challenges.

As our business expands, we aim to contribute to the communities in which we operate; develop our own people; contribute to economic prosperity; and minimise our impact on the environment. In formulating this policy, we analysed areas where the group can contribute to sustainable development in the markets in which it operates.

Source: Sustainable development policy.

As a for-profit organisation, Naspers invests in developing its business to provide useful products and services to its customers and a sustainable return to investors. Flowing from these activities, we invest in countries where we operate by creating demand for local suppliers, employing people and contributing to the community via direct and indirect taxes.

The group operates in different communities, each with unique challenges. Understanding that our products and services directly impact local societies, each business aims to make a difference to its community by contributing in line with its strengths and know-how.



Think local, employ local, back local. We endeavour to employ local citizens in the countries in which we operate to empower the communities where we have a presence. As a result, we drive for diversity and support initiatives such as black economic empowerment.



Performance review (continued)

■ Non-financial review (continued)

For example, the print and video-entertainment segments have a rich history of contributing to the arts, culture, education, sport and industry academies and bodies. The ecommerce businesses are actively engaging online and offline communities in various projects supporting education, community initiatives, sustainable transportation, ecology and healthy living.

For a detailed review of our initiatives, refer to the sustainability section at www.naspers.com. 

Focus areas

Ongoing educational initiatives include:

- SuperSport provides leadership development and scholarships for academic studies.
- The M-Net Magic in Motion Academy: Launched in 2014, the M-Net Magic in Motion Academy aims to develop young South Africans in the film and TV industries by selecting top-performing graduates for a 12-month internship. They receive on-the-job training and get the opportunity to work with some of the country's most experienced producers. The first group of 12 interns graduated in March 2016, and in the year ahead, 20 interns will be attending the academy.
- Media24 provided several bursaries to students to complete their honours degrees in journalism in South Africa, sponsored two talented black female employees to complete their master's degrees in journalism at Columbia University and offered 34 internships to graduates in journalism, commerce, computer science and multimedia. The Media24 Academy and News division also provided digital media training to 200 members of the Association of Independent Publishers.



34

internships offered by
Media24 to graduates

Performance review (continued)

■ Non-financial review (continued)

The Let's Play Schools Physical Education Challenge involved more than

403 000

children

- The eMAG Foundation aims at investing in education in Romania supporting teachers and students to improve their performance. eMAG strongly believes in supporting the sustainable development of Romanian society through investment in education and research.

Contributing to our communities

MultiChoice is active in communities across Africa, particularly initiatives that deal with societal concerns. During the financial year, it invested over R56m in targeted initiatives. An example is SuperSport's Let's Play, now in its 11th year. Let's Play encourages primary school children to participate in sport to counter the rising trend of young children adopting unhealthy adult social habits (inactivity, smoking, alcohol and drug abuse). This philosophy of good corporate citizenship and contributing to African economies is also evident in ongoing investments into the TV production and sport sectors with M-Net and SuperSport focusing on local content across the continent. SuperSport, in partnership with the Department of Basic Education, Sport and Recreation South Africa, the Physical Education Institute of South Africa and Unicef SA, launched the biggest school sport initiative of its kind – the Let's Play Schools Physical Education Challenge. The challenge was targeted at 10- and 11-year-old children and reached 477 primary schools. It involved more than 403 000 children and was part of the 10-year anniversary celebrations of Let's Play (Let's Play celebrated its 10th birthday in November 2015).

The MultiChoice Diski Challenge is a football-focused programme in South Africa that includes a tournament for the reserve Premier Soccer League clubs, life skills and leadership development for young players, a broadcasting internship and scholarships for players and production interns, as well as an opportunity for community television channels to broadcast Diski matches for free. Our aim is to help create a new breed of football players and broadcasting professionals, while bringing the best sport entertainment to customers' screens. The second season of the MultiChoice Diski Challenge started in September 2015 and built on the success of the inaugural season (where 41 players were promoted to the first teams of their respective clubs). Season 2 was expanded into a one-round league with 120 matches. This move bolstered the competitiveness of the league and saw 523 players taking part in the reserve league. A total of 36 production interns got the opportunity to work in the field as



Performance review (continued)

■ Non-financial review (continued)

part of a live broadcast crew. These talented youngsters helped broadcast 44 matches live on SuperSport and community television channels. The crew included two female camera operators and 15 women who fulfilled various key roles. Eleven players across the various teams took part in the U23 national team and were chosen to represent South Africa at the Olympic qualifiers where they qualified for the 2016 Olympic Games.

M-Net's Magic in Motion Academy welcomed 12 interns in March 2015. The academy is developing talent and equipping promising young people with skills, knowledge and practical experience in the film and TV industries. At the end of the year each intern receives a commissioning brief from M-Net to produce, in conjunction with their production company, their first production. Graduate students have the opportunity to showcase their work at film festivals and win an international scholarship in film production. In 2016 we launched the M-Net Magic in Motion Film Academy. Designed to bridge the gap between theoretical knowledge and practical implementation, the academy is focused on delivering highly employable professionals into a rapidly growing industry. In addition to on-the-job training, they were tasked with creating, producing and directing movies for broadcast on the Mzansi Magic channel, ensuring that what they learnt, was put into practice. They produced four feature films – *Ilizwi*, *The Ring*, *Forgotten* and *#LIT* – which received great reviews.

Media24's social responsibility initiatives, totalling R60m in the review period, are focused on education, digital media training and enterprise development. It continues to play a meaningful role in developing independent publishers of community titles. Apart from the digital media training provided to 200 independent publishers, Media24 ran a training and internship programme for black journalists with disabilities in partnership with the NGO ThisAbility. The group supports digital education in communities through four Via Afrika Digital Education Centres, refurbished shipping containers fitted with Android tablets and preloaded with the latest educational programmes, apps and textbooks developed by educational publisher Via Afrika. All the primary school training centres offer free or sponsored internet connectivity. Data and educator training is also provided. Numerous initiatives are also supported by the in-house programme Volunteers24 through which staffers can give back to their communities.



Performance review (continued)

■ **Non-financial review** (continued)

CASE STUDY: WeCan24

WeCan24 (www.wecan24.co.za) is Media24's flagship corporate social responsibility (CSR) project. It is a national online news network for schools.



Via Afrika Digital Education Centre (refurbished shipping containers)

Through the project, Media24 provides digital training to teachers and learners with a keen interest in the media industry and give them the necessary tools and skills to set up their own digital school news websites.

In the past year WeCan24 trained more than 1 000 learners and 500 teachers and reached nearly 350 schools. It also arranged numerous opportunities for WeCan24 cub reporters to interview South African newsmakers and celebrities.

The project is steered by Media24 and rolled out by the group's enterprise development partners Clothes to Cash Exchange and ForwardFund. Our partners arrange WeCan24 training sessions with teachers and learners at schools in all nine provinces in South Africa and identify networking opportunities with key provincial governmental and industry partners.

Media24 employee volunteers present on a wide range of topics at all the training sessions. Our experts include journalists, editors, marketers, photographers and designers.

The programme's key outcomes are to:

- *provide digital media training on a large scale*
- *entrench citizen journalism in society*
- *position Media24 as the leader in providing free digital training to under-resourced schools and teachers*
- *position journalism and the media industry as attractive career options for young South Africans, and*
- *encourage small business development through our enterprise development partner Clothes to Cash Exchange.*

Performance review (continued)

■ Non-financial review (continued)

Allegro All For Planet Foundation is focused on ecology, sustainable transportation and a healthy lifestyle. Ride for Kilometers is a flagship project of the foundation that was held last year for the fourth consecutive year. Uniquely, it encourages local communities to compete – by simply riding a bike and collecting kilometres – for foundation-branded bike racks installed in their cities. So far more than 1 000 colourful bike racks have been installed in more than 100 locations across Poland. In 2015 participants collected a total of 3 700 000km. Employees take part too, and this year they collectively rode 57 000km, with the winner covering 3 700km in just one month. The video case study can be seen at: <https://vimeo.com/142257576>.

Allegro actively contributes to the growth and development of technology skills in Poland. It coorganises external events such as Atmosphere, holds technological meetings at its offices (JUG, ADG, Startup Weekends) and supports Polish universities by teaching technology to the younger generation (eg in Poznań, Warsaw and Krakow). Finally, Allegro focuses on the education of the youngest by organising regular software development classes (CoderDojo) and cooperating with the Children's University located in Krakow.

Tencent Foundation was established in 2007 and was the first charity foundation set up by a Chinese internet company. The charity platform operated under the Tencent Foundation is one of the largest public donation platforms in China. As of 31 March 2016 more than 62m donations among Chinese internet users were made via the charity platform, with the total amount of charitable giving exceeding RMB1bn. As of 31 March 2016 Tencent and Tencent employees have donated over RMB1.7bn to the Tencent Foundation, supporting various charitable and philanthropic causes.

Responding to the corporate call 'to be the most respected internet company', Tencent employees founded the Tencent Volunteers' Association. Currently, Tencent has a volunteer force of more than 4 500 employees. Tencent volunteers are always participating in charitable and philanthropic activities in a variety of areas, including education, poverty relief, disability aid and environmental protection.

allegro





Johannesburg, South Africa



Performance review (continued)

■ Non-financial review (continued)



PHUTHUMA NATHI
SHARE THE FUTURE



Transformation in South Africa

It is important for Naspers to ensure it complies with local legislation and its workforces reflect local demographics. Naspers respects the dignity and human rights of individuals and communities wherever it operates. 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

Monitored against the information and communications technology (ICT) sector code of good practice for broad-based black economic empowerment (BBBEE), MultiChoice South Africa retained a level 2 BBBEE rating, with several notable achievements in important areas of transformation.

Entities in the MultiChoice South Africa group are subject to the ICT sector code, which will inevitably be aligned to the revised Department of Trade and Industry (DTI) codes of good practice.

The performance indicators in the revised codes are more stringent, which will mean a drop in the performance of South African companies across all industries. MultiChoice South Africa is taking active steps to manage its BBBEE status. Impact assessments and alignment work done to date indicate that this will not be as substantial a drop in performance as initially anticipated.

For further details on MultiChoice's BBBEE scorecard, refer to [www](#).

Three years ago shares in Phuthuma Nathi (PN) and Phuthuma Nathi 2 (PN2) (launched in 2006 and 2007 respectively) began trading on an over-the-counter platform. In the current year PN and PN2, which collectively hold 20% of the issued share capital in MultiChoice



Performance review (continued)

■ Non-financial review (continued)

South Africa, settled the loan held by MIH Holdings Proprietary Limited under the preference share agreements. In 2014 the Registrar of Securities Services (the Registrar) indicated that all traditional over-the-counter trading platforms should regularise their affairs in terms of the Financial Markets Act, 2012. PN, PN2 and Welkom Yizani continue to build on the positive engagement they have had with the Registrar and remain committed to complying with any directives and/or conditions issued by the Registrar.

Media24

Media24 continues to drive transformation as a strategic and commercial imperative. In terms of the latest scorecard prepared by its black economic empowerment (BEE) verification agency, Media24 attained a level 4 status with a 100% procurement recognition on BEE spend under the revised BEE Codes.

For further details on Media24's BBBEE scorecard, refer to [www](#).

Welkom Yizani, Media24's BBBEE scheme, launched 10 years ago, remains the biggest BEE share offer in the South African print media industry with around 92 000 shareholders. During the financial period, Naspers agreed to waive US\$29m (R400m) in preference share debt and accrued interest owed by Welkom Yizani.

The first Apex Future Leaders, a two-year executive management programme aimed at driving transformation and black representation at management level, was successfully completed in March 2016. Four of the six participating black managers were placed in permanent management roles and one has returned to a specialist finance role in the company. In the new fiscal year, the programme will be expanded to offer 40 places for talented black employees in Media24 and a further 10 for staff of the Government Communication and Information System.

WELKOM
YIZANI

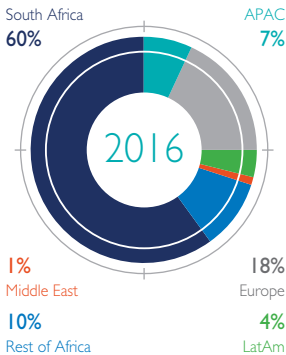
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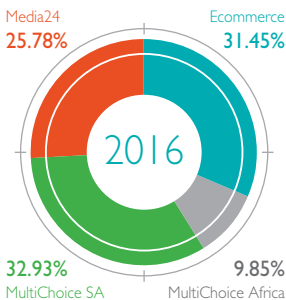
Performance review (continued)

■ Non-financial review (continued)

Headcount by region*



Headcount by business*



* Excludes associates and joint ventures.

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.

People

At heart, we are entrepreneurs. We focus on attracting the world's best talent to build leading companies that empower people and enrich communities. We build outstanding products that are used by millions of people every day.

Talent, particularly in the fields of ecommerce, technology and engineering, is scarce globally. As such, being seen as an attractive and meaningful place to work, is key to our strategy.

During the year we brought new talent into the group at all levels and strengthened our focus on people across the organisation, providing many new opportunities to existing employees. The group employs over 27 000 (2015: 24 000) (including joint ventures, but excluding associates) permanent employees in some 130 countries.

We empower

We back local teams and learn from each other. We encourage diversity in our teams and in our thinking. Our people are empowered to be responsible and make decisions because we trust them to do a great job. We believe in them and we want them to share their talent and expertise across the group. Through the Naspers Academy and local learning and development initiatives, we invest in our people so they can build their skills, their expertise and ultimately, their careers.

Each year we organise internal networking and learning events to bring together teams and communities of expertise, often from across the group, to share ideas and learn from internal and external experts. In the review period, over 9 000 employees attended one or more events of this nature.

We perform

We push for performance in everything we do, and we move fast to capitalise on opportunities others have not seen. We agree on clear

Performance review (continued)

■ Non-financial review (continued)

and ambitious goals, have continuous conversations about achieving even more and reward our people for what they deliver and how they deliver it. We encourage innovation from all our people. To attract and retain the skills on which our sustainability depends, and to reward superior performance, most of our group companies grant share options/appreciation rights to their employees under a number of equity compensation plans.

We matter

We matter to the communities we serve and, wherever we operate, we hold ourselves to high standards. Our code of business ethics and conduct defines our commitment to conducting business fairly, ethically and with integrity. This code, and related policies, is communicated to group employees and available on www.naspers.com.

Many of our companies invest in corporate social responsibility programmes and we encourage our people to support these by investing their time. Wherever we operate we employ local people and we create supportive, flexible and pleasant environments to help them perform at their best while developing their skills. We focus on the ongoing development of our managers, as creating an environment where our people feel cared for, listened to and supported in their ambitions, is ultimately in their hands. Together we are all responsible for the positive impact we have on our stakeholders.

People development

Developing our talent is a critical enabler of present and future success, as well as playing a vital role in the motivation and retention of our people. Most of our businesses around the world have a learning and development agenda focused on their own specific needs. This is influenced by factors such as what the business is aiming to achieve, the maturity level of the business, the opportunities and challenges it is tackling, its competitive landscape, and the demographic nuances of the region or countries in which it operates. At group level we base our people development focus on four key areas:

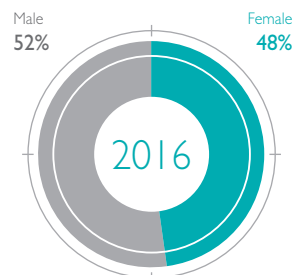
- Reinforcing the leadership pipeline and accelerating the growth of top talent.
- Cascading a strong performance culture.
- Supporting the ongoing development and growth of our businesses and equipping our people with new skills for tomorrow.

