



NASPERS

Summarised consolidated financial results
for the year ended 31 March 2017



COMMENTARY

Naspers produced positive results for the year to 31 March 2017. Tencent delivered strong earnings, while the group continued to scale its ecommerce businesses. Video entertainment has become both more mature and more competitive. Against this backdrop, core headline earnings grew 41% to US\$1.8bn.

The internet segment expanded, particularly in classifieds, payments and travel, which all achieved solid traction. These businesses were further strengthened during the year by additional investments to scale and grow, including mobile app-only classifieds platform, letgo, acquiring Citrus Pay in the Indian online-payments market and merging the group's ibibo platform with MakeMyTrip in India. On the back of contributions from Tencent and ecommerce, group revenue (measured on an economic-interest basis) grew 19% to US\$14.6bn (or 29% in local currency, adjusted for acquisitions and disposals).

The video-entertainment segment continued to face the effects of weakened African currencies and higher content costs. This translated into a marginal decrease in year-on-year revenue and significant pressure on profitability, although the business recorded strong subscriber growth, particularly outside South Africa.

Foreign currencies affect the group's segments to varying degrees. In video entertainment, weak currencies have a large impact on earnings (given pricing in local currencies, but a high US dollar cost base). In the internet segment, the impact is lessened by the geographic dispersion of the businesses and a cost base generally denominated in local currencies.

Where relevant in this report, we have adjusted amounts and percentages for the effects of foreign currency, as well as acquisitions and disposals. These adjustments (pro forma financial information) are quoted in brackets after the equivalent metrics reported under International Financial Reporting Standards (IFRS). A reconciliation of pro forma financial information to the equivalent IFRS metrics is provided in note 16 of these summarised consolidated financial results.

The following financial commentary and segmental reviews are prepared on an economic-interest basis (including consolidated subsidiaries and a proportionate consolidation of associated companies and joint ventures), unless otherwise stated.

FINANCIAL REVIEW

Consolidated revenue (thus excluding equity-accounted companies) increased 3% (13%), mainly due to strong performances by the ecommerce businesses which grew 11% (32%). Significant disposals during the year, notably the Allegro business in Poland and the Czech ecommerce units, Netretail and Heureka, reduced revenues. In addition, the merger of the online travel business, ibibo, with MakeMyTrip in January 2017 resulted in the group's travel investment no longer being consolidated. From the 2018 financial year, the group will equity-account for its share of the results of MakeMyTrip, given its 40% shareholding in the merged business.

Consolidated development spend was up 22% (13%) to US\$861m as letgo, Showmax and the travel business accelerated their growth. Total aggregate development spend on these businesses was US\$427m. Excluding the stepped-up investment in these businesses, development spend decreased by 16% as several ecommerce businesses, including classifieds and the business-to-consumer (B2C) operations, improved profitability.

Group trading profit, measured on an economic-interest basis, rose 22% (37%) to US\$2.7bn. This was driven by strong growth from Tencent as well as contracting trading losses in the B2C business, offset by higher development spend and an operating loss from the sub-Saharan African video-entertainment business.

IFRS operating losses were higher at US\$360m, mainly due to the effects of currency weakness and higher content costs in the video-entertainment segment.

The group's share of equity-accounted results increased 42% year on year to US\$1.8bn. This includes once-off gains of US\$381m and impairment losses of US\$268m recognised by associates and joint ventures. The contribution to core headline earnings by associates and joint ventures was up 50% to US\$2.4bn after adjusting for these non-recurring items.

Net interest expense on borrowings was down 17% to US\$142m, due to lower utilisation of credit facilities and, to a lesser extent, cash retained from the US\$3.2bn Allegro disposal. Consequently, the group was in a net cash position of US\$1.1bn at year-end.

COMMENTARY (continued)

The combination of higher development spend and lower profit contribution from the video-entertainment business resulted in consolidated free cash outflow of US\$125m. These effects were partially offset by higher dividend income from Tencent and improved working capital.

The company's external auditor has not reviewed or reported on forecasts included in the summarised consolidated financial results.

SEGMENTAL REVIEW

Internet

Solid growth was evidenced in this segment with revenues up 29% (41%) year on year to US\$10.6bn. Fuelled in particular by excellent results from Tencent and increased profitability of the more mature ecommerce assets, overall internet segment trading profits increased 52% (65%) to US\$2.5bn. At year-end, this segment contributed 73% of total Naspers revenue measured on an economic-interest basis, an increase from 67% last year.

