A global platform operator

integrated annual report 2015

NASPERS

Contents

allegro
goibibo
konga
GET THE AMAZING
Infinix
HOT
FOR JUST ₦14,500
SHOP NOW
Online Hotel Booking In India
spodobać

GROUP


Walutomat
Wymieniaj waluty
po najlepszych kursach
Tylko teraz 50% taniej na start!
odbierz rabat 50%
OLX
O maior site de classificados do Brasil
Faça como o nosso vovô. Desapega agora!
Comprar e vender nunca foi tão fácil
iPhone 5

About this report

GROUP

PERFORMANCE

GOVERNANCE

FINANCIAL

INFORMATION

Scope of this report and assurance

Our integrated annual report combines financial and non-financial information for the year from 1 April 2014 to 31 March 2015 giving a full understanding of our group's performance. It 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), the International Integrated Reporting Council Framework, requirements of the Companies Act No 71 of 2008 ("Companies Act"), and International Financial Reporting Standards (IFRS).

This report includes the financial performance of the Naspers group and its subsidiaries, joint ventures and associates. The scope of reporting on non-financial performance is indicated in the detail of the report.

Our South African subsidiaries publish separate integrated reports on **www.multichoice.co.za**, **www.media24.com** and **www.novus.holdings**.

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

Information extracted from the audited Naspers Limited consolidated annual financial statements for the year ended 31 March 2015 has been included in this integrated annual report. Refer to page 121 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).

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.

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 South African Companies Act, while 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) and the International Integrated Reporting Council Framework.

In our opinion the integrated annual report and financial statements fairly reflect the true financial position of the group at 31 March 2015 and its operations during this period.

On behalf of the board

Koos Bekker
Chair
Cape Town
26 June 2015

GROUP
PERFORMANCE
GOVERNANCE
FINANCIAL
INFORMATION

Our values

Above all, we solve problems for customers

Our purpose

Enriching communities with content and commerce.

What we do

We develop outstanding products for customers in markets with growth potential. We enable better commerce, entertainment and information.

How we do it

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

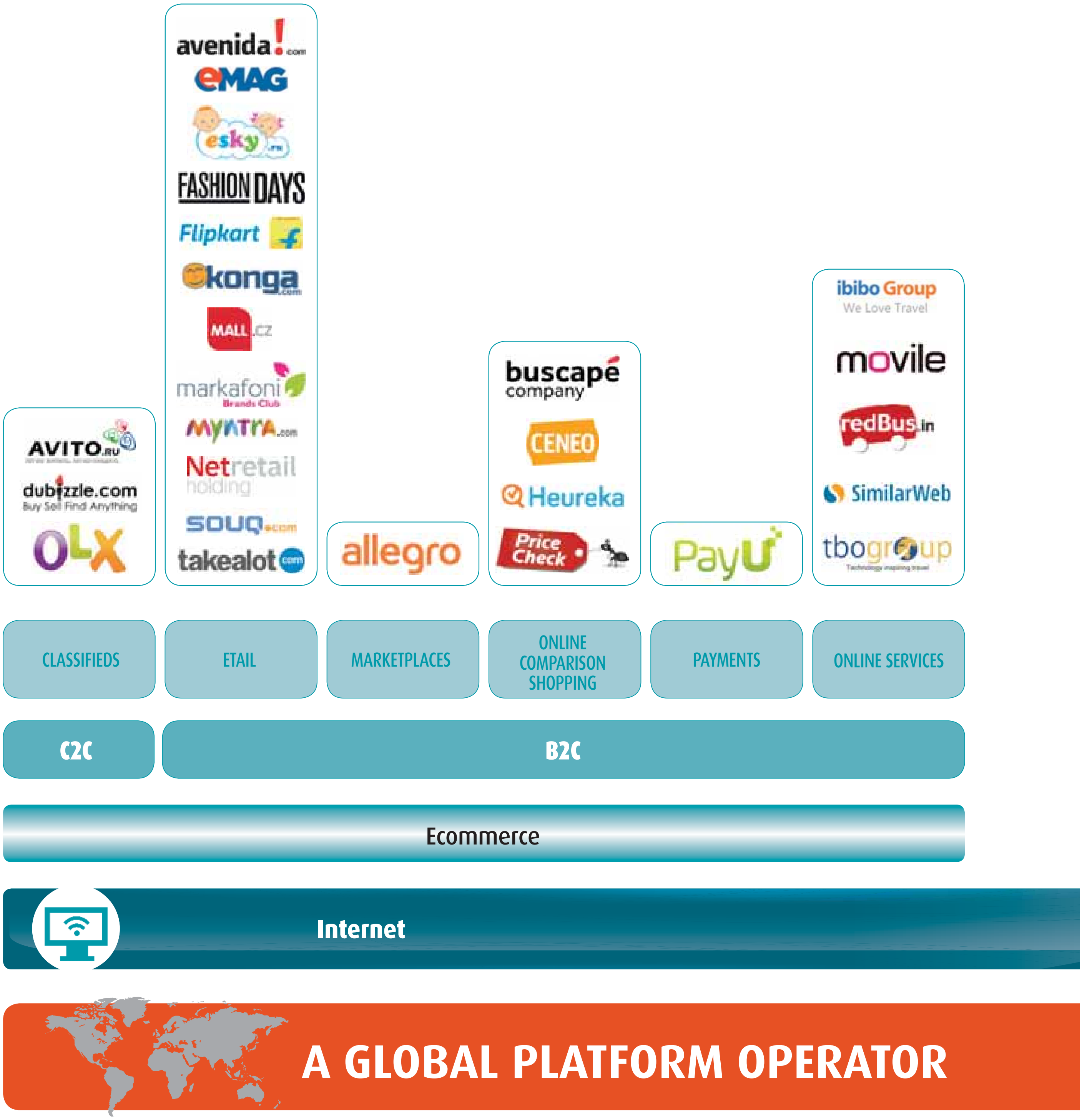
Introduction

Over the decades we have transformed thoroughly. Starting as a single-country newspaper group, we risked becoming an early investor in pay television and mobile telephony in one country. Then we grew into a video-entertainment leader and a major global consumer internet and ecommerce group in over 130 countries. Looking at our business as a whole on an economic interest basis and including our share of associates and joint ventures, almost 60% of our revenues are now derived from internet and ecommerce segments. Below 30% of our revenues are sourced in South Africa.

Today Naspers is a broad-based group with operations in ecommerce (especially online classifieds, etail, marketplaces, online services and payments) and other internet services, video entertainment and print media. We operate mainly in markets with high growth potential – Africa, China, Latin America, Central and Eastern Europe, Russia, India, Southeast Asia and the Middle East. Most of our businesses are market leaders in their sectors.

Naspers has its primary listing on the JSE Limited's stock exchange (JSE) in South Africa, where it forms part of the Top 10 index. It also has a level I American Depository Receipt programme (ADR) listing on the London Stock Exchange (LSE) 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). (However, most trades de facto take place on the JSE.)

Our business (continued)



Given our aim to be a player in selected ecommerce markets, global business units were reshaped under dedicated, specialised management. This improved clarity in terms of strategy, technology, systems and talent management. In addition, vertical (versus geographic) business specialisation leads to faster sharing of knowledge and innovation.

DTT

DTH

Listed

Video entertainment

Print

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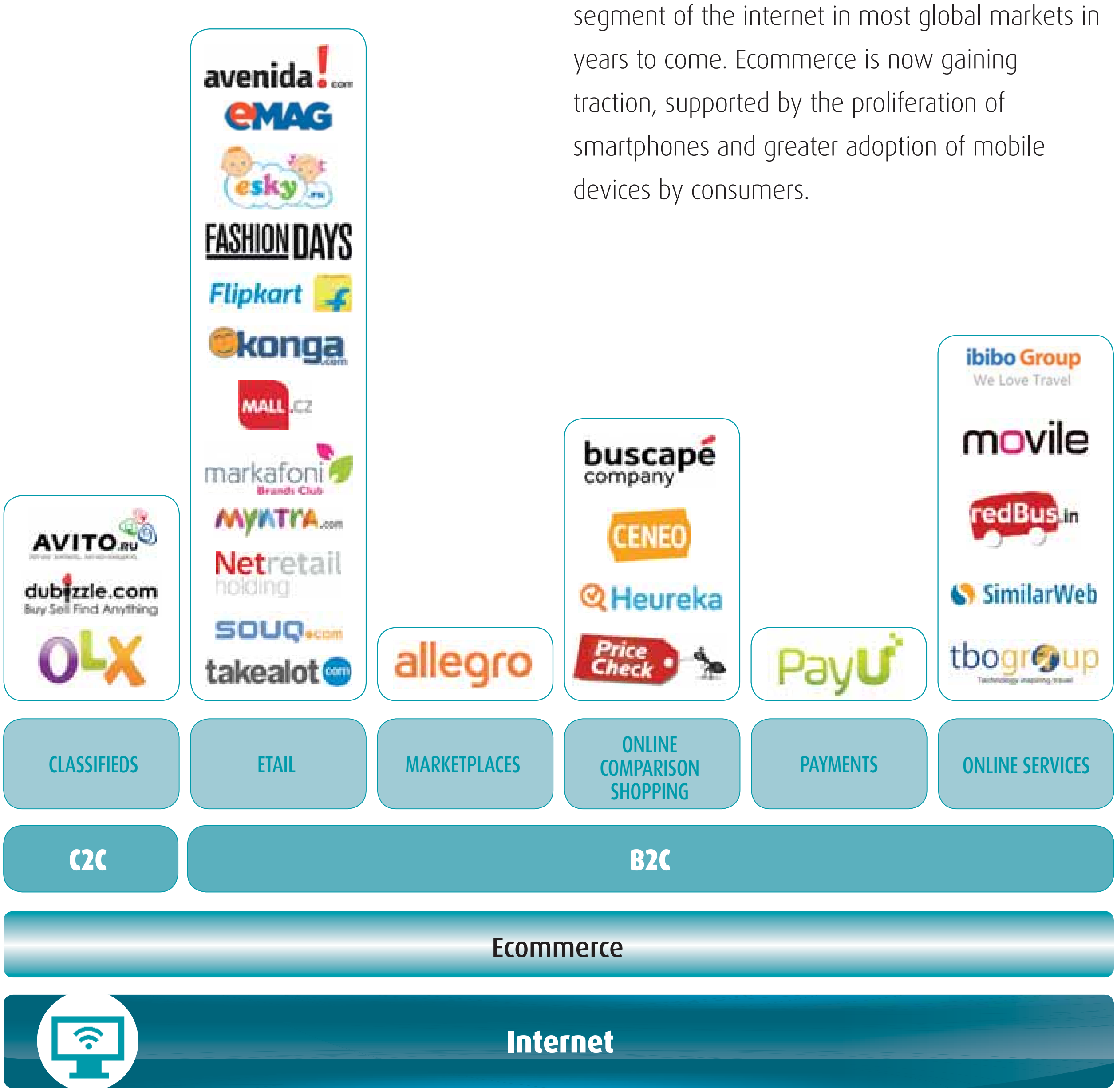
PERFORMANCE
GOVERNANCE
FINANCIAL
INFORMATION

Internet

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

- Ecommerce platforms
  - Consumer-to-consumer (C2C)
    - Classifieds (mainly general classifieds sites, with some property verticals)
  - Business-to-consumer (B2C)
    - Etail
    - Marketplaces
    - Online comparison shopping
    - Payments
    - Online services such as travel and food ordering
- Listed investments
  - Tencent
  - Mail.ru

We believe ecommerce will be the largest segment of the internet in most global markets in years to come. Ecommerce is now gaining traction, supported by the proliferation of smartphones and greater adoption of mobile devices by consumers.



Ecommerce sector by category

- **Etail:** We are building B2C etail businesses that help consumers purchase goods and services through online platforms.

  In several markets we hold inventory for sale in our own warehouses and fulfilment centres and deliver items to the end consumer via owned or third-party distribution systems. Tight working capital management and merchandising expertise are key to producing economic returns.

  In other markets our platforms facilitate third-party B2C and C2C transactions. In these cases we offer sales management tools and traffic generation, but do not hold inventory directly. Revenues from these marketplaces include commission charged on successful transactions, as well as listing and promotional fees. In many markets we combine the first-party etail and third-party models.

  We also offer online price-comparison services where consumers can source information on the specifications and product pricing from multiple vendors. We receive a fee from vendors for leads generated and/or transactions completed.

- **Classifieds:** We operate online classifieds platforms that facilitate local commerce in categories including items for sale, job opportunities, services for hire, homes for sale and rent, and much more. Revenues from classifieds include listing and promotional fees as well as third-party advertising.

The business model requires significant upfront investment to build market leadership, with monetisation coming later. This often translates into several years of losses before profits are made.

- **Payments:** Under the PayU brand, we offer safe and easy payment for goods and services bought online. These are available to consumers on our own ecommerce platforms, as well as platforms operated by third parties. We differentiate our solutions by offering a broad range of local payment options to our customers and good conversion of interest to sales for our merchants.
- **Online services:** We invest in emerging opportunities, such as online travel, and mobile-first and mobile-only services such as food ordering, and other mobile value-added services.

Video entertainment (previously pay television)

We operate video-entertainment platforms in sub-Saharan Africa. Our strategy is to deliver quality entertainment "anytime, anywhere and on any device". Various technologies are used to offer direct-to-home (DTH) satellite, digital terrestrial television (DTT), online and mobile services. We also develop content protection and access-management technologies for internet, video-entertainment 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 some 10m households in 50 African countries.

- **GOtv:** Leading provider of DTT video-entertainment services in Africa, with operations in eight countries and 114 cities.
- **M-Net:** General channel provider, sourcing content from international content owners and commissioning local productions.
- **SuperSport:** Premier funder and broadcaster of sport content 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.

Print

This segment comprises primarily digital media, newspapers, magazines, printing, distribution, book-publishing businesses and ecommerce ventures in South Africa. Our main operations include:

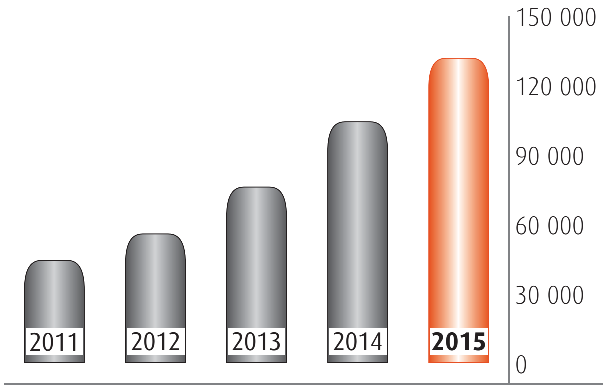
- **Media24:** Interests in newspapers, magazines and digital media, as well as printing, distribution, book publishing, ecommerce and financial data. Most of our businesses are market leaders in their sectors. Activities are conducted primarily in South Africa, with some operations in neighbouring countries and expansion into select territories in the rest of Africa, such as Nigeria and Kenya.
- **24.com:** A leading digital publisher in Africa.
- **Careers24:** Leading recruitment site in South Africa.
- **Spree:** Leading online fashion retailer in South Africa.

- **Novus Holdings Limited ("Novus Holdings") (listed on the JSE in March 2015, previously Paarl Media Group):** A leading printing and manufacturing group in Africa.
- **Book publishing:** Leading position in the South African trade publishing market through Jonathan Ball Publishers and NB Publishers.

Key figures for 2015

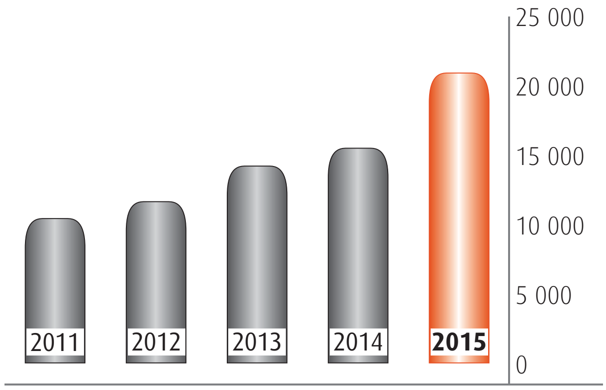
Revenue[1]

R'm



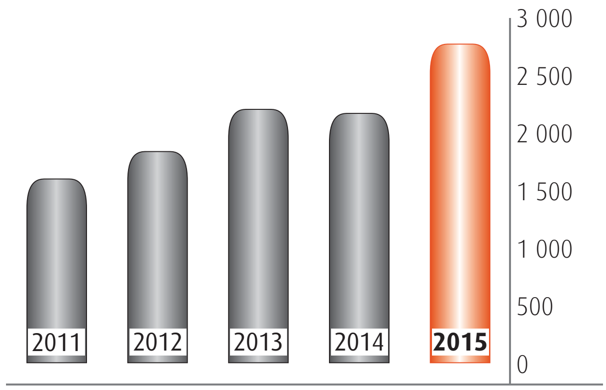
Trading profit[1]

R'm



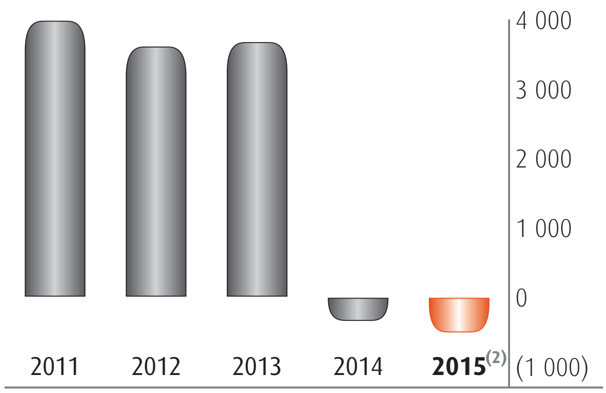
Core HEPS

cents



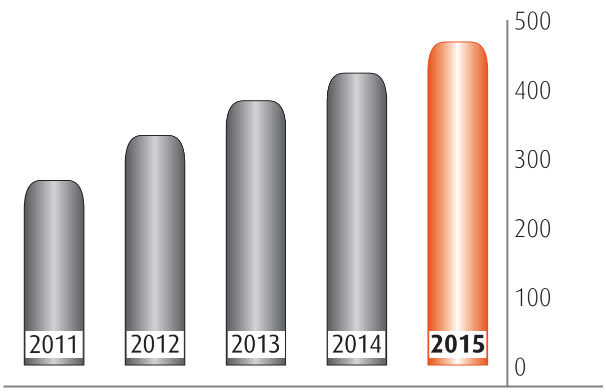
Free cash flow

R'm



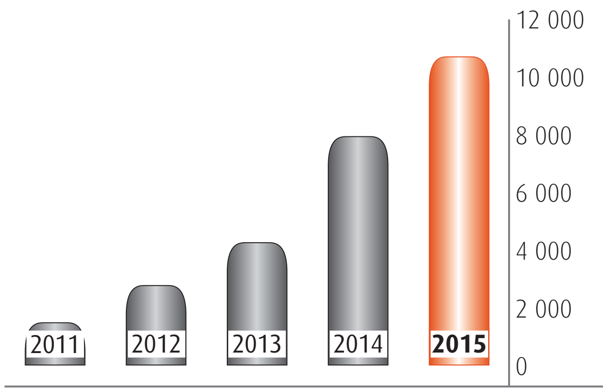
Dividend per share

cents



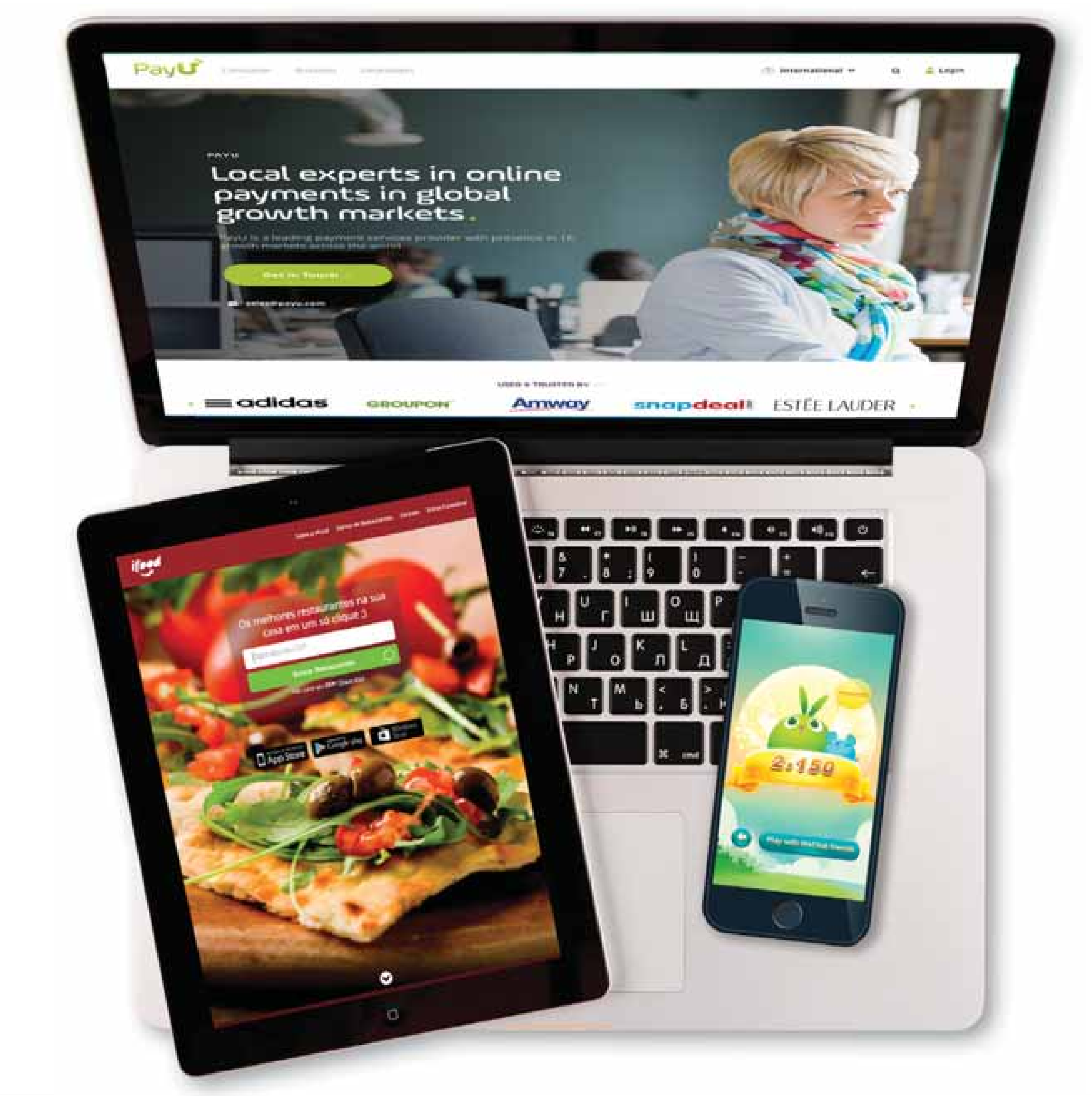
Development spend[1]

R'm



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

(2) *We report a free cash outflow in the current year of R515m, largely due to increased capital expenditure to build our DTT footprint and in-country video-entertainment production facilities in East and West Africa.*



Users and services

- Mobile internet remains a battleground in all internet service categories. Online retail (etail) and classifieds are growing fast in a changing ecommerce landscape. Business models are evolving to match customers' increasing expectations.
- We are now the world's largest classifieds group measured by users and net new listings.
- We are now market leader in transactions in online travel in India, as well as online food delivery in Brazil.
- Our consolidated PayU brand gives buyers and sellers efficient and secure payment solutions.
- Tencent continues to build next generation online-to-offline (O2O) services by investing and partnering with leading companies such as 58.com, Dianping and Koudai. User engagement is increasing by providing local

Operational snapshot (continued)

services to users such as transportation, lifestyle, restaurant bookings and movie tickets.

- MultiChoice's "TV everywhere" strategy gained traction with the launch of Connected Services that offers customers access to a greater selection of entertainment. The DStv Catch Up service provides an expanded catalogue of over 1 200 hours of content and gives DStv Premium PVR customers access to content via their mobile devices in the form of 19 linear channels (including events channels) and some 1 600 DStv Catch Up titles.
- The launch of DStv Now enabled our DStv Premium PVR 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 PVR and through the DStv Now app.
- BoxOffice, MultiChoice's video-on-demand service continued to grow with a monthly average of 600 000 movie rentals. The catalogue was expanded to 20 titles on the DStv Explora and an average of 100 titles online.
- Our news and content businesses are investing in digital, particularly mobile delivery, while managing costs in a challenging environment.

Our people

Competition for the best talent is increasing in most markets. We have created a group human resources team to address this competitive challenge and focus on critical talent topics:

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

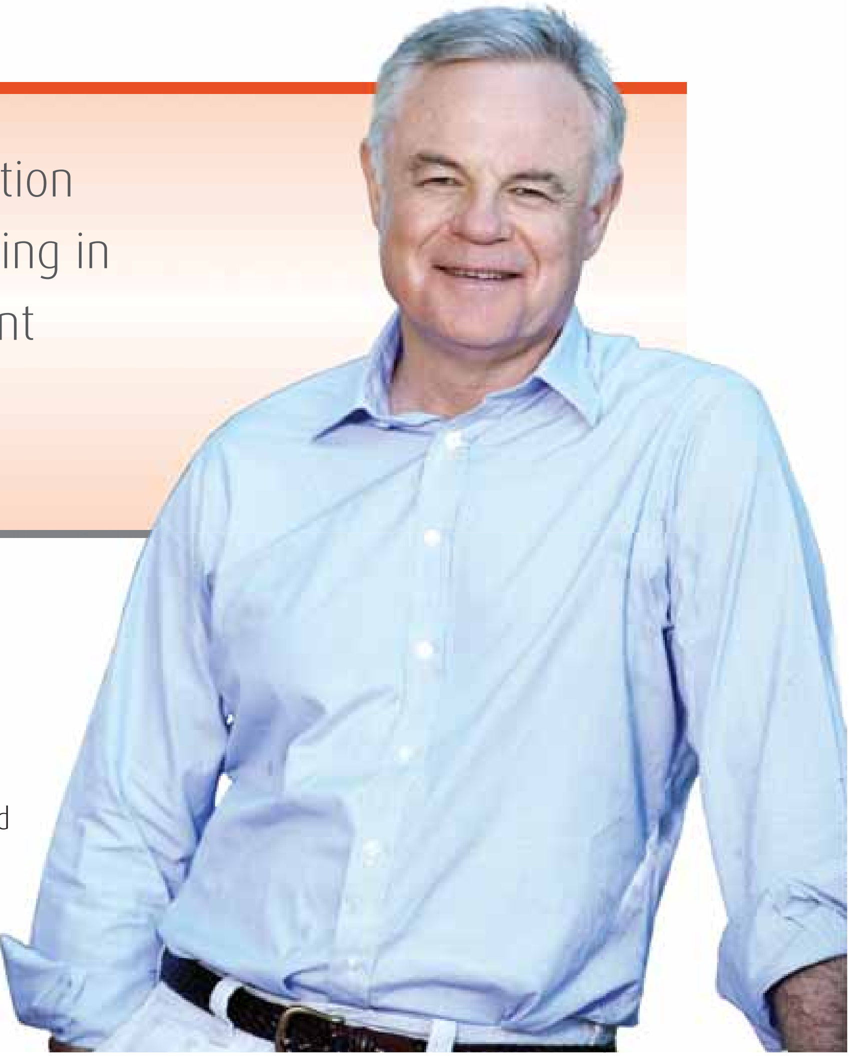
Socio-economic development

- In South Africa some R2,7bn was spent on local sport and content during the financial year. SuperSport is by far the biggest funder of local sports on the African continent.
- We introduced the MultiChoice Diski Challenge, which focuses on youth development through a reserve league for the Premier Soccer League (PSL). This is a countrywide initiative run by the PSL and has been well received.

- Media24 focuses on education, digital media training and enterprise development: Most weeks each year, the flagship weekly magazines Huisgenoot, YOU and DRUM publish supplementary educational material that is in line with the school curriculum and used by teachers, learners and parents. The company plays a significant role in developing small independent publishers of community titles and provided digital media training to 150 members of the Association of Independent Publishers (AIP). Its flagship Corporate Social Investment (CSI) project, WeCan24, is a mobile-based national digital news schools network, which equips budding journalists with the technical platforms and journalistic skills to run their own online school news sites.
- A new echarity platform (charytatywni.allegro.pl) was created to better connect an online community willing to help others, with relevant non-governmental organisations seeking funds.

- The eMAG Foundation was launched by our leading Romanian etail business. Its flagship projects aim to revitalise the Romanian educational system and include: Aiming for the Olympiad – supporting children and teachers who aim to achieve higher performance in education.

Chair's report



We strengthened our position in most markets by investing in people, technology, content and marketing.

Koos Bekker

Overview

We are pleased to present our integrated annual report for the year to 31 March 2015 to stakeholders.

Results for the review period reflect good progress across our video-entertainment (previously "pay-television") and internet platforms. We strengthened our position in most markets by investing in people, technology, content and marketing – leading to growth ahead of competitors. Notably strong growth was seen in our classifieds and etail businesses, with both formats gaining market share. Our position in mobile offerings strengthened versus competitors.

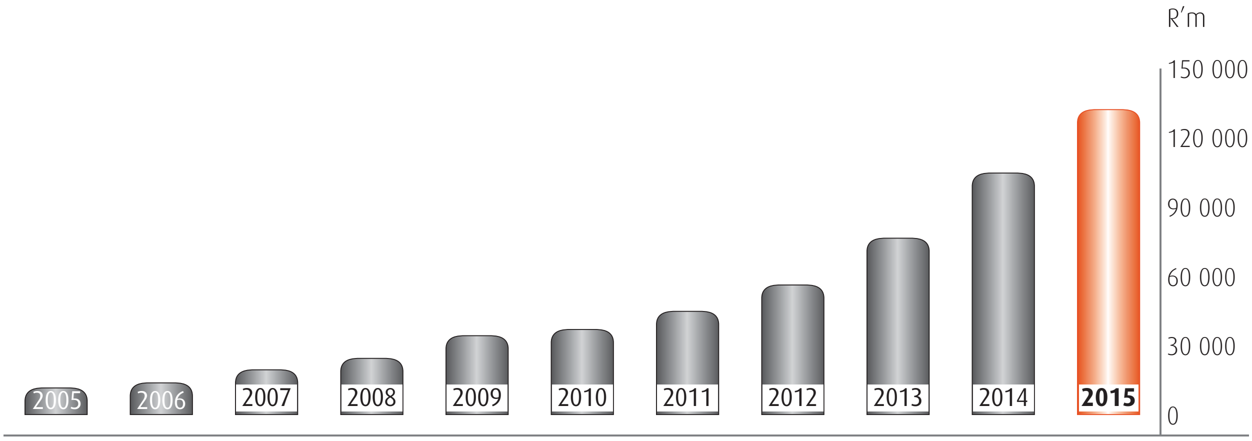
Core headline earnings grew

30%

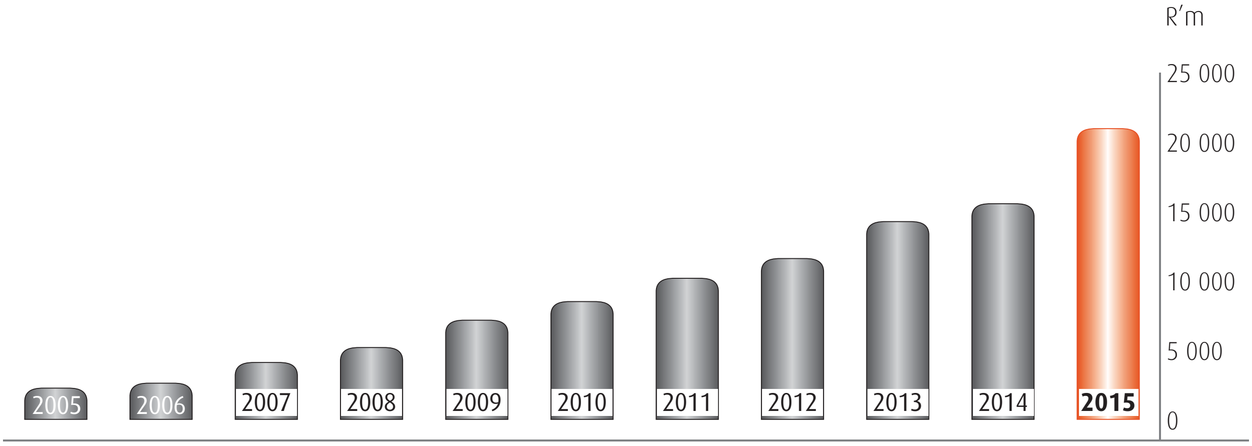
to R11,2bn

Core headline earnings, a measure we view as a reliable indicator of our sustainable operating performance, grew 30% to R11,2bn (2014: R8,6bn). This was mainly due to contributions from Tencent and some of our profitable ecommerce businesses. Taking a 10-year view, the group has grown segment revenues at a compounded annual rate of around 27%, and trading profits at 25%.

Segment revenue[1]



Segment trading profit[1]



[1] *Including associates and joint ventures on a proportionate basis.*

Our listed internet investments Tencent (particularly) and Mail.ru (less so) were major contributors to our equity-accounted results, increasing to R16,4bn (2014: R10,8bn). We congratulate them on their excellent management skills.

Our video-entertainment business made solid progress, passing a milestone to close at over 10,2m subscribers. In March 2015 Media24 successfully listed its printing business, Novus Holdings, raising R1,1bn in cash with this listing.

Looking ahead, we hope to build sustainable positions in growing markets. We focus on local language and culture, creating an entrepreneurial spirit and a quality workforce.

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 87.

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 86 (http://www.naspers-reports.com/2015/corporate-governance.php).

Environment in which we operate

The 2014 calendar year was a turbulent one for the global economy, with widely diverging impact. Each country and business in our portfolio has its own unique challenges. However, a benefit of operating in multiple countries and embracing multiple technologies is that the aggregate risk profile is spread. Surviving in such a dynamic environment, however, requires planning and agility.

During the review period, the use of **internet services** continued to expand. The global internet audience is forecast to pass the 3bn user mark in 2015 and more than half the world's population is expected to be connected to the internet by 2018. Mobile is leading the charge as the most disruptive innovation in the technology/internet space.

While internet access in various forms is creating opportunities for our internet ventures, it also requires our **video-entertainment** businesses to adapt fast. Personal video recorders (PVRs) make on-demand television a reality and, in sub-Saharan Africa, the advent of DTT networks is addressing a mass market that cannot afford satellite video entertainment.

Ecommerce continues to take market share from bricks-and-mortar shops. Over the next decade ecommerce is on track to emerge as the largest section of the internet in most countries around the world.

In a broader regulatory environment that continues to evolve, we operate a legal and regulatory compliance programme. African countries are now strengthening broadcasting regulation and new competition legislation is being introduced. Elsewhere in the world internet regulation is ramping up. Naspers's licences to provide services are subject to conditions that may change over time. Equally, our newspaper and magazine businesses are subject to several regulatory impacts. Our two main South African units, MultiChoice and Media24, are complying with South African broad-based black economic empowerment (BBBEE) requirements.

Managing sustainability

Naspers invests massively to create useful products and services for customers. If successful, this will yield a sustainable return to investors. However, our obligations as a corporate citizen demand that we respect the natural environment and limit our impact as far as possible.

The Naspers group follows a structured approach to its sustainability strategy. Our governance model and ethical principles are communicated throughout the group.

Chair's report (Continued)

Our approach to sustainability is described below.

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

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

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

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

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

In our social interactions, we focus in particular 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.

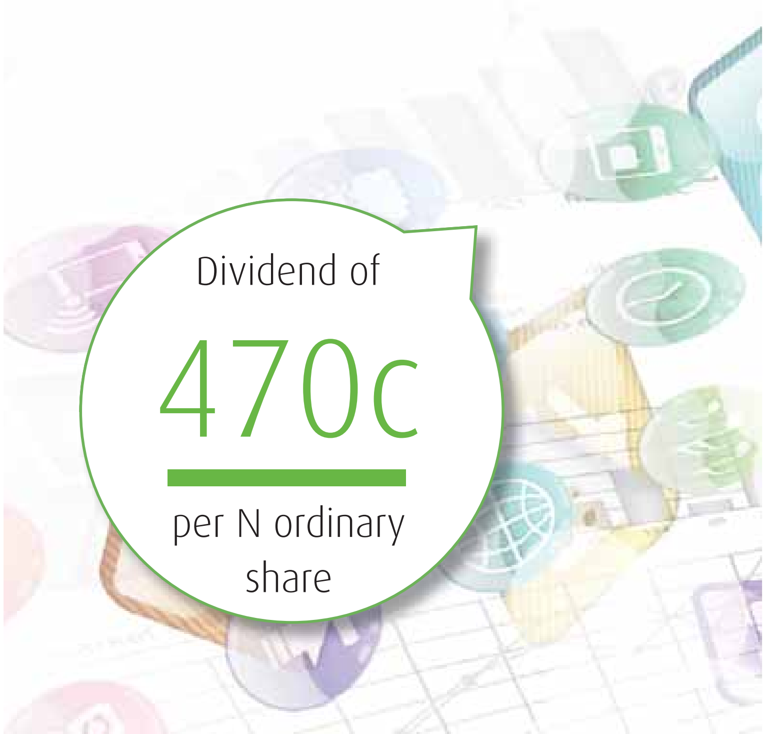
For more details, refer to the governance and sustainability section on our corporate website, **www.naspers.com**.

Dividend

The board recommends that the annual gross dividend be increased 11% to 470 cents (previously 425 cents) per listed N ordinary share, and 94 cents (previously 85 cents) per unlisted A ordinary share. If confirmed by shareholders at the annual general meeting on 28 August 2015, dividends will be payable to shareholders recorded in the books on Friday 18 September 2015. It will be released on Monday 21 September 2015. The last date to trade cum dividend will be Friday 11 September 2015 (shares therefore to trade ex dividend from Monday 14 September 2015). Share certificates may not be dematerialised or rematerialised between Monday 14 September 2015 and Friday 18 September 2015, both dates inclusive.

Chair's report (Continued)

The dividend will be declared from income reserves. It will be subject to a dividend tax rate of 15%, yielding a net dividend of 399,5 cents per listed N ordinary share and 79,9 cents per unlisted A ordinary share to those shareholders not exempt from paying dividend tax. Such dividend tax will amount to 70,5 cents per listed N ordinary share and 14,1 cents per unlisted A ordinary share. The issued ordinary share capital as at 26 June 2015 was 419 203 470 N ordinary shares and 712 131 A ordinary shares.
The company's income tax reference number is 9550138714.



Directors

During the financial year several changes to the board concurred.

Mr Steve Pacak (our excellent financial director) retired on 30 June 2014 from his executive position. Mr Basil Sgourdos was appointed to the board as financial director effective 1 July 2014. Mr Pacak became a non-executive director.

On 15 January 2015 Mr Mark Sorour, our experienced head of mergers and acquisitions, and already an alternate executive director, was appointed as an executive director.

Subsequent to the financial year-end on 17 April 2015, Mr Ton Vosloo, non-executive chair, as well as independent non-executive directors Messrs Boetie van Zyl and Yuanhe Ma, retired from the board. In addition, I rejoined the board as non-executive chair. Mr Vosloo served with great distinction on the Naspers board since March 1983. He chaired Naspers, as well as various group companies and board committees with insight and tact for 23 years. Mr van Zyl was appointed to Naspers in January 1988 and served as independent lead director and on various other group structures. Mr van Zyl very ably chaired the Naspers audit, risk, and social and ethics committees. Mr Ma has served on the board since 2013 and other group boards and committees since February 2003 and provided valuable input. Furthermore, with effect from 29 May 2015 Naspers's non-executive director, Adv Fran du Plessis resigned from the board, having made valued contributions to various other group structures and committees since October 2003.

The board expressed its deep gratitude to these directors for their commitment to our group over many years. Their unique contributions were highly appreciated and will be missed.

In terms of the company's memorandum of incorporation, one third of non-executive directors retires annually and reappointment is not automatic. Messrs Craig Enenstein, Don Eriksson, Fred Phaswana and Ben van der Ross 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).

On 9 June 2015 Prof Rachel Jafta was appointed to Naspers's audit and risk committees. Members of the audit committee are now Messrs Don Eriksson and Ben van der Ross and Prof Rachel Jafta. The board recommends shareholders reappoint them as audit committee members. On 17 April 2015 Mr Don Eriksson replaced Mr Boetie van Zyl as chair of the audit committee as Mr van Zyl retired, while with effect from 29 May 2015 Advocate du Plessis resigned.

In compliance with the Companies Act, shareholders will be asked to consider these proposals at the annual general meeting. The abridged curricula vitae of all directors appear on pages 92 to 97.

I thank my fellow board members for their highly valued guidance and support during another successful year. Our board appreciates the commitment of our top executives under Mr Bob van Dijk. Also our management teams and our employees around the world. We appreciate their enthusiasm and enterprise.

Koos Bekker
Chair
26 June 2015

Chief executive's report

We push for performance in everything we do.

Bob van Dijk

Overview

Based on a solid understanding of consumer behaviour, we build technology platforms in growth markets, aiming to stay ahead of changes in consumer engagement. Our platforms – currently in ecommerce, online services, video entertainment and print/digital media – are relevant in the lives of our customers.

Generally, platform businesses are the most valuable in media and the internet – consumer destinations (starting points) with repeat use and positive word-of-mouth. Platforms often deliver attractive financials on the back of this strong position with consumers. Executed well, the consumer base and cash flow from a strong platform can support the growth of valuable adjacent businesses.

Naspers has solid platforms in its global portfolio. For example video entertainment and the Allegro marketplace are businesses that address a real consumer need, are monetised in a sustainable way, and have extended into other markets.

Performance in context

On an economic-interest basis, revenue grew 26% during the year, mainly through solid growth in our ecommerce and video-entertainment segments. Continuing the trend of recent years, Almost 60% of total segment revenues came from our internet and ecommerce operations. Some R10,7bn was invested in developing our ecommerce platforms and enhancing our video-entertainment services across Africa. The rand and some of our other operating currencies depreciated against the US dollar. Core headline earnings, a measure the board considers a reliable indicator of sustainable operating performance, grew 30% to R11,2bn (2014: R8,6bn), mainly due to increased earnings contributions from Tencent and some of the profitable ecommerce businesses.

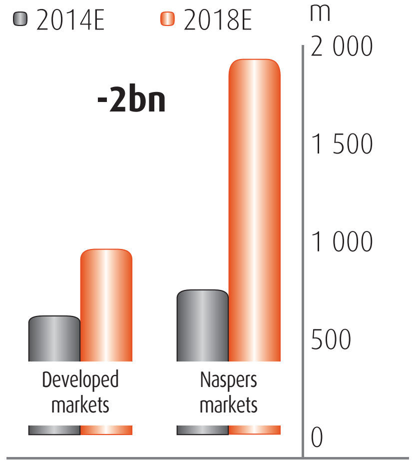
As a result, core headline earnings per N ordinary share grew 28% to R27,80.

The main developments in our business units are summarised below and the summary includes associates and joint ventures on a proportionate basis:

- **Internet:** This segment includes our ecommerce activities and listed investments and recorded strong revenue growth of 37%. Tencent performed well, with earnings attributable to shareholders measured in Tencent's local currency, growing by 54%. Our ecommerce segment recorded a 36% increase in revenue, but also at an increased trading loss of R6,1bn.

  Ecommerce is growing fast. Given the different stages of maturity and the revenue structure of our ecommerce models, etail and marketplaces currently generate the bulk of ecommerce revenues. We are investing in our platforms to grow ahead of our competitors and expand the market. We are also adjusting to the rapid shift to smartphones, which are becoming the primary internet device in many of our markets.

Mobile internet users by region



A number of agreements were concluded with Schibsted ASA Media Group ("Schibsted"), covering key classifieds assets in Latin America, Southeast Asia and Eastern Europe that should enhance our consumer offering and improve the outlook of our classifieds platforms in some of these regions.

ecommerce revenue up
36%

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Chief executive's report

- **Video entertainment:** This segment produced another consistent performance, generating revenues of R42,4bn – up 17% year on year. The net subscriber base across Africa passed the 10m mark during the period.

  Development spend rose 31% as we continue to invest in building our DTT services and online platforms, resulting in trading profit contracting by 6% to R8bn. Our DTT network is now substantially in place, with MultiChoice now operating in 11 countries and 114 cities. Our DTT base more than doubled, closing at 2,2m customers. Kenya is one of the first African countries to make the transition to digital after the analogue switchoff started in January 2015.
- **Print:** Like traditional media companies worldwide, Media24 faced challenges and managed marginal revenue growth. Trading profit declined as Media24 stepped up investment in internet and ecommerce opportunities.

Significant acquisitions

The group invested R4,5bn during the year on acquisitions in the ecommerce sector and disposed of some smaller businesses in that same sector.

Key transactions included:

- Effective January 2015, the group entered into agreements with Schibsted, Telenor Holdings ASA and Singapore Press Holdings Limited to establish joint classifieds business activities in Brazil, Indonesia, Bangladesh and Thailand. The group also acquired Schibsted's Philippine classifieds business. In February 2015 we entered into further agreements with Schibsted on acquiring Schibsted's Romanian classifieds

business and the sale of the group's Hungarian classifieds business.

- Various acquisitions were made within the Movile group, especially with respect to the group's online food-ordering business, iFood, which merged with Just Eat's Brazilian subsidiary.
- In February 2015 the group acquired a 46,5% interest in Takealot Online (RF) Proprietary Limited ("Takealot") in exchange for its South African etail business, Kalahari.com, and the issue of Naspers N ordinary shares.
- In March 2015 the group acquired the shares held in and loans extended by minority shareholders in its subsidiaries MIH Allegro B.V. and FixeAds B.V. under the terms of pre-existing exit agreements.
- Also during March 2015 the group disposed of its subsidiary 7Pixel S.r.l. for R678m.
- The group participated in two funding rounds of its associate Flipkart Limited ("Flipkart"). These funding rounds, in May and August 2014, resulted in additional investments of R555m and R2,67bn respectively. The group now has a 15,83% interest in Flipkart on a fully diluted basis.
- We also invested a further R297m in cash in our joint venture, Konga Online Shopping Limited ("Konga"), in October 2014. At 31 March 2015 the group held a 40,2% interest in Konga on a fully diluted basis. After the end of the reporting period, the group invested a further US$41m in Konga. Following this investment, the group continues to exert joint control over Konga

with its 50,9% interests on a fully diluted basis.

- In January 2015 the group disposed of the backend infrastructure of the MWEB Business, Optinet Services and Networks divisions, to Dimension Data and entered into a joint Wi-Fi business venture with Dimension Data by contributing its MWEB Wi-Fi division in exchange for a 49% interest. MWEB is now a consumer-focused internet service provider only.

Investor engagement

We are committed to providing 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, 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.

During the year we conducted 327 meetings and teleconference calls with both equity and bond investors. We hosted an India ecommerce day in Bangaluru (Bangalore) and attended a number of conferences. Following the release of interim and full-year results, we conducted non-deal roadshows in South Africa, the United Kingdom and the United States of America.

Investing for growth

Over the past 100 years Naspers has gone through a good deal of change from a single-country print media company and an early investor in mobile telephony in one country to a multinational video-entertainment player and a global consumer internet/ecommerce company.

Mobile is transforming emerging markets faster in mature markets. For Naspers this means we are becoming a largely mobile-services company. Classifieds, etail and online payments are transforming ecommerce and we continue to invest to meet this demand. In our video-entertainment business, platform shifts occur from linear television services to video-on-demand (VOD). Our top priority is to give customers what they want.

This changing environment offers Naspers opportunities. The combination of our large and rapidly growing target markets, our platform offering for both ecommerce and content delivery, offers growth potential for the years ahead.

We are playing to win and are investing in proven business models that can become strong cash generators if executed well, such as classifieds, etail and DTT. In addition, we invest in new opportunities, such as online travel in India and mobile-only

services such as food ordering and other mobile value-added services.

We are also actively reinvesting in the growth of core models.

We believe this strategy is sound – our aim is to deliver value to our shareholders over the medium to long term and to contribute to the communities in which we operate.

People

We operate in industries where change happens quickly and an important part of our competitive advantage comes from the quality of our people. We invest to make sure we create an attractive place to be for all our people: entrepreneurs, engineers, leaders and professionals at all levels. We are providing our people with a meaningful purpose, the opportunity to learn and grow in an environment with great values, underpinned by a competitive reward strategy.

All over the world our people continue to prove 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. These contributions are valued and appreciated.

Bob van Dijk
Chief executive
26 June 2015

Our strategy

Above all, we solve problems for customers.

- Based on a solid understanding of consumer behaviour, we build technology platforms in growth markets, aiming to stay ahead of changes in consumer needs.

We observe consumer behaviour and technology changes when we set our strategic priorities:

- The internet and especially mobile devices are taking share of consumer interest and time spent.
- Platforms, etail and classifieds.
- From a geographic perspective, we will continue our focus on growth markets.

- Become more scalable as an operator, maintain above-market growth rates while improving profitability.
- Be focused and strategic as an acquirer of assets.
- Continue to place selective, strategic bets on emerging platforms that can represent the next wave of growth for the company.
- Be the most desired partner for successful entrepreneurs in growth markets.

For a fuller understanding of our group in context, we summarise key indicators in our major operating regions below:

	Population (m)	Internet users (m)	Internet pene-tration	Mobile users (m)	Mobile pene-tration	Smart-phone users (m)	Smart-phone pene-tration	PPP* GDP (US$bn)	GDP per capita (US$)
Africa and Middle East	1 440	446	31	1 218	85%	173	12%	9 104	6 322
China	1 374	646	47	1 360	99%	522	38%	15 982	11 632
Eastern Europe	214	110	51	295	>100%	90	42%	3 241	15 145
India	1 276	281	22	1 000	78%	140	11%	5 872	4 602
Southeast Asia	833	260	31	788	95%	167	21%	4 999	8 619
Latin America	580	313	54	459	79%	186	32%	7 977	13 753
Russia	142	87	61	253	>100%	65	46%	2 738	19 282
Western Europe	417	389	93	534	>100%	250	60%	15 815	37 926

**Purchasing power parity.*
Sources: IMF, BOA Merrill Lynch, CNNIC, IAMAI, Emarketer.

Looking ahead

We focus on internet (specifically ecommerce) and video entertainment to create value for our shareholders over the medium to longer term. 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.

How we manage risk

GROUP

PERFORMANCE

GOVERNANCE

FINANCIAL

INFORMATION

Risk management is integral to the daily operations of our businesses. As a multinational multimedia group with activities in over 130 countries, we are 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 and applies the relevant rules and regulations.

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

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

Risk policy

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

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

The policy applies to risks the group faces in executing its strategy, operations, reporting and compliance activities and it 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, as well as the COBIT[2] framework for information technology (IT).

[1] COSO ERM: Committee of Sponsoring Organizations of Treadway Commission Framework for Enterprise-wide Risk Management.
[2] COBIT: Control Objectives for Information and Related Technology, the internationally accepted framework for IT governance.

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 top-down and bottom-up 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

Competition and technical innovations	Our group operates in fiercely competitive markets. In media, convergence opens the landscape to global and non-traditional competitors. New technology threatens the future of television and traditional print media. Different media platforms fight for revenue. In ecommerce, we face both ecommerce specialists and traditional retailers.
Failure to capitalise on user migration to mobile	Internet use is rapidly moving to mobile devices. The use and engagement behaviour of mobile users are different to those operating on a desktop. If we fail to deliver our product and services adequately on mobile, it could severely affect our long-term prospects.
Critical talent	The group relies on individuals with detailed knowledge of our businesses and the markets in which we operate.
Global political and market developments	The Naspers group operates in global markets that are sensitive to political, economic and other events. These may influence our activities.
Legislation and regulation	Our industries are subject to increasing regulation. Failure or delays in obtaining or renewing approvals could affect us.
Currency fluctuations	The group reports in South African rand and this exchange rate may vary against other currencies. In addition, in several markets, we have substantial input costs in foreign currencies, so currency translation gains or losses may distort the group's financial accounts.
Technical failures	The internet is subject to a variety of risks, including technical failure, attacks, viruses, piracy and others. Our video-entertainment services are mostly delivered to customers via satellite, and any damage or destruction may disrupt services.

HOW WE MANAGE THE ISSUE

The group devotes significant resources to analysing competitors, and to emerging trends in technology and consumer demand. Significant funds are spent developing new products and services. However, we may be caught off-guard by new technologies or startups, or by current competitors.

We respond by building mobile applications for our products and services first. We measure and track performance of our products and services on mobile. We will also continue to invest in developing online services and products.

Succession plans are prepared annually, with specific focus on recruiting and retaining entrepreneurs, leaders, engineers and professionals with hard-to-replace skills sets.

Although we can hardly influence such developments, we monitor them as best we can and try to adjust quickly. Developments in any country in which we operate could cause damage. We monitor current risks in those countries.

We strive to comply with applicable laws and regulations, and cooperate with regulators in countries in which we operate.

We have a policy to hedge 100% of our longer-term foreign currency transactions for at least 12 months and up to 24 months, where this is achievable and affordable.

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 remain unprotected or only partially covered.

For a detailed review of Naspers's material issues and how we manage these, refer to http://www.naspers-reports.com/2015/pdf/risk.pdf.

We engage with our stakeholders through different channels

Industry

Participating in industry groups to develop shared practices

Employees

Employee newsletters, surveys, management briefings and intranet sites

Communities

Engaging with local communities through corporate citizenship activities

Customers

Interact with users through user-experience ratings on our ecommerce platforms

NASPERS

Subscribers

Interaction with readers and subscribers using various channels, including feedback through letters to the editor, emails, text messages and social media

Regulators

Engage with opinion formers and regulators to assist in developing policy

Shareholders and investors

Communication and engagement through a dedicated investor-relations unit

Suppliers

One-on-one meetings with suppliers and business partners. Supplier ratings from customers on our ecommerce platforms communicated to suppliers and opinion formers, shareholders and potential investors

Stakeholders' issues and our response

Key issues for our business segments are set out below:

INTERNET

Stakeholders	Response
Customers	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.
Regulators	We engage with legislators through our public policy teams in each region, so as to operate in an efficient and positive regulatory environment. The group also engages with regulators as part of its compliance activities. Group businesses are members of several industry bodies and associations to support development of specific sectors.
Employees	Our most important asset is our people. At heart we are entrepreneurs, so we push for performance in everything we do. We back local teams and learn from each other. We want to be recognised for providing meaningful work, the opportunity to learn and grow, and be rewarded for a job well done. In this kind of culture we believe our people will be motivated to achieve by being personally responsible for high performance. Our group companies set and communicate clear goals and ambitions that are translated into local and personal goals so everyone understands the big picture. We encourage all our teams to discuss performance to enable everyone to learn and grow. We believe in ongoing education and training of our teams. We continue to find new ways to listen and talk with our teams about making Naspers the best place to work.

Stakeholder engagement

VIDEO ENTERTAINMENT

Stakeholders	Response
Customers	The video-entertainment group has a number of points for customer engagement. These include the call centre, email and SMSs as well as 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.
Industry and business partners	The video-entertainment group plays an active and constructive role in the broadcast industry in all countries in which it operates. In South Africa: As a member of the National Association of Broadcasters, it has raised 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 established to assist the minister in reviewing legislation governing the ICT sector. In the year ahead the video-entertainment group will take part in a number of industry workshops and policy-formulation processes and regularly engage with suppliers and business partners to develop shared practices.
Shareholders and investors	The video-entertainment group holds regular meetings with shareholders and investors where strategy, performance and material issues are discussed. The group also communicates via presentations (such as the annual and interim results report) as well as through annual general meetings.
Regulators	South Africa: The video-entertainment group takes part in regulatory processes initiated by Icasa. The objective is 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 Africa we engage with regulators in the countries in which we operate.
Employees	The video-entertainment group uses a number of media platforms (from print to electronic and face-to-face engagements) to interact with our employees and keep them informed of developments. In South Africa the group also has a Workplace Forum – a body that represents employees' interests and interacts with the company. The video-entertainment group communicates with local communities through our corporate citizenship activities.

MEDIA24

Stakeholders	Response
Customers	Media24 divisions are active on social media platforms. Editorial teams use social media platforms such as 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, for example, advertising agencies, readers and digital audiences. This is done through various channels, including customer service call centres and surveys to determine net promoter score ratings.
Shareholders	Media24 keeps shareholders informed of company developments by posting the integrated annual report, publishing provisional and interim reports in local newspapers and online, holding annual general meetings at which shareholders may ask questions, and by placing information on company websites.
Industry	Media24 attends regular meetings with various industry bodies and is a member of local and international industry bodies. In South Africa these include: Print and Digital Media South Africa (PDMSA), Audit Bureau of Circulations of South Africa (ABC), South African Advertising Research Foundation (Saarf), South African National Editors' Forum (Sanef), Interactive Advertising Bureau (IAB) and South African Publishers Association (Pasa). Novus Holdings is a member of the Print Industries Federation of Southern Africa (Pifsa) and attends international industry events to remain abreast of developments.
Regulators	Print media is regulated by the Press Code and the Advertising Standards Authority (ASA). Media24 abides by the codes and rulings of these regulatory bodies.
Employees	Media24 is an employer of choice providing an inspiring working environment. Staff engagement is ongoing through management briefings and roadshows, weekly electronic newsletters, workshops, knowledge-sharing sessions on industry topics, an annual leadership conference and staff engagement surveys. Workplace Forums who represent employees regularly interact with management. Media24 invests substantially in leadership training and development.

Balancing profit, people and our planet

Naspers creates communities, packages content and runs platforms. We connect people, distribute media products and conduct ecommerce. Our products and services play a developmental role in societies where we operate. We employ people, improve the quality of life and stimulate the economy where we operate.

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

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

Source: Summary of the group sustainable development policy.

Naspers is styled as a sustainable business, both in terms of the environment and sustainable profits. We view this as a journey, and we endeavour to ensure that our values and philosophy demonstrate this.

The section on non-financial performance (page 68) focuses mostly on social and environmental projects with more detail on **www.naspers.com**, (http://www.naspers-reports.com/2015/sustainable-investment.php). 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 planet.

The value added statement on page 44 illustrates how the group distributes its earnings and how much it retains for reinvestment.

We contributed R10,4bn (or as much as 25% of the total wealth we created) to local governments where we have operations. This comprises various taxes and skills development levies and is more than double what we pay shareholders in dividends. In addition, the jobs we create stimulate further economic activity. No doubt Naspers has a significant effect on the economy of sub-Saharan Africa.

In the past year we paid some R12,6bn (30% of wealth created) to employees, which includes salaries, bonuses and benefits, and the cost of training and participation in group share incentive schemes. We provide jobs to over 24 000 (2014: 22 500) permanently employed people and contribute in a major way to the countries in which we operate.

To fund our growth, we rely on investors and providers of finance, who are compensated by dividends, share price appreciation and interest payments. This accounts for 11% of total earnings distributed. The remaining 34% has been reinvested to ensure we maintain a sustainable group.

Value added statement

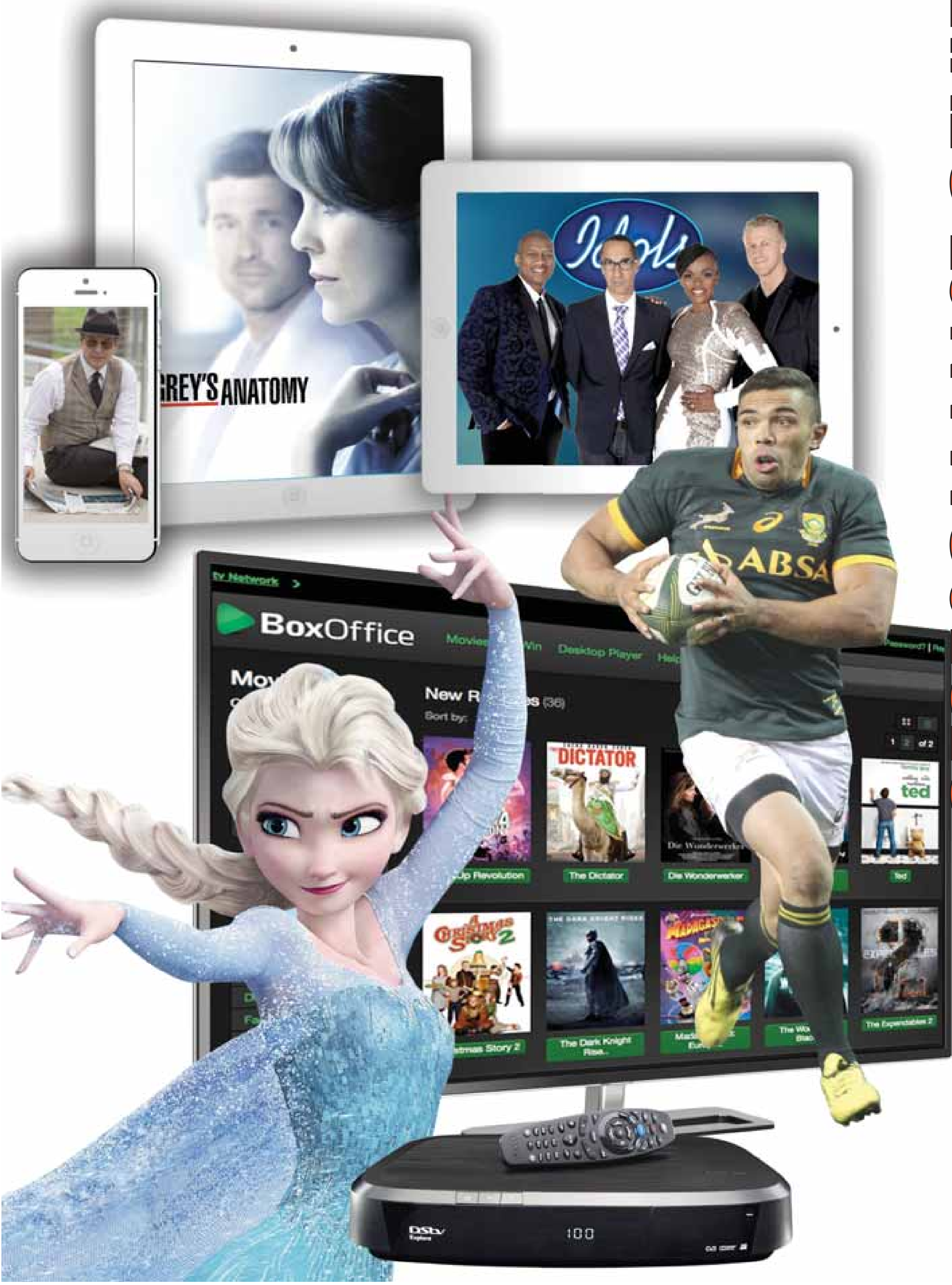
for the year ended 31 March 2015

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 2015 R'm	31 March 2014 R'm	Change %
Revenue	**73 092**	62 728	17
Cost of generating revenue	**48 493**	40 371	20
Value added	**24 599**	22 357	10
Income from investments	**17 057**	11 796	45
Wealth created	**41 656**	34 153	22
Wealth distribution:			
Employees			
Salaries, wages and benefits	**12 590**	10 610	19
Providers of capital	**4 467**	3 992	12
Finance cost	**2 752**	2 466	12
Dividends paid	**1 715**	1 526	12
Governments			
Total tax paid	**10 439**	9 219	13
Reinvested in the group	**14 160**	10 332	37
Depreciation and amortisation	**3 305**	3 118	6
Other capital items	**(1 317)**	2 966	(144)
Retained earnings	**12 172**	4 248	187
Wealth distributed	**41 656**	34 153	22

Wealth distribution

PERFORMANCE REVIEW



Performance review

Financial review

On an economic-interest basis, revenue grew 26% during the year driven by solid growth in the internet, ecommerce and video-entertainment segments.