The group employs over

27 000

permanent employees in some 130 countries (including joint ventures, but excluding associates)

Gender*

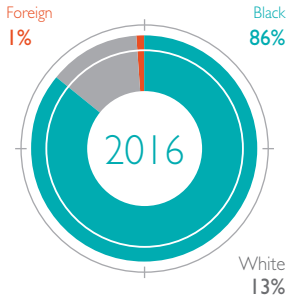


* Excludes associates and joint ventures.

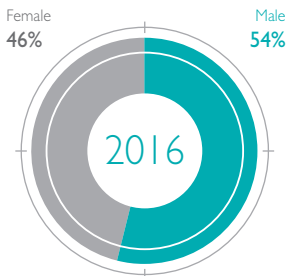
Performance review (continued)

■ Non-financial review (continued)

MultiChoice: Employment equity



MultiChoice: Employment equity



- Developing core business skills in ecommerce, video entertainment and media.

For example, we focus on developing our leaders in order to build a pipeline of ready-now successors, share knowledge rapidly around the world, support new business acquisitions, and accelerate the pace of change in our maturing businesses.

Diversity and inclusion

Employment equity

In line with local legislation, and our own employment policy, we value diversity in the workplace. It aligns our company with our customers and encourages tolerance and understanding. Just as importantly, it cultivates a vibrant working environment conducive to innovative thinking.

South Africa

The breakdown of the MultiChoice and Media24 groups' annual employment equity statistics is shown below. Under South African Department of Trade and Industry definitions, black people include black Africans, coloureds and Indians who are citizens of South Africa by birth or descent or who became citizens by naturalisation before 1994.

Work environment and welfare

Maintaining a healthy, safe workplace at all our sites is a priority to achieve the lowest possible harm rate on duty. Health and safety committees – comprising responsible, trained individuals – ensure regulatory compliance. Appropriate medical emergency and disaster-recovery plans have been devised.

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

Performance review *(continued)*

■ **Non-financial review** *(continued)*

Media24's distribution and printing operations use contractors. Most of these people are from 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 this the area in the group with the greatest inherent risk for injuries on duty.

Monitoring: Media24'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.

Medical benefits: Medical aid membership or private health insurance is compulsory in most group operations, with the employer contributing a portion of the monthly premium.

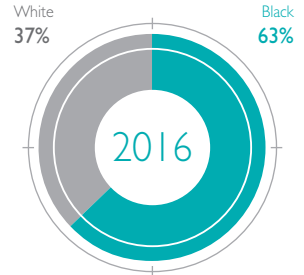
Some group companies provide post-retirement healthcare benefits. This is based on an employee remaining in service until retirement age, which is between 60 and 65 in most cases, and completing a minimum service period.

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

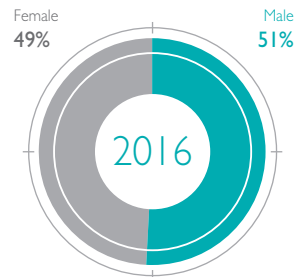
Employee relations: The group complies with labour legislation in its operating areas. In South Africa, MultiChoice and Media24 submit statutory reports.

In regions where child labour is prevalent, 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.

Media24: Employment equity



Media24: Employment equity





Irdeco, Hoofddorp, The Netherlands



MultiChoice City, Randburg, South Africa



■ Environment

The group's diverse operations range from printing plants to transactional internet platforms. Each type of business has a unique effect on the environment, requiring different mitigating responses.

Our gross measured carbon footprint (scope 1 and 2) is 176 131 tonnes of CO₂e, of which scope 2 (electricity usage) is 94% (2015: 177 945 tonnes of CO₂e). Direct (scope 1 and 2) emissions were measured at locations across South Africa, Poland, the Netherlands and Nigeria. The South African print operations remain the largest contributor (67%) to the group's total measured carbon emissions. Through improvement and sustainable technological innovation, Naspers strives to minimise its impact on the environment.

The adequacy of generator capacity in South Africa and Nigeria were evaluated again. While the capacity is adequate, the running and maintenance costs of generators are substantially higher than standard electricity costs.

The group manages its impact on the environment, mainly through deploying technology and recycling initiatives at facilities and a shift from printed products to electronic formats. In South Africa options for alternative sources of energy (other than the current coal base) are limited.

Managing environmental impacts

MANAGING IMPACT

Risk assessments identify operations where direct impact on the environment is most significant.



RESPONSE

Our most direct impact on the environment is from Novus Holdings (70% 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.

MANAGING IMPACT

RESPONSE

We use, where possible, advanced technologies to reduce impact on the environment.



A number of initiatives are reducing our carbon footprint and supporting our sustainability campaign. Energy-efficiency initiatives in some businesses 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, and
- installing ewaste bins for customers and employees to safely dispose of obsolete electronic devices.

Irdeto, our content protection and access-management technologies business, has offices in The Netherlands designed and built as a green building. This sustainable office meets the GreenCalc score B.

MultiChoice City, based in South Africa and home to our video-entertainment segment, is Green Star rated, a rating received from the Green Building Council of South Africa. Other than the initiatives mentioned above, the building also offers a grey water reticulation system and heating and cooling systems and processes to trap and disperse natural light.

Printing operations apply leading emission-reduction technology to minimise and responsibly dispose of waste.



Throughout Novus Holdings, equipment is in place to collect and recycle dust particles from the printing process.

We monitor environmental compliance standards at our facilities and participate in third-party reviews.



Irdeto operates in line with ISO 9001 and ISO 27001, with its implementation of both standards regularly audited by an external certification body.

We measure and report on our carbon footprint.



As disclosed above. No fines were received.

Where possible, we use environmentally responsible energy sources, invest in improving energy efficiency and design energy-efficient facilities.



Novus Holdings was the first African printing organisation to receive the Forest Stewardship Council (FSC) chain-of-custody certification. This is an independent international verification that can track printed products from their point of origin to responsible, well-managed forestry, and controlled and recycled sources.

Corporate governance



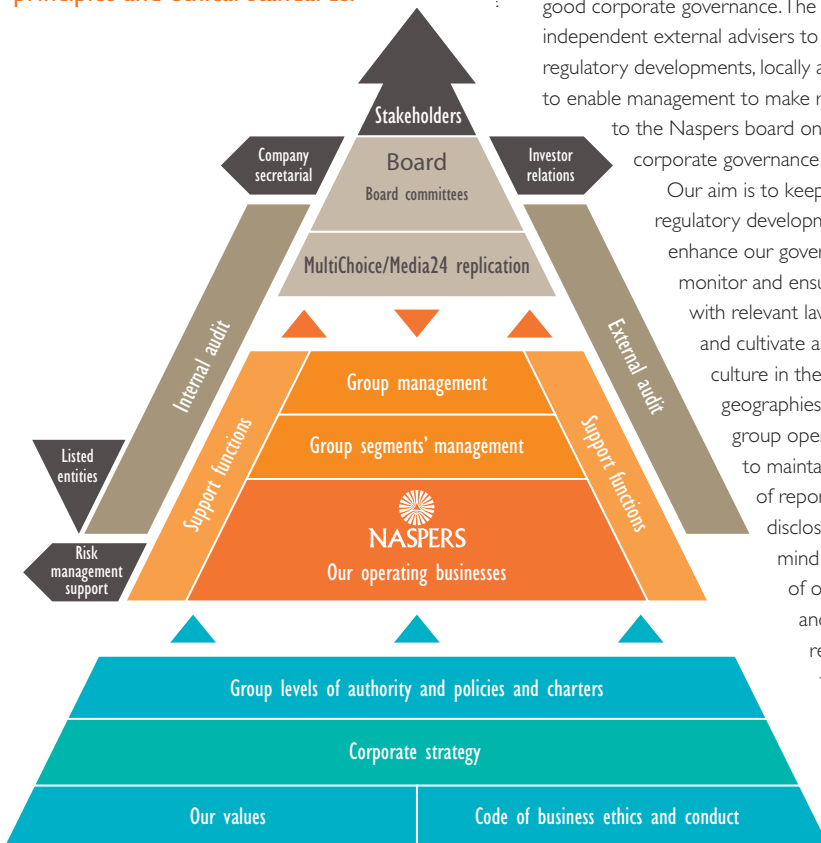
The board of directors conducts the group's business with integrity by applying appropriate corporate governance policies and practices. The group continues to enhance and align policies, systems and processes to embed sound corporate governance principles and ethical standards.

■ Introduction

Compliance with the JSE Limited's stock exchange (JSE) Listings Requirements, applicable London Stock Exchange (LSE) Listings Requirements and the Irish Stock Exchange 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.

Our aim is to keep abreast of regulatory developments, further enhance our governance standards, monitor and ensure compliance with relevant laws and regulations, and cultivate a thriving ethical culture in the different geographies in which the group operates. We also aim to maintain a high standard of reporting and disclosure, keeping in mind the best interests of our stakeholders, and disclosing what is relevant and critical to the sustainability of the group.



Corporate governance (continued)

■ Application of and approach to King III

The board, its committees, and the boards and committees of subsidiaries MultiChoice and Media24 are responsible for ensuring the appropriate principles and practices of the King Code of Governance Principles and the King Report on Corporate Governance in South Africa (King III) are applied and embedded in the governance practices of 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 chief financial officers (CFOs) and risk and internal audit managers of Naspers, Naspers ecommerce, MultiChoice and Media24, the Naspers company secretary, the company secretary of MultiChoice and Media24 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.

In 2016 the group reviewed its application of the King III principles and is satisfied that it has substantially applied the King III principles.

For a review of Naspers's application of King III, go to [www](#).

■ Business ethics

The group's code of business ethics and conduct is available on [www](#).

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 unacceptable 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 subsidiaries enable employees to anonymously report unethical business conduct.

■ Compliance framework

Naspers has a legal compliance programme that 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.

Corporate governance (continued)

■ Intellectual

At Naspers we strive to keep pace with the rapid pace of global technological development by placing a priority on innovation to meet the evolving needs of our customers. We create intellectual capital through the development of organisational and knowledge-based intangibles, including intellectual property rights and assets; organisational systems and procedures; and brand and reputational value.

■ Penalties

Because MultiChoice operates in a highly regulated environment in South Africa, compliance is important. The company participates in the regulatory process affecting its industry through various public forums and debates, providing inputs on formulating standards and strategies for this industry.

MultiChoice and M-Net received fines of R45 000 from the self-regulatory body, the Broadcasting Complaints Commission of South Africa (BCCSA). These relate to failure by channels to provide correct classification information, resulting in MultiChoice and M-Net contravening the BCCSA Code.

In the past year there were no environmental accidents, nor were any environment-related fines imposed by any government.

■ Governance structure

The board

Composition

Details of directors at 31 March 2016 are set out on page 89.

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 2016 the board comprised seven independent non-executive directors, four non-executive directors and three executive directors, as defined in the Listings Requirements of the JSE. Five directors (36%) are from previously disadvantaged groups and two directors (14%) are female. These figures are above the average for JSE-listed companies.

The chair

The chair, Koos Bekker, is a non-executive director. Fred Phaswana acts as lead director in all matters where there may be an actual or perceived conflict of interest.

The chief executive

The chief executive reports to the board and is responsible for the day-to-day business of the group and implementing 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. Bob van Dijk is the appointed chief executive.

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.

Corporate governance (continued)

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 five times per year, or more as required. The executive committee attends to matters that cannot wait for the next scheduled meeting. 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 88 and 89.

Evaluation

The nomination committee carries out the annual evaluation process. The performance of the board and its committees, as well as that of 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 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 who 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

As part of the overall management of risk, the system of internal controls in all material subsidiaries and joint ventures under the company's control aims to prevent and detect any risk materialising and to mitigate any adverse consequences thereof. The group's system of internal controls is designed to provide reasonable, and not absolute, assurance on the achievement of company objectives, including integrity and reliability of the financial

Corporate governance (continued)

statements; to safeguard, verify and maintain accountability of its assets; and to detect fraud, potential liability, loss and material misstatement, while complying with regulations. 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.

All internal control systems have shortcomings, including the possibility of human error or flouting of control measures. Even the best system may provide only partial assurance. In the dynamic environment in which the company operates, management regularly reviews risks and the design of the internal controls system to address these, assisted by the work and reports from internal audit on the adequacy and operational effectiveness of controls, which may indicate opportunities for improvement. The external auditor considers elements of the internal control systems as part of its audit and communicates deficiencies when identified.

The board reviewed the effectiveness of controls for the year ended 31 March 2016, 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 co-sourced.

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 company secretary, Gillian Kisbey-Green, and group general counsel (legal compliance officer), are responsible for guiding the board in discharging its regulatory responsibilities. David Tudor was appointed group general counsel effective 1 June 2015. Prior to that, André Coetzee, who retired on 31 March 2014, was acting group legal counsel.

Directors have unlimited access to the advice and services of the company secretary. She plays a pivotal role in the company's corporate governance and ensures that, in accordance with the pertinent

Corporate governance (continued)

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 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 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 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.

Our board



KOOS BEKKER (63) led the founding team of the M-Net/MultiChoice pay-television business in 1985. He was also a founder of the cellular telephony company MTN. Koos headed the MIH group in its international expansion and entry into the internet until 1997, when he became chief executive of Naspers. He serves on the boards of other companies in the group and associates. On 31 March 2014 he retired as chief executive of Naspers and stepped down from the board. On 17 April 2015 he was reappointed to the Naspers board and succeeded Ton Vosloo as non-executive chair. His academic qualifications include BA Hons plus an honorary doctorate in commerce from Stellenbosch University, an LLB from the University of the Witwatersrand and an MBA from Columbia University, New York.



BEN VAN DER ROSS (69), who holds the qualification DipLaw (University of Cape Town) and is an admitted attorney, is chair of Strategic Real Estate Management Proprietary Limited that manages the Emira Property Fund. He also serves, inter alia, on the boards of FirstRand Limited, MMI Holdings Limited, Distell Limited and Lewis Group Limited.



RACHEL JAFTA (55) holds the degrees M Econ and PhD, and is professor of 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, a member of the management committee of the Bureau for Economic Research at Stellenbosch University and a member of the international advisory board of Fundação Dom Cabral Business School, Brazil. Rachel is a member of the human resources and remuneration committee of Media24 and chair of the nomination committee of Media24. She was appointed chair of the Media24 board in April 2013 and on 9 June 2015 she was appointed to Naspers's audit and risk committees.



CRAIG ENENSTEIN (47) is the CEO of Corridor Capital, LLC, an operationally intensive private equity firm focused on the lower-middle market. Corridor Capital, LLC is based in Los Angeles and was founded by Craig in 2005. He holds an MBA in finance (Wharton School of Business), an MA in international studies (Lauder Institute, University of Pennsylvania) and a BA (University of California, Berkeley).

Our board (continued)

FRED PHASWANA (72) holds the qualifications MA (Unisa) and BComHons (Rand Afrikaans University, now University of Johannesburg), and obtained a BA (philosophy, politics and economics) from Unisa in 2000. He joined Naspers as a director in 2003. He recently stepped down as chair of the Standard Bank Group and of Standard Bank of South Africa Limited and he is joint chair of the Mondi Group.



BOB VAN DIJK (43) was appointed chief executive of Naspers Limited in April 2014. He has over a decade of general management experience in online growth business, as a founder and entrepreneur and later with eBay and Schibsted, spanning the online marketplaces, online classifieds and retail segments. He was vice-president and general manager of eBay Germany and Europe Emerging Markets. He started his career in McKinsey with a focus on mergers and acquisitions and media. Bob has an MBAHons from INSEAD and an MSc (cum laude) in econometrics from Erasmus University Rotterdam.



STEVE PACAK (61), a chartered accountant (SA), began his career with Naspers at M-Net in 1988 and has held various executive positions in the Naspers group. He is a non-executive director on the Naspers board and a director of MultiChoice South Africa Holdings and other companies in the wider Naspers group. He was appointed an executive director of Naspers in 1998.