Ecommerce

Ecommerce growth saw revenues 11% (27%) higher at US\$2.9bn. Trading losses increased 5% year on year, as the group invested to scale letgo and continued expanding the hotels segment of the online travel business. The group now has 21 profitable businesses in ecommerce, excluding those disposed of during the year, delivering US\$699m in revenues and US\$229m in trading profits.

Classifieds performed well, growing revenues by 96% (64%) to US\$426m. In Russia, Avito generated firm revenues in the first full year of consolidating its results. Growth also accelerated in European markets, led by Poland, Ukraine, Romania and Portugal due to increased levels of monetisation.

In May 2016 the US operations of letgo were merged with Wallapop, and shareholders invested a collective US\$100m in the combined business. Following lively user engagement after the merger, an additional US\$175m was raised to solidify letgo's competitive position. Results to date are encouraging and investment in the US market and elsewhere will continue for several years.

Solid progress was made in other classifieds markets as OLX invested to improve its mobile product offerings and drive synergies across product and technology platforms. Excluding letgo, trading losses declined significantly.

In B2C, revenue growth was fuelled by eMAG, which improved revenue by 35% and increased market share in Romania, Bulgaria and Hungary. In Romania, which accounted for the bulk of eMAG's revenues, the growing private-label business delivered firm margins and the company improved cash flow from working capital management.

The group's Indianetail associate, Flipkart, remains a large opportunity, with market estimates expecting the online retail market in India to reach US\$50bn by 2020. Competition has intensified in the past year, with Amazon gaining market share in the early part of the year. Flipkart has maintained its leadership position, with recent market share trends suggesting gains.

Two further significant transactions took place with respect to the group's equity-accountedetail investments. In March 2017 the group signed an agreement for the sale of its interest in Souq, in the Middle East, to Amazon. In April 2017, post year-end, the group agreed to invest US\$73m in Takealot, subject to regulatory approval.

In January 2017 the group concluded the merger of its online travel businesses ibibo and redBus with Nasdaq-listed MakeMyTrip, creating India's leading online travel business. Post merger, Naspers holds a 40% fully diluted stake in MakeMyTrip. To fund further expansion, the group invested an additional US\$132m in MakeMyTrip after year-end.

In Poland the disposals of Allegro and Ceneo concluded in January 2017, generating net proceeds of US\$3.2bn. These businesses contributed revenue of US\$327m and a trading profit of US\$137m to the results for the year.

The payments business generated lively revenue growth of 33% (32%) year on year. Six markets served by PayU recorded operational growth of over 50%. Total payments volume exceeded US\$16bn, up 36% on last year, with over 400m transactions processed over the period.

The acquisition of Citrus Pay in India consolidated PayU's position and will allow it to build a franchise in ecommerce while growing vertical market positions in the airline and telecommunications industries.

After year-end, PayU invested €110m in Kreditech – a leading technology group for digital consumer credit. This transaction combines PayU's strong international footprint with Kreditech's technology to bring innovative credit services to underserved markets.

As previously reported, Naspers Ventures – tasked with identifying new growth opportunities for the group – made a number of investments in educational technology companies.

Movile's subsidiary, iFood, the Latin American online food-delivery business operating mainly in Brazil, made excellent progress with order-number growth accelerating 164% year on year. iFood revenues grew 229% and trading profit 156%. The group's online food-delivery portfolio was strengthened after year-end by a €387m investment in Delivery Hero, the largest online food-delivery company by orders globally.

Tencent

For the year ended December 2016 Tencent's revenues were RMB151.9bn, up 48% year on year. Non-GAAP profit attributable to shareholders (Tencent's measure of normalised performance) grew 40% to RMB45.4bn.

QQ and Weixin reinforced their positions as the ubiquitous social platforms for users in China to communicate, socialise, and enjoy online content and services. Weixin continued to develop as a 'super app', with monthly active users on Weixin and WeChat up 28% to 889m. Tencent launched several successful self-developed and licensed games and expanded its position as a leading global game company by investing in companies such as Supercell and Paradox. The popularity of its digital-content platforms and number of paying users grew well.

Looking ahead, Tencent will focus on delivering superior experiences to its users and creating business opportunities for its ecosystem partners by implementing its 'connection' strategy. Heavy investment in innovative, cutting-edge technologies (including cloud services and artificial intelligence) and partnerships will continue as Tencent positions itself for long-term growth. Extensive information on Tencent's results is available at www.tencent.com/en-us/ir.