Development spend, measured on an economic-interest basis, increased by 33% to R10,7bn (7% of which was driven by foreign exchange rate movements). This is mainly attributable to the ecommerce and video-entertainment segments, including increased shareholdings in equity-accounted ecommerce investments Souq, Konga and Flipkart, plus continued investment in DTT in the video-entertainment segment. Given ongoing delays in analogue switchoffs, we decided to invest incrementally in the second half of the year to continue to drive DTT growth, which resulted in 1,4m African homes being added to the base to close the year at 2,2m subscribers.

Listed internet investments, Tencent and Mail.ru, were the main contributors to the group's share of equity-accounted results increasing to R16,4bn (2014: R10,8bn). Tencent produced strong results as it continues on its growth path. Our share of equity-accounted earnings includes once-off gains on the remeasurement of Mail.ru's interest in VK.com, the sale of Mail.ru's shares in Qiwi amounting to R3,9bn, as well as R1,7bn representing our share of gains realised by Tencent on the sale of certain investments and on the dilution of Tencent's interest in Kakao Corporation following a merger. A net once-off gain of R1,5bn was recognised mainly relating to dilutions of our shareholding in Flipkart. Impairment losses of R478m was booked on underperforming equity-accounted investments in the ecommerce segment.

Core headline earnings grew 30% to R11,2bn (2014: R8,6bn), mainly due to increased earnings contributions from Tencent and some of the profitable ecommerce businesses.

Impairment losses of R684m were recognised mainly relating to broadcasting equipment and intangible assets in the ecommerce segment.

Net interest incurred on borrowings amounted to R1,6bn (2014: R1,3bn), on the back of the rand depreciating against the US dollar and drawdowns on existing credit facilities to fund acquisitions and development spend. Consolidated net gearing stood at 30% at 31 March, excluding transponder leases and non-interest-bearing liabilities.

Increased development spend, capital expenditure to build our DTT footprint and TV production facilities in East and West Africa resulted in free cash outflow of R515m (2014: outflow of R349m). Tax payments were up 16% year on year, as a result of higher profits in the video-entertainment segment and profitable ecommerce businesses.

Significant acquisitions

Details of significant acquisitions appear in the summarised consolidated annual financial statements under "Business combinations and other acquisitions" on page 134.

Summarised consolidated annual financial statements

The summarised consolidated annual financial statements appear on pages 120 to 140 of this integrated annual report. The complete set of consolidated annual financial statements for the year ended 31 March 2015 is available on our website at **www.naspers.com**.

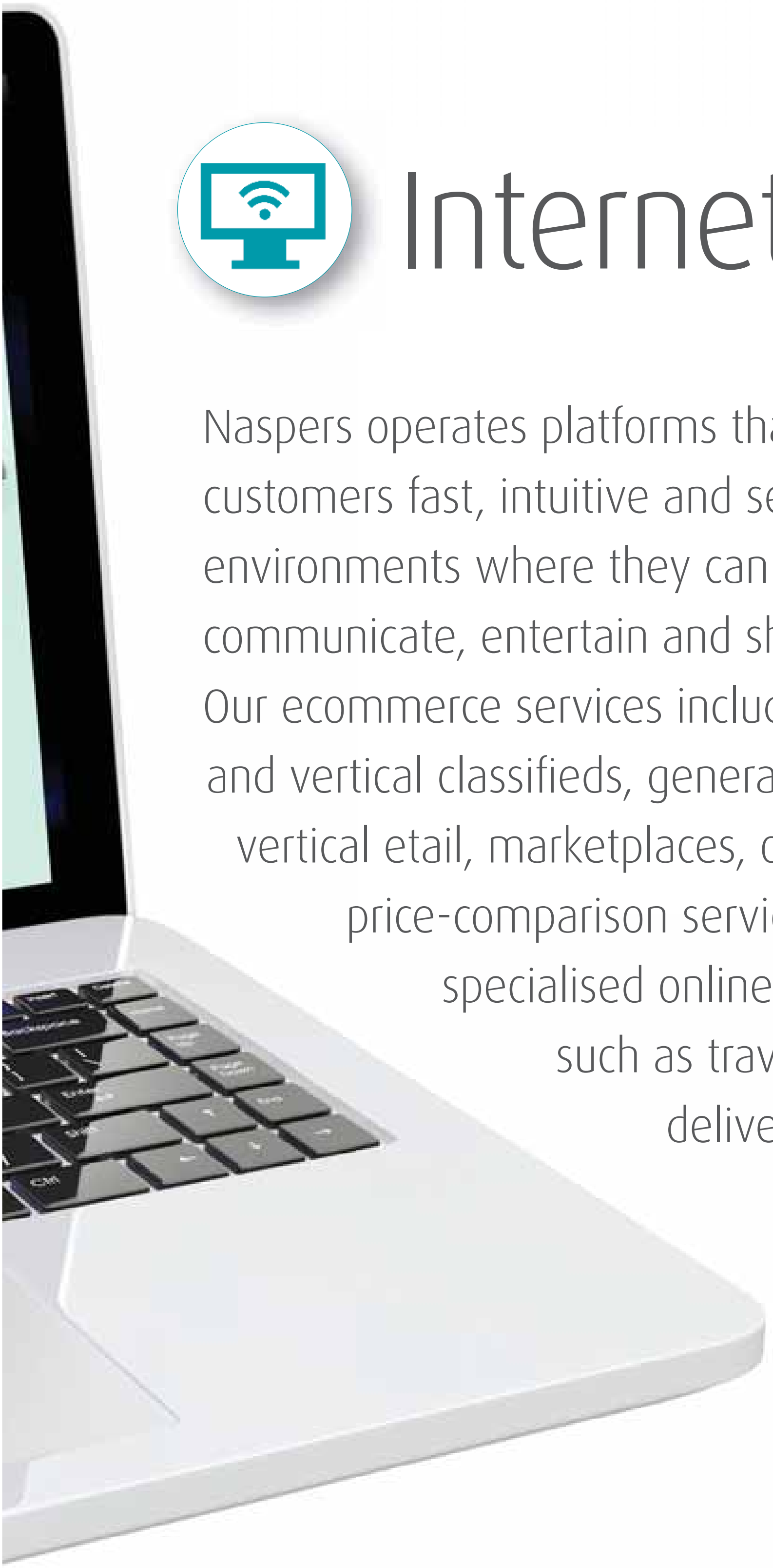
Five-year review

R'm	2011	2012	2013	2014	**2015**
Income statement items, including equity-accounted investments on an economic interest basis					
Revenue	45 103	56 522	76 776	104 981	**132 446**
Trading profit	10 546	11 762	14 326	15 613	**21 027**
Statement of financial position on a consolidated basis					
Total assets	69 855	81 278	103 263	128 602	**157 043**
Total equity	42 942	49 576	55 853	68 205	**83 808**
Total liabilities	26 913	31 702	47 410	60 397	**73 235**
Other information					
Development spend (R'm)(1)	1 535	2 823	4 306	7 978	**10 739**
Core headline earnings per share (cents)	1 612	1 850	2 216	2 181	**2 782**
Dividend per N ordinary share (cents) (proposed)	270	335	385	425	**470**
Weighted average number of N ordinary shares ('000)	374 501	375 653	385 064	395 078	**403 576**

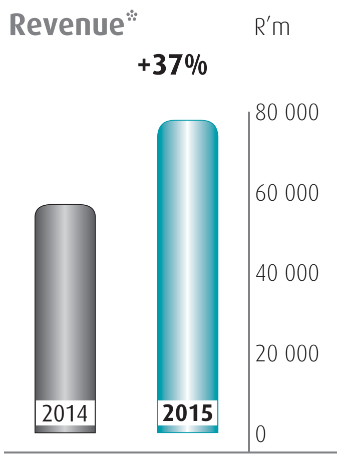
(1) *Including associates and joint ventures on a proportionate basis.*

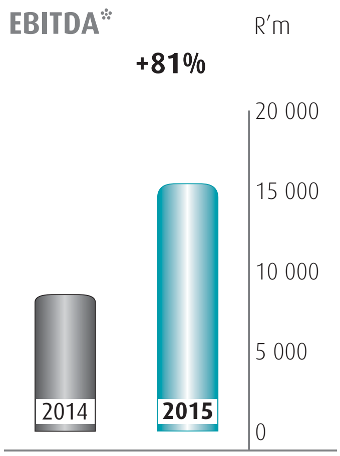
eMAG
Crazy
DAYS MOBILE
16-22 FEB
BOSCH
Îți fac viața mai ușoară!
Electrocasnice mici Bosch
în promoție
-50%
Ce se cumpara acum

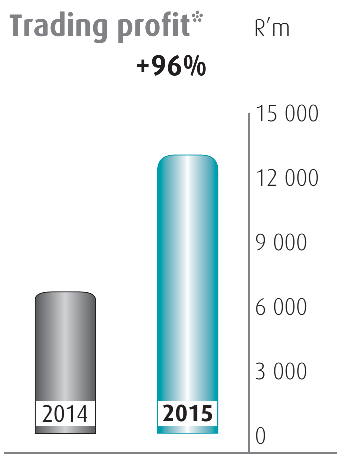
Internet



Naspers operates platforms that offer customers fast, intuitive and secure environments where they can communicate, entertain and shop. Our ecommerce services include general and vertical classifieds, general and vertical etail, marketplaces, online price-comparison services and specialised online services such as travel, food delivery and payments.







* *Including associates and joint ventures on a proportional basis.*

Operational review ⏭ INTERNET (continued)

Listed investments

Tencent

Tencent's performance continues to reflect the excellent management of Pony Ma, Martin Lau and their team, with healthy growth in a very competitive domestic market and investment environment. The rapid transition of users in China from desktop PC to mobile continued. In China mobile internet users now account for 85% of total internet users. International expansion is proceeding.

From gaming to social networking, video and advertising, Tencent increased the number of users accessing its platforms on mobile devices. Its core platforms, Weixin/WeChat (mobile communication, social and commerce platform), QQ instant messaging (QQ IM) and QZone (social network) recorded strong growth. Tencent invested heavily in literature, music and video services, contributing to traffic growth. At end March QQ IM had 832m monthly active users, 603m on mobile. For QZone, 85% of its 668m monthly users accessed the platform via mobile devices. Combined monthly active users of Weixin and the international WeChat were 549m, up 39% year on year. Over the past year Tencent increased its share of the mobile gaming market as many smartphone users, including some who were previously not PC game players, started playing mobile games. The popularity of mobile video and music rose as users sought entertainment on the go. Mobile social advertising increased as

advertisers integrated social data for targeted advertising. The adoption of mobile payments expanded on the back of new technologies and promotion by market leaders.

Revenues for the year were RMB78,9bn, up 31% on the prior year, while profit attributable to shareholders was 43% higher at RMB24,2bn – on a non-generally accepted accounting practice basis (AARP). Online valued-added services revenues rose 41% to RMB63,3bn and advertising revenue was up 65% to RMB8,3bn. Tencent recorded strong growth in video and performance-based social advertising, as well as a good start to advertising on Weixin/WeChat. However, following its strategic transaction with JD.com in March 2014, revenues from ecommerce transactions decreased 51% to RMB4,8bn for the year.

During the year Tencent expanded its partnerships in the online-to-offline and vertical segments by investing in leading industry players to enrich its ecosystem. These include Dianping for local restaurant and services search, Didi Dache for mobile taxi booking, 58.com for online classifieds, Bitauto for auto-related content and services and Leju for real estate services. These investments are part of Tencent's strategy of linking its users with high-quality content and services, enriching their lives both on- and offline.

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

Mail.ru

Mail.ru is one of the largest internet groups in the Russian-speaking market. It operates the largest Russian portal, the leading Russian-language social networks (VKontakte, Odnoklassniki and My World) and the country's largest online games business.

During the year Mail.ru acquired the remaining 48,01% interest in the VKontakte social network. VKontakte has since been integrated into the Mail.ru group and is performing well, particularly in mobile. Mail.ru launched a mobile advertising platform to capitalise on increased mobile activity among its users. International initiatives under the My.com brand are proceeding.

Mail.ru recorded 15% growth in revenues to RUB35,8bn for the year, despite a tough economic and geopolitical environment. Net profit rose 11% to RUB12,5bn. Revenues for massive multiplayer online games grew 26% to RUB8,4bn and community internet value-added services revenues rose 16% to RUB11,9bn. Online advertising grew 8% to RUB12,5bn. The display advertising business, however, faces challenges in the prevailing environment, with major advertisers significantly reducing budgets across most forms of media in Russia.

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

Performance review (continued)

Operational review ⏭ INTERNET (continued)

Ecommerce

Revenues from our ecommerce activities, measured on an economic interest basis, increased 36% to R27,8bn in the review period. Ecommerce is an area of expansion and we are investing in our platforms to deliver superior customer experiences and to expand the market. This has implications for development spend, which totalled some R8bn for this segment and, as a result, the trading loss widened to R6,1bn.

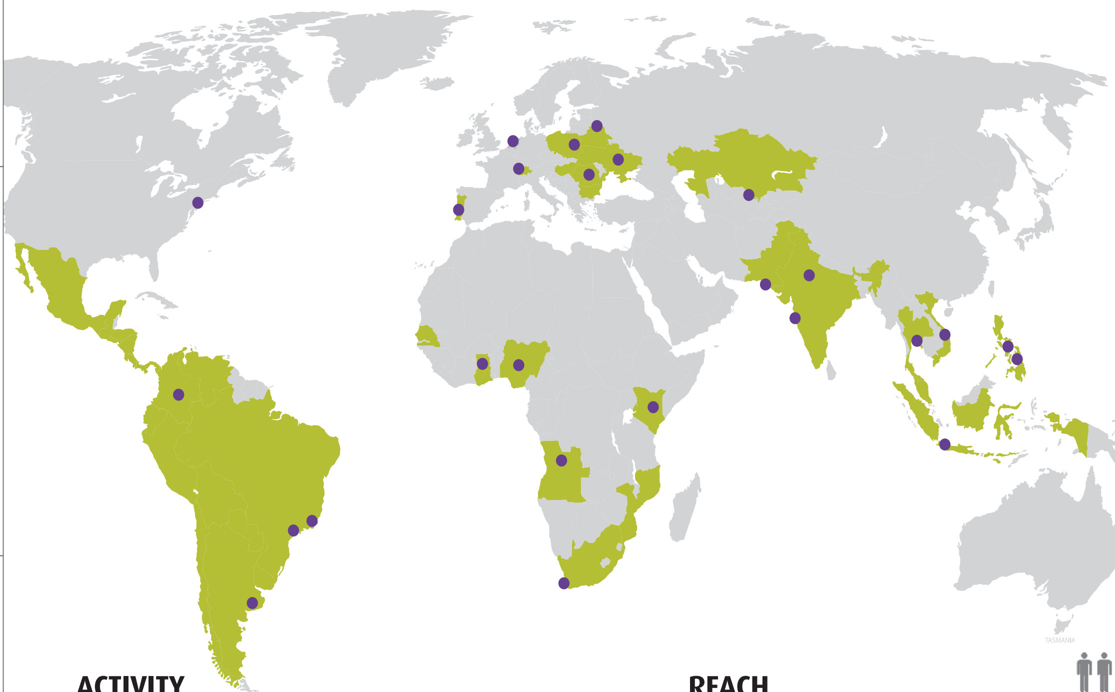
We have a broad portfolio of ecommerce businesses organised by functional lines. This focus allows us to move faster and build scale more rapidly. In addition, the businesses can share knowledge, technology and expertise more effectively.

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

Consumer-to-consumer (C2C)

Classifieds

The classifieds business made good progress, expanding its global footprint by entering five new



+40
Countries

+20
Offices

+1 000
Employees

ACTIVITY

25M
Monthly
listing

8,5M
Monthly
transactions

17B
Monthly
page views

REACH

+240M
Monthly
active users

+35M
Mobile app
downloads

Note: numbers include OLX brand only

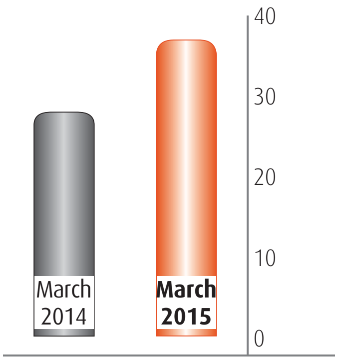
markets and scaling up in existing markets under an efficient operational plan. Our global portfolio now comprises some 40 markets, 30 of which are in leading positions and eight already monetising some services. In March 2015 OLX served some 240m active users worldwide and garnered 34m visits per day on average.

We continued to improve operational structures for mobile products and build strong local teams. Our enhanced Android app was well received, improving both engagement and trading volumes.

Click here to access online video.

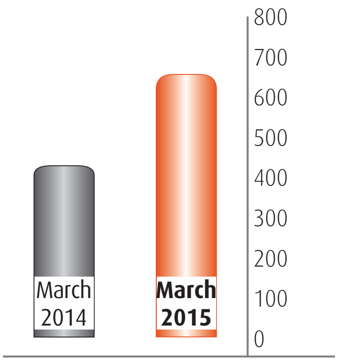
Daily visits m*

+16%



Daily page views m*

+39%



* *Select criteria as measured for the month of March 2015, not adjusted for acquisitions and disposals, and reflecting associates on a proportionate basis.*

With strong investor interest, competition remains intense in the classifieds market. However, fuelled by the focus on strong operations, we have maintained or extended market share almost universally.

After assessing our investment positions, we have rationalised our portfolio. With Schibsted, Telenor and Singapore Press Holdings, we have created joint ventures in Brazil, Indonesia, Thailand and Bangladesh. This will allow us to capture value early and improve returns on capital invested.

We have taken major steps to becoming a global operating company in classifieds by rebranding our platforms in Southeast Asia and Eastern Europe to OLX. This has made OLX a top internet brand globally, with over 240m monthly active users.

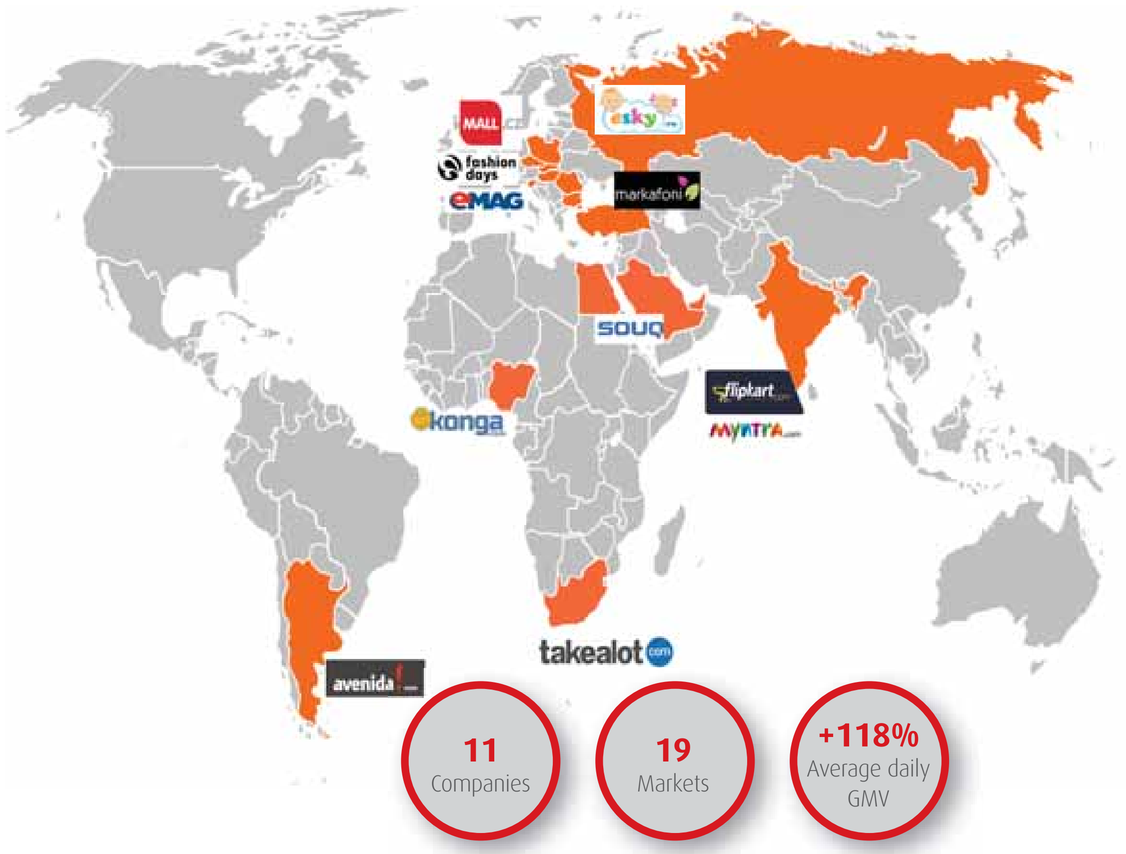
For the new financial year the business is aiming for revenue growth. It will continue to build one operating company with specific actions on technology, retention-driven growth and a broadened monetisation agenda.

Performance review (continued)

Operational review ⏭ INTERNET (continued)

Business-to-consumer (B2C)

B2C combines our activities in marketplaces, etail, online price-comparison shopping and online services. These businesses are giving customers an improved experience compared to their offline counterparts, and are rapidly taking market share in many categories through better pricing, selection and, increasingly, convenience.



Marketplaces

The Allegro marketplace portfolio continues to deliver solid financial results and progress against strategic priorities, particularly in B2C activities, which account for the majority of the overall business. Strong momentum in Allegro.pl is somewhat offset by poorer performance in other international marketplaces. As example, our Ukrainian operation will underperform until the political and economic situation there has stabilised, despite the long-term potential of this market and our solid position. During the year we classified the net assets of Ricardo (Switzerland) as held-for-sale, with the transaction expected to close in the new financial year, pending regulatory approval.

Etail

Takealot

In South Africa we merged the Kalahari business with competitor Takealot to increase the scale of the combined business. South Africa is still a relatively early-stage ecommerce market with less than 2% of retail transacted online. However, significant growth is expected. The merged business will be able to capitalise on these opportunities while achieving cost efficiencies.

Flipkart

Flipkart is the leading B2C ecommerce platform in India, led by a strong local founding team. The Indian ecommerce market has grown rapidly, mainly due to the proliferation of connected mobile devices, cash on delivery, and the fragmented offline retail environment. Flipkart secured first-mover advantage in its field through its focus on the best customer experience and has built a track record in scaling fast and staying ahead of competition, driven by mobile transactions from native mobile apps. It will continue to invest aggressively to maintain its leadership.

Souq

Souq is the leading B2C platform in the Middle East/North Africa region, an attractive market with a young and growing internet population and high gross domestic product (GDP) per capita in countries such as Saudi Arabia and the United Arab Emirates. Souq has recorded strong growth, focusing primarily on Saudi Arabia, United Arab Emirates and Egypt, operating both direct-to-consumer and marketplace services, and building its own last-mile delivery, Q-Express, which now covers over 58% of total orders. Souq's competition is from both offline retailers and international etailers and marketplaces.

Konga

Konga operates in the fast-growing ecommerce market of Nigeria. Run by a local entrepreneurial team, Konga has achieved market leadership despite significant competition by focusing on customer acquisition, building marketplaces in addition to etail, and last-mile delivery services.

Online comparison shopping

We operate the largest global online comparison shopping group with a footprint ranging from Brazil to Eastern Europe and Africa. The focus in the past year was on combining effective marketing and cost efficiencies to generate profitable revenue. This initiative will continue in the new financial year. We sold our stake in the 7Pixel business, which mainly provides services in Italy, as part of optimising our group structure.

Performance review (continued)

Operational review ⏭ INTERNET (continued)

Online services

Movile/mobile services

For you

PlayKids	Superplayer	iFood	Cinepapaya	Apontador
Fun with kids	Music any time	Food anywhere	Easy tickets	Local information

For companies

Rapiddo	Maplink	Messaging	Content
Same-day delivery	Maps and routing	Fast communication	Mobile entertainment

Movile operates a wide range of mobile services in the Latin American market. Its growing core business is mobile carrier-related value-added services geographically spread across the continent.

Movile has entered B2C-oriented smartphone app-based services, especially in the online-to-offline (O2O) mobile space in Latin America. iFood is by far the online food-delivery market leader in Brazil, and formed a joint venture with Just Eat, a UK-based global leader in this segment. Movile made further investments in other mobile O2O services, including a local directory-type service, as well as a mobile entertainment ticketing service for countries outside Brazil.

Travel

ibibo Group is an online travel group focused on India, mainly through its goibibo (online travel agent), redBus (bus ticketing platform) and TravelBoutiqueOnline business-to-business (B2B) services. It is the fastest growing online travel group in India.

ibibo recorded strong growth in all segments, significantly outpacing its closest competitors. Sources of supply include mainly air, bus and

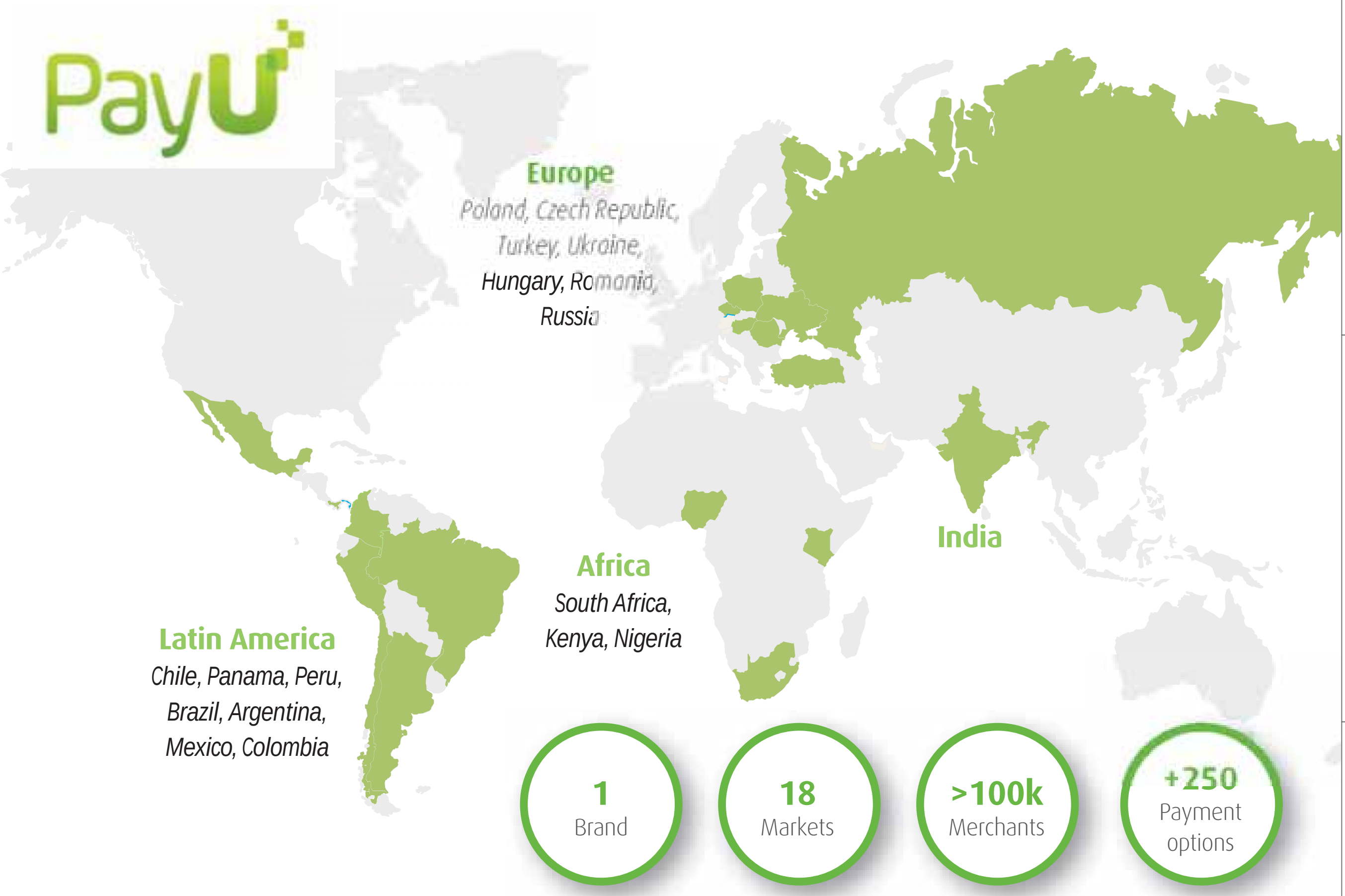
hotel through various channels. In the year ahead ibibo will focus on accelerating investment and securing a strong lead over the competition.

Payments

PayU is a global online payments company offering innovative and secure payment methods. Whether someone wants to make a payment online on a computer, tablet, mobile device, ewallet, and even offline, PayU's 250 or so payment methods are designed to make it simple and secure.

We are transforming five existing regional payment businesses into one global company with a single brand and common supporting infrastructure, similar to the way in which we scaled our classifieds businesses. Our new senior management team continues to strengthen talent across the business. Daily payment transactions have increased 67% year on year to US$27,6m.

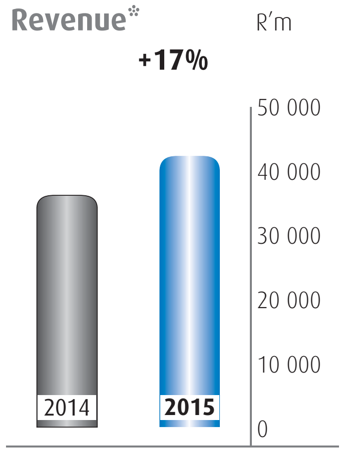
We will continue to grow our payment service provider business and are laying the groundwork for an innovative consumer electronic wallet or ewallet business.

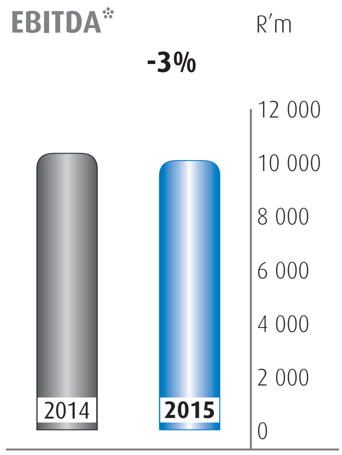


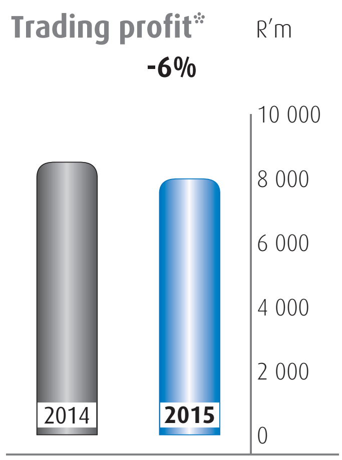

CLOUDY
with a chance of
MEATBALLS 2

Video entertainment

Intense competition of a global nature is due to arrive soon. Africa has limited broadband infrastructure and almost no cable access. In fulfilling our strategic objective to deliver quality entertainment, we offer digital satellite, digital terrestrial and other video-entertainment services, such as mobile television, for all income groups. To meet rising demand for mobile applications, we offer apps on tablets, smartphones and feature phones that give our subscribers access to online services, live sport streaming, information, communication and self-service functions (including payments).







* *Including associates and joint ventures on a proportionate basis.*

Performance review (continued)

Operational review ⏭ VIDEO ENTERTAINMENT (continued)

Sales and customer support

Within the video-entertainment segment, we achieved direct-to-home (DTH) customer growth of 10%. This is an increase of 727 000 customers bringing our closing base of DTH customers to 8m. Our DTH initiatives will focus on developing innovative products and delivering great local and international content on multiple platforms. Our digital terrestrial television (DTT) network is substantially in place, with MultiChoice now operating in 11 countries and 114 cities across Africa. Although our DTT customer base closed with 2,2m customers, growth was slower than anticipated due to delays in analogue switchoffs (ASOs) in sub-Saharan Africa.

The DStv Explora, our flagship personal video recorder (PVR), is proving a significant differentiator. The software was recently enhanced to allow for the Explora to be connected to the internet, allowing these subscribers access to a deeper library of

Operational review ⏭ VIDEO ENTERTAINMENT (continued)

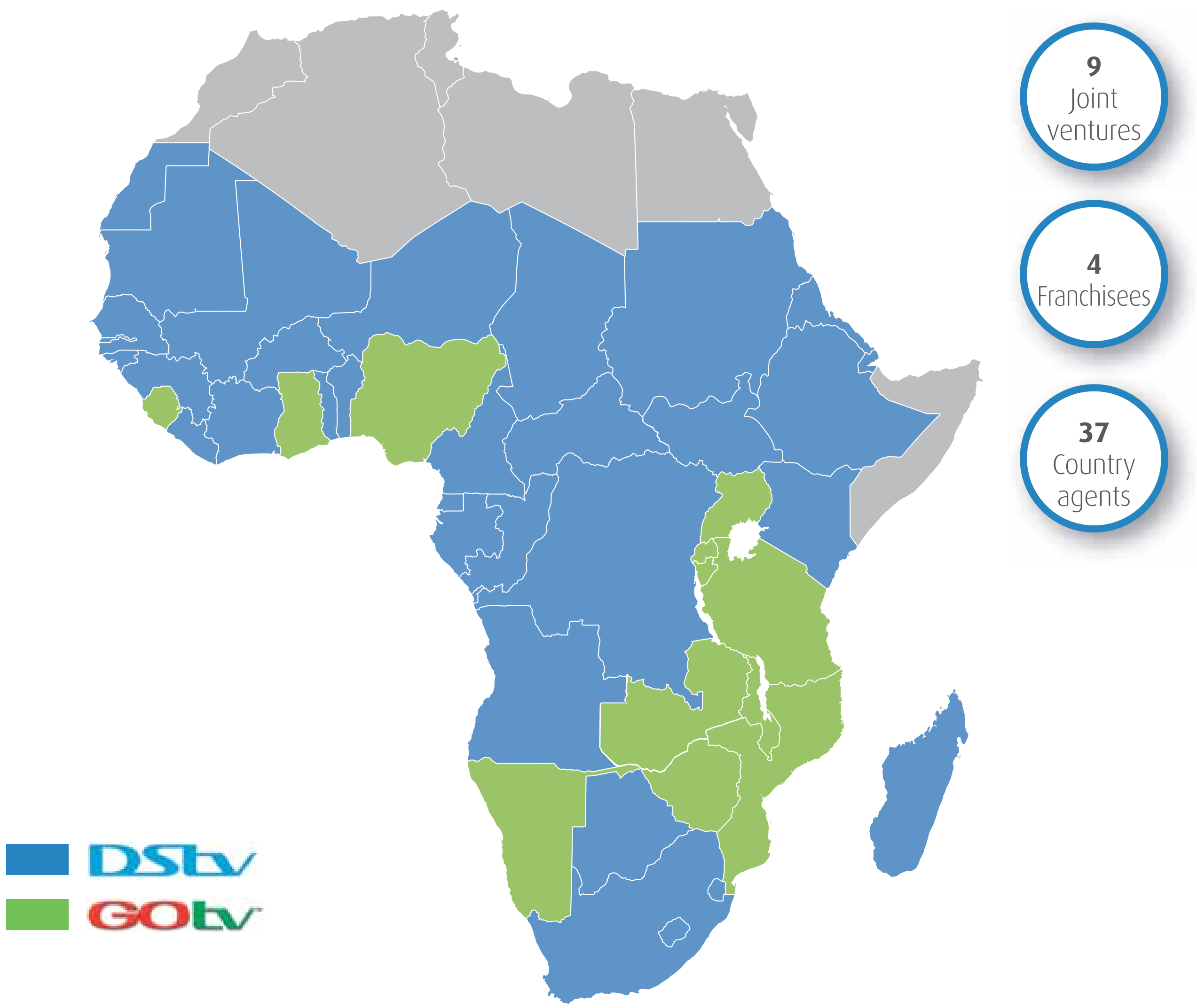
DStv CatchUp content. In South Africa it was voted Most Innovative Technology Product of the Year in its category for 2015. We launched a new high-definition (HD) single-view decoder and made our HD channels available on all bouquets. Our range of decoders have been standardised to HD.

Significant enhancements were made to our customer care service during the year. The decoder payment plan was launched in South Africa, providing an easy and affordable alternative to households who cannot afford the once-off price of the DStv Explora.

Profitability management

Cost management will remain a focus area as competition intensifies across the continent.

Currency fluctuations have become a consideration, given the rand's depreciation against our trading partners' currencies and the currency devaluation in some of our major territories on the continent. The significant drop in the oil price is affecting economies and exchange rates in Nigeria, Angola and Zambia.



Operational review ⏭ VIDEO ENTERTAINMENT (continued)

Content

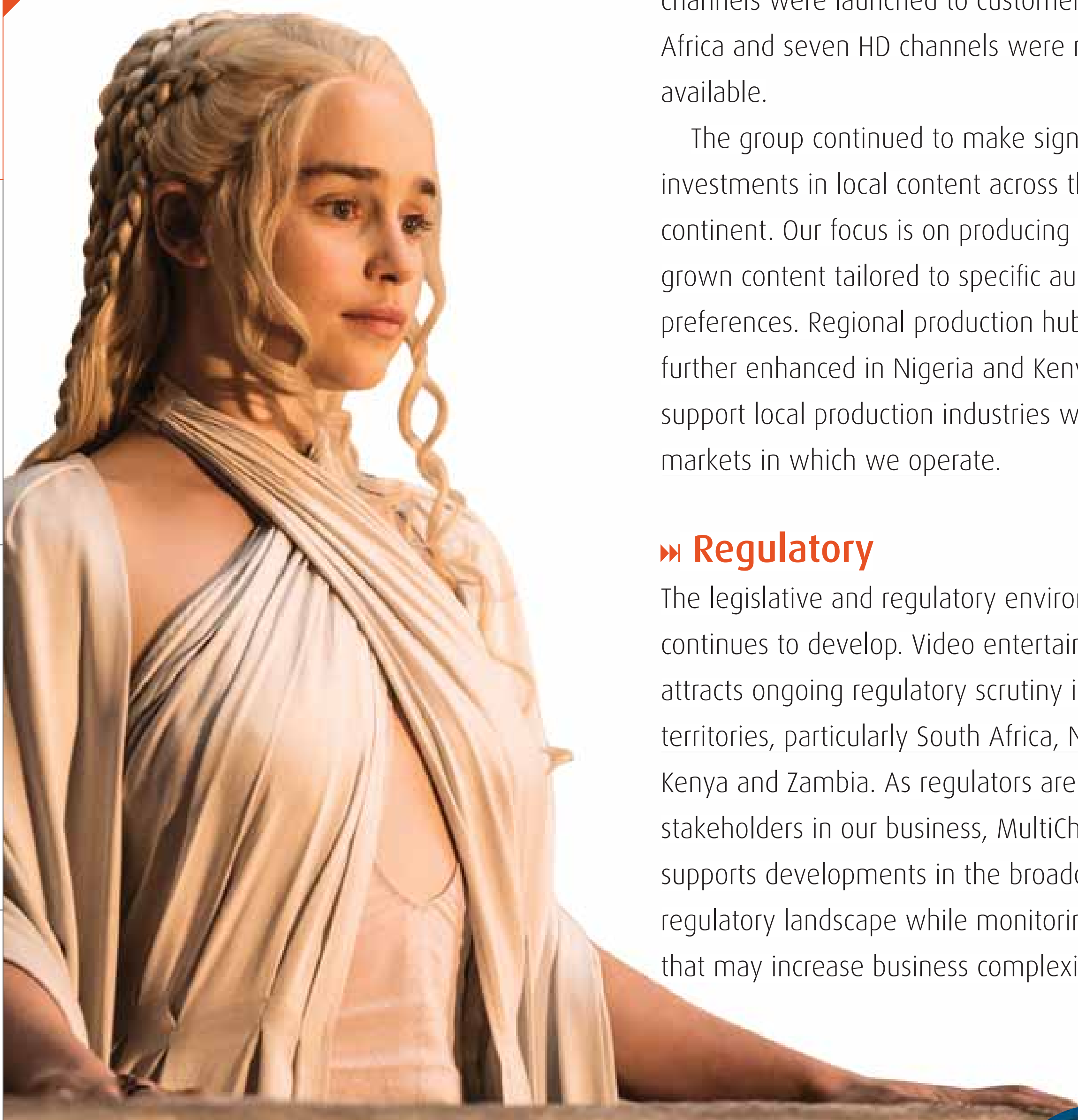
Internationally, costs of sports rights keep escalating, resulting in a significant increase in costs. Sport enthusiasts enjoyed SuperSport's broadcast of several major international events, including the Fifa Soccer World Cup, Commonwealth Games, ICC Cricket World Cup, SANZAR, Premier Soccer Leagues, English Premier League, UEFA Champions League and Spanish La Liga football, as well as the West Indies cricket tour of South Africa, Africa Cup of Nations 2015 and over 500 fixtures of local football leagues across Africa.

Across the IS20 and E36B satellites 24 new channels were launched to customers across Africa and seven HD channels were made available.

The group continued to make significant investments in local content across the African continent. Our focus is on producing home-grown content tailored to specific audience preferences. Regional production hubs were further enhanced in Nigeria and Kenya. We support local production industries within the markets in which we operate.

Regulatory

The legislative and regulatory environment continues to develop. Video entertainment attracts ongoing regulatory scrutiny in several territories, particularly South Africa, Nigeria, Kenya and Zambia. As regulators are key stakeholders in our business, MultiChoice supports developments in the broadcasting regulatory landscape while monitoring events that may increase business complexity.



1ST EPISODES
EDGE THE EDGE OF ENTERTAINMENT
EXPRESS FROM THE U.S.

Competition

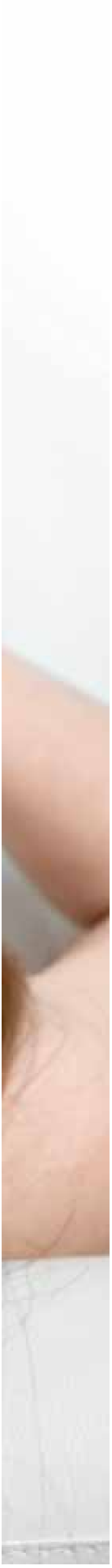
Competition in the wider broadcasting market is growing, with linear, online and free-to-air providers increasingly entering the online entertainment segment. The global shift to mobile content viewing has produced a substantially more competitive landscape. The proliferation of competitors in MultiChoice's markets is expected to continue. Competition from international online players such as Netflix, Amazon and Google, who operate globally, is increasing. MultiChoice is expanding its delivery platforms and improving its products and services.

Business continuity

A major achievement in the review period was the commissioning of Samrand broadcast site, with 24 channel playouts operational at the end of March 2015. Both MultiChoice South Africa and MultiChoice Africa have concluded contracts to improve business continuity in terms of satellite capacity over the next 12 to 24 months.

Additional transponder capacity was purchased from Eutelsat and Intelsat to strengthen our in-orbit backup capacity.

GROUP
PERFORMANCE
GOVERNANCE
FINANCIAL
INFORMATION



Media24

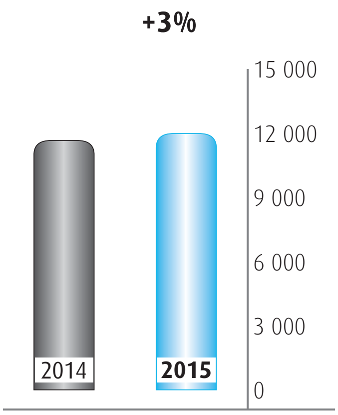
At Media24 global headwinds affecting the print sector were felt. Several initiatives are under way to save costs and improve efficiencies in the established print media businesses. At the same time, the group is investing in new growth areas – ecommerce through its online fashion store, Spree, online job classifieds through Careers24 and digital media through 24.com.

Novus Holdings Limited

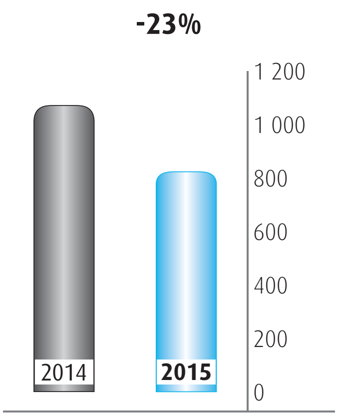
Media24 unbundled its printing division Paarl Media Group into a separate company listed on the JSE Limited as Novus Holdings Limited ("Novus Holdings"). This will support growth and drive its diversification strategy into tissue manufacturing and technology related to its core business such as specialised label printing.

Over the past year Novus Holdings improved productivity in its core business of printing magazines, newspapers, catalogues, brochures and books, while diversifying into new market segments. The group also grew its footprint on the rest of the continent.

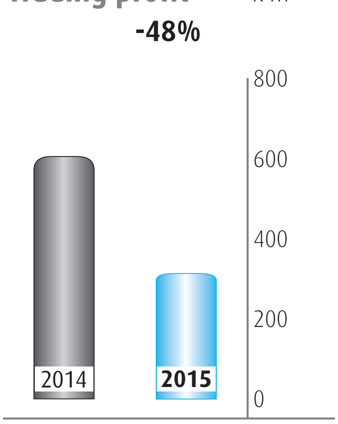
Revenue* R'm



EBITDA* R'm



Trading profit* R'm



** Including associates and joint ventures on a proportional basis.*

Performance review (continued)

Operational review ⏭ MEDIA24 (continued)

24.com

In the past year all the digital media assets in Media24 were consolidated in 24.com to drive scale and monetisation of its audiences. The group's combined reach across all media channels now exceeds 2m unique browsers and 10m pageviews per day, with 70% of the users accessing its platforms via mobile devices.

24.com is South Africa's largest digital publishing network and provides news and entertainment content across internet, mobile, apps and video. Centred on its flagship brand, News24, the network attracts roughly 40% of South Africa's internet population and expanded its presence in Nigeria in the past year. It also operates online recruitment classifieds platform Careers24. In the past fiscal, Careers24 reached the leading market position in South Africa in terms of daily unique browsers and pageviews. The business is competing aggressively in Nigeria.

News

A leading newspaper publisher in South Africa, Media24 News's stable spans 100 titles including the Sunday newspaper City Press, as well as Africa's largest daily, Daily Sun, and Soccer Laduma. The division experienced a tough year on the back of shortfalls in advertising and circulation revenues, despite implementing several cost-cutting measures.

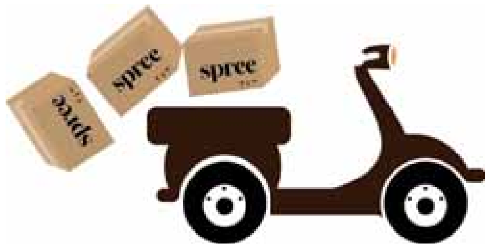
Lifestyle

Media24 Lifestyle is the market leader in the South African magazine industry and boasts seven of the top 10 consumer magazines. Its portfolio of 60 titles includes the powerful weeklies Huisgenoot, YOU and DRUM – with a readership of some 8m every week – as well as international titles such as

Top Gear and Women's Health, which are published under licensing agreements. The division posted excellent results, benefiting from interventions to reduce costs and strong performances by the weekly magazine portfolio and associates.

Books

Media24 Books is home to several business units. NB Publishers remains the largest general-interest publisher, while Jonathan Ball Publishers is the leading publisher and distributor of English-language general books in the South African book market. Leisure Books is South Africa's largest book club business. Via Afrika is the digital market leader in basic education. The books division experienced a tough year mainly due to lacklustre trade sales and lower schoolbook orders.



Ecommerce (Spree)

Media24's online fashion venture, Spree, recorded strong sales growth and increased its market share considerably over the past year. It also expanded into new product categories, signed up an international fashion retailer and launched its first private label brands. Spree consistently achieves high customer satisfaction levels.

Performance review (continued)

Non-financial review

Sustainable investment

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

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

Source: Extract from sustainable development policy.

Non-financial review (continued)

Naspers is a for-profit organisation that invests significantly in developing its business to provide useful products and services to our customers and a sustainable return to investors. Flowing from our business activities, we invest in countries where we operate by creating business for local suppliers, employing people and giving governments their dues via taxes and levies.

Our products and services directly impact local societies. We operate in many different communities, each with different challenges. Each business aims to make a difference to its local community by contributing in line with our strengths and know-how. The print and video-entertainment segments have a rich history of contributing to the arts, culture, education, sport and industry academies and bodies. Our ecommerce businesses are actively engaging online and offline communities in various projects supporting education, community initiatives, sustainable transportation, ecology and healthy living.

For a more detailed review of our initiatives, refer to the sustainability section at **www.naspers.com** on the corporate website.

Focus areas

Ongoing educational initiatives include:

- SuperSport initiatives such as leadership development and scholarships for academic studies.
- The M-Net Magic in Motion Academy: 12 recent film and television graduates are selected for a year-long internship with various production houses.
- Media24 has been the winner of the South African Graduate Employers' Association (SAGEA) employer of choice award in the media sector for three years running. Last year it awarded 17 bursaries to graduates in commerce, engineering and multi-media and offered 31 internships in journalism, engineering and ecommerce. It also provided digital media training to 150 independent publishers. Through its education in the classroom initiatives, it provided 218 000 free newspapers, which benefited more than 2 650 schools and 730 000 learners nationwide. The mobile-based national digital school network, WeCan24, reached 48 schools and three non-governmental organisations (NGOs) in 2014.

Contributing to our communities

MultiChoice plays a role in communities across Africa, particularly through drives that deal with societal concerns. An example is SuperSport's Let's Play initiative, which celebrates 10 years in 2015. Let's Play encourages primary school children to participate in sport in response to 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

GROUP
PERFORMANCE
GOVERNANCE
FINANCIAL
INFORMATION

Non-financial review continued

is also evident in ongoing investments in developing the television production and sport industries with M-Net and SuperSport focusing on local content across the continent.

The MultiChoice Diski Challenge is a football-focused programme 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. Our aim is to help create a new breed of football players and broadcasting professionals, while bringing the best sport entertainment to our customers' screens.

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 television industries.

mnet MAGIC IN MOTION Partnering for good

For the past 15 years Allegro has partnered with the biggest Polish charity auction, Great Orchestra of Christmas Charity, by organising online auctions to raise funds for paediatric and oncological treatment for children, as well as dignified healthcare for senior citizens. A new online charity platform (charytatywni.allegro.pl) was created to better connect an online community willing to help all the non-governmental organisations seeking funds.

The Media24 Rachel's Angels, a youth mentorship and empowerment programme, pairs high school learners with Stellenbosch University mentors for a two-year period and aims to improve the learners' academic performance – 43 of these learners will be offered full bursaries and 55 learners loans to study at Stellenbosch University in 2016. Numerous initiatives are also supported through its in-house programme, Volunteers24, through which staffers can give back.

In India OLX builds connections with its communities through programmes such as voluntary blood donation camps, winter clothing

Non-financial review continued

donation and a school bag drive for underprivileged children.

The eMAG foundation was launched by our leading Romanian etail business. Its flagship projects aim to revitalise the Romanian educational system.

Transformation

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

MultiChoice

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:

Ownership: MultiChoice achieved full points on this element of the scorecard. A cornerstone of our approach to ownership was creating a scheme to provide an accessible shareholding opportunity to a new group of South Africans. Black South Africans now have a 47,32% economic interest in the MultiChoice South Africa group.

- Three years ago shares in Phuthuma Nathi and Phuthuma Nathi 2 (launched in 2006 and 2007 as PN and PN2, 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 South Africa, settled the loan held by MIH Holdings Proprietary Limited under the preference share agreements. Regulatory developments affecting these schemes are summarised on page 73.

Preferential procurement: Our preferential procurement programme continues to support the development of black-owned (including black women-owned) small, medium and micro-enterprises (SMMEs). MultiChoice's preferential procurement spend on compliant companies was R7,7bn (48%) in the reporting period: 13% of this was on exempt micro-enterprises and qualifying small enterprises.

MultiChoice has a network of over 1 300 accredited installers, employing some 3 000 people across South Africa.

Enterprise development: Our achievements in enterprise development (ED) reflect our commitment to development and sustainability in our sector. The MultiChoice Enterprise

GROUP PERFORMANCE GOVERNANCE FINANCIAL INFORMATION

Non-financial review continued

Development Trust provides loans to qualifying beneficiaries according to our ED strategy. We support the cash flow requirements of our qualifying suppliers by paying them early, and provide business development support to partners, producers and innovators in the group.

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 weightings and performance indicators in the revised codes are more stringent, which will mean a substantial drop in the performance of South African companies across all industries. MultiChoice South Africa is taking active steps to manage its BBBEE status.

A platform to share: We provide airtime across channels to organisations whose work benefits South Africans in distress. These organisations provide feedback on the impact this far-reaching and high-impact marketing has on their abilities to achieve their goals of improving the lives of South Africans.

Media24

Media24 has made solid progress with its transformation aims. These are tracked against a scorecard for the DTI's code of good practice for BBBEE. As independently verified, Media24 increased its overall score to 80,55 points – its highest ever – and retained level-3 status. Black ownership is now 45,22%, and Media24 also scored full points for socio-economic development and enterprise development. Next year Media24's

The MultiChoice Enterprise Development Trust

The MultiChoice Enterprise Development Trust ensures that new talent and previously disadvantaged businesses receive the opportunity to compete fairly with established contributors of content. The trust provides finance for emerging production companies to acquire skills needed for high-quality productions. Linked with a contract from our broadcast partners (eg M-Net and SuperSport) to purchase the content and provide business support where required, we assist these production companies to be productive, efficient and profitable.

In addition, we are innovating to produce content relevant to our audiences. This includes local productions that provide opportunities to expose emerging film-makers to commercial television production, budgeting, scheduling and delivery requirements, while turning their stories and ideas into films.

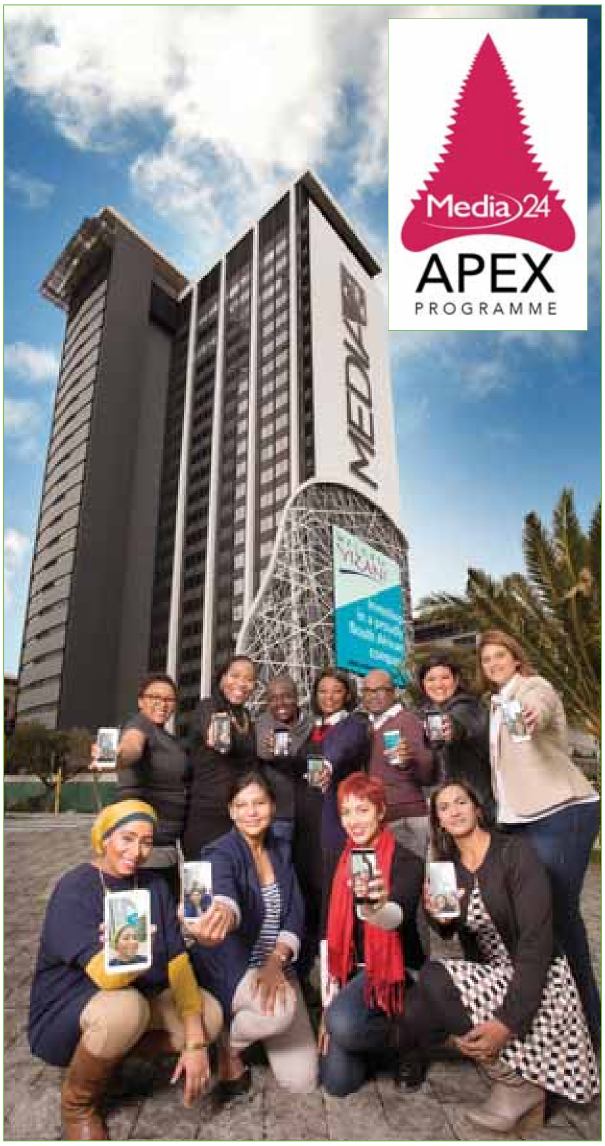
scorecard will be assessed in terms of the revised BBBEE codes, which have significantly higher thresholds for compliance. Media24 expects a significantly lower score and recognition level in line with its competitors and comparable companies across industries.

Apex Future Leaders: It is a two-year executive management programme created to drive transformation at management level. The programme combines academic training with practical assignments and six-month stints in our print and digital publishing divisions. Six talented black managers will complete the programme in March 2016.

Welkom Yizani: In 2006 Media24 launched the largest BBBEE share offer in the print media industry, Welkom Yizani, with eligible black people and groups now owning some 15% (directly and indirectly) in Media24 Holdings. In December 2009 to mitigate the impact of the recession on the value of these shares, Naspers wrote off R330m of its funding in Welkom Yizani and the scheme was extended by two years to December 2013, improving chances for Welkom Yizani shareholders to profit from their original investment.

In December 2013 shares in Welkom Yizani began trading publicly. In September 2014 Welkom Yizani received an ordinary dividend from Media24 of R21,7m.

In the past year the Registrar of Securities Services ("the registrar") indicated that all traditional over-the-counter trading platforms like PN, PN2 and Welkom Yizani should regularise their affairs against the Financial



Markets Act, 2012. The schemes have engaged proactively with the registrar and remain committed to complying with any directives or conditions issued by the registrar.

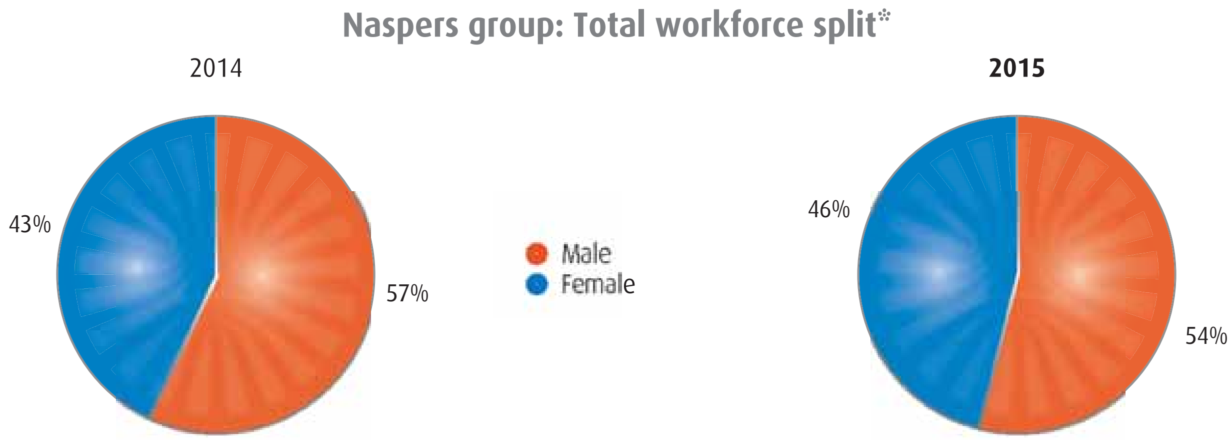
Black economic empowerment partners

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.

GROUP
PERFORMANCE
GOVERNANCE
FINANCIAL
INFORMATION

Non-financial review continued

People



*MultiChoice South Africa, MultiChoice Nigeria, Media24, Allegro group and the BuscaPé group.

Developing outstanding products for customers in markets with great growth potential requires talented teams across our business. Talent, particularly in the fields of ecommerce, technology and engineering, is scarce globally. Being perceived as an attractive place to work, is therefore key to our strategy.