ROBERTO OLIVEIRA DE LIMA (65) from Brazil is a board member of Telefonica Brasil, Rodobens Negócios Imobiliarios, Grupo Pao de Açucar in Brazil and Edenred in France. Roberto has been CEO of Natura Cosmetics in Brazil since September 2014. He also serves as board member on a pro bono basis in Centro de Pesquisas Tecnológicas – CPqD and Fundação Mata Atlântica.



MARK SOROUR (54) joined the Naspers group in 1994, heading up business development and corporate finance globally. Following a tour of duty in Hong Kong and Amsterdam, he returned to Cape Town as group chief investment officer. Since then he has had global responsibility for all investment activities. Mark is a qualified chartered accountant (SA) holding a BCom and DipAcc. He is an executive director on the Naspers board.



Our board (continued)



DEBRA MEYER (49) is professor of biochemistry and executive dean of the faculty of science at the University of Johannesburg. She was a Fulbright Scholar at the University of California, Davis, where she obtained a PhD in biochemistry and molecular biology. 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. Debra serves as trustee or board member of several organisations.



COBUS STOFBERG (65) is a founder member of M-Net in 1986. He served as CEO of the MIH group from 1997 to 2011, and has been instrumental in the expansion of the group. Prior to joining M-Net, he was a partner of Coopers & Lybrand (predecessor of PricewaterhouseCoopers Inc.). Cobus holds a BComLaw and LLB from Stellenbosch University, BComptHons from Unisa and qualified as a chartered accountant (SA).



BASIL SGOURDOS (46) was appointed financial director of Naspers in July 2014. A qualified chartered accountant (SA), he worked at PricewaterhouseCoopers Inc. from 1989 to 1994. Thereafter he joined Naspers, initially as the finance manager of the South African operations division in MultiChoice and then as chief financial officer of our investment in the Thai-listed United Broadcasting Corporation Pcl, where he remained for 10 years. Basil then spent two years in Amsterdam as general manager of pay-television business development globally, before being appointed as group chief financial officer of MIH in January 2009. He held this position until he became financial director of the Naspers group on 1 July 2014.



DON ERIKSSON (71) is a chartered accountant (SA) and an honorary life member of the Institute of Directors of Southern Africa (IoDSA). Don is chair of Oakleaf Insurance Company Limited, Insurance Group Managers Limited, Renasa Insurance Company, Summerfield Retirement Village and the remuneration committee of Discovery Health Medical Scheme. He is also chair of the audit, risk and social and ethics committees, as well as an independent non-executive director of Naspers Limited. Don served on the council of IoDSA for a number of years and was a partner at Coopers & Lybrand (now PricewaterhouseCoopers Inc.).

Our board (continued)

NOLO LETELE (66) joined M-Net in 1990 and pioneered MultiChoice's expansion outside South Africa. In 1995 he moved to Ghana, where he served as West African regional general manager. In 1999 he was appointed chief executive of MultiChoice SA, and later served as MultiChoice group chief executive until 2010, when he was appointed executive chair of the MultiChoice South Africa Holdings board. Nolo has won several awards including Media Man of the Year in 2001 (Saturday Star – Business Report); Media Owner of the Year in 2003 (Financial Mail Adfocus); and the Lifetime Africa Achievement Prize for media development in Africa (Millennium Excellence Foundation). Nolo is a chartered engineer with an honours degree in electronic engineering (UK). He sits on the boards of several companies, including Naspers.



HENDRIK DU TOIT (54) is chief executive officer at Investec Asset Management and an executive director of Investec plc and Investec Limited. He joined the Investec Group in 1991 as founding member of Investec Asset Management. Under his stewardship, Investec Asset Management grew from a small South African startup to an international specialist asset management firm entrusted with over US\$105bn* of client assets. Hendrik has served on the Leadership Council of the Sustainable Development Solutions Network, a global initiative for the United Nations since 2014. In 2016 he became a commissioner on the Business and Sustainable Development Commission. In 2016 he was appointed as a non-executive director of Naspers Limited. Hendrik holds an MPhil in economics and politics of development from Cambridge University, as well as an MCom in economics and international finance (cum laude), BComHons in economics (cum laude) and a BComLaw from Stellenbosch University.*



GUIJIN LIU (70) graduated from Beijing University of International Studies in 1971 and joined the Ministry of Foreign Affairs. He served in the general office of MFA, various Chinese embassies (South Africa, 2001 to 2007) and in the Department of African Affairs for many years. Guijin is experienced in international affairs, particularly regarding relations between China and the developing world, such as Africa. He contributed to international conferences of the United Nations, the African Union and other organisations representing China. Recently he participated in high-level academic forums like the World Economic Forum and the Summer Davos. Guijin currently serves as Dean of the China-Africa International Business School, Zhejiang Normal University, PRC and is president of the Chinese Society of Asia and Africa Studies.



* As at end December 2015.

Our board (continued)

■ Directors and attendance at meetings

	Date first appointed in current position	Date last appointed	Six board meetings were held during the year. Attendance:	Category
T Vosloo ⁽¹⁾	6 October 1997	30 August 2013	1	Non-executive
J P Bekker ⁽²⁾	17 April 2015	28 August 2015	6	Non-executive
F-A du Plessis ⁽³⁾	23 October 2003	30 August 2013	1	Independent non-executive
H J du Toit ⁽⁴⁾	1 April 2016	1 April 2016	Not applicable	Independent non-executive
C L Enenstein	16 October 2013	28 August 2015	6	Independent non-executive
D G Eriksson	16 October 2013	28 August 2015	6	Independent non-executive
G Liu ⁽⁴⁾	1 April 2016	1 April 2016	Not applicable	Independent non-executive
R C C Jafta	23 October 2003	29 August 2014	6	Independent non-executive
F L N Letele	22 November 2013	22 November 2013	6	Non-executive
D Meyer	25 November 2009	29 August 2014	5	Independent non-executive
R Oliveira de Lima	16 October 2013	16 October 2013	6	Independent non-executive
Y Ma ⁽¹⁾	16 October 2013	16 October 2013	1	Independent non-executive
S J Z Pacak	15 January 2015	28 August 2015	6	Non-executive
T M F Phaswana	23 October 2003	28 August 2015	6	Independent non-executive
M R Sorour	15 January 2015	28 August 2015	5	Executive
V Sgourdos	1 July 2014	29 August 2014	6	Executive
J D T Stofberg	16 October 2013	16 October 2013	6	Independent non-executive
B van Dijk	1 April 2014	29 August 2014	6	Executive
B J van der Ross	12 February 1999	28 August 2015	6	Independent non-executive
J J M van Zyl ⁽¹⁾	1 January 1988	29 August 2014	1	Independent non-executive

Notes

⁽¹⁾ Retired 17 April 2015.

⁽²⁾ Appointed as a non-executive director and chair with effect from 17 April 2015.

⁽³⁾ Resigned 29 May 2015.

⁽⁴⁾ Appointed 1 April 2016.

Our board (continued)

■ 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
	One meeting held during the year.	Attendance:	Four meetings held during the year.	Attendance:	Four meetings held during the year.	Attendance:	Seven meetings held during the year.	Attendance:	Five meetings held during the year.	Attendance:	Three meetings held during the year.	Attendance:	
T Vosloo ⁽³⁾	√	0			√	0	√	1	√	1			Non-executive
J P Bekker ⁽²⁾	√	1					√	6	√	4			Non-executive
F-A du Plessis ⁽⁴⁾			√	0	√	0							Independent non-executive
D G Eriksson ⁽⁵⁾			√	4	√	4					√	3	Independent non-executive
R C C Jafra			√	4	√	4	√	7	√	5	√	3	Independent non-executive
F L N Letele											√	3	Non-executive
D Meyer											√	3	Independent non-executive
S J Z Pacak	√	1			√	4							Non-executive
T M F Phaswana ⁽⁶⁾	√	1					√	5	√	5			Independent non-executive
V Sgourdos	√	1			√	4					√	3	Executive
J D T Stofberg ⁽⁷⁾							√	6	√	4			Independent non-executive
J J M van Zyl ⁽³⁾	√	0	√	0	√	0	√	1	√	1	√	0	Independent non-executive
B J van der Ross			√	4	√	4							Independent non-executive
B van Dijk	√	1			√	4					√	3	Executive
E Weideman											√	3	Non-executive

Notes

√ Member.

⁽¹⁾ Executive directors attend meetings by invitation.

⁽²⁾ Appointed as a non-executive director and chair with effect from 17 April 2015. He attends the audit and risk committees' meetings by invitation.

⁽³⁾ Retired 17 April 2015.

⁽⁴⁾ Resigned 29 May 2015.

⁽⁵⁾ Appointed chair of the audit committee 17 April 2015.

⁽⁶⁾ Appointed 17 April 2015.

⁽⁷⁾ Appointed alternate on the committees to Koos Bekker 17 April 2015.

Remuneration report

This report sets out our remuneration policy for non-executive directors, executive directors and staff, as well as its implementation.

■ Key aspects of the remuneration policy

- **Non-executive directors:** The highly competitive markets we operate in, and the global competition we face, require us to continually evaluate the expertise of our board. At the annual general meeting held in August 2015, shareholders approved a revised payment structure for non-executive directors to ensure we attract and retain suitable talent – refer to pages 93 to 95.
- **Executives:** As with non-executive directors, we need to recruit and keep vital executive skills in a competitive, global market. Our three-tier remuneration structure aligns the interests of executives and shareholders:
 - fixed salary
 - executives receive short-term performance bonuses by achieving annual targets, and
 - longer-term incentives mirror shareholder gains, with executives being rewarded for their contribution to the performance of their business unit by receiving a portion of medium-term gains made by shareholders – page 84.

■ Remuneration strategy and policy

Naspers's remuneration strategy aims to attract, motivate and retain the best leaders, entrepreneurs, creative engineers and employees to create sustainable shareholder value.

Policies and practices align the remuneration and incentives for executives and employees to the group's business strategy. Group companies are responsible for developing their own policies and benefits within the parameters of group remuneration policy and local laws, as well as each company's needs.

Naspers has an integrated and balanced approach to its reward strategy that aligns stakeholder interests. Accordingly, individual reward components are aligned to the business-specific value drivers of the group. Our primary objectives include promoting superior performance; directing employees' energies to key business goals; achieving the most effective returns for employee spend; and addressing diverse needs across differing cultures.

Non-executive director remuneration

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

Remuneration is reviewed annually, and is not linked to the company's share price or performance. Non-executive directors do not qualify for share allocations under the group's incentive schemes. Supported by independent advice, the human resources and remuneration committee makes its recommendations to the board, which, in advance, annually recommends the remuneration of non-executive directors for approval by shareholders.

Remuneration report (continued)

Executive remuneration

At executive level, our focus is on the most appropriate balance between guaranteed annual remuneration and individual incentive plans linked to creating shareholder value.

In this context, Naspers usually has a three-tiered structure for remuneration:

- guaranteed pay for performing the contractual role
- short-term annual individual performance bonus: based on actual achievement against appropriate personal and business unit targets for the financial year, and
- long-term incentives: share-based incentive schemes, which are aligned with shareholders' net gains.

At senior level, we aim to tailor compensation structure to the needs of the specific business.

Guaranteed pay

This includes base pay and may contain a car allowance, pension, medical and other optional benefits.

Remuneration packages are reviewed annually and benchmarked against similar market 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 wage as the requirements of a group serving a multitude of countries differ widely.

Short-term bonus

Most executives have an annual bonus scheme that may comprise a variable component for surpassing business unit financial and operational objectives, as well as fixed amounts for achieving specific discrete personal objectives. This incentive plan for each

executive is agreed annually in advance, and based on targets that are verifiable and aligned to the specific business unit's annual business plan, risk management policy and strategy. Where targets are not met, no bonus is paid.

Long-term incentives

These are generally share-based schemes using Naspers N shares or shares/appreciation rights in relevant business units. These awards normally vest over four or five years and must be exercised within five to 10 years from the date of grant. These incentives are not free: employees are offered the share/appreciation right at market value on the day of the award. They benefit only if they, together with colleagues in that unit, create additional value over the next four or five years. The performance condition is therefore to create net new value above the value on the date of issue. This aligns employee and shareholder interests.

Various remuneration committees in the group review share-based awards annually. In addition, if a group company employs people during the year, awards may be made on appointment. Guidelines for making awards have been set.

No awards are made during closed periods, backdating is prohibited, and there is no repricing or automatic regranteeing of underwater shares/appreciation rights. There is no automatic entitlement to bonuses or early vesting of share-based incentives if an executive leaves the company. A cap applies to the number of shares/appreciation rights that may be awarded in aggregate and to any individual.

Remuneration report (continued)

Service contracts

Executives' contracts comply with terms and conditions of employment in the local jurisdiction. Top executives' contracts do not contain golden parachute clauses and none automatically trigger a restraint payment.

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.

Approval and implementation

The board, based on the recommendation of the human resources and remuneration committee, approves the remuneration policy. Implementation is delegated to the Naspers human resources and remuneration committee. The boards of subsidiaries follow a similar practice, within the parameters of the Naspers remuneration policy. The remuneration policy is put to shareholders at the annual general meeting for a non-binding vote.

■ Non-executive directors

Non-executive directors' terms of appointment

The board has clear procedures for appointing and orientating directors. The nomination committee periodically assesses the skills represented on the board and determines whether these meet the company's needs. Annual self-evaluations are done by the board and its committees. Directors are invited to give their input in identifying potential candidates. 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. Additionally, 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.

Remuneration report (continued)

Non-executive directors' remuneration

Using the services of an external consultant, two points of reference are used to develop a proposal for non-executive directors' remuneration:

- average board compensation of the Top 10 JSE companies, and
- average board compensation of Naspers's industry peers internationally, ie competitors in the same broad field and of similar scale.

These figures were aggregated and an average obtained. To err on the side of caution, 80% of this aggregated benchmark was used as suitable compensation. The current structure and remuneration approved by shareholders at the annual general meeting on 28 August 2015 are outlined below:

		31 March 2016	31 March 2017 (approved at the annual general meeting on 28 August 2015)
Board			
1.1	Chair*	2.5 times member	2.5 times member
1.2	Member	US\$1 64 000	US\$172 200
	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	2.5 times member	2.5 times member
1.4	Member	US\$40 400	US\$42 420
1.5	Risk committee: Chair	2.5 times member	2.5 times member
1.6	Member	US\$24 000	US\$25 200
	Human resources and remuneration committee:		
1.7	Chair	2.5 times member	2.5 times member
1.8	Member	US\$28 400	US\$29 820
1.9	Nomination committee: Chair	2.5 times member	2.5 times member
1.10	Member	US\$15 300	US\$16 065
1.11	Social and ethics committee: Chair	2.5 times member	2.5 times member
1.12	Member	US\$21 000	US\$22 050
Other			
1.13	Trustee of group share schemes/other personnel funds	R44 190	R46 400

*The non-executive chair of Naspers does not receive additional remuneration for attending meetings, or being a member of, or chairing any committee of the board, or for attending Tencent board and committee meetings.

Remuneration of non-executive directors for the year ending 31 March 2017 was approved by shareholders at the annual general meeting held on 28 August 2015. Remuneration for the year to 31 March 2018, based on a 5% increase year on year, will be proposed at the annual general meeting in August 2016.