Mail.ru

Mail.ru's revenue for the year to December 2016 was up 15% to RUB42.8bn, including the results of newly acquired Pixonic and Delivery Club (the online food-ordering business in Russia). Key revenue drivers were online games and advertising. Warface remains Mail.ru's largest game, followed by War Robots from Pixonic. Mail.ru recorded strong advertising-revenue

growth in mobile, especially from VKontakte and in-feed native formats.

Group aggregate segment EBITDA (Mail.ru's measure of normalised performance) was down 1% to RUB17.9bn, mainly due to a non-recurring value-added tax charge.

Towards the end of its financial year, Mail.ru made a number of acquisitions aimed at expanding its ecosystems and leveraging its user base, most notably Pixonic and Delivery Club. These have the potential to sustain long-term revenue growth and profitability.

More information on Mail.ru's results is available at <https://corp.mail.ru/en/investors/>.

Video entertainment

Last year tough economic conditions led to significant churn in subscribers, but 2017 saw a return to modest growth. A value strategy was successful at expanding the business over the long term. This focused on bouquet restructuring and reduction of non-performing content, holding subscription prices steady in key markets, better customer focus and retention, reducing set-top box prices and rightsizing operations. These initiatives resulted in net direct-to-home (DTH) subscriber growth of 935 000 homes, compared to 38 000 last year. A total of 597 000 digital terrestrial television (DTT) subscribers were added to the base, bringing the combined closing base (DTT and DTH) to 11.9m households at year-end. The DTT business continued to grow, despite analogue switchoffs not being mandated as anticipated. Development of the DTT content offering and improved retention capabilities contributed to solid growth over the year. As a result, this business will not be included in development spend in future.

At a macroeconomic level, muted economic growth and continued currency weakness, contributed to video-entertainment revenues declining marginally year on year to US\$3.4bn (but increasing 7% after excluding the impact of foreign exchange). Content costs lifted due to increased competition, and the business is responding by removing or renegotiating non-essential content. Trading profit of US\$287m declined 53% (32%) year on year due to the impact of currency weakness in the main operating markets, where customers are billed in local currency but the bulk of the cost base is US dollar denominated. Given the high fixed-cost base,

COMMENTARY (continued)

continued subscriber growth is key to improving profitability.

Monetary policy continued to affect liquidity in Nigeria, Angola and Mozambique with limited availability of foreign currency. At year-end, we had cash balances of US\$289m in these countries that are exposed to currency depreciation. We were able to extract US\$133m up to 31 March 2017. Subsequent to year-end, we have extracted a further US\$113m up to 31 May 2017.

The subscription video-on-demand (SVOD) service, Showmax, completed its first full year of operations, culminating in its launch in Poland in February 2017. Showmax is now fully localised in South Africa, Kenya and Poland and available in over 60 other countries. Consolidated development spend for the video entertainment segment was US\$102m (2016: US\$85m) – up 20% year on year. Increased investment in Showmax was offset by scaling of the DTT platform.

Regulations in the video-entertainment business are under constant review and we continue to engage with regulators across the continent.

Media

Although substantial growth of 14% (16%) was recorded in the ecommerce and digital segments of our media businesses, overall revenues decreased by 3% (1%) to US\$588m. Besides ongoing challenges from structural changes in the print media industry, the segment also continues to face tough macroeconomic conditions due to a weak South African rand. Consumer spending was subdued and, as a consequence, subscription and advertising income. The focus remains on restructuring the mature print businesses, migrating audiences to digital platforms and scaling ecommerce interests while containing costs.

Prospects

During the 2018 financial year the group will keep scaling its ecommerce businesses to drive profitability and cash generation. The focus for the more mature businesses – media and video entertainment – will be on managing macroeconomic and sectoral headwinds through ongoing cost containment. Competition from global platforms across the markets where Naspers operates is increasing and the group will respond through continued innovation and transformation of existing businesses, while investing to fuel the next wave of growth.