In the past 12 months we continued our efforts to make Naspers a great place for our people to work and develop. In May 2014 we appointed Aileen O'Toole to lead human resources, creating dedicated responsibility for a groupwide people strategy. Focused on hiring, developing, and engaging great people in a performance-driven, values-based culture, the new group human resources team is designed to strengthen support for Naspers operating companies and the group as a whole.

With over 24 000 (2014: 22 500) permanent employees in some 130 countries, we have an opportunity to make a difference to our customers, employees, partners and investors worldwide.

In our communities:

- We operate in various geographies, where we employ local citizens and empower the communities in which we operate.
- We contribute to educational programmes to raise awareness of our products, and create much-needed skills.
- We conduct business fairly, ethically and with integrity. Our code of business ethics and conduct defines our culture. These and related policies appear on **www.naspers.com**.
- We support previously disadvantaged businesses in South Africa by actively seeking suppliers in line with local legislation.

For our people:

- We aim to create a great place to work.
- We invest in the continuous development of our people to retain a competitive advantage.
- We encourage our employees to contribute to the group's sustainability and innovation by supporting our community initiatives financially or donating their time.

- We respect the rights of our employees and their diversity.
- We encourage employees to report areas where the group might be failing in its business conduct and values through secure channels.
- We comply with local employment laws.

Values-based and performance-driven culture

We believe that talented and engaged employees build customer experiences that in turn create sustainable shareholder returns. We encourage a values-based and performance-driven culture across the group to create the right environment in which talented people can flourish: a meaningful job contributing to clear business aims, great leadership providing the opportunity for everyone to learn and grow, and relevant reward and recognition for a job well done.

Many of our subsidiaries have embedded their values in their day-to-day ways of working. All our people are responsible for delivering results with innovation, integrity, respect and passion.

Reward for success

Each year we encourage employees to set clear and ambitious goals that contribute to the success of the business. We encourage our managers and their teams to regularly discuss progress against these goals, and to differentiate reward according to what is delivered, and how it is delivered.

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

People development

We have several areas of focus: developing the full potential of our own people, extending this training outside the group to develop talent, and offering learnerships and bursaries to young people with potential for our group, particularly in key fields such as engineering.

Non-financial review continued

The projects below illustrate our commitment to our people and to the communities in which we operate.

In recent years **Media24** has made significant investments in training, introduced for example, the Graduates-in-Media internship programme, ran an extensive digital media training programme for journalists, launched a series of knowledge-sharing talks on industry-related topics, and provided digital media training to over 150 independent publishers with the aid of funding from a services sector education and training authority (SSETA).

In the global **classifieds** business we are developing talent in-house through a bespoke development programme, the General Management University. Through these programmes, we promote knowledge sharing,

Siyandiza online learning in video entertainment

MultiChoice employees can complete online courses through a system called Siyandiza. This includes classroom and online learning on general business skills, strategy and operations to professional effectiveness, leadership skills and wellness, among others.

In the past 12 months, 435 online courses were accessed and over 24 000 online learning completions were recorded, which included 3 680 individual completions. MultiChoice's learnership programmes combine vocational education and training modules towards qualifications registered on the National Qualifications Framework (NQF). Highlights during the year include:

334 learnerships were offered in skills such as production, broadcast engineering, project management, management, human resource management and customer care. These learnerships create employment while addressing skills shortages in the industry.

Seven people are currently completing their second year in the adult basic education and training (ABET) programme.

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

40 information technology (IT) graduates were employed in our graduate programme.

247 employees completed management development programmes, including advanced management programmes, introduction to management and executive coaching.

R3,8m was made available for bursaries, with R1,8m specifically designated for women.

increase the overall skill level and harmonise our ways of working. We also launched the Global Leadership Gateway, a fast-track rotation programme for future country managers, held over 12 multi-day training sessions.

In our **etail** and **online comparison shopping** segments we encourage the exchange of ideas and best practices, and identify collaboration opportunities between our portfolio companies. In addition, we organise sector-specific conferences as well as global benchmarking.

Diversity and inclusion

Employment equity

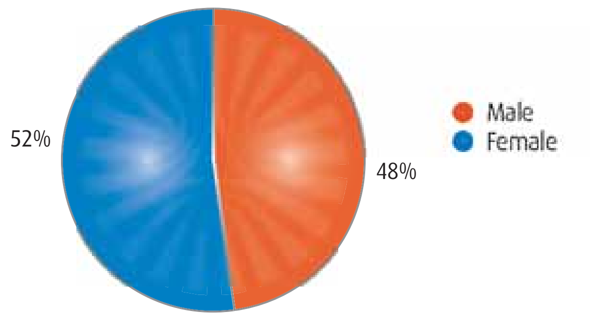
In line with local legislation, and our own employment policy, we value diversity in the workplace. It aligns our company with our customers and encourages tolerance and understanding. Just as importantly, it cultivates a vibrant working environment conducive to innovative thinking. The breakdown of the MultiChoice and Media24 groups' annual employment equity statistics is shown below. Under DTI 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

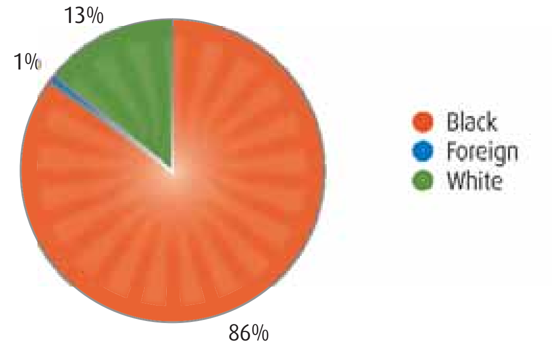
Maintaining a healthy, safe workplace at all our sites is a priority to achieve the lowest possible harm rate on duty. Health and safety committees – comprising responsible, trained individuals – ensure regulatory compliance. Appropriate medical-emergency and disaster-recovery plans have been devised.

Multichoice: Employment equity

2015

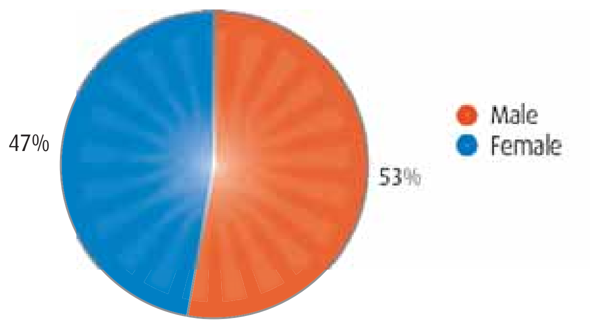


2015

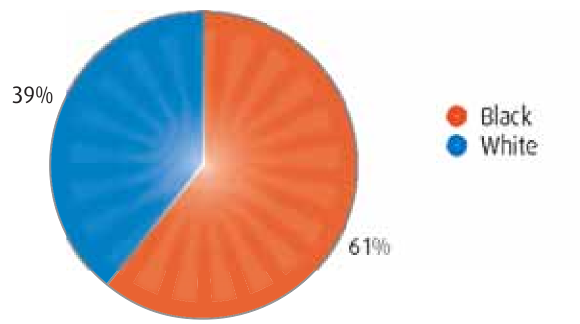


Media24: Employment equity

2015



2015



GROUP
PERFORMANCE
GOVERNANCE
FINANCIAL
INFORMATION

Non-financial review continued

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

Media24's distribution and printing operations use contractors and organisers. 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 our group with the greatest inherent risk for injuries on duty.

Monitoring: Media24's safety, health and environment committee monitors related issues in the 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 preventive 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.

Environment

Our 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 177 945 tonnes of CO_2e, of which scope 2 (electricity usage) is 96% (2014: 185 105 tonnes of CO_2e). We measured direct (scope 1 and 2) emissions at our locations across South Africa, Poland, the Netherlands and Nigeria. Our South African print operations remain the largest contributor (70%) to the group's total measured carbon emissions. Through improvement and sustainable technological innovation, Naspers strives to minimise its impact on the environment.

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

MANAGING ENVIRONMENTAL IMPACTS

Managing impact	Response
Risk assessments identify operations where our direct impact on the environment is most significant.	Our most direct impact on the environment is from Media24 (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.

GROUP
PERFORMANCE
GOVERNANCE
FINANCIAL
INFORMATION

Non-financial review continued

MANAGING ENVIRONMENTAL IMPACTS (continued)

Managing impact	Response
We use, where possible, advanced technologies to reduce our 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 ▷ Automatic hibernation of PCs. Waste management initiatives include: ▷ Recycling office waste more appropriately ▷ Installing ewaste bins for customers end employees to safely dispose of obsolete electronic devices.
Our 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 printed products can be traced back from their point of origin to responsible, well-managed forestry, controlled and recycled sources.

Non-financial review continued

Novus Holdings

Despite our ongoing efforts to manage our impact on the environment, mainly through deploying technology and recycling initiatives at our facilities and a shift from the printed product to electronic formats, the ongoing electricity crisis in South Africa where our video-entertainment and printed platforms operate, has had a negative impact on our carbon footprint and cost base. However, in South Africa, options for alternative sources of energy (other than the current coal base) are limited.

Media24

Media24's operations are diverse, ranging from printing plants to ecommerce platforms. The group mainly produces newspapers, magazines and books, recycling all unsold magazines and newspapers. Through informative articles published in its magazines, newspapers and digital platforms, consumers are educated about lowering their impact on the environment.

MultiChoice City – our first building to be Green Star-rated

MultiChoice City, the group's new building in Randburg, is our first building to be Green Star-rated, a rating received from the Green Building Council of South Africa. The building comprises over 34 500m² of office area and was designed to energy-efficient specifications for a 5-star Green Star office design.

A green building offers benefits like significant electricity cost savings by using energy-efficient systems and occupancy sensors. MultiChoice City's other green elements include a grey-water reticulation system, heating and cooling systems and processes to trap and disperse natural light.

GROUP
PERFORMANCE
GOVERNANCE
FINANCIAL
INFORMATION

Non-financial review continued

Awards

Prestigious awards received by group companies during the year included:

Internet businesses and awards

markafoni Brands Club

Markafoni received the Superbrands award in 2014 for the second time in a row. Markafoni was recognised for its role in fuelling Turkey's economy.

allegro

For the seventh year in a row Allegro was rated the number one Polish commerce brand in a Polish brand 2014 contest by the Rzeczpospolita daily.

Mobile Trend Award 2014 for Allegro as the best promoter of mobile solutions in Poland.

ibibo Group We Love Travel

goibibo won the coveted Economic Times Most Promising Brands Award 2015 as the most promising and fastest growing brand. Goibibo.com has been commended for capturing maximum mindshare in the market very quickly.

goibibo rated best website in the leisure and travel category by Website of the Year Awards 2014.

konga.com

Top 20 – Most Respected Companies in Nigeria, BusinessDay Media Limited (2014).

Best etailer company and best use of social media in marketing, Marketing World Awards (2014).

Best digital marketing company, Creative Entrepreneurs of Nigeria.

Best Customer Service Company in ecommerce, Nigeria Customer Service Awards (2014).

flipkart.com

Mcommerce app of the year at Mobile Appies.

Flipkart won the best legal team award for the ecommerce industry at the Legal Era Awards 2015.

OLX Brazil

Best customer service in internet category, Prémio ÉPOCA Reclame AQUI.

OLX India

Fifth most trusted online brand by Trust Research Advisory's Brand Trust Report 2015.

OLX South Africa

Best Practice Award 2014 Competitive Strategy Innovation Leadership in ecommerce retail, by Frost & Sullivan.

Mail and Guardian Top Companies Reputation Index 2014 in the online classifieds category.

eMAG

Innovation in HR Award – Wall-Street.ro, November 2014.

Cool Brands Award by Forbes Magazine.

xcellence in Management Award – Capital Magazine, March 2015.

Video entertainment businesses and awards

MultiChoice ENRICHING LIVES

DStv Explora voted most innovative at the 2015 Product of the Year Awards.

DStv rated the top socially devoted Facebook brand by Social Bakers.

MultiChoice AFRICA

Best Pay-TV brand in Mozambique Best Brand Awards (2014 and 2015).

Winner Best Pay-TV Brand of the Year 2014 by Marketing World, Nigeria.

Winner GOtv – Best Customer Care Company 2014 by Marketing World, Nigeria.

mnet

Winner of 17 South African Film and Television Awards.

Winner of 10 Royalty Soapie Awards.

Winner of nine gold and seven silver PromaxBDA Awards 2014.

Winner of one gold, two silver and two bronze PromaxBDA Global Excellence Awards 2014.

SuperSport World of Champions

Let's Play nominated as a finalist in Discovery Sport Industry Awards 2015.

Winner of nine gold and five silver PromaxBDA Africa Awards 2014.

Winner of two silver and two bronze PromaxBDA Global Excellence Awards 2014.

Winner of two bronze Loerie awards 2014.

DStv Media Sales

Winner of media owner sales team (MOST) award for the fourth time (2014).

DStv Digital Media

Winner of one gold and one silver PromaxBDA Africa Award 2014.

Winner of one bronze PromaxBDA Global Excellence Award 2014.

SuperSport iOS app voted MTN's best consumer app of 2014.

MWEB

First place in the ISP category at Ask Afrika Orange Index® Awards.

Performance review (continued)

Non-financial review continued

Awards continued

Media24 businesses and awards

News24's elections app that gave live results for the 2014 SA national elections, won a gold, silver and bronze pixel at the 2015 Interactive Advertising Bureau South Africa (IAB) Bookmarks Awards.

Media24's efashion store, Spree, achieved a silver pixel for its newsletters and a bronze pixel for its ecommerce site at the 2015 IAB Bookmarks Awards.

Media24's publications and journalists scooped 10 prizes at the annual Standard Bank Sikuvile Journalism Awards – more than any other media company – across categories ranging from design, printing and layout to photography, as well as multimedia journalism. Media24 again won the Frewin (Beeld), McCall (Volksblad) and Joel Mervis (City Press) trophies for design excellence. Beeld won SA Story of the Year for its multimedia coverage of the Oscar Pistorius trial.

At the annual MDDA-Sanlam Local Newspaper Awards, Media24's titles and journalists won five awards. Tygerburger was named best free (corporate-owned) newspaper in South Africa.

Ferial Haffajee, City Press's editor-in-chief, was a co-recipient of the International Press Freedom Award by the US-based Committee to Protect Journalists (CPJ).

NB Publishers again scooped 28 prestigious literary prizes.

GOVERNANCE

Corporate governance

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

Introduction

Compliance with 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.

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, 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.

For a review of Naspers's application of King III, go to http://www.naspers-reports.com/2015/pdf/king-3.pdf.

Business ethics

The group's code of business ethics and conduct is available on http://www.naspers.com/pdf/policies/code-of-ethics.pdf.

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

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

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

Whistle-blowing facilities at most 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.

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 R85 000 from the self-regulatory body, the Broadcasting Complaints Commission of South Africa (BCCSA). These relate to incorrect scheduling of content and incorrect parental guidance rating for certain content or in the electronic programme guide. Most of these issues are due to human error. Steps are being taken to correct this, both by M-Net internally and with third-party suppliers of channels.

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

The board

Composition

Details of directors at 31 March 2015 are set out on page 98.

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 decisionmaking and authority, the roles of chair and chief executive are separate.

At 31 March 2015 the board comprised 10 independent non-executive directors, four non-executive directors and three executive directors, as defined under the Listings Requirements of the JSE. Five directors (27%) are from previously disadvantaged groups and three directors (20%) are female. These figures are above the average for JSE-listed companies.

The chair

The chair, Mr Koos Bekker, is a non-executive director. He replaced Mr Ton Vosloo, who retired in April 2015. Mr Fred Phaswana replaced Mr Boetie van Zyl, who retired as lead director in all matters not dealt with by the non-executive chair.

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. On 1 April 2014 Mr Bob van Dijk was 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.

Conflicts of interest

Potential conflicts are appropriately managed to ensure candidate and existing directors have no conflicting interests between their obligations to the company and their personal interests. Any interest in contracts with the company must be formally disclosed and documented. Directors must also adhere to a policy on trading in securities of the company.

Independent advice

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

Meetings and attendance

The board meets at least four times a year, or 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 98 and 99.

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 the other board members, using an evaluation questionnaire. The chair of the nomination committee discusses the results with each director. A consolidated summary of the evaluation is discussed by the board. The lead independent director leads the discussion on the performance of the chair.

Board committees

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

Each committee acts within agreed, written terms of reference. The chair of each committee, all of 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 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 controls system as part of its audit and communicates deficiencies when identified.

The board reviewed the effectiveness of controls for the year ended 31 March 2015, principally through a process of management self-assessment, including formal confirmation in the form of representation letters by executive management. Consideration was given to input, including reports from internal audit and the external auditor, compliance and the risk management process. Where necessary, programmes for corrective actions have been initiated.

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

Internal audit

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

Non-audit services

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

IT governance

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

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

Company secretary

The company secretary, Mrs Gillian Kisbey-Green, and group legal counsel (legal compliance officer), are responsible for guiding the board in discharging its regulatory responsibilities. On 31 March 2015 Mr Craig Opperman resigned as group legal counsel. Mr André Coetzee, who retired on 31 March 2014, stepped in as acting group legal counsel. Mr David Tudor was appointed group legal counsel effective 1 June 2015.

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 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 (62) led the founding team of the M-Net/MultiChoice pay-television business in 1985. He was also a founder of the cellular telephony, MTN. Mr Bekker headed the MIH group in its international and internet expansion until 1997 when he became chief executive of Naspers. He serves on the boards of other companies in the wider group, as well as on various public bodies. 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 Mr Vosloo as non-executive chair. His academic qualifications include: BAHons plus an honorary doctorate in commerce (Stellenbosch University), an LLB (University of the Witwatersrand) and an MBA (Columbia University, New York).

Rachel Jafta (54) holds the degrees MEcon and PhD, and is a 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 and a member of the management committee of the Bureau for Economic Research at Stellenbosch University. She 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. In 2015 she was appointed to the international advisory board of Fondação Dom Cabral Business School, Brazil.

Roberto Oliveira de Lima (64) from Brazil is a board member of Telefonica Brasil, Rodobens Negócios Imobiliarios, Grupo Pao de Açucar in Brazil and Edenred in France. Mr Oliveira de Lima has been CEO of Natura Cosmeticos 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 Atlantica.

Craig Enenstein (46) 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 Mr Enenstein in 2005. He holds an MBA in finance (Wharton School of Business), an MA International Studies (Lauder Institute, University of Pennsylvania) and a BA (University of California, Berkeley).

Fred Phaswana (71) 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 2010. 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 (42) was appointed chief executive of Naspers in April 2014. He joined the group as Allegro Group CEO in August 2013 and was promoted to CEO Global Transaction eCommerce in October 2013. He has over 10 years of general management experience in online growth business, mainly with eBay and Schibsted, spanning the online marketplaces, online classifieds and fashion segments. Most recently he was vice-president and general manager of eBay Germany and Europe Emerging Markets. Prior to his general management career, Mr van Dijk was an entrepreneur in online financial products. He started his career in McKinsey with a focus on mergers and acquisitions and media. Mr van Dijk has an MBAHons from INSEAD and an MSc (cum laude) in econometrics from Erasmus University Rotterdam.

Our board (continued)

Steve Pacak (60), 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 director of MultiChoice South Africa Holdings and other companies in the wider Naspers group. He was appointed an executive director of Naspers in 1998. He retired as Naspers's financial director on 30 June 2014, but remained on the board as an alternate non-executive director. On 15 January 2015 he was appointed as a non-executive director on the Naspers board.

Ben van der Ross (68), 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, Pick n Pay Stores Limited, Distell Limited and Lewis Group Limited.

Mark Sorour (53) joined the Naspers group in 1994, heading up business development and corporate finance throughout Africa, the Middle East, Thailand, China, Europe, USA and Asia. Following assignments located in Hong Kong and Amsterdam, he returned to Cape Town in 2002 as the group chief investment officer. Since then he has had global responsibility for equity capital markets and mergers and acquisitions activities. Mr Sorour is a qualified chartered accountant (SA) holding a BCom and DipAcc. On 16 April 2014 he was appointed as alternate executive director on the Naspers board and then as an executive director on 15 January 2015.

Debra Meyer (48) 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. She serves as trustee or board member of several organisations.

Cobus Stofberg (64) 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.). He holds a BComLaw and LLB from Stellenbosch University, BComptHons from Unisa and qualified as a chartered accountant (SA).

Basil Sgourdos (45) 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. Mr Sgourdos 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 group chief financial officer of the Naspers group on 1 July 2014.

Our board (continued)

Don Eriksson (70) is a chartered accountant (SA) and an honorary life member of the Institute of Directors of Southern Africa (IoDSA). Mr Eriksson is chair of Oakleaf Insurance Company Limited, Insurance Outsourcing Managers Holdings Limited, Renasa Insurance Company, Summerfield Retirement Village and the remuneration committee of Discovery Health Medical Scheme. He is also a member of the audit and risk committees of Discovery Health Medical Scheme and an independent non-executive director of Naspers Limited. He served on the council of IoDSA for a number of years and was a partner at Coopers & Lybrand (now PricewaterhouseCoopers Inc.).

Nolo Letele (65) 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.
Mr Letele 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). He holds an honours degree in electronic engineering (UK). His directorships include BuiltAfrica Proprietary Limited.

Directors who stepped down from the board subsequent to year-end.

Ton Vosloo (77) became managing director of Naspers in 1984, serving as executive chair from 1992 to 1997. Mr Vosloo worked as a journalist from 1956 to 1983 and as editor of Beeld from 1977 to 1983. Until recently he was a director of Media24 and MultiChoice South Africa Holdings. He was the non-executive chair of the board of Naspers, a position he held since 1997. On 17 April 2015 Mr Vosloo retired as chair and board member from the Naspers board. He is a former chair of Sanlam, M-Net, WWF South Africa and the Cape Philharmonic Orchestra. He was awarded the Nieman Fellowship from Harvard University in 1970. Mr Vosloo has been awarded three honorary doctorates.

Yuanhe Ma (74) retired from his post as head of State Administration of Radio, Film and Television's (SARFT's) office in Hong Kong in March 2002. Before moving to Hong Kong, he was director-general of the foreign affairs department of SARFT. He worked in SARFT for more than 30 years. He graduated from Beijing Broadcasting Institute's foreign language department. Subsequent to the financial year-end, Mr Ma retired from the Naspers board on 17 April 2015.

Francine-Ann du Plessis (60) was a director of Naspers from 2003 to 2015 and holds the qualifications BComHons (taxation), LLB and CA(SA). Although admitted as an advocate of the Cape High Court, she practises as a chartered accountant and is a director of LDP Inc. She was a member of the audit and risk committees of Naspers. She also served on the boards of Standard Bank and ArcelorMittal. With effect from 29 May 2015 Advocate du Plessis resigned from the Naspers board and committees.

Boetie van Zyl (76) holds the qualifications PrEng and BScEng (mechanical) (University of Cape Town). He joined Naspers as a director in 1988. He is a director of the Peace Parks Foundation and a trustee of WWF South Africa. He was chair of the audit, risk and social and ethics committees of Naspers and a member of the human resources and remuneration committee and nomination committee of Naspers. Subsequent to the financial year-end on 17 April 2015, Mr van Zyl retired from the Naspers board and committees.

Our board (continued)

Directors and attendance at meetings

	Date first appointed in current position	Date last appointed	Eight board meetings were held during the year. Attendance:	Category
T Vosloo[1]	6 October 1997	30 August 2013	8	Non-executive
F-A du Plessis[2]	23 October 2003	30 August 2013	8	Independent non-executive
C L Enenstein	16 October 2013	16 October 2013	8	Independent non-executive
D G Eriksson	16 October 2013	16 October 2013	7	Independent non-executive
R C C Jafta	23 October 2003	29 August 2014	8	Independent non-executive
F L N Letele	22 November 2013	22 November 2013	8	Non-executive
D Meyer	25 November 2009	29 August 2014	8	Independent non-executive
R Oliveira de Lima	16 October 2013	16 October 2013	8	Independent non-executive
Y Ma[1]	16 October 2013	16 October 2013	8	Independent non-executive
S J Z Pacak[3]	15 January 2015	15 January 2015	8	Non-executive
T M F Phaswana	23 October 2003	30 August 2013	7	Independent non-executive
M R Sorour[4]	15 January 2015	15 January 2015	7	Executive
V Sgourdos[5]	1 July 2014	1 July 2014	6	Executive
J D T Stofberg	16 October 2013	16 October 2013	7	Non-executive
B van Dijk	1 April 2014	1 April 2014	8	Executive
B J van der Ross	12 February 1999	30 August 2013	8	Independent non-executive
J J M van Zyl[1]	1 January 1988	29 August 2014	8	Independent non-executive

Notes

Mr Bekker was appointed as a non-executive director and chair with effect from 17 April 2015.

(1) Retired 17 April 2015.

(2) Resigned 29 May 2015.

(3) Retired 30 June 2014 as an executive and financial director. Appointed alternate director 1 July 2014. Resigned as alternate director and appointed a non-executive director 15 January 2015.

(4) Appointed alternate director 16 April 2014. Resigned as alternate director and appointed as an executive director 15 January 2015.

(5) Appointed financial director 1 July 2014.

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		
	No meetings held during the year.	Four meetings held during the year. Attendance:		Four meetings held during the year. Attendance:		Six meetings held during the year. Attendance:		Six meetings held during the year. Attendance:		Three meetings held during the year. Attendance:		Category
T Vosloo[2]	√			√	4	√	6	√	6			Non-executive
F-A du Plessis[3]		√	4	√	4							Independent non-executive
D G Eriksson[4]		√	4	√	4					√	1	Independent non-executive
R C C Jafta		√		√		√	6	√	6	√	3	Independent non-executive
F L N Letele										√	3	Non-executive
D Meyer										√	3	Independent non-executive
S J Z Pacak[5]	√			√	4					√	1	Non-executive
T M F Phaswana[6]	√					√	n/a	√	n/a			Independent non-executive
V Sgourdos[7]	√			√	4					√	2	Executive
J D T Stofberg[8]						√	n/a	√	n/a			Non-executive
J J M van Zyl[2]	√	√	4	√	4	√	6	√	6	√	3	Independent non-executive
B J van der Ross		√	4	√	4							Independent non-executive
B van Dijk[9]	√			√	4					√	3	Executive
E Weideman										√	3	Non-executive

Notes

√ Member.

Mr Bekker was appointed as a non-executive director and chair with effect from 17 April 2015. Mr Bekker will serve on the human resources and remuneration committee as chair and a member of the nomination committee. He will attend the audit and risk committees' meetings by invitation.

(1) Executive directors attend meetings by invitation.

(2) Retired 17 April 2015.

(3) Resigned 29 May 2015.

(4) Appointed a member of the audit committee 29 August 2014. Previously, Mr Eriksson attended audit committee meetings in an advisory role. Appointed chair of the audit committee 17 April 2015.

(5) Retired 30 June 2014 as an executive and financial director. Appointed alternate director 1 July 2014. Resigned as alternate director and appointed a non-executive director 15 January 2015.

(6) Appointed 17 April 2015.

(7) Appointed 1 July 2014.

(8) Appointed alternate on the committees to Mr Bekker 17 April 2015.

(9) Appointed 1 April 2014.

Remuneration report

Salient features

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

- **Non-executive directors:** The highly competitive markets we operate in, and the brutal global competition we face, require us to continually evaluate the expertise of our board. Recently we realised annual savings of some R20m per year by collapsing two traditional structures into a single combined board. To appropriately compensate the new combined board, we envisage a revised payment structure for non-executive directors to ensure we attract and retain suitable talent – please see pages 102 to 103.
- **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 101.

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.

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, plus discrete individual objectives.
- 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 compared with reported figures for similar positions to ensure they are fair and sensible. In some cases, independent consultants provide benchmarks. We have no specific group policies to, for example, pay the median 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 demand is therefore to create net new value above the value on the date of issue. This completely 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 regranting 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.

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.

Rationale for non-executive directors' remuneration

Naspers started 100 years ago as a South African-based print media company. In 1984 we bought a minority stake in a pay-television venture, then entered mobile telephony. In 2000 we swapped our mobile telephony stake for control of the pay-TV business, which gradually started investing in internet ventures.

Between 2000 and 2013 a "dual board" structure evolved, where the electronic interests (pay-TV and internet) were mainly controlled by the board of subsidiary MIH, which comprised several directors based outside South Africa and always met abroad. Naspers, the mother company, comprised South Africans and met almost always domestically. This structure made sense while print interests were a substantial part of the business but, over time, the electronic interests grew to represent the bulk of the business, increasingly located outside South Africa.

To put this in context: today the group operates in some 130 countries, competing with global players in the field of internet, ecommerce and video-entertainment services. Naspers is the third largest company on the JSE with a market capitalisation of around US$60bn at year-end and it is ranked at 130 of over 2 400 securities in the MSCI All World Index. The international scale of the group means we need to navigate and compete in a field of high technology and changing consumer habits. It also means Naspers needs non-executive directors with global expertise.

As the group evolved, the work of the Naspers and MIH boards overlapped almost completely. By combining these boards in 2013, we reduced an aggregate 20 (nine MIH plus 11 Naspers) non-executive directors to a present 12 members. Nine scheduled board meetings (five abroad, four in SA) were reduced to five (two in SA, three abroad); eight audit and risk committees' meetings were cut to four; and nine human resources and remuneration and nomination committees' meetings became five. The resultant savings were in director's fees, travel costs, and the cost of producing board and committee papers are estimated to be in excess of R20m (this figure has not been audited by PricewaterhouseCoopers Inc.). This excludes the cost of management's time spent preparing for and attending the various committee and board meetings.

After the decision to combine the boards, we sought external advice on setting a suitable compensation level for the new combined board, using two points of reference:

- Average board compensation of the Top 10 JSE companies.
- 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 for the new combined board. The current structure and detailed table of proposed compensation for the 2016 financial year are shown below:

		31 March 2016 (proposed)
	Board	
1.1	Chair*	**2,5 times member**
1.2	Member	**US$164 000**
	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$40 400**
1.5	Risk committee: Chair	**2,5 times member**
1.6	Member	**US$24 000**
1.7	Human resources and remuneration committee: Chair	**2,5 times member**
1.8	Member	**US$28 400**
1.9	Nomination committee: Chair	**2,5 times member**
1.10	Member	**US$15 300**
1.11	Social and ethics committee: Chair	**2,5 times member**
1.12	Member	**US$21 000**
	Other	
1.13	Trustee of group share schemes/other personnel funds	**R44 190**
1.14	Media24 pension fund: Chair	**R111 548**
1.15	Trustee	**R76 365**

Note

** 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, based on a 5% increase year on year, will be proposed at the annual general meeting in August 2015.

Remuneration report (continued)

Non-executive directors' emoluments for the financial year to 31 March 2015

	2015 R'000	2014 R'000
Fees for services as directors	**26 264**	14 262
Fees for services as directors of subsidiary companies	**4 966**	6 885
	31 230	21 147

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

	2015							2014				
	Directors' fees[1]		Committee[2] and trustee[3] fees		Other fees[4]			Directors' fees[1]		Committee[2] and trustee[3] fees		
Non-executive directors	Paid by company R'000	Paid by subsidiary R'000	Paid by company R'000	Paid by subsidiary R'000	Paid by company R'000	Paid by subsidiary R'000	Total 2015 R'000	Paid by company R'000	Paid by subsidiary R'000	Paid by company R'000	Paid by subsidiary R'000	Total 2014 R'000
T Vosloo[5]	4 412	–	–	–	–	–	4 412	3 145	1 437	–	189	4 771
F-A du Plessis[6]	1 312	–	494	–	–	–	1 806	615	–	455	–	1 070
C L Enenstein[4]	2 090	–	–	–	–	553	2 643	793	108	–	253	1 154
D G Eriksson[7]	1 312	600	308	430	–	–	2 650	282	350	128	198	958
R C C Jafta	1 312	770	428	101	–	–	2 611	615	720	322	95	1 752
L N Jonker[8]	–	–	–	–	–	–	–	359	86	41	60	546
F L N Letele	1 312	–	98	–	–	–	1 410	205	–	29	–	234
Y Ma[5]	2 090	–	–	–	–	–	2 090	793	108	–	–	901
D Meyer	1 312	257	98	58	–	–	1 725	615	240	88	14	957
R Oliveira de Lima[4]	2 090	–	–	–	–	553	2 643	793	108	–	255	1 156
S J Z Pacak[4], [9]	456	470	22	179	–	995	2 122	–	–	–	–	–
T M F Phaswana	1 274	–	–	–	–	–	1 274	615	–	–	–	615
L P Retief[10]	–	–	–	–	–	–	–	410	1 655	–	32	2 097
J D T Stofberg	1 866	–	–	–	–	–	1 866	756	–	–	–	756
N P van Heerden[8]	–	–	–	–	–	–	–	359	86	–	21	466
B J van der Ross	1 312	–	308	–	–	–	1 620	615	–	280	–	895
J J M van Zyl[5]	1 312	–	1 046	–	–	–	2 358	615	591	934	179	2 319
H S S Willemse[8]	–	–	–	–	–	–	–	359	86	41	14	500
	23 462	2 097	2 802	768	–	2 101	31 230	11 944	5 575	2 318	1 310	21 147

Notes

(1) 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.
(2) 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.
(3) Trustee fees include fees for attending meetings of the group's retirement funds.
(4) Compensation for assignments.
(5) Retired 17 April 2015.
(6) Resigned 29 May 2015.
(7) At the annual general meeting on 29 August 2014, Mr Eriksson was elected a member of the audit committee. As an independent non-executive director, he previously attended meetings in an advisory role.
(8) Resigned 16 October 2013. Only the comparative figures are shown in the table.
(9) Retired as financial director on 30 June 2014 and appointed alternate to a non-executive director on 1 July 2014. On 15 January 2015 Mr Pacak was appointed as a non-executive director.
(10) Resigned 21 November 2013. Only the comparative figure is shown in the table.

General notes

Committee and trustee fees include, where appropriate, fees to be considered by shareholders at the annual general meeting on 28 August 2015 for services as trustees or members, as appropriate, of the group share schemes/retirement funds/Media24 safety, health and environment committee.

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

Executive remuneration

Executive remuneration is guided by the group policy (refer to page 100) 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 out where targets can only be based on guesswork prepared by executives themselves.
- A complete misalignment of shareholders' and executives' interests may occur. For 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.

In keeping with our policy to offer competitive packages, a proposal was approved by the board, and will be tabled for consideration by shareholders at the annual general meeting in August 2015, 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. 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.

If approved by shareholders, RSU grants will be 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.

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.

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 2015 the group held 3 679 466 (2014: 15 567 818) 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 14 cents per N ordinary share (2014: 37 cents).

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 2015, 699 556 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 below. No non-executive directors of Naspers contributed to any group pension fund in 2015.

Guaranteed package increases

In the 2015 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 2015

	Salary R'000	Annual cash bonuses and performance-related payments R'000	Pension contribution paid on behalf of director to the pension scheme R'000	Total R'000
2015				
S J Z Pacak				
Paid by other companies in the group	1 085	—	123	1 208
V Sgourdos				
Paid by other companies in the group	8 607	3 275	789	12 671
M R Sorour				
Paid by other companies in the group	5 757	14 261	3 087	23 105
B van Dijk				
Paid by other companies in the group	9 697	6 994	4 291	20 982
Total	**25 146**	**24 530**	**8 290**	**57 966**
2014				
S J Z Pacak	4 199	2 845	474	7 518
Total	4 199	2 845	474	7 518

Remuneration report (continued)

On 30 June 2014 Mr Pacak retired as financial director, but remained on the board as an alternate non-executive director. Mr Sgourdos succeeded Mr Pacak as chief financial officer and has an indefinite employment contract. On 15 January 2015 Mr Pacak was appointed as a non-executive director. Mr van Dijk was appointed chief executive on 1 April 2014. Mr Sorour was appointed as alternate executive director on 16 April 2014 and an executive director on 15 January 2015.

Annual performance payments for Messrs Sgourdos, Sorour and van Dijk are based on financial, operational and discrete personal objectives, approved by the human resources and remuneration committee in advance. Mr 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. Mr 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 his annual total cost to company. Mr 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 108 to 110.

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 2015, is set out below. Full details can be found in note 17 on page 74 of the consolidated annual financial statements.

MIH (Mauritius) Limited share incentive scheme

Name	Offer date	Number of N shares	Purchase price	Release period	Value of option[1]
S J Z Pacak[2]	07/09/2012	54 000	R484,70	07/09/2015 to 07/09/2017	R159,91 to R189,16
V Sgourdos[3]	08/09/2010	2 223	R306,00	08/09/2015	R134,76
	19/09/2011	14 163	R350,00	19/09/2015 to 19/09/2016	R160,56 to R171,46
	02/07/2012	33 370	R436,83	02/07/2015 to 02/07/2017	R154,75 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
B van Dijk[4]	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) Retired as financial director on 30 June 2014 and appointed alternate director to a non-executive director on 1 July 2014. On 15 January 2015 Mr Pacak was appointed as a non-executive director.
(3) Appointed on 1 July 2014 as financial director.
(4) Appointed 1 April 2014.

MIH Holdings share incentive scheme

Name	Offer date	Number of N shares	Purchase price	Release period	Value of option[1]
M R Sorour[2]	19/09/2011	22 256	R350,00	19/09/2015 to 19/09/2016	R166,13 to R175,85
	02/07/2012	55 617	R436,83	02/07/2015 to 02/07/2017	R162,95 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

Notes

(1) The value of the option represents the fair value on grant date in accordance with IFRS.
(2) Appointed 16 April 2014 as alternate director and appointed director on 15 January 2015.

Director's interest in other group share-based incentive schemes

A summary of executive directors' participation in other Naspers group share-based incentive schemes for the year to 31 March 2015 is set out below. Full details can be found in note 17 on page 74 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	3 086	US$63,64	10/09/2015 to 10/09/2019	US$19,04 to US$26,04
	Naspers Global Ecommerce SAR	12/09/2014	67 466	US$15,58	12/09/2015 to 12/09/2019	US$4,01 to US$5,59
	MIH China/MIH TC 2008 SAR	17/01/2014	32 000	US$42,95	17/01/2016 to 17/01/2019	US$9,40 to US$11,54
	SimilarWeb SAR Limited	10/09/2014	1 724	US$1,45	10/09/2015 to 10/09/2019	US$0,39 to US$0,55
B van Dijk[3]	Flipkart Limited SAR	10/09/2014	365 854	US$63,64	10/09/2015 to 10/09/2019	US$19,04 to US$26,04
	Naspers Global Ecommerce SAR	12/09/2014	7 466 133	US$15,58	12/09/2015 to 12/09/2019	US$4,01 to US$5,59
	SimilarWeb Limited SAR	10/09/2014	199 685	US$1,45	10/09/2015 to 10/09/2019	US$0,39 to US$0,55

Notes

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

(2) Appointed 16 April 2014 as alternate director and appointed director on 15 January 2015. On 25 November 2014 Mr Sorour exercised options in a group share-based incentive plan and received 443 456 Naspers N ordinary shares in settlement of the gain made on exercising the options. Mr Sorour then sold 226 028 Naspers N ordinary shares at average market prices ranging between R1 489,90 and R1 499 per share, on 26 November 2014 Mr Sorour sold 87 746 Naspers N ordinary shares at average market prices ranging between R1 460 and R1 470 per share and on 27 November 2014 sold 129 682 Naspers N ordinary shares at average market prices ranging between R1 446,50 and R1 464,20 per share. Furthermore, on 20 March 2015 Mr Sorour exercised options in a group share-based incentive plan that would have expired in terms of the rules of that plan after the tenth anniversary of the award, which was 28 June 2015. Mr Sorour received 13 351 Naspers N ordinary shares in settlement of the gain made on exercising the options. Mr Sorour then sold 5 217 Naspers N ordinary shares at a market price of R1 805 per share and retained the remaining 8 134 Naspers N ordinary shares.

(3) Appointed 1 April 2014.

Directors' interest in Naspers shares

The directors of Naspers have the following interests in Naspers A ordinary shares on 31 March 2015:

	31 March 2015 Naspers A ordinary shares Beneficial			31 March 2014 Naspers A ordinary shares Beneficial		
Name	**Direct**	**Indirect**	**Total**	Direct	Indirect	Total
J J M van Zyl[1]	**745**	**—**	**745**	745	—	745

Note

[1] Retired 17 April 2015.

Messrs J P Bekker and J D T Stofberg each have an indirect 25% interest in Wheatfields 221 Proprietary Limited, which owns 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 2015 or 31 March 2014.

GROUP
PERFORMANCE
GOVERNANCE
FINANCIAL
INFORMATION

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

Name	31 March 2015 Naspers N ordinary shares Beneficial Direct	Indirect	Total	31 March 2014 Naspers N ordinary shares Beneficial Direct	Indirect	Total
T Vosloo[1]	—	160 000	160 000	—	160 000	160 000
F-A du Plessis[2]	—	—	—	—	—	—
C L Enenstein	—	—	—	—	—	—
D G Eriksson	—	—	—	—	—	—
R C C Jafta	—	—	—	—	—	—
F L N Letele[3]	737	—	737	7 006	—	7 006
Y Ma[1]	—	—	—	—	—	—
D Meyer	—	—	—	—	—	—
R Oliveira de Lima[4]	—	—	—	—	—	—
S J Z Pacak[5]	728 510	272 548	1 001 058	778 510	272 548	1 051 058
T M F Phaswana	—	3 530	3 530	—	3 530	3 530
V Sgourdos[6]	—	82 647	82 647	—	58 462	58 462
M R Sorour[7]	9 034	106 383	115 417	900	95 255	96 155
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[4]	—	—	—	—	—	—
J J M van Zyl[1]	50 361	150 796	201 157	50 361	150 796	201 157
	948 473	1 068 192	2 016 665	996 608	1 032 879	2 029 487

Subsequent to year-end, Mr Bekker succeeded Mr Vosloo as chair on 17 April 2015. Mr Bekker holds an indirect beneficial interest in 4 688 691 Naspers N ordinary shares.

Notes

(1) Retired 17 April 2015.

(2) Resigned 29 May 2015.

(3) On 25 September 2014 Mr Letele sold 4 025 Naspers N ordinary shares at average market prices ranging between R1 252,50 and R1 289 per share held in the MIH Holdings Share Trust. At the same time, Mr Letele exercised share appreciation rights in a group share-based incentive plan and received 545 Naspers N ordinary shares in settlement of the gain. The 545 N ordinary shares were sold at a market price of R1 289 per share. Furthermore, Mr Letele sold 2 244 Naspers N ordinary shares at average market prices ranging between R1 276,40 and R1 281,50 per share held in his own name.

(4) Appointed 1 April 2014.

(5) Retired as financial director on 30 June 2014 and appointed alternate director to a non-executive director on 1 July 2014. On 15 January 2015 Mr Pacak was appointed as a non-executive director. In terms of the rules of the Naspers share incentive trust, the shares vested over time and delivery of the shares acquired must be taken no later than the 10th anniversary of the offer date. Accordingly, on 29 September 2014 Mr Steve Pacak sold 10 000 Naspers N ordinary shares at average market prices ranging between R1 263,00 and R1 268,39 per share. On 18 December 2014 Mr Pacak sold 15 000 Naspers N ordinary shares at a market price of R1 452,73 per share. Furthermore, on 5 January 2015 Mr Pacak sold 10 000 Naspers N ordinary shares at average market prices ranging between R1 540 and R1 545 per share. On 23 March 2015 Mr Pacak sold 15 000 Naspers N ordinary shares at a market price of R1 800 per share.

(6) Appointed on 1 July 2014 as financial director.

(7) Appointed on 16 April 2014 as alternate director and appointed director 15 January 2015. On 25 November 2014 Mr Sorour exercised options in a group share-based incentive plan and received 443 456 Naspers N ordinary shares in settlement of the gain made on exercising the options. Mr Sorour then sold 226 028 Naspers N ordinary shares at average market prices ranging between R1 489,90 and R1 499 per share, on 26 November 2014 Mr Sorour sold 87 746 Naspers N ordinary shares at average market prices ranging between R1 460 and R1 470 per share and on 27 November 2014 sold 129 682 Naspers N ordinary shares at average market prices ranging between R1 446,50 and R1 464,20 per share. Furthermore, on 20 March 2015 Mr Sorour exercised options in a group share-based incentive plan that would have expired in terms of the rules of that plan after the tenth anniversary of the award, which was 28 June 2015. Mr Sorour received 13 351 Naspers N ordinary shares in settlement of the gain made on exercising the options. Mr Sorour then sold 5 217 Naspers N ordinary shares at a market price of R1 805 per share and retained the remaining 8 134 Naspers N ordinary shares.

Prof R C C Jafta

Chair: Human resources and remuneration committee

26 June 2015

Social and ethics committee report

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

Composition

The social and ethics committee comprises non-executive and executive directors, and certain key members of management. On 17 April 2015 Mr Don Eriksson replaced Mr 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 99.

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, and
- 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, and
- 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.

D G Eriksson
Chair: Social and ethics committee
26 June 2015

Report of the audit committee

for the year ended 31 March 2015

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

Functions of the audit committee

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

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

- Reviewed the interim, provisional, year-end financial statements and integrated annual report, culminating in a recommendation to the board to adopt them. In the course of its review, the committee:
  - took appropriate steps to ensure the financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Act
  - considered and, when appropriate, made recommendations on internal financial controls
  - dealt with concerns or complaints on accounting policies, internal audit, the auditing or content of annual financial statements, and internal financial controls, and
  - reviewed legal matters that could have a significant impact on the organisation's financial statements.
- Reviewed external audit reports on the annual financial statements.
- Reviewed the board-approved internal audit charter.
- Reviewed and approved the internal 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 2015 and noted the appointment of Mr 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 below and meets at least three times per year in accordance with its charter. All members act independently as described in section 94 of the Act. During the year under review four meetings were held.

Details of attendance are on page 99 of the integrated annual report.

Name of committee member	Qualifications
Boetie van Zyl[(1)]	BScMechanical (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)

[(1)] *Retired 17 April 2015.*
[(2)] *Resigned 29 May 2015.*
[(3)] *Appointed 9 June 2015.*

At the annual general meeting on 29 August 2014 Mr Don Eriksson was elected as a member of the audit committee. Previously, Mr Eriksson, an independent non-executive director, attended audit committee meetings in an advisory role. On 17 April 2015 Mr Eriksson replaced Mr Boetie van Zyl as chair of the audit committee upon Mr van Zyl's retirement. Furthermore, with effect from 29 May 2015 Naspers's non-executive director, Advocate Fran du Plessis, resigned from the committee.

On 9 June 2015 Professor Rachel Jafta was appointed to the audit committee to fill the vacancy following Advocate du Plessis's resignation.

The board and the nomination committee unanimously recommend to shareholders at the annual general meeting that the current committee members be re-elected. All committee members served on the committee for the full financial year, except for Mr Eriksson as mentioned above.

Internal audit

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

Attendance

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

Report of the audit committee (continued)

for the year ended 31 March 2015

Confidential meetings

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

Independence of the external auditor

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

Expertise and experience of the financial director and the finance function

As required by the JSE Limited's stock exchange (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 http://www.naspers-reports.com/2015/corporate-governance.php. The board concurred with this assessment.

D G Eriksson
Chair: Audit committee

26 June 2015

FINANCIAL

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GROUP
PERFORMANCE
GOVERNANCE
FINANCIAL
INFORMATION

Contents

Summarised consolidated annual financial statements

Statement of responsibility by the board of directors

for the year ended 31 March 2015

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 financial results 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 121.

The summarised consolidated annual financial statements were approved by the board of directors on 26 June 2015 and are signed on its behalf by:

J P Bekker
Chair

B van Dijk
Chief executive

26 June 2015

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 122 to 140 of the integrated annual report, which comprise the summarised consolidated statement of financial position as at 31 March 2015, 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 2015. We expressed an unmodified audit opinion on those consolidated annual financial statements in our report dated 26 June 2015. 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 note 2 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".

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 2015 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 note 2 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 26 June 2015 states that as part of our audit of the consolidated annual financial statements for the year ended 31 March 2015, 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.

PricewaterhouseCoopers Inc.
Director: Brendan Deegan
Registered auditor

Sunninghill, South Africa
26 June 2015

GROUP
PERFORMANCE
GOVERNANCE
FINANCIAL
INFORMATION

Basis of presentation and accounting policies

for the year ended 31 March 2015

The summarised consolidated annual financial statements are prepared in accordance with the requirements of the JSE Limited's stock exchange (JSE) Listings Requirements and the South African Companies Act No 71 of 2008. The Listings Requirements require summarised consolidated annual financial statements to be prepared in accordance with the framework concepts, the measurement and recognition requirements of International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and 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 accounting policies applied in the preparation of the consolidated annual financial statements from which the summarised consolidated financial statements were derived, are in terms of IFRS and are consistent with those applied in the previous consolidated annual financial statements. The group has adopted all new and amended accounting pronouncements issued by the International Accounting Standards Board that are effective for financial years commencing 1 April 2014. None of the new or amended accounting pronouncements that are effective for the financial year commencing 1 April 2014 had a material impact on the group.

The group's reportable segments reflect those 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 associated companies and joint ventures in its reportable segments. This is considered to be more reflective of the economic value of these investments.

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

Segmental review

for the year ended 31 March 2015

	Revenue Year ended 31 March 2015 R'm	2014 R'm	% change
Internet	**78 010**	57 018	37
– Tencent	**47 911**	34 256	40
– Mail.ru	**2 327**	2 407	(3)
– Ecommerce	**27 772**	20 355	36
Video entertainment*	**42 419**	36 271	17
Print media	**12 016**	11 692	3
Corporate services	**1**	—	—
Economic interest	**132 446**	104 981	26
Less: Equity-accounted investments	**(59 354)**	(42 253)	40
Consolidated	**73 092**	62 728	17

	EBITDA Year ended 31 March 2015 R'm	2014 R'm	% change
Internet	**15 457**	8 540	81
– Tencent	**19 832**	12 232	62
– Mail.ru	**1 263**	1 286	(2)
– Ecommerce	**(5 638)**	(4 978)	(13)
Video entertainment*	**10 098**	10 370	(3)
Print media	**825**	1 073	(23)
Corporate services	**(335)**	(150)	(>100)
Economic interest	**26 045**	19 833	31
Less: Equity-accounted investments	**(20 089)**	(13 442)	49
Consolidated	**5 956**	6 391	(7)

EBITDA refers to earnings before interest, tax, depreciation and amortisation.

	Trading profit Year ended 31 March 2015 R'm	2014 R'm	% change
Internet	**13 042**	6 638	96
– Tencent	**17 987**	10 792	67
– Mail.ru	**1 148**	1 175	(2)
– Ecommerce	**(6 093)**	(5 329)	(14)
Video entertainment*	**8 009**	8 520	(6)
Print media	**314**	606	(48)
Corporate services	**(338)**	(151)	(>100)
Economic interest	**21 027**	15 613	35
Less: Equity-accounted investments	**(17 877)**	(11 707)	53
Consolidated	**3 150**	3 906	(19)

* *Previously referred to as the pay-television segment.*

Reconciliation of trading profit to operating profit

for the year ended 31 March 2015

	31 March 2015 R'm	31 March 2014 R'm
Trading profit	**3 150**	3 906
Finance cost on transponder leases	**376**	356
Amortisation of other intangible assets	**(751)**	(711)
Other gains/(losses) – net	**(688)**	(1 320)
Retention option expense	**(149)**	(132)
Equity-settled share-based payment expenses	**(343)**	(81)
Operating profit	**1 595**	2 018

Note
For a reconciliation of operating profit to profit before taxation, refer to the summarised consolidated income statement.

Summarised consolidated income statement

for the year ended 31 March 2015

	31 March 2015 R'm	31 March 2014 R'm	% change
Revenue	**73 092**	62 728	17
Cost of providing services and sale of goods	**(42 759)**	(35 416)	
Selling, general and administration expenses	**(28 050)**	(23 974)	
Other gains/(losses) – net	**(688)**	(1 320)	
Operating profit	**1 595**	2 018	(21)
Interest received	**501**	606	
Interest paid	**(2 752)**	(2 466)	
Other finance income/(costs) – net	**(573)**	(267)	
Share of equity-accounted results	**16 384**	10 835	
excluding net gain resulting from remeasurements*	**10 772**	7 906	36
net gain resulting from remeasurements*	**5 612**	2 929	
Impairment of equity-accounted investments	**(478)**	(1 201)	
Dilution gains/(losses) on equity-accounted investments	**1 499**	(852)	
Gains on acquisitions and disposals	**1 605**	751	
Profit before taxation	**17 781**	9 424	89
Taxation	**(3 757)**	(2 895)	
Profit for the year	**14 024**	6 529	115
Attributable to:			
Equity holders of the group	**14 023**	5 751	
Non-controlling interests	**1**	778	
	14 024	6 529	
Core headline earnings for the year (R'm)	**11 228**	8 616	30
Core headline earnings per N ordinary share (cents)	**2 782**	2 181	28
Fully diluted core headline earnings per N ordinary share (cents)	**2 717**	2 125	28
Headline earnings for the year (R'm)	**7 234**	5 981	21
Headline earnings per N ordinary share (cents)	**1 792**	1 514	18
Fully diluted headline earnings per N ordinary share (cents)	**1 731**	1 475	17
Earnings per N ordinary share (cents)	**3 475**	1 456	139
Fully diluted earnings per N ordinary share (cents)	**3 407**	1 418	140
Net number of shares issued ('000)			
– At year-end	**411 998**	397 625	
– Weighted average for the year	**403 576**	395 078	
– Fully diluted weighted average	**405 171**	405 469	

** 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 2015

	31 March 2015 R'm	31 March 2014 R'm
Profit for the year	**14 024**	6 529
Total other comprehensive income, net of tax, for the year[(1)]	**(2 456)**	6 727
Translation of foreign operations[(2)]	**(3 805)**	4 910
Net fair value losses	**(22)**	(7)
Cash flow hedges	**350**	(204)
Share of other comprehensive income and reserves of equity-accounted investments	**1 094**	1 951
Tax on other comprehensive income	**(73)**	77
Total comprehensive income for the year	**11 568**	13 256
Attributable to:		
Equity holders of the group	**11 552**	12 492
Non-controlling interests	**16**	764
	11 568	13 256

(1) *These components of other comprehensive income may subsequently be reclassified to profit or loss, except for gains of R1,2bn (2014: R552,0m) included in the "Share of other comprehensive income and reserves of equity-accounted investments" as well as losses of R25,0m included in "Net fair value 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 subsidiaries.*

Summarised consolidated statement of changes in equity

for the year ended 31 March 2015

	31 March 2015 R'm	31 March 2014 R'm
Balance at the beginning of the year	**68 205**	55 853
Changes in share capital and premium		
Movement in treasury shares	**1 012**	(17)
Share capital and premium issued	**3 670**	1 293
Changes in reserves		
Total comprehensive income for the year	**11 552**	12 492
Movement in share-based compensation reserve	**819**	487
Movement in existing control business combination reserve	**(1 016)**	(340)
Movement in valuation reserve	**356**	—
Direct retained earnings movements	**(136)**	23
Dividends paid to Naspers shareholders	**(1 702)**	(1 526)
Changes in non-controlling interests		
Total comprehensive income for the year	**16**	764
Dividends paid to non-controlling shareholders	**(1 447)**	(1 142)
Movement in non-controlling interest in reserves	**2 479**	318
Balance at the end of the year	**83 808**	68 205
Comprising:		
Share capital and premium	**21 019**	16 337
Retained earnings	**44 156**	31 971
Share-based compensation reserve	**6 904**	5 082
Existing control business combination reserve	**(1 856)**	(1 065)
Hedging reserve	**(23)**	(262)
Valuation reserve	**3 218**	3 005
Foreign currency translation reserve	**7 290**	11 085
Non-controlling interests	**3 100**	2 052
	83 808	68 205

Summarised consolidated statement of financial position

for the year ended 31 March 2015

	31 March 2015 R'm	31 March 2014 R'm
ASSETS		
Non-current assets	**124 276**	100 212
Property, plant and equipment	**17 300**	17 053
Goodwill	**22 956**	25 811
Other intangible assets	**5 476**	5 702
Investments in associates	**73 547**	47 755
Investments in joint ventures	**2 769**	1 727
Investments and loans	**952**	1 193
Derivatives	**102**	2
Deferred taxation	**1 174**	969
Current assets	**32 767**	28 390
Inventory	**3 183**	2 882
Programme and film rights	**1 868**	1 979
Trade receivables	**4 834**	4 849
Other receivables and loans	**5 307**	4 807
Derivatives	**449**	209
Cash and cash equivalents	**14 881**	13 664
	30 522	28 390
Assets classified as held-for-sale	**2 245**	—
Total assets	**157 043**	128 602
EQUITY AND LIABILITIES		
Share capital and reserves	**80 708**	66 153
Share capital and premium	**21 019**	16 337
Other reserves	**15 533**	17 845
Retained earnings	**44 156**	31 971
Non-controlling interests	**3 100**	2 052
Total equity	**83 808**	68 205
Non-current liabilities	**46 767**	36 549
Capitalised finance leases	**7 486**	6 768
Liabilities – interest-bearing	**37 111**	27 395
– non-interest-bearing	**306**	452
Post-employment medical liability	**203**	176
Derivatives	**151**	364
Deferred taxation	**1 510**	1 394
Current liabilities	**26 468**	23 848
Current portion of long-term debt	**4 295**	2 628
Trade payables	**5 436**	5 318
Accrued expenses and other current liabilities	**15 721**	13 981
Derivatives	**569**	840
Bank overdrafts and call loans	**312**	1 081
	26 333	23 848
Liabilities classified as held-for-sale	**135**	—
Total equity and liabilities	**157 043**	128 602
Net asset value per N ordinary share (cents)	**19 589**	16 637

Summarised consolidated statement of cash flows

for the year ended 31 March 2015

	31 March 2015 R'm	31 March 2014 R'm
Cash flow generated from operating activities	**1 671**	3 274
Cash flow utilised in investing activities	**(6 021)**	(8 036)
Cash flow generated from financing activities	**6 181**	2 114
Net movement in cash and cash equivalents	**1 831**	(2 648)
Foreign exchange translation adjustments	**205**	1 001
Cash and cash equivalents at the beginning of the year	**12 583**	14 230
Cash and cash equivalents classified as held-for-sale	**(50)**	—
Cash and cash equivalents at the end of the year	**14 569**	12 583

Calculation of headline and core headline earnings

for the year ended 31 March 2015

	31 March 2015 R'm	31 March 2014 R'm
Profit attributable to equity holders of the group	**14 023**	5 751
Adjusted for:		
– insurance proceeds	**(21)**	—
– impairment of property, plant and equipment and other assets	**508**	112
– impairment of goodwill and other intangible assets	**176**	1 461
– loss/(profit) on sale of property, plant and equipment and intangible assets	**1**	(58)
– gains on acquisitions and disposals of investments	**(1 730)**	(45)
– remeasurement of previously held interest	**(39)**	(700)
– dilution (gains)/losses on equity-accounted investments	**(1 499)**	852
– remeasurements included in equity-accounted earnings	**(4 469)**	(2 447)
– impairment of equity-accounted investments	**478**	1 201
	7 428	6 127
Total tax effects of adjustments	**(115)**	(81)
Total adjustment for non-controlling interests	**(79)**	(65)
Headline earnings	**7 234**	5 981
Adjusted for:		
– equity-settled share-based payment expenses	**1 525**	1 120
– reversal of non-recurring deferred tax effects	**228**	58
– amortisation of other intangible assets	**1 667**	1 385
– fair-value adjustments and currency translation differences	**301**	(47)
– retention option expense	**133**	128
– business combination losses/(profits)	**140**	(9)
Core headline earnings	**11 228**	8 616

Supplementary information

for the year ended 31 March 2015

INTEREST (PAID)/RECEIVED

	31 March 2015 R'm	31 March 2014 R'm
Interest received	**501**	606
– loans and bank accounts	**415**	456
– other	**86**	150
Interest paid	**(2 752)**	(2 466)
– loans and overdrafts	**(2 020)**	(1 717)
– transponder leases	**(376)**	(356)
– other	**(356)**	(393)
Other finance income/(cost) – net	**(573)**	(267)
– net foreign exchange differences and fair value adjustments on derivatives	**(615)**	(344)
– preference dividends received	**42**	77

EQUITY-ACCOUNTED RESULTS

The group's equity-accounted associated companies and joint ventures contributed to the consolidated financial results as follows:

	31 March 2015 R'm	31 March 2014 R'm
Share of equity-accounted results	**16 384**	10 835
– sale of assets	**30**	(19)
– disposal of investments	**(5 612)**	(2 929)
– impairment of investments	**1 101**	532
Contribution to headline earnings	**11 903**	8 419
– amortisation of other intangible assets	**1 125**	897
– equity-settled share-based payment expenses	**1 182**	987
– fair-value adjustments and currency translation differences	**(121)**	(181)
– reversal of deferred tax assets	**—**	35
Contribution to core headline earnings	**14 089**	10 157
Tencent	**14 588**	9 724
Mail.ru	**983**	911
Abril	**—**	(110)
Other	**(1 482)**	(368)

GROUP

PERFORMANCE

GOVERNANCE

FINANCIAL

INFORMATION

Supplementary information (continued)

for the year ended 31 March 2015

PROFIT BEFORE TAXATION

Apart from the items detailed above, profit before taxation has been determined after taking into account, inter alia, the following:

	31 March 2015 R'm	31 March 2014 R'm
Depreciation of property, plant and equipment	**2 205**	1 942
Amortisation	**976**	898
– other intangible assets	**751**	711
– software	**225**	187
Other grains/(losses) – net	**(688)**	(1 320)
– (loss)/profit on sale of property, plant and equipment and intangible assets	**(1)**	58
– impairment of goodwill and other intangible assets	**(176)**	(1 461)
– impairment of property, plant and equipment and other assets	**(508)**	(112)
– dividends received on investments	**6**	—
– insurance proceeds	**21**	—
– fair-value adjustment on financial instruments	**(30)**	195
Gains on acquisitions and disposals	**1 605**	751
– profit on sale of investments	**788**	44
– gains recognised on loss of control transactions	**936**	—
– remeasurement of contingent consideration	**29**	48
– acquisition-related costs	**(192)**	(41)
– remeasurement of previously held interest	**39**	700
– other	**5**	—

GOODWILL

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

	31 March 2015 R'm	31 March 2014 R'm
Goodwill		
– cost	29 405	24 077
– accumulated impairment	(3 594)	(2 484)
Opening balance	25 811	21 593
– foreign currency translation effects	(1 350)	3 226
– acquisitions of subsidiaries and businesses	1 185	2 003
– disposals of subsidiaries and businesses	(996)	(18)
– transferred to assets classified as held-for-sale	(1 671)	—
– impairment	(23)	(993)
Closing balance	22 956	25 811
– cost	26 353	29 405
– accumulated impairment	(3 397)	(3 594)

INVESTMENTS AND LOANS

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

	31 March 2015 R'm	31 March 2014 R'm
Investments and loans	77 268	50 675
– listed investments	64 232	44 194
– unlisted investments and loans	13 036	6 481

COMMITMENTS

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

	31 March 2015 R'm	31 March 2014 R'm
Commitments	30 023	22 417
– capital expenditure	498	740
– programme and film rights	18 416	17 701
– network and other service commitments	1 716	1 530
– transponder leases	7 248	424
– operating lease commitments	1 503	1 413
– set-top box commitments	642	609

Supplementary information (continued)

for the year ended 31 March 2015

Disposal groups classified as held-for-sale

During February 2015 the group entered into a sale agreement to dispose of its online marketplace subsidiary Ricardo.ch AG ("Ricardo"). The transaction is subject to regulatory approval. At 31 March 2015 the group classified the net assets of Ricardo as held-for-sale. Ricardo forms part of the group's ecommerce reportable segment. The group also classified various other smaller businesses as held-for-sale. The aggregate net assets of all disposal groups classified as held-for-sale comprised trade and other receivables (R107m), property, plant and equipment (R102m), goodwill and other intangible assets (R1,89bn), cash and other current assets (R71m), deferred taxation assets (R74m), trade and other payables (R101m) and deferred taxation liabilities (R34m).