Remuneration report (continued)

Non-executive directors' emoluments for the financial year to 31 March 2016

	2016 US\$'000	2015 US\$'000
Fees for services as directors	3 368	2 376
Fees for services as directors of subsidiary companies	535	492
	3 903	2 868

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

Non-executive directors	2016						2015							
	Committee and						Committee and							
	Directors' fees		trustee fees		Other fees		Directors' fees ⁽¹⁾		trustee fees		Other fees			
	Paid by company	Paid by subsidiary	Paid by company	Paid by subsidiary	Paid by company	Paid by subsidiary	Paid by company	Paid by subsidiary	Paid by company	Paid by subsidiary	Paid by company	Paid by subsidiary	Total 2015	
US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	
J P Bekker ⁽¹⁾	480	20	—	—	—	—	—	—	—	—	—	—	500	
F A du Plessis ⁽²⁾	41	—	13	—	—	—	119	—	44	—	—	—	163	
C L Erenstein ⁽³⁾	217	—	—	—	—	50	190	—	—	—	—	50	240	
D G Eriksson	206	46	209	35	—	—	119	54	28	39	—	—	240	
R C C Jafa	206	59	161	9	—	—	119	69	38	9	—	—	235	
F L N Letele	206	—	21	—	—	—	119	—	9	—	—	—	128	
Y Ma ⁽⁴⁾	28	—	—	—	—	—	190	—	—	—	—	—	190	
D Meyer	192	20	21	11	—	—	119	23	9	5	—	—	156	
R Oliveira de Lima ⁽⁵⁾	231	—	—	—	—	50	190	—	—	—	—	50	240	
S J Z Pacak ⁽²⁾⁽⁶⁾	234	35	24	15	—	185	39	42	2	16	—	135	234	
T M F Phaswana ⁽¹⁾	234	—	42	—	—	—	115	—	—	—	—	—	115	
J D T Stofberg	234	—	—	—	—	—	169	—	—	—	—	—	169	
B J van der Ross	206	—	64	—	—	—	119	—	28	—	—	—	147	
J J M van Zyl ⁽⁴⁾	28	—	22	—	—	—	119	—	94	—	—	—	213	
T Vosloo ⁽⁴⁾	48	—	—	—	—	—	398	—	—	—	—	—	398	
	2 791	180	577	70	—	285	3 903	2 124	188	252	69	—	235	2 868

Remuneration report (continued)

Notes

⁽¹⁾ Appointed 17 April 2015.

⁽²⁾ Resigned 29 May 2015.

⁽³⁾ Compensation for assignments.

⁽⁴⁾ Retired 17 April 2015.

⁽⁵⁾ The comparative for "other fees paid by subsidiary" has been restated as a payment made in April 2015 related to March 2015.

General notes

Directors' fees include fees for services as directors, where appropriate, of Media24 Proprietary Limited, MultiChoice South Africa Holdings Proprietary Limited and NMS Insurance Services Limited. An additional fee may be paid to directors for work done as directors with specific expertise.

Committee fees include fees for attending meetings of the audit committee, risk committee, human resources and remuneration committee, nomination committee, and social and ethics committee. Committee and trustee fees include, where appropriate, fees to be considered by shareholders at the annual general meeting on 26 August 2016 for services as trustees of the group share-based schemes.

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.

Remuneration report (continued)

■ Executive remuneration

Executive remuneration is guided by the group policy (refer to page 91) and tailored for individual companies.

Long-term incentives

Supported by the recent findings of remuneration experts, we believe our long-term share-based incentive schemes are more effective than one in which an individual is set targets over five years and paid a bonus on achieving that, because:

- Companies in our industry can only budget accurately for the year ahead, not five years on where targets can only be based on guesswork prepared by executives themselves.
- A complete misalignment of shareholders' and executives' interests may occur. As an example, an executive may meet the targets, but the company's share price may decline because a competitor outperforms it, resulting in the executive receiving a long-term bonus while the shareholder loses value.

All our equity plans are benchmarked to the external market. We subscribe to the concept of value creation and pay for performance. Grants are generally made to employees, who, through their individual and collective efforts, drive the creation of shareholder value. We aim to align the interests of our employees and shareholders by offering employees (as many as is practicable) the opportunity to become shareholders themselves.

In keeping with our policy to offer competitive packages, a proposal to introduce a restricted stock unit (RSU) scheme based on Naspers shares, similar to those offered by many global internet firms with which we compete for talent, was approved by shareholders at the annual general meeting on 28 August 2015. This RSU scheme is not aimed at senior and executive management and will not replace the group's share option and share appreciation rights plans, which remain the primary

equity compensation vehicle for long-term incentives for the group. RSU grants are used to attract and retain critical talent: mid-level individuals in the organisation, such as engineers and those employees with specialist skills sets. It will act as an important retention tool throughout the four-year-phased vesting period.

The group's numerous share-based incentive schemes are set out in equity compensation benefits in the notes to the annual financial statements on www.naspers.com.

At 31 March 2016 the group held 3 393 909 (2015: 3 679 466) Naspers N ordinary shares as treasury shares to settle outstanding options under certain group share incentive schemes. The expected dilutive effect of these treasury shares on the group's earnings, on a per-share basis, was 1 US cent per N ordinary share (2015: 1 US cent).

In accordance with schedule 14 of the JSE Limited Listings Requirements and the South African Companies Act, at the annual general meeting in August 2011 shareholders approved that up to 40 588 541 Naspers N ordinary shares (some 10% of Naspers's N ordinary share capital at 31 March 2010) may be issued for the group's share-based incentive schemes. During the financial year to 31 March 2016, 548 797 new N ordinary shares had been so issued.

Pension and medical benefits

During the year group companies made contributions for executive directors to appropriate pension schemes. The rate of contribution is variable and is considered in total compensation, based on the pensionable salary of these individuals. The value of contributions for each executive director appears in the summary of directors' emoluments. No non-executive directors of Naspers contributed to any group pension fund in 2016.

Remuneration report (continued)

Guaranteed package increases

In the 2016 financial year the overall fixed salary increase for the Naspers group varied across the jurisdictions where we operate. In determining salary increases we consider local economic indicators such as inflation and cost-of-living changes, overall movement in the local (and, where appropriate, regional and global) labour market, any collective bargaining agreements and, most importantly, the performance of the individual employee.

Where appropriate, the committee annually benchmarks the total compensation of Naspers senior executives, and considers this along with individual and company performance when awarding compensation. The committee uses external consultants to benchmark the remuneration of its senior executives.

Executive directors' emoluments for the financial year to 31 March 2016

	Salary US\$'000	Annual cash bonuses and performance- related payments US\$'000	Pension contribution paid on behalf of director to the pension scheme US\$'000	Total US\$'000
2016				
V Sgourdos				
Paid by other companies in the group	799	337	94	1 230
M R Sorour				
Paid by other companies in the group	582	1 199	298	2 079
B van Dijk				
Paid by other companies in the group	1 028	568	77	1 673
Total	2 409	2 104	469	4 982
2015				
S J Z Pacak				
Paid by other companies in the group	98	—	11	109
V Sgourdos				
Paid by other companies in the group	763	296	87	1 146
M R Sorour				
Paid by other companies in the group	503	1 290	297	2 090
B van Dijk				
Paid by other companies in the group	934	561	96	1 591
Total	2 298	2 147	491	4 936

Note

On 30 June 2014 Steve Pacak retired as financial director, but remained on the board as an alternate non-executive director. On 15 January 2015 he was appointed as a non-executive director. Only the comparative figure is shown in the table.

Remuneration report (continued)

Annual performance payments for Basil Sgourdos, Mark Sorour and Bob van Dijk are based on financial, operational and discrete personal objectives, approved by the human resources and remuneration committee in advance. Bob van Dijk's bonus is capped at a maximum of the annual total cost to company and is entirely linked to achieving the group business plan as approved by the board and personal targets. Mark Sorour is responsible for mergers, acquisitions and divestitures and therefore holds a highly commercial role with a direct and significant impact on the group's success. His bonus is capped at double the annual total cost to company. Basil Sgourdos's bonus is primarily driven by the financial performance of the group and certain corporate governance objectives. His annual performance cap is 50% of the total cost to company.

No other remuneration is paid to executive directors. Remuneration is earned for services rendered in conducting the business of the group. Interests in group share-based incentive schemes are set out on pages 98 to 101.

Executive directors' contracts

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

■ Shareholding Directors' interests in the group's share incentive schemes

The executive directors of Naspers are allowed to participate in group share-based incentive schemes. Executive directors who retire and become non-executive directors are allowed to retain their share options/appreciation rights under the rules of the group's share-based incentive schemes only if they serve on group boards. A summary of executive directors' participation in Naspers scheme shares, in relation to shares not yet released at 31 March 2016, is set out below. Full details can be found in note 42 on page 126 of the consolidated annual financial statements.

Remuneration report (continued)

MIH (Mauritius) Limited share incentive scheme (Naspers share options)

Name	Offer date	Number of N shares	Purchase price	Release period	Value of option ⁽¹⁾
V Sgourdos ⁽²⁾	19/09/2011	7 082	R350.00	19/09/2016	R171.45
	02/07/2012	22 247	R436.83	02/07/2016 to 02/07/2017	R169.68 to R182.57
	11/07/2013	27 360	R770.00	11/07/2016 to 11/07/2018	R289.65 to R344.19
	04/09/2014	22 409	R1 380.78	04/09/2017 to 04/09/2019	R594.64 to R695.10
	18/09/2015	6 741	R1 742.96	18/09/2018 to 18/09/2020	R765.98 to R914.29
	25/09/2015	1 378	R1 702.64	25/09/2018 to 25/09/2020	R748.89 to R894.66
B van Dijk	11/07/2013	20 094	R770.00	11/07/2016 to 11/07/2018	R289.65 to R344.19
	28/03/2014	832 000	R1 155.00	28/03/2017 to 28/03/2019	R503.76 to R581.92

Notes

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

⁽²⁾ On 29 December 2015 Basil Sgourdos sold 71 122 Naspers N ordinary shares at average market prices ranging between R2 095.00 and R2 134.47 per share in the MIH (Mauritius) Limited Share Trust.

MIH Holdings share incentive scheme (Naspers share options)

Name	Offer date	Number of N shares	Purchase price	Release period	Value of option ⁽¹⁾
M R Sorour ⁽²⁾	19/09/2011	11 128	R350.00	19/09/2016	R175.85
	02/07/2012	37 078	R436.83	02/07/2016 to 02/07/2017	R176.49 to R188.10
	11/07/2013	41 040	R770.00	11/07/2016 to 11/07/2018	R276.34 to R334.75
	28/03/2014	30 000	R1 155.00	28/03/2017 to 28/03/2019	R483.39 to R568.24
	04/09/2014	28 011	R1 380.78	04/09/2017 to 04/09/2019	R568.46 to R676.96
	18/09/2015	10 111	R1 742.96	18/09/2018 to 18/09/2020	R765.98 to R914.29
				25/09/2018	R748.89
	25/09/2015	2 067	R1 702.64	25/09/2020	R894.66

Notes

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

⁽²⁾ On 14 August 2015 Mark Sorour sold 29 667 Naspers N ordinary shares at average market prices ranging between R1 700.00 and R1 707.00 per share in the MIH Holdings Share Trust.

Remuneration report (continued)

Directors' interests in other group share-based incentive schemes

A summary of executive directors' participation in other Naspers group share-based incentive schemes in relation to shares not yet released at 31 March 2016, is set out below. Full details can be found in note 42 on page 126 of the consolidated annual financial statements.

Name	Incentive scheme	Offer date	Number of ARs	Purchase price	Release period	Value of option ⁽¹⁾
M R Sorour ⁽²⁾	Flipkart Limited SAR	10/09/2014	2 469	US\$63.64	10/09/2016	US\$21.20
					to 10/09/2019	to US\$26.04
	Flipkart Limited SAR	11/09/2015	4 714	US\$63.64	11/09/2016	US\$19.81
					to 11/09/2020	to US\$26.75
	Naspers Global Ecommerce SAR	12/09/2014	53 973	US\$15.58	12/09/2016	US\$4.48
					to 12/09/2019	to US\$5.26
	Naspers Global Ecommerce SAR	17/09/2015	43 034	US\$18.59	17/09/2016	US\$4.99
					to 17/09/2020	to US\$6.84
	MIH China/MIH TC 2008 SAR	17/01/2014	24 000	US\$42.95	17/01/2017	US\$10.43
					to 17/01/2019	to US\$11.54
	SimilarWeb Limited SAR	10/09/2014	1 380	US\$1.45	10/09/2016	US\$0.44
					to 10/09/2019	to US\$0.55
	SimilarWeb Limited SAR	17/09/2015	7 485	US\$6.68	17/09/2016	US\$2.37
to 17/09/2020					to US\$3.16	
Konga SAR	11/09/2015	5 834	US\$8.57	11/09/2016	US\$2.6	
				to 11/09/2020	to US\$3.60	
ShowMax SAR	18/09/2015	11 111	US\$18	18/09/2016	US\$7.87	
				to 18/09/2020	to US\$10.28	
Souq SAR	11/09/2015	2 915	US\$17.15	11/09/2016	US\$3.80	
				to 11/09/2020	to US\$5.31	
Takealot SAR	11/09/2015	5 470	R111.04	11/09/2016	US\$41.90	
				to 11/09/2020	to US\$61.26	
B Sgourdos	Naspers Global Ecommerce SAR	17/09/2015	48 413	US\$18.59	17/09/2016	US\$4.99
					to 17/09/2020	to US\$6.84
	ShowMax SAR	18/09/2015	5 556	US\$18	18/09/2016	US\$7.87
					to 18/09/2020	to US\$10.28
B van Dijk	Flipkart Limited SAR	10/09/2014	292 684	US\$63.64	10/09/2016	US\$21.20
					to 10/09/2019	to US\$26.04
	Naspers Global Ecommerce SAR	12/09/2014	5 972 907	US\$15.58	12/09/2016	US\$4.48
					to 12/09/2019	to US\$5.59
SimilarWeb Limited SAR	10/09/2014	159 748	US\$1.45	10/09/2016	US\$0.44	
				to 10/09/2019	to US\$0.55	

Remuneration report (continued)

Notes

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

⁽²⁾ On 18 August 2015 Mark Sorour exercised options in a group share-based incentive plan and received 913 Naspers N ordinary shares in settlement of the gain made on exercising the options. He then sold 233 073 Naspers N ordinary shares at average market prices ranging between R1 682.00 and R1 730.08 per share. On 15 December 2015 Mark Sorour exercised options in a group share-based incentive plan and received 34 435 Naspers N ordinary shares in settlement of the gain made on exercising the options. He then sold 14 560 Naspers N ordinary shares at average market prices ranging between R1 988.04 and R2 000.00 per share and retained the remaining 19 875 Naspers N ordinary shares. The remaining 19 875 Naspers N ordinary shares were sold on 18 December 2015 at average market prices ranging between R2 067.00 and R2 072.10 per share.

Directors' interest in Naspers shares

The directors of Naspers have the following interests in Naspers A ordinary shares on 31 March 2016:

Name	31 March 2016 Naspers A ordinary shares Beneficial			31 March 2015 Naspers A ordinary shares Beneficial		
	Direct	Indirect	Total	Direct	Indirect	Total
J J M van Zyl ⁽¹⁾	—	—	—	745	—	745
J DT Stofberg ⁽²⁾	—	166	166	—	130	130

Notes

⁽¹⁾ Retired 17 April 2015. Only the comparative figure is shown in the table.

⁽²⁾ The increase in the number of A ordinary shares year on year is the result of the capitalisation award of A ordinary shares made on 26 November 2015 to the holders of all A ordinary shares in accordance with the company's memorandum of incorporation (MOI).

Koos Bekker and Cobus Stofberg each have 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 2016 or 31 March 2015.