DIVIDEND NUMBER 88

(all figures in South African cents)

The board recommends that the annual gross dividend be increased by 12% to 580 cents (previously 520 cents) per listed N ordinary share, and 116 cents (previously 104 cents) per unlisted A ordinary share. If confirmed by shareholders at the annual general meeting on Friday 25 August 2017, dividends will be payable to shareholders recorded in the books on Friday 15 September 2017 and paid on Monday 18 September 2017. The last date to trade cum dividend will be on Tuesday 12 September 2017 (shares trade ex dividend from Wednesday 13 September 2017). Share certificates may not be dematerialised or rematerialised between Wednesday 13 September 2017 and Friday 15 September 2017, both dates inclusive. The dividend will be declared from income reserves. It will be subject to the dividend tax rate of 20% (previously 15%), yielding a net dividend of 464 cents per listed N ordinary share and 93 cents per unlisted A ordinary share to those shareholders not exempt from paying dividend tax. Dividend tax will be 116 cents per listed N ordinary share and 23 cents per unlisted A ordinary share. The issued ordinary share capital as at 23 June 2017 was 438 265 253 N ordinary shares and 907 128 A ordinary shares. The company's income tax reference number is 9550138714.

DIRECTORATE

Emilie Choi was appointed as an independent non-executive director from 21 April 2017.

Her experience includes consumer internet, media, software-as-a-service (SaaS) as well as mergers and acquisitions. She is vice president and head of corporate development at LinkedIn and holds an MBA from the University of Pennsylvania and a BA in economics from Johns Hopkins University.

PREPARATION OF THE SUMMARISED CONSOLIDATED FINANCIAL RESULTS

The preparation of the summarised consolidated financial results was supervised by the group's financial director, Basil Sgourdos CA(SA). These results were made public on 23 June 2017.

On behalf of the board

Koos Bekker
Chair

Bob van Dijk
Chief executive

Cape Town
23 June 2017

Summarised consolidated income statement

for the year ended 31 March

	Notes	2017 US\$'m	2016 US\$'m	% change
Revenue		6 098	5 930	3
Cost of providing services and sale of goods		(3 574)	(3 392)	
Selling, general and administration expenses		(2 827)	(2 423)	
Other (losses)/gains – net	7	(57)	(292)	
Operating loss		(360)	(177)	(>100)
Interest received	5	70	40	
Interest paid	5	(278)	(292)	
Other finance (costs)/income – net	5	(259)	(100)	
Share of equity-accounted results	6	1 829	1 289	
Impairment of equity-accounted investments		–	(55)	
Dilution (losses)/gains on equity-accounted investments		(119)	104	
Gains on acquisitions and disposals		2 169	452	
Profit before taxation	7	3 052	1 261	142
Taxation		(244)	(260)	
Profit for the year		2 808	1 001	184
Attributable to:				
Equity holders of the group		2 921	994	
Non-controlling interest		(113)	7	
		2 808	1 001	
Core headline earnings for the year (US\$'m)	4	1 752	1 246	41
Core headline earnings per N ordinary share (US cents)		406	298	36
Fully diluted core headline earnings per N ordinary share (US cents)		399	292	37
Headline earnings for the year (US\$'m)	4	772	701	10
Headline earnings per N ordinary share (US cents)		179	168	7
Fully diluted headline earnings per N ordinary share (US cents)		173	162	7
Earnings per N ordinary share (US cents)		677	238	185
Fully diluted earnings per N ordinary share (US cents)		670	232	189
Net number of shares issued ('000)				
– At year-end		431 540	431 085	
– Weighted average for the year		431 207	417 575	
– Fully diluted weighted average		432 684	419 208	

Summarised consolidated statement of comprehensive income

for the year ended 31 March

	2017 US\$'m	2016 US\$'m
Profit for the year	2 808	1 001
Total other comprehensive income, net of tax, for the year⁽¹⁾	1 545	374
Translation of foreign operations ⁽²⁾	326	(309)
Net fair value (losses)/gains	(1)	11
Cash flow hedges	(85)	42
Share of other comprehensive income and reserves of equity-accounted investments	1 293	633
Tax on other comprehensive income	12	(3)
Total comprehensive income for the year	4 353	1 375
Attributable to:		
Equity holders of the group	4 492	1 406
Non-controlling interest	(139)	(31)
	4 353	1 375

Notes

⁽¹⁾ These components of other comprehensive income may subsequently be reclassified to profit or loss except for gains of US\$292m (2016: US\$387m) included in the "Share of other comprehensive income and reserves of equity-accounted investments".