Business combinations and other acquisitions

Effective January 2015 the group entered into agreements with Schibsted ASA Media Group ("Schibsted"), Telenor Holdings ASA and Singapore Press Holdings Limited for the establishment of joint classifieds business activities in Brazil, Indonesia, Bangladesh and Thailand. The group also acquired Schibsted's Philippine classifieds business.

In February 2015 we entered into further agreements with Schibsted regarding the acquisition of Schibsted's Romanian classifieds business and the sale of our Hungarian classifieds business.

Following these transactions, the group held the following interests in the relevant territories:

Country	Naspers interest	Nature of investment
Brazil	50%	Joint venture (equity accounted)
Indonesia	64%	Subsidiary
Bangladesh	49,7%	Associate (equity accounted)
Thailand	44,1%	Associate (equity accounted)
Philippines	83,9%	Acquisition of classifieds business
Romania	100%	Acquisition of classifieds business

The total income statement impact of the above transactions was the recognition of an aggregate disposal gain of R1bn in "Gains on acquisitions and disposals" in the income statement.

Business combinations and other acquisitions (continued)

Following the transactions, the group retained control over Silver Indonesia JVCo B.V. (previously Tokobagus Exploitatie B.V.) and accounted for the acquisition of the business contributed jointly by the other shareholders as a business combination. The purchase price allocation: property, plant and equipment R3m; intangible assets R102m; cash R23m; loans and other receivables R314m; loans and other payables R340m; deferred tax liability R25m and the balance of R490m to goodwill. The acquisition of Schibsted's Philippine and Romanian businesses gave rise to the recognition of intangible assets of R98m, deferred tax liabilities of R12m and goodwill of R237m. The aggregated deemed and cash purchase consideration amounted to R890m.

Various acquisitions were made within the Movile group during the reporting period, most notably relating to the group's online food-ordering business – iFood. The merger, in November 2014, of the iFood business with Just Eat's Brazilian subsidiary was accounted for as a business combination and resulted in the group having a 60,2% interest in the merged business as at 31 March 2015. The total deemed purchase consideration amounted to R385m. The purchase price allocation: intangible assets R249m; deferred tax liability R85m; cash R60m; other net assets R25m and goodwill R136m. Movile also acquired other smaller subsidiaries including Apontador, a leading local search service, and MapLink, a traffic data and routing service. These other acquisitions gave rise to aggregate goodwill of R170m.

During January 2015 the group disposed of its MWEB Business, Optinet Services and Networks divisions in South Africa to Dimension Data for a cash purchase consideration of R368m and, at the same time, entered into a joint Wi-Fi business venture with Dimension Data by contributing its MWEB Wi-Fi division to a joint venture in exchange for a 49% shareholding. An aggregate loss on disposal of R219m has been recognised in the income statement following the transactions. The joint Wi-Fi business venture is accounted for as an investment in a joint venture.

During March 2015 the group acquired the shares held in and loans extended by minority shareholders in its subsidiaries MIH Allegro B.V. and FixeAds B.V. under the terms of pre-existing exit agreements. The transaction was settled through the issue of 1 078 178 Naspers N ordinary shares and resulted in an increase in share capital and reserves of R1,86bn, being the aggregate purchase consideration. The excess of the consideration paid over the net asset value acquired, including loans and the settlement of other amounts owing to the minority shareholders, was recognised in the "Existing control business combination reserve" in equity and totalled R1,27bn. The group now has a 100% and 93,36% interest in the issued share capital of MIH Allegro B.V. and FixeAds B.V. respectively.

Business combinations and other acquisitions (continued)

Also during March 2015 the group disposed of its subsidiary 7Pixel S.r.l. for a purchase consideration of R678m. The transaction resulted in the recognition of a gain on disposal of R310m.

The main factor contributing to the goodwill recognised in these acquisitions is their market presence. This goodwill is not expected to be deductible for income tax purposes. Total acquisition-related costs of R192m were recorded in "Gains on acquisitions and disposals" in the income statement regarding the above acquisitions. Had the revenues and net results of the subsidiaries and businesses acquired been included from 1 April 2014, it would not have had a significant effect on the group's consolidated revenue and net results.

The following relates to the group's investments in associated companies and joint ventures:

- The group participated in two funding rounds of its associate Flipkart Private Limited ("Flipkart"). These funding rounds, during May and August 2014, resulted in additional investments of R555m and R2,67bn, respectively, in cash and in the recognition of a net dilution gain of R1,5bn in the income statement as a result of a decrease in the group's effective interest. The group now has a 15,83% interest in Flipkart on a fully diluted basis.
- The group also invested a further R297m in cash in its joint venture Konga Online Shopping Limited ("Konga") during October 2014. Following the additional investment, the group held a 40,2% interest in Konga on a fully diluted basis.
- During February 2015 the group acquired a 46,5% interest in Takealot Online (RF) Proprietary Limited ("Takealot") in exchange for the contribution of its South African etail business, Kalahari.com, and the issue of 612 977 Naspers N ordinary shares. The aggregate purchase consideration in the transaction amounted to R1,2bn and the acquisition gave rise to a deemed disposal gain of R154m, which has been recognised in "Gains on acquisitions and disposals" in the income statement. The group's interest in Takealot is accounted for as an investment in an associate. The group has a 41,86% interest in Takealot on a fully diluted basis.
- Investments acquired in cash were primarily funded through the utilisation of existing credit facilities.

Financial instruments

The information below analyses the group's financial instruments, which are carried at fair value at each reporting period, by level of the fair-value hierarchy.

Fair-value measurements at 31 March 2015 using:

	Quoted prices in active markets for identical assets or liabilities (Level 1) R'm	Significant other observable inputs (Level 2) R'm	Significant unobservable inputs (Level 3) R'm
Assets			
Available-for-sale investments and loans	143	—	—
Foreign exchange contracts	—	551	—
Liabilities			
Foreign exchange contracts	—	19	—
Shareholders' liabilities	—	—	358
Earn-out obligations	—	—	477
Interest rate swaps	—	343	—

Fair-value measurements at 31 March 2014 using:

	Quoted prices in active markets for identical assets or liabilities (Level 1) R'm	Significant other observable inputs (Level 2) R'm	Significant unobservable inputs (Level 3) R'm
Assets			
Available-for-sale investments and loans	120	—	—
Foreign exchange contracts	—	210	—
Interest rate swaps	—	1	—
Liabilities			
Foreign exchange contracts	—	66	—
Shareholders' liabilities	—	—	806
Earn-out obligations	—	—	263
Interest rate swaps	—	332	—

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

Supplementary information (continued)

for the year ended 31 March 2015

Financial instruments (continued)

Financial instruments for which fair value is disclosed:

31 March 2015	Carrying value R'm	Fair value R'm
Financial liabilities		
Capitalised finance leases	**8 248**	**8 530**
Publicly traded bonds	**20 637**	**22 590**

31 March 2014	Carrying value R'm	Fair value R'm
Financial liabilities		
Loans from non-controlling shareholders	480	478
Capitalised finance leases	7 277	7 074
Publicly traded bonds	17 784	19 706

The fair values of the publicly traded bonds have been determined with reference to the listed prices of the instruments at the reporting date.

Financial instruments (continued)

Reconciliation of level 3 financial liabilities

The following table presents the changes in level 3 instruments for the year ended 31 March 2015:

	Shareholders' liabilities R'm	Earn-out obligations R'm	Total R'm
Opening balance	**806**	**263**	**1 069**
Total losses/(gains) recognised in the income statement	**50**	**(18)**	**32**
Additional obligations raised	**—**	**345**	**345**
Cancellations/reclassifications to derivative financial instruments	**(493)**	**—**	**(493)**
Settlements	**(78)**	**(109)**	**(187)**
Foreign currency translation effects	**73**	**(4)**	**69**
Closing balance	**358**	**477**	**835**

The following table presents the changes in level 3 instruments for the year ended 31 March 2014:

	Shareholders' liabilities R'm	Earn-out obligations R'm	Total R'm
Opening balance	704	185	889
Total gains recognised in the income statement	(145)	(13)	(158)
Additional obligations raised	284	155	439
Settlements	(82)	(91)	(173)
Foreign currency translation effects	45	27	72
Closing balance	806	263	1 069

Supplementary information (continued)

for the year ended 31 March 2015

Financial instruments (continued)

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 earn-out 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 earn-out 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 an active market and interest rate extracts from observable yield curves.

Events after the reporting period

After the reporting period, the group invested a further 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. During June 2015 the group entered into an agreement for the sale of its subsidiary, Korbitec Proprietary Limited. The transaction is subject to regulatory approval.

INFORMATION

Administration and corporate information

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Incorporated in South Africa

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PricewaterhouseCoopers Inc.

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ADR programme

Bank of New York Mellon maintains a Global BuyDIRECT[SM] 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 shareholders

Size of holdings	Number of shareholders	Number of shares owned
1 – 100 shares	38 633	1 501 084
101 – 1 000 shares	22 727	7 469 244
1 001 – 5 000 shares	3 383	7 271 171
5 001 – 10 000 shares	618	4 472 114
More than 10 000 shares	1 273	398 489 857

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

Name	% held	Number of shares owned
Public Investment Corporation of South Africa	13,14	55 071 122

Public shareholder spread

To the best knowledge of the directors, the spread of public shareholders in terms of section 4.25 of the JSE Limited Listings Requirements at 31 March 2015 was 98%, represented by 66 617 shareholders holding 409 981 723 ordinary shares in the company. The non-public shareholders of the company comprising 17 shareholders representing 9 221 747 ordinary shares are analysed as follows:

Category	Number of shares	% of issued share capital
Naspers share-based incentive schemes	3 753 122	0,89
Directors	2 016 665	0,48
Group companies	3 451 960	0,82

Shareholders' diary

Annual general meeting	August
Reports	
Interim for half-year to September	November
Announcement of annual results	June
Annual financial statements	July
Dividend	
Declaration	August
Payment	September
Financial year-end	March

Notice of annual general meeting

Notice is hereby given in terms of the Companies Act No 71 of 2008, as amended ("the Act"), that the 101st 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 28 August 2015 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 14 August 2015.

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 26 August 2015. 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 26 August 2015. A form of proxy is enclosed with this notice. The form of proxy may also be obtained from the registered office of the company.

Purpose of meeting

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

Electronic participation

Shareholders entitled to attend and vote at the meeting or proxies of such shareholders shall be entitled to participate in the meeting (but not vote) by electronic communication. Should a shareholder wish to participate in the meeting by electronic communication, the shareholder concerned should advise the company thereof by no later than 09:00 on Friday 21 August 2015 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 2015 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 ordinary resolutions below to be adopted, the support of a majority of votes exercised by shareholders present or represented by proxy at this meeting is required. Ordinary resolutions numbers 9, 10 and 11 require the support of at least 75% of the total number of votes that may be 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 2015 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 2015 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.

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 Mr S J Z Pacak as a non-executive director and Mr M R Sorour as an executive director with effect from 15 January 2015, as well as Mr J P Bekker, who was appointed as a non-executive director and chair with effect from 17 April 2015. 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 C L Enenstein, D G Eriksson, T M F Phaswana and B J van der Ross, 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.

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 stock exchange (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% (20 960 174) of the issued number of that class of shares (including securities that are compulsorily convertible into shares of that class)

Notice of annual general meeting (continued)

- that in determining the price at which an issue of shares will be made in terms of this authority, the discount at which the shares may be issued, may not exceed 10% of the weighted average traded price of the shares in question, as determined over the thirty (30) business days prior to the date that the price of the issue is determined, and
- that the shares will only be issued to "public shareholders" as defined in the Listings Requirements of the JSE, and not to related parties.

10. Resolved that, in terms of schedule 14 of the JSE Listings Requirements, the company hereby approves the trust deed of the Naspers restricted stock plan.

    The trust deed of the Naspers restricted stock plan will be tabled at the annual general meeting and initialled by the chairman for identification purposes. A summary of the principal terms are set out in the schedule headed summary of the principal terms of the Naspers restricted stock plan annexed to this notice of the annual general meeting.

    Pursuant to the JSE Listings Requirements, the company will only be entitled to adopt the Naspers restricted stock plan if this ordinary resolution number 10 is passed by a majority of 75% or more of the votes cast by all shareholders present or represented by proxy at the annual general meeting. In compliance with paragraphs 14.6 and 14.7 of schedule 14 of the JSE Listings Requirements, a summary of the principal terms of the Naspers restricted stock plan has been circulated together with this notice of the annual general meeting. The complete trust deed of the Naspers restricted stock plan will be made available for inspection by shareholders during normal business hours at the company'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) for a period of not less than fourteen (14) days prior to the annual general meeting.

11. To approve amendments to the MIH Holdings share trust deed, MIH (Mauritius) Limited share trust deed and Naspers share incentive trust deed (collectively the "trust deeds") and the share schemes envisaged thereby (collectively, the "schemes") "resolved that the amendments to each of the trust deeds be and are hereby approved in the form of each amended trust deed laid before the meeting, with effect from the date of this resolution."

Reason and effect of ordinary resolution: Schedule 14 of the JSE Listings Requirements ("schedule 14") governs share option schemes and share incentive schemes involving the issue of equity securities by issuers to, or for the benefit of, employees and other persons involved in the business of the Naspers group ("the group") and which result in a dilution of the shareholding of equity securities holders in the issuer. This includes the issue of equity securities from the issuer's authorised but unissued share capital, as well as the use of equity securities held as treasury shares. Schedule 14 is applicable to the schemes and each of the trust deeds governing the schemes.

The trust deeds were originally approved in terms of schedule 14.

The board has evaluated the trust deeds based on recent developments and has made certain amendments to the trust deeds that are being placed before the shareholders of the company, in compliance with the requirements of schedule 14. These amendments will be effective on and as from the date on which they are approved by the company's shareholders.

The group operates in a number of jurisdictions and is consequently subject to numerous tax and legal regulatory requirements. In some instances the continuation of a beneficiary's participation in the relevant scheme may result in tax, legal or other complications or adverse consequences for the group (and hence shareholders). In this regard, the proposed amendments give the group the discretion in such instances to terminate, with the beneficiary's consent to the extent required in terms of the trust deeds, a beneficiary's participation in a scheme and to accelerate vesting in respect of such beneficiary.

This ordinary resolution number 11 will only be effective if passed by a majority of 75% or more of the votes cast by all shareholders present or represented by proxy, excluding any votes exercised in respect of any treasury shares held by the group and any shares held by share schemes of the group.

The amended trust deeds will be available for inspection by shareholders during normal business hours at Naspers's registered address, 40 Heerengracht, Cape Town 8000 (contact person Ms Yasmin Abrahams) and in Johannesburg at 144 Bram Fischer Drive, Randburg 2194 (contact person Mrs Toni Lutz) for a period of fourteen (14) days prior to the date of this annual general meeting.

GROUP PERFORMANCE GOVERNANCE FINANCIAL INFORMATION

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.

Special resolutions numbers 1.1 to 1.16

The approval of the remuneration of the non-executive directors for the years ending 31 March 2016 and 31 March 2017, as follows:

			31 March 2016 (proposed)
	Board		
1.1	Chair*		2,5 times member
1.2	Member		US$164 000
	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$40 400
1.5	Risk committee:	Chair	2,5 times member
1.6		Member	US$24 000
1.7	Human resources and remuneration committee:	Chair	2,5 times member
1.8		Member	US$28 400
1.9	Nomination committee:	Chair	2,5 times member
1.10		Member	US$15 300
1.11	Social and ethics committee:	Chair	2,5 times member
1.12		Member	US$21 000
	Other		
1.13	Trustee of group share schemes/other personnel funds		R44 190
1.14	Media24 pension fund:	Chair	R111 548
1.15		Trustee	R76 365

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.*

1.16 The approval of the remuneration of the non-executive directors for the year ending 31 March 2017, based on a 5% increase year on year.

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

Each of the special resolutions numbers 1.1 to 1.16 in respect of each of the proposed 31 March 2016 and the proposed 31 March 2017 remuneration, will be considered by way of a separate vote.

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), the Naspers restricted stock plan referred to in ordinary resolution number 10 of this notice 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.

Notice of annual general meeting (continued)

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 whosoever (including any director or prescribed officer of the company or any person related to any director or prescribed officer of the company), in terms of and subject to the Act and in terms of the rules and requirements of the JSE, being that:

- any such acquisition of N ordinary shares shall be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement
- this general authority shall be valid until the company's next annual general meeting, provided that it shall not extend beyond fifteen (15) months from the date of passing of this special resolution
- an announcement will be published as soon as the company or any of its subsidiaries have acquired N ordinary shares constituting, on a cumulative basis, 3% of the number of N ordinary shares in issue prior to the acquisition, pursuant to which the aforesaid 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, and
- the company and/or its subsidiaries may not repurchase any N ordinary shares during a prohibited period as defined by the JSE Listings Requirements, unless a repurchase programme is in place where dates and quantities of shares to be traded during the prohibited period are fixed, and full details of the programme have been 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, and
- the company and the group's ordinary share capital, reserves and working capital will be adequate for ordinary business purposes.

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

- major shareholders, and
- share capital of the company.

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 whosoever (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.

Notice of annual general meeting (continued)

Ordinary resolution

12. 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

24 July 2015
Cape Town

Salient features of the proposed Naspers restricted stock plan ("the scheme")

1. The scheme, which will be administered through the Naspers restricted stock plan trust ("trust") and is constituted in terms of trust deed of the trust ("trust deed"). It is intended to incentivise the performance of and retain critical talent employees of Naspers Limited ("the company") and other members of the company's group, such as engineers and those with specialist skill sets at the mid-level of the group as identified by the board ("employees"), and to promote the group's continued growth by providing those employees with an opportunity to own "N" ordinary shares ("shares") in the company.
2. The criteria for participation in the scheme is performance based, with the board of the company ("board") having the final discretion with regard to criteria and the decision as to who will participate in the scheme and the quantum of the awards to be made to the employees by the trustees of the Naspers restricted stock plan trust ("trustees"), subject to the ability of the Board to delegate such authority to other persons as the board deems fit.
3. Eligible employees would have fulfilled the relevant criteria prior to the date of being granted an award in terms of the trust deed. The scheme is not intended to replace existing share appreciation rights, stock option schemes and other share trusts of the group which will remain the primary equity programmes for senior executives.
4. The scheme provides for the granting, by the trustees, at the discretion of the board, of a conditional right to delivery of shares ("award") to employees of the company or members of the group (each an "employer company") on behalf of such employer company. Subject to the provisions of the trust deed and the JSE Listings Requirements, the trustees have final authority and full power in respect of the administration of the scheme.
5. The scheme is intended to apply throughout the group, and for this purpose, the trustees shall incur the obligation and costs in respect of settling vested awards, on behalf of the relevant employer company, which amounts shall be settled by the employer company in terms of a recharge policy between, inter alia, the company and the employer companies,

subject to the board's discretion to determine that such recharge policy shall not be applied in respect of a specific award. All communications and administration of the scheme shall be carried out by the trustees, on behalf of the relevant employer companies, subject to the ability of the trustees to delegate such authority to other persons as the trustees deem fit.

6. The awards shall be settled, at the discretion of the board, in whole or in part, through the issue of shares to employees, the purchase of shares on the open market and transfer to employees, through the transfer of treasury shares to employees, in cash (in lieu of shares) or any combination thereof, where the current intention is to settle the awards through the purchase of shares on the open market, acquired on the date of grant of the award.

7. Awards will vest in four equal annual tranches, with the first tranche vesting on the first anniversary of the date of grant of the award and the further tranches vesting on each subsequent anniversary of the date of grant of the award. Settlement of awards will take place on each of the relevant vesting dates of the awards.

8. An employee shall have no rights to dividends or voting rights attaching to, arising from or in relation to shares prior to the vesting date, which shall vest in the trustees prior to such time, with such shares being held by the trustees until the vesting date.

9. The maximum number of shares that may be settled by the issue of shares by the company or the delivery of treasury shares under the scheme shall not exceed the maximum number of shares authorised by the shareholders of the company to be available for fresh issue in connection with all share-based schemes of the group, being 40 588 541 shares, as approved at the annual general meeting of the company held on 27 August 2010 and confirmed at the annual general meeting held on 26 August 2011, which number will increase by virtue of any subdivision of shares or decrease by virtue of any consolidation of shares, as the case may be, and which maximum may not be amended except with the prior approval by ordinary resolution of the equity security holders of the company[1].

10. Furthermore, the maximum aggregate number of shares at any time allocated in respect of all unvested awards to any one

[1] In order to approve such resolution, a 75% majority of the votes must be cast in favour of such resolution by all equity security holders present or represented by proxy at the annual general meeting.

employee shall not exceed 20 000 shares, either alone or when aggregated with the number of shares that such employee is entitled to in terms of all share-based schemes of the group, which number will increase by virtue of any subdivision of shares or decrease by virtue of any consolidation of shares, as the case may be.

11. The scheme is also subject to the ultimate limit that no more than 200 000 awards may be granted by the trustees in any one financial year and their powers shall be limited accordingly.

12. In the event of termination of an employee's employment with an employer company, all of that employee's unvested awards shall lapse, save in the event of:

    a. death, ill health, disability or any other event, matter, fact or circumstances approved in the sole discretion of the board ("discretionary event") – in which cases all unvested awards will be accelerated and vest on the date of termination of employment (subject to the board's discretion to vest only a portion of unvested awards in the case of a discretionary event), and

    b. collective retrenchment, retirement, the employee ceasing to qualify for participation in the scheme due to "jurisdictional issues"[2] or as a result of a business disposition by the company (or an employer company) or transfer by an employer company (or by operation of law) of an employee's employment pursuant to a transaction involving a person other than an employer company – in which cases the vesting of such employee's award shall be accelerated on a pro rata basis[3].

13. Whenever a vesting date or the date for the performance of any relevant action or election in terms of scheme ("key date") falls within a prohibited period[4], or performance of the relevant action or election in terms of this trust deed is prohibited in terms of the JSE Listings Requirements, applicable law or regulation including those relating to price-sensitive or inside information (or comparable provisions) or any policy adopted by the company (including those relating to dealings in securities by directors) or is inadvisable or impractical, as determined

[2] *"Jurisdictional issues" are defined in the trust deed as "tax, legal or other complications or impediments created or existing for an employer company or for the administration and/or implementation of the scheme in a country or jurisdiction in which a participant resides or is employed, the consequences of which are set out in paragraph 32 (of the trust deed)."*

[3] *The accelerated portion to be vested will only be in respect of that portion of the employee's awards which would have vested on the following vesting tranche, not in relation to all outstanding tranches.*

[4] *Any period during which dealing in shares by an employee is prohibited, whether by virtue of the JSE Listings Requirements or any other exchange on which the shares may from time to time be listed, the internal rules of the company or applicable legislation and/or any period designated for the purposes of the scheme as a "prohibited period" by the board.*

in the discretion of the board ("relevant event"), the relevant key date shall be extended to a date 14 days immediately succeeding the expiration of the relevant event, or such increased period as determined by the trustees.

14. The trust deed regulates certain "corporate events", including where:
    a. shares are divided into a greater number and/or shares are consolidated into a lesser number,
    b. there is a pro rata cash or in specie distribution in respect of the shares by way of a return of capital or a special dividend, or
    c. there is a pro rata issue or distribution of shares to shareholders by way of a bonus issue or capitalisation of any account in satisfaction of any dividend, or by way of any other distribution in specie shareholders are given in that capacity a pro rata right to acquire shares.
15. In relation to a corporate event contemplated in paragraph 14.a above, the board, having regard to such professional advice as it considers appropriate in the circumstances, must make such substitution of and/or adjustment to the scheme and the awards granted or to be granted. In relation to a corporate event contemplated in paragraph 14.b or 14.c above, the board, having regard to such professional advice as it considers appropriate in the circumstances, may, in its discretion, make such substitution of and/or adjustment to the scheme and the awards granted or to be granted.
16. Such adjustments may include (but are not limited to):
    a. substitution of awards;
    b. adjusting any of the terms, rights and/or benefits attributable to any award,

including as to the number of shares and/or relevant securities of the company to which the award relates, the number of awards, the date(s) of vesting, benefits payable on vesting of an award, the benefits attributable to the award and/or manner of calculation thereof and/or an adjustment to the maximum limits contemplated by paragraphs 9 and/or 10 (as applicable), and/or

c. requiring and/or permitting employees to dispose of or cancel all or any number of their awards, on stipulated terms (including fair compensation).

17. In respect of a corporate event specified in paragraph 14.a above, the adjustment should give an employee entitlement – de minimis variations aside – to the same proportion of the equity capital of the company as that to which the employee was previously entitled, and shall include a corresponding adjustment to the maximum limits set contemplated by paragraphs 9 and/or 10 (as applicable).

18. The board will procure that the auditors of the company, or other independent advisers acceptable to the JSE, confirm to the JSE (copied to the trustees), in writing, that any adjustments made, as contemplated in paragraph 15 above, are in accordance with the provisions of the deed; that such written confirmation is provided to the JSE at the time that any such adjustment is finalised; and that any such adjustment is reported on in the company's annual financial statements in the year during which the adjustment is made.

19. The issue of shares as consideration for an acquisition, the issue of shares for cash and the issue of shares for a vendor consideration placing will not be regarded as a corporate event requiring adjustment in terms of the trust deed.

20. Any amendment of the trust deed in relation to the matters outlined in paragraph 14.1 of the JSE Listings Requirements must be approved by shareholders of the company in accordance with the JSE Listings Requirements and the trust deed.

21. The scheme must be approved by a majority of 75% or more of the votes cast by all shareholders present or represented by proxy, excluding any votes exercised in respect of any treasury shares held by the group and any shares held by share schemes of the group.
22. This summary of the salient terms of the scheme is not exhaustive of all the terms of the scheme, and shareholders should review the full trust deed should they require further information in relation to the scheme.
23. The trust deed will be available for inspection by shareholders during normal business hours at Naspers's registered address, 40 Heerengracht, Cape Town 8000 (contact person Ms Yasmin Abrahams) and in Johannesburg at 144 Bram Fischer Drive, Randburg 2194 (contact person Mrs Toni Lutz) for a period of fourteen (14) days prior to the date of this annual general meeting.

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")

101st annual general meeting of shareholders

For use by holders of certificated shares or "own name" dematerialised shareholders at the 101st 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 28 August 2015 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 28 August 2015 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 Mr S J Z Pacak as a non-executive director			
4.2 Mr M R Sorour as an executive director			
4.3 Mr J P Bekker as a non-executive director and chair			
5. To elect the following directors:			
5.1 Mr C L Enenstein			
5.2 Mr D G Eriksson			
5.3 Mr T M F Phaswana			
5.4 Mr B J van der Ross			

Form of proxy (continued)

	In favour of	Against	Abstain
6. Appointment of the following audit committee members:			
6.1 Mr D G Eriksson			
6.2 Mr B J van der Ross			
6.3 Prof 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 issue of shares for cash			
10. Approval of the new Naspers restricted stock plan trust deed			
11. Approve amendments to the MIH Holdings share trust deed, MIH (Mauritius) Limited share trust deed and Naspers share incentive trust deed			
12. Authorisation to implement all resolutions adopted at the annual general meeting			
Special resolution number 1			
Approval of the remuneration of the non-executive directors			
Proposed 31 March 2016			
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			
1.14 Media24 pension fund – chair			
1.15 Media24 pension fund – trustee			

	In favour of	Against	Abstain
Proposed 31 March 2017			
1.16 Approval of the remuneration of the non-executive directors			
Special resolution number 2			
Approve generally the provision of financial assistance in terms of section 44 of the Act			
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			

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 2015

Signature Assisted (where applicable)

Notes to form of proxy

1. The following provisions shall apply in relation to proxies:
   1.1 A shareholder of the company may appoint any individual (including an individual who is not a shareholder of the company) as a proxy to participate in, 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 to be received by not later than 11:15 on Wednesday 26 August 2015, or such later date if the annual general meeting is postponed.
5. The completion and lodging of this form of proxy will not preclude the certificated shareholder or "own name" dematerialised shareholder from attending the annual general meeting and speaking and voting in person at the meeting to the exclusion of any proxy appointed in terms hereof.
6. An instrument of proxy shall be valid for any adjournment or postponement of the annual general meeting, as well as for the meeting to which it relates, unless the contrary is stated therein, but shall not be used at the resumption of an adjourned annual general meeting if it could not have been used at the annual general meeting from which it was adjourned for any reason other than that it was not lodged 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.

NASPERS

www.naspers.com

A global platform operator

annual financial statements 2015

NASPERS

Statement of responsibility by the board of directors

for the year ended 31 March 2015

The annual financial statements of the group and the company 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 and separate annual financial statements presented on pages 12 to 169 in accordance with International Financial Reporting Standards (IFRS) and the South African Companies Act No 71 of 2008. As such, the consolidated and separate 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 consolidated and separate annual financial statements and are satisfied that the systems and internal financial controls implemented by management are effective.

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

The preparation of the consolidated and separate annual financial statements was supervised by the financial director, Basil Sgourdos CA(SA). These results were made public on 29 June 2015.

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 and separate annual financial statements. The directors believe that all representations made to the independent auditors during their audit were valid and appropriate. PricewaterhouseCoopers Inc.'s audit report is presented on page 11.

The consolidated and separate annual financial statements were approved by the board of directors on 26 June 2015 and are signed on its behalf by:

J P Bekker
Chair

B van Dijk
Chief executive

Certificate by the company secretary

In terms of section 88(2)(e) of the South African Companies Act No 71 of 2008, I, Gillian Kisbey-Green, in my capacity as company secretary of Naspers Limited, confirm that for the year ended 31 March 2015, the company has lodged with the Companies and Intellectual Property Commission, all such returns as are required of a public company in terms of the Companies Act and that all such returns and notices are, to the best of my knowledge, true, correct and up to date.

G Kisbey-Green
Company secretary
26 June 2015

Report of the audit committee

for the year ended 31 March 2015

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 that it:

- 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 a significant 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 2015 and noted the appointment of Mr 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 below and meets at least three times per year in accordance with its charter. All members act independently as described in section 94 of the Act. During the year under review, four meetings were held. The details of attendance are on page 9.

NAME OF COMMITTEE MEMBER	QUALIFICATIONS
J J M van Zyl(1)	BScMechanical (UCT) PrEng
F-A du Plessis(2)	BComTaxHons, LLB and CA(SA)
D G Eriksson	CTA (Wits) and CA(SA)
R C C Jafta(3)	MEcon and PhD (SU)
B J van der Ross	DipLaw (UCT)

(1) *Retired 17 April 2015.*
(2) *Resigned 29 May 2015.*
(3) *Appointed 9 June 2015.*

Mr Eriksson was elected as a member of the audit committee at the annual general meeting on 29 August 2014. Previously, Mr Eriksson, an independent non-executive director, attended audit committee meetings in an advisory role. On 17 April 2015 Mr Eriksson replaced Mr van Zyl as chair of the audit committee upon Mr van Zyl's retirement. Furthermore, with effect from 29 May 2015, Naspers's non-executive director Adv Francine-Ann du Plessis resigned from the audit committee. On 9 June 2015 Prof Rachel Jafta was appointed to the audit committee to fill the vacancy following Adv du Plessis' resignation. Apart from Mr Eriksson, 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 EXTERNAL AUDITOR

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

EXPERTISE AND EXPERIENCE OF FINANCIAL DIRECTOR AND THE FINANCE FUNCTION

As required by the JSE Listings Requirement 3.84(h), the audit committee has satisfied itself that the financial director has appropriate expertise and experience. In addition, the committee satisfied itself that the composition, experience and skills set of the finance function met the group's requirements.

DISCHARGE OF RESPONSIBILITIES

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

D G Eriksson
Chair: Audit committee
26 June 2015

Directors' report to shareholders

for the year ended 31 March 2015

NATURE OF BUSINESS

Naspers Limited ("Naspers") was incorporated in 1915 under the laws of the Republic of South Africa. The principal activities of Naspers and its operating subsidiaries, joint ventures and associated companies (collectively "the group") are the operation of internet and media platforms. Our principal operations are in internet services and ecommerce (including online classifieds, online retail and payments), video entertainment and print media. These activities are conducted primarily in Central and Eastern Europe, China, India, Latin America, the Middle East, Russia, South Africa, Southeast Asia and sub-Saharan Africa.

OPERATING REVIEW

Naspers made progress across its video-entertainment (previously pay television) and internet platforms. We strengthened our position in several markets through incremental investments in people, technology, content and marketing – allowing growth ahead of our competitors. Core headline earnings, a measure the board considers a reliable indicator of sustainable operating performance, grew 30%. Some R10,7bn was invested in development spend in growing the business. This is a 33% increase on the prior year.

The classifieds and etail businesses saw strong growth. We continue to invest in these formats as they are gaining market share globally. The smartphone is becoming the primary internet device in many of our markets, and we are dedicating considerable resources to advancing our mobile products.

The video-entertainment business made solid progress with the total base closing at some 10,2m households across Africa. This comprises 2,2m digital terrestrial television (DTT) subscribers and almost 8m direct-to-home (DTH) satellite service subscribers.

FINANCIAL REVIEW

On an economic-interest basis, revenue grew 26% during the year, driven by solid growth in the internet, ecommerce and video-entertainment segments.

The increase in development spend is mainly attributable to the ecommerce and video-entertainment segments, including increased shareholdings in equity-accounted ecommerce investments Souq, Konga and Flipkart, plus continued investment in DTT in the video-entertainment segment. Given ongoing delays in analogue switch offs, we decided to invest incrementally in the second half of the year to continue to drive DTT growth, which resulted in 1,4m African homes being added to the base, to close the year at 2,2m subscribers.

Listed internet investments Tencent and Mail.ru were the main contributors to the group's share of equity-accounted results increasing to R16,4bn (2014: R10,8bn). Tencent produced strong results as it continues on its growth path. Our share of equity-accounted earnings includes once-off gains on the remeasurement of Mail.ru's interest in VK.com, the sale of Mail.ru's shares in Qiwi amounting to R3,9bn, as well as R1,7bn representing our share of gains realised by Tencent on the sale of certain investments and on the dilution of Tencent's interest in Kakao Corporation following a merger. A net once-off gain of R1,5bn was recognised mainly relating to dilution of our shareholding in Flipkart. Impairment losses of R478m were booked on underperforming equity-accounted investments in the ecommerce segment.

Core headline earnings grew 30% to R11,2bn (2014: R8,6bn), mainly due to increased earnings contributions from Tencent and some of the profitable ecommerce businesses.

Impairment losses of R684m were recognised mainly relating to broadcasting equipment and intangible assets.

Net interest incurred on borrowings amounted to R1,6bn (2014: R1,3bn), on the back of the rand depreciating against the US dollar and drawdowns on existing credit facilities to fund acquisitions and development spend. Consolidated net gearing stood at 30% at 31 March, excluding transponder leases and non-interest-bearing liabilities.

Increased development spend, plus capital expenditure to build our DTT footprint and TV production facilities in East and West Africa, resulted in free cash outflow of R515m

(2014: outflow of R349m). Tax payments were up 16% year on year, as a result of profits in the video-entertainment segment and some profitable ecommerce businesses.

SEGMENTAL REVIEW

This segmental review includes consolidated subsidiaries, plus a proportionate consolidation of associated companies and joint ventures.

Internet

The group's internet businesses continue to show lively growth. Segment revenues increased 37% to R78bn (2014: R57bn). Trading profits grew 96% to R13bn (2014: R6,6bn), mainly attributable to the operating performance of Tencent and some of the profitable ecommerce businesses.

Tencent

The transition of internet usage from desktop to mobile continues at a rapid rate. In China, mobile internet users now account for 85% of total internet users. Tencent has seen strong growth in its Weixin mobile-communication, social and commerce platform, mobile games, and mobile video. Tencent continued to expand its partnerships with a series of investments in leading vertical players such as Dianping (local restaurant and services search), 58.com (online classifieds), as well as BitAuto and Leju (auto and real estate verticals) and JD.com (first-party ecommerce).

Revenues for the year grew 31% to RMB78,9bn, with non-GAAP profit attributable to shareholders (Tencent's measure of normalised performance) up 43% to RMB24,2bn. Online advertising delivered strong growth of 65%. More information on Tencent's results is available at www.tencent.com/en-us/ir. Tencent's excellent performance contributed R14,6bn (2014: R9,7bn) to core headline earnings.

Mail.ru

Mail.ru fared well in a rather turbulent geopolitical environment. It integrated VK.com following the acquisition of the remaining 48% it did not own. Mail.ru has since launched a mobile advertising platform to capitalise on increased mobile activity among its users.

Revenues for the year to December 2014 increased 15% year on year to RUB35,8bn, with aggregate net profit up 11% to RUB12,5bn. Profit was boosted by non-recurring gains on the acquisition of minorities in VK.com.

With significant weakening of the rouble against most currencies, Mail.ru's contribution to segment revenues and trading profit is rather flat compared to last year, although up in rouble terms.

Ecommerce

Our ecommerce segment is growing rapidly. Revenues are up 36% to R27,8bn (2014: R20,4bn). Given the different stages of maturity and nature of the various ecommerce models, retail and marketplaces currently generate the bulk of revenues. We wish to deliver superior customer experiences in order to grow ahead of our competitors and expand the market. This has implications for development spend, which totalled R8bn, leading to a 14% increase in trading loss to R6,1bn (2014: R5,3bn).

The businesses are now organised by functional lines. This makes us more agile to move faster and build scale rapidly. In addition, businesses are better able to share knowledge, technology and expertise. Execution is strengthening throughout the group and the focus is on customer satisfaction, engagement and retention.

We stepped up focus on 40 classifieds markets globally, all showing good user and listings growth. A number of agreements were concluded with Schibsted ASA Media Group, Telenor Holdings ASA and Singapore Press Holdings Limited, covering classifieds assets in Latin America, Southeast Asia and Eastern Europe. This should improve both our service to consumers and the outlook of our classifieds platforms in these regions.

The group has leading positions in some 20 markets. In March 2015 our main brand, OLX, served 240m active users worldwide and garnered 34m visits per day on average, a growth of 33% year on year. Globally about 54% of traffic comes from mobile and, in some markets, it is more than 80%.

The etail businesses are expanding at a rapid pace, with revenues – on an economic-interest basis – increasing 54% year on year. Meaningful increases in organic traffic have been experienced in most of our markets. To improve the customer experience, and to scale faster, we merged Agito (etail business in Poland) and eMAG (regional etail platform in Central and Eastern Europe). In South Africa, Kalahari and Takealot merged to create a viable consumer destination in a smaller market and bring a greater selection of products and higher quality customer service to a previously underserved market. Our equity-accounted etail investments Flipkart in India, Souq in the Middle East and North Africa, and Konga in Nigeria all experienced rapid growth. However, these markets are highly competitive and have absorbed significant investments by competitors during the year. We are focused on creating scale, expanding geographically, building delivery capabilities and bringing etail experiences to markets where these services previously did not exist.

Our payment solutions are differentiated by offering a broad range of local payment options to customers and good conversion on sales for merchants. We strengthened talent across the business. Five existing regional payment businesses are being transformed into one global company with a single brand and common supporting infrastructure – PayU. This is similar to the way in which the classifieds businesses were scaled. We believe it should help consumer conversion and uptake from merchants.

Allegro, the group's largest marketplace business, is improving topline growth. Scale advantages of this platform benefit EBITDA margins. Allegro is building a business-to-consumer destination that delights its customers and has growth potential. Investments are being made in mobile.

The ibibo Group increased market share significantly in the Indian online travel agents' market and is delivering significant growth on mobile. redBus, the leading Indian bus ticket vertical site, deployed new mobile products and continues to innovate. ibibo's hotels offering is being rolled out. Movile, in Brazil, again delivered firm results, growing its core revenues and profits while continuing to invest in its Brazilian online food-ordering business, iFood. We estimate iFood to have an 80% market share.

Video entertainment

The video-entertainment segment produced another consistent performance, generating revenues of R42,4bn – up 17% year on year. Development spend increased 31% to R2,4bn as MultiChoice builds out its DTT services, resulting in trading profit contracting by 6% to R8bn (2014: R8,5bn).

Subscriber growth across the African continent remained robust. Some 727 000 DTH customers were added, bringing the DTH subscriber base to almost 8m. The DTT network is now substantially in place, with MultiChoice operating in 11 countries and 114 cities. The DTT base more than doubled, closing at 2,2m customers. Kenya is one of the first African countries to make the transition to digital as the analogue switchoff rollout began in January 2015.

Competition from international online players with global reach, such as Netflix, Amazon and Google, is increasing. MultiChoice is investing in its online offering, expanding its delivery platforms and improving products and services. The DStv Explora (personal video recorder) is a significant differentiator and became internet-connected in November 2014. Our "TV everywhere" strategy gained traction with the launch of DStv Now. Connected services allow customers access to a greater selection of entertainment on their tablet or smartphone – anywhere, anytime. Home movie rentals were made available to all DStv customers through BoxOffice, the video-on-demand service, which is now available in 11 African countries. Average monthly rentals tally around 600 000.

The focus on producing home-grown content tailored to specific audience preferences was given a boost in Nigeria and Kenya, with our new local studios stimulating local productions. In South Africa over R2bn was spent on local sport and content. SuperSport remains the largest funder by far of sport on the African continent.

Additional transponder capacity was purchased from Eutelsat and Intelsat to strengthen in-orbit backup capacity. The group also invested in a second broadcast site to ensure uninterrupted viewing for our customer base.

The backend infrastructure of MWEB was disposed of. MWEB is now a consumer-focused internet service provider. The deal created a Wi-Fi joint venture in which MWEB holds a 49% interest.

Video entertainment attracts regulatory scrutiny in several territories. Regulators are key stakeholders to the business and MultiChoice plays an active role in supporting the broadcasting landscape.

Print media

The print-media segment saw the listing of printing business, Novus Holdings Limited, in March 2015. The group received proceeds of R1,1bn from the listing. The segment managed marginal revenue growth. However, trading profit declined to R314m (2014: R606m) as the print industry continues to face sectoral headwinds globally, and Media24 is also investing in internet and ecommerce opportunities.

SHARE CAPITAL

The authorised share capital at 31 March 2015 was:

- 1 250 000 A ordinary shares of R20 each
- 500 000 000 N ordinary shares of 2 cents each

Naspers issued no new A ordinary shares during the 2015 financial year. During the current financial year, the group issued 72 000 new N ordinary shares to the Naspers share incentive trust and 699 556 new N ordinary shares (2014: 1 272 500) to various group share incentive trusts. The group issued 1 691 155 N ordinary shares to external parties as purchase consideration in respect of acquisitions (refer to note 18).

The issued share capital at 31 March 2015 was:

▷ 712 131 A ordinary shares of R20 each	R14 242 620
▷ 419 203 470 N ordinary shares of 2 cents each	R8 384 069

PROPERTY, PLANT AND EQUIPMENT

At 31 March 2015 the group's investment in property, plant and equipment amounted to R17,3bn, compared with R17,1bn last year. Details are reflected in note 4 of the consolidated annual financial statements.

Capital commitments at 31 March 2015 amounted to R498m (2014: R740m).

DIVIDENDS

The board recommends that a dividend of 470 cents (2014: 425 cents) per listed N ordinary share be declared and 94 cents (2014: 85 cents) per unlisted A ordinary share.

GROUP

Naspers is not a subsidiary of any other company. The name, country of incorporation and effective financial percentage interest of the holding company in each of the Naspers group's principal subsidiaries are disclosed in note 7 to the consolidated annual financial statements.

Details relating to significant acquisitions and divestitures in the group during the year, are highlighted in note 3 to the consolidated annual financial statements.

DIRECTORS AND AUDITOR

The directors' names and details are presented on the next page and the company secretary's name and business and postal addresses are presented on page 170. Directors' shareholdings in the issued share capital of the company are disclosed in note 17 to the consolidated annual financial statements.

DIRECTORS AND AUDITOR (continued)

Directors and attendance at meetings

	Date first appointed in current position	Date last appointed	Eight board meetings were held during the year. Attendance:	Category
T Vosloo[(1)]	6 October 1997	30 August 2013	8	Non-executive
F-A du Plessis[(2)]	23 October 2003	30 August 2013	8	Independent non-executive
C L Enenstein	16 October 2013	16 October 2013	8	Independent non-executive
D G Eriksson	16 October 2013	16 October 2013	7	Independent non-executive
R C C Jafta	23 October 2003	29 August 2014	8	Independent non-executive
F L N Letele	22 November 2013	22 November 2013	8	Non-executive
D Meyer	25 November 2009	29 August 2014	8	Independent non-executive
R Oliveira de Lima	16 October 2013	16 October 2013	8	Independent non-executive
Y Ma[(1)]	16 October 2013	16 October 2013	8	Independent non-executive
S J Z Pacak[(3)]	15 January 2015	15 January 2015	8	Non-executive
T M F Phaswana	23 October 2003	30 August 2013	7	Independent non-executive
M R Sorour[(4)]	15 January 2015	15 January 2015	7	Executive
V Sgourdos[(5)]	1 July 2014	1 July 2014	6	Executive
J D T Stofberg	16 October 2013	16 October 2013	7	Non-executive
B van Dijk	1 April 2014	1 April 2014	8	Executive
B J van der Ross	12 February 1999	30 August 2013	8	Independent non-executive
J J M van Zyl[(1)]	1 January 1988	29 August 2014	8	Independent non-executive

Notes

Mr Bekker was appointed as a non-executive director and chair with effect from 17 April 2015.

(1) Retired 17 April 2015.

(2) Resigned 29 May 2015.

(3) Retired 30 June 2014 as an executive and financial director. Appointed alternate director 1 July 2014. Resigned as alternate director and appointed a non-executive director 15 January 2015.

(4) Appointed alternate director 16 April 2014. Resigned as alternate director and appointed as an executive director 15 January 2015.

(5) Appointed financial director 1 July 2014.

DIRECTORS AND AUDITOR (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		
	No meetings held during the year.	**Four meetings held during the year. Attendance:**		**Four meetings held during the year. Attendance:**		**Six meetings held during the year. Attendance:**		**Six meetings held during the year. Attendance:**		**Three meetings held during the year. Attendance:**		Category
T Vosloo[2]	√			√	4	√	6	√	6			Non-executive
F-A du Plessis[3]		√	4	√	4							Independent non-executive
D G Eriksson[4]		√	4	√	4					√	1	Independent non-executive
R C C Jafta		√		√		√	6	√	6	√	3	Independent non-executive
F L N Letele										√	3	Non-executive
D Meyer										√	3	Independent non-executive
S J Z Pacak[5]	√			√	4					√	1	Non-executive
T M F Phaswana[6]	√					√	n/a	√	n/a			Independent non-executive
V Sgourdos[7]	√			√	4					√	2	Executive
J D T Stofberg[8]						√	n/a	√	n/a			Non-executive
J J M van Zyl[2]	√	√	4	√	4	√	6	√	6	√	3	Independent non-executive
B J van der Ross		√	4	√	4							Independent non-executive
B van Dijk[9]	√			√	4					√	3	Executive
E Weideman										√	3	Non-executive

Notes

√ Member.

Mr Bekker was appointed as a non-executive director and chair with effect from 17 April 2015. Mr Bekker will serve on the human resources and remuneration committee as chair and a member of the nomination committee. He will attend the audit and risk committees' meetings by invitation.

(1) Executive directors attend meetings by invitation.

(2) Retired 17 April 2015.

(3) Resigned 29 May 2015.

(4) Appointed a member of the audit committee 29 August 2014. Previously, Mr Eriksson attended audit committee meetings in an advisory role. Appointed chair of the audit committee 17 April 2015.

(5) Retired 30 June 2014 as an executive and financial director. Appointed alternate director 1 July 2014. Resigned as alternate director and appointed a non-executive director 15 January 2015.

(6) Appointed 17 April 2015.

(7) Appointed 1 July 2014.

(8) Appointed alternate on the committees to Mr Bekker 17 April 2015.

(9) Appointed 1 April 2014.

Directors' report to shareholders (continued)

for the year ended 31 March 2015

DIRECTORS AND AUDITOR (continued)

PricewaterhouseCoopers Inc. will continue in office as auditor in accordance with section 90(6) of the South African Companies Act No 71 of 2008.

BORROWINGS

The company has unlimited borrowing powers in terms of its memorandum of incorporation.

Signed on behalf of the board:

J P Bekker
Chair
26 June 2015

B van Dijk
Chief executive

TO THE SHAREHOLDERS OF NASPERS LIMITED

We have audited the consolidated and separate financial statements of Naspers Limited set out on pages 12 to 169, which comprise the statements of financial position as at 31 March 2015, and the income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The company's directors are responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate 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 these consolidated and separate financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Naspers Limited as at 31 March 2015, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

OTHER REPORTS REQUIRED BY THE COMPANIES ACT

As part of our audit of the consolidated and separate financial statements for the year ended 31 March 2015, 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 and separate financial statements. These reports are the responsibility of the respective preparers. Based on reading these reports, we have not identified material inconsistencies between these reports and the audited consolidated and separate financial statements. However, we have not audited these reports and accordingly do not express an opinion on these reports.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: B Deegan
Registered auditor
Sunninghill, South Africa
26 June 2015

Consolidated statement of financial position

as at 31 March 2015

	Notes	31 March 2015 R'm	31 March 2014 R'm
ASSETS			
Non-current assets		**124 276**	100 212
Property, plant and equipment	4	**17 300**	17 053
Goodwill	5	**22 956**	25 811
Other intangible assets	6	**5 476**	5 702
Investments in associates	8	**73 547**	47 755
Investments in joint ventures	9	**2 769**	1 727
Investments and loans	10	**952**	1 193
Derivative financial instruments	39	**102**	2
Deferred taxation	11	**1 174**	969
Current assets		**32 767**	28 390
Inventory	13	**3 183**	2 882
Programme and film rights	12	**1 868**	1 979
Trade receivables	14	**4 834**	4 849
Other receivables	15	**5 255**	4 780
Related party receivables	17	**52**	27
Derivative financial instruments	39	**449**	209
Cash and cash equivalents	37	**14 881**	13 664
		30 522	28 390
Assets classified as held-for-sale	16	**2 245**	—
TOTAL ASSETS		**157 043**	128 602
EQUITY AND LIABILITIES			
Capital and reserves attributable to the group's equity holders		**80 708**	66 153
Share capital and premium	18	**21 019**	16 337
Other reserves	19	**15 533**	17 845
Retained earnings	20	**44 156**	31 971
Non-controlling interests		**3 100**	2 052
TOTAL EQUITY		**83 808**	68 205
Non-current liabilities		**46 767**	36 549
Post-employment medical liability	21	**203**	176
Long-term liabilities	22	**44 807**	34 483
Cash-settled share-based payment liability	42	**—**	23
Provisions	23	**96**	109
Derivative financial instruments	39	**151**	364
Deferred taxation	11	**1 510**	1 394
Current liabilities		**26 468**	23 848
Current portion of long-term debt	22	**4 295**	2 628
Provisions	23	**239**	260
Trade payables		**5 436**	5 318
Accrued expenses and other current liabilities	24	**14 617**	12 572
Related party payables	17	**282**	316
Taxation payable		**533**	809
Dividends payable		**50**	24
Derivative financial instruments	39	**569**	840
Bank overdrafts and call loans	37	**312**	1 081
		26 333	23 848
Liabilities classified as held-for-sale	16	**135**	—
TOTAL EQUITY AND LIABILITIES		**157 043**	128 602

The accompanying notes are an integral part of these consolidated annual financial statements.

Consolidated income statement

for the year ended 31 March 2015

	Notes	31 March 2015 R'm	2014 R'm
Revenue	26	**73 092**	62 728
Cost of providing services and sale of goods	27	**(42 759)**	(35 416)
Selling, general and administration expenses	27	**(28 050)**	(23 974)
Other gains/(losses) – net	28	**(688)**	(1 320)
Operating profit		**1 595**	2 018
Interest received	29	**501**	606
Interest paid	29	**(2 752)**	(2 466)
Other finance income/(costs) – net	29	**(573)**	(267)
Share of equity-accounted results	8, 9	**16 384**	10 835
excluding net gain resulting from remeasurements*		**10 772**	7 906
net gain resulting from remeasurements*		**5 612**	2 929
Impairment of equity-accounted investments	8, 9	**(478)**	(1 201)
Dilution gains/(losses) on equity-accounted investments	8, 9	**1 499**	(852)
Gains on acquisitions and disposals	30	**1 605**	751
Profit before taxation		**17 781**	9 424
Taxation	31	**(3 757)**	(2 895)
Net profit for the year		**14 024**	6 529
Attributable to:			
Equity holders of the group		**14 023**	5 751
Non-controlling interests		**1**	778
		14 024	6 529
Earnings per N ordinary share (cents)			
Basic	32	**3 475**	1 456
Fully diluted	32	**3 407**	1 418

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

The accompanying notes are an integral part of these consolidated annual financial statements.

Consolidated statement of comprehensive income

for the year ended 31 March 2015

	Notes	31 March 2015 R'm	31 March 2014 R'm
Profit for the year		**14 024**	6 529
Other comprehensive income			
Foreign currency translation reserve*		**(3 805)**	4 910
Exchange (loss)/gain arising on translating the net assets of foreign operations		**(3 805)**	4 910
Fair-value losses	19	**(22)**	(7)
Fair-value gain/(loss) on available-for-sale investments*	10	**3**	(7)
Remeasurements on post-employment benefit plans		**(25)**	—
Hedging reserve*	39	**277**	(127)
Net movement in hedging reserve		**350**	(204)
Net tax effect of movements in hedging reserve		**(73)**	77
Share of equity-accounted investments' direct reserve movements		**1 094**	1 951
Share-based compensation reserve		**1 003**	589
Existing control business combination reserve		**225**	(37)
Valuation reserve*		**(126)**	1 389
Foreign currency translation reserve*		**(8)**	10
Total other comprehensive income, net of tax, for the year		**(2 456)**	6 727
Total comprehensive income for the year		**11 568**	13 256
Attributable to:			
Equity holders of the group		**11 552**	12 492
Non-controlling interests		**16**	764
		11 568	13 256

** These components of other comprehensive income may subsequently be reclassified to the income statement during future reporting periods.*

The accompanying notes are an integral part of these consolidated annual financial statements.

Consolidated statement of changes in equity

for the year ended 31 March 2015

	Share capital and premium A shares R'm	Share capital and premium N shares R'm	Foreign currency translation reserve R'm	Hedging reserve R'm	Valuation reserve R'm	Existing control business combination reserve R'm	Share-based compensation reserve R'm	Retained earnings R'm	Shareholders' funds R'm	Non-controlling interest R'm	Total R'm
Balance at 1 April 2013	14	15 047	6 191	(175)	1 623	(688)	4 006	27 723	53 741	2 112	55 853
Total comprehensive income for the year	–	–	4 894	(87)	1 382	(37)	589	5 751	12 492	764	13 256
profit for the year	–	–	–	–	–	–	–	5 751	5 751	778	6 529
total other comprehensive income for the year	–	–	4 894	(87)	1 382	(37)	589	–	6 741	(14)	6 727
Share capital movements	–	1 293	–	–	–	–	–	–	1 293	–	1 293
Treasury share movements	–	(17)	–	–	–	–	–	–	(17)	–	(17)
Share-based compensation movement	–	–	–	–	–	–	487	–	487	34	521
Transactions with non-controlling shareholders	–	–	–	–	–	(340)	–	23	(317)	284	(33)
Dividends	–	–	–	–	–	–	–	(1 526)	(1 526)	(1 142)	(2 668)
Balance at 31 March 2014	14	16 323	11 085	(262)	3 005	(1 065)	5 082	31 971	66 153	2 052	68 205
Balance at 1 April 2014	14	16 323	11 085	(262)	3 005	(1 065)	5 082	31 971	66 153	2 052	68 205
Total comprehensive income for the year	–	–	(3 795)	239	(143)	225	1 003	14 023	11 552	16	11 568
profit for the year	–	–	–	–	–	–	–	14 023	14 023	1	14 024
total other comprehensive income for the year	–	–	(3 795)	239	(143)	225	1 003	–	(2 471)	15	(2 456)
Share capital movements	–	3 670	–	–	–	–	–	–	3 670	–	3 670
Treasury share movements	–	1 012	–	–	–	–	–	–	1 012	–	1 012
Share-based compensation movement	–	–	–	–	–	–	819	–	819	68	887
Transactions with non-controlling shareholders	–	–	–	–	356	(1 016)	–	(136)	(796)	2 411	1 615
Dividends	–	–	–	–	–	–	–	(1 702)	(1 702)	(1 447)	(3 149)
Balance at 31 March 2015	**14**	**21 005**	**7 290**	**(23)**	**3 218**	**(1 856)**	**6 904**	**44 156**	**80 708**	**3 100**	**83 808**

The accompanying notes are an integral part of these consolidated annual financial statements.

Consolidated statement of cash flows

for the year ended 31 March 2015

	Notes	31 March 2015 R'm	2014 R'm
Cash flows from operating activities			
Cash from operations	33	**6 476**	7 383
Dividends received from investments and equity-accounted companies		**1 065**	841
Cash generated from operating activities		**7 541**	8 224
Interest income received		**477**	734
Interest costs paid		**(2 502)**	(2 365)
Taxation paid		**(3 845)**	(3 319)
Net cash generated from operating activities		**1 671**	3 274
Cash flows from investing activities			
Property, plant and equipment acquired		**(2 949)**	(4 235)
Proceeds from sale of property, plant and equipment		**127**	181
Intangible assets acquired		**(480)**	(404)
Proceeds from sale of intangible assets		**22**	16
Acquisitions of subsidiaries and businesses, net of cash acquired	34	**(477)**	(1 402)
Disposals of subsidiaries and businesses	35	**1 765**	32
Acquisition of associates	36	**(80)**	(364)
Additional investments in existing associates	36	**(3 408)**	(1 411)
Partial disposal of associates' underlying investments		**—**	103
Acquisitions of joint ventures	36	**(141)**	—
Additional investments in existing joint ventures	36	**(297)**	(1 392)
Preference dividends received		**54**	93
Preference shares redeemed		**510**	644
Cash movement in other investments and loans		**(667)**	103
Net cash utilised in investing activities		**(6 021)**	(8 036)
Cash flows from financing activities			
Proceeds from long- and short-term loans raised		**8 998**	13 626
Repayments of long- and short-term loans		**(2 364)**	(9 827)
Additional investments in existing subsidiaries		**(354)**	(226)
Partial disposals of interests in subsidiaries		**1 140**	—
Repayments of capitalised finance lease liabilities		**(554)**	(447)
Inflow/(outflow) from share-based compensation transactions		**1 938**	(59)
Proceeds from sale of treasury shares		**—**	1 649
Contributions by non-controlling shareholders		**476**	55
Dividends paid by subsidiaries to non-controlling shareholders		**(1 384)**	(1 131)
Dividend paid by holding company		**(1 715)**	(1 526)
Net cash generated from financing activities		**6 181**	2 114
Net increase/(decrease) in cash and cash equivalents		**1 831**	(2 648)
Foreign exchange translation adjustments on cash and cash equivalents		**205**	1 001
Cash and cash equivalents at the beginning of the year		**12 583**	14 230
Cash and cash equivalents classified as held-for-sale	16	**(50)**	—
Cash and cash equivalents at the end of the year	37	**14 569**	12 583

The accompanying notes are an integral part of these consolidated annual financial statements.