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 2016 Naspers N ordinary shares Beneficial			31 March 2015 Naspers N ordinary shares Beneficial		
	Direct	Indirect	Total	Direct	Indirect	Total
J P Bekker ⁽¹⁾	—	4 688 691	4 688 691	—	4 688 691	4 688 691
F-A du Plessis ⁽²⁾	—	—	—	—	—	—
C L Enenstein	—	—	—	—	—	—
D G Eriksson	—	—	—	—	—	—
R C C Jafta	—	—	—	—	—	—
F L N Letele	737	—	737	737	—	737
Y Ma ⁽⁶⁾	—	—	—	—	—	—
D Meyer	—	—	—	—	—	—
R Oliveira de Lima	—	—	—	—	—	—
S J Z Pacak ⁽³⁾	646 510	252 548	899 058	728 510	272 548	1 001 058
T M F Phaswana	—	3 530	3 530	—	3 530	3 530
V Sgourdos ⁽⁴⁾	—	31 952	31 952	—	82 647	82 647
M R Sorour ⁽⁵⁾	9 034	11 128	20 162	9 034	106 383	115 417
J D T Stofberg	159 831	291 888	451 719	159 831	291 888	451 719
B J van der Ross	—	400	400	—	400	400
B van Dijk	—	—	—	—	—	—
J J M van Zyl ⁽⁶⁾	—	—	—	50 361	150 796	201 157
T Vosloo ⁽⁶⁾	—	—	—	—	160 000	160 000
	816 112	5 280 137	6 096 249	948 473	5 756 883	6 705 356

On 1 April 2016 Hendrik du Toit and Guijin Liu were appointed independent non-executive directors. Neither holds any Naspers A or N ordinary shares. There have been no further changes to the directors' interests in the table above between the end of the financial year and 24 June 2016.

Remuneration report (continued)

Notes

⁽¹⁾ Appointed 17 April 2015.

⁽²⁾ Resigned 29 May 2015. Only the comparative figure is shown in the table.

⁽³⁾ On 17 July 2015 Steve Pacak sold 50 000 Naspers N ordinary shares at average market prices ranging between R1 911.01 and R1 900.00 per share in the Naspers share incentive trust. On 11 December 2015 Steve sold 11 909 Naspers N ordinary shares at average market prices ranging between R2 025.00 and R2 030.01 per share in the Naspers share incentive trust. On 17 December 2015 he sold 38 091 Naspers N ordinary shares at average market prices ranging between R2 060.00 and R2 080.90 per share in the Naspers share incentive trust. On 22 January 2016 Steve's family trust sold 10 000 Naspers N ordinary shares at average market prices ranging between R1 830.50 and R1 871.81 per share. Furthermore, on 25 January 2016 the family trust sold 5 000 Naspers N ordinary shares at average market prices ranging between R1 815.12 and R1 924.98 per share.

⁽⁴⁾ On 29 December 2015 Basil Sgourdos sold 71 122 Naspers N ordinary shares at average market prices ranging between R2 095.00 and R2 134.47 per share in the MIH (Mauritius) Limited Share Trust.

⁽⁵⁾ On 14 August 2015 Mark Sorour sold 29 667 Naspers N ordinary shares at average market prices ranging between R1 700.00 and R1 707.00 per share in the MIH Holdings Share Trust and 95 255 Naspers N ordinary shares at average market prices ranging between R1 700.00 and R1 727.00 per share in the MIH (Mauritius) Limited Share Trust. On 18 August 2015 Mark exercised options in a group share-based incentive plan and received 913 Naspers N ordinary shares in settlement of the gain made on exercising the options. He then sold 233 073 Naspers N ordinary shares at average market prices ranging between R1 682.00 and R1 730.08 per share. On 15 December 2015 Mark exercised options in a group share-based incentive plan and received 34 435 Naspers N ordinary shares in settlement of the gain made on exercising the options. He then sold 14 560 Naspers N ordinary shares at average market prices ranging between R1 988.04 and R2 000.00 per share and retained the remaining 19 875 Naspers N ordinary shares. The remaining 19 875 Naspers N ordinary shares were sold on 18 December 2015 at average market prices ranging between R2 067.00 and R2 072.10 per share.

⁽⁶⁾ Retired 17 April 2015. Only the comparative figure is shown in the table.



Rachel Jafta

Chair: Human resources and remuneration committee

24 June 2016

Social and ethics committee report

for the year ended 31 March 2016

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 social and ethics committee comprises non-executive and executive directors, and certain key members of management. On 17 April 2015 Don Eriksson replaced Boetie van Zyl on his retirement as chair of the social and ethics committee. This committee met three times during the financial year. The company secretary also acts as the secretary of the committee. Details of attendance at meetings are provided on page 89.

■ Responsibilities

The committee's responsibilities cover the group's South African operations: MultiChoice and Media24. 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 10 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.
- Matters within its mandate to be brought to the attention of the board as the occasion requires.

Social and ethics committee report (continued)

for the year ended 31 March 2016

- Matters within its mandate to be reported to the shareholders.

■ Discharge of responsibilities

The committee reviewed:

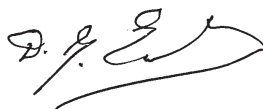
- Employment equity plans for its South African businesses.
- Performance in regard to black economic empowerment (BEE) as measured against the Department of Trade and Industry's (DTI's) generic broad-based black economic empowerment (BBBEE) scorecard.
- Skills and other development programmes, aimed 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 OECD.
- A risk register that 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.



Don Eriksson

Chair: Social and ethics committee

24 June 2016

Report of the audit committee

for the year ended 31 March 2016

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, annual 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 an impact on the organisation's financial statements.

- Reviewed external audit reports on the consolidated and separate annual financial statements.
- Reviewed the board-approved internal audit charter.
- Reviewed and approved the internal and external audit plans.
- 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 2016 and noted the appointment of Brendan Deegan 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 alongside 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.

Report of the audit committee (continued)

for the year ended 31 March 2016

Details of attendance are on page 89 of the integrated annual report.

Name of committee member	Qualifications
Boetie van Zyl ⁽¹⁾	BScMech (UCT) and PrEng
Francine-Ann du Plessis ⁽²⁾	BComTaxHons, LLB and CA(SA)
Don Eriksson	CTA (Wits) and CA(SA)
Rachel Jafta ⁽³⁾	MEcon and PhD (SU)
Ben van der Ross	DipLaw (UCT)

Notes

⁽¹⁾ Retired 17 April 2015.

⁽²⁾ Resigned 29 May 2015.

⁽³⁾ Appointed 9 June 2015.

On 17 April 2015 Don Eriksson replaced Boetie van Zyl as chair of the audit committee upon the latter's retirement. Furthermore, with effect from 29 May 2015 Naspers's non-executive director Francine-Ann du Plessis resigned from the committee.

On 9 June 2015 Rachel Jafta was appointed to the audit committee to fill the vacancy following Francine-Ann du Plessis's resignation. Her appointment was confirmed by shareholders at the annual general meeting on 28 August 2015.

The board and the nomination committee unanimously recommend to shareholders at the annual general meeting that the current committee members be re-elected. All audit committee members 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.

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:

Report of the audit committee (continued)

for the year ended 31 March 2016

▪ Expertise and experience of the financial director and the finance function

As required by the JSE Limited's (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.com](#). The board concurred with this assessment.



Don Eriksson

Chair: Audit committee

24 June 2016

Financial



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Statement of responsibility by the board of directors

for the year ended 31 March 2016

The summarised consolidated 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 consolidated annual financial statements, separately available on www.naspers.com, in accordance with International Financial Reporting Standards (IFRS) and the Companies Act No 71 of 2008. The summarised consolidated 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 consolidated 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 summarised consolidated annual financial statements support the viability of the company and the group. The preparation of the summarised consolidated annual financial statements was supervised by the financial director, Basil Sgourdos, 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 consolidated annual financial statements from which the summarised consolidated annual financial statements were derived. The directors believe that representations made to the independent auditor during audit were valid and appropriate. PricewaterhouseCoopers Inc.'s audit report is presented on page 112.

The summarised consolidated annual financial statements were approved by the board of directors on 24 June 2016 and are signed on its behalf by:



J P Bekker

Chair



B van Dijk

Chief executive

24 June 2016

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

to the shareholders of Naspers Limited

The summarised consolidated annual financial statements of Naspers Limited, set out on pages 116 to 140 of the integrated annual report, which comprise the summarised consolidated statement of financial position as at 31 March 2016, and the summarised consolidated income statement and summarised consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated annual financial statements of Naspers Limited for the year ended 31 March 2016. We expressed an unmodified audit opinion on those consolidated annual financial statements in our report dated 24 June 2016. Our auditor's report on the audited consolidated annual financial statements contained an Other Matter paragraph: "Other Reports Required by the Companies Act" (refer below).

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

▪ **Directors' responsibility for the summarised consolidated annual financial statements**

The directors are responsible for the preparation of a summary of the audited consolidated annual financial statements in accordance with the JSE Limited's (JSE's) requirements for summary financial statements, set out in "Basis of presentation and accounting policies" to the summarised consolidated annual financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements, and for such internal control as the directors determine is necessary to enable the preparation of summarised consolidated annual financial statements that are free from material misstatement, whether due to fraud or error.

▪ **Auditor's responsibility**

Our responsibility is to express an opinion on the summarised consolidated annual 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*.

Report of the independent auditor (continued) on the summarised consolidated annual financial statements

to the shareholders of Naspers Limited

■ **Opinion**

In our opinion, the summarised consolidated annual financial statements derived from the audited consolidated annual financial statements of Naspers Limited for the year ended 31 March 2016 are consistent, in all material respects, with those consolidated annual financial statements, in accordance with the JSE's requirements for summary financial statements, set out in "Basis of presentation and accounting policies" to the summary consolidated annual financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

The "Other Reports Required by the Companies Act" paragraph in our audit report dated 24 June 2016 states that as part of our audit of the consolidated annual financial statements for the year ended 31 March 2016, 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 annual financial statements. These reports are the responsibility of the respective preparers. The paragraph also states that, based on reading these reports, we have not identified material inconsistencies between these reports and the audited consolidated annual financial statements. The paragraph furthermore states that we have not audited these reports and accordingly do not express an opinion on these reports. The paragraph does not have an effect on the summarised consolidated annual financial statements or our opinion thereon.



PricewaterhouseCoopers Inc.

Director: Brendan Deegan

Registered auditor

Cape Town, South Africa
24 June 2016

Basis of presentation and accounting policies

for the year ended 31 March

The summarised consolidated annual financial statements for the year ended 31 March 2016 are prepared in accordance with the JSE Limited's stock exchange (JSE) Listings Requirements (the Listings Requirements) relevant to summarised financial statements and the provisions of the Companies Act No 71 of 2008. The Listings Requirements require summarised 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 Financial Pronouncements as issued by the Financial Reporting Standards Council, and to also, as a minimum, contain the information required by IAS 34 *Interim Financial Reporting*. The summarised consolidated annual financial statements do not include all the disclosures required for complete annual financial statements prepared in accordance with IFRS as issued by the International Accounting Standards Board (IASB). The accounting policies applied in the preparation of the consolidated annual financial statements from which the summarised consolidated annual financial statements were derived, are consistent with those applied in the previous consolidated annual financial statements except as set out below.

On 18 April 2016 Naspers announced that it had changed the presentation currency in its consolidated financial statements from South African rand (SA rand) to United States dollar (US dollar) with effect from the financial year ended on 31 March 2016.

Over the past 100 years the group has evolved from a single-country newspaper business and early investor in pay television to a video-entertainment leader and global internet and ecommerce group with operations in over 130 countries. Today more than 75% of revenue measured on an economic-interest basis (which includes the group's proportionate share of the revenue of associates and joint ventures) is sourced from outside of South Africa.

Coupled with the evolution of the business, the group's shareholder base now largely comprises foreign investors to whom financial reporting in SA rand is of limited relevance. Internally, the board also bases its performance evaluation and many investment decisions on US dollar financial information.

The board therefore believes that US dollar financial reporting provides more relevant presentation of the group's financial position, funding and treasury functions, financial performance and its cash flows.

Dividends will continue to be declared in SA rand, with the relevant exchange rate announced at the time of the dividend payment.

A change in presentation currency represents a change in an accounting policy in terms of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* requiring the restatement of comparative information. In accordance with IAS 21 *The Effects of Changes in Foreign Exchange Rates*, the following methodology was followed in restating historical financial information from SA rand into US dollar:

- Non-US dollar assets and liabilities were translated at the relevant closing exchange rate at the end of the reporting period. Non-US dollar items of income and expenditure and cash flows were translated at actual transaction date exchange rates.
- The foreign currency translation reserve was reset to nil as at 1 April 2006, the date on which the group adopted IFRS, in line with IFRS 1 *First-time Adoption of International Financial Reporting Standards*. Share capital

Basis of presentation and accounting policies (continued)

for the year ended 31 March

and premium and other reserves, as appropriate, were translated at the historic rates prevailing at the dates of underlying transactions.

- The effects of translating the group's financial results and financial position into US dollar were recognised in the foreign currency translation reserve.

Although actual transaction date exchange rates were used to translate previously reported SA rand earnings and cash flows into US dollar; the group has provided the average exchange rates of its major trading currencies relative to the US dollar as an approximation for these rates for reference in the table below. The closing exchange rates of the group's major trading currencies relative to the US dollar, used when translating the statements of financial position presented in this release into US dollar; are also detailed in the table below.

	31 March 2015		31 March 2014	
	Average rate	Closing rate	Average rate	Closing rate
South African rand	0.0899	0.0824	0.0982	0.0950
Euro	1.2470	1.0743	1.3426	1.3774
Chinese yuan renminbi	0.1614	0.1613	0.1633	0.1609
Brazilian real	0.3997	0.3143	0.4412	0.4433
Polish zloty	0.2984	0.2635	0.3183	0.3304
Russian rouble	0.0215	0.0172	0.0301	0.0284

The group has adopted all new and amended accounting pronouncements issued by the IASB that are effective for financial years commencing 1 April 2015. None of the new or amended accounting pronouncements that are effective for the financial year commencing 1 April 2015 had a material impact on the group.

The group's reportable segments reflect the components of the group that are regularly reviewed by the chief executive officer and other senior executives who make strategic decisions. The group proportionately consolidates its share of the results of its associates and joint ventures in its reportable segments.

Trading profit excludes amortisation of intangible assets (other than software), equity-settled share-based payment expenses relating to transactions to be settled through the issuance of treasury shares, retention option expenses and other gains/losses, but includes the finance cost on transponder leases.

Core headline earnings exclude one-off and non-operating items. We believe it is a useful measure 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.

Summarised consolidated income statement

for the year ended 31 March

	31 March		
	2016 US\$m	2015 Restated US\$m	% change
Revenue	5 930	6 569	(10)
Cost of providing services and sale of goods	(3 392)	(3 824)	
Selling, general and administration expenses	(2 423)	(2 525)	
Other gains/(losses) – net	(292)	(59)	
Operating (loss)/profit	(177)	161	(>100)
Interest received	40	45	
Interest paid	(292)	(247)	
Other finance income/(costs) – net	(100)	(49)	
Share of equity-accounted results	1 289	1 475	
– excluding net gain resulting from remeasurements*	1 038	977	6
– net gain resulting from remeasurements*	251	498	
Impairment of equity-accounted investments	(55)	(39)	
Dilution gains on equity-accounted investments	104	113	
Gains on acquisitions and disposals	452	139	
Profit before taxation	1 261	1 598	(21)
Taxation	(260)	(338)	
Profit for the year	1 001	1 260	(21)
Attributable to:			
Equity holders of the group	994	1 257	
Non-controlling interest	7	3	
	1 001	1 260	
Core headline earnings for the year (US\$m)	1 246	1 030	21
Core headline earnings per N ordinary share (US cents)	298	255	17
Fully diluted core headline earnings per N ordinary share (US cents)	292	249	18
Headline earnings for the year (US\$m)	701	674	4
Headline earnings per N ordinary share (US cents)	168	167	1
Fully diluted headline earnings per N ordinary share (US cents)	162	161	1
Earnings per N ordinary share (US cents)	238	311	(23)
Fully diluted earnings per N ordinary share (US cents)	232	305	(24)
Net number of shares issued ('000)			
– At year-end	431 085	411 998	
– Weighted average for the year	417 575	403 576	
– Fully diluted weighted average	419 208	405 171	

* Remeasurements refer to business combination-related gains and losses and disposals of investments.