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

Summarised consolidated statement of changes in equity

for the year ended 31 March

	2017 US\$'m	2016 US\$'m
Balance at the beginning of the year	10 654	6 903
Changes in share capital and premium		
Movement in treasury shares	(77)	(68)
Share capital and premium issued	56	2 300
Changes in reserves		
Total comprehensive income for the year	4 492	1 406
Movement in share-based compensation reserve	(376)	120
Movement in existing control business combination reserve	47	9
Direct retained earnings and other movements	720	—
Dividends paid to Naspers shareholders	(158)	(161)
Changes in non-controlling interest		
Total comprehensive income for the year	(139)	(31)
Dividends paid to non-controlling shareholders	(116)	(125)
Movement in non-controlling interest in reserves	258	301
Balance at the end of the year	15 361	10 654
Comprising:		
Share capital and premium	4 944	4 965
Retained earnings	9 496	6 110
Share-based compensation reserve	1 147	1 231
Existing control business combination reserve	(137)	(184)
Hedging reserve	(30)	35
Valuation reserve	1 387	573
Foreign currency translation reserve	(1 849)	(2 476)
Non-controlling interest	403	400
Total	15 361	10 654

Summarised consolidated statement of financial position

as at 31 March

	Notes	2017 US\$m	2016 US\$m
Assets			
Non-current assets		16 291	13 486
Property, plant and equipment		1 638	1 443
Goodwill	8	2 442	2 818
Other intangible assets		1 104	1 190
Investments in associates	9	10 784	7 625
Investments in joint ventures	9	79	218
Other investments and loans	9	82	57
Other receivables		32	20
Derivative financial instruments		2	–
Deferred taxation		128	115
Current assets		5 639	3 237
Inventory		154	194
Programme and film rights		193	160
Trade receivables		420	393
Other receivables and loans		456	491
Derivative financial instruments		6	59
Cash and cash equivalents		4 007	1 714
		5 236	3 011
Assets classified as held for sale	11	403	226
Total assets		21 930	16 723
Equity and liabilities			
Share capital and reserves		14 958	10 254
Share capital and premium		4 944	4 965
Other reserves		518	(821)
Retained earnings		9 496	6 110
Non-controlling shareholders' interest		403	400
Total equity		15 361	10 654
Non-current liabilities		3 641	4 023
Capitalised finance leases		1 142	771
Liabilities – interest bearing		2 198	2 922
– non-interest bearing		9	8
Other non-current liabilities		–	3
Post-employment medical liability		14	13
Derivative financial instruments		13	20
Deferred taxation		265	286
Current liabilities		2 928	2 046
Current portion of long-term debt		915	227
Trade payables		487	437
Accrued expenses and other current liabilities		1 333	1 253
Derivative financial instruments		119	31
Bank overdrafts and call loans		4	1
		2 858	1 949
Liabilities classified as held for sale	11	70	97
Total equity and liabilities		21 930	16 723
Net asset value per N ordinary share (US cents)		3 466	2 379

Summarised consolidated statement of cash flows

for the year ended 31 March

	2017 US\$'m	2016 US\$'m
Cash flows from operating activities		
Cash generated from operating activities	294	454
Interest income received	63	46
Dividends received from investments and equity-accounted companies	193	146
Interest costs paid	(257)	(246)
Taxation paid	(333)	(322)
Net cash (utilised in)/generated from operating activities	(40)	78
Cash flows from investing activities		
Acquisitions and disposals of tangible and intangible assets	(173)	(228)
Acquisitions of subsidiaries, associates and joint ventures	(397)	(1 426)
Disposals of subsidiaries, associates and joint ventures	3 383	289
Cash movement in other investments and loans	1	(19)
Net cash generated from/(utilised in) investing activities	2 814	(1 384)
Cash flows from financing activities		
Proceeds from issue of share capital	–	2 470
Proceeds from long- and short-term loans raised	584	2 000
Repayments of long- and short-term loans	(602)	(2 270)
Outflow from share-based compensation transactions	(36)	(13)
Dividends paid by the holding company and its subsidiaries	(281)	(254)
Other movements resulting from financing activities	(76)	(41)
Net cash (utilised in)/generated from financing activities	(411)	1 892
Net movement in cash and cash equivalents	2 363	586
Foreign exchange translation adjustments on cash and cash equivalents	(50)	(73)
Cash and cash equivalents at the beginning of the year	1 713	1 200
Cash and cash equivalents classified as held for sale	(23)	–
Cash and cash equivalents at the end of the year	4 003	1 713