1. NATURE OF OPERATIONS

Naspers Limited ("Naspers") was incorporated in 1915 under the laws of the Republic of South Africa. The principal activities of Naspers and its operating subsidiaries, joint ventures and associated companies (collectively "the group") are the operation of internet and media platforms. Our principal operations are in internet services and ecommerce (including online classifieds, online retail and payments), video entertainment and print media. These activities are conducted primarily in Central and Eastern Europe, China, India, Latin America, the Middle East, Russia, South Africa, Southeast Asia and sub-Saharan Africa.

2. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated and separate annual financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The consolidated and separate annual financial statements of the group are presented in accordance with, and comply with International Financial Reporting Standards (IFRS) and interpretations of those standards as issued by the International Accounting Standards Board (IASB) and effective at the time of preparing these financial statements, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, Financial Pronouncements as issued by the Financial Reporting Standards Council and the South African Companies Act No 71 of 2008. The consolidated and separate annual financial statements are prepared using the historic cost convention apart from certain financial instruments (including derivative instruments) and cash-settled share-based payment schemes stated at fair value.

The preparation of the consolidated and separate annual financial statements necessitates the use of estimates, assumptions and judgements by management. These estimates and assumptions affect the reported amounts of assets, liabilities and contingent assets and liabilities at the statement of financial position date as well as the reported income and expenses for the year. Although estimates are based on management's best knowledge and judgement of current facts as at the statement of financial position date, the actual outcome may differ from these estimates. Estimates are made regarding the fair value of intangible assets recognised in business combinations; impairment of property, plant and equipment (refer to note 4); goodwill (refer to note 5); intangible assets (refer to note 6); financial assets carried at amortised cost and other assets (refer to note 14); the remeasurements required in business combinations and disposals of associates, joint ventures and subsidiaries (refer to note 30); fair-value measurements of level 2 and level 3 financial instruments (refer to note 40); provisions (refer to note 23); taxation (refer to note 31); and equity compensation benefits (refer to note 42).

(a) Basis of consolidation

The consolidated annual financial statements include the results of Naspers and its subsidiaries, associated companies and joint ventures.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(a) Basis of consolidation (continued)

Subsidiaries

Subsidiaries are entities over which the group has control. The existence and effect of potential voting rights are considered when assessing whether the group controls another entity to the extent that those rights are substantive. Subsidiaries are consolidated from the date on which control is obtained (acquisition date) up to the date control ceases. For certain entities, the group has entered into contractual arrangements that allow the group to control such entities. Because the group controls such entities, they are consolidated in the consolidated annual financial statements.

Intergroup transactions, balances and unrealised gains and losses are eliminated on consolidation.

Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in an acquisition of a business (acquiree) comprises the fair values of the assets transferred, the liabilities assumed, the equity interests issued by the group and the fair value of any contingent consideration arrangements. If the contingent consideration is classified as equity, it is not subsequently remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of contingent consideration are recognised in the income statement. For each business combination, the group measures the non-controlling interest in the acquiree at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Costs related to the acquisition, other than those associated with the issue of debt or equity securities, are expensed as incurred.

Where a business combination is achieved in stages, the group's previously held equity interest in the acquiree is remeasured to fair value as at the acquisition date through the income statement. The fair value of the group's previously held equity interest forms part of the consideration transferred in the business combination at the acquisition date.

When a selling shareholder is required to remain in the group's employment subsequent to a business combination, any retention option arrangements are recognised as employee benefit arrangements and dealt with in terms of the accounting policy for employee or equity compensation benefits.

Goodwill

Goodwill in a business combination is recognised at the acquisition date when the consideration transferred and the recognised amount of non-controlling interests exceeds the fair value of the net identifiable assets of the entity acquired. If the consideration transferred is lower than the fair value of the identifiable net assets of the acquiree (a bargain purchase), the difference is recognised in the income statement. The gain or loss on disposal of an entity is calculated after consideration of attributable goodwill.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(a) Basis of consolidation (continued)

Transactions with non-controlling shareholders

Non-controlling shareholders are equity participants of the group and all transactions with non-controlling shareholders are therefore accounted for as equity transactions and included in the statement of changes in equity. In transactions with non-controlling shareholders, any excess of the cost or proceeds of the transaction over the group's proportionate share of the net asset value acquired or disposed is allocated to the existing control business combination reserve" in equity.

Associates and joint ventures

Investments in associated companies (associates) and joint ventures are accounted for in terms of the equity method.

Associates are entities over which the group exercises significant influence, but which it does not control or jointly control. Joint ventures are arrangements in which the group contractually shares control over an activity with others and in which the parties have rights to the net assets of the arrangement.

Most major foreign associates and joint ventures do not have year-ends that are coterminous with that of the group, and the group's accounting policy is to account for an appropriate lag period in reporting their results. Any significant transactions occurring between December and the group's March year-end are taken into account.

Unrealised gains or losses on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in the relevant associate or joint venture, except where the loss is indicative of impairment of assets transferred.

The group's share of other comprehensive income and other changes in net assets of associates and joint ventures is recognised in the statement of comprehensive income.

For acquisitions of associates and joint ventures achieved in stages, the group measures the cost of its investment as the sum of the consideration paid for each purchase plus a share of the investee's profits and other equity movements. Any other comprehensive income recognised in prior periods in relation to the previously held stake in investee is reversed through equity and a share of profits and other equity movements is also recorded in equity. Acquisition-related costs form part of the investment in the associate or joint venture.

When the group increases its shareholding in an associate or joint venture and continues to exercise significant influence or to exert joint control over the investee, the cost of the additional investment is added to the carrying value of the investee. The acquired share in the investee's identifiable net assets, as well as any goodwill arising, is calculated using fair value information at the date of acquiring the additional interest. Goodwill is included in the carrying value of the investment in the associate or joint venture.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(a) Basis of consolidation (continued)

Associates and joint ventures (continued)

Partial disposals of associates and joint ventures that do not result in a loss of significant influence or joint control are accounted for as dilutions. Dilution gains or losses are recognised in the income statement. The group's proportionate share of gains or losses previously recognised in other comprehensive income by associates and joint ventures are reclassified to the income statement when a dilution occurs.

Each associate and joint venture is assessed for impairment on an annual basis as a single asset. If impaired, the carrying value of the group's investment in the associate or joint venture is adjusted to its recoverable amount and the resulting impairment loss is included in "Impairment of equity-accounted investments" in the income statement.

Disposals

When the group ceases to have control (subsidiaries), exercise significant influence (associates) or exert joint control (joint ventures), any retained interest is remeasured to its fair value, with the change in the carrying value recognised in the income statement. This fair value is the initial carrying amount for the purposes of subsequent accounting for the retained interest. In addition, any amounts previously recognised in other comprehensive income in respect of the entity disposed are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the income statement.

Where the group contributes a non-monetary asset (including a business) to an investee in exchange for an interest in that investee that is equity-accounted, the gain or loss arising on the remeasurement of the contributed non-monetary asset to fair value is recognised in the income statement only to the extent of other parties' interests in the investee. The gain or loss is eliminated against the carrying value of the investment in the associate or joint venture to the extent of the group's interest.

(b) Financial assets

The group classifies its investments in debt and equity securities into financial assets at fair value through profit or loss, available-for-sale financial assets and loans and receivables. The classification is dependent on the purpose for which the investments were acquired. Management determines the classification of its investments at the time of initial recognition and, where required, re-evaluates such designation on an annual basis.

All financial assets at fair value through profit or loss are classified as held-for-trading and are derivative financial instruments. A financial asset is classified into this category at inception if acquired principally for the purpose of selling in the short term, if it forms part of a portfolio of financial assets in which there is evidence of short-term profit-taking, or, if permitted to do so, designated by management. Derivatives are also classified as held-for-trading unless they are designated as effective hedging instruments.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(b) Financial assets (continued)

Available-for-sale financial assets are non-derivative financial assets that are either designated in this category or not classified in any other financial instrument category. The group has classified equity investments that are not held-for-trading in this category.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than those that the group intends to sell in the short term or that it has designated as at fair value through profit or loss or available-for-sale. The group has classified loans, certain preference share investments, as well as trade and other receivables in this category.

Financial assets are presented as non-current assets, except for those with maturities within 12 months from the statement of financial position date, which are classified as current assets.

Purchases and sales of financial assets are recognised on the trade date, which is the date that the group commits to purchase or sell the asset. Financial assets are initially recognised at fair value plus, in the case of financial assets not carried at fair value through profit or loss, transaction costs that are directly attributable to their acquisition.

At fair value through profit or loss and available-for-sale financial assets are subsequently carried at fair value with changes in fair value recognised in the income statement and statement of comprehensive income respectively. Refer to note 39 for the group's fair value measurement methodology regarding financial assets.

Loans and receivables are carried at amortised cost after initial recognition using the effective interest method.

The group assesses, at each statement of financial position date, or earlier when such assessment is prompted, whether there is objective evidence that a financial asset or group of financial assets may be impaired. If any such evidence exists, the amount of any impairment loss is established as outlined below.

For loans and receivables the impairment loss is measured as the difference between the financial asset's carrying amount and the present value of its estimated future cash flows, discounted at the financial asset's original effective interest rate. The carrying amount of the financial asset is reduced directly through the income statement for impairment losses that can be attributed to an individual financial asset and via an allowance account for impairment losses relating to a group of financial assets. An impairment loss recognised on a financial asset in a previous reporting period is reversed through the income statement if the estimates used to calculate the recoverable amount have changed since the previous impairment loss was recognised.

Where available-for-sale financial assets are impaired, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to the income statement.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(b) Financial assets (continued)

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or where they have been transferred and the group has also transferred substantially all risks and rewards of ownership.

Financial assets are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to realise the asset and settle a related financial liability simultaneously.

(c) Financial liabilities

The group classifies its financial liabilities into financial liabilities at fair value through profit or loss, other financial liabilities and written put option liabilities. Financial liabilities are recognised when the group becomes party to the contractual provisions of the relevant instrument.

All financial liabilities at fair value through profit or loss are derivative financial instruments and are accordingly classified as held-for-trading. Financial liabilities at fair value through profit or loss are initially recognised at fair value, excluding transactions costs, and are subsequently carried at fair value with changes in fair value recognised in the income statement.

Other financial liabilities comprise trade and other payables and borrowings. Other financial liabilities are initially recognised at fair value, net of transaction costs, and are subsequently carried at amortised cost using the effective interest method.

Written put option liabilities represent contracts that impose (or may potentially impose) an obligation on the group to purchase its own equity instruments (including the shares of a subsidiary) for cash or another financial asset. Written put option liabilities are initially raised from the "Existing control business combination reserve" in equity at the present value of the expected redemption amount payable. Subsequent revisions to the expected redemption amount payable, are recognised in "Other gains/(losses) – net" in the income statement. The unwinding of the discount rate used in measuring the present value of the written put option liability is recognised in "Other finance income/(costs) – net" in the income statement. Where a written put option liability expires unexercised or is cancelled, the carrying value of the financial liability is reclassified to the "Existing control business combination reserve" in equity.

Written put options that provide the group with the discretion to settle its obligations in the group's own equity instruments (including the shares of a subsidiary) are accounted for as derivative financial instruments at fair value.

Refer to note 40 for the group's fair value measurement methodology regarding financial liabilities.

Written put option liabilities are presented within "Derivative financial instruments" (liabilities) in the statement of financial position.

Financial liabilities are presented as current liabilities if payment is due or could be demanded within 12 months (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(c) Financial liabilities (continued)

Financial liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis. Financial liabilities are derecognised when the contractual obligation is discharged, cancelled or when it expires.

(d) Financial instruments used for hedge accounting

The group uses derivative financial instruments (derivatives) to reduce exposure to fluctuations in foreign currency exchange rates and interest rates. These instruments mainly comprise foreign exchange contracts and interest rate swap agreements. Foreign exchange contracts protect the group from movements in exchange rates by fixing the rate at which a foreign currency asset or liability will be settled. Interest rate swap agreements protect the group from movements in interest rates.

The group documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are expected to be and have been highly effective in offsetting changes in fair values or cash flows of hedged items. The fair values of derivatives used for hedging purposes are disclosed in note 39.

The method of recognising the resulting gain or loss arising on remeasurement of derivatives used for hedging is dependent on the nature of the item being hedged. The group designates a derivative as either a hedge of the fair value of a recognised asset, liability or firm commitment (fair value hedge), or a hedge of a forecast transaction or of the foreign currency risk of a firm commitment (cash flow hedge).

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, along with changes in the fair value of the hedged asset or liability that is attributable to the hedged risk.

Changes in the fair value of derivatives that are designated and qualify as cash flow hedges and that are highly effective are recognised in other comprehensive income and the ineffective part of the hedge is recognised in the income statement. Where the forecast transaction or firm commitment, of which the foreign currency risk is being hedged, results in the recognition of a non-financial asset or liability, the gains or losses previously deferred in other comprehensive income are transferred from other comprehensive income and included in the initial measurement of the cost of such asset or liability. Otherwise, amounts deferred in other comprehensive income are transferred to the income statement and classified as income or expense in the same periods during which the hedged transaction affects the income statement.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(d) Financial instruments used for hedge accounting (continued)

Certain derivative transactions, while providing effective economic hedges under the group's risk management policies, do not qualify for hedge accounting. Changes in the fair value of derivatives that do not qualify for hedge accounting are recognised immediately in the income statement.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in other comprehensive income at that time remains in other comprehensive income and is recognised when the committed or forecast transaction ultimately is recognised in the income statement. When a committed or forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in other comprehensive income is immediately reclassified to the income statement.

(e) Property, plant and equipment

Property, plant and equipment are stated at cost, being the purchase cost plus any cost to prepare the assets for their intended use, less accumulated depreciation and any accumulated impairment losses. Cost includes transfers from equity of any gains or losses on qualifying cash flow hedges relating to foreign currency property, plant and equipment acquisitions. Property, plant and equipment, with the exception of land, are depreciated in equal annual amounts over each asset's estimated useful life to its residual values. Land is not depreciated as it is deemed to have an indefinite life.

Depreciation periods vary in accordance with the conditions in the relevant industries, but are subject to the following range of useful lives:

▷ Buildings	1 to 50 years
▷ Manufacturing equipment	2 to 25 years
▷ Office equipment	2 to 25 years
▷ Improvements to buildings	5 to 50 years
▷ Computer equipment	1 to 10 years
▷ Vehicles	2 to 10 years
▷ Transmission equipment	5 to 20 years

Where parts of property, plant and equipment require replacement at regular intervals, the carrying value of an item of property, plant and equipment includes the cost of replacing the part when that cost is incurred, if it is probable that future economic benefits will flow to the group and the cost can be reliably measured. The carrying values of the parts replaced are derecognised on capitalisation of the cost of the replacement part. Each component of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately where it has an estimated useful life that differs from that of the item as a whole.

Major leasehold improvements are amortised over the shorter of the respective lease terms and estimated useful economic lives.

Subsequent costs, including major renovations, are included in an asset's carrying value or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. Repairs and maintenance are charged to the income statement.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(e) Property, plant and equipment (continued)

The residual values and useful lives of property, plant and equipment are reviewed, and adjusted if appropriate, at each statement of financial position date. Gains or losses on disposals are determined by comparing the proceeds to the asset's carrying value and are recognised in "Other gains/losses – net" in the income statement.

Work in progress is assets still in the construction phase and not yet available for use. These assets are carried at cost and are not depreciated. Depreciation commences once the assets are available for use as intended by management.

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of those assets. All other borrowing costs are expensed as incurred. A qualifying asset is an asset that takes more than a year to get ready for its intended use.

(f) Leased assets

Finance leases

Leases of property, plant and equipment are classified as finance leases where substantially all risks and rewards associated with ownership are transferred to the group as lessee. Assets under finance leases are capitalised at the lower of fair value and the present value of the minimum lease payments, with the related lease obligation recognised at an equivalent amount. The interest rate implicit in the lease or, where this cannot be reliably determined, the group's incremental borrowing rate is used to calculate the present values of minimum lease payments. Capitalised leased assets are depreciated over their estimated useful lives, limited to the duration of the lease agreement. Each lease payment is allocated between the lease obligation and finance charges. The corresponding lease obligations, net of finance charges, are included in long-term liabilities or current portion of long-term debt.
The interest element of the minimum lease payments is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Operating leases

Leases of assets under which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Operating lease rentals (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

(g) Intangible assets

Intangible assets acquired are capitalised at cost. Intangible assets with finite useful lives are amortised using the straight-line method over their estimated useful lives. The useful lives and residual values of intangible assets are reassessed on an annual basis.

Amortisation periods for intangible assets with finite useful lives vary in accordance with the conditions in the relevant industries, but are subject to the following maximum limits:

▷ Patents	5 years
▷ Title rights	20 years
▷ Brand names and trademarks	30 years
▷ Software	10 years
▷ Intellectual property rights	30 years
▷ Subscriber bases	11 years

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(g) **Intangible assets** (continued)

No value is attributed to internally developed trademarks or similar rights and assets. The costs incurred to develop these items are charged to the income statement as incurred.

Costs that are directly associated with the production of identifiable and unique software products controlled by the group, and which will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the software development team's employee costs and an appropriate portion of relevant overheads. All other costs associated with developing or maintaining software programs are expensed as incurred.

Website development costs are capitalised as intangible assets if it is probable that the expected future economic benefits attributable to the asset will flow to the group and its cost can be measured reliably, otherwise these costs are expensed as incurred.

Research expenditure is expensed as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets if the costs can be measured reliably, the products or processes are technically and commercially feasible, future economic benefits are probable, and the group intends, and has sufficient resources to complete development and to use or sell the asset. Development costs that do not meet these criteria are expensed as incurred.

Work in progress is assets still in the development phase and not yet available for use. These assets are carried at cost and are not amortised, but are tested for impairment at each reporting date. Amortisation commences once the assets are available for use as intended by management.

(h) Programme and film rights

Programme material rights

Purchased programme and film rights are stated at cost less accumulated amortisation. Programme material rights, which consist of the rights to broadcast programmes, series and films, are recorded at the date the rights come into licence at the spot exchange rates on the purchase date. The rights are amortised to the income statement based on contracted screenings or expensed where management has confirmed that no further screenings will occur.

Programme material rights contracted by the reporting date, but not yet in licence are disclosed as commitments.

Programme production costs

Programme production costs, which consist of all costs necessary to produce and complete a programme to be broadcast, are recorded at the lower of cost and net realisable value. Net realisable value is set at the average cost of programme material rights.

Programme production costs are amortised to the income statement based on contracted screenings or expensed where management has confirmed that no further screenings will occur.

All programme production costs in excess of the expected net realisable value of the production on completion, are expensed when contracted.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(h) Programme and film rights (continued)

Sports events rights

Sports events rights are recorded at the event commencement date at the rate of exchange ruling at that date. These rights are amortised to the income statement over the period to which the events relate or expensed where management has confirmed that the event will not be screened.

Payments made to negotiate and secure the broadcasting of sports events are expensed as incurred. Rights to future sports events contracted by the reporting date, but which have not yet commenced, are disclosed as commitments, except where payments have already been made, which are shown as prepaid expenses.

(i) Impairment of non-financial assets

Goodwill and intangible assets with indefinite useful lives

Goodwill and intangible assets with indefinite useful lives are tested annually for impairment and carried at cost less accumulated impairment losses.

Goodwill and intangible assets with indefinite useful lives are allocated to cash-generating units for purposes of impairment testing. An impairment test is performed by determining the recoverable amount of the cash-generating unit to which the goodwill or intangible assets with indefinite useful lives relate. The recoverable amount of a cash-generating unit or individual asset is the higher of its value-in-use and its fair value less costs of disposal. Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in "Other gains/(losses) – net" in the income statement. Impairment losses recognised on goodwill are not reversed in subsequent periods.

Other intangible assets and property, plant and equipment

Other intangible assets (with finite useful lives) and items of property, plant and equipment are reviewed for indicators of impairment at least annually. Indicators of impairment include, but are not limited to: significant underperformance relative to expectations based on historical or projected future operating results, significant changes in the manner of use of the assets or the strategy for the group's overall business, and significant negative industry or economic trends.

Intangible assets still in the development phase, and not yet available for use (work in progress), are tested for impairment on an annual basis.

An impairment loss is recognised in "Other gains/(losses) – net" in the income statement when the carrying amount of an asset exceeds its recoverable amount.

Value-in-use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. The estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Fair value less costs of disposal is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date less the incremental costs directly attributable to the disposal of an asset or cash-generating unit, excluding finance costs and income tax expense.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(i) Impairment of non-financial assets (continued)

***Other intangible assets and property, plant and equipment** (continued)*

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows that are largely independent of the cash inflows of other assets or groups of assets (a cash-generating unit level).

An impairment loss recognised for an asset in prior years is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised and the revised recoverable amount exceeds the carrying amount. The reversal of such an impairment loss is recognised in "Other gains/(losses) – net" in the income statement.

(j) Inventory

Inventory is stated at the lower of cost and net realisable value. The cost of inventory is determined by means of the first-in first-out basis or the weighted average method. The majority of inventory is valued using the first-in first-out basis, but for certain inventories with a specific nature and use, the weighted average method is used.

The cost of finished products and work in progress comprises raw materials, direct labour, other direct costs and related production overheads, but excludes finance costs. Costs of inventories include the transfer from other comprehensive income of any gains or losses on qualifying cash flow hedges relating to foreign currency denominated inventory purchases. Net realisable value is the estimate of the selling price, less the costs of completion and selling expenses. Allowances are made for obsolete, unusable and unsaleable inventory and for latent damage first revealed when inventory items are taken into use or offered for sale.

(k) Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at fair value, which equals the cost or face value of the asset. Cash and cash equivalents comprise cash on hand and deposits held at call with banks. Certain cash balances are restricted from immediate use according to terms with banks or other financial institutions. For purposes of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts.

(l) Provisions

Provisions are obligations of the group where the timing or amount (or both) of the obligation is uncertain.

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

The group recognises a provision relating to its estimated exposure on all products still under warranty at the statement of financial position date. A provision for onerous contracts is established when the expected benefits to be derived under a contract are less than the unavoidable costs of fulfilling the contract. Restructuring provisions are recognised in the period in which the group becomes legally or constructively committed to a formal restructuring plan.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(l) **Provisions** (continued)

Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is determined by discounting the anticipated future cash flows expected to be required to settle the obligation at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense in the income statement.

(m) Taxation

Tax expense

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In such cases, the related tax is also recognised in other comprehensive income or directly in equity respectively.

Current income tax

The normal South African company tax rate applied for the year ended 31 March 2015 is 28% (2014: 28%). The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities. International tax rates vary from jurisdiction to jurisdiction.

Deferred taxation

Deferred tax assets and liabilities for South African entities at 31 March 2015 have been calculated using the 28% (2014: 28%) tax rate, and for other entities using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date, being the rates the group expects to apply to the periods in which the assets are realised or the liabilities are settled. Deferred taxation is provided on the taxable or deductible temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction, other than a business combination, that, at the time of the transaction, affects neither the accounting nor the taxable profit or loss. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which deductible temporary differences and unused tax losses can be utilised.

Deferred taxation is provided on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future.

Dividend tax

Dividends paid by Naspers Limited to shareholders that are not exempted are subject to dividend tax at a rate of 15%.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(n) Foreign currencies

The consolidated annual financial statements are presented in rand, which is the company's functional and presentation currency. However, the group measures the transactions of its operations using the functional currency determined for that specific entity, which, in most instances, is the currency of the primary economic environment in which the operation conducts its business.

Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or the dates of the valuations where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as part of qualifying cash flow hedges.

Translation differences on non-monetary financial assets and liabilities are reported as part of the fair value gain or loss recognised in the income statement. Translation differences on non-monetary equity investments classified as available-for-sale are included in the valuation reserve in other comprehensive income as part of the fair value remeasurement of such items.

Foreign operations

The results and financial position of all group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency that is different from the group's presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities are translated at the closing rate at the reporting date.

(ii) Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the spot rate on the dates of the transactions).

(iii) Components of equity are translated at the historic rate.

(iv) All resulting exchange differences are recognised in other comprehensive income and accumulated in the "Foreign currency translation reserve" in the statement of changes in equity.

(o) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the group's activities. Revenue is shown net of value added tax (VAT), returns, rebates and discounts.

The group recognises revenue when the amount can be reliably measured, it is probable that future economic benefits will flow to the group and when specific criteria have been met for each of the group's activities as described below. The group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(o) Revenue recognition (continued)

Ecommerce

Ecommerce revenue represents amounts receivable for goods sold and services rendered. Revenue for goods sold is recognised when the significant risks and rewards of ownership has transferred to the buyer. The group recognises listing and related fees on listing of an item for sale and success fees and any other relevant commission when a transaction is completed on the group's websites. A transaction is considered successfully concluded when, in the case of an auction, at least one buyer has bid above the seller's specified minimum price or reserve price, whichever is higher, at the end of the transaction term. Payment transaction revenues are recognised once the transaction is completed and is based on the applicable fee for each transaction performed.

Subscription fees

Video-entertainment and internet subscription fees are earned over the period during which the services are provided. Subscription revenue arises from the monthly billing of subscribers for video-entertainment and internet services provided by the group. Revenue is recognised in the month during which the service is rendered. Any subscription revenue received in advance is recorded as deferred income and recognised in the month the service is provided.

Advertising revenues

The group mainly derives advertising revenues from advertisements published in its newspapers and magazines, broadcast on its video-entertainment platforms and shown online on its websites and instant-messaging windows. Advertising revenues from video-entertainment and print-media products are recognised upon showing or publication over the period of the advertising contract. Publication is regarded to be when the print-media product has been delivered to the retailer and is available to be purchased by the general public. Online advertising revenues are recognised over the period in which the advertisements are displayed.

Technology contracts and licensing

For contracts with multiple obligations (eg maintenance and other services), revenue from product licences is recognised when delivery has occurred, collection of the receivable is probable, and the revenue associated with delivered and undelivered elements can be reliably measured.

The group recognises revenue allocated to maintenance and support fees, for ongoing customer support and product updates, rateably over the period of the relevant contracts. Payments for maintenance and support fees are generally made in advance and are non-refundable. For revenue allocated to consulting services and for consulting services sold separately, the group recognises revenue as the related services are performed.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(o) Revenue recognition (continued)

Technology contracts and licensing (continued)

The group enters into arrangements with network operators whereby application software is licensed to network operators in exchange for a percentage of the subscription revenue they earn from their customers. Where all of the software under the arrangement has been delivered, the revenue is recognised as the network operator reports to the group its revenue share, which is generally done on a quarterly basis. Under arrangements where the group has committed to delivering unspecified future applications, the revenue earned on the delivered applications is recognised on a subscription basis over the term of the arrangement.

Printing and distribution

Revenues from print and distribution services are recognised upon completion of the services and delivery of the related product and customer acceptance. The recognition of print services revenue is based upon delivery of the product to the distribution depot and acceptance by the distributor of the customer, or, where the customer is responsible for the transport of the customers' products, acceptance by the customer or its nominated transport company. Revenues from distribution services are recognised upon delivery of the product to the retailer and acceptance thereof.

Print and distribution services are separately provided by different entities within the group and separately contracted for by customers. Where these services are provided to the same client, the terms of each separate contract are consistent with contracts where an unrelated party provides one of the services. Revenue is recognised separately for print and distribution services as the contracts are separately negotiated based on fair value for each service.

Circulation revenue

Circulation revenue is recognised in the month in which the magazine or newspaper is sold.

Product sales and book publishing

Sales are recognised upon delivery of products and customer acceptance.

Decoder maintenance

Decoder maintenance revenue is recognised over the period the service is provided.

Contract publishing

Revenue relating to any particular publication is brought into account in the month that it is published.

(p) Other income

Interest and dividends received on financial assets are included in "Interest received" and "Other gains/(losses) – net" respectively. Interest is accrued using the effective interest method and dividends are recognised when the right to receive payment is established.

(q) Employee benefits

Retirement benefits

The group provides retirement benefits to its full-time employees, primarily by means of monthly contributions to a number of defined contribution pension and provident funds. The assets of these funds are generally held in separate trustee administered funds. The group's contributions to retirement funds are recognised as an expense in the period in which employees render the related service.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(q) Employee benefits (continued)

Medical aid benefits

The group's contributions to medical aid benefit funds for employees are recognised as an expense in the period in which the employees render services to the group.

Post-employment medical aid benefits

Some group companies provide post-employment healthcare benefits to their retirees. The entitlement to post-employment healthcare benefits is subject to the employee remaining in service up to retirement age and completing a minimum service period. The expected costs of these benefits are accrued over the minimum service period. Independent actuaries carry out annual valuations of these obligations. All actuarial gains and losses resulting from experience adjustments and changes in actuarial assumptions are recognised immediately in other comprehensive income. These obligations are unfunded.

Termination benefits

The group recognises termination benefits when it is demonstrably committed to either terminating the employment of employees before the normal retirement date, or provide termination benefits as a result of an offer made to encourage voluntary redundancy.

Where termination benefits fall due more than 12 months after the reporting period, they are discounted. In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits is based on the number of employees expected to accept the offer. Termination benefits are immediately recognised as an expense in the income statement.

(r) Equity compensation benefits

The group grants share options/share appreciation rights (SARs) to its employees under a number of equity compensation plans. The group recognises an employee benefit expense in the income statement, representing the fair value of share options/SARs granted. A corresponding credit to equity is raised for equity-settled plans, whereas a corresponding credit to liabilities is raised for cash-settled plans. The fair value of the options/SARs at the date of grant under equity-settled plans is charged to the income statement over the relevant vesting periods, adjusted to reflect actual and expected levels of vesting. For cash-settled plans, the group remeasures the fair value of the recognised liability at each reporting date and at the date of settlement, with any changes in fair value recognised in the income statement.

A share option scheme/SAR is considered equity-settled when the option/gain is settled by the issue of equity instruments of Naspers Limited or its subsidiaries. They are considered cash-settled when they are settled in cash or any other asset.

(s) Share capital and treasury shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction against share premium.

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(s) Share capital and treasury shares (continued)

Where subsidiaries hold Naspers N ordinary shares, the consideration paid to acquire those shares, including any attributable incremental costs, is deducted from shareholders' equity as treasury shares. Such shares are predominantly held for equity compensation plans. Where such shares are subsequently sold or reissued, the cost of those shares is released, and any realised gains or losses are recorded as treasury shares in equity. Shares issued to or held by share incentive plans within the group are treated as treasury shares until such time when participants pay for and take delivery of such shares.

(t) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decisionmaker. The chief operating decisionmaker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive committee that make strategic decisions. The group proportionately consolidates its share of the results of its associated companies and joint ventures in the various reportable segments. This is considered to be more reflective of the economic value of these investments.

(u) Disposal groups held-for-sale

Non-current assets and liabilities (disposal groups) are classified as held-for-sale when their carrying values will be recovered principally through a sale transaction and when such sale is considered highly probable. The assets and liabilities of disposal groups held-for-sale are stated at the lower of carrying value and fair value less costs of disposal.

(v) Recently issued accounting standards

The IASB issued a number of standards, amendments to standards and interpretations during the year ended 31 March 2015.

(i) The following new standards and amendments to existing standards have been adopted by the group and are applicable for the first time during the year ended 31 March 2015. These pronouncements had no significant effect on the group's financial statements:

Standard/ Interpretation	Title
IAS 32	*"Offsetting Financial Assets and Financial Liabilities"*
IAS 36	*"Impairment of Assets – Recoverable Amount Disclosures"*
IAS 39	*"Novation of Derivative Financial Instruments"*
IFRIC 21	*"Accounting for Levies"*
Various	*"Annual improvements to IFRS 2010 – 2012 Cycle 2012"*

2. PRINCIPAL ACCOUNTING POLICIES (continued)

(v) Recently issued accounting standards (continued)

(ii) The following new standards, interpretations and amendments to existing standards are not yet effective as at 31 March 2015. The group is currently evaluating the effects of these standards and interpretations, which have not been early adopted:

Standard/ Interpretation	Title	Effective for year ending
IFRS 9	*"Financial Instruments"*	March 2018
IFRS 10/ IAS 28	*"Sale or Contribution of Assets between an Investor and its Associate or Joint Venture"*	March 2017
IFRS 11	*"Acquisition of an Interest in a Joint Operation"*	March 2016
IFRS 15	*"Revenue from Contracts with Customers"*	March 2018
IAS 1	*"Disclosure Initiative"*	March 2017
IAS 38/ IAS 16	*"Clarification of Acceptable Methods of Depreciation and Amortisation"*	March 2017
Various	*"Annual improvements to IFRS 2012 – 2014 Cycle 2014"*	March 2016

3. SIGNIFICANT ACQUISITIONS AND DIVESTITURES

Financial year ended 31 March 2015

Effective January 2015 the group entered into agreements with Schibsted ASA Media Group ("Schibsted"), Telenor Holdings ASA and Singapore Press Holdings Limited for the establishment of joint classifieds business activities in Brazil, Indonesia, Bangladesh and Thailand. The group also acquired Schibsted's Philippine classifieds business.

In February 2015 we entered into further agreements with Schibsted regarding the acquisition of Schibsted's Romanian classifieds business and the sale of our Hungarian classifieds business.

Following these transactions, the group held the following interests in the relevant territories:

Country	Naspers interest	Nature of investment
Brazil	50%	Joint venture (equity accounted)
Indonesia	64%	Subsidiary
Bangladesh	49,7%	Associate (equity accounted)
Thailand	44,1%	Associate (equity accounted)
Philippines	83,9%	Acquisition of classifieds business
Romania	100%	Acquisition of classifieds business

The total income statement impact of the above transactions was the recognition of an aggregate disposal gain of R1bn in Gains on acquisitions and disposals in the income statement.

3. SIGNIFICANT ACQUISITIONS AND DIVESTITURES (continued)

Financial year ended 31 March 2015 (continued)

Following the transactions, the group retained control over Silver Indonesia JVCo B.V. (previously Tokobagus Exploitatie B.V.) and accounted for the acquisition of the business contributed jointly by the other shareholders as a business combination. The purchase price allocation: property, plant and equipment R3m; intangible assets R102m; cash R23m; loans and other receivables R314m; loans and other payables R340m; deferred tax liability R25m and the balance of R490m to goodwill. The acquisition of Schibsted's Philippine and Romanian businesses gave rise to the recognition of intangible assets of R98m, deferred tax liabilities of R12m and goodwill of R237m. The aggregated deemed and cash purchase consideration amounted to R890m.

Various acquisitions were made within the Movile group during the reporting period, most notably relating to the group's online food-ordering business – iFood. The merger, in November 2014, of the iFood business with Just Eat's Brazilian subsidiary was accounted for as a business combination and resulted in the group having a 60,2% interest in the merged business as at 31 March 2015. The total deemed purchase consideration amounted to R385m. The purchase price allocation: intangible assets R249m; deferred tax liability R85m; cash R60m; other net assets R25m and goodwill R136m. Movile also acquired other smaller subsidiaries including Apontador, a leading local search service, and MapLink, a traffic data and routing service. These other acquisitions gave rise to aggregate goodwill of R170m.

During January 2015 the group disposed of its MWEB business, Optinet Services, and Networks divisions to Dimension Data for a cash purchase consideration of R368m and, at the same time, entered into a joint Wi-Fi business venture with Dimension Data by contributing its MWEB Wi-Fi division to a joint venture in exchange for a 49% shareholding. An aggregate loss on disposal of R219m has been recognised in the income statement following the transactions. The joint Wi-Fi business venture is accounted for as an investment in a joint venture.

During March 2015 the group acquired the shares held in and loans extended by minority shareholders in its subsidiaries MIH Allegro B.V. and FixeAds B.V. under the terms of pre-existing exit agreements. The transaction was settled through the issue of 1 078 178 Naspers N ordinary shares and resulted in an increase in share capital and reserves of R1,86bn, being the aggregate purchase consideration. The excess of the consideration paid over the net asset value acquired, including loans and the settlement of other amounts owing to the minority shareholders, was recognised in the "Existing control business combination reserve" in equity and totalled R1,27bn. The group now has a 100% and 93,36% interest in the issued share capital of MIH Allegro B.V. and FixeAds B.V. respectively.

Also during March 2015 the group disposed of its subsidiary 7Pixel S.r.l. for purchase consideration of R678m. The transaction resulted in the recognition of a gain on disposal of R310m.

The main factor contributing to the goodwill recognised in these acquisitions is their market presence. This goodwill is not expected to be deductible for income tax purposes. Total acquisition-related costs of R192m were recorded in "Gains on acquisitions and disposals" in the income statement regarding the above acquisitions.

3. SIGNIFICANT ACQUISITIONS AND DIVESTITURES (continued)

Financial year ended 31 March 2015 (continued)

Had the revenues and net results of the subsidiaries and businesses acquired been included from 1 April 2014, it would not have had a significant effect on the group's consolidated revenue and net results.

The following relates to the group's investments in associated companies and joint ventures:

The group participated in two funding rounds of its associate Flipkart Private Limited ("Flipkart"). These funding rounds, during May and August 2014, resulted in additional investments of R555m and R2,67bn respectively, in cash and in the recognition of a net dilution gain of R1,5bn in the income statement as a result of a decrease in the group's effective interest. The group now has a 15,83% interest in Flipkart on a fully diluted basis.

The group also invested a further R297m in cash in its joint venture, Konga Online Shopping Limited ("Konga"), during October 2014. Following the additional investment, the group held a 40,2% interest in Konga on a fully diluted basis.

During February 2015 the group acquired a 46,5% interest in Takealot Online (RF) Proprietary Limited ("Takealot") in exchange for the contribution of its South African etail business, Kalahari.com, and the issue of 612 977 Naspers N ordinary shares. The aggregate purchase consideration in the transaction amounted to R1,2bn and the acquisition gave rise to a deemed disposal gain of R154m, which has been recognised in "Gains on acquisitions and disposals" in the income statement. The group's interest in Takealot is accounted for as an investment in an associate. The group has a 41,86% interest in Takealot on a fully diluted basis.

Investments acquired in cash were primarily funded through the utilisation of existing credit facilities.

Financial year ended 31 March 2014

In June 2013 the group's subsidiary MIH India Global Internet Limited ("MIH India") acquired a 100% interest in redBus, an Indian online ticketing platform. The fair value of the total purchase consideration was R1bn in cash. The purchase price allocation: property, plant and equipment R4m; intangible assets R354m; cash R29m and restricted cash R96m; trade and other receivables R27m; trade and other payables R41m; deferred tax liability R114m and the balance to goodwill.

During June 2013 the option to subscribe for new shares in MIH India held by Tencent Holdings Limited expired. MIH India operates ecommerce platforms under the ibibo brand. The group exercised control over MIH India from the date of expiration of the option. The group previously accounted for MIH India as a joint venture. The fair value of the total deemed purchase consideration was R321m, being the acquisition date fair value of the interest held in MIH India. A gain of R274m was recognised as a result of remeasuring to fair value the existing interest in MIH India. The purchase price allocation: property, plant and equipment R5m; intangible assets R162m; cash R71m; trade and other receivables R64m; trade and other payables R78m; deferred tax liability R51m and the balance to goodwill.

3. SIGNIFICANT ACQUISITIONS AND DIVESTITURES (continued)

Financial year ended 31 March 2014 (continued)

In July 2013 the group acquired an additional interest of 28,6% in Dubizzle Limited (BVI) (Dubizzle), an online classifieds platform centred in Dubai. The group's total interest in Dubizzle increased to 53,6% and the group accounts for Dubizzle as a subsidiary. The fair value of the total purchase consideration was R939m, consisting of R477m in cash for the additional interest and R462m being the acquisition date fair value of the existing interest held in Dubizzle. The purchase price allocation: property, plant and equipment R2m; intangible assets R381m; cash R231m; trade and other receivables R16m; trade and other payables R37m and the balance to goodwill. A non-controlling interest of R252m was recognised at the acquisition date. A gain of R231m was recognised as a result of remeasuring to fair value the group's existing interest in Dubizzle before the acquisition of the additional interest.

The main factor contributing to the goodwill recognised in these acquisitions is their market presence. This goodwill is not expected to be deductible for income tax purposes.

The group made various smaller acquisitions with a combined cost of R270m. Total acquisition-related costs of R41m were recorded in "Gains on acquisitions and disposals" in the income statement. Had the revenues and net results of redBus and Dubizzle been included from 1 April 2013, it would not have had a significant effect on the group's consolidated revenue and net results.

The following investments in associated companies and joint ventures were made:

- In June 2013 the group acquired an additional 6,1% interest in Souq Group Limited ("Souq"), an online retailer, marketplace and payment platform business, with operations in the UAE, Saudi Arabia, Egypt and Kuwait, for R296m in cash. During March 2014 the group acquired a further interest of 11,8% in Souq for R911m in cash. The group has a 47,6% interest in Souq.
- In July 2013 the group acquired an additional 8,6% interest in Flipkart Limited ("Flipkart"), a leading ecommerce site in India, for R1 376m in cash. During May 2014 the group invested a further R543m in cash in Flipkart. The group has a 17,7% interest in Flipkart on a fully diluted basis.
- In February 2014 the group acquired 26,1% in SimilarWeb Limited ("SimilarWeb"), an online analytics provider, for R155m in cash. The group has a 22,5% interest in SimilarWeb on a fully diluted basis.
- During February 2014 the group acquired a 30,7% interest for R200m in cash in Neralona Investments Limited, trading as eSky.ru, an online children's goods retailer in Russia.

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

4. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings R'm	Manu-facturing equip-ment R'm	Trans-mission equip-ment R'm	Vehicles, computers and office equip-ment R'm	Total R'm
1 April 2014					
Cost	2 967	2 638	12 207	4 174	21 986
Accumulated depreciation and impairment	(629)	(1 302)	(3 409)	(2 478)	(7 818)
Carrying value at 1 April 2014	2 338	1 336	8 798	1 696	14 168
Foreign currency translation effects	(16)	1	410	(16)	379
Transferred to assets classified as held-for-sale	(29)	—	(41)	(26)	(96)
Acquisitions of subsidiaries and businesses	43	48	15	16	122
Disposals of subsidiaries and businesses	(75)	(22)	—	(404)	(501)
Acquisitions	298	235	2 215	900	3 648
Disposals/scrappings	(22)	(2)	(68)	(40)	(132)
Impairment	(36)	(42)	(173)	(7)	(258)
Depreciation	(153)	(175)	(1 230)	(647)	(2 205)
31 March 2015					
Cost	3 127	2 859	14 841	3 841	24 668
Accumulated depreciation and impairment	(779)	(1 480)	(4 915)	(2 369)	(9 543)
Carrying value at 31 March 2015	2 348	1 379	9 926	1 472	15 125
Work in progress at 31 March 2015					2 175
Total carrying value at 31 March 2015					17 300

4. PROPERTY, PLANT AND EQUIPMENT (continued)

	Land and buildings R'm	Manufacturing equipment R'm	Transmission equipment R'm	Vehicles, computers and office equipment R'm	Total R'm
1 April 2013					
Cost	2 484	2 530	9 435	3 389	17 838
Accumulated depreciation and impairment	(486)	(1 168)	(2 226)	(1 883)	(5 763)
Carrying value at 1 April 2013	1 998	1 362	7 209	1 506	12 075
Foreign currency translation effects	50	15	421	104	590
Reclassifications	7	8	—	(15)	—
Transfer to other intangible assets	—	—	—	(6)	(6)
Acquisitions of subsidiaries and businesses	5	31	—	27	63
Disposals of subsidiaries and businesses	—	(3)	—	(2)	(5)
Acquisitions	424	103	2 266	764	3 557
Disposals/scrappings	(12)	(15)	(31)	(34)	(92)
Impairment	—	(8)	(44)	(20)	(72)
Depreciation	(134)	(157)	(1 023)	(628)	(1 942)
31 March 2014					
Cost	2 967	2 638	12 207	4 174	21 986
Accumulated depreciation and impairment	(629)	(1 302)	(3 409)	(2 478)	(7 818)
Carrying value at 31 March 2014	2 338	1 336	8 798	1 696	14 168
Work in progress at 31 March 2014					2 885
Total carrying value at 31 March 2014					17 053

4. PROPERTY, PLANT AND EQUIPMENT (continued)

The carrying value of work in progress mainly comprises DTT broadcasting equipment relating to the video-entertainment segment and land and buildings that are under construction.

The group recognised impairment losses of R393,4m (2014: R71,7m) on property, plant and equipment of which R135,5m relates to broadcasting equipment, presented within work in progress, following a change in the group's DTT rollout strategy. The impairment loss has been included in "other gains/(losses) – net" in the income statement, of which R320,0m (2014: R42,7m) has been included in the video-entertainment segment, Rnil (2014: R21,6m) in the internet segment and R73,4m (2014: R7,4m) in the print media segment. The recoverable amounts of the assets impaired amounted to Rnil (2014: Rnil) and have been determined on a value-in-use basis.

The carrying values of assets capitalised under finance leases are as follows:

	31 March	
	2015 R'm	2014 R'm
Land and buildings	**112**	143
Transmission equipment	**6 184**	6 032
Vehicles, computers and office equipment	**32**	24
	6 328	6 199

Included in the acquisition of property, plant and equipment is an amount of R354,9m (2014: R604,0m) relating to leased assets, which are non-cash in nature. Refer to note 25 for details of the group's assets pledged as security.

5. GOODWILL

	31 March 2015 R'm	2014 R'm
Cost		
Opening balance	**29 404**	24 077
Foreign currency translation effects	**(1 314)**	3 388
Acquisitions of subsidiaries and businesses	**1 185**	2 003
Disposals of subsidiaries and businesses	**(1 235)**	(64)
Transferred to assets classified as held-for-sale	**(1 687)**	—
Closing balance	**26 353**	29 404
Accumulated impairment		
Opening balance	**3 593**	2 484
Foreign currency translation effects	**36**	162
Impairment	**23**	993
Disposals of subsidiaries and businesses	**(239)**	(46)
Transferred to assets classified as held-for-sale	**(16)**	—
Closing balance	**3 397**	3 593
Carrying value	**22 956**	25 811

The group recognised impairment losses on goodwill of R23,3m (2014: R992,8m). Of this impairment loss, R3,1m (2014: Rnil) has been included in the video-entertainment segment, R10,0m (2014: R968,3m) in the internet segment and R10,2m (2014: R24,5m) in the print-media segment. The impairment losses relate to small internet and print investments where growth has lagged behind management's expectations. The recoverable amounts of the cash-generating units to which the impairment losses relate, were Rnil. Management used ten-year projected cash flow models, growth rates ranging between 1% and 5% and discount rates ranging between 11% and 22% in measuring the impairment losses.

During the year ended 31 March 2014 the total impairment loss included R658m, which related to the group's fashion businesses. The performance of the group's fashion businesses fell behind management's expectations as the fashion sector contracted and the flash-sale fashion model continued to underperform. The impairment loss also included R264m relating to the group's eastern European ecommerce platforms. The impairment resulted mainly from increased competition among eastern European ecommerce platforms as well as significant development-stage expenditures contributing to depressed profit margins. The group also impaired other smaller internet and print investments where growth has lagged.

5. GOODWILL (continued)

Impairment testing of goodwill

The group has allocated goodwill to various cash-generating units. The recoverable amounts of these cash-generating units have been determined based on value-in-use calculations. Value in use is based on discounted cash flow calculations. The group based its cash flow calculations on three to ten-year budgeted and forecast information approved by senior management and/or the various boards of directors of group companies. Long-term average growth rates for the respective countries in which the entities operate or, where more appropriate, the growth rate of the cash-generating units, were used to extrapolate cash flows into the future. The discount rates used, reflect specific risks relating to the relevant cash-generating units and the countries in which they operate while maximising the use of market-observable data. Other assumptions included in cash flow projections vary widely between cash-generating units due to the group's diverse range of business models, and are closely linked to entity-specific key performance indicators.

5. GOODWILL (continued)

Impairment testing of goodwill (continued)

The group allocated goodwill to the following groups of cash-generating units:

	Carrying value of goodwill R'm	Basis of determination of recoverable amount	Discount rate applied to cash flows %	Growth rate used to extrapolate cash flows %
Groups of cash-generating units				
Allegro Group[(1)]	9 324	Value-in-use	11,1	4,0
Multichoice South Africa group	3 818	Value-in-use	13,0	3,0
Buscapé.com Inc.	2 103	Value-in-use	17,1	5,0
Netretail Group	1 800	Value-in-use	12,0	2,0
OLX B.V.	940	Value-in-use	18,0	4,0
Dubizzle Limited (BVI)	821	Value-in-use	17,0	4,0
Pilani Soft Labs Private Limited (redBus)	769	Value-in-use	20,0	4,0
Silver Indonesia JVCo B.V. (previously Tokobagus Exploitatie B.V.)[(1)]	709	Value-in-use	17,0	5,0
Dante International S.A. (eMAG)	599	Value-in-use	12,0	3,0
Movile Internet Movel S.A.[(1)]	492	Value-in-use	19,0	5,0
MIH India Global Internet Limited (ibibo)	234	Value-in-use	20,0	4,0
Irdeto Group	196	Value-in-use	16,0	1,0
Netrepreneur Connections Enterprises Inc. (Sulit)[(1)]	181	Value-in-use	19,0	4,0
FixeAds B.V.	145	Value-in-use	17,0	3,0
OLX Eastern Europe	115	Value-in-use	22,0	7,0
MIH Internet Africa Proprietary Limited	84	Value-in-use	18,0	3,0
New Media Proprietary Limited	103	Value-in-use	13,5	3,0
I-Net Bridge Proprietary Limited	100	Value-in-use	13,5	3,0
Travel Boutiques Online	98	Value-in-use	20,0	4,0
Digital Mobile Television Proprietary Limited	75	Value-in-use	17,0	3,0
Various other units	250	Value-in-use	Various	Various
	22 956			

[(1)] *This cash-generating unit includes goodwill from acquisitions that were made during the year and which amounts were accordingly not assessed for impairment.*

Post-tax discount rates have been applied as value-in-use was determined using post-tax cash flows.

If the discount rate applied to cash flows was to increase by 5% and the growth rate used to extrapolate cash flows was to decrease by 5%, there would be no further significant impairments that would have to be recognised.

6. OTHER TANGIBLE ASSETS

	Intellectual property rights and patents R'm	Subscriber base R'm	Brand names and title rights R'm	Software R'm	Total R'm
1 April 2014					
Cost	994	5 986	6 886	1 961	15 827
Accumulated amortisation and impairment	(865)	(5 204)	(2 877)	(1 275)	(10 221)
Carrying value at 1 April 2014	129	782	4 009	686	5 606
Foreign currency translation effects	—	(40)	(181)	3	(218)
Acquisitions of subsidiaries and businesses	6	142	350	38	536
Disposals of subsidiaries and businesses	—	(71)	(109)	(101)	(281)
Acquisitions	11	601	13	490	1 115
Transferred to assets classified as held-for-sale	—	—	(218)	(3)	(221)
Disposals	—	(4)	(1)	(3)	(8)
Impairment	(10)	(26)	(89)	(26)	(151)
Amortisation	(27)	(205)	(501)	(243)	(976)
31 March 2015					
Cost	1 142	6 322	6 300	2 156	15 920
Accumulated amortisation and impairment	(1 033)	(5 143)	(3 027)	(1 315)	(10 518)
Carrying value at 31 March 2015	109	1 179	3 273	841	5 402
Work in progress at 31 March 2015					74
Total carrying value at 31 March 2015					5 476

6. OTHER TANGIBLE ASSETS (continued)

	Intellectual property rights and patents R'm	Subscriber base R'm	Brand names and title rights R'm	Software R'm	Total R'm
1 April 2013					
Cost	897	4 552	5 663	1 530	12 642
Accumulated amortisation and impairment	(735)	(4 348)	(1 878)	(961)	(7 922)
Carrying value at 1 April 2013	162	204	3 785	569	4 720
Foreign currency translation effects	10	214	538	22	784
Reclassifications	(1)	—	2	(1)	—
Acquisitions of subsidiaries and businesses	—	564	386	10	960
Disposals of subsidiaries and businesses	(3)	(3)	(3)	(1)	(10)
Acquisitions	—	175	5	348	528
Transfer from property, plant and equipment	—	—	—	6	6
Disposals	—	(14)	—	(2)	(16)
Impairment	—	(142)	(278)	(48)	(468)
Amortisation	(39)	(216)	(426)	(217)	(898)
31 March 2014					
Cost	994	5 986	6 886	1 961	15 827
Accumulated amortisation and impairment	(865)	(5 204)	(2 877)	(1 275)	(10 221)
Carrying value at 31 March 2014	129	782	4 009	686	5 606
Work in progress at 31 March 2014					96
Total carrying value at 31 March 2014					5 702

6. OTHER TANGIBLE ASSETS (continued)

The group recognised impairment losses on other intangible assets of R151,0m (2014: R467,9m). Included in the total impairment loss is an amount of R41,3m relating to the group's fashion businesses and R109,7m relating to various other smaller internet and print investments where growth has lagged behind management's expectations. The recoverable amounts of the intangible assets impaired amounted to Rnil and were determined based on value-in-use calculations using discount rates comparable to those used in assessing the impairment of goodwill. For the impairment calculation relating to the fashion businesses, management used a ten-year projected cash flow model, a growth rate of 4,5% and a discount rate of 15,6%. For the other impairment losses, a range of growth and discount rates were used.

The impairment losses have been included in "Other gains/(losses) – net" in the income statement, of which R114,5m (2014: R462,6m) has been included in the internet segment; R9,7m (2014: Rnil) in the video-entertainment segment and R26,8m (2014: R5,4m) in the print-media segment.

During the year ended 31 March 2014 the total impairment loss included R395,0m, which related to the group's fashion businesses.

Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2015

7. INVESTMENTS IN SUBSIDIARIES

Apart from Movile Internet Movel S.A., Dante International S.A. and FixeAds Servicos de Internet S.A., all subsidiaries have the same financial year-end as Naspers Limited.

The following information relates to the group's interest in its significant subsidiaries:

Name of subsidiary	Effective percentage interest[1] 2015 %	Effective percentage interest[1] 2014 %	Nature of business	Country of incorporation	Functional currency	D or I
Unlisted companies						
Investment holding companies						
MIH Holdings Proprietary Limited	**100,0**	100,0	Investment holding	South Africa	ZAR	D
MIH Ming He Holdings Limited	**100,0**	100,0	Investment holding	Hong Kong	US$	I
Myriad International Holdings B.V.	**100,0**	100,0	Investment holding	The Netherlands	US$	I
Video entertainment						
MultiChoice South Africa Holdings Proprietary Limited	**80,0**	80,0	Subscription television	South Africa	ZAR	I
Electronic Media Network Proprietary Limited	**80,0**	80,0	Video-entertainment content provider	South Africa	ZAR	I
SuperSport International Holdings Proprietary Limited	**80,0**	80,0	Video-entertainment content provider	South Africa	ZAR	I
Huntley Holdings Proprietary Limited	**80,0**	80,0	Internet service provider	South Africa	ZAR	I
MultiChoice Africa Holdings B.V.	**100,0**	100,0	Investment holding	The Netherlands	US$	I
Irdeto B.V.	**100,0**	100,0	Technology development	The Netherlands	US$	I
Internet						
MIH Allegro B.V.	**100,0**	96,7	Classifieds/auction/price comparison	The Netherlands	PLN	I
Ricardo.ch AG	**100,0**	100,0	Ecommerce platform	Switzerland	CHF	I
MIH PayU B.V.	**100,0**	96,7	Internet payments platform	The Netherlands	US$	I
Buscapé.com Inc.	**100,0**	95,4	Comparative shopping and ecommerce	Brazil	BRL	I

7. INVESTMENTS IN SUBSIDIARIES (continued)

Name of subsidiary	Effective percentage interest[(1)] 2015 %	2014 %	Nature of business	Country of incorporation	Functional currency	D or I
MIH India Global Internet Limited (ibibo)	**80,1**	80,1	Internet-related services	India	INR	I
Movile Internet Movel S.A.	**63,9**	73,9	Mobile value-added services	Brazil	BRL	I
OLX B.V.	**98,8**	100,0	Classifieds	The Netherlands	US$	I
FixeAds Servicos de Internet S.A.	**93,4**	73,8	Classifieds	Portugal	EUR	I
Pilani Soft Labs Private Limited (redBus)	**80,1**	80,1	Retail and ecommerce	India	INR	I
Silver Indonesia JVCo B.V. (previously Tokobagus Exploitatie B.V.)	**40,5**	63,4	Classifieds	The Netherlands	EUR	I
Netrepreneur Connections Enterprises Inc. (Sulit)	**96,0**	98,3	Classifieds	Philippines	PHP	I
Dubizzle Limited (BVI)	**53,7**	53,7	Classifieds	UAE	AED	I
Netretail Holdings B.V.	**82,1**	81,4	Online retail/ ecommerce	Czech Republic	CZK	I
Intervision (Services) Holdings B.V.	**100,0**	100,0	Investment holding	The Netherlands	US$	I
Dante International S.A. (eMAG)	**76,8**	69,7	Retail and ecommerce	Romania	RON	I
TekTravel Private Limited (Travel Boutiques Online)	**41,5**	40,1	Online travel portal	India	INR	I
Vipindirim Elektronik Hozmetler ve Ticaret A.S. (Markafoni)	**100,0**	74,7	Retail and ecommerce	Turkey	TRY	I
Fashion Days Holdings AG	**100,0**	88,0	Retail and ecommerce	Switzerland	CHF	I
Korbitec Proprietary Limited	**85,3**	85,3	Property ecommerce	South Africa	ZAR	I
Print						
Media24 Holdings Proprietary Limited	**85,0**	85,0	Investment holding	South Africa	ZAR	D
Media24 Proprietary Limited	**85,0**	85,0	Publishing	South Africa	ZAR	I
Novus Holdings Limited (previously Paarl Media Group Proprietary Limited)	**61,2**	85,0	Printing	South Africa	ZAR	I

Notes

D: Direct interest.

I: Combined direct and indirect effective interest.

[(1)] The percentage interest shown is the financial effective interest, after adjusting for the interests of the group's equity compensation plans treated as treasury shares and taking into account retention options. The group's financial effective interest is, in some instances, impacted by its shareholding in intermediate holding companies.

Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2015

7. INVESTMENTS IN SUBSIDIARIES (continued)

The summarised financial information contained below relates to subsidiaries of the group that are considered to have significant non-controlling interests:

	Media24 Holdings Proprietary Limited		MultiChoice South Africa Holdings Proprietary Limited	
	31 March 2015 R'm	31 March 2014 R'm	**31 March 2015 R'm**	31 March 2014 R'm
Summarised statement of financial position				
Non-current assets	**3 435**	3 378	**12 360**	11 518
Current assets	**2 669**	2 494	**8 628**	8 569
Assets classified as held-for-sale	**—**	—	**109**	—
Total assets	**6 104**	5 872	**21 097**	20 087
Non-current liabilities	**608**	591	**4 613**	4 720
Current liabilities	**2 072**	2 946	**8 115**	7 399
Liabilities classified as held-for-sale	**—**	—	**16**	—
Total liabilities	**2 680**	3 537	**12 744**	12 119
Accumulated non-controlling interests	**1 427**	393	**1 669**	1 594
Summarised income statement				
Revenue	**8 250**	8 171	**31 580**	27 465
Net (loss)/profit for the year	**(119)**	366	**5 639**	6 297
Other comprehensive income	**(27)**	3	**194**	(903)
Total comprehensive income	**(146)**	369	**5 833**	5 394
Profit attributable to non-controlling interests	**44**	78	**1 166**	1 079
Dividends paid to non-controlling interests	**28**	23	**1 100**	900
Summarised statement of cash flows				
Cash flows generated from operating activities	**435**	436	**7 659**	6 128
Cash flows (utilised in)/generated from investing activities	**(477)**	(558)	**(1 251)**	2
Cash flows generated from/(utilised in) financing activities	**968**	(171)	**(6 512)**	(4 826)

8. INVESTMENTS IN ASSOCIATES

The following information relates to the group's financial interest in its significant associates:

Name of associated company	Effective percentage interest[1] 2015 %	2014 %	Nature of business	Country of incorporation	Functional currency	Year-end
Listed companies						
Tencent Holdings Limited	**33,6**	33,8	Internet-related services	China	CNY	December
Mail.ru Group Limited	**29,0**	29,0	Internet-related services	Russia	RUB	December
Unlisted companies						
Abril S.A.	**30,0**	30,0	Print media	Brazil	BRL	December
Flipkart Limited (previously Flipkart Private Limited)[2]	**17,4**	18,3	Ecommerce	India	US$	March
Level Up! International Holdings Private Limited	**33,0**	33,0	Online gaming	Philippines	PHP	December
Silver Bangladesh JVCo B.V.[3]	**48,8**	—	Classifieds	The Netherlands	US$	December
Silver Thailand JVCo B.V.[3]	**44,1**	—	Classifieds	The Netherlands	US$	December
Avito Holdings AB	**22,2**	21,5	Classifieds	Sweden	SEK	December
Neralona Investments Limited (eSky.ru)	**39,7**	29,7	Ecommerce	Russia	RUB	December
SimilarWeb Limited	**28,5**	26,1	Internet metrics	Israel	NIS	December
Takealot Online (RF) Proprietary Limited[3]	**46,5**	—	Retail and ecommerce	South Africa	ZAR	February

Notes

(1) The percentage interest shown is the financial effective interest, after adjusting for the interests of the group's equity compensation plans treated as treasury shares and taking into account retention options. The group's financial effective interest is, in some instances, impacted by its shareholding in intermediate holding companies.

(2) The group accounts for its interest in Flipkart Limited as an investment in an associate on account of its board representation.