Summarised consolidated statement of comprehensive income

for the year ended 31 March

	31 March	
	2016	2015
	US\$'m	Restated US\$'m
Profit for the year	1 001	1 260
Total other comprehensive income, net of tax, for the year⁽¹⁾	374	(1 164)
Translation of foreign operations ⁽²⁾	(309)	(1 290)
Net fair-value gains/(losses)	11	(2)
Cash flow hedges	42	34
Share of other comprehensive income and reserves of equity-accounted investments	633	101
Tax on other comprehensive income	(3)	(7)
Total comprehensive income for the year	1 375	96
Attributable to:		
Equity holders of the group	1 406	123
Non-controlling interest	(31)	(27)
	1 375	96

Notes

⁽¹⁾ These components of other comprehensive income may subsequently be reclassified to profit or loss except for gains of US\$387m (2015: US\$113m) included in the "Share of other comprehensive income and reserves of equity-accounted investments" as well as losses of US\$nil (2015: US\$2m) included in "Net fair-value gains/(losses)" relating to remeasurements on the group's post-employment benefit plans.

⁽²⁾ The movement on the foreign currency translation reserve for the year relates primarily to the effects of foreign exchange rate fluctuations related to the group's net investments in its foreign operations.

Refer to the "Basis of preparation and accounting policies" for details of the restatement resulting from the group's change in presentation currency.

Summarised consolidated statement of changes in equity

for the year ended 31 March

	31 March	
	2016 US\$'m	2015 Restated US\$'m
Balance at the beginning of the year	6 903	6 477
Changes in share capital and premium		
Movement in treasury shares	(68)	94
Share capital and premium issued	2 300	310
Changes in reserves		
Total comprehensive income for the year	1 406	123
Movement in share-based compensation reserve	120	65
Movement in existing control business combination reserve	9	(86)
Movement in valuation reserve	—	31
Direct retained earnings movements	—	(11)
Dividends paid to Naspers shareholders	(161)	(160)
Changes in non-controlling interest		
Total comprehensive income for the year	(31)	(27)
Dividends paid to non-controlling shareholders	(125)	(128)
Movement in non-controlling interest in reserves	301	215
Balance at the end of the year	10 654	6 903
Comprising:		
Share capital and premium	4 965	2 733
Retained earnings	6 110	5 277
Share-based compensation reserve	1 231	724
Existing control business combination reserve	(184)	(193)
Hedging reserve	35	(2)
Valuation reserve	573	421
Foreign currency translation reserve	(2 476)	(2 312)
Non-controlling interest	400	255
Total	10 654	6 903

Refer to the "Basis of preparation and accounting policies" for details of the restatement resulting from the group's change in presentation currency.

Summarised consolidated statement of financial position

at 31 March

	31 March		1 April
	2016 US\$'m	2015 Restated US\$'m	2014 Restated US\$'m
ASSETS			
Non-current assets	13 486	10 236	9 515
Property, plant and equipment	1 443	1 425	1 619
Goodwill	2 818	1 891	2 451
Other intangible assets	1 190	451	541
Investments in associates	7 625	6 058	4 535
Investments in joint ventures	218	228	164
Other investments and loans	57	78	113
Other receivables	20	—	—
Derivative financial instruments	—	8	—
Deferred taxation	115	97	92
Current assets	3 237	2 700	2 698
Inventory	194	262	274
Programme and film rights	160	154	188
Trade receivables	393	398	460
Other receivables and loans	491	438	458
Derivative financial instruments	59	37	20
Cash and cash equivalents	1 714	1 226	1 298
Assets classified as held for sale	3 011	2 515	2 698
	226	185	—
Total assets	16 723	12 936	12 213
EQUITY AND LIABILITIES			
Share capital and reserves	10 254	6 648	6 282
Share capital and premium	4 965	2 733	2 329
Other reserves	(821)	(1 362)	(238)
Retained earnings	6 110	5 277	4 191
Non-controlling shareholders' interest	400	255	195
Total equity	10 654	6 903	6 477
Non-current liabilities	4 023	3 852	3 471
Capitalised finance leases	771	617	643
Liabilities – interest-bearing	2 922	3 057	2 601
– non-interest-bearing	8	25	43
Other non-current liabilities	3	—	—
Post-employment medical liability	13	17	17
Derivative financial instruments	20	12	35
Deferred taxation	286	124	132
Current liabilities	2 046	2 181	2 265
Current portion of long-term debt	227	354	250
Trade payables	437	448	505
Accrued expenses and other current liabilities	1 253	1 295	1 327
Derivative financial instruments	31	47	80
Bank overdrafts and call loans	1	26	103
Liabilities classified as held for sale	1 949	2 170	2 265
	97	11	—
Total equity and liabilities	16 723	12 936	12 213
Net asset value per N ordinary share (US cents)	2 379	1 614	1 580

Refer to the "Basis of preparation and accounting policies" for details of the restatement resulting from the group's change in presentation currency.

Summarised consolidated statement of cash flows

for the year ended 31 March

	31 March	
	2016	2015
	US\$'m	Restated US\$'m
Cash flows from operating activities		
Cash generated from operating activities	454	574
Interest income received	46	46
Dividends received from investments and equity-accounted companies	146	100
Interest costs paid	(246)	(227)
Taxation paid	(322)	(334)
Net cash generated from operating activities	78	159
Cash flows from investing activities		
Acquisitions and disposals of tangible and intangible assets	(228)	(292)
Acquisitions of subsidiaries, associates and joint ventures	(1 426)	(406)
Disposals of subsidiaries, associates and joint ventures	289	158
Cash movement in other investments and loans	(19)	(12)
Net cash utilised in investing activities	(1 384)	(552)
Cash flows from financing activities		
Proceeds from issue of share capital	2 470	—
Proceeds from long- and short-term loans raised	2 000	805
Repayments of long- and short-term loans	(2 270)	(204)
(Outflow)/inflow from share-based compensation transactions	(13)	171
Dividends paid by the holding company and its subsidiaries	(254)	(274)
Other movements resulting from financing activities	(41)	53
Net cash generated from financing activities	1 892	551
Net movement in cash and cash equivalents	586	158
Foreign exchange translation adjustments	(73)	(149)
Cash and cash equivalents at the beginning of the year	1 200	1 195
Cash and cash equivalents classified as held for sale	—	(4)
Cash and cash equivalents at the end of the year	1 713	1 200

Refer to the "Basis of preparation and accounting policies" for details of the restatement resulting from the group's change in presentation currency.

Segmental review

for the year ended 31 March

	Revenue		
	31 March		
	2016 US\$'m	2015 US\$'m	% change
Internet	8 237	6 999	18
– Tencent	5 417	4 297	26
– Mail.ru	173	210	(18)
– Ecommerce	2 647	2 492	6
Video entertainment	3 413	3 830	(11)
Media	608	762	(20)
Corporate services	1	5	(80)
Intersegmental	(35)	(55)	36
Economic interest	12 224	11 541	6
Less: Equity-accounted investments	(6 294)	(4 972)	(27)
Consolidated	5 930	6 569	(10)

	EBITDA ⁽¹⁾		
	31 March		
	2016 US\$'m	2015 US\$'m	% change
Internet	1 845	1 394	32
– Tencent	2 415	1 782	36
– Mail.ru	78	114	(32)
– Ecommerce	(648)	(502)	(29)
Video entertainment	799	920	(13)
Media	52	52	—
Corporate services	(12)	(30)	60
Economic interest	2 684	2 336	15
Less: Equity-accounted investments	(2 261)	(1 786)	(27)
Consolidated	423	550	(23)

Note

⁽¹⁾ EBITDA refers to earnings before interest, taxation, depreciation and amortisation.

Segmental review (continued)

for the year ended 31 March

	Trading profit		
	31 March		
	2016 US\$'m	2015 US\$'m	% change
Internet	1 619	1 177	38
– Tencent	2 246	1 616	39
– Mail.ru	66	104	(37)
– Ecommerce	(693)	(543)	(28)
Video entertainment	610	732	(17)
Media	29	22	32
Corporate services	(12)	(30)	60
Economic interest	2 246	1 901	18
Less: Equity-accounted investments	(2 067)	(1 603)	(29)
Consolidated	179	298	(40)

Reconciliation of trading profit to operating (loss)/profit

for the year ended 31 March

	31 March	
	2016 US\$'m	2015 US\$'m
Trading profit	179	298
Finance cost on transponder leases	33	34
Amortisation of other intangible assets	(68)	(68)
Other gains/(losses) – net	(292)	(59)
Retention option expense	(2)	(14)
Share-based incentives settled in treasury shares	(27)	(30)
Operating (loss)/profit	(177)	161

For a reconciliation of operating (loss)/profit to profit before taxation, refer to the summarised consolidated income statement.

Headline and core headline earnings

for the year ended 31 March

	31 March	
	2016	2015
	US\$m	US\$m
Net profit attributable to shareholders	994	1 257
<i>Adjusted for:</i>		
– insurance proceeds	(1)	(2)
– impairment of property, plant and equipment and other assets	43	44
– impairment of goodwill and other intangible assets	155	15
– loss on sale of assets	3	—
– loss on remeasurement of disposal groups classified as held for sale to fair value less costs of disposal	88	—
– gains on acquisitions and disposals of investments	(110)	(150)
– remeasurement of previously held interest	(348)	(3)
– dilution gains on equity-accounted investments	(104)	(113)
– remeasurements included in equity-accounted earnings	(125)	(396)
– impairment of equity-accounted investments	55	39
Total tax effects of adjustments	650	691
Total adjustment for non-controlling interest	54	(9)
	(3)	(8)
Headline earnings	701	674
<i>Adjusted for:</i>		
– equity-settled share-based payment expenses	218	136
– (recognition)/reversal of deferred tax assets	(1)	20
– amortisation of other intangible assets	230	150
– fair-value adjustments and currency translation differences	90	26
– retention option expense	2	12
– business combination related losses	6	12
Core headline earnings	1 246	1 030

The diluted earnings, headline earnings and core headline earnings per share figures presented on the face of the income statement, include a decrease of US\$20m (2015: US\$20m) relating to the future dilutive impact of potential ordinary shares issued by equity-accounted investees.

Supplementary information

for the year ended 31 March

INTEREST RECEIVED/(PAID)

	31 March	
	2016 US\$'m	2015 US\$'m
Interest received	40	45
– loans and bank accounts	37	39
– other	3	6
Interest paid	(292)	(247)
– loans and overdrafts	(207)	(182)
– transponder leases	(33)	(34)
– other	(52)	(31)
Other finance income/(cost) – net	(100)	(49)
– net foreign exchange differences and fair-value adjustments on derivatives	(102)	(53)
– preference dividends received	2	4

EQUITY-ACCOUNTED RESULTS

The group's equity-accounted investments contributed to the summarised consolidated financial results as follows:

	31 March	
	2016 US\$'m	2015 US\$'m
Share of equity-accounted results	1 289	1 475
– sale of assets	—	3
– disposal of investments	(251)	(498)
– impairment of investments	180	98
Contribution to headline earnings	1 218	1 078
– amortisation of other intangible assets	174	101
– equity-settled share-based payment expenses	191	106
– fair-value adjustments and currency translation differences	6	(10)
Contribution to core headline earnings	1 589	1 275
Tencent	1 797	1 316
Mail.ru	45	90
Other	(253)	(131)

Supplementary information (continued)

for the year ended 31 March

PROFIT BEFORE TAXATION

In addition to the items already detailed, profit before taxation has been determined after taking into account, inter alia, the following:

	31 March	
	2016 US\$'m	2015 US\$'m
Depreciation of property, plant and equipment	186	198
Amortisation	94	88
– other intangible assets	67	68
– software	27	20
Net realisable value adjustments on inventory, net of reversals⁽¹⁾	78	55
Other gains/(losses) – net	(292)	(59)
– loss on sale of assets	(3)	—
– impairment of goodwill and other intangible assets	(155)	(15)
– impairment of property, plant and equipment and other assets	(43)	(44)
– remeasurement of disposal groups classified as held for sale to fair value less costs of disposal	(88)	—
– insurance proceeds	1	2
– fair-value adjustments on financial instruments	(4)	(2)
Gains on acquisitions and disposals	452	139
– profit on sale of investments	110	68
– gains recognised on loss of control transactions	—	82
– remeasurement of contingent consideration	2	2
– acquisition-related costs	(8)	(16)
– remeasurement of previously held interest	348	3

Note

⁽¹⁾ Net realisable value writedowns relate primarily to set-top box subsidies in the video-entertainment segment.

Supplementary information (continued)

for the year ended 31 March

GOODWILL

Goodwill is subject to an annual impairment assessment. Movements in the group's goodwill for the year are detailed below:

	31 March	
	2016 US\$'m	2015 US\$'m
Goodwill		
– cost	2 170	2 792
– accumulated impairment	(279)	(341)
Opening balance	1 891	2 451
– foreign currency translation effects	(26)	(441)
– acquisitions of subsidiaries and businesses	1 260	105
– disposals of subsidiaries and businesses	(7)	(84)
– transferred to assets classified as held for sale	(155)	(138)
– impairment	(145)	(2)
Closing balance	2 818	1 891
– cost	3 175	2 170
– accumulated impairment	(357)	(279)

The impairment loss recognised during the current reporting period relates primarily to the group's investment in its online comparison-shopping business, Buscapé. Buscapé forms part of the ecommerce segment. The impairment loss has been calculated on a value-in-use basis using a 10-year projected cash flow model, a growth rate of 4% and a discount rate of 20%. If the discount rate applied to cash flows were to increase by 5% and the growth rate used to extrapolate cash flows were to decrease by 5%, there would be no further significant impairments that would have to be recognised.

INVESTMENTS AND LOANS

The following relates to the group's investments and loans as at the end of the reporting period:

	31 March	
	2016 US\$'m	2015 US\$'m
Investments and loans	7 900	6 364
– listed investments	6 977	5 291
– unlisted investments and loans	923	1 073

Supplementary information (continued)

for the year ended 31 March

COMMITMENTS

Commitments relate to amounts for which the group has contracted, but that have not yet been recognised as obligations in the statement of financial position.

	31 March	
	2016 US\$'m	2015 US\$'m
Commitments	3 254	2 918
– capital expenditure	16	41
– programme and film rights	2 245	1 650
– network and other service commitments	176	141
– transponder leases	573	909
– operating lease commitments	207	124
– set-top box commitments	37	53

The group has made certain restatements to transponder lease and programme and film rights commitments reported during the comparative period. The adjustments made resulted in an increase in total commitments of US\$445m.

Supplementary information (continued)

for the year ended 31 March

■ Disposal groups classified as held for sale

The group classified the net assets and liabilities of Netretail, its Czech online retail and ecommerce platform, Heureka, the group's Czech online comparison-shopping platform, as well as the assets and liabilities of other smaller businesses as held for sale during the year ended 31 March 2016. The above-mentioned transactions are subject to regulatory approval.

The group concluded the disposals of its subsidiaries Ricardo.ch AG and Korbitec Proprietary Limited following the receipt of regulatory approval during September and November 2015, respectively. These businesses were previously classified as held for sale. Refer to note 12 for additional details regarding these disposals.