Segmental review

for the year ended 31 March

	Revenue		
	2017 US\$'m	2016 US\$'m	% change
Internet	10 621	8 237	29
– Ecommerce	2 929	2 647	11
– Tencent	7 506	5 417	39
– Mail.ru	186	173	8
Video entertainment	3 401	3 413	–
Media	588	608	(3)
Corporate services	2	1	100
Intersegmental	(50)	(35)	(43)
Economic interest	14 562	12 224	19
Less: Equity-accounted investments	(8 464)	(6 294)	(34)
Consolidated	6 098	5 930	3

	EBITDA ⁽¹⁾		
	2017 US\$'m	2016 US\$'m	% change
Internet	2 706	1 845	47
– Ecommerce	(682)	(648)	(5)
– Tencent	3 312	2 415	37
– Mail.ru	76	78	(3)
Video entertainment	520	799	(35)
Media	40	52	(23)
Corporate services	(14)	(12)	(17)
Economic interest	3 252	2 684	21
Less: Equity-accounted investments	(3 180)	(2 261)	(41)
Consolidated	72	423	(83)

	Trading profit		
	2017 US\$'m	2016 US\$'m	% change
Internet	2 454	1 619	52
– Ecommerce	(731)	(693)	(5)
– Tencent	3 125	2 246	39
– Mail.ru	60	66	(9)
Video entertainment	287	610	(53)
Media	19	29	(34)
Corporate services	(14)	(12)	(17)
Economic interest	2 746	2 246	22
Less: Equity-accounted investments	(2 960)	(2 067)	(43)
Consolidated	(214)	179	(220)

Note

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

Reconciliation of trading (loss)/profit to operating loss

for the year ended 31 March

	2017 US\$'m	2016 US\$'m
Trading (loss)/profit	(214)	179
Finance cost on transponder leases	46	33
Amortisation of other intangible assets	(99)	(68)
Other (losses)/gains – net	(57)	(292)
Retention option expense	(1)	(2)
Share-based incentives settled in treasury shares	(35)	(27)
Operating loss	(360)	(177)

Note

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

Notes to the summarised consolidated financial results

for the year ended 31 March

1. General information

Naspers Limited (Naspers) is a global internet and entertainment group and one of the largest technology investors in the world. Founded in 1915, we now operate in more than 120 countries and markets with long-term growth potential. Naspers builds leading companies that empower people and enrich communities. It runs some of the world's leading platforms in internet, video entertainment and media.

2. Basis of presentation and accounting policies

The summarised consolidated financial results for the year ended 31 March 2017 are prepared in accordance with the JSE Limited's (JSE) Listings Requirements (the Listings Requirements) relevant to summarised financial statements and the provisions of the Companies Act No 71 of 2008. The Listings Requirements require provisional reports to be prepared in accordance with the framework concepts, the measurement and recognition requirements of International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council, and to also, as a minimum, contain the information required by IAS 34 *Interim Financial Reporting*. The summarised consolidated financial results do not include all the disclosures required for complete annual financial statements prepared in accordance with IFRS as issued by the International Accounting Standards Board (IASB). The accounting policies applied in the preparation of the consolidated annual financial statements, from which the summarised consolidated financial results were derived, 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 IASB that are effective for financial years commencing 1 April 2016. None of the new or amended accounting pronouncements that are effective for the financial year commencing 1 April 2016 had a material impact on the group.

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

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

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

3. Independent audit

The summarised consolidated financial results have been audited by the company's auditor, PricewaterhouseCoopers Inc. (PwC). The individual auditor assigned to perform the audit is Brendan Deegan. PwC's unqualified audit reports on the consolidated annual financial statements and summarised consolidated financial results are available for inspection at the registered office of the company. The auditor's report does not necessarily cover all the information contained in the summarised financial results. Shareholders are therefore advised that, in order to obtain a full understanding of the nature of the auditor's work, they should obtain a copy of that report, together with the consolidated annual financial statements from the registered office of the company. These documents will be available from the company's registered office from 23 June 2017. The consolidated annual financial statements, together with the integrated annual report, will be available on www.naspers.com on or about 21 July 2017.