(3) Refer to note 3 for details of the acquisition of the group's interest.

Adjustments are made for significant transactions that take place where the year-ends of associates are not coterminous with that of Naspers Limited.

The group has not recognised its share of the losses made by Abril S.A. during the year, as the carrying amount of the investment has been reduced to Rnil and the group has no obligation to fund Abril S.A.'s losses. The total unrecognised losses for the year ended 31 March 2015 amounted to R202,0m (2014: Rnil).

8. INVESTMENTS IN ASSOCIATES (continued)

The fair values of the group's investments in its listed associates are detailed below:

Listed investment	31 March 2015 R'm	31 March 2014 R'm
Tencent Holdings Limited	**726 242**	460 483
Mail.ru Group Limited	**14 626**	22 636

The above fair values have been measured using quoted prices in active markets and the disclosed amounts therefore represent level 1 fair value measurements.

	31 March 2015 R'm	31 March 2014 R'm
Opening balance	**47 755**	32 767
Associates acquired – gross consideration	**5 447**	1 795
net assets acquired	**4 332**	947
goodwill and other intangibles recognised	**1 137**	938
deferred taxation recognised	**(21)**	(89)
other	**(1)**	(1)
Associates disposed of	**(173)**	(159)
Share of current year other reserve movements	**1 024**	1 951
Share of equity-accounted results	**17 288**	11 287
net income before amortisation	**22 127**	14 314
amortisation/impairment recognised by associates	**(1 188)**	(919)
taxation	**(3 651)**	(2 108)
Equity-accounted results due to purchase accounting	**(109)**	(276)
amortisation of other intangible assets	**(145)**	(388)
realisation of deferred taxation	**36**	112
Impairment	**(470)**	(1 188)
Dividends received	**(1 032)**	(803)
Foreign currency translation effects	**2 413**	3 233
Dilution gains/(losses)	**1 404**	(852)
Closing balance	**73 547**	47 755
Investments in associates		
Listed	**64 089**	44 074
Unlisted	**9 458**	3 681
Total investments in associates	**73 547**	47 755

8. INVESTMENTS IN ASSOCIATES (continued)

The group recognised R17,2bn (2014: R11,0bn) from associates as its share of equity-accounted results in the income statement.

Impairment losses on investments in associates of R470,4m (2014: R1,2bn) have been recorded. The impairment losses have been included in "Impairment of equity-accounted investments" in the income statement.

The total impairment losses recognised during the year relate to a number of ecommerce investments, including Level Up! International Holdings Private Limited ("Level Up!"), where macro-economic conditions and foreign currency effects have resulted in the performance of these investments lagging behind management's expectations. The impairment loss recognised relating to the group's investment in Level Up! amounted to R181,4m. The aggregate recoverable amounts of the impaired investments, determined on a value-in-use basis, amounted to R12,1m. For the impairment calculations, management used three to five-year projected cash flow models, growth rates ranging between 3% and 4% and discount rates ranging between 18% and 25%.

Total dilution gains of R1,5bn (2014: dilution losses of R851,9m) have been included in "Dilution gains/(losses) on equity-accounted investments" in the income statement. The net dilution gain relates mainly to dilutions in the group's shareholding in Flipkart Limited. The total dilution gain presented in the income statement also includes a gain of R95,6m (2014: Rnil) relating to the reclassification of a portion of the group's foreign currency translation reserve from other comprehensive income to the income statement following shareholding dilutions.

The group's share of equity-accounted investments' other comprehensive income and reserves relates mainly to the revaluation of the associates' available-for-sale investments.

The prior year impairment loss related to the group's investment in Abril S.A. and resulted primarily from a contraction in advertising spend at Abril S.A. due to increased competition.

8. INVESTMENTS IN ASSOCIATES (continued)

Material associates' summarised financial information

	Tencent Holdings Limited		Mail.ru Group Limited	
	31 March		31 March	
	2015 R'm	2014 R'm	**2015 R'm**	2014 R'm
Dividends received	**1 032**	793	**—**	—
Non-current assets	**189 876**	92 370	**36 328**	18 049
Current assets	**147 465**	91 668	**2 195**	10 641
Total assets	**337 341**	184 038	**38 523**	28 690
Non-current liabilities	**76 369**	26 266	**4 861**	904
Current liabilities	**97 960**	55 883	**3 187**	2 482
Total liabilities	**174 329**	82 149	**8 048**	3 386
Revenue	**142 066**	100 890	**8 024**	8 302
Net profit from continuing operations	**38 767**	29 011	**17 102**	6 496
Other comprehensive income	**(187)**	4 305	**(57)**	(1 023)
Total comprehensive income	**38 580**	33 316	**17 045**	5 473

Reconciliation of summarised financial information to carrying value of investment

	Tencent Holdings Limited		Mail.ru Group Limited	
	31 March		31 March	
	2015 R'm	2014 R'm	**2015 R'm**	2014 R'm
Opening net assets	**101 889**	62 652	**25 304**	19 654
Profit for the year	**38 767**	29 011	**17 102**	6 496
Other comprehensive income	**(187)**	4 305	**(57)**	(1 023)
Transactions with equity holders	**6 895**	(359)	**2**	1
Dividends	**(3 050)**	(2 466)	**—**	—
Foreign currency translation effects	**18 700**	8 746	**(11 683)**	112
Other	**—**	—	**(192)**	64
Closing net assets	**163 014**	101 889	**30 476**	25 304
Non-controlling interests	**4 132**	(877)	**(3)**	(2)
Interest in associate (at year-end)	**53 400**	34 152	**8 836**	7 337
Goodwill	**133**	116	**1 720**	2 469
Carrying value of investment	**53 533**	34 268	**10 556**	9 806

8. INVESTMENTS IN ASSOCIATES (continued)

Other associates' summarised financial information

	31 March 2015 R'm	31 March 2014 R'm
Net loss from continuing operations	**(854)**	(560)
Other comprehensive income	**(118)**	48
Total comprehensive income	**(972)**	(512)
Carrying value of investments	**9 458**	3 681
Total carrying value of investments in associates	**73 547**	47 755

The group's interest in the associates' contingent liabilities as at 31 March 2015 amounted to Rnil (2014: R950,0m).

9. INVESTMENTS IN JOINT VENTURES

The following information relates to the group's financial interest in its significant joint ventures:

Name of joint venture	Effective percentage interest[(1)] 2015 %	Effective percentage interest[(1)] 2014 %	Nature of business	Country of incorporation	Functional currency	Year-end
UNLISTED COMPANIES						
Souq Group Limited	**47,6**	47,6	Ecommerce	Singapore	US$	December
Konga Online Shopping Limited[(2)]	**40,2**	33,1	Ecommerce	Nigeria	NGN	December
Silver Brazil JVCo B.V.[(3)]	**49,4**	—	Classifieds	The Netherlands	US$	December
Main Street 1270 Proprietary Limited[(4)]	**49,0**	—	Retail and ecommerce	South Africa	ZAR	September

Notes

[(1)] The percentage interest shown is the financial effective interest, after adjusting for the interests of the group's equity compensation plans treated as treasury shares and taking into account retention options. The group's financial effective interest is, in some instances, impacted by its shareholding in intermediate holding companies.

[(2)] Refer to note 41 for details of the group's additional investment in Konga Online Shopping Limited after the end of the reporting period.

[(3)] Refer to note 3 for details of the acquisition of the group's interest.

[(4)] This investment relates to the group's Wi-Fi joint venture with Dimension Data – refer to note 3 for further details.

Adjustments are made for significant transactions that take place where the year-ends of joint ventures are not coterminous with that of Naspers Limited.

9. INVESTMENTS IN JOINT VENTURES (continued)

	31 March 2015 R'm	31 March 2014 R'm
Opening balance	**1 727**	620
Joint ventures acquired – gross consideration	**1 432**	1 391
net assets acquired	**488**	730
goodwill and other intangibles recognised	**944**	676
deferred taxation recognised	—	(15)
Joint ventures disposed of	—	(127)
Joint ventures classified as held-for-sale	**(2)**	—
Share of current year other reserve movements	**70**	—
Share of equity-accounted results	**(779)**	(174)
net loss before amortisation	**(764)**	(167)
amortisation/impairment recognised by joint ventures	**(4)**	3
taxation	**(11)**	(10)
Equity-accounted results due to purchase accounting	**(16)**	(3)
amortisation of other intangible assets	**(18)**	(5)
realisation of deferred taxation	**2**	2
Impairment	**(8)**	(12)
Dividends received	**(28)**	(41)
Foreign currency translation effects	**371**	73
Closing balance	**2 769**	1 727

The group recognised R794,7m (2014: R176,5m) as its share of equity-accounted losses from joint ventures in the income statement.

Impairment losses on investments in joint ventures of R7,9m (2014: R12,2m) have been recorded on smaller internet investments where growth has lagged behind management's expectations. The impairment losses have been included in "Impairment of equity-accounted investments" in the income statement.

The group's share of joint ventures' other comprehensive income and reserves relates mainly to share-based compensation transactions.

None of the group's interests in joint ventures are considered to be individually material. The group had no interest in the joint ventures' capital commitments or contingent liabilities at 31 March 2015 and 2014.

10. INVESTMENTS AND LOANS

	Notes	31 March 2015 R'm	2014 R'm
Loans to related parties			
Level Up! International Holdings Private Limited	[a]	—	55
Non-controlling shareholders	[b]	**33**	75
Various other related parties	[c]	**9**	12
Total long-term loans to related parties		**42**	142
Available-for-sale investments	10.1		
Angel Investment Fund		**80**	—
MC Pelican III LP Investment Fund		**25**	—
Avenida Inc.		**28**	—
Beijing Media Corporation Limited		**143**	120
Total long-term available-for-sale investments		**276**	120
Loans and receivables	10.2		
Welkom Yizani preference shares		**436**	428
Phuthuma Nathi preference shares		—	528
Other		**211**	5
Total loans and receivables		**647**	961
Accrued dividends included in preference shares		**(13)**	(30)
Total long-term loans and receivables excluding accrued dividends		**634**	931
Total investments and loans		**965**	1 223
Classified in statement of financial position			
Non-current investments and loans		**952**	1 193
Accrued dividends classified under other receivables		**13**	30
		965	1 223

Notes

[a] The loan to Level Up! was capitalised to investments in associates during the current reporting period.
[b] These loans are interest-bearing with no fixed terms of repayment.
[c] The group purchases goods and services from a number of its related parties. The nature of these related party relationships are that of associates and joint ventures.

10. INVESTMENTS AND LOANS (continued)

10.1 Available-for-sale investments

Movements in the group's available-for-sale investments are detailed below:

	31 March	
	2015 R'm	2014 R'm
Opening balance	**120**	—
Transfer on loss of significant influence	—	128
Purchases	**133**	—
Fair value gains/(losses) recognised in other comprehensive income	**3**	(8)
Foreign currency translation effects	**20**	—
Closing balance	**276**	120
Investments carried at fair value	**143**	120
Investments carried at cost	**133**	—
Total available-for-sale investments	**276**	120

Included in available-for-sale investments is an amount of R133,0m (2014: Rnil) relating to equity investments and investments in funds that are measured at cost less accumulated impairment losses. The fair value of these investments cannot be measured with sufficient reliability on account of the group's minority shareholding and the associated lack of future cash flow information. There is no current intention to dispose of these investments.

10.2 Loans and receivables

Loans and receivables relate primarily to preference share investments.

Naspers has established two black economic empowerment (BEE) ownership initiatives, Welkom Yizani Investments (RF) Limited ("Welkom Yizani"), which holds ordinary shares in Media24 Holdings Proprietary Limited and Phuthuma Nathi Investments (RF) Limited and Phuthuma Nathi Investments (RF) Limited 2 (together "Phuthuma Nathi"), which hold ordinary shares in MultiChoice South Africa Holdings Proprietary Limited. BEE participants funded 20% of their investment with cash and the remaining 80% was funded through the issuance of preference shares to Naspers Limited and MIH Holdings Proprietary Limited. These preference shares are variable-rate, cumulative, redeemable preference shares and are classified as loans and receivables. Management has applied its judgement in concluding that the group does not control these entities in terms of IFRS 10 "*Consolidated Financial Statements*".

10. INVESTMENTS AND LOANS (continued)

10.2 Loans and receivables (continued)

Welkom Yizani

Welkom Yizani was incorporated on 10 July 2006. Welkom Yizani offered an indirect interest of 15% in Media24 Holdings Proprietary Limited to eligible black persons and groups. The principal activities of Welkom Yizani are to:

- carry on the main business of holding only Media24 Holdings Proprietary Limited ordinary shares, cash and such assets as are received and acquired solely by virtue of, or in relation to, the holding of Media24 Holdings Proprietary Limited ordinary shares,
- receive and distribute dividends and other distributions in terms of its holding in Media24 Holdings Proprietary Limited, and
- provide a platform for over-the-counter trading of shares in Welkom Yizani.

During December 2013 shares in Welkom Yizani began trading publicly.

Phuthuma Nathi

Phuthuma Nathi was incorporated on 19 May 2006. Phuthuma Nathi offered an indirect interest of 20% in MultiChoice South Africa Holdings Proprietary Limited to eligible black persons and groups. The principal activities of Phuthuma Nathi are to:

- carry on the main business of holding only MultiChoice South Africa Holdings Proprietary Limited ordinary shares, cash and such assets as are received and acquired solely by virtue of or in relation to the holding of MultiChoice South Africa Holdings Proprietary Limited ordinary shares, and
- receive and distribute dividends and other distributions in terms of its holding in MultiChoice South Africa Holdings Proprietary Limited.

During December 2011 shares in Phuthuma Nathi began trading publicly through an over-the-counter platform.

The carrying value of the preference share investment in Welkom Yizani is R436,0m (2014: R428,1m) at 31 March 2015, inclusive of accrued preference dividends. Preference dividends accrue at a rate of 65% (2014: 65%) of the prime interest rate.

The carrying value of the preference share investment in Phuthuma Nathi is Rnil (2014: R528,4m) at 31 March 2015, following repayment during the year.

The group does not hold any collateral as security against the Welkom Yizani preference share investment.

The group recognised preference dividends amounting to R42,0m (2014: R76,6m) during the year as part of "Other finance income/(costs) – net" in the income statement. Accrued dividends amounting to R12,9m (2014: R30,4m) are included as part of "Other receivables" in the statement of financial position.

10. INVESTMENTS AND LOANS (continued)

10.2 Loans and receivables (continued)

The group has calculated its maximum exposure to loss from the above structures as the carrying amounts of the assets relating to the BEE initiatives as contained in the consolidated annual financial statements. The amount of the maximum exposure to loss is detailed in the table below (the preference share investments are shown inclusive of accrued preference dividends):

	Maximum exposure to loss		Carrying value in statement of financial position	
	31 March		31 March	
	2015 R'm	2014 R'm	**2015 R'm**	2014 R'm
Welkom Yizani preference shares	**436**	428	**436**	428
Phuthuma Nathi preference shares	**—**	528	**—**	528
Total	**436**	956	**436**	956

11. DEFERRED TAXATION

The deferred tax assets and liabilities and movements thereon were attributable to the following items:

	1 April 2014 R'm	Charged to income R'm	Charged to other compre-hensive income R'm	Acquisitions of sub-sidiaries and businesses R'm	Disposals of sub-sidiaries and businesses R'm	Foreign exchange effects R'm	Trans-ferred to held-for-sale R'm	31 March 2015 R'm
Deferred taxation assets								
Provisions and other current liabilities	490	(84)	1	(1)	(3)	(2)	—	401
Capitalised finance leases	1 045	236	—	—	—	—	—	1 281
Income received in advance	345	17	—	—	—	—	—	362
Tax losses carried forward	279	1	—	—	—	3	(77)	206
Other	255	5	(1)	1	(2)	(7)	3	254
	2 414	175	—	—	(5)	(6)	(74)	2 504
Deferred taxation liabilities								
Property, plant and equipment	481	(105)	—	4	—	9	(4)	385
Intangible assets	919	(144)	—	142	(50)	(56)	(30)	781
Receivables and other current assets	314	(57)	—	—	(1)	—	—	256
Capitalised finance leases	902	(55)	—	—	—	—	—	847
Programme and film rights	163	7	—	—	—	—	—	170
Other	60	268	73	17	(6)	(10)	(1)	401
	2 839	(86)	73	163	(57)	(57)	(35)	2 840
Net deferred taxation	(425)	261	(73)	(163)	52	51	(39)	(336)

11. DEFERRED TAXATION (continued)

	1 April 2013 R'm	Charged to income R'm	Charged to other comprehensive income R'm	Acquisitions of subsidiaries and businesses R'm	Disposals of subsidiaries and businesses R'm	Foreign exchange effects R'm	Transferred to held-for-sale R'm	31 March 2014 R'm
Deferred taxation assets								
Provisions and other current liabilities	403	57	–	6	–	24	–	490
Capitalised finance leases	923	122	–	–	–	–	–	1 045
Income received in advance	273	72	–	–	–	–	–	345
Tax losses carried forward	231	77	–	(26)	–	(3)	–	279
Other	185	68	–	–	–	2	–	255
	2 015	396	–	(20)	–	23	–	2 414
Deferred taxation liabilities								
Property, plant and equipment	458	9	–	5	(1)	10	–	481
Intangible assets	820	(210)	–	182	(1)	128	–	919
Receivables and other current assets	185	129	–	–	–	–	–	314
Capitalised finance leases	847	55	–	–	–	–	–	902
Programme and film rights	128	35	–	–	–	–	–	163
Other	163	(16)	(77)	(14)	1	3	–	60
	2 601	2	(77)	173	(1)	141	–	2 839
Net deferred taxation	(586)	394	77	(193)	1	(118)	–	(425)

The ultimate outcome of additional taxation assessments may vary from the amounts accrued. However, management believes that any additional taxation liability over and above the amounts accrued would not have a material adverse impact on the group's income statement and statement of financial position.

11. **DEFERRED TAXATION** (continued)

Deferred taxation assets and liabilities are offset when the income tax relates to the same fiscal authority and there is a legal right to offset at settlement. The following amounts are shown in the consolidated statement of financial position:

	31 March 2015 R'm	31 March 2014 R'm
Classification in statement of financial position		
Deferred tax assets	**1 174**	969
Deferred tax liabilities	**(1 510)**	(1 394)
Net deferred tax liabilities	**(336)**	(425)

The group has tax losses carried forward of approximately R31,0bn (2014: R20,3bn). A summary of the tax losses carried forward at 31 March 2015 by tax jurisdiction and the expected expiry dates are set out below:

	South Africa R'm	Rest of Africa R'm	Asia R'm	Europe R'm	Latin America and USA R'm	Other R'm	Total R'm
Expires in year one	—	99	43	533	3	—	678
Expires in year two	—	135	109	876	10	—	1 130
Expires in year three	—	464	126	1 484	12	—	2 086
Expires in year four	—	521	183	1 270	14	—	1 988
Expires in year five	—	398	399	2 333	13	—	3 143
Non-expiring/expires after year five	3 299	4 365	674	8 848	4 487	344	22 017
	3 299	5 982	1 534	15 344	4 539	344	31 042

The group recognised a deferred income tax expense of R73,1m (2014: deferred income tax income of R77,0m) in other comprehensive income as a result of changes in the fair value of derivative financial instruments that relate to cash flow hedges of foreign currency forecast transactions or firm commitments.

Total deferred taxation assets amount to R1 173,5m (2014: R968,6m), of which R387,0m (2014: R421,7m) will be utilised within the next 12 months and R786,5m (2014: R546,9m) after 12 months. Total deferred taxation liabilities amount to R1 510,4m (2014: R1 393,8bn), of which R52,3m (2014: R947,6m) will be settled within the next 12 months and R1 458,1m (2014: R452,4m) after 12 months.

Included in the group's recognised deferred tax assets is an amount of R219,2m (2014: R223,1m), of which the utilisation depends on future taxable profits in excess of the profits arising from the reversal of existing taxable temporary differences, and the relevant group entity from which the deferred tax asset arises has suffered a loss in either the current or a preceding period.

12. PROGRAMME AND FILM RIGHTS

	31 March 2015 R'm	31 March 2014 R'm
Cost price		
programme rights	**5 159**	4 850
film rights	**953**	709
	6 112	5 559
Accumulated amortisation		
programme rights	**(3 641)**	(3 098)
film rights	**(603)**	(482)
	(4 244)	(3 580)
Carrying value		
programme rights	**1 518**	1 752
film rights	**350**	227
	1 868	1 979

A significant portion of the group's cash obligations under contracts for video-entertainment programming and channels is denominated in US dollar. The group uses forward exchange contracts to hedge the exposure to foreign currency risk. The group generally covers forward 100% of firm commitments in foreign currency for a minimum of 12 months and up to two years. The average US dollar forward rate for exchange contracts outstanding at 31 March 2015 is R11,59 (2014: R10,45).

At 31 March 2015 the group had entered into contracts for the purchase of programme and film rights. The group's commitments in respect of these contracts amount to R18,4bn (2014: R17,7bn).

13. INVENTORY

	31 March 2015 R'm	31 March 2014 R'm
Carrying value		
Raw materials	**211**	262
Finished products, trading inventory and consumables	**1 643**	1 537
Work in progress	**70**	37
Decoders and associated components	**2 422**	1 674
Gross inventory	**4 346**	3 510
Allowance for slow-moving and obsolete inventories	**(1 163)**	(628)
Net inventory	**3 183**	2 882

The total allowance charged to the income statement to write inventory down to net realisable value amounted to R864,1m (2014: R541,0m), and reversals of these allowances amounted to R180,5m (2014: R60,3m).

14. TRADE RECEIVABLES

	31 March 2015 R'm	31 March 2014 R'm
Carrying value		
Trade accounts receivable, gross	**5 266**	5 242
Less: Allowance for impairment of receivables	**(432)**	(393)
	4 834	4 849
The movement in the allowance for impairment of trade receivables during the year was as follows:		
Opening balance	**(393)**	(422)
Additional allowances charged to the income statement	**(293)**	(246)
Allowances reversed through the income statement	**96**	36
Allowances utilised	**138**	267
Transferred to assets classified as held-for-sale	**4**	—
Foreign currency translation effects	**16**	(28)
Closing balance	**(432)**	(393)

The group's maximum exposure to credit risk at the reporting date is the carrying value of the receivables mentioned above. The group does not hold any form of collateral as security relating to trade receivables. Refer to note 39 for the group's credit risk management policy and to note 25 for details of assets pledged as security against finance leases and other liabilities.

14. TRADE RECEIVABLES (continued)

At 31 March 2015 and 2014, the total allowance for impairment of trade receivables comprised both portfolio allowances and specific allowances. The majority of the allowance related to a portfolio allowance, which cannot be identified with specific receivables.

The ageing of trade receivables as well as the amount of the impairment allowance per age class is presented below:

	31 March 2015		31 March 2014	
	Carrying value R'm	**Impairment R'm**	Carrying value R'm	Impairment R'm
Neither past due nor impaired	**3 158**	**—**	3 494	—
Past due: 30 to 59 days	**1 033**	**(93)**	975	(69)
Past due: 60 to 89 days	**369**	**(40)**	242	(44)
Past due: 90 to 119 days	**292**	**(40)**	151	(68)
Past due: 120 days and older	**414**	**(259)**	380	(212)
	5 266	**(432)**	5 242	(393)

15. OTHER RECEIVABLES

	31 March	
	2015 R'm	2014 R'm
Prepayments	**2 503**	2 426
Accrued income	**279**	273
Staff debtors	**26**	32
VAT and related taxes receivable	**1 316**	925
Merchant and bank receivables	**207**	178
Preference dividend accrual	**13**	30
Sundry deposits	**142**	273
Other receivables	**769**	643
	5 255	4 780

16. ASSETS AND LIABILITIES CLASSIFIED AS HELD-FOR-SALE

During February 2015 the group entered into a sale agreement to dispose of its online marketplace subsidiary Ricardo.ch AG ("Ricardo"). The transaction is subject to regulatory approval. Accordingly, the group classified the net assets of Ricardo as held-for-sale. The group also classified various other smaller businesses as held-for-sale. The carrying values of the assets and liabilities of all disposal groups classified as held-for-sale as at 31 March 2015 are detailed below:

	31 March	
	2015 R'm	2014 R'm
Assets classified as held-for-sale		
Property, plant and equipment	**102**	—
Goodwill and other intangible assets	**1 892**	—
Deferred taxation assets	**74**	—
Inventory	**20**	—
Trade and other receivables	**107**	—
Cash and cash equivalents	**50**	—
	2 245	—
Liabilities classified as held-for-sale		
Deferred taxation liabilities	**34**	—
Trade payables	**27**	—
Accrued expenses and other current liabilities	**74**	—
	135	—

No amounts have been recognised in the income statement with respect to the remeasurement of the above assets and liabilities to fair value less costs of disposal.

17. RELATED PARTY TRANSACTIONS AND BALANCES

The group entered into transactions and has balances with a number of related parties, including associates, joint ventures, directors (key management personnel), shareholders, and entities under common control. Transactions that are eliminated on consolidation as well as gains or losses eliminated through the application of the equity method are not included. The transactions and balances with related parties are summarised below:

		31 March	
	Notes	**2015 R'm**	2014 R'm
Sale of goods and services to related parties			
Tencent Technology (Shenzhen) Company Limited	[a]	—	12
Rodale + Touchline Publishers Proprietary Limited	[b]	**20**	23
Ndalo Proprietary Limited	[b]	**22**	21
Silver Thailand JVCo B.V.	[b]	**27**	—
Various other related parties	[b]	**14**	11
		83	67

[a] The group provides certain marketing services to Tencent Technology (Shenzhen) Company Limited. The nature of this related party relationship is that of an associate.

[b] The group receives revenue from a number of its related parties, mainly for the printing, distribution of magazines and newspapers, and in connection with service agreements. The nature of these related party relationships is that of associates and joint ventures.

		31 March	
	Note	**2015 R'm**	2014 R'm
Purchase of goods and services from related parties			
Various related parties	[a]	**10**	9
		10	9

Note

[a] The group purchases goods and services from a number of its related parties, mainly for the printing and distribution of magazines and newspapers. The nature of these related party relationships is that of associates and joint ventures.

17. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

The balances of advances, deposits, receivables and payables between the group and related parties are as follows:

	Notes	31 March 2015 R'm	31 March 2014 R'm
Receivables			
Ndalo Proprietary Limited	[a]	—	15
Takealot Online (RF) Proprietary Limited	[b]	43	—
Various other related parties	[a]	9	12
		52	27

[a] The group receives revenue from a number of its related parties. The nature of these related party relationships is that of associates and joint ventures.
[b] The receivable from Takealot Online (RF) Proprietary Limited relates to the sale of inventory.

Refer to note 10 for long-term loans to related parties.

	Note	31 March 2015 R'm	31 March 2014 R'm
Payables			
iFood.com Agencia de Restaurantes Online S.A.	[a]	—	19
Mail.ru	[a]	28	24
Tencent Technology (Shenzhen) Company Limited	[a]	245	208
Non-controlling shareholder payables	[a]	—	55
Various other related parties	[a]	9	10
		282	316

Note
[a] The group purchases goods and services from a number of its related parties. The nature of these related party relationships is that of associates, joint ventures and non-controlling shareholders. In particular, the amount payable to Tencent Technology (Shenzhen) Company Limited relates to the 6% stake purchased by Tencent during December 2008 in MIH India Global Internet Limited, which resulted in a shareholder loan payable to Tencent. The loan bears simple interest at a rate of 200 basis points above the three-month London Interbank Offered Rate (LIBOR) with no fixed terms of repayment. iFood.com Agencia de Restaurantes Online S.A. became a subsidiary of the group during the current reporting period.

Refer to note 22 for long-term loans from related parties.

17. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Directors' remuneration

	31 March 2015 R'000	31 March 2014 R'000
Non-executive directors		
fees for services as directors	**26 264**	14 262
fees for services as directors of subsidiary companies	**4 966**	6 885
	31 230	21 147

No executive director has a notice period of more than one year.

The company directors' service contracts do not include predetermined compensation as a result of termination that would exceed one year's salary and benefits and none are linked to any restraint payments.

The individual directors received the following remuneration and emoluments:

	Salary R'000	Annual cash bonuses and performance-related payments R'000	Pension contributions paid on behalf of director to the pension scheme R'000	Total R'000
Executive directors				
2015				
S J Z Pacak				
Paid by other companies in the group	**1 085**	**—**	**123**	**1 208**
V Sgourdos				
Paid by other companies in the group	**8 607**	**3 275**	**789**	**12 671**
M R Sorour				
Paid by other companies in the group	**5 757**	**14 261**	**3 087**	**23 105**
B van Dijk				
Paid by other companies in the group	**9 697**	**6 994**	**4 291**	**20 982**
	25 146	**24 530**	**8 290**	**57 966**
2014				
S J Z Pacak				
Paid by other companies in the group	4 199	2 845	474	7 518

17. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Directors' remuneration (continued)

On 30 June 2014, Mr Pacak retired as financial director, but remained on the board as an alternate non-executive director. Mr Sgourdos succeeded Mr Pacak as chief financial officer and has an indefinite employment contract. On 15 January 2015 Mr Pacak was appointed as a non-executive director. Mr van Dijk was appointed chief executive on 1 April 2014. Mr Sorour was appointed on 16 April 2014 as alternate executive director and appointed an executive director on 15 January 2015.

Annual performance payments for Messrs Sgourdos, Sorour and van Dijk are based on financial, operational and discrete objectives, which were approved in advance by the human resources and remuneration committee. Mr van Dijk's bonus is capped at a maximum of the annual total cost to company and is entirely linked to the achievement of the group's business plan as approved by the board. Mr Sorour is responsible for mergers, acquisitions and divestitures and therefore holds a highly commercial role, the performance of which has a direct and significant impact on the group's success. His bonus is capped at a maximum of 200% of the annual total cost to company. Mr Sgourdos's bonus is primarily driven by the overall financial performance of the group and certain corporate governance objectives. His annual performance payment is 50% of the total cost to company.

No other remuneration is paid to executive directors. Remuneration is earned for services rendered in connection with the carrying on of the affairs of the business in the group.

17. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

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

	2015						
	Directors' fees[1]		Committee[2] and trustee[3] fees		Other fees[4]		
Non-executive directors	Paid by company R'000	Paid by subsidiary R'000	Paid by company R'000	Paid by subsidiary R'000	Paid by company R'000	Paid by subsidiary R'000	Total 2015 R'000
T Vosloo[5]	4 412	—	—	—	—	—	4 412
F-A du Plessis[6]	1 312	—	494	—	—	—	1 806
C L Enenstein[4]	2 090	—	—	—	—	553	2 643
D G Eriksson[7]	1 312	600	308	430	—	—	2 650
R C C Jafta	1 312	770	428	101	—	—	2 611
L N Jonker[8]	—	—	—	—	—	—	—
F L N Letele	1 312	—	98	—	—	—	1 410
Y Ma[5]	2 090	—	—	—	—	—	2 090
D Meyer	1 312	257	98	58	—	—	1 725
R Oliveira de Lima[4]	2 090	—	—	—	—	553	2 643
S J Z Pacak[4], [9]	456	470	22	179	—	995	2 122
T M F Phaswana	1 274	—	—	—	—	—	1 274
L P Retief[10]	—	—	—	—	—	—	—
J D T Stofberg	1 866	—	—	—	—	—	1 866
N P van Heerden[8]	—	—	—	—	—	—	—
B J van der Ross	1 312	—	308	—	—	—	1 620
J J M van Zyl[5]	1 312	—	1 046	—	—	—	2 358
H S S Willemse[8]	—	—	—	—	—	—	—
	23 462	2 097	2 802	768	—	2 101	31 230

Notes

[1] *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.*

[2] *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.*

[3] *Trustee fees include fees for attending meetings of the group's retirement funds.*

[4] *Compensation for assignments.*

[5] *Retired 17 April 2015.*

[6] *Resigned 29 May 2015.*

[7] *At the annual general meeting on 29 August 2014, Mr Eriksson was elected a member of the audit committee. As an independent non-executive director, he previously attended meetings in an advisory role.*

[8] *Resigned 16 October 2013. Only the comparative figures are shown in the table.*

[9] *Retired as financial director on 30 June 2014 and appointed alternate to a non-executive director on 1 July 2014. On 15 January 2015 Mr Pacak was appointed as a non-executive director.*

[10] *Resigned 21 November 2013. Only the comparative figure is shown in the table.*

17. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

	2014				
	Directors' fees[1]		Committee[2] and trustee[3] fees		
Non-executive directors	Paid by company R'000	Paid by subsidiary R'000	Paid by company R'000	Paid by subsidiary R'000	Total 2014 R'000
T Vosloo[5]	3 145	1 437	—	189	4 771
F-A du Plessis[6]	615	—	455	—	1 070
C L Enenstein[4]	793	108	—	253	1 154
D G Eriksson[7]	282	350	128	198	958
R C C Jafta	615	720	322	95	1 752
L N Jonker[8]	359	86	41	60	546
F L N Letele	205	—	29	—	234
Y Ma[5]	793	108	—	—	901
D Meyer	615	240	88	14	957
R Oliveira de Lima[4]	793	108	—	255	1 156
S J Z Pacak[4], [9]	—	—	—	—	—
T M F Phaswana	615	—	—	—	615
L P Retief[10]	410	1 655	—	32	2 097
J D T Stofberg	756	—	—	—	756
N P van Heerden[8]	359	86	—	21	466
B J van der Ross	615	—	280	—	895
J J M van Zyl[5]	615	591	934	179	2 319
H S S Willemse[8]	359	86	41	14	500
	11 944	5 575	2 318	1 310	21 147

Notes

(1) *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.*

(2) *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.*

(3) *Trustee fees include fees for attending meetings of the group's retirement funds.*

(4) *Compensation for assignments.*

(5) *Retired 17 April 2015.*

(6) *Resigned 29 May 2015.*

(7) *At the annual general meeting on 29 August 2014, Mr Eriksson was elected a member of the audit committee. As an independent non-executive director, he previously attended meetings in an advisory role.*

(8) *Resigned 16 October 2013. Only the comparative figures are shown in the table.*

(9) *Retired as financial director on 30 June 2014 and appointed alternate to a non-executive director on 1 July 2014. On 15 January 2015 Mr Pacak was appointed as a non-executive director.*

(10) *Resigned 21 November 2013. Only the comparative figure is shown in the table.*

General notes

Committee and trustee fees include, where appropriate, fees to be considered by shareholders at the annual general meeting on 28 August 2015 for services as trustees or members, as appropriate, of the group share schemes/retirement funds/Media24 safety, health and environment committee.

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

17. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

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

The executive directors of Naspers are allowed to participate in Naspers group share-based incentive schemes (including those of associate companies and joint ventures). Details as at 31 March 2015 in respect of the executive directors' participation in such scheme shares not yet released, are as follows:

Name	Incentive scheme	Offer date	Number of N shares	Purchase price	Release period	Value of option[1]
S J Z Pacak	MIH (Mauritius) Limited	7/9/2012	18 000	R484,70	7/9/2017	R189,16
	MIH (Mauritius) Limited	7/9/2012	18 000	R484,70	7/9/2016	R175,38
	MIH (Mauritius) Limited	7/9/2012	18 000	R484,70	7/9/2015	R159,91
V Sgourdos	MIH (Mauritius) Limited	8/9/2010	2 223	R306,00	8/9/2015	R134,76
	MIH (Mauritius) Limited	19/9/2011	7 081	R350,00	19/9/2015	R160,56
	MIH (Mauritius) Limited	19/9/2011	7 082	R350,00	19/9/2016	R171,46
	MIH (Mauritius) Limited	2/7/2012	11 123	R436,83	2/7/2015	R154,75
	MIH (Mauritius) Limited	2/7/2012	11 123	R436,83	2/7/2016	R169,68
	MIH (Mauritius) Limited	2/7/2012	11 124	R436,83	2/7/2017	R182,57
	MIH (Mauritius) Limited	11/7/2013	9 120	R770,00	11/7/2016	R289,65
	MIH (Mauritius) Limited	11/7/2013	9 120	R770,00	11/7/2017	R318,54
	MIH (Mauritius) Limited	11/7/2013	9 120	R770,00	11/7/2018	R344,19
	MIH (Mauritius) Limited	4/9/2014	7 469	R1 380,78	4/9/2017	R594,64
	MIH (Mauritius) Limited	4/9/2014	7 469	R1 380,78	4/9/2018	R648,05
	MIH (Mauritius) Limited	4/9/2014	7 471	R1 380,78	4/9/2019	R695,10
M R Sorour	MIH Holdings	19/9/2011	11 128	R350,00	19/9/2015	R166,13
	MIH Holdings	19/9/2011	11 128	R350,00	19/9/2016	R175,85
	MIH Holdings	2/7/2012	18 539	R436,83	2/7/2015	R162,95
	MIH Holdings	2/7/2012	18 539	R436,83	2/7/2016	R176,49
	MIH Holdings	2/7/2012	18 539	R436,83	2/7/2017	R188,10
	MIH Holdings	11/7/2013	13 680	R770,00	11/7/2016	R276,34
	MIH Holdings	11/7/2013	13 680	R770,00	11/7/2017	R307,28
	MIH Holdings	11/7/2013	13 680	R770,00	11/7/2018	R334,75
	MIH Holdings	28/3/2014	10 000	R1 155,00	28/3/2017	R483,39
	MIH Holdings	28/3/2014	10 000	R1 155,00	28/3/2018	R528,80
	MIH Holdings	28/3/2014	10 000	R1 155,00	28/3/2019	R568,24
	MIH Holdings	4/9/2014	9 337	R1 380,78	4/9/2017	R568,46
	MIH Holdings	4/9/2014	9 337	R1 380,78	4/9/2018	R626,11

Note

[1] *The value of the option represents the fair value on grant date in accordance with IFRS.*

17. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Directors' interests in Naspers scheme shares in the group's share incentive schemes (continued)

Name	Incentive scheme	Offer date	Number of N shares	Purchase price	Release period	Value of option[1]
M R Sorour (continued)	MIH Holdings	4/9/2014	9 337	R1 380,78	4/9/2019	R676.96
	Flipkart Limited	10/9/2014	617	US$63,64	10/9/2015	US$19,04
	Flipkart Limited	10/9/2014	617	US$63,64	10/9/2016	US$21,20
	Flipkart Limited	10/9/2014	617	US$63,64	10/9/2017	US$23,03
	Flipkart Limited	10/9/2014	617	US$63,64	10/9/2018	US$24,63
	Flipkart Limited	10/9/2014	618	US$63,64	10/9/2019	US$26,04
	Naspers Global Ecommerce	12/9/2014	13 493	US$15,58	12/9/2015	US$4,01
	Naspers Global Ecommerce	12/9/2014	13 493	US$15,58	12/9/2016	US$4,48
	Naspers Global Ecommerce	12/9/2014	13 493	US$15,58	12/9/2017	US$4,90
	Naspers Global Ecommerce	12/9/2014	13 493	US$15,58	12/9/2018	US$5,26
	Naspers Global Ecommerce	12/9/2014	13 494	US$15,58	12/9/2019	US$5,59
	MIH China/MIH TC	17/1/2014	8 000	US$42,95	17/1/2016	US$9,40
	MIH China/MIH TC	17/1/2014	8 000	US$42,95	17/1/2017	US$10,43
	MIH China/MIH TC	17/1/2014	8 000	US$42,95	17/1/2018	US$11,18
	MIH China/MIH TC	17/1/2014	8 000	US$42,95	17/1/2019	US$11,54
	SimilarWeb Limited	10/9/2014	344	US$1,45	10/9/2015	US$0,39
	SimilarWeb Limited	10/9/2014	344	US$1,45	10/9/2016	US$0,44
	SimilarWeb Limited	10/9/2014	344	US$1,45	10/9/2017	US$0,48
	SimilarWeb Limited	10/9/2014	344	US$1,45	10/9/2018	US$0,52
	SimilarWeb Limited	10/9/2014	348	US$1,45	10/9/2019	US$0,55
B van Dijk	MIH (Mauritius) Limited	11/7/2013	6 698	R770,00	11/7/2016	R289,65
	MIH (Mauritius) Limited	11/7/2013	6 698	R770,00	11/7/2017	R318,54
	MIH (Mauritius) Limited	11/7/2013	6 698	R770,00	11/7/2018	R344,19
	MIH (Mauritius) Limited	28/3/2014	277 333	R1 155,00	28/3/2017	R503,76
	MIH (Mauritius) Limited	28/3/2014	277 333	R1 155,00	28/3/2018	R545,63
	MIH (Mauritius) Limited	28/3/2014	277 334	R1 155,00	28/3/2019	R581,92
	Flipkart Limited	10/9/2014	73 170	US$63,64	10/9/2015	US$19,04
	Flipkart Limited	10/9/2014	73 170	US$63,64	10/9/2016	US$21,20

Note

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

17. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Directors' interests in Naspers scheme shares in the group's share incentive schemes (continued)

Name	Incentive scheme	Offer date	Number of N shares	Purchase price	Release period	Value of option[1]
B van Dijk (continued)	Flipkart Limited	10/9/2014	73 170	US$63,64	10/9/2017	US$23,03
	Flipkart Limited	10/9/2014	73 170	US$63,64	10/9/2018	US$24,63
	Flipkart Limited	10/9/2014	73 174	US$63,64	10/9/2019	US$26,04
	Naspers Global Ecommerce	12/9/2014	1 493 226	US$15,58	12/9/2015	US$4,01
	Naspers Global Ecommerce	12/9/2014	1 493 226	US$15,58	12/9/2016	US$4,48
	Naspers Global Ecommerce	12/9/2014	1 493 226	US$15,58	12/9/2017	US$4,90
	Naspers Global Ecommerce	12/9/2014	1 493 226	US$15,58	12/9/2018	US$5,26
	Naspers Global Ecommerce	12/9/2014	1 493 229	US$15,58	12/9/2019	US$5,59
	SimilarWeb Limited	10/9/2014	39 937	US$1,45	10/9/2015	US$0,39
	SimilarWeb Limited	10/9/2014	39 937	US$1,45	10/9/2016	US$0,44
	SimilarWeb Limited	10/9/2014	39 937	US$1,45	10/9/2017	US$0,48
	SimilarWeb Limited	10/9/2014	39 937	US$1,45	10/9/2018	US$0,52
	SimilarWeb Limited	10/9/2014	39 937	US$1,45	10/9/2019	US$0,55

Note

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

17. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Directors' interests in Naspers shares

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

	31 March 2015			31 March 2014		
	Naspers A ordinary shares			Naspers A ordinary shares		
	Beneficial			Beneficial		
Name	**Direct**	**Indirect**	**Total**	Direct	Indirect	Total
J J M van Zyl[(1)]	**745**	—	**745**	745	—	745

Note

[(1)] Retired 17 April 2015.

Messrs J P Bekker and J D T Stofberg each have an indirect 25% interest in Wheatfields 221 Proprietary Limited, which owns 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 2015 or 31 March 2014.

Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2015

17. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Directors' interests in Naspers shares (continued)

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

	31 March 2015 Naspers N ordinary shares Beneficial			31 March 2014 Naspers N ordinary shares Beneficial		
Name	Direct	Indirect	Total	Direct	Indirect	Total
T Vosloo(1)	—	160 000	160 000	—	160 000	160 000
F-A du Plessis(2)	—	—	—	—	—	—
C L Enenstein	—	—	—	—	—	—
D G Eriksson	—	—	—	—	—	—
R C C Jafta	—	—	—	—	—	—
F L N Letele(3)	737	—	737	7 006	—	7 006
Y Ma(1)	—	—	—	—	—	—
D Meyer	—	—	—	—	—	—
R Oliveira de Lima(4)	—	—	—	—	—	—
S J Z Pacak(5)	728 510	272 548	1 001 058	778 510	272 548	1 051 058
T M F Phaswana	—	3 530	3 530	—	3 530	3 530
V Sgourdos(6)	—	82 647	82 647	—	58 462	58 462
M R Sorour(7)	9 034	106 383	115 417	900	95 255	96 155
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(4)	—	—	—	—	—	—
J J M van Zyl(1)	50 361	150 796	201 157	50 361	150 796	201 157
	948 473	1 068 192	2 016 665	996 608	1 032 879	2 029 487

Notes

(1) *Retired 17 April 2015.*

(2) *Resigned 29 May 2015.*

(3) *On 25 September 2014 Mr Letele sold 4 025 Naspers N ordinary shares at average market prices ranging between R1 252,50 and R1 289 per share held in the MIH Holdings Share Trust. At the same time, Mr Letele exercised share appreciation rights in a group share-based incentive plan and received 545 Naspers N ordinary shares in settlement of the gain. The 545 N ordinary shares were sold at a market price of R1 289 per share. Furthermore, Mr Letele sold 2 244 Naspers N ordinary shares at average market prices ranging between R1 276,40 and R1 281,50 per share held in his own name.*

(4) *Appointed 1 April 2014.*

(5) *Retired as financial director on 30 June 2014 and appointed alternate director to a non-executive director on 1 July 2014. On 15 January 2015 Mr Pacak was appointed as a non-executive director. In terms of the rules of the Naspers share incentive trust, the shares vested over time and delivery of the shares acquired must be taken no later than the 10th anniversary of the offer date. Accordingly, on 29 September 2014 Mr Steve Pacak sold 10 000 Naspers N ordinary shares at average market prices ranging between R1 263,00 and R1 268,39 per share. On 18 December 2014 Mr Pacak sold 15 000 Naspers N ordinary shares at a market price of R1 452,73 per share. Furthermore, on 5 January 2015 Mr Pacak sold 10 000 Naspers N ordinary shares at average market prices ranging between R1 540 and R1 545 per share. On 23 March 2015 Mr Pacak sold 15 000 Naspers N ordinary shares at a market price of R1 800 per share.*

(6) *Appointed on 1 July 2014 as financial director.*

(7) *Appointed on 16 April 2014 as alternate director and appointed director 15 January 2015. On 25 November 2014 Mr Sorour exercised options in a group share-based incentive plan and received 443 456 Naspers N ordinary shares in settlement of the gain made on exercising the options. Mr Sorour then sold 226 028 Naspers N ordinary shares at average market prices ranging between R1 489,90 and R1 499 per share, on 26 November 2014 Mr Sorour sold 87 746 Naspers N ordinary shares at average market prices ranging between R1 460 and R1 470 per share and on 27 November 2014 sold 129 682 Naspers N ordinary shares at average market prices ranging between R1 446,50 and R1 464,20 per share. Furthermore, on 20 March 2015 Mr Sorour exercised options in a group share-based incentive plan that would have expired in terms of the rules of that plan after the tenth anniversary of the award, which was 28 June 2015. Mr Sorour received 13 351 Naspers N ordinary shares in settlement of the gain made on exercising the options. Mr Sorour then sold 5 217 Naspers N ordinary shares at a market price of R1 805 per share and retained the remaining 8 134 Naspers N ordinary shares.*

17. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Key management remuneration

Subsequent to year-end, Mr Bekker succeeded Mr Vosloo as chair on 17 April 2015. Mr Bekker holds an indirect beneficial interest in 4 688 691 Naspers N ordinary shares.

Comparatives have not been restated to account for the change in the composition of key management.

The total of executive directors' and key management emoluments amounted to R486,4m (2014: R235,5m), comprising short-term employee benefits of R119,7m (2014: R135,4m), post-employment benefits of R12,4m (2014: R9,4m) and a share-based payment expense of R354,4m (2014: R90,7m).

18. SHARE CAPITAL AND PREMIUM

	31 March 2015 R'm	31 March 2014 R'm
Authorised		
1 250 000 A ordinary shares of R20 each	**25**	25
500 000 000 N ordinary shares of 2 cents each	**10**	10
	35	35
Issued		
712 131 A ordinary shares of R20 each (2014: 712 131)	**14**	14
419 203 470 N ordinary shares of 2 cents each (2014: 416 812 759)	**8**	8
	22	22
Share premium	**28 209**	24 539
	28 231	24 561
Less: Accumulated losses on vesting of equity compensation	**(5 009)**	(4 561)
Less: 7 205 082 (2014: 19 188 252) N ordinary shares held as treasury shares at cost	**(2 203)**	(3 663)
	21 019	16 337

18. SHARE CAPITAL AND PREMIUM (continued)

Treasury shares

The group holds a total of 7 205 082 N ordinary shares (2014: 19 188 252), or 1,7% (2014: 4,6%), of the gross number of N ordinary shares in issue at 31 March 2015 as treasury shares. Equity compensation plans hold 3 753 122 (2014: 15 713 267) of the N ordinary shares and the remaining 3 451 960 (2014: 3 474 985) N ordinary shares are held by various group companies. During the current reporting period, the group issued 1 691 155 N ordinary shares to external parties as purchase consideration in respect of acquisitions (refer to note 3).

Voting and dividend rights

The A ordinary shareholders are entitled to 1 000 votes per share. In terms of the Naspers memorandum of incorporation, both N and A ordinary shareholders are entitled to nominal dividend; however, the dividends declared to A ordinary shareholders are equal to one-fifth of the dividends to which N ordinary shareholders are entitled. In respect of all other rights, the A ordinary shares rank pari passu with the N ordinary shares of the company.

Naspers Beleggings (RF) Limited holds 350 000 (2014: 350 000) A ordinary shares and Keeromstraat 30 Beleggings (RF) Limited holds 219 344 (2014: 219 344) A ordinary shares of the total 712 131 A ordinary shares in issue at year-end. As a result of the voting rights attached to these shares, the companies have significant influence over the group. The majority of the directors on the boards of these companies are also directors of Naspers Limited. Wheatfields 221 Proprietary Limited controls 133 350 (2014: 133 350) A ordinary shares.

Unissued share capital

The directors of the company have unrestricted authority until the next annual general meeting, to allot and issue the unissued 537 869 A ordinary shares and 80 796 530 N ordinary shares of the company. This authority was granted subject to the provisions of the South African Companies Act No 71 of 2008, the JSE Listings Requirements and any other exchange on which the shares of the company may be quoted or listed from time to time.

18. SHARE CAPITAL AND PREMIUM (continued)

	2015 Number of N shares	2014 Number of N shares
Movement in N ordinary shares in issue during the year		
Shares in issue at 1 April	**416 812 759**	415 540 259
Shares issued in respect of acquisitions	**1 691 155**	—
Shares issued to share incentive trusts and group companies	**699 556**	1 272 500
Shares in issue at 31 March	**419 203 470**	416 812 759
Movement in N ordinary shares held as treasury shares during the year		
Shares held as treasury shares at 1 April	**19 188 252**	21 268 454
Shares issued to share incentive trusts and group companies	**699 556**	1 272 500
Shares acquired by participants from equity compensation plans	**(12 682 726)**	(3 352 702)
Shares held as treasury shares at 31 March	**7 205 082**	19 188 252
Net number of N ordinary shares in issue at 31 March	**411 998 388**	397 624 507

	31 March	
	2015 R'm	2014 R'm
Share premium		
Balance at 1 April	**24 539**	23 246
Share premium on share issues	**3 670**	1 293
Balance at 31 March	**28 209**	24 539

Refer to note 42 for the group's equity compensation plans.

18. SHARE CAPITAL AND PREMIUM (continued)

Capital management

The group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide adequate returns to shareholders and benefits for other stakeholders by pricing products and services commensurately with the level of risk.

Naspers relies upon distributions from its subsidiaries, associates, joint ventures and other investments to generate the funds necessary to meet the obligations and other cash flow requirements of the combined group. The operations of the group have historically been funded in a number of ways. The internet development activities were primarily funded by cash generated from the video-entertainment businesses as well as debt financing. Recent acquisitions of ecommerce businesses were primarily funded through debt financing.

The group's general business strategy is to acquire developing businesses and to provide funding to meet the cash needs of those businesses until they can, within a reasonable period of time, become self-funding. Funding is provided through a combination of loans and share capital, depending on the country-specific regulatory requirements. From a subsidiary's perspective, intergroup loan funding is generally considered to be part of the capital structure. The focus on increased profitability and cash flow generation will continue into the foreseeable future, although the group will continue to actively evaluate potential growth opportunities within its areas of expertise.

The group will also grow its business in the future by making equity investments in growth companies. The group anticipates that it may fund future acquisitions and investments through the issue of debt instruments and utilisation of available cash resources.

The group follows a risk-based approach to the determination of the optimal capital structure. The group manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or modify the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

In July 2010 the group issued a seven-year US$700m international bond. The bond matures in July 2017 and carries a fixed interest rate of 6,375% per annum. The group issued an additional seven-year US$1bn international bond in July 2013. The bond matures in July 2020 and carries a fixed interest rate of 6% per annum. The proceeds were used to partly pay down an offshore revolving credit facility (RCF).

During October 2013 the group refinanced its previous RCF and bilateral facilities of US$2bn with a new RCF of US$2,25bn. The new RCF matures in October 2018 and bears interest at US LIBOR plus 1,75%, before commitment and utilisation fees.

18. SHARE CAPITAL AND PREMIUM (continued)

Capital management (continued)

The borrower under the bonds and the R16,3bn RCF (refer to note 22) is Myriad International Holdings B.V. and the facilities are guaranteed by Naspers Limited. The borrower is obligated to pay a commitment fee equal to 35% of the applicable margin under the RCF. The undrawn balance of the RCF is available to fund future investments and development expenditure by the group as part of its growth strategy.

The borrower under the R1,4bn RCF (refer to note 22) is MultiChoice Africa Limited. The borrower is obligated to pay a commitment fee equal to 35% of the applicable margin under the RCF. The undrawn balance of the RCF is available to fund future investments and development expenditure by MultiChoice Africa as part of its growth strategy.

As of 31 March 2015 the group had total interest-bearing debt (including capitalised finance leases) of R47,0bn (2014: R35,2bn) and net cash and cash equivalents of R14,6bn (2014: R12,6bn). The net interest-bearing debt-to-equity ratio was 40% (2014: 34%) at 31 March 2015. The group excludes satellite transponders from total interest-bearing debt when evaluating and managing capital. These items are considered to be operating expenses. The adjusted total interest-bearing debt (excluding transponder leases) was R38,8bn (2014: R28,0bn) and the adjusted net interest-bearing debt-to-equity ratio was 30% (2014: 23%) at 31 March 2015.

The group does not have a formally targeted debt-to-equity ratio. The group, as well as various group companies, have specific financial covenants in place with various financial institutions to govern their debt. Refer to note 39 for further details.

South African exchange control regulations provide for a common monetary area consisting of the Republic of South Africa, the Kingdom of Lesotho, the Kingdom of Swaziland and the Republic of Namibia, and restrict the export of capital from the common monetary area. Approval by the South African Reserve Bank is required for any acquisitions outside of the common monetary area if the acquisition is funded from within the common monetary area.

19. OTHER RESERVES

	31 March	
	2015 R'm	2014 R'm
Other reserves in the statement of financial position comprise:		
Foreign currency translation reserve	**7 290**	11 085
Hedging reserve	**(23)**	(262)
Valuation reserve	**3 218**	3 005
Existing control business combination reserve	**(1 856)**	(1 065)
Share-based compensation reserve	**6 904**	5 082
	15 533	17 845

The foreign currency translation reserve relates to exchange differences arising on the translation of foreign operations' income statements and statements of comprehensive income at average exchange rates for the year and their statements of financial position at the ruling exchange rates at the reporting date if the functional currency differs from the group's presentation currency. 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 subsidiaries.

The hedging reserve relates to changes in the fair value of derivative financial instruments and relevant underlying hedged items. It hedges forecast transactions or the foreign currency part of firm commitments. The changes in fair value are recorded in the hedging reserve until the forecast transaction or firm commitment results in the recognition of a non-financial asset or liability, when such deferred gains or losses are included in the initial measurement of the non-financial asset or liability. Refer to note 39 for the movements in the hedging reserve during the year.

19. OTHER RESERVES (continued)

The valuation reserve relates to fair value changes in available-for-sale investments, remeasurements on post-employment benefit plans, differences between the fair value and the contractually stipulated value of shares issued in business combinations and other acquisitions, as well as the group's share of equity-accounted investees' revaluations of their available-for-sale investments. During the current year R272,4m (2014: R2,9bn), previously recognised as the group's share of other comprehensive income of equity-accounted investments, was reclassified to the income statement. Movements in the valuation reserve during the year, after the effects of non-controlling interests, are detailed below:

	31 March	
	2015 R'm	2014 R'm
Opening balance	**3 005**	1 623
Fair value gains/(losses) on available-for-sale investments	**3**	(8)
Remeasurements on post-employment benefit plans	**(20)**	—
Purchase consideration differential in acquisitions settled in equity instruments	**356**	—
Share of valuation reserve of equity-accounted investments	**(126)**	1 390
Closing balance	**3 218**	3 005

The existing control business combination reserve is used to account for transactions with non-controlling shareholders, whereby the excess of the cost of the transactions over the acquirer's proportionate share of the net asset value acquired or sold is allocated to this reserve in equity. Written put options and other obligations that may require the group to purchase its own equity instruments by delivering cash or another financial asset, are also initially recognised from this reserve. Similarly, written put options and other similar obligations are reclassified to this reserve in the event of cancellation or expiry.

The grant date fair value of share incentives issued to employees in equity-settled share-based payment transactions is accounted for in the share-based compensation reserve over the vesting period, if any. The reserve is adjusted at each reporting period when the entity revises its estimates of the number of share incentives that are expected to vest. The impact of revisions of original estimates, if any, are recognised in the income statement, with a corresponding adjustment to this reserve in equity.

20. RETAINED EARNINGS

Distributions made by Naspers Limited to shareholders that are not exempt from dividend tax, are subject to dividend tax at a rate of 15%.

The board of directors has proposed that a dividend of 470 cents (2014: 425 cents) per N ordinary share and 94 cents (2014: 85 cents) per A ordinary share be paid to shareholders on 21 September 2015. If approved by the shareholders of the company at its annual general meeting, the company will pay a total dividend of approximately R2,0bn based on the number of shares in issue at 31 March 2015.

21. POST-EMPLOYMENT LIABILITIES

21.1 Medical liability

The group operates a number of post-employment medical benefit schemes. The obligation of the group to pay medical aid contributions after retirement is no longer part of the conditions of employment for new employees. A number of pensioners and current employees, however, remain entitled to this benefit. The entitlement to this benefit for current employees is dependent upon the employees remaining in service until retirement age and completing a minimum service period. The group determines its obligations for post-employment medical aid benefits by way of an annual valuation. The key assumptions and valuation method are described below.

Key assumptions and valuation method

The actuarial valuation method used to value the obligations is the projected unit credit method. Future benefits are projected using actuarial assumptions and the obligations for in-service members are accrued over the expected working lifetimes.

The significant actuarial assumptions used in the current and prior period valuations are outlined below:

	31 March	
	2015	2014
Discount rates	**6,0% to 8,5%**	9,1%
Healthcare cost inflation	**5,7% to 8,1%**	8,3%
Average retirement age	**55 to 60**	60
Membership discontinued at retirement	**0%**	0%

The group assumes that current in-service members would retire on their current medical scheme option and that there would be no change in medical scheme options at retirement.

Actuarial assumptions are generally more suited to the estimation of the future experience of larger groups of individuals. The overall experience of larger groups is less variable and is more likely to tend to the expected value of the underlying statistical distribution. The smaller the group size, the less likely it is that the actual future experience will be close to that which is expected. Furthermore, assumptions that are appropriate for the group overall, may not be appropriate at an individual entity level.

21. POST-EMPLOYMENT LIABILITIES (continued)

21.1 Medical liability (continued)

Post-employment medical liability

	31 March 2015 R'm	31 March 2014 R'm
Opening balance	**176**	161
Current service cost	**7**	1
Interest cost	**13**	11
Employer benefit payments	**(10)**	(7)
Actuarial loss/(gain)	**15**	(1)
Other	**2**	11
Closing balance	**203**	176

As the value of the liability is based on a number of assumptions, a sensitivity analysis is presented below to show the effect of a one-percentage point decrease or increase in the rate of healthcare cost inflation:

Healthcare cost inflation	Assumption 8,1%	-1%	+1%
Accrued liability 31 March 2015 (R'm)	**203**	180	231
% change		(11,2%)	13,6%
Current service cost + interest cost 2015/16 (R'm)	**20**	18	23
% change		(12,2%)	15,1%

21.2 Pension and provident benefits

The group provides retirement benefits for its full-time employees by way of various separate defined contribution pension and provident funds. All full-time employees have access to these funds. Contributions to these funds are paid on a fixed scale. Substantially, all the group's full-time employees are members of either one of the group's retirement benefit plans or a third-party plan. Certain of these funds are related parties to the group and as at 31 March 2015 and 2014 there were no outstanding amounts between the group and these funds. The group has no legal or constructive obligations to pay further contributions if the funds do not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

An amount of R514,1m (2014: R448,9m) was recognised as an expense during the period in relation to the group's defined contribution funds.