The carrying values of the assets and liabilities of all disposal groups classified as held for sale as at 31 March 2016 are detailed below:

	31 March	
	2016 US\$m	2015 US\$m
Assets	226	185
Property, plant and equipment	28	8
Goodwill and other intangible assets	124	156
Investment in joint venture	4	—
Deferred taxation assets	1	6
Inventory	38	2
Trade and other receivables	19	9
Cash and cash equivalents	12	4
Liabilities	97	11
Deferred taxation liabilities	9	3
Long-term liabilities	2	—
Trade payables	39	2
Accrued expenses and other current liabilities	35	6
Bank overdrafts	12	—

The group recognised a loss of US\$87.7m (2015: US\$nil) on remeasuring the net assets of businesses classified as held for sale to their fair value less costs of disposal during the year. The fair value of the businesses was determined based on third-party sales prices. This represents a level 3 fair-value measurement.

Supplementary information (continued)

for the year ended 31 March

■ Business combinations and other acquisitions

The group acquired an additional 49.0% interest in its associate Avito AB (Avito), the leading online classifieds platform in Russia, during December 2015. The additional investment resulted in the group holding a 67.5% interest in Avito on a fully diluted basis and was accounted for as a business combination. The total purchase consideration amounted to US\$1.67bn representing cash paid to the former owners of Avito of US\$1.23bn, the fair value of the group's previously held equity interest in Avito of US\$411m, as well as the acquisition-date fair value of Avito's vested share-based incentive awards of US\$22m. A gain of US\$324m has been recognised in "Gains on acquisitions and disposals" in the income statement on the remeasurement of the group's previously held equity interest in Avito to its fair value. The purchase price allocation: property, plant and equipment US\$6m; cash US\$24m; trade and other receivables US\$9m; deferred tax assets US\$2m; intangible assets US\$812m; trade and other payables US\$18m; deferred tax liabilities US\$161m and the balance of US\$1.19bn to goodwill. The main classes of intangible assets recognised in the business combination were brand names, customer bases and software. The transaction gave rise to the recognition of a non-controlling interest of US\$195m, which has been measured at the non-controlling interest's proportionate share of the identifiable net assets of Avito as at the acquisition date.

In May 2015 the group invested US\$10m in Ambatana Holdings B.V. (Ambatana), an entity operating a hyperlocal classifieds marketplace app under the letgo brand. The investment resulted in Ambatana being accounted for as an associate of the group. A further US\$50m was invested in Ambatana during September 2015, resulting in the group having a 67.5% interest on a fully diluted basis at the date of the additional investment. The additional investment was accounted for as a business combination with an effective date of 30 September 2015. The total purchase consideration amounted to US\$58m representing the fair value of the group's previously held equity interest in Ambatana of US\$34m and the fair value of a call option granted to the former owners of Ambatana amounting to US\$24m. The cash invested and cash consideration still payable, in aggregate amounting to US\$50m, remains within the group following the transaction and is accordingly not disclosed as part of the consideration transferred by the group or assets of Ambatana acquired, although it did affect the amount of goodwill recognised in the business combination. A gain of US\$24m has been recognised in "Gains on acquisitions and disposals" in the income statement on the remeasurement of the group's previously held equity interest in Ambatana to its fair value. The purchase price allocation: cash US\$1m; other receivables US\$1m; trade and other payables US\$3m and the balance of US\$74m to goodwill. The transaction gave rise to the recognition of a non-controlling interest of US\$15m, which has been measured at the non-controlling interest's proportionate share of the identifiable net assets of Ambatana as at the acquisition date. On 31 March 2016 the call option granted to the former owners of Ambatana was settled, resulting in the group holding a 55% interest in Ambatana on a fully diluted basis at year-end.

Since the acquisition dates of the above business combinations, revenue of US\$31m and net results (losses) of US\$60m have been included in the income statement relating to Ambatana and Avito. Had the revenue and net results of Ambatana and Avito been included from 1 April 2015, group revenue and net profit would have amounted to US\$6.01bn and US\$1.02bn respectively.

The main factor contributing to the goodwill recognised in the acquisitions is the acquiree's market presence. The goodwill that arose is not expected to be deductible for income tax purposes. Total acquisition-related costs of US\$8m were recorded in "Gains on acquisitions and disposals" in the income statement regarding the above acquisitions.

Supplementary information (continued)

for the year ended 31 March

■ Business combinations and other acquisitions (continued)

The following relates to the group's investments in its equity-accounted investees:

During April 2015 the group invested US\$41m in its joint venture Konga Online Shopping Limited (Konga). Following the additional investment, the group continues to exert joint control over Konga with its 50.9% interest on a fully diluted basis.

The group's associate Flipkart Limited (Flipkart) undertook two funding rounds during April and July 2015 in which the group did not participate. The funding rounds resulted in a dilution of the group's interest in Flipkart and in the recognition of an aggregate net dilution gain of US\$61m in "Dilution gains on equity-accounted investments". Following the dilutions, the group now holds a 15.0% interest in Flipkart on a fully diluted basis.

During May 2015 the group invested US\$10m in its joint venture Souq Group Limited (Souq) as part of a funding round. Souq undertook further funding rounds during the year in which the group did not participate. These funding rounds resulted in a dilution of the group's interest in Souq and in the recognition of an aggregate net dilution gain of US\$75m in "Dilution gains on equity-accounted investments". Following the dilutions, the group now holds a 36.4% interest in Souq on a fully diluted basis.

The group also recognised dilution losses of US\$42m during the year relating to dilutions in its shareholding in Tencent on account of the exercise of share-based incentive awards by Tencent's employees.

The group invested US\$20m in its available-for-sale investment Avenida Inc. (Avenida) during July 2015. The transaction resulted in Avenida becoming an associate and the group now holds a 23.4% interest in Avenida on a fully diluted basis.

The group invested US\$54m as part of a funding round of its associate Takealot Online (RF) Proprietary Limited (Takealot) during August 2015. The group holds a 42.4% interest in Takealot on a fully diluted basis.

The following relates to significant disposals by the group during the reporting period:

During September 2015 the group disposed of its interest in its subsidiary Ricardo.ch AG following approval of the transaction by regulatory authorities. The proceeds on sale amounted to US\$248m and a gain of US\$76m was recognised in "Gains on acquisitions and disposals" in the income statement following the transaction.

The group disposed of its interest in its subsidiary Korbitec Proprietary Limited during November 2015 for US\$33m following the receipt of regulatory approval. A gain of US\$24m was recognised in "Gains on acquisitions and disposals" in the income statement following the transaction.

During March 2016 the group disposed of its interest in its subsidiary PayProp Group Services Proprietary Limited for US\$10m. The disposal gave rise to the recognition of a gain of US\$4m in "Gains on acquisitions and disposals" in the income statement.

The group disposed of its 9.9% interest in Beijing Media Corporation during August 2015 for a cash consideration of US\$12m. The transaction resulted in the recognition of an aggregate gain on disposal of US\$11m, which has been recognised in "Gains on acquisitions and disposals" in the income statement.

Investments acquired and funding rounds participated in were funded through the utilisation of existing credit facilities, proceeds received from disposals during the reporting period, as well as the proceeds from the equity raise during December 2015.

Supplementary information (continued)

for the year ended 31 March

■ Proceeds from placement of N ordinary shares and issue of listed bond

During December 2015 the group placed 18 167 848 new N ordinary shares with qualifying institutional investors at a price of RI 975 per share, thereby raising gross proceeds of approximately US\$2.5bn before transaction costs. The placing represented approximately 4.3% of Naspers's issued N ordinary share capital prior to the share issuance. The proceeds raised were utilised to fund the group's acquisition of a controlling interest in Avito AB, to repay certain amounts on the group's offshore revolving credit facility and the remainder will serve to fund the group's future growth strategy.

In July 2015 the group issued a 10-year US\$1.2bn bond. The bond matures in July 2025 and carries a fixed interest rate of 5.5% per annum. The proceeds were utilised for general corporate purposes including the repayment of certain amounts on the group's offshore revolving credit facility and to fund acquisitions and growth.

Supplementary information (continued)

for the year ended 31 March

■ Financial instruments

The fair values of the group's financial instruments that are measured at fair value at each reporting period are categorised as follows:

Fair-value measurements at 31 March 2016 using:

	Quoted prices in active markets for identical assets or liabilities (level 1) US\$m	Significant other observable inputs (level 2) US\$m	Significant unobservable inputs (level 3) US\$m
Assets			
Available-for-sale investments	12	—	—
Foreign exchange contracts	—	48	—
Currency devaluation features	—	—	11
Liabilities			
Foreign exchange contracts	—	17	—
Shareholders' liabilities	—	—	13
Earnout obligations	—	—	22
Interest rate swaps	—	21	—

Fair-value measurements at 31 March 2015 using:

	Quoted prices in active markets for identical assets or liabilities (level 1) US\$m	Significant other observable inputs (level 2) US\$m	Significant unobservable inputs (level 3) US\$m
Assets			
Available-for-sale investments	12	—	—
Foreign exchange contracts	—	45	—
Liabilities			
Foreign exchange contracts	—	2	—
Shareholders' liabilities	—	—	29
Earnout obligations	—	—	39
Interest rate swaps	—	28	—

There have been no transfers between levels 1, 2 or 3 during the reporting period, nor were there any significant changes to the valuation techniques and inputs used in measuring fair value.

Supplementary information (continued)

for the year ended 31 March

■ Financial instruments (continued)

Financial instruments for which fair value is disclosed:

31 March 2016	Carrying value US\$m	Fair value US\$m
Capitalised finance leases	836	865
Publicly traded bonds	2 900	3 035

31 March 2015 Financial liabilities	Carrying value US\$m	Fair value US\$m
Capitalised finance leases	679	703
Publicly traded bonds	1 700	1 861

The fair values of the capitalised finance leases have been determined through discounted cash flow analysis. The fair values of the publicly traded bonds have been determined with reference to the listed prices of the instruments as at the end of the reporting period.

A reconciliation of the movements in the carrying values of level 3 fair-value measurements is provided below:

	Currency devaluation features US\$m	Share-holders' liabilities US\$m	Earnout obligations US\$m	Total US\$m
Opening balance	—	(29)	(39)	(68)
Total gains/(losses) in the income statement	8	(4)	3	7
Total gains recognised as adjustments to the cost of programme and film rights	3	—	—	3
Additional obligations raised ⁽¹⁾	—	(27)	(1)	(28)
Cancellations/reclassifications	—	4	—	4
Settlements	—	43	11	54
Foreign currency translation effects	—	—	4	4
Closing balance	11	(13)	(22)	(24)

Note

⁽¹⁾ Includes an amount of US\$2m relating to an obligation raised through the income statement.

Supplementary information (continued)

for the year ended 31 March

■ Financial instruments (continued)

31 March 2015	Currency devaluation features US\$m	Share- holders' liabilities US\$m	Earnout obligations US\$m	Total US\$m
Opening balance	—	(77)	(25)	(102)
Total (losses)/gains in the income statement	—	(4)	2	(2)
Additional obligations raised	—	—	(29)	(29)
Cancellations/reclassifications	—	45	—	45
Settlements	—	6	10	16
Foreign currency translation effects	—	1	3	4
Closing balance	—	(29)	(39)	(68)

Supplementary information (continued)

for the year ended 31 March

■ Financial instruments (continued)

Currency devaluation features relate to clauses in content acquisition agreements that provide the group with protection against significant currency devaluations. The fair value of currency devaluation features is measured through the use of discounted cash flow techniques.

The fair value of shareholders' liabilities is determined using a discounted cash flow model. Business-specific adjusted discount rates are applied to estimated future cash flows.

For earnout obligations, current forecasts of the extent to which management believes performance criteria will be met, discount rates reflecting the time value of money and contractually specified earnout payments are used. Changes in these assumptions could affect the reported fair value of these financial instruments. The fair value of level 2 financial instruments is determined with the use of exchange rates quoted in active markets and interest rate extracts from observable yield curves.

■ Related-party transactions and balances

The group entered into various related-party transactions in the ordinary course of business. There have been no significant changes in related-party transactions and balances since the previous reporting period.

■ Events after the reporting period

On 12 May 2016 the group announced the merger of the US operations of its mobile marketplace for second-hand goods, letgo, with Wallapop, another leader in the mobile classifieds sector. The transaction resulted in the absorption of Wallapop's US operations into letgo. The group retains control over letgo following the merger and will account for the absorption of Wallapop as a business combination in the 2017 financial year.

On 11 May 2016 the group announced its first investment targeting the education technology market by investing US\$15m, through Naspers Ventures, in Brainly – a social learning network. Over 60m students in 35 countries interact with Brainly every month. In line with this strategy, the group also invested US\$60m in Udemy, an online education marketplace with over 7m students enrolled, and US\$22m in Codecademy, a leading global platform focused on online coding education, both during June 2016.

In June 2016 the group received regulatory approval for the sale of its business classified as held for sale, Heureka. The group consequently recognised a net gain on disposal of approximately US\$61m.

Supplementary information (continued)

for the year ended 31 March

■ Pro forma financial information

The group has presented certain revenue and trading profit metrics in local currency, excluding the effects of changes in the composition of the group (the pro forma financial information) in the tables that follow. The pro forma financial information is the responsibility of the board of directors (the board) of Naspers Limited and is presented for illustrative purposes. Information presented on a pro forma basis has been extracted from the group's management accounts, the quality of which the board is satisfied with.

Shareholders are advised that, due to the nature of the pro forma financial information and the fact that it has been extracted from the group's management accounts, it may not fairly present the group's financial position, changes in equity, results of operations or cash flows.

The pro forma financial information has been prepared to illustrate the impact of changes in foreign exchange rates and changes in the composition of the group on its results for the periods ended 31 March 2016 and 31 March 2015 respectively. The following methodology was applied in calculating the pro forma financial information:

- Foreign exchange/constant currency adjustments have been calculated by adjusting the current period's results to the prior period's average foreign exchange rates, determined as the average of the monthly exchange rates for that period. The local currency financial information quoted, is calculated as the constant currency results, arrived at using the methodology outlined above, compared to the prior period's actual IFRS results. The relevant average exchange rates used for the group's most significant functional currencies are listed in "Basis of presentation and accounting policies".
- Adjustments made for changes in the composition of the group relate to acquisitions and disposals of subsidiaries and equity-accounted investments, as well as to changes in the group's shareholding in its equity-accounted investments. The following significant changes in the composition of the group during the respective reporting periods have been adjusted for in arriving at the pro forma financial information:

Supplementary information (continued)

for the year ended 31 March

■ Pro forma financial information (continued)

Year ended 31 March 2016

Transaction	Basis of accounting	Reportable segment	Acquisition/ Disposal
Disposal of the group's interest in Ricardo.ch AG	Subsidiary	Ecommerce	Disposal
Acquisition of the group's interest in Avito AB	Subsidiary	Ecommerce	Acquisition
Acquisition of the group's interest in Ambatana Holdings B.V.	Subsidiary	Ecommerce	Acquisition
Disposal of the group's interest in 7Pixel Srl	Subsidiary	Ecommerce	Disposal
Disposal of Kalahari.com	Subsidiary	Ecommerce	Disposal
Merger of the group's subsidiary iFood with Just Eat Brazil	Subsidiary	Ecommerce	Acquisition
Acquisition of the group's interest in Takealot Online (RF) Proprietary Limited	Associate	Ecommerce	Acquisition
Dilution of the group's interest in Tencent	Associate	Internet	Disposal
Dilution of the group's interest in Flipkart Limited	Associate	Ecommerce	Disposal
Disposal by Tencent of its ecommerce businesses to JD.com	Associate	Internet	Disposal
Acquisition of the group's additional interest in Konga Online Shopping Limited	Joint venture	Ecommerce	Acquisition
Dilution of the group's interest in Souq Group Limited	Joint venture	Ecommerce	Disposal

The net adjustment made for all acquisitions and disposals that took place during the year ended 31 March 2016 amounted to a negative adjustment of US\$295m on revenue and a negative adjustment of US\$24m on trading profit.