Notes to the summarised consolidated financial results (continued)

4. Headline and core headline earnings

	31 March	
	2017 US\$'m	2016 US\$'m
Net profit attributable to shareholders	2 921	994
<i>Adjusted for:</i>		
– insurance proceeds	–	(1)
– impairment of property, plant and equipment and other assets	26	43
– impairment of goodwill and other intangible assets	28	155
– loss on sale of assets	1	3
– loss on remeasurement of disposal groups classified as held for sale to fair value less costs of disposal	2	88
– gains on acquisitions and disposals of investments	(2 219)	(110)
– remeasurement of previously held interest	–	(348)
– dilution losses/(gains) on equity-accounted investments	119	(104)
– remeasurements included in equity-accounted earnings	(102)	(125)
– impairment of equity-accounted investments	–	55
	776	650
Total tax effects of adjustments	(17)	54
Total adjustment for non-controlling interest	13	(3)
Headline earnings	772	701
<i>Adjusted for:</i>		
– equity-settled share-based payment expenses	296	218
– recognition of deferred tax assets	–	(1)
– amortisation of other intangible assets	467	230
– fair-value adjustments and currency translation differences	172	90
– retention option expense	1	2
– business combination related losses	44	6
Core headline earnings	1 752	1 246

The diluted earnings, headline earnings and core headline earnings per share figures presented on the face of the income statement include a decrease of US\$24m (2016: US\$20m) relating to the future dilutive impact of potential ordinary shares issued by equity-accounted investees.

Notes to the summarised consolidated financial results (continued)

5. Interest (paid)/received

	31 March	
	2017	2016
	US\$'m	US\$'m
Interest received	70	40
– loans and bank accounts	56	37
– other	14	3
Interest paid	(278)	(292)
– loans and overdrafts	(198)	(207)
– transponder leases	(46)	(33)
– other	(34)	(52)
Other finance (cost)/income – net	(259)	(100)
– net foreign exchange differences and fair-value adjustments on derivatives	(259)	(102)
– preference dividends received	–	2

6. Equity-accounted results

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

	31 March	
	2017	2016
	US\$'m	US\$'m
Share of equity-accounted results	1 829	1 289
– sale of assets	3	–
– disposal of investments	(381)	(251)
– impairment of investments	268	180
Contribution to headline earnings	1 719	1 218
– amortisation of other intangible assets	404	174
– equity-settled share-based payment expenses	268	191
– fair-value adjustments and currency translation differences	–	6
Contribution to core headline earnings	2 391	1 589
Tencent	2 535	1 797
Mail.ru	52	45
Other	(196)	(253)

The group applies an appropriate lag period in reporting the results of equity-accounted investments where the year-ends of investees are not coterminous with that of Naspers Limited.

Notes to the summarised consolidated financial results (continued)

7. Profit before taxation

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

	31 March	
	2017	2016
	US\$'m	US\$'m
Depreciation of property, plant and equipment	214	186
Amortisation	128	94
– other intangible assets	99	67
– software	29	27
Net realisable value adjustments on inventory, net of reversals⁽¹⁾	51	78
Other (losses)/gains – net	(57)	(292)
– loss on sale of assets	(1)	(3)
– impairment of goodwill and other intangible assets	(30)	(155)
– impairment of property, plant and equipment and other assets	(26)	(43)
– remeasurement of disposal groups classified as held for sale to fair value less costs of disposal	(2)	(88)
– dividends received on investments	1	–
– insurance proceeds	–	1
– fair-value adjustments on financial instruments	1	(4)
Gains on acquisitions and disposals	2 169	452
– profit on sale of investments	1 990	110
– gains recognised on loss of control transactions	228	–
– remeasurement of contingent consideration	1	2
– acquisition-related costs	(50)	(8)
– remeasurement of previously held interest	–	348

Note

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

8. Goodwill

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

	31 March	
	2017	2016
	US\$'m	US\$'m
Goodwill		
– cost	3 175	2 170
– accumulated impairment	(357)	(279)
Opening balance	2 818	1 891
– foreign currency translation effects	210	(26)
– acquisitions of subsidiaries and businesses	244	1 260
– disposals of subsidiaries and businesses	(786)	(7)
– transferred to assets classified as held for sale	(37)	(155)
– impairment	(5)	(145)
– remeasurement to fair value less costs of disposal	(2)	–
Closing balance	2 442	2 818
– cost	2 790	3 175
– accumulated impairment	(348)	(357)

Notes to the summarised consolidated financial results (continued)

9. Investments and loans

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

	31 March	
	2017 US\$'m	2016 US\$'m
Investments and loans	10 945	7 900
– listed investments	10 127	6 977
– unlisted investments and loans	818	923

10. Commitments and contingent liabilities

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

	31 March	
	2017 US\$'m	2016 US\$'m
Commitments	2 464	3 254
– capital expenditure	13	16
– programme and film rights	2 015	2 245
– network and other service commitments	158	176
– transponder leases	–	573
– operating lease commitments	163	207
– set-top box commitments	115	37

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 US\$256.7m (2016: US\$216.8m). No provision has been made as at 31 March 2017 and 2016 for these possible exposures.