22. LONG-TERM LIABILITIES

	31 March 2015 R'm	31 March 2014 R'm
Interest-bearing: Capitalised finance leases	**7 486**	6 769
Total liabilities	**8 248**	7 277
Less: Current portion	**(762)**	(508)
Interest-bearing: Loans and other liabilities	**37 111**	27 395
Total liabilities	**38 781**	27 969
Less: Current portion	**(1 670)**	(574)
Non-interest-bearing: Programme and film rights	**—**	—
Total liabilities	**1 555**	1 523
Less: Current portion	**(1 555)**	(1 523)
Non-interest-bearing: Loans and other liabilities	**210**	319
Total liabilities	**518**	342
Less: Current portion	**(308)**	(23)
Net long-term liabilities	**44 807**	34 483

Interest-bearing: Capitalised finance leases

Type of lease	Currency of year-end balance	Year of final repayment	Weighted average year-end interest rate	31 March 2015 R'm	31 March 2014 R'm
Buildings, manufacturing equipment and vehicles, computers and office equipment	Various	Various	Various	**29**	22
				29	22
Transmission equipment and satellites	US$	2017	3,0% – 3,5%	**153**	121
	US$	2020	3,5% – 5,0%	**347**	349
	US$	2025	4,4% – 6,0%	**3 152**	2 836
	US$	2027	4,5%	**4 299**	3 949
	US$	2031	5,0%	**268**	—
				8 219	7 255
Total capitalised finance leases				**8 248**	7 277

22. LONG-TERM LIABILITIES (continued)

Interest-bearing: Capitalised finance leases (continued)

Maturity profile

	31 March	
	2015 R'm	2014 R'm
Minimum instalments		
Payable within year one	**1 151**	857
Payable within year two	**1 027**	853
Payable within year three	**989**	847
Payable within year four	**957**	827
Payable within year five	**944**	808
Payable after year five	**5 618**	5 448
	10 686	9 640
Future finance costs on finance leases	**(2 438)**	(2 363)
Present value of finance lease liabilities	**8 248**	7 277
Present value		
Payable within year one	**762**	508
Payable within year two	**670**	528
Payable within year three	**665**	549
Payable within year four	**667**	556
Payable within year five	**687**	566
Payable after year five	**4 797**	4 570
Present value of finance lease liabilities	**8 248**	7 277

22. LONG-TERM LIABILITIES (continued)

Interest-bearing: Loans and other liabilities

Loans	Asset secured	Currency of year-end balance	Year of final repay-ment	Weighted average year-end interest rate	31 March 2015 R'm	31 March 2014 R'm
Secured						
Various institutions	Various	Various	Various	Various	**188**	152
Unsecured						
Nedbank		ZAR	2015	7,6%	**—**	135
Nedbank		ZAR	2017	8,0%	**59**	92
Rand Merchant Bank		ZAR	2018	7,8%	**85**	—
Absa		ZAR	2017	8,7%	**79**	105
Nedbank		ZAR	2018	7,6%	**—**	651
Syndication of banks (RCF)		US$	2018	1-month LIBOR + 1,75% (1,93%)	**16 280**	8 221
Syndication of banks (RCF)		US$	2015	2,4% – 2,5%	**1 360**	—
Publicly traded bond		US$	2017	6,4%	**8 498**	7 253
Publicly traded bond		US$	2020	6,0%	**12 140**	10 531
Loans from non-controlling shareholders		Various	Various	Various	**92**	829
					38 781	27 969

Non-interest-bearing: Programme and film rights

Liabilities	Currency of year-end balance	Year of final repay-ment	31 March 2015 R'm	31 March 2014 R'm
Unsecured				
Programme and film rights liabilities	Various	2015	**—**	1 417
Programme and film rights liabilities	Various	2016	**1 363**	—
Programme and film rights liabilities	Various	2017	**192**	106
			1 555	1 523

22. LONG-TERM LIABILITIES (continued)

Non-interest-bearing: Loans and other liabilities

Loans	Currency of year-end balance	Year of final repayment	31 March 2015 R'm	31 March 2014 R'm
Secured				
Fortress	US$	2016 – 2017	**10**	20
Other	ZAR	Various	**—**	2
Unsecured				
MTN Limited	ZAR	Conditional	**80**	73
Earn-out obligations	Various	Conditional	**398**	190
Loans from non-controlling shareholders	Various	Various	**—**	38
Other	Various	Various	**30**	19
			518	342

Total long-term liabilities

	2015 R'm	2014 R'm
Repayment terms of long-term liabilities (excluding capitalised finance leases)		
Payable within year one	**3 341**	2 014
Payable within year two	**387**	237
Payable within year three	**8 556**	261
Payable within year four	**16 392**	7 982
Payable within year five	**—**	8 349
Payable after year five	**12 178**	10 991
	40 854	29 834
Interest rate profile of long-term liabilities (long- and short-term portion, including capitalised finance leases)		
Loans at fixed rates: 1 to 12 months	**831**	349
Loans at fixed rates: more than 12 months	**37 558**	33 754
Interest-free loans	**2 073**	1 865
Loans linked to variable rates	**8 640**	1 143
	49 102	37 111

The interest rate profiles disclosed above take into account interest rate swaps used to manage the interest rate profile of certain of the group's variable rate financial liabilities.

23. PROVISIONS

The following provisions have been determined, based on management's estimates and assumptions:

	1 April 2014 R'm	Additional provisions raised R'm	Unutilised provisions reversed to income R'm	Provisions utilised R'm	Foreign currency translation R'm	Other R'm	31 March 2015 R'm	Less short-term portion R'm	Long-term portion R'm
Warranties	8	1	–	–	1	–	**10**	(9)	1
Pending litigation	64	79	(9)	(1)	(3)	(1)	**129**	(119)	10
Reorganisation	124	44	(117)	(7)	–	–	**44**	(38)	6
Onerous contracts	30	9	(11)	–	4	1	**33**	(32)	1
Ad valorem duties	23	–	–	–	–	–	**23**	(23)	–
Long-service and retirement gratuity	63	52	(2)	(45)	–	13	**81**	(6)	75
Other	57	48	(86)	(14)	–	10	**15**	(12)	3
	369	233	(225)	(67)	2	23	**335**	(239)	96

Further details describing the provisions are included below:

The group recognises the estimated costs associated with its expected exposure on all products still under warranty as a provision at the statement of financial position date. Included in warranties is Irdeto's 12-month warranty relating to the replacement of non-functioning smartcards.

The group is currently involved in various litigation matters. The litigation provision has been estimated based on legal counsel and management's estimates of costs and possible claims relating to these actions (refer to note 25).

The provision for reorganisation relates to the costs associated with the decommissioning of rented office space as well as the anticipated pay-outs relating to workforce reductions within the video-entertainment segment.

The provision for onerous contracts relates to anticipated costs for work to still be completed relating to technology service contracts.

The provision for ad valorem duties relates to an investigation by tax authorities into the value ascribed to digital satellite decoders purchased for onward sale to major retailers. The provision was raised for the payment of these duties.

The provision for long-service and retirement gratuity relates to the estimated cost of these employee benefits.

24. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	31 March	
	2015 R'm	2014 R'm
Deferred income	**2 779**	2 399
Accrued expenses	**5 938**	5 016
Amounts owing in respect of investments acquired	**71**	21
Taxes and other statutory liabilities	**3 369**	2 830
Bonus accrual	**795**	677
Accrual for leave	**393**	378
Other personnel accruals	**219**	165
Payments received in advance	**665**	553
Other current liabilities	**388**	533
	14 617	12 572

25. COMMITMENTS AND CONTINGENCIES

The group is subject to commitments and contingencies, which occur in the normal course of business, including legal proceedings and claims that cover a wide range of matters. The group plans to fund these commitments and contingencies out of existing loan facilities and internally generated funds.

(a) Capital expenditure

Commitments in respect of contracts placed for capital expenditure at 31 March 2015 amount to R498,3m (2014: R740,3m).

(b) Programme and film rights

At 31 March 2015 the group had entered into contracts for the purchase of programme and film rights. The group's commitments in respect of these contracts amount to R18,4bn (2014: R17,7bn).

(c) Transponder leases

During the year ended 31 March 2015 the group entered into leasing contracts for new satellite transponders. The commitment outstanding as at 31 March 2015 amounts to R7,2bn (2014: R423,9m).

(d) Set-top boxes

At 31 March 2015 the group had entered into contracts for the purchase of set-top boxes (decoders). The group's commitments in respect of these contracts amount to R641,8m (2014: R609,4m).

25. COMMITMENTS AND CONTINGENCIES (continued)

(e) Other commitments

At 31 March 2015 the group had entered into contracts for the receipt of various services. These service contracts are for the receipt of advertising, satellite and DVB-H broadcast capacity, computer and decoder support services, access to networks and contractual relationships with customers, suppliers and employees. The group's commitments in respect of these agreements amount to R1,7bn (2014: R1,5bn).

(f) Operating lease commitments

The group has the following operating lease commitments at 31 March 2015:

	31 March	
	2015 R'm	2014 R'm
Minimum operating lease payments:		
Payable in year one	**552**	494
Payable in year two	**339**	358
Payable in year three	**197**	251
Payable in year four	**113**	136
Payable in year five	**50**	67
Payable after five years	**252**	107
	1 503	1 413

The group leases office, manufacturing and warehouse space under various non-cancellable operating leases. Certain contracts contain renewal options and escalation clauses for various periods of time.

25. COMMITMENTS AND CONTINGENCIES (continued)

(g) Litigation claims

Taxation matters

The group operates a number of businesses in jurisdictions where taxes are payable on certain transactions or payments. The group continues to seek relevant advice and works with its advisers to identify and quantify such tax exposures. Our current assessment of possible withholding and other tax exposures, including interest and potential penalties, amounts to approximately R2,6bn (2014: R1,6bn). No provision has been made as at 31 March 2015 (2014: Rnil) for these possible exposures.

Complaint referral by the Competition Commission of South Africa

On 31 October 2011 Media24 Proprietary Limited ("Media24"), a subsidiary of the group, received a complaint referral by the Competition Commission of South Africa relating to its pricing conduct in the market for advertising in community newspapers in the Goldfields area of South Africa during the period January 2004 to February 2009. Media24 allegedly contravened section 8(d)(iv), alternatively 8(c) of the Competition Act, by adopting "predatory" pricing policies.

The hearing of this matter was finalised in November 2014 and judgement was reserved. Independent legal advice has indicated that Media24 has a good prospect of a successful defence against the charges made in the complaint referral. Accordingly, no provision has been made for the payment of any penalties (2014: Rnil).

(h) Assets pledged as security

The group pledged property, plant and equipment, investments, cash and cash equivalents, accounts receivable and inventory as security against its finance leases and other secured liabilities with an outstanding balance of R8,4bn (2014: R7,5bn). Refer to note 22.

Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2015

26. REVENUE

	31 March 2015 R'm	31 March 2014 R'm
Subscription revenue	**34 380**	29 506
Ecommerce revenue	**20 909**	17 483
Advertising revenue	**4 938**	4 896
Technology revenue	**3 192**	2 708
Printing revenue	**2 580**	2 346
Hardware sales	**2 732**	1 951
Circulation revenue	**1 314**	1 313
Book publishing and book sales revenue	**593**	780
Distribution revenue	**235**	271
Decoder maintenance	**289**	284
Sub-licence revenue	**370**	293
Reconnection fees	**241**	204
Contract publishing	**118**	85
Other revenue	**1 201**	608
	73 092	62 728

Other revenues include revenues from backhaul charges, financing service fees, online deed searches and instant messaging.

Barter revenue

	2015 R'm	2014 R'm
Amount of barter revenue included in total revenue	**170**	126

27. EXPENSES BY NATURE

	31 March	
	2015 R'm	2014 R'm
Operating profit includes the following items:		
Depreciation classification		
Cost of providing services and sale of goods	**1 511**	1 310
Selling, general and administration expenses	**694**	632
	2 205	1 942
Amortisation classification		
Cost of providing services and sale of goods	**80**	54
Selling, general and administration expenses	**896**	844
	976	898
Operating leases		
Minimum lease payments	**436**	411
Contingent rents	**3**	—
	439	411
Auditor's remuneration		
Audit fees	**113**	107
Audit fees – prior year underprovision	**4**	6
Audit-related fees	**18**	13
Tax fees	**31**	33
All other fees	**13**	11
	179	170
Foreign exchange (gains)/losses		
On capitalisation of forward exchange contracts in hedging transactions	**(131)**	(438)
Other	**(3)**	(2)
	(134)	(440)

27. EXPENSES BY NATURE (continued)

	31 March 2015 R'm	31 March 2014 R'm
Staff costs		
As at 31 March 2015 the group had 24 128 (2014: 22 557) permanent employees.		
The total cost of employment of all employees, including executive directors, was as follows:		
Salaries, wages and bonuses	**12 063**	10 313
Retirement benefit costs	**514**	449
Medical aid fund contributions	**283**	262
Post-employment benefits	**21**	18
Training costs	**174**	153
Retention option expense	**149**	132
Share-based compensation expenses	**976**	568
Total staff costs	**14 180**	11 895
Advertising expenses	**5 727**	5 439
Amortisation of programme and film rights	**7 942**	6 348
Cost of inventories sold	**19 897**	15 059

28. OTHER GAINS/(LOSSES) – NET

	2015 R'm	2014 R'm
(Loss)/profit on sale of assets	**(1)**	58
Fair-value adjustments on financial instruments	**(30)**	195
Impairment losses	**(684)**	(1 573)
impairment of goodwill and other intangible assets	**(176)**	(1 461)
impairment of property, plant and equipment and other assets	**(508)**	(112)
Dividends received on investments	**6**	—
Compensation received from third parties for property, plant and equipment impaired, lost or stolen	**21**	—
Total other gains/(losses) – net	**(688)**	(1 320)

Refer to notes 4, 5 and 6 for further information on the above impairments.

29. FINANCE COSTS/(INCOME)

	31 March 2015 R'm	31 March 2014 R'm
Interest paid		
Loans and overdrafts	**2 020**	1 717
Transponder leases	**376**	356
Other	**356**	393
	2 752	2 466
Interest received		
Loans and bank accounts	**(415)**	(456)
Other	**(86)**	(150)
	(501)	(606)
Net loss/(profit) from foreign exchange translation and fair-value adjustments on derivative financial instruments		
On translation of assets and liabilities	**172**	(13)
On translation of transponder leases	**594**	481
On translation of forward exchange contracts	**(151)**	(124)
	615	344
Preference dividends (BEE structures) received	**(42)**	(77)
Other finance (income)/costs – net	**573**	267
Total finance (income)/costs	**2 824**	2 127

30. GAINS ON ACQUISITIONS AND DISPOSALS

	2015 R'm	2014 R'm
Profit on sale of investments	**788**	44
Gains recognised on loss of control transactions	**936**	—
Remeasurement of contingent consideration	**29**	48
Acquisition-related costs	**(192)**	(41)
Remeasurement of previously held interest	**39**	700
Other	**5**	—
	1 605	751

31. TAXATION

	31 March 2015 R'm	31 March 2014 R'm
Normal taxation		
South Africa	**2 740**	2 420
current year	**2 725**	2 377
prior year	**15**	43
Foreign taxation	**1 250**	869
current year	**1 263**	901
prior year	**(13)**	(32)
Withholding taxes on dividends	**28**	—
Income taxation for the year	**4 018**	3 289
Deferred taxation	**(261)**	(394)
current year	**(208)**	(396)
change in rate	**—**	(10)
prior year	**(53)**	12
Total taxation per income statement	**3 757**	2 895
Reconciliation of taxation		
Taxation at statutory rates*	**4 979**	2 639
Adjusted for:		
non-deductible expenses	**2 964**	325
non-taxable income	**(2 477)**	(1 111)
taxes arising on intergroup transactions	**172**	—
temporary differences not provided for	**1 160**	3 321
assessed losses (utilised)/unprovided	**99**	10
initial recognition of prior year taxes	**(42)**	19
other taxes	**1 138**	473
changes in taxation rates	**—**	(10)
tax attributable to equity-accounted earnings	**(4 587)**	(3 034)
tax adjustment for foreign taxation rates	**351**	263
Taxation provided in income statement	**3 757**	2 895

**The reconciliation of taxation has been performed using the statutory tax rate of Naspers Limited of 28% (2014: 28%). The impact of different tax rates applied to profits earned in other jurisdictions is disclosed above as "Tax adjustment for foreign taxation rates".*

32. EARNINGS PER SHARE

	31 March							
	2015				2014			
	Gross R'm	Taxation R'm	Non-controlling interests R'm	Net R'm	Gross R'm	Taxation R'm	Non-controlling interests R'm	Net R'm
Earnings								
Basic earnings attributable to shareholders				14 023				5 751
Impact of dilutive instruments of subsidiaries, associates and joint ventures				(220)				–
Diluted earnings attributable to shareholders				13 803				5 751
Headline adjustments								
Adjustments for:	(6 595)	(115)	(79)	(6 789)	376	(81)	(65)	230
insurance proceeds	(21)	6	3	(12)	–	–	–	–
impairment of property, plant and equipment and other assets	508	(113)	(50)	345	112	(18)	(2)	92
impairment of goodwill and intangible assets	176	(27)	(10)	139	1 461	(97)	(67)	1 297
loss/(profit) on sale of property, plant and equipment and intangible assets	1		–	–	(58)	11	(5)	(52)
gains on acquisitions and disposals of investments	(1 730)	–	5	(1 725)	(45)	(1)	(2)	(48)
remeasurement of previously held interest	(39)	–	15	(24)	(700)	–	14	(686)
dilution (gains)/losses on equity-accounted investments	(1 499)	–	–	(1 499)	852	–	–	852
remeasurements included in equity-accounted earnings	(4 469)	18	(31)	(4 482)	(2 447)	31	–	(2 416)
impairment of equity-accounted investments	478	2	(11)	469	1 201	(7)	(3)	1 191
Basic headline earnings				7 234				5 981
Diluted headline earnings				7 014				5 981

Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2015

32. EARNINGS PER SHARE (continued)

	2015 Number of N shares	2014 Number of N shares
Number of N ordinary shares in issue at year-end (excluding treasury shares)	**411 998 388**	397 624 507
Adjusted for movement in shares held by share trusts	**(8 422 593)**	(2 546 917)
Weighted average number of N ordinary shares in issue during the year	**403 575 795**	395 077 590
Adjusted for effect of future share-based payment transactions	**1 594 751**	10 391 246
Diluted weighted average number of N ordinary shares in issue during the year	**405 170 546**	405 468 836
Earnings per N ordinary share (cents)		
basic	**3 475**	1 456
fully diluted	**3 407**	1 418
Headline earnings per N ordinary share (cents)		
basic	**1 792**	1 514
fully diluted	**1 731**	1 475
Dividend paid per A ordinary share (cents)	**85**	77
Dividend paid per N ordinary share (cents)	**425**	385
Proposed dividend per A ordinary share (cents)	**94**	85
Proposed dividend per N ordinary share (cents)	**470**	425

Remeasurements included in equity-accounted earnings include R5,6bn (2014: R2,9bn) relating to gains arising on acquisitions and disposals by associates and R1,1bn (2014: R532m) relating to impairments of assets recognised by associates.

33. CASH FROM OPERATIONS

	31 March 2015 R'm	31 March 2014 R'm
Profit before tax per income statement	**17 781**	9 424
Adjustments:		
Non-cash and other	**(10 834)**	(2 630)
loss/(profit) on sale of assets	**1**	(58)
depreciation and amortisation	**3 181**	2 840
retention option expense	**149**	132
share-based compensation expenses	**976**	568
net finance cost	**2 824**	2 127
share of equity-accounted results	**(16 384)**	(10 835)
impairment of equity-accounted investments	**478**	1 201
gains on acquisitions and disposals	**(1 666)**	(792)
dilution (gains)/losses on equity-accounted investments	**(1 499)**	852
insurance proceeds	**(21)**	—
impairment losses	**684**	1 573
other	**443**	(238)
Working capital	**(471)**	589
cash movement in trade and other receivables	**(1 267)**	(1 762)
cash movement in payables, provisions and accruals	**1 823**	3 068
cash movements for programme and film rights	**152**	61
cash movement in inventories	**(1 179)**	(778)
Cash from operations	**6 476**	7 383

34. ACQUISITIONS OF SUBSIDIARIES AND BUSINESSES

	31 March 2015 R'm	31 March 2014 R'm
Carrying values of assets and liabilities:		
property, plant and equipment	**122**	63
investments and loans	**—**	14
other intangible assets	**536**	960
net current (liabilities)/assets	**(6)**	582
deferred taxation	**(163)**	(193)
long-term liabilities	**(21)**	(282)
	468	1 144
Non-controlling interests	**(49)**	(300)
Existing control business combination reserve	**3**	—
Derecognition of equity-accounted investments	**(65)**	(196)
Remeasurement of previously held interest	**(39)**	(700)
Loans ceded as part of purchase consideration	**—**	148
Goodwill	**1 185**	2 003
Purchase consideration	**1 503**	2 099
Settlement of loans as part of purchase agreement	**—**	(83)
Settled through the issuance of equity instruments of the group	**(778)**	—
Settled through contribution of business	**(178)**	—
Amount to be settled in future	**(83)**	(165)
Settlement of amounts owing in respect of prior-year purchases	**10**	100
Net cash in subsidiaries and businesses acquired	**3**	(549)
Net cash outflow from acquisitions of subsidiaries and businesses	**477**	1 402

35. DISPOSALS OF SUBSIDIARIES AND BUSINESSES

	31 March 2015 R'm	31 March 2014 R'm
Carrying values of assets and liabilities:		
property, plant and equipment	**597**	5
investments and loans	**—**	1
goodwill	**996**	18
other intangible assets	**281**	9
net current assets	**445**	35
deferred taxation	**(44)**	(1)
long-term liabilities	**(822)**	(11)
foreign currency translation reserve realised	**155**	(1)
	1 608	55
Non-controlling interests	**(149)**	(4)
Existing control business combination reserve	**1**	—
Remeasurement of retained interest	**(14)**	—
Profit on sale	**1 173**	17
Selling price	**2 619**	68
Net cash in subsidiaries and businesses disposed of	**(327)**	(36)
Shares received as settlement	**(527)**	—
Net cash inflow from disposals of subsidiaries and businesses	**1 765**	32

36. ACQUISITION OF AND ADDITIONAL INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

Included in acquisition of and additional investments in associates of R3 488,0m (2014: R1 774,7m) are the following: Flipkart Limited R3 220,4m, SimilarWeb Limited R82,6m and other acquisitions of R185,0m (2014: Flipkart Limited R1 376,0m, Neralona Investments Limited ("eSky.ru") R199,7m, SimilarWeb Limited R154,9m and other acquisitions of R44,1m). These investments were classified as investments in associates.

Included in acquisition of and additional investments in joint ventures of R437,8m (2014: R1 391,6m) are Konga Online Shopping Limited R296,7m and other acquisitions of R141,1m (2014: Souq Group Limited R1 207,8m, Konga Online Shopping Limited R111,0m and MWEB Holdings (Thailand) Limited ("Sanook!") R72,8m). These investments were classified as investments in joint ventures.

37. CASH AND CASH EQUIVALENTS

	31 March	
	2015 R'm	2014 R'm
Cash at bank and on hand	**9 689**	9 139
Short-term bank deposits	**5 192**	4 525
Bank overdrafts and call loans	**(312)**	(1 081)
	14 569	12 583
Restricted cash		
The following cash balances are restricted from immediate use according to agreements with banks and other financial institutions:		
Africa	**213**	287
Europe	**598**	591
Other	**147**	131
Total restricted cash	**958**	1 009

Restricted cash is still included in cash and cash equivalents due to the fact that it mostly relates to cash held on behalf of customers and funds used to secure letters of credit with financial institutions.

38. SEGMENT INFORMATION

Operating segments are identified on the basis of internal reports about components of the group that are regularly reviewed by the chief operating decisionmaker (CODM) in order to allocate resources to the segments and to assess their performance. The CODM has been identified as the executive committee that makes strategic decisions.

The group proportionately consolidates its share of the results of its associated companies and joint ventures in its reportable segments. This is considered to be more reflective of the economic value of these investments and corresponds to the manner in which the CODM assesses segmental performance.

The group has identified its operating segments based on its business by service or product them as follows: video entertainment, internet and print. Below are the types of services and products from which each segment generates revenue:

- *Video entertainment* – the group offers digital satellite and digital terrestrial television services to subscribers as well as mobile and internet services through MultiChoice South Africa in South Africa and through MultiChoice Africa in the rest of sub-Saharan Africa. Through Irdeto, the group provides digital content management and protection systems to customers globally to protect, manage and monetise digital media on any platform.
- *Internet* – the group operates internet platforms to provide various services and products. These platforms and communities offer ecommerce, communication, social networks, entertainment and mobile value-added services. Our internet segment comprises the following reportable segments: Tencent, Mail.ru and ecommerce platforms.
- *Print media* – through Media24 in Africa, the group publishes newspapers, magazines and books. Its activities also include printing and distribution. The group also has print interests in Brazil through its 30% stake in the magazine publisher Abril S.A.

Sales between segments are eliminated in the "Eliminations" column. The revenue from external parties and all other items of income, expenses, profits and losses reported in the segment report is measured in a manner consistent with that in the income statement. EBITDA, as presented in the segment report, refers to earnings before interest, tax, depreciation and amortisation.

The revenues from external customers for each major group of products and services are disclosed in note 26. The group is not reliant on any one major customer as the group's products are consumed by the general public in a large number of countries.

Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2015

38. SEGMENT INFORMATION (continued)

March 2015	Video entertainment R'm	Internet: Tencent R'm	Internet: Mail.ru R'm	Internet: Ecommerce R'm	Print media R'm
Revenue					
External	42 419	47 911	2 327	27 772	12 016
Intersegmental	224	—	—	20	277
Total revenue	42 643	47 911	2 327	27 792	12 293
Cost of providing services and sale of goods	(22 493)	(16 188)	(664)	(18 160)	(7 935)
Selling, general and administration expenses	(10 052)	(11 891)	(400)	(15 270)	(3 533)
EBITDA	10 098	19 832	1 263	(5 638)	825
Depreciation	(1 629)	(1 807)	(73)	(353)	(357)
Amortisation of software	(84)	(38)	(42)	(102)	(154)
Interest on capitalised transponder leases	(376)	—	—	—	—
Trading profit/(loss)	8 009	17 987	1 148	(6 093)	314
Interest received	1 513	1 019	32	189	26
Interest paid	(1 563)	(530)	(43)	(2 086)	(426)
Investment income	16	91	1	—	5
Share of equity-accounted results[1]	(13)	(320)	17	6	(18)
Profit/(loss) before taxation	7 962	18 247	1 155	(7 984)	(99)
Taxation	(3 213)	(3 433)	(195)	(412)	(98)
Profit/(loss) after taxation	4 749	14 814	960	(8 396)	(197)
Non-controlling interests	(610)	(50)	(3)	628	(17)
Profit/(loss) from operations	4 139	14 764	957	(7 768)	(214)
Amortisation of other intangibles	(65)	(1 083)	(171)	(767)	(99)
Foreign exchange (losses)/gains	(154)	(184)	319	(445)	(57)
Impairment of equity-accounted investments	—	—	—	(470)	(8)
Equity-settled share-based charge	(150)	(1 097)	(53)	(241)	(6)
Exceptional items	(649)	774	3 805	2 983	(102)
Net profit/(loss)	3 121	13 174	4 857	(6 708)	(486)
Additional disclosure					
Impairment of assets	(441)	(1 048)	(33)	(150)	(106)
Impairment of goodwill	(3)	—	—	(10)	(10)
Share of equity-accounted results[2]	(28)	13 073	4 959	(1 648)	28

Notes

[1] Includes immaterial associates and joint ventures not proportionately consolidated.
[2] All associates' and joint ventures' results are accounted for using the equity method.
[3] Refer to notes 8 and 9 for details on impairment losses recognised on equity-accounted investments.
[4] Relates to Abril S.A., which is proportionately consolidated for segmental reporting but not equity-accounted in terms of IFRS as the carrying value has been reduced to zero and the entity is loss-making (refer to note 8).

Corporate R'm	Total reportable segments R'm	*Less:* Proportionately consolidated equity-accounted investments R'm	Eliminations R'm	Total R'm
1	132 446	(59 354)	–	73 092
59	580	29	(609)	–
60	133 026	(59 325)	(609)	73 092
–	(65 440)	24 029	237	(41 174)
(395)	(41 541)	15 207	372	(25 962)
(335)	26 045	(20 089)	–	5 956
(3)	(4 222)	2 017	–	(2 205)
–	(420)	195	–	(225)
–	(376)	–	–	(376)
(338)	21 027	(17 877)	–	3 150
181	2 960	(762)	(1 697)	501
–	(4 648)	575	1 697	(2 376)
26	139	(92)	–	47
–	(328)	16 837	–	16 509
(131)	19 150	(1 319)	–	17 831
(6)	(7 357)	3 600	–	(3 757)
(137)	11 793	2 281	–	14 074
–	(52)	51	–	(1)
(137)	11 741	2 332	–	14 073
–	(2 185)	1 310	–	(875)
6	(515)	(100)	–	(615)
–	(478)[3]	–	–	(478)
(6)	(1 553)	1 210	–	(343)
–	6 811	(4 550)	–	2 261
(137)	13 821	202[4]	–	14 023
–	(1 778)	1 117	–	(661)
–	(23)	–	–	(23)
–	16 384	–	–	16 384

Notes to the consolidated annual financial statements (continued)

for the year ended 31 March 2015

38. SEGMENT INFORMATION (continued)

		Internet			
March 2014	Video entertainment R'm	Tencent R'm	Mail.ru R'm	Ecommerce R'm	Print media R'm
Revenue					
External	36 271	34 256	2 407	20 355	11 692
Intersegmental	177	—	—	26	422
Total revenue	36 448	34 256	2 407	20 381	12 114
Cost of providing services and sale of goods	(18 046)	(14 019)	(624)	(12 308)	(7 510)
Selling, general and administration expenses	(8 032)	(8 005)	(497)	(13 051)	(3 531)
EBITDA	10 370	12 232	1 286	(4 978)	1 073
Depreciation	(1 422)	(1 408)	(58)	(276)	(350)
Amortisation of software	(72)	(32)	(53)	(75)	(117)
Interest on capitalised transponder leases	(356)	—	—	—	—
Trading profit/(loss)	8 520	10 792	1 175	(5 329)	606
Interest received	1 389	745	27	111	18
Interest paid	(1 373)	(223)	—	(1 692)	(364)
Investment income	53	43	—	—	—
Share of equity-accounted results[(1)]	4	97	21	(22)	2
Profit/(loss) before taxation	8 593	11 454	1 223	(6 932)	262
Taxation	(2 642)	(1 787)	(273)	73	(200)
Profit/(loss) after taxation	5 951	9 667	950	(6 859)	62
Non-controlling interests	(1 205)	(34)	(2)	554	(122)
Profit/(loss) from operations	4 746	9 633	948	(6 305)	(60)
Amortisation of other intangibles	(35)	(607)	(195)	(710)	(315)
Foreign exchange (losses)/gains	(318)	178	3	(44)	(23)
Impairment of equity-accounted investments	(24)	—	—	(3)	(1 174)
Equity-settled share-based charge	(42)	(664)	(144)	(187)	(4)
Exceptional items	(61)	426	1 218	(819)	152
Net profit/(loss)	4 266	8 966	1 830	(8 068)	(1 424)
Additional disclosure					
Impairment of assets	(61)	(50)	(2)	(509)	(17)
Impairment of goodwill	—	—	—	(968)	(25)
Share of equity-accounted results[(2)]	4	9 849	1 884	(593)	(309)

Notes

[(1)] Includes immaterial associates and joint ventures not proportionately consolidated.
[(2)] All associates' and joint ventures' results are accounted for using the equity method.
[(3)] Refer to note 8 for details about Abril S.A.'s impairment.

Corporate R'm	Total reportable segments R'm	*Less:* Proportionately consolidated equity-accounted investments R'm	Eliminations R'm	Total R'm
–	104 981	(42 253)	–	62 728
–	625	–	(625)	–
–	105 606	(42 253)	(625)	62 728
–	(52 507)	18 195	263	(34 049)
(150)	(33 266)	10 616	362	(22 288)
(150)	19 833	(13 442)	–	6 391
(1)	(3 515)	1 573	–	(1 942)
–	(349)	162	–	(187)
–	(356)	–	–	(356)
(151)	15 613	(11 707)	–	3 906
275	2 565	(795)	(1 164)	606
(1)	(3 653)	379	1 164	(2 110)
24	120	(43)	–	77
–	102	11 011	–	11 113
147	14 747	(1 155)	–	13 592
(65)	(4 894)	1 999	–	(2 895)
82	9 853	844	–	10 697
–	(809)	31	–	(778)
82	9 044	875	–	9 919
–	(1 862)	873	–	(989)
5	(199)	(145)	–	(344)
–	(1 201)[3]	–	–	(1 201)
(7)	(1 048)	967	–	(81)
101	1 017	(2 570)	–	(1 553)
181	5 751	–	–	5 751
–	(639)	59	–	(580)
–	(993)	–	–	(993)
–	10 835	–	–	10 835

38. SEGMENT INFORMATION (continued)

Trading profit as presented in the segment disclosure is the CODM and management's measure of each segment's operational performance. A reconciliation of the segmental trading profit to operating profit and profit before tax as reported in the income statement is provided below:

	31 March 2015 R'm	31 March 2014 R'm
Trading profit per segment report	**3 150**	3 906
Adjusted for:		
interest on capitalised finance leases	**376**	356
amortisation of other intangible assets	**(751)**	(711)
other gains/(losses) – net	**(688)**	(1 320)
retention option expense	**(149)**	(132)
share-based incentives settled in treasury shares	**(343)**	(81)
Operating profit per the income statement	**1 595**	2 018
interest received	**501**	606
interest paid	**(2 752)**	(2 466)
other finance income/(costs) – net	**(573)**	(267)
share of equity-accounted results	**16 384**	10 835
impairment of equity-accounted investments	**(478)**	(1 201)
dilution losses on equity-accounted investments	**1 499**	(852)
gains/(losses) on acquisitions and disposals	**1 605**	751
Profit before taxation per the income statement	**17 781**	9 424

38. SEGMENT INFORMATION (continued)

Geographical information

The group operates in five main geographical areas:

- *Africa* – the group derives revenues from video-entertainment platform services, print-media activities, internet services and technology products and services. The group is domiciled in the Republic of South Africa, which is consequently presented separately.
- *Asia* – the group's activities comprise its interest in internet and print activities based in China, India, Thailand and Singapore.
- *Europe* – the group's activities comprise its interest in internet activities based in Central and Eastern Europe and Russia. Furthermore, the group generates revenue from technology products and services provided by subsidiaries based in The Netherlands.
- *Latin America* – the group's activities comprise its interest in internet and print activities based in Brazil and other Latin American countries.
- *Other* – includes the group's provision of various products through internet and technology activities located mainly in Australia and the United States of America.

	Africa						
	South Africa R'm	Rest of Africa R'm	Latin America R'm	Asia R'm	Europe R'm	Other R'm	Total R'm
March 2015							
External consolidated revenue	**35 256**	**14 589**	**3 447**	**1 559**	**17 446**	**795**	**73 092**
External proportionately consolidated revenue[(1)]	**35 504**	**14 687**	**7 330**	**53 959**	**20 152**	**814**	**132 446**
March 2014							
External consolidated revenue	31 651	11 517	3 139	1 065	14 700	656	62 728
External proportionately consolidated revenue[(1)]	31 865	11 534	6 860	36 801	17 265	656	104 981

Note

[(1)] Revenue includes the group's proportionate share of associates' and joint ventures' external revenue.

Revenue is allocated to a country based on the location of subscribers or users.

39. FINANCIAL RISK MANAGEMENT

Financial risk factors

The group's activities expose it to a variety of financial risks such as market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. These include the effects of changes in debt and equity markets, foreign currency exchange rates and interest rates. The group's overall risk management programme seeks to minimise the potential adverse effects of financial risks on its financial performance. The group uses derivative financial instruments, such as forward exchange contracts and interest rate swaps, to hedge certain risk exposures.

Risk management is carried out by management under policies approved by the board of directors and its risk management committee. Management identifies, evaluates and, where appropriate, hedges financial risks. The various boards of directors within the group provide written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, the use of derivative financial instruments and the investment of excess liquidity.

Foreign exchange risk

The group operates internationally and is exposed to foreign exchange risk. Although a substantial portion of the group's revenue is denominated in the currencies of the countries in which it operates, a significant portion of cash obligations, including satellite transponder leases and contracts for video-entertainment programming, are denominated in US dollar. Where the group's revenue is denominated in local currency, depreciation of the local currency against the US dollar adversely affects the group's earnings and its ability to meet cash obligations. Some entities in the group use forward exchange contracts to hedge their exposure to foreign currency risk in connection with their obligations. Management may hedge the net position in the major foreign currencies by using forward exchange contracts. The group generally covers forward 100% of firm commitments in foreign currency for a minimum period of 12 months and up to two years in the video-entertainment business. The group also uses forward exchange contracts to hedge foreign currency exposure in its print business where cover is generally taken for 50% to 100% of firm commitments in foreign currency for up to one year.

39. FINANCIAL RISK MANAGEMENT (continued)

Foreign exchange risk (continued)

The group has classified its forward exchange contracts relating to forecast transactions and firm commitments as either cash flow or fair value hedges, and measures them at fair value. Hedged transactions relate mainly to programming costs, transponder lease instalments and the acquisition of inventory items. Movements in the hedging reserve for the year are detailed below:

	31 March 2015 R'm	31 March 2014 R'm
Opening balance	**(262)**	(175)
Net fair value gains/(losses), gross	**326**	(185)
Net fair value gains/(losses), tax portion	**(97)**	78
Foreign exchange movement, gross	**(47)**	(57)
Foreign exchange movement, tax portion	**—**	—
Derecognised and added to asset, gross	**(68)**	(32)
Derecognised and added to asset, tax portion	**(2)**	(40)
Derecognised and reported in cost of sales, gross	**(83)**	(110)
Derecognised and reported in cost of sales, tax portion	**23**	31
Derecognised and reported in income, gross	**—**	207
Derecognised and reported in income, tax portion	**—**	—
Derecognised and reported in finance cost/income, gross	**221**	—
Derecognised and reported in finance cost/income, tax portion	**3**	—
Derecognised and reported in income when recognition criteria failed, gross	**1**	(27)
Derecognised and reported in income when recognition criteria failed, tax portion	**—**	8
Non-controlling interest in hedging reserve	**(38)**	40
Closing balance	**(23)**	(262)

A cumulative after-tax loss of R22,5m (2014: R261,6m after-tax loss) has been deferred in the hedging reserve at 31 March 2015. This amount is expected to realise over the next two years. The fair value of all forward exchange contracts designated as cash flow hedges at 31 March 2015 was a net asset of R64,6m (2014: net liability of R275,6m), comprising assets of R426,7m (2014: R121,4m) and liabilities of R362,1m (2014: R397,0m), that were recognised as derivative financial instruments. The fair value of all forward exchange contracts designated as fair value hedges at 31 March 2015 was an asset of R124,1m (2014: asset of R78,0m).

39. FINANCIAL RISK MANAGEMENT (continued)

Foreign exchange risk (continued)

During the year ended 31 March 2015 the group recognised gains on fair value hedging instruments of R169,9m (2014: R115,1m) and losses of R690,9m (2014: R546,6m) on the hedged items attributable to the hedged risks. The amount recognised in the income statement due to the ineffectiveness of cash flow hedges was Rnil (2014: R6,1m). As at 31 March 2015 and 2014 the group had no hedges of net investments in foreign operations.

The table below sets out the periods when the cash flows are expected to occur for both fair value and cash flow hedges in place at 31 March 2015:

	Maturing within one year			Maturing within one to two years
	EUR 'm	**US$ 'm**	**Other 'm**	**US$ 'm**
Total outstanding FECs at 31 March 2015:				
Video-entertainment segment	**—**	**334**	**—**	**160**
Corporate segment	**—**	**142**	**—**	**12**
Print-media segment	**52**	**1**	**2**	**—**
	52	**477**	**2**	**172**
Rand value (R'm)	**715**	**5 527**	**29**	**2 146**
Average exchange rate	**13,75**	**11,59**	**14,50**	**12,48**
Total outstanding FECs at 31 March 2014:				
Video-entertainment segment	7	296	—	81
Corporate segment	—	152	—	—
Print-media segment	34	11	3	—
	41	459	3	81
Rand value (R'm)	608	4 797	41	951
Average exchange rate	14,83	10,45	13,67	11,74

39. FINANCIAL RISK MANAGEMENT (continued)

Foreign exchange risk (continued)

Where the group has surplus funds offshore, the treasury policy is to spread the funds between more than one currency to limit the effect of foreign exchange rate fluctuations and to generate the highest possible interest income. As at 31 March 2015 the group had a net cash balance of R14,6bn (2014: R12,6bn), of which R6,3bn (2014: R5,0bn) was held in South Africa. The R8,3bn (2014: R7,6bn) held offshore was largely denominated in US dollar, euro, Polish zloty, Chinese yuan renminbi, Indian rupee and Brazilian real. The group utilises its holdings of certain formally designated foreign currency denominated cash balances to internally hedge the foreign exchange exposure arising from the future purchase of sports rights which are denominated in US dollar.

Foreign currency sensitivity analysis

The group's presentation currency is the South African rand, but as it operates internationally, it is exposed to a number of currencies, of which the exposure to the US dollar, euro and Polish zloty is the most significant. The group is also exposed to the Chinese yuan renminbi and Brazil real, albeit to a lesser extent.

The sensitivity analysis details the group's sensitivity to a 10% decrease (2014: 10% decrease) in the rand against the US dollar and euro, as well as a 10% decrease (2014: 10% decrease) of the US dollar against the euro and Polish zloty. These movements would result in a R41,2m decrease in net profit after tax for the year (2014: R80,9m decrease in net profit after tax for the year). Total equity would increase by R220,0m (2014: R313,2m decrease).

This analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for the above percentage change in foreign currency rates. The sensitivity analysis includes external loans, as well as loans to foreign operations within the group, but excludes translation differences due to translating from functional currency to presentation currency. The analysis has been adjusted for the effect of hedge accounting.

39. FINANCIAL RISK MANAGEMENT (continued)

Foreign exchange risk (continued)

Foreign exchange rates

The exchange rates used by the group to translate foreign entities' income statements, statements of comprehensive income and statements of financial position are as follows:

	31 March 2015		31 March 2014	
	Average rate	**Closing rate**	Average rate	Closing rate
Currency (1FC = ZAR)				
US dollar	**11,1265**	**12,1395**	10,1876	10,5306
Euro	**13,9182**	**13,0414**	13,6928	14,5053
Chinese yuan renminbi	**1,7957**	**1,9578**	1,6641	1,6940
Brazilian real	**4,4808**	**3,8155**	4,4966	4,6679
British pound	**17,8622**	**18,0229**	16,2938	17,5574
Polish zloty	**3,3294**	**3,1988**	3,2475	3,4796
Russian ruble	**0,2521**	**0,2087**	0,3065	0,2994

The average rates listed above are only approximate average rates for the year. The group measures separately the transactions of each of its material operations, using the particular currency of the primary economic environment in which the operation conducts its business, translated at the prevailing exchange rate on the transaction date.

The below table details the group's uncovered foreign liabilities:

	31 March 2015		31 March 2014	
	Foreign currency amount 'm	**R'm**	Foreign currency amount 'm	R'm
Uncovered foreign liabilities				
The group had the following uncovered foreign liabilities:				
US dollar	**1 380**	**16 751**	1 134	11 944
British pound	**6**	**109**	8	132
Euro	**62**	**809**	67	976
Polish zloty	**23**	**75**	110	384
Chinese yuan renminbi	**26**	**52**	46	77
Other	**—**	**118**	—	214

39. FINANCIAL RISK MANAGEMENT (continued)

Derivative financial instruments

The following table details the group's derivative financial instruments:

	31 March 2015		31 March 2014	
	Assets R'm	**Liabilities R'm**	Assets R'm	Liabilities R'm
Current portion				
Foreign exchange contracts	**449**	**19**	209	47
Shareholders' liabilities[1]	**—**	**358**	—	605
Interest rate swaps	**—**	**192**	—	188
	449	**569**	209	840
Non-current portion				
Foreign exchange contracts	**102**	**—**	1	19
Shareholders' liabilities[1]	**—**	**—**	—	201
Interest rate swaps	**—**	**151**	1	144
	102	**151**	2	364
Total	**551**	**720**	211	1 204

Note

[1] Shareholders' liabilities relate to written put option agreements in terms of which non-controlling shareholders can sell their stakes to the group based on specified terms and conditions. The total value of shareholders' liabilities was R357,9m (2014: R806,4m) at 31 March 2015.

The group's foreign exchange contracts and interest rate swaps are subject to master netting arrangements that allow for offsetting of asset and liability positions with the same counterparty in the event of default. None of the group's foreign exchange contracts and interest rate swap agreements have been offset in the statement of financial position. Had foreign exchange contracts been offset, the net asset presented in the statement of financial position would amount to R531,8m (2014: net asset of R144,6m).

39. FINANCIAL RISK MANAGEMENT (continued)

Credit risk

The group is exposed to credit risk relating to the following assets:

Investments and loans

There is no concentration of credit risk within investments and loans, except for the preference shares held in Welkom Yizani. Shareholder agreements are in place, which regulate the shares held by Welkom Yizani, and management monitors the credit risk regularly. For the group's investment in preference shares, refer to note 10.

Trade receivables

Trade receivables consist primarily of invoiced amounts from normal trading activities. The group has a large diversified customer base across many geographical areas. Various credit checks are performed on new debtors to determine the quality of their credit history. These checks are also performed on existing debtors with long overdue accounts. Furthermore, current debtors are monitored to ensure they do not exceed their credit limits.

Other receivables

There is no concentration of credit risk within other receivables, except for the accrued preference share dividends relating to the Welkom Yizani preference share investment. The level of interest in related party receivables minimises the credit risk.

Cash, deposits and derivative assets

The group is exposed to certain concentrations of credit risk relating to its cash, current investments and derivative assets. It places these instruments mainly with major banking groups and high-quality institutions that have high credit ratings. The group's treasury policy is designed to limit exposure to any one institution and to invest excess cash in low-risk investment accounts. As at 31 March 2015 the group held the majority of its cash, deposits and derivative assets with local and international banks with a "Baa2" credit rating or higher (Moody's International's Long-term Deposit rating). The counterparties that are used by the group are evaluated on a continuous basis.

39. FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk

Prudent liquidity risk management implies, among other aspects, maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. In terms of the memorandum of incorporation of the company, no limitation is placed on its borrowing capacity. The facilities expiring within one year are subject to renewal at various dates during the next year. The group had the following unutilised banking facilities as at 31 March 2015 and 2014:

	31 March	
	2015 R'm	2014 R'm
On call	**2 396**	1 283
Expiring within one year	**108**	29
Expiring beyond one year	**12 331**	17 655
	14 835	18 967

During the financial year ended 31 March 2015 the group incurred significant development expenditure in the form of decoder subsidies, marketing expenditure and network rollout costs in order to establish and grow its digital terrestrial television (DTT) operations in 11 countries across the African continent. This development expenditure caused MultiChoice Africa Limited to not meet the covenant requirements of its US$112,0m revolving credit facility at the measurement date of 31 March 2015. The matter was remedied subsequent to 31 March 2015 through a waiver being obtained from the lender banks with respect to the covenant requirements on that date. The group expects to meet the covenant requirements on the next measurement date of 30 September 2015.

39. FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk (continued)

The following analysis details the remaining contractual maturity of the group's non-derivative and derivative financial liabilities. The analysis is based on the undiscounted cash flows of financial liabilities based on the earliest date on which the group can be required to pay. The analysis includes both interest and principal cash flows.

	31 March 2015				
	Carrying value R'm	Contractual cash flows R'm	0 - 12 months R'm	1 - 5 years R'm	5 years + R'm
Non-derivative financial liabilities					
Interest-bearing: Capitalised finance leases	(8 248)	(10 686)	(1 151)	(3 917)	(5 618)
Interest-bearing: Loans and other liabilities	(38 781)	(45 694)	(3 314)	(29 850)	(12 530)
Non-interest-bearing: Programme and film rights	(1 555)	(1 588)	(1 379)	(209)	—
Non-interest-bearing: Loans and other liabilities	(518)	(563)	(309)	(249)	(5)
Trade payables	(5 436)	(5 509)	(5 509)	—	—
Accrued expenses and other current liabilities	(6 359)	(6 359)	(6 359)	—	—
Related party payables	(282)	(282)	(282)	—	—
Dividends payable	(50)	(50)	(50)	—	—
Bank overdrafts and call loans	(312)	(312)	(312)	—	—
Derivative financial assets/ (liabilities)					
Forward exchange contracts – outflow	532	(8 363)	(6 363)	(2 000)	—
Forward exchange contracts – inflow	—	8 962	6 856	2 106	—
Shareholders' liabilities	(358)	(358)	(358)	—	—
Interest rate swaps	(343)	(343)	(192)	(151)	—

39. FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk (continued)

	31 March 2014				
	Carrying value R'm	Contractual cash flows R'm	0 – 12 months R'm	1 – 5 years R'm	5 years + R'm
Non-derivative financial liabilities					
Interest-bearing: Capitalised finance leases	(7 277)	(9 640)	(857)	(3 335)	(5 448)
Interest-bearing: Loans and other liabilities	(27 969)	(36 491)	(1 897)	(21 210)	(13 384)
Non-interest-bearing: Programme and film rights	(1 523)	(1 561)	(1 445)	(116)	—
Non-interest-bearing: Loans and other liabilities	(342)	(389)	(23)	(247)	(119)
Trade payables	(5 318)	(5 362)	(5 362)	—	—
Accrued expenses and other current liabilities	(5 172)	(5 174)	(5 174)	—	—
Related party payables	(316)	(316)	(316)	—	—
Dividends payable	(24)	(24)	(24)	—	—
Bank overdrafts and call loans	(1 081)	(1 081)	(1 081)	—	—
Derivative financial assets/ (liabilities)					
Forward exchange contracts – outflow	144	(6 402)	(5 611)	(791)	—
Forward exchange contracts – inflow	—	6 539	5 770	769	—
Shareholders' liabilities	(806)	(832)	(621)	(79)	(132)
Interest rate swaps	(331)	(331)	(187)	(144)	—

Interest rate risk

As part of the process of managing the group's fixed and floating borrowings mix, the interest rate characteristics of new borrowings and the refinancing of existing borrowings are positioned according to expected movements in interest rates. Where appropriate, the group uses derivative instruments, such as interest rate swap agreements, purely for hedging purposes. The fair value of these instruments will not change significantly as a result of changes in interest rates due to their short-term nature and floating interest rates.

39. FINANCIAL RISK MANAGEMENT (continued)

Interest rate risk (continued)

The group has two interest rate swaps in place with respect to the revolving credit facility (refer to note 21). The interest rate swap closest to maturity expires on 29 February 2016, has a notional value of R9,7bn (2014: R8,4bn) and carries interest at 2,55% plus a margin of 1,75% (2014: rate of 2,55% plus a margin of 1,75%). From 29 February 2016 an interest rate swap with a notional value of R6,1bn and which carries interest at 2,37% plus a margin of 1,75% will be in place. This interest rate swap expires on 31 October 2018.

The fair values of the group's interest rate swaps amounted to a net liability of R343,2m (2014: net liability of R331,8m) as at 31 March 2015.

Refer to note 22 for the interest rate profiles and repayment terms of long-term liabilities as at 31 March 2015 and 2014.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the statement of financial position date (after taking into account the effect of hedging) and the stipulated change taking place at the beginning of the next financial year and held constant throughout the reporting period in the case of instruments that have floating rates. The group is mainly exposed to interest rate fluctuations of the South African, American and European repo rates. The following changes in the repo rates represent management's best estimate of the possible change in interest rates at the respective year-ends:

- South African repo rate: increases by 100 basis points (2014: increases by 100 basis points)
- American, European and London interbank rates: increases by 100 basis points each (2014: increases by 100 basis points each)

If interest rates changed as stipulated above and all other variables were held constant, specifically foreign exchange rates, the group's net profit after tax for the year ended 31 March 2015 would decrease by R3,6m (2014: increase by R49,1m). Total equity would increase by R248,0m (2014: increase by R148,4m).

Equity price risk

The group holds investments in equity instruments that are classified as available-for-sale financial assets. These investments expose the group to equity price risk as changes in the fair value of the investments are recognised in other comprehensive income.

Equity price risk sensitivity analysis

Management's best estimate of the reasonably possible changes in the market values of available-for-sale financial assets, assuming all other variables were held constant, specifically foreign exchange rates, would result in a decrease in total equity of R14,3m (2014: R12,0m).

40. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair values, together with the carrying values, net gains or losses recognised in profit or loss, total interest income, total interest expense and impairment per class of financial instrument are as follows:

	31 March 2015				
	Carrying value R'm	Fair value R'm	Net gains/ (losses) recog-nised in profit or loss R'm	Total interest income R'm	Impair-ment R'm
Assets					
Investments and loans	955	822	–	55	6
loans and receivables	424	424	–	42	–
available-for-sale investments[(1)]	276	143	–	–	–
other	213	213	–	3	–
related party loans	42	42	–	10	6
Receivables and loans	6 768	6 768	203	26	242
trade receivables	4 834	4 834	(33)	7	242
other receivables	1 882	1 882	54	19	–
foreign currency intergroup receivables	–	–	182	–	–
related party receivables	52	52	–	–	–
Derivative financial instruments	551	551	323	–	–
foreign exchange contracts	551	551	323	–	–
Cash and cash equivalents	14 881	14 881	43	400	–
Total	23 155	23 022	569	481	248

Note

(1) During the period a gain of R3,3m (2014: loss of R8,4m) was recognised in other comprehensive income with respect to the group's available-for-sale investments. R133,0m of the group's available-for-sale investments is carried at cost and hence the fair value of this component is not disclosed (refer to note 10).

40. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

	31 March 2015			
	Carrying value R'm	Fair value R'm	Net gains/(losses) recognised in profit or loss R'm	Total interest expense R'm
Liabilities				
Long-term liabilities	44 807	46 996	(617)	1 979
interest-bearing capitalised finance leases	7 486	7 723	(558)	350
interest-bearing loans and other liabilities	37 111	39 064	(59)	1 623
non-interest-bearing loans and other liabilities	210	209	–	6
Short-term payables and loans	16 422	16 467	(370)	290
interest-bearing capitalised finance leases	762	807	(36)	30
interest-bearing loans and other liabilities	1 670	1 670	(2)	78
non-interest-bearing programme and film rights	1 555	1 555	(161)	91
non-interest-bearing loans and other liabilities	308	308	25	–
trade payables	5 436	5 436	(189)	86
accrued expenses and other current liabilities	6 359	6 359	(4)	–
related party payables	282	282	(5)	5
foreign currency intergroup payables	–	–	2	–
dividends payable	50	50	–	–
Derivative financial instruments	720	720	(70)	228
foreign exchange contracts	19	19	(40)	–
shareholders' liabilities	358	358	(30)	17
interest rate swaps	343	343	–	211
Bank overdrafts and call loans	312	312	–	106
Total	62 261	64 495	(1 057)	2 603

The carrying values of all financial instruments, apart from those disclosed below, are considered to be a reasonable approximation of their fair values.

40. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

The fair values of the following instruments that are not measured at fair value have been disclosed as their carrying values are not a reasonable approximation of fair value:

Financial instruments for which fair value is disclosed

	Carrying value R'm	Fair value R'm	Level 1 R'm	Level 2 R'm	Level 3 R'm
Financial liabilities					
31 March 2015					
Capitalised finance leases	**8 248**	**8 530**	**—**	**—**	**8 530**
Publicly traded bonds	**20 637**	**22 590**	**—**	**22 590**	**—**
31 March 2014					
Loans from non-controlling shareholders	480	478	—	—	478
Capitalised finance leases	7 277	7 074	—	—	7 074
Publicly traded bonds	17 784	19 706	—	19 706	—

40. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

	31 March 2014				
	Carrying value R'm	Fair value R'm	Net gains/ (losses) recog-nised in profit or loss R'm	Total interest income R'm	Impair-ment R'm
Assets					
Investments and loans	1 192	1 192	166	77	20
loans and receivables	926	926	–	77	–
available-for-sale investments	120	120	–	–	–
other	5	5	168	–	–
related party loans	141	141	(2)	–	20
Receivables and loans	6 795	6 795	359	7	233
trade receivable	4 849	4 849	(15)	1	226
other receivables	1 919	1 919	169	1	7
foreign currency intergroup receivables	–	–	205	–	–
related party receivables	27	27	–	5	–
Derivative financial instruments	211	211	376	–	–
foreign exchange contracts	210	210	352	–	–
interest rate swaps	1	1	–	–	–
other derivatives	–	–	24	–	–
Cash and cash equivalents	13 664	13 664	143	453	–
Total	21 862	21 862	1 044	537	253

40. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

	31 March 2014			
	Carrying value R'm	Fair value R'm	Net gains/ (losses) recognised in profit or loss R'm	Total interest expense R'm
Liabilities				
Long-term liabilities	34 483	36 223	(486)	1 551
interest-bearing capitalised finance leases	6 769	6 590	(454)	167
interest-bearing loans and other liabilities	27 395	29 314	(32)	1 384
non-interest-bearing loans and other liabilities	319	319	–	–
Short-term payables and loans	13 458	13 435	(475)	404
interest-bearing capitalised finance leases	508	485	(27)	191
interest-bearing loans and other liabilities	574	574	5	35
non-interest-bearing programme and film rights	1 523	1 523	(150)	91
non-interest-bearing loans and other liabilities	23	23	11	–
trade payables	5 318	5 318	(257)	81
accrued expenses and other current liabilities	5 172	5 172	8	–
related party payables	316	316	4	6
foreign currency intergroup payables	–	–	(69)	–
dividends payable	24	24	–	–
Derivative financial instruments	1 204	1 204	381	216
foreign exchange contracts	66	66	210	–
shareholders' liabilities	806	806	171	22
interest rate swaps	332	332	–	194
Bank overdrafts and call loans	1 081	1 081	–	96
Total	50 226	51 943	(580)	2 267

40. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

The group categorises fair value measurements into levels 1 to 3 of the fair value hierarchy based on the degree to which the inputs used in measuring fair value are observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices). The fair value of financial instruments that are not traded in an active market (eg derivatives such as interest rate swaps, foreign exchange contracts and certain options) is determined through valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Valuation techniques and key inputs used to measure significant level 2 and level 3 fair values

Level 2 fair value measurements

- *Foreign exchange contracts* – in measuring the fair value of foreign exchange contracts the group makes use of market observable quotes of forward foreign exchange rates on instruments that have a maturity similar to the maturity profile of the group's foreign exchange contracts. Key inputs used in measuring the fair value of foreign exchange contracts include: current spot exchange rates, market forward exchange rates and the term of the group's foreign exchange contracts.
- *Interest rate swaps* – the fair value of the group's interest rate swaps is determined through the use of discounted cash flow techniques using only market observable information. Key inputs used in measuring the fair value of interest rate swaps include: spot market interest rates, contractually fixed interest rates, counterparty credit spreads, notional amounts on which interest rate swaps are based, payment intervals, risk-free interest rates as well as the duration of the relevant interest rate swap arrangement.

Level 3 fair value measurements

- *Shareholders' liabilities* – relate predominantly to written put options and derivative financial instruments contained in shareholders' agreements to which the group is a party that grant or allow another shareholder in a group entity to purchase or sell interests in those entities to the group. Options are valued using appropriate option pricing models as well as discounted cash flow analyses. Significant inputs: the current fair value of the underlying share over which the instrument is written, the strike price of the option, risk-free interest rates, calculated volatilities and the period to exercise.
- *Earn-out obligations* – relate to amounts that are payable to the former owners of businesses now controlled by the group provided that contractually stipulated post-combination performance criteria are met. These are remeasured to fair value at the end of each reporting period. Key inputs used in measuring fair value include current forecasts of the extent to which management believe performance criteria will be met, discount rates reflecting the time value of money and contractually specified earn-out payments.

40. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Instruments not measured at fair value for which fair value is disclosed

- *Level 2* – the fair values of the publicly traded bonds have been determined with reference to the listed prices of the instruments at the reporting date. As the instruments are not actively traded, this is a level 2 disclosure.
- *Level 3* – the fair values of all level 3 disclosures have been determined through the use of discounted cash flow analyses. Key inputs include current market interest rates as well as contractual cash flows.

The following table provides an analysis of the group's fair value measurements per the fair value measurement categories:

Assets/liabilities measured at fair value:

	31 March 2015				
	Fair value R'm	Level 1 R'm	Level 2 R'm	Level 3 R'm	Total R'm
Recurring fair value measurements					
Assets					
Available-for-sale investments	143	143	—	—	143
Foreign exchange contracts	551	—	551	—	551
Total	694	143	551	—	694
Liabilities					
Foreign exchange contracts	19	—	19	—	19
Shareholders' liabilities	358	—	—	358	358
Earn-out obligations	477	—	—	477	477
Interest rate swaps	343	—	343	—	343
Total	1 197	—	362	835	1 197

40. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Assets/liabilities measured at fair value (continued)

	31 March 2014				
	Fair value R'm	Level 1 R'm	Level 2 R'm	Level 3 R'm	Total R'm
Recurring fair value measurements					
Assets					
Available-for-sale investments	120	120	—	—	120
Foreign exchange contracts	210	—	210	—	210
Interest rate swaps	1	—	1	—	1
Total	331	120	211	—	331
Liabilities					
Foreign exchange contracts	66	—	66	—	66
Shareholders' liabilities	806	—	—	806	806
Earn-out obligations	263	—	—	263	263
Interest rate swaps	332	—	332	—	332
Total	1 467	—	398	1 069	1 467

There were no transfers between level 1 and level 2 during the period.