Supplementary information (continued)

for the year ended 31 March

■ Pro forma financial information (continued)

Year ended 31 March 2015

Transaction	Basis of accounting	Reportable segment	Acquisition/ Disposal
Acquisition of the group's controlling interest in redBus	Subsidiary	Ecommerce	Acquisition
Acquisition of the group's controlling interest in Dubizzle Limited	Subsidiary	Ecommerce	Acquisition
Disposal of Kalahari.com	Subsidiary	Ecommerce	Disposal
Acquisition of the group's additional interest in Flipkart Limited	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in Neralona Investments Limited (eSky.ru)	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in SimilarWeb Limited	Associate	Ecommerce	Acquisition
Disposal by Tencent of its ecommerce businesses to JD.com	Associate	Internet	Disposal
Acquisition of the group's additional interest in Souq Group Limited	Joint venture	Ecommerce	Acquisition

The net adjustment made for all acquisitions and disposals that took place during the year ended 31 March 2015 amounted to a negative adjustment of US\$288m on revenue and a positive adjustment of US\$3m on trading profit.

Supplementary information (continued)

for the year ended 31 March

■ Pro forma financial information (continued)

The adjustments to the amounts, reported in terms of IFRS, that have been made in arriving at the constant currency, organic financial information, are presented in the table below:

	31 March						
	2015 A	2016 B	2016 C	2016 D	2016 E ⁽²⁾	2016 F ⁽³⁾	2016 G ⁽⁴⁾
	IFRS US\$m	Foreign currency adjustment US\$m	Group composition adjustment US\$m	Local currency growth US\$m	IFRS US\$m	Local currency growth % change	IFRS % change
Revenue⁽¹⁾							
Internet	6 999	(628)	(298)	2 164	8 237	31	18
– Tencent	4 297	(154)	(280)	1 554	5 417	36	26
– Mail.ru	210	(77)	20	20	173	10	(18)
– Ecommerce	2 492	(397)	(38)	590	2 647	24	6
Video entertainment	3 830	(811)	—	394	3 413	10	(11)
Media	762	(142)	3	(15)	608	(2)	(20)
Corporate services	5	—	—	(4)	1	(80)	(80)
Intersegmental	(55)	5	—	15	(35)	27	36
Economic interest	11 541	(1 576)	(295)	2 554	12 224	22	6
Trading profit ⁽¹⁾							
Internet	1 177	(52)	(24)	518	1 619	44	38
– Tencent	1 616	(63)	(8)	701	2 246	43	39
– Mail.ru	104	(30)	9	(17)	66	(16)	(37)
– Ecommerce	(543)	41	(25)	(166)	(693)	(31)	(28)
Video entertainment	732	(307)	—	185	610	25	(17)
Media	22	(6)	—	13	29	59	32
Corporate services	(30)	3	—	15	(12)	50	60
Economic interest	1 901	(362)	(24)	731	2 246	38	18
Other metrics reported							
Development spend							
– economic interest	953	(121)	—	129	961	14	1
– consolidated	820	(103)	—	(9)	708	(1)	(14)
Consolidated earnings	6 569	(1 263)	(80)	704	5 930	11	(10)
Core headline earnings	1 030	(285)	—	501	1 246	49	21
Classifieds revenue	161	(33)	15	74	217	46	35
Marketplace revenue	336	(41)	(4)	47	338	14	1
Payments revenue	138	(25)	—	27	140	20	1
Etail revenue	1 476	(203)	(18)	395	1 650	27	12
Travel revenue	58	(6)	—	39	91	67	57

Notes

⁽¹⁾ All figures are presented on an economic-interest basis unless otherwise indicated.

⁽²⁾ A + B + C + D.

⁽³⁾ D/A x 100.

⁽⁴⁾ [(E/A) – 1] x 100.

Supplementary information (continued)

for the year ended 31 March

■ Pro forma financial information (continued)

The adjustments to the amounts, reported in terms of IFRS, that have been made in arriving at the constant currency, organic financial information, are presented in the table below:

	31 March						
	2014 A	2015 B	2015 C	2015 D	2015 E ⁽²⁾	2015 F ⁽³⁾	2015 G ⁽⁴⁾
	IFRS US\$m	Foreign currency adjustment US\$m	Group composition adjustment US\$m	Local currency growth US\$m	IFRS US\$m	Local currency growth % change	IFRS % change
Revenue⁽¹⁾							
Internet	5 573	(306)	(303)	2 035	6 999	37	26
–Tencent	3 351	(50)	(338)	1 334	4 297	40	28
–Mail.ru	236	(71)	6	39	210	17	(11)
–Ecommerce	1 986	(185)	29	662	2 492	33	25
Video entertainment	3 582	(317)	—	565	3 830	16	7
Media	829	(70)	15	(12)	762	(1)	(8)
Corporate services	1	—	—	4	5	400	400
Intersegmental	(66)	—	—	11	(55)	17	17
Economic interest	9 919	(693)	(288)	2 603	11 541	26	16
Trading profit⁽¹⁾							
Internet	658	(31)	3	547	1 177	83	79
–Tencent	1 059	(18)	(7)	582	1 616	55	53
–Mail.ru	115	(34)	2	21	104	18	(10)
–Ecommerce	(516)	21	8	(56)	(543)	(11)	(5)
Video entertainment	841	(29)	—	(80)	732	(10)	(13)
Media	53	(2)	—	(29)	22	(55)	(58)
Corporate services	(16)	3	—	(17)	(30)	(106)	(88)
Economic interest	1 536	(59)	3	421	1 901	27	24

Notes

⁽¹⁾ All figures are presented on an economic-interest basis.

⁽²⁾ A + B + C + D.

⁽³⁾ D/A × 100.

⁽⁴⁾ [(E/A) – 1] × 100.

Shareholder and corporate information

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Administration and corporate information

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ADR programme

Bank of New York Mellon maintains a Global BuyDIRECTSM plan for Naspers Limited. For additional information, please visit 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:
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Analysis of shareholders and shareholders' diary

Analysis of N ordinary shareholders

Size of holdings	Number of shareholders	Number of N ordinary shares owned
1 – 100 shares	46 534	1 711 773
101 – 1 000 shares	22 910	7 312 607
1 001 – 5 000 shares	3 278	6 987 729
5 001 – 10 000 shares	619	4 503 144
More than 10 000 shares	1 401	417 404 862
	74 742	437 920 115

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

Name	% of N ordinary shares held	Number of N ordinary shares owned
Public Investment Corporation of South Africa	13.22	57 889 144
Coronation Fund Managers	5.05	22 101 222

Public shareholder spread (N ordinary shares)

To the best knowledge of the directors, the spread of public shareholders in terms of section 4.25 of the JSE Limited Listings Requirements at 31 March 2016 was 97.05%, represented by 74 728 shareholders holding 424 988 475 N ordinary shares in the company. The non-public shareholders of the company comprising 14 shareholders representing 12 931 640 N ordinary shares are analysed as follows:

Category	Number of N ordinary shares	% of N ordinary issued share capital
Naspers share-based incentive schemes	3 393 909	0.78
Directors	6 096 249	1.39
Group companies	3 441 482	0.79

Shareholders' diary

Annual general meeting

Reports

Interim for half-year to September

Announcement of annual results

Annual financial statements

August

November

June

July

Dividend

Declaration

Payment

August

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 102nd annual general meeting of Naspers Limited (the company or Naspers) will be held on the 17th floor of the Media24 Centre (formerly Naspers Centre), 40 Heerengracht in Cape Town, South Africa on Friday 26 August 2016 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 12 August 2016.

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 24 August 2016 to allow for processing of such proxy. 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 24 August 2016 to allow for processing of such proxy. A form of proxy is enclosed with this notice. The form of proxy may also be obtained from the registered office of the company. All other proxies must be handed to the company secretary prior to the commencement of the meeting.

Notice of annual general meeting (continued)

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 19 August 2016 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 2016 is available on **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 MultiChoice City, 144 Bram Fischer Drive, Randburg 2194 (contact person Mrs Toni Lutz).

Ordinary resolutions

In order for the following ordinary resolutions 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 9 requires the support of at least 75% of the total number of votes exercised by the shareholders present or represented by proxy at this meeting.

1. To consider and accept the financial statements of the company and the group for the twelve (12) months ended 31 March 2016 and the reports of the directors, the auditor and the audit committee. 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 2016 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 MultiChoice City, 144 Bram Fischer Drive, Randburg 2194 (contact person Mrs Toni Lutz).

2. To confirm and approve 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.

Notice of annual general meeting (continued)

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 B Deegan 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 approve the appointments of Messrs H J du Toit and G Liu as non-executive directors with effect from 1 April 2016. Their abridged curricula vitae appear in the integrated annual report. The board unanimously recommends the approval of the appointments of the directors in question.
5. To elect Messrs F L N Letele, R Oliveira de Lima, J DT Stofberg and Prof D Meyer; 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 5 be approved by the shareholders of the company.

The appointment of directors in ordinary resolution number 4 and the re-election of directors in ordinary resolution number 5 will be conducted as a series of votes, each being for 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.

6. 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 (IFRS) 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 Messrs D G Eriksson and B J van der Ross, and Prof R C C Jafta 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.

7. 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.

Notice of annual general meeting (continued)

8. 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, plus the JSE Limited's (JSE) Listings Requirements and the rules of any other exchange on which the shares of the company may be quoted or listed from time to time, plus 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 in their discretion deem fit.
9. Subject to a minimum of 75% of the votes of shareholders of the company present in person 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 this meeting.
 - That a paid press announcement giving full details, including the intended use of the funds, 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% (21 896 005) of the issued number of that class of shares (including securities that 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.
 - 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 on the following pages 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.

Notice of annual general meeting (continued)

Special resolutions numbers 1.1 to 1.13

The approval of the remuneration of the non-executive directors for the year ending 31 March 2018 (5% increase on fees for 31 March 2017 already approved by shareholders at the annual general meeting on 28 August 2015), as follows:

		31 March 2018 (proposed 5% increase year on year)
Board		
1.1	Chair*	2.5 times member
1.2	Member	US\$180 800
	All members: daily fees when travelling to and attending meetings outside home country	US\$3 500
Committees		
1.3	Audit committee: Chair	2.5 times member
1.4	Member	US\$44 540
1.5	Risk committee: Chair	2.5 times member
1.6	Member	US\$26 460
1.7	Human resources and remuneration committee: Chair	2.5 times member
1.8	Member	US\$31 300
1.9	Nomination committee: Chair	2.5 times member
1.10	Member	US\$16 870
1.11	Social and ethics committee: Chair	2.5 times member
1.12	Member	US\$23 150
Other		
1.13	Trustee of group share schemes/other personnel funds	R48 720

Note

* The chair of Naspers does not receive additional remuneration for attending meetings, or being a member of or chairing any committee of the board.

The reason for and effect of special resolutions numbers 1.1 to 1.13 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 1.13 in respect of the proposed 31 March 2018 remuneration, will be considered by way of a separate vote.

Notice of annual general meeting (continued)

Special resolution number 2

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 2 is to approve generally the provision of financial assistance to the potential recipients as set out in the resolution.

Special resolution number 3

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 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 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.

Notice of annual general meeting (continued)

- 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 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 remains in compliance with the minimum shareholder spread requirements of the JSE Listings Requirements.
- 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 submitted to the JSE in writing 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 IFRS, will exceed the liabilities of the company and the group.
 - 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:
 - Major shareholders.
 - Share capital of the company.

Notice of annual general meeting (continued)

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 4 and certify that, to the best of their knowledge and belief, there are no facts that have been omitted that would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that special resolution number 4 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 believe that such a general authority should be put in place in case an opportunity presents itself during the year; which is in the best interests of the company and its shareholders.

The reason for and effect of special resolution number 4 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 5

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.

The reason for and effect of special resolution number 5 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.

Special resolution number 6

That in terms of article 38 of the memorandum of incorporation of Naspers and in accordance with section 16(1)(c)(i) and (ii) read together with section 16(5)(b) of the Act, Naspers's existing memorandum of incorporation be and is hereby amended with effect from the date of filing of the required notice of amendment with the Companies and Intellectual Property Commission, as follows:

- In article 9 of the memorandum of incorporation, the paragraph appearing immediately below the heading "FRACTIONS OF SHARES" is deleted and substituted with the following:
- "9 Subject to the provisions of the Listings Requirements, if a fraction of a share comes into being as a result of any allocation, the Board shall round all allocations of shares down to the nearest whole number resulting in allocations of whole shares and a cash payment for the fraction."

Notice of annual general meeting (continued)

The reason for and effect of this special resolution is to amend the provisions of the memorandum of incorporation of the company, dealing with the manner in which fractional entitlement to shares is to be treated by the company, by aligning it with the new provisions of the JSE Listings Requirements that became effective on 22 February 2016.

The memorandum of incorporation is amended on the basis that the amendments thereto have been approved by the JSE Limited. The amended memorandum of incorporation will lie for inspection during normal business hours at Naspers's registered address, 40 Heerengracht, Cape Town 8000 (contact person Ms Yasmin Abrahams) and in Johannesburg at MultiChoice City, 144 Bram Fisher Drive, Randburg 2194 (contact person Mrs Toni Lutz).

Ordinary resolution

10. 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

Cape Town

22 July 2016

Form of proxy

Naspers Limited

Incorporated in the Republic of South Africa

(Registration number: 1925/001431/06)

JSE share code: NPN ISIN: ZAE000015889

LSE share code: NPSN ISIN: US 6315121003

(the company)

102nd annual general meeting of shareholders

For use by holders of certificated shares or 'own name' dematerialised shareholders at the 102nd annual general meeting of shareholders of the company to be held on the 17th floor of the Media24 Centre (formerly the Naspers Centre), 40 Heerengracht, Cape Town, South Africa on Friday 26 August 2016 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, the Media24 Centre (formerly the Naspers Centre), 40 Heerengracht in Cape Town on Friday 26 August 2016 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 confirm the appointment of:			
4.1 H J du Toit as a non-executive director			
4.2 G Liu as a non-executive director			
5. To elect the following directors:			
5.1 F L N Letele			
5.2 R Oliveira de Lima			
5.3 J D T Stofberg			
5.4 D Meyer			

Form of proxy (continued)

	In favour of	Against	Abstain
6. Appointment of the following audit committee members:			
6.1 D G Eriksson			
6.2 B J van der Ross			
6.3 R C C Jafta			
7. To endorse the company's remuneration policy			
8. Approval of general authority placing unissued shares under the control of the directors			
9. Approval of general issue of shares for cash			
10. 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 financial year 31 March 2018:			
1.1 Board – chair			
1.2 Board – member			
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 Trustees of group share schemes/other personnel funds			
Special resolution number 2			
Approve generally the provision of financial assistance in terms of section 44 of the Act			

Form of proxy (continued)

	In favour of	Against	Abstain
Special resolution number 3			
Approve generally the provision of financial assistance in terms of section 45 of the Act			
Special resolution number 4			
General authority for the company or its subsidiaries to acquire N ordinary shares in the company			
Special resolution number 5			
General authority for the company or its subsidiaries to acquire A ordinary shares in the company			
Special resolution number 6			
Amendment to the memorandum of incorporation: Fractions of shares			

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 _____ 2016

Signature _____ Assisted (where applicable) _____

Notes to the 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, 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.
 - 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, 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 that shareholder in the appropriate space provided, failing which the proxy shall not be entitled to vote at the annual general meeting in respect of the shareholder's votes exercisable at that meeting, provided where the proxy is the chair, failure to so comply will be deemed to authorise the chair to vote in favour of the resolutions.
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 lodged in this manner are to be received by not later than 11:15 on Wednesday 24 August 2016, or such later date if the annual general meeting is postponed to allow for processing of such proxies. All other proxies must be handed to the company secretary prior to the commencement of the meeting.
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 timeously 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 above-mentioned 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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