11. Disposal groups classified as held for sale

Following the announcement of the unbundling of the majority of the group's interest in its subsidiary Novus Holdings Limited (Novus), operating in the print industry in South Africa, the group classified the assets and liabilities of Novus as held for sale at 31 March 2017. The unbundling is subject to finalisation in accordance with regulatory requirements. Novus forms part of the media segment.

In March 2017 the group signed an agreement to dispose of its joint venture Souq Group Limited (Souq) and accordingly classified the investment as held for sale. Souq forms part of the ecommerce segment. Refer to note 15 regarding the conclusion of the group's disposal of Souq after year-end.

The assets and liabilities of various other smaller units were also classified as held for sale during the year. The disposal of these units is subject to regulatory and other approvals.

The group concluded the disposals of its subsidiaries, Heureka and Netretail, following the receipt of regulatory approval during May and July 2016, respectively. These businesses were classified as held for sale as at 31 March 2016. The group also concluded the disposal of its subsidiary INET BFA in November 2016. This business was classified as held for sale as at 30 September 2016. Refer to note 12 for further details.

Notes to the summarised consolidated financial results (continued)

11. Disposal groups classified as held for sale (continued)

The carrying values of the assets and liabilities of all disposal groups classified as held for sale as at 31 March 2017 are detailed below:

	31 March	
	2017	2016
	US\$'m	US\$'m
Assets	403	226
Property, plant and equipment	176	28
Goodwill and other intangible assets	35	124
Investment in joint venture	102	4
Deferred taxation assets	7	1
Inventory	26	38
Trade and other receivables	34	19
Cash and cash equivalents	23	12
Liabilities	70	97
Deferred taxation liabilities	19	9
Long-term liabilities	6	2
Bank overdrafts	–	12
Trade payables	18	39
Accrued expenses and other current liabilities	27	35

The group recognised a loss of US\$1.6m (2016: US\$87.7m) as part of "Other (losses)/gains – net" in the income statement on remeasuring the net assets of businesses classified as held for sale to their fair value less costs of disposal during the year. The fair value of the businesses was determined based on third-party sales prices. This represents a level 3 fair-value measurement.

12. Business combinations, other acquisitions and disposals

In November 2016, the group acquired a 100% interest in Citrus Pay, a leading Indian payments technology player, to expand the payments business' Indian footprint. Citrus Pay forms part of the Indian operations of PayU, the group's global online-payment service provider. The transaction was accounted for as a business combination. The total purchase consideration amounted to US\$112m. In addition, an employment-linked prepayment of US\$18m was recognised as a transaction separate from the business combination. This amount will be expensed in the income statement over the service period. The purchase price allocation: net debt US\$1m; net working capital US\$2m; intangible assets US\$15m; deferred tax liability US\$5m and the balance of US\$105m to goodwill. The main classes of intangible assets recognised in the business combination were trademarks, customer bases and technology.

As part of its strategy to consolidate the growing US online classifieds market, the US operations of Wallapop S.L. (Wallapop) were absorbed into the group's letgo business during July 2016. As consideration for the contribution of Wallapop's business and cash of US\$45m, Wallapop was issued with a 45% interest in a newly formed entity in the US, with the group holding the remaining 55% interest. The transaction was accounted for as a business combination. The total deemed purchase consideration amounted to US\$126m, representing the fair value of the equity interest issued to Wallapop. Given the early-stage nature of the business model, the transaction gave rise to the recognition of goodwill of US\$126m. A non-controlling interest of US\$45m was recognised following the business combination.

The main factor contributing to the goodwill recognised in these acquisitions is the acquiree's market presence. The goodwill that arose is not expected to be deductible for income tax purposes. Total acquisition-related costs of US\$2m were recorded in "Gains on acquisitions and disposals" in the income statement regarding the above acquisitions.

Since the acquisition dates of the above transactions, revenue of US\$8m and net losses of US\$182m have been included in the income statement relating to the acquired businesses. Had the revenue and net results of the acquired businesses been included from 1 April 2016, group revenue and net profit would have amounted to US\$6.11bn and US\$2.80bn respectively.

Notes to the summarised consolidated financial results (continued)

12. Business combinations, other acquisitions