The following table presents the changes in level 3 instruments for the year ended 31 March 2015:

	31 March 2015		
	Shareholders' liabilities R'm	**Earn-out obligations R'm**	**Total R'm**
Opening balance	**806**	**263**	**1 069**
Total losses/(gains) recognised in the income statement	**50**	**(18)**	**32**
Additional obligations raised	**—**	**345**	**345**
Cancellations/reclassifications to derivative financial instruments	**(493)**	**—**	**(493)**
Settlements	**(78)**	**(109)**	**(187)**
Foreign currency translation effects	**73**	**(4)**	**69**
Closing balance	**358**	**477**	**835**

40. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

	31 March 2014		
	Shareholders' liabilities R'm	Earn-out obligations R'm	Total R'm
Opening balance	704	185	889
Total losses recognised in the income statement	(145)	(13)	(158)
Additional obligations raised	284	155	439
Settlements	(82)	(91)	(173)
Foreign currency translation effects	45	27	72
Closing balance	806	263	1 069

Total income and expenses for the period included in the income statement for liabilities measured at fair value amounted to a net expense of R31,0m (2014: net income of R148,5m). Of this total amount included in the income statement an expense of R17,3m (2014: an expense of R22,3m) was included in "Interest paid", a loss of R30,1m (2014: a gain of R174,4m) in "Other gains/(losses)" – net a gain of R18,4m (2014: a gain of R12,7m) in "Gains on acquisitions and disposals and an expense" of R2,1m (2014: an expense of R3,6m) in "Selling, general and administration expenses".

The group has assessed that, if one or more of the inputs used in measuring the fair value of shareholders' liabilities were changed to a reasonably possible alternative assumption, it would result in the total fair value of shareholders' liabilities amounting to either R379,0m (2014: R845,7m) (10% increase in variables sensitive to change) or R337,0m (2014: R767,1m) (10% decrease in variables sensitive to change). The sensitivity analysis has been prepared based on the group's assessment of the reasonably possible changes in share valuation assumptions. Changes in assumptions relating to earn-out obligations would not have a significant impact on the fair value as at the end of the reporting period.

41. SUBSEQUENT EVENTS

After the reporting period, the group invested a further US$41m in its joint venture Konga Online Shopping Limited ("Konga"). Following this additional investment, the group continues to exert joint control over Konga with its 50,9% interest on a fully diluted basis. During June 2015 the group entered into an agreement for the sale of its subsidiary, Korbitec Proprietary Limited. The transaction is subject to regulatory approval.

42. EQUITY COMPENSATION BENEFITS

The following share incentive plans were in operation during the financial year:

Share trusts	Date of incorporation	Maximum awards permissible#	Vesting period	Period to expiry from date of offer	IFRS 2 classification
Naspers Limited	14 August 1987	Note 1	*	10 years	Equity-settled
Media24 Limited	31 August 2000	15%	*	10 years	Cash-settled
MIH Holdings	27 September 1993	Note 1	*	10 years	Equity-settled
MIH (Mauritius) Limited	25 March 1999	Note 1	*	10 years	Equity-settled
Irdeto Access B.V.	14 October 1999	Note 5	*	10 years	Note 7
MIH China/MIH TC (BVI)	23 February 2003	Note 2	**	10 years	Equity-settled
2005 MIH China (BVI)	30 September 2005	Note 2	**	5 to 10 years	Equity-settled
Entriq (Mauritius)	6 May 2003	15%	**	10 years	Cash-settled
MIH Russia Internet B.V.	4 June 2007	10%	***	10 years	Equity-settled
MIH Buscapé Holdings B.V.	15 March 2010	Note 3	*	5 years and 3 months	Equity-settled
MIH Buscapé Holdings B.V. 2011	5 December 2011	Note 3	***	6 years	Equity-settled
Movile Internet Movel S.A.	23 March 2011	Note 6	*	8 years	Equity-settled
OLX B.V.	31 March 2011	15%	*	7 years and 3 months	Equity-settled
MIH Buscapé Holdings B.V. 2012	14 September 2012	Note 3	***	10 years	Equity-settled
MIH Allegro B.V. 2012	14 September 2012	Note 4	***	10 years	Equity-settled
iFood.com Agencia de Restaurantes Online S.A.	21 November 2013	10%	***	10 years	Equity-settled
Movile Internet Movel S.A. 2013	21 November 2013	Note 6	***	10 years	Equity-settled
Paarl Media Holdings	29 May 2001	5%	*	10 years	Cash-settled
MediaZone Holdings B.V.	8 August 2006	15%	**	10 years	Equity-settled
MIH India (Mauritius)	22 February 2007	15%	***	10 years	Equity-settled
Dante International S.A. (eMAG)	20 November 2014	10%	***	10 years	Equity-settled
Novus Holdings Limited	11 March 2015	Note 8	*	6 years	Equity-settled

42. EQUITY COMPENSATION BENEFITS (continued)

The group provides detailed disclosure for those share incentive plans that are considered significant to the consolidated annual financial statements.

Notes in relation to the group's share trust plans

The percentage reflected in this column is the maximum percentage of the respective companies' issued/notional share capital that the applicable trust may hold and subsequently allocate to participants subject to the following, where applicable:

1. At the Naspers annual general meeting held on Friday 27 August 2010 a resolution was adopted by shareholders whereby the maximum number of shares available for fresh allocation after 27 August 2010 to participants under this scheme and any other share incentive scheme of Naspers or any direct or indirect subsidiary of Naspers is 40 588 541 shares which number will increase by virtue of any subdivision of shares or decrease by virtue of any consolidation of shares, as the case may be.
2. The MIH China/MIH TC (BVI) and 2005 MIH China/MIH TC BVI share trusts may collectively issue no more than 10% of the total number of MIH China (BVI) Limited ordinary shares in issue.
3. The MIH Buscapé Holdings B.V., MIH Buscapé Holdings B.V. 2011 and MIH Buscapé Holdings B.V. 2012 share trusts may collectively issue no more than 15% of the total number of MIH Buscapé Holdings B.V. ordinary shares and notional share in issue as recorded in the most recent pro forma capitalisation table.
4. The MIH Allegro B.V. 2008 and MIH Allegro B.V. 2009 share appreciation rights plans and MIH Allegro B.V. 2012 share trust may collectively issue no more than 10% of the total number of MIH Allegro B.V. ordinary shares and notional shares in issue as recorded in the most recent pro forma capitalisation table.
5. The Irdeto Access B.V., Irdeto Access B.V. 2008 and Irdeto Access B.V. 2009 share appreciation rights plans and Irdeto Access Share Trust may collectively issue no more than 15% of the total number of Irdeto Access B.V. notional shares as recorded in the most recent pro forma capitalisation table.
6. The Movile Internet Movel S.A. and Movile Internet Movel S.A. 2013 share option plans may collectively issue no more than 10% of the total number of Compera Spain S.L.U. notional shares as recorded in the most recent pro forma capitalisation table.
7. Offers before September 2005 are cash-settled and offers after September 2005 are equity-settled.
8. At the Novus Holdings general meeting held on Friday 20 February 2015, a resolution was adopted by shareholders whereby the maximum number of shares available for fresh allocation after 20 February 2015 to participant under this scheme and any other share incentive scheme of Novus Holdings or any direct or indirect subsidiary of Novus Holdings is 34 733 245 shares which number will increase by virtue of any subdivision of shares or decrease by virtue of any consolidation of shares, as the case may be.

Vesting period: * One-third vests after years three, four and five.
** One-quarter vests after years one, two, three and four.
*** One-fifth vests after years one, two, three, four and five.

42. EQUITY COMPENSATION BENEFITS (continued)

The following share incentive plans were in operation during the financial year:

Share appreciation rights	Date of incorporation	Maximum awards permissible#	Vesting period	Period to expiry from date of offer	IFRS 2 classification
Media24 Limited	20 September 2005	10%	*	5 years and 14 days	Equity-settled
MultiChoice Africa	20 September 2005	10%	*	5 years and 14 days	Equity-settled
Irdeto Access B.V.	9 June 2006	Note 1	*	5 years and 14 days	Equity-settled
MultiChoice Africa 2008[(3)]	2 April 2008	10%	*	10 years	Equity-settled
Gadu-Gadu S.A. 2008	11 July 2008	10%	***	5 years and 14 days	Equity-settled
MIH Allegro B.V. 2008	11 July 2008	Note 2	***	7 years and 14 days	Equity-settled
MIH Ricardo B.V. 2008	11 July 2008	Note 3	***	5 years and 14 days	Equity-settled
Irdeto Access B.V. 2008	5 September 2008	Note 1	***	5 years and 14 days	Equity-settled
MIH China/MIH TC 2008	5 September 2008	10%	***	5 to 8 years and 14 days	Equity-settled
Molotok No1	12 June 2009	10%	*	5 years and 14 days	Equity-settled
MIH Allegro B.V. 2009	25 September 2009	Note 2	***	7 years and 14 days	Equity-settled
Paarl Coldset[(1)]	10 March 2010	5%	*	5 years and 14 days	Equity-settled
Paarl Media Holdings[(1)]	10 March 2010	5%	*	5 years and 14 days	Equity-settled
On the Dot	24 November 2010	10%	*	5 years and 14 days	Equity-settled
Level Up! International Holdings	30 March 2011	10%	*	7 years and 14 days	Equity-settled
Irdeto Access B.V. 2012	28 August 2012	Note 1	***	10 years	Equity-settled
MIH Internet Africa 2012	28 August 2012	15%	***	10 years	Equity-settled
Korbitec Proprietary Limited	28 August 2012	15%	***	6 Years	Equity-settled
MIH India Global Internet Limited (ibibo)	28 August 2012	15%	***	10 Years	Equity-settled
Multiply Singapore Private Limited	28 August 2012	15%	***	10 years	Equity-settled
MWEB Holdings (Thailand) Limited (Sanook! Ecommerce)	28 August 2012	15%	***	10 years	Equity-settled
Netrepreneur Connections Enterprises Inc (Sulit)	28 August 2012	13%	***	10 years	Equity-settled
MIH Ricardo B.V. 2012	9 November 2012	Note 3	***	10 years	Equity-settled
FixeAds B.V.	9 November 2012	10%	***	10 years	Equity-settled
Tokobagus Eploitatie B.V.	9 November 2012	15%	***	10 years	Equity-settled

42. EQUITY COMPENSATION BENEFITS (continued)

The following share incentive plans were in operation during the financial year:

Share appreciation rights	Date of incorporation	Maximum awards permissible#	Vesting period	Period to expiry from date of offer	IFRS 2 classification
Netretail Holdings B.V.	5 June 2013	5%	***	10 years	Equity-settled
Souq Group Limited(2)	23 August 2013	5%	***	10 years	Equity-settled
Dubizzle Limited	23 August 2013	10%	***	10 years	Equity-settled
Flipkart Limited(2)	23 August 2013	5%	***	10 years	Equity-settled
MIH Allegro PayU B.V.	20 February 2014	15%	***	10 years	Equity-settled
CEE Classifieds	19 June 2014	10%	***	10 years	Equity-settled
CEE marketplaces	19 June 2014	10%	***	10 years	Equity-settled
Fashion Days Holdings AG	19 June 2014	15%	***	10 years	Equity-settled
Vipindirim Elektronik Hozmetler ve Ticaret A.S. (Markafoni)	19 June 2014	15%	***	10 years	Equity-settled
Naspers Global Classifieds	19 June 2014	Note 4	***	10 years	Equity-settled
Naspers Global Ecommerce	19 June 2014	Note 4	***	10 years	Equity-settled
Naspers Global Etail	19 June 2014	Note 4	***	10 years	Equity-settled
Naspers Global Expansion	19 June 2014	Note 4	***	10 years	Equity-settled
SimilarWeb Limited	29 August 2014	5%	***	10 years	Equity-settled

The group provides detailed disclosure for those share incentive plans that are considered significant to the financial statements.

Notes in relation to the group's share appreciation plans

The percentage reflected in this column is the maximum percentage of the respective companies issued/notional share capital that the applicable trust may hold.

1. The Irdeto Access B.V., Irdeto Access B.V. 2008 and Irdeto Access B.V. 2009 share appreciation rights plans and Irdeto Access share trust may collectively issue no more than 15% of the total number of Irdeto Access B.V. notional shares as recorded in the most recent pro forma capitalisation table.
2. The MIH Allegro B.V. 2008 and MIH Allegro B.V. 2009 share appreciation rights plans and MIH Allegro B.V. 2012 share trust may collectively issue no more than 10% of the total number of MIH Allegro B.V. ordinary shares and notional shares in issue as recorded in the most recent pro forma capitalisation table.
3. The MIH Ricardo B.V. 2008 and MIH Ricardo B.V. 2012 share appreciation rights plans may collectively issue no more than 10% of the total number of MIH Ricardo B.V. notional shares as recorded in the most recent pro forma capitalisation table.
4. The Naspers Global Classifieds, Naspers Global Ecommerce, Naspers Global Etail and Naspers Global Expansion schemes may collectively issue no more than 5% of the then total notional shares of all underlying assets as recorded in the most recent capitalisation tables.

(1) For these two schemes, the initial grants vest one-third after two, three and four years with all subsequent grants vesting as indicated in the table above.

(2) For these two schemes, the initial grants vest 40% after one year and 20% after two, three and four years with all subsequent grants vesting as indicated in the table above.

(3) The expiry period of this scheme has been extended from five years and 14 days to ten years.

Vesting period: * One-third vests after years three, four and five.
** One-quarter vests after years one, two, three and four.
*** One-fifth vests after years one, two, three, four and five.

42. EQUITY COMPENSATION BENEFITS (continued)

All share options and share appreciation rights (SARs) are granted with an exercise price of not less than the fair value of the respective company's shares on the date of the grant. All unvested share options/SARs are subject to forfeiture upon termination of employment. All cancelled options/SARs are cancelled by mutual agreement between the employer and employee.

Movements in terms of the group's significant share trust incentive plans are as follows:

	31 March 2015					
	Naspers	MIH Holdings	MIH (Mauritius) (rand-based)	OLX Inc.	MIH Buscapé Holdings B.V. 2012	Allegro B.V. 2012 Share Trust
Shares						
Outstanding at 1 April	12 084 944	855 222	2 627 652	68 104 316	1 255 554	448 806
Granted	69 745	88 663	118 917	19 679 859	221 393	10 985
Exercised	(11 776 651)	(114 052)	(247 770)	(413 146)	(297 242)	(77 275)
Forfeited	(1 192)	(13 647)	(17 365)	(6 638 763)	(161 034)	(55 563)
Cancelled	–	–	–	–	–	(100 523)
Outstanding at 31 March	376 846	816 186	2 481 434	80 732 266	1 018 671	226 430
Available to be implemented at 31 March	208 433	217 241	1 064 254	11 346 200	153 668	45 614
Weighted average exercise price	(rand)	(rand)	(rand)	(US$)	(BRL)	(euro)
Outstanding at 1 April	178,92	450,54	583,48	0,37	48,09	121,31
Granted	1 473,51	1 382,01	1 419,79	0,51	56,77	116,88
Exercised	176,18	355,23	284,28	0,41	47,53	112,41
Forfeited	201,72	689,87	397,15	0,36	48,10	114,95
Cancelled	–	–	–	–	–	140,97
Outstanding at 31 March	503,86	561,04	654,74	0,40	50,14	116,97
Available to be implemented at 31 March	162,93	226,71	209,21	0,40	49,32	116,72
Weighted average share price of options taken up during the year						
Shares	11 776 651	114 052	247 770	413 146	297 242	77 275
Weighted average share price	1 349,56	1 496,12	1 500,10	0,51	56,76	117,22

42. EQUITY COMPENSATION BENEFITS (continued)

Movements in terms of the group's significant share trust incentive plans are as follows:

	31 March 2014					
	Naspers	MIH Holdings	MIH (Mauritius) (rand-based)	OLX Inc.	MIH Buscapé Holdings B.V. 2012	Allegro B.V. 2012 Share Trust
Shares						
Outstanding at 1 April	12 252 966	850 134	2 099 898	52 286 651	656 553	428 262
Granted	26 191	163 630	1 046 378	17 763 932	813 045	141 192
Exercised	(193 707)	(134 502)	(498 834)	–	–	(40 862)
Forfeited	(506)	(23 740)	(19 762)	(1 946 267)	(151 510)	(62 812)
Expired	–	(300)	–	–	–	–
Cancelled	–	–	(28)	–	(62 534)	(16 974)
Outstanding at 31 March	12 084 944	855 222	2 627 652	68 104 316	1 255 554	448 806
Available to be implemented at 31 March	11 949 051	176 986	1 039 714	7 105 551	168 950	43 448
Weighted average exercise price	**(rand)**	**(rand)**	**(rand)**	**(US$)**	**(BRL)**	**(euro)**
Outstanding at 1 April	175,81	324,20	223,14	0,35	49,58	112,41
Granted	900,65	899,56	1 103,76	0,42	46,93	140,86
Exercised	78,99	211,98	167,57	–	–	112,41
Forfeited	592,19	377,81	340,53	0,37	47,70	112,76
Expired	–	41,50	–	–	–	–
Cancelled	–	–	888,80	–	49,58	112,41
Outstanding at 31 March	178,92	450,54	583,48	0,37	48,09	121,31
Available to be implemented at 31 March	175,51	185,34	170,62	0,39	48,63	112,42
Weighted average share price of options taken up during the year						
Shares	193 707	134 502	498 834	–	–	40 862
Weighted average share price	873,44	939,44	964,78	–	–	135,87

42. EQUITY COMPENSATION BENEFITS (continued)

Movements in terms of the group's significant share appreciation rights plans are as follows:

31 March 2015	Media24	MultiChoice Africa 2008	Naspers Global Ecommerce	Irdeto Access B.V. 2012	MIH Internet Africa 2012	MIH India (ibibo Ecommerce)
SARs						
Outstanding at 1 April	12 239 396	13 192 068	–	779 058	5 031 360	5 747 590
Granted	2 929 998	3 776 927	8 492 327	338 712	3 424 320	2 573 638
Exercised	(1 202 748)	(1 975 482)	–	(134 529)	(160 300)	(95 400)
Forfeited	(1 058 485)	(898 057)	–	(60 319)	(2 431 810)	(908 402)
Expired	(925 153)	–	–	–	–	–
Cancelled	–	–	–	–	(3 003 181)	–
Outstanding at 31 March	11 983 008	14 095 456	8 492 327	922 922	2 860 389	7 317 426
Available to be implemented at 31 March	1 606 223	1 423 847	–	103 436	2 315 474	1 237 654
Weighted average exercise price	(rand)	(rand)	(US$)	(US$)	(rand)	(US$)
Outstanding at 1 April	18,49	103,20	–	13,47	10,20	2,96
Granted	19,23	125,60	15,58	19,20	6,08	4,35
Exercised	16,61	94,69	–	13,90	9,47	2,73
Forfeited	19,53	108,10	–	14,17	9,42	3,28
Expired	21,40	–	–	–	–	–
Cancelled	–	–	–	–	8,64	–
Outstanding at 31 March	18,54	110,08	15,58	15,47	7,61	3,41
Available to be implemented at 31 March	15,82	90,41	–	14,42	7,29	2,92
Weighted average share price of SARs taken up during the year						
SARs	1 202 748	1 975 482	–	134 529	160 300	95 400
Weighted average SAR price	19,23	125,60	–	19,20	10,09	3,64

42. EQUITY COMPENSATION BENEFITS (continued)

Movements in terms of the group's significant share appreciation rights plans are as follows:

	31 March 2014					
	Media24	MultiChoice Africa 2008	Naspers Global Ecommerce	Irdeto Access B.V. 2012	MIH Internet Africa 2012	MIH India (ibibo Ecommerce)
SARs						
Outstanding at 1 April	10 770 890	11 455 401	–	395 613	1 878 064	1 495 780
Granted	3 535 748	4 371 836	–	472 954	3 315 355	4 513 378
Exercised	(810 526)	(1 906 860)	–	–	–	(28 920)
Forfeited	(837 689)	(725 832)	–	(89 509)	(147 227)	(232 648)
Expired	(419 027)	(2 477)	–	–	–	–
Cancelled	–	–	–	–	(14 832)	–
Outstanding at 31 March	12 239 396	13 192 068	–	779 058	5 031 360	5 747 590
Available to be implemented at 31 March	1 399 218	756 323	–	65 039	521 405	281 644
Weighted average exercise price	(rand)	(rand)	(US$)	(US$)	(rand)	(US$)
Outstanding at 1 April	17,38	93,81	–	16,00	11,60	2,50
Granted	22,37	117,35	–	11,73	9,47	3,10
Exercised	18,57	80,67	–	–	–	2,50
Forfeited	18,02	99,54	–	15,45	11,44	2,63
Expired	23,65	69,31	–	–	–	–
Cancelled	–	–	–	–	11,60	–
Outstanding at 31 March	18,49	103,20	–	13,47	10,20	2,96
Available to be implemented at 31 March	19,19	87,25	–	15,95	11,09	2,50

42. EQUITY COMPENSATION BENEFITS (continued)

Movements in terms of the group's significant share appreciation rights plans are as follows:

	31 March 2015		
	MIH Ricardo B.V. 2012	Flipkart 2013	PayU Global B.V.
SARs			
Outstanding at 1 April	653 119	62 511	476 552
Granted	368 702	378 170	363 842
Exercised	(2 217)	—	(1 569)
Forfeited	(53 941)	—	(56 969)
Outstanding at 31 March	965 663	440 681	781 856
Available to be implemented at 31 March	182 832	18 099	89 287
Weighted average exercise price	(CHF)	(US$)	(US$)
Outstanding at 1 April	11,78	24,23	39,10
Granted	13,46	63,64	43,51
Exercised	11,60	—	39,10
Forfeited	12,00	—	41,73
Outstanding at 31 March	12,41	58,05	40,96
Available to be implemented at 31 March	11,71	24,23	39,10
Weighted average share price of SARs taken up during the year			
SARs	2 217	—	1 569
Weighted average SAR price	13,46	—	43,51

42. EQUITY COMPENSATION BENEFITS (continued)

Movements in terms of the group's significant share appreciation rights plans are as follows:

	31 March 2014		
	MIH Ricardo B.V. 2012	Flipkart 2013	MIH Allegro PayU B.V.
SARs			
Outstanding at 1 April	457 956	—	—
Granted	439 831	62 511	476 552
Exercised	(684)	—	—
Forfeited	(52 828)	—	—
Cancelled	(191 156)	—	—
Outstanding at 31 March	653 119	62 511	476 552
Available to be implemented at 31 March	71 926	—	—
Weighted average exercise price	(CHF)	(US$)	(US$)
Outstanding at 1 April	11,58	—	—
Granted	11,98	24,23	39,10
Exercised	11,58	—	—
Forfeited	11,70	—	—
Cancelled	11,79	—	—
Outstanding at 31 March	11,78	24,23	39,10
Available to be implemented at 31 March	11,61	—	—
Weighted average share price of SARs taken up during the year			
SARs	684	—	—
Weighted average SAR price	11,98	—	—

42. EQUITY COMPENSATION BENEFITS (continued)

Share option allocations outstanding and currently available to be implemented at 31 March 2015 by exercise price for the group's significant share incentive plans:

	Share options outstanding			Share options currently available	
Exercise prices	Number outstanding at 31 March 2015	Weighted average remaining contractual life (years)	Weighted average exercise price	Exercisable at 31 March 2015	Weighted average exercise price
Naspers (rand)					
114,52 to 138,87	**133 823**	1,36 to 2,95	114,52 to 138,87	**133 823**	114,52 to 138,87
167,99 to 176,90	**32 087**	2,40 to 3,48	167,99 to 176,90	**32 087**	167,99 to 176,90
251,00 to 288,00	**33 007**	4,42 to 5,26	251,00 to 288,00	**28 351**	251,00 to 288,00
306,00 to 364,35	**41 299**	5,45 to 6,67	306,00 to 364,35	**14 172**	306,00 to 364,35
436,83 to 484,70	**40 698**	7,26 to 7,44	436,83 to 484,70	–	436,83 to 484,70
770,00 to 888,80	**22 384**	8,28 to 8,44	770,00 to 888,80	–	770,00 to 888,80
1 155,00 to 1 380,78	**16 771**	8,95 to 9,44	1 155,00 to 1 380,78	–	1 155,00 to 1 380,78
1 479,99 to 1 680,16	**56 777**	9,68 to 9,95	1 479,99 to 1 680,16	–	1 479,99 to 1 680,16
	376 846		503,86	**208 433**	162,93
MIH Holdings (Naspers shares) (rand)					
105,35 to 138,87	**92 155**	0,46 to 2,95	105,35 to 138,87	**92 155**	105,35 to 138,87
174,00 to 191,02	**12 602**	2,25 to 3,38	174,00 to 191,02	**12 602**	174,00 to 191,02
251,00 to 306,00	**92 904**	4,42 to 5,45	251,00 to 306,00	**67 844**	251,00 to 306,00
350,00 to 379,42	**155 993**	5,68 to 6,67	350,00 to 379,42	**40 032**	350,00 to 379,42
423,00 to 484,70	**209 651**	6,98 to 7,44	423,00 to 484,70	**4 608**	423,00 to 484,70
549,00 to 585,28	**17 527**	7,67 to 7,92	549,00 to 585,28	–	549,00 to 585,28
770,00 to 888,80	**115 609**	8,28 to 8,44	770,00 to 888,80	–	770,00 to 888,80
1 155,00 to 1 266,22	**30 578**	9,00 to 9,50	1 155,00 to 1 266,22	–	1 155,00 to 1 266,22
1 305,00 to 1 479,99	**89 167**	8,95 to 9,68	1 305,00 to 1 479,99	–	1 305,00 to 1 479,99
	816 186		561,04	**217 241**	226,71

42. EQUITY COMPENSATION BENEFITS (continued)

Share option allocations outstanding and currently available to be implemented at 31 March 2015 by exercise price for the group's significant share incentive plans:

	Share options outstanding			Share options currently available	
Exercise prices	Number outstanding at 31 March 2015	Weighted average remaining contractual life (years)	Weighted average exercise price	Exercisable at 31 March 2015	Weighted average exercise price
MIH (Mauritius) – (Naspers shares) (rand)					
105,35 to 124,00	**4 657**	0,46 to 1,44	105,35 to 124,00	**4 657**	105,35 to 124,00
138,87 to 182,00	**820 084**	2,00 to 3,93	138,87 to 182,00	**820 084**	138,87 to 182,00
251,00 to 292,56	**89 730**	4,42 to 4,70	251,00 to 292,56	**89 730**	251,00 to 292,56
304,05 to 306,00	**85 372**	4,96 to 5,45	304,05 to 306,00	**52 165**	304,05 to 306,00
350,00 to 379,42	**155 807**	5,68 to 6,67	350,00 to 379,42	**41 467**	350,00 to 379,42
436,83 to 549,00	**169 554**	7,26 to 7,67	436,83 to 549,00	**—**	436,83 to 549,00
770, 00 to 888,88	**145 740**	8,28 to 8,44	770, 00 to 888,88	**53 584**	770, 00 to 888,88
936,40 to 972,88	**8 769**	8,47 to 8,67	936,40 to 972,88	**—**	936,40 to 972,88
1 155,00 to 1 305,00	**883 111**	8,95 to 9,00	1 155,00 to 1305,00	**—**	1 155,00 to 1 305,00
1 380,78 to 1 680,16	**118 610**	9,44 to 9,95	1 380,78 to 1680,16	**2 567**	1 380,78 to 1 680,16
	2 481 434		654,74	**1 064 254**	209,21
OLX B.V. (US$)					
0,31	**27 086 769**	4,95	0,31	**—**	—
0,40	**17 330 531**	3,28	0,40	**11 346 200**	0,40
0,42	**16 913 142**	5,69	0,42	**—**	—
0,51	**19 401 824**	6,73	0,51	**—**	—
	80 732 266		0,40	**11 346 200**	0,40
MIH Buscapé Holdings B.V. 2012 (BRL)					
45,13	**297 837**	8,44	45,13	**28 367**	45,13
49,58	**288 371**	7,62	49,58	**75 174**	49,58
51,29	**222 101**	8,96	51,29	**50 127**	51,29
56,77	**210 362**	9,48	56,77	**—**	—
	1 018 671		50,14	**153 668**	49,32

42. EQUITY COMPENSATION BENEFITS (continued)

Share option allocations outstanding and currently available to be implemented at 31 March 2015 by exercise price for the group's significant share incentive plans:

	SARs outstanding			SARs currently available	
Exercise prices	Number outstanding at 31 March 2015	Weighted average remaining contractual life (years)	Weighted average exercise price	Exercisable at 31 March 2015	Weighted average exercise price
Allegro B.V. 2012 share trust (euro)					
112,41	**180 485**	7,62	112,41	**38 619**	112,41
116,88	**10 985**	9,56	116,88	**–**	–
119,07	**705**	9,00	119,07	**141**	119,07
140,97	**34 253**	8,47	140,97	**6 854**	140,97
	226 428		116,97	**45 614**	116,72
MCA 2008 (rand)					
69,31	**7 306**	3,99	69,31	**7 306**	69,31
82,18	**373 387**	4,47	82,18	**373 387**	82,18
91,74	**1 401 460**	5,42	91,74	**626 409**	91,74
95,95	**1 984 757**	6,50	95,95	**411 943**	95,95
103,23	**2 913 811**	7,46	103,23	**1 312**	103,23
117,35	**3 712 285**	8,45	117,35	**3 068**	117,35
125,60	**3 702 450**	9,48	125,60	**422**	125,60
	14 095 456		110,08	**1 423 847**	90,41
Media24 (rand)					
12,78	**1 990 469**	1,50	12,78	**567 603**	12,78
17,46	**1 958 441**	0,30	17,46	**1 034 371**	17,46
18,61	**2 141 950**	2,48	18,61	**–**	–
19,23	**2 904 934**	4,49	19,23	**1 924**	19,23
22,37	**2 987 214**	3,48	22,37	**2 325**	22,37
	11 983 008		18,54	**1 606 223**	15,82
Naspers Global Ecommerce (US$)					
15,58	**8 492 327**	9,47	15,58	**–**	–
	8 492 327		15,58	**–**	–

42. EQUITY COMPENSATION BENEFITS (continued)

Share appreciation rights allocations outstanding and currently available to be implemented at 31 March 2015 by exercise price for the group's significant share incentive plans:

	SARs outstanding			SARs currently available	
Exercise prices	Number outstanding at 31 March 2015	Weighted average remaining contractual life (years)	Weighted average exercise price	Exercisable at 31 March 2015	Weighted average exercise price
MIH Internet Africa 2012 (rand)					
6,08	**1 720 278**	9,45	6,08	**1 637 545**	6,08
9,47	**900 343**	8,45	9,47	**441 668**	9,47
11,60	**239 768**	7,46	11,60	**236 261**	11,60
	2 860 389		7,61	**2 315 474**	7,29
Irdeto Access B.V. 2012 (US$)					
11,73	**359 266**	8,44	11,73	**39 986**	11,73
16,00	**232 442**	7,44	16,00	**61 171**	16,00
19,20	**331 170**	9,55	19,20	**2 279**	19,20
	922 878		15,49	**103 436**	14,42
Korbitec (rand)					
32,00	**852 869**	3,46	32,00	**337 172**	32,00
53,00	**192 035**	4,45	53,00	**39 499**	53,00
65,95	**127 216**	5,45	65,95	**—**	—
	1 172 120		39,13	**376 671**	34,20
MIH India (ibibo Ecommerce) (US$)					
2,50	**1 307 231**	7,54	2,50	**488 078**	2,50
2,82	**1 998 819**	8,45	2,82	**355 894**	2,82
3,54	**1 968 552**	8,95	3,54	**393 682**	3,54
4,46	**2 042 824**	9,59	4,46	**—**	—
	7 317 426		3,41	**1 237 654**	2,92

42. EQUITY COMPENSATION BENEFITS (continued)

Share appreciation rights allocations outstanding and currently available to be implemented at 31 March 2015 by exercise price for the group's significant share incentive plans:

	SARs outstanding			SARs currently available	
Exercise prices	Number outstanding at 31 March 2015	Weighted average remaining contractual life (years)	Weighted average exercise price	Exercisable at 31 March 2015	Weighted average exercise price
Sulit (US$)					
0,94	**1 734 863**	8,85	0,94	**221 594**	0,94
1,00	**616 149**	7,46	1,00	**246 458**	1,00
	2 351 012		0,96	**468 052**	0,97
MIH Ricardo B.V. 2012 (CHF)					
11,58	**313 178**	7,84	11,58	**125 224**	11,58
11,98	**288 104**	8,49	11,98	**57 608**	11,98
13,46	**364 381**	9,46	13,46	**–**	–
	965 663		12,41	**182 832**	11,71
Flipkart 2013 (US$)					
24,23	**62 511**	8,63	24,23	**18 099**	24,23
63,64	**378 170**	9,45	63,64	**–**	–
	440 681		58,05	**18 099**	24,23
MIH Allegro PayU B.V. (US$)					
39,10	**451 960**	8,96	39,10	**89 287**	39,10
43,51	**329 896**	9,55	43,51	**–**	–
	781 856		40,96	**89 287**	39,10

42. EQUITY COMPENSATION BENEFITS (continued)

Share trust incentive plan grants made during the year relating to the group's significant plans:

	31 March 2015					
	Naspers Limited (rand)	MIH Holdings Limited (rand)	MIH (Mauritius) Limited (rand)	OLX Inc. (US$)	MIH Buscapé 2012 (euro)	Allegro B.V. 2012 (euro)
Weighted average fair value at measurement date	704,97	625,17	666,19	0,13	25,23	26,72
This weighted average fair value has been calculated using the Bermudan binomial option pricing model, using the following inputs and assumptions:						
Weighted average share price	1 473,51	1 382,01	1 419,79	0,51	56,76	116,88
Weighted average exercise price	1 473,51	1 382,01	1 419,79	0,51	56,76	116,88
Weighted average expected volatility (%)*	36,8	33,6	34,1	21,2	38,2	21,8
Weighted average option life (years)	10,0	10,0	10,0	7,3	10,0	10,0
Weighted average dividend yield (%)	0,4	0,4	0,4	—	—	—
Weighted average risk-free interest rate (%) (based on zero rate bond yield at perfect fit)	7,7	8,0	7,9	2,3	7,6	1,1
Weighted average annual sub-optimal rate (%)	144,8	175,0	134,5	100,0	178,5	133,1
Weighted average vesting period (years)	4,00	4,00	4,00	4,00	3,00	3,02

* *The weighted average expected volatility of all share options listed above is determined using historical daily share prices except for the OLX Inc., MIH Buscapé 2012 and MIH Allegro B.V. 2012 plans where historical annual company valuations are used.*

Various early exercise expectations were calculated based on historical exercise behaviours.

42. EQUITY COMPENSATION BENEFITS (continued)

Share trust incentive plan grants made during the year relating to the group's significant plans:

	31 March 2014					
	Naspers Limited (rand)	MIH Holdings Limited (rand)	MIH (Mauritius) Limited (rand)	OLX Inc. (US$)	MIH Buscapé 2012 (euro)	Allegro B.V. 2012 (euro)
Weighted average fair value at measurement date	378,01	376,42	512,43	0,13	23,05	41,79
This weighted average fair value has been calculated using the Bermudan binomial option pricing model, using the following inputs and assumptions:						
Weighted average share price	900,65	899,56	1 103,76	0,42	46,93	140,86
Weighted average exercise price	900,65	899,56	1 103,76	0,42	46,93	140,86
Weighted average expected volatility (%)*	28,7	29,2	33,4	26,3	38,8	25,8
Weighted average option life (years)	10,0	10,0	10,0	7,2	10,0	10,0
Weighted average dividend yield (%)	0,7	0,7	0,7	–	–	–
Weighted average risk-free interest rate (%) (based on zero rate bond yield at perfect fit)	8,5	8,5	8,5	2,6	7,8	2,1
Weighted average annual sub-optimal rate (%)	153,6	175,0	125,5	100,0	143,6	129,5
Weighted average vesting period (years)	4,0	4,0	4,0	4,0	3,0	3,0

* *The weighted average expected volatility of all share options listed above is determined using historical daily share prices except for the OLX Inc., MIH Buscapé 2012 and MIH Allegro B.V. 2012 plans where historical annual company valuations are used.*

Various early exercise expectations were calculated based on historical exercise behaviours.

42. EQUITY COMPENSATION BENEFITS (continued)

Share appreciation rights plan grants made during the year relating to the group's significant plans:

	Media24 (rand)	MultiChoice Africa 2008 (rand)	Irdeto Access B.V. 2012 (US$)	Naspers Global Ecommerce SAR plan (US$)	MIH Internet Africa 2012 SAR plan (rand)
31 March 2015					
Weighted average fair value at measurement date	6,82	52,59	5,89	4,85	2,73
This weighted average fair value has been calculated using the Bermudan binomial option pricing model, using the following inputs and assumptions:					
Weighted average SAR price	19,23	125,60	19,20	15,58	6,08
Weighted average exercise price	19,23	125,60	19,20	15,58	6,08
Weighted average expected volatility (%)	21,4	23,9	29,7	26,6	32,2
Weighted average option life (years)	5,0	10,0	10,0	10,0	10,0
Weighted average risk-free interest rate (%) (based on zero rate bond yield at perfect fit)	7,5	8,3	2,6	2,7	8,2
Weighted average annual sub-optimal rate (%)	41,0	145,0	197,3	100,0	100,0
Weighted average vesting period (years)	4,00	4,00	3,00	3,00	3,00
31 March 2014					
Weighted average fair value at measurement date	7,63	50,45	3,68	–	4,08
This weighted average fair value has been calculated using the Bermudan binomial option pricing model, using the following inputs and assumptions:					
Weighted average SAR price	22,37	117,35	11,73	–	9,47
Weighted average exercise price	22,37	117,35	11,73	–	9,47
Weighted average expected volatility (%)	22,0	25,2	27,0	–	24,8
Weighted average option life (years)	5,0	10,0	10,0	–	10,0
Weighted average risk-free interest rate (%) (based on zero rate bond yield at perfect fit)	7,5	8,3	3,2	–	8,4
Weighted average annual sub-optimal rate (%)	203,0	141,0	185,5	–	100,0
Weighted average vesting period (years)	4,0	4,0	3,0	–	3,0

Various early exercise expectations were calculated based on historical exercise behaviours.

42. EQUITY COMPENSATION BENEFITS (continued)

Share appreciation rights plan grants made during the year relating to the group's significant plans:

	ibibo Ecommerce (US$)	MIH Ricardo B.V. 2012 (CHF)	Flipkart 2013 (US$)	MIH Allegro PayU B.V. (US$)
31 March 2015				
Weighted average fair value at measurement date	1,71	4,16	22,79	10,48
This weighted average fair value has been calculated using the Bermudan binomial option pricing model, using the following inputs and assumptions:				
Weighted average SAR price	4,35	13,46	63,64	43,51
Weighted average exercise price	4,35	13,46	63,64	43,51
Weighted average expected volatility (%)*	36,9	31,9	32,2	18,6
Weighted average option life (years)	10,0	10,0	10,0	10,0
Weighted average risk-free interest rate (%) (based on zero rate bond yield at perfect fit)	2,6	1,2	2,7	2,6
Weighted average annual sub-optimal rate (%)	100,0	170,0	100,0	100,0
Weighted average vesting period (years)	3,00	3,00	3,00	3,00
31 March 2014				
Weighted average fair value at measurement date	1,16	3,61	7,44	11,34
This weighted average fair value has been calculated using the Bermudan binomial option pricing model, using the following inputs and assumptions:				
Weighted average SAR price	3,10	11,98	24,23	39,10
Weighted average exercise price	3,10	11,98	24,23	39,10
Weighted average expected volatility (%)*	33,8	25,0	26,7	22,0
Weighted average option life (years)	10,0	10,0	10,0	10,0
Weighted average risk-free interest rate (%) (based on zero rate bond yield at perfect fit)	2,9	2,2	3,0	2,9
Weighted average annual sub-optimal rate (%)	100,0	103,3	100,0	100,0
Weighted average vesting period (years)	3,0	3,0	2,6	3,0

* *The weighted average expected volatility of all SAR grants listed above is determined using historical annual company valuations, except for the Flipkart 2013 and MIH Allegro PayU B.V. plans where historical daily share prices are used.*

Various early exercise expectations were calculated based on historical exercise behaviours.

42. EQUITY COMPENSATION BENEFITS (continued)

Liabilities arising from share-based payment transactions

The following liabilities have been recognised in the statement of financial position relating to the group's cash-settled share-based payment obligations:

	31 March	
	2015 R'm	2014 R'm
Share-based payment liability		
Total carrying amount of cash-settled share-based payment liability	**12**	36
Classification in the statement of financial position:		
– non-current liabilities	**—**	23
– current liabilities	**12**	13
	12	36

Company statement of financial position

as at 31 March 2015

	Notes	31 March 2015 R'm	31 March 2014 R'm
ASSETS			
Non-current assets		**27 504**	24 881
Investments in subsidiaries	2	**6 530**	6 530
Loans to subsidiaries	3	**20 544**	17 930
Property, plant and equipment	4	**2**	2
Loans and receivables	5	**424**	416
Deferred taxation	7	**4**	3
Current assets		**4 255**	3 061
Current portion of loans to subsidiaries	3	**243**	120
Other receivables	8	**14**	12
Taxation receivable		**—**	1
Cash and cash equivalents	18	**3 998**	2 928
TOTAL ASSETS		**31 759**	27 942
EQUITY AND LIABILITIES			
Shareholders' equity		**31 715**	27 893
Share capital and premium	9	**28 458**	22 899
Other reserves		**1 959**	1 952
Retained earnings		**1 298**	3 042
Non-current liabilities		**2**	2
Post-employment medical liability	10	**2**	2
Current liabilities		**42**	47
Amounts owing in respect of investments acquired	11	**10**	10
Accrued expenses and other current liabilities	12	**20**	29
Taxation payable		**1**	—
Dividends payable		**11**	8
TOTAL EQUITY AND LIABILITIES		**31 759**	27 942

The accompanying notes are an integral part of these company annual financial statements.

Company statement of comprehensive income

for the year ended 31 March 2015

	Notes	31 March 2015 R'm	2014 R'm
Revenue		**—**	—
Selling, general and administration expenses	14	**(354)**	(169)
Other gains/(losses) – net	13	**123**	120
Operating loss		**(231)**	(49)
Interest received	15	**192**	288
Interest paid	15	**—**	(1)
Other finance income/(costs) – net	15	**32**	29
(Loss)/profit before taxation		**(7)**	267
Taxation	16	**(6)**	(58)
(Loss)/profit for the year		**(13)**	209
Other comprehensive income		**—**	—
Total comprehensive income for the year		**(13)**	209

The accompanying notes are an integral part of these company annual financial statements.

Company statement of changes in equity

for the year ended 31 March 2015

	Share capital and premium		Share-based compensation reserve	Valuation reserve	Retained earnings	Total
	A shares R'm	N shares R'm	R'm	R'm	R'm	R'm
Balance at 1 April 2013	14	21 576	650	1 296	4 388	27 924
Total comprehensive income for the year	—	—	—	—	209	209
Share capital issued	—	1 293	—	—	—	1 293
Treasury shares movement	—	16	—	—	—	16
Share-based compensation reserve movement	—	—	6	—	—	6
Dividends	—	—	—	—	(1 555)	(1 555)
Balance at 31 March 2014	14	22 885	656	1 296	3 042	27 893
Balance at 1 April 2014	**14**	**22 885**	**656**	**1 296**	**3 042**	**27 893**
Total comprehensive income for the year	**—**	**—**	**—**	**—**	**(13)**	**(13)**
Share capital issued	**—**	**3 670**	**—**	**—**	**—**	**3 670**
Treasury shares movement	**—**	**1 889**	**—**	**—**	**—**	**1 889**
Share-based compensation reserve movement	**—**	**—**	**7**	**—**	**—**	**7**
Dividends	**—**	**—**	**—**	**—**	**(1 731)**	**(1 731)**
Balance at 31 March 2015	**14**	**28 444**	**663**	**1 296**	**1 298**	**31 715**

The accompanying notes are an integral part of these company annual financial statements.

Company statement of cash flows

for the year ended 31 March 2015

	Notes	31 March 2015 R'm	2014 R'm
Cash flows from operating activities			
Cash utilised in operations	17	**(357)**	(159)
Finance income		**179**	271
Dividends received		**123**	120
Taxation paid		**(83)**	(61)
Net cash (utilised in)/generated from operating activities		**(138)**	171
Cash flows from investing activities			
Preference dividends received		**17**	17
Loans repaid by/(advanced to) subsidiaries		**826**	(2 447)
Net cash generated from/(utilised in) investing activities		**843**	(2 430)
Cash flows from financing activities			
Proceeds from share scheme treasury shares sold		**2 074**	15
Dividend paid by holding company		**(1 715)**	(1 540)
Net cash generated from/(utilised in) financing activities		**359**	(1 525)
Net increase/(decrease) in cash and cash equivalents		**1 064**	(3 784)
Foreign exchange translation adjustments on cash and cash equivalents		**6**	4
Cash and cash equivalents at the beginning of the year		**2 928**	6 708
Cash and cash equivalents at the end of the year	18	**3 998**	2 928

The accompanying notes are an integral part of these company annual financial statements.

Notes to the company annual financial statements

for the year ended 31 March 2015

1. PRINCIPAL ACCOUNTING POLICIES

The annual financial statements of the company are presented in accordance with, and comply with, International Financial Reporting Standards (IFRS) and interpretations of those standards as issued by the International Accounting Standards Board (IASB) and effective at the time of preparing these financial statements and the South African Companies Act No 71 of 2008. The accounting policies of the company are the same as those of the group, where applicable (refer to note 2 of the consolidated annual financial statements).

Investments in subsidiaries are accounted for in the company's separate annual financial statements at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments and includes the directly attributable costs of acquiring investments.

2. INVESTMENTS IN SUBSIDIARIES

The following information relates to Naspers Limited's direct interest in its significant subsidiaries:

Name of subsidiary	Functional currency	Effective percentage interest* 2015 %	Effective percentage interest* 2014 %	Direct investment in shares 2015 R'm	Direct investment in shares 2014 R'm	Nature of business	Country of incorporation
Unlisted companies							
Media24 Holdings Proprietary Limited	ZAR	**85,0**	85,0	**1 078**	1 078	Investment holding	South Africa
Heemstede Beleggings Proprietary Limited	ZAR	**100,0**	100,0	**—**	—	Investment holding	South Africa
MIH Holdings Proprietary Limited	ZAR	**100,0**	100,0	**5 452**	5 452	Investment holding	South Africa
Naspers Properties Proprietary Limited	ZAR	**100,0**	100,0	**—**	—	Property holding and services	South Africa
Intelprop Proprietary Limited	ZAR	**100,0**	100,0	**—**	—	Investment holding	South Africa
				6 530	6 530		

* *The effective percentage interest shown is the effective financial interest, after adjusting for the interests of any equity compensation plans treated as treasury shares.*

3. LOANS TO SUBSIDIARIES

	31 March	
	2015 R'm	2014 R'm
Media24 Holdings Proprietary Limited group	**243**	120
MIH Holdings Proprietary Limited group	**20 212**	17 640
Naspers Properties Proprietary Limited	**330**	273
Intelprop Proprietary Limited	**2**	17
	20 787	18 050
Less: Current portion	**(243)**	(120)
	20 544	17 930

The loans to subsidiary companies do not have any fixed repayment terms. All the loans to subsidiary companies at 31 March 2015 are interest-free, except for R180,0m (2014: R180,0m) of the Naspers Properties Proprietary Limited loan account bearing interest at a rate of prime less 2% (2014: prime plus 1%).

Loans to subsidiaries, which are interest-free, are seen as a long-term source of additional capital, and are seen as part of the interest in subsidiaries, which is carried at cost.

4. PROPERTY, PLANT AND EQUIPMENT

	31 March		
	Office equipment R'm	**Total 2015 R'm**	Total 2014 R'm
Cost			
Opening balance	**3**	**3**	3
Acquisitions	**—**	**—**	—
Closing balance	**3**	**3**	3
Accumulated depreciation			
Opening balance	**(1)**	**(1)**	(1)
Depreciation	**—**	**—**	—
Closing balance	**(1)**	**(1)**	(1)
Cost	**3**	**3**	3
Accumulated depreciation	**(1)**	**(1)**	(1)
Carrying value	**2**	**2**	2

5. INVESTMENTS AND LOANS

	31 March	
	2015 R'm	2014 R'm
Welkom Yizani preference shares	**437**	428
Less: Short-term accrued Welkom Yizani preference dividends included in other receivables	**(13)**	(12)
Long-term portion of loans and receivables	**424**	416

Preference dividends are calculated at a rate of 65% (2014: 65%) of the prime interest rate. Refer to note 10 of the consolidated annual financial statements for further details regarding this investment.

6. RELATED PARTY TRANSACTIONS AND BALANCES

Loans, interest and dividends

For details on related party loans, interest and dividends received refer to notes 3, 13 and 15.

	31 March 2015 R'000	31 March 2014 R'000
Directors' emoluments		
Executive directors		
Paid by other companies in the group	**57 966**	7 518
Non-executive directors		
Fees for services as directors	**26 264**	14 262
Fees for services as directors of subsidiary companies	**4 966**	6 885
	89 196	28 665

Refer to note 17 of the consolidated annual financial statements for disclosure on executive and non-executive directors' remuneration.

7. DEFERRED TAXATION

	31 March 2015 R'm	31 March 2014 R'm
Deferred taxation asset/(liability)		
Provisions and other current liabilities	**4**	4
Prepaid expenses	**—**	(1)
Net deferred taxation asset in statement of financial position	**4**	3

8. OTHER RECEIVABLES

	2015 R'm	2014 R'm
Accrued Welkom Yizani preference dividends	**13**	12
Prepaid expenses	**1**	—
	14	12

9. SHARE CAPITAL AND PREMIUM

	31 March 2015 R'm	31 March 2014 R'm
Authorised		
1 250 000 A ordinary shares of R20 each	**25**	25
500 000 000 N ordinary shares of 2 cents each	**10**	10
	35	35
Issued		
712 131 A ordinary shares of R20 each (2014: 712 131)	**14**	14
419 203 470 N ordinary shares of 2 cents each (2014: 416 812 759)	**8**	8
Share capital	**22**	22
Share premium	**28 210**	24 540
Share capital and premium	**28 232**	24 562
Less: Accumulated profits on vesting of equity compensation	**389**	50
Less: 384 220 (2014: 12 088 871) N ordinary shares held as treasury shares at cost	**(163)**	(1 713)
	28 458	22 899

	2015 Number of N shares	2014 Number of N shares
Movement in N ordinary shares in issue during the year		
Shares in issue at 1 April	**416 812 759**	415 540 259
Shares issued in respect of acquisitions by subsidiaries	**1 691 155**	—
Shares issued to share incentive trusts and group companies	**699 556**	1 272 500
Shares in issue at 31 March	**419 203 470**	416 812 759
Movement in N ordinary shares held as treasury shares during the year		
Shares held as treasury shares at 1 April	**12 088 871**	12 282 578
Shares issued to the Naspers equity compensation plan	**72 000**	—
Shares acquired by participants from the Naspers equity compensation plan	**(11 776 651)**	(193 707)
Shares held as treasury shares at 31 March	**384 220**	12 088 871

9. SHARE CAPITAL AND PREMIUM (continued)

	31 March 2015 R'm	31 March 2014 R'm
Share premium		
Opening balance at 1 April	**24 540**	23 247
Share premium on share issues	**3 670**	1 293
Balance at 31 March	**28 210**	24 540

Voting and dividend rights

The A ordinary shareholders are entitled to 1 000 votes per share. In terms of the Naspers memorandum of incorporation, both N and A ordinary shareholders are entitled to nominal dividends; however, the dividends declared to A ordinary shareholders are equal to one-fifth of the dividends to which N ordinary shareholders are entitled. In respect of all other rights, the A ordinary shares rank pari passu with the N ordinary shares of the company.

Capital management, unissued shares and valuation reserve

Refer to notes 18 and 19 of the consolidated annual financial statements for the group's capital management policy and more details regarding the nature of the valuation reserve and the nature of the voting and dividend rights.

10. POST-EMPLOYMENT MEDICAL LIABILITY

The company operates a post-employment medical benefit scheme. The obligation of the company to pay medical aid contributions after retirement is no longer part of the conditions of employment for new employees. A number of pensioners, however, remain entitled to this benefit. The company provides for post-employment medical aid benefits on the accrual basis determined each year by an independent actuary.

	31 March 2015 R'm	31 March 2014 R'm
Balance at 1 April	**2**	2
Balance at 31 March	**2**	2

Refer to note 21 of the consolidated annual financial statements for additional information including the actuarial assumptions.

11. AMOUNTS OWING IN RESPECT OF INVESTMENTS ACQUIRED

On 24 March 2004 the last conditions precedent relating to schemes of arrangement under section 311 of the old South African Companies Act 1973, were satisfied, in terms of which Naspers Limited acquired an additional 19,62% financial interest in Electronic Media Network Proprietary Limited and SuperSport International Holdings Proprietary Limited respectively (which was sold to MultiChoice Africa Proprietary Limited during 2005). An amount of R816m was due to the non-controlling shareholders on 31 March 2004. Some of these non-controlling shareholders have not surrendered their share certificates and claimed payment for their shares, therefore an amount of R10m was still outstanding as at 31 March 2015 (2014: R10m).

12. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	31 March	
	2015 R'm	2014 R'm
Accrued expenses	**6**	16
Bonus accrual	**3**	6
Other current liabilities	**11**	7
	20	29

13. OTHER GAINS/(LOSSES) – NET

	2015 R'm	2014 R'm
Dividends received		
Media24 Holdings Proprietary Limited	**123**	120
Total other gains/(losses) – net	**123**	120

14. EXPENSES BY NATURE

Selling, general and administrative expenses include the following items:

	31 March	
	2015 R'm	2014 R'm
Staff costs		
As at 31 March 2015 the company had 15 (2014: 13) permanent employees.		
The total cost of employment of all employees was as follows:		
Salaries, wages, bonuses, retirement benefit costs, medical aid fund contributions, post-employment benefits, UIF, SDL and training costs	**154**	18
Share-based compensation expenses	**6**	6
Total staff costs	**160**	24
Fees paid to non-employees for administration, management and technical services	**25**	21
Auditor's remuneration		
Audit fees	**2**	6
	2	6

15. FINANCE INCOME/(COSTS) – NET

	31 March 2015 R'm	31 March 2014 R'm
Interest paid		
Other	—	(1)
	—	(1)
Interest received		
Loans and bank accounts	**179**	271
Subsidiaries	**13**	17
	192	288
Other finance income/(costs) – net		
Net gain from foreign exchange translation of assets	**6**	5
Welkom Yizani preference dividends	**26**	24
	32	29
Finance income/(costs) – net	**224**	316

16. TAXATION

	31 March 2015 R'm	31 March 2014 R'm
Normal taxation		
current year	**6**	58
Income tax expense per statement of comprehensive income	**6**	58
Reconciliation of taxation		
Taxation at statutory rate of 28% (2014: 28%)	**(2)**	75
Adjusted for:		
Non-deductible expenses	**48**	24
Non-taxable income	**(41)**	(41)
Other taxes	**1**	—
Income tax expense per statement of comprehensive income	**6**	58

17. CASH UTILISED IN OPERATIONS

	31 March	
	2015 R'm	2014 R'm
(Loss)/profit before tax per statement of comprehensive income	**(7)**	267
Adjustments:		
Non-cash and other	**(341)**	(431)
finance (income)/costs – net	**(224)**	(316)
investment income	**(123)**	(120)
share-based compensation expenses	**6**	6
other	**—**	(1)
Working capital	**(9)**	5
cash movement in trade and other receivables	**(1)**	1
cash movement in payables, provisions and accruals	**(8)**	4
Cash utilised in operations	**(357)**	(159)

18. CASH AND CASH EQUIVALENTS

	2015 R'm	2014 R'm
Cash at bank and on hand	**286**	145
Short-term bank deposits	**3 712**	2 783
	3 998	2 928

19. FINANCIAL RISK MANAGEMENT

Foreign exchange risk

Refer to note 39 of the consolidated annual financial statements for the group's foreign exchange risks policy.

Foreign currency sensitivity analysis

The company's presentation currency is the South African rand, but as it operates internationally, it is exposed to the US dollar and the euro.

The sensitivity analysis below details the company's sensitivity to a 10% decrease (2014: 10% decrease) in the rand against the US dollar and the euro. These percentage decreases represent management's assessment of the possible changes in the foreign exchange rates at the respective year-ends. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for the above percentage change in foreign currency rates.

A 10% decrease (2014: 10% decrease) of the rand against the US dollar and the euro would result in an increase in net profit after tax of R3,2m (2014: R2,8m increase in net profit after tax).

19. FINANCIAL RISK MANAGEMENT (continued)

Credit risk

Refer to note 39 of the consolidated annual financial statements for the group's credit risks.

The company has guaranteed various revolving credit facilities of R27,3bn (2014: R23,7bn) and offshore bonds of R20,6bn (2014: R17,9bn) in MIH B.V. of which the undrawn balance is available to fund future investments. The guarantees have also been disclosed as part of the company's liquidity risk below. The maximum potential exposure to credit risk under financial guarantee contracts amounts to R47,9bn (2014: R41,6bn).

Liquidity risk

Refer to note 39 of the consolidated annual financial statements for the group's liquidity risks. In terms of the memorandum of incorporation of the company, no limitation is placed on its borrowing capacity.

The following analysis details the remaining contractual maturity of the company's non-derivative financial liabilities. The analysis is based on the undiscounted cash flows of financial liabilities based on the earliest date at which the company can be required to pay. The analysis includes both interest and principal cash flows.

	Carrying amount R'm	Contractual cash flows R'm	0 – 12 months R'm
31 March 2015			
Non-derivative financial liabilities			
Amount owing in respect of investments acquired	**10**	**10**	**10**
Accrued expenses and other current liabilities	**17**	**17**	**17**
Dividends payable	**11**	**11**	**11**
Financial guarantees	**—**	**47 951**	**47 951**
31 March 2014			
Non-derivative financial liabilities			
Amount owing in respect of investments acquired	10	10	10
Accrued expenses and other current liabilities	23	23	23
Dividends payable	8	8	8
Financial guarantees	—	41 596	41 596

19. FINANCIAL RISK MANAGEMENT (continued)

Interest rate risk

Refer to note 39 of the consolidated annual financial statements for the group's interest rate risks policy.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the statement of financial position date and the stipulated change taking place at the beginning of the next financial year and held constant throughout the reporting period in the case of instruments that have floating rates. The company is mainly exposed to interest rate fluctuations of the South African, American and European repo rates. The following changes in the repo rates represent management's assessment of the possible change in interest rates at the respective year-ends:

- South African repo rate: increases by 100 basis points (2014: increases by 100 basis points)
- American, European and London Interbank rates: increases by 100 basis points each (2014: increases by 100 basis points each)

If interest rates change as stipulated above and all other variables were held constant, specifically foreign exchange rates, the company's profit after tax for the year ended 31 March 2015 would increase by R32,0m (2014: increase by R23,3m).

20. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values, net gains or losses recognised in profit or loss, total interest income, total interest expense and impairment of each class of financial instrument are as follows:

	31 March 2015		
	Carrying value R'm	Net gains recognised in profit or loss R'm	Total interest/ finance income R'm
Assets			
Loans to subsidiaries	20 787	—	13
Investments and loans	424	—	26
Other receivables	14	—	—
Cash and cash equivalents	3 998	6	179
Total	25 223	6	218
Liabilities			
Amounts owing in respect of investments acquired	10	—	—
Accrued expenses and other current liabilities	17	—	—
Dividends payable	11	—	—
Total	38	—	—

20. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

The carrying values, net gains or losses recognised in profit or loss, total interest income, total interest expense and impairment of each class of financial instrument are as follows:

	31 March 2014		
	Carrying value R'm	Net gains recognised in profit or loss R'm	Total interest/finance income R'm
Assets			
Loans to subsidiaries	18 050	—	17
Investments and loans	416	—	24
Other receivables	12	—	—
Cash and cash equivalents	2 928	4	271
Total	21 406	4	312
Liabilities			
Amounts owing in respect of investments acquired	10	—	—
Accrued expenses and other current liabilities	23	—	—
Dividends payable	8	—	—
Total	41	—	—

The carrying amounts of all financial instruments disclosed above, except loans to subsidiaries, are considered to be a reasonable approximation of their fair values. Loans to subsidiaries are carried at cost. Refer to note 3.

Refer to note 40 of the consolidated annual financial statements for details regarding the calculation of the fair values of financial instruments.

21. EQUITY COMPENSATION BENEFITS

Refer to note 42 of the consolidated annual financial statements for details regarding the Naspers Limited share incentive plan.

Administration and corporate information

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REGISTRATION NUMBER
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Incorporated in South Africa

AUDITOR
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ADR PROGRAMME
Bank of New York Mellon maintains a Global BuyDIRECT[SM] 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
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Analysis of shareholders and shareholders' diary

for the year ended 31 March 2015

ANALYSIS OF SHAREHOLDERS

Size of holdings	Number of shareholders	Number of shares owned
1 – 100 shares	38 633	1 501 084
101 – 1 000 shares	22 727	7 469 244
1 001 – 5 000 shares	3 383	7 271 171
5 001 – 10 000 shares	618	4 472 114
More than 10 000 shares	1 273	398 489 857

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

Name	% held	Number of shares owned
Public Investment Corporation of South Africa	13,14	55 071 122

Public shareholder spread

To the best knowledge of the directors, the spread of public shareholders in terms of paragraph 4.25 of the JSE Limited Listings Requirements at 31 March 2015 was 98%, represented by 66 617 shareholders holding 410 982 781 ordinary shares in the company. The non-public shareholders of the company comprising 17 shareholders representing 8 220 689 ordinary shares are analysed as follows:

Category	Number of shares	% of issued share capital
Naspers share-based incentive schemes	3 753 122	0,89
Directors	2 016 665	0,48
Group companies	3 451 960	0,82

SHAREHOLDERS' DIARY

Annual general meeting	August
Reports	
Interim for half-year to September	November
Announcement of annual results	June
Annual financial statements	July
Dividend	
Declaration	August
Payment	September
Financial year-end	March

BASTION GRAPHICS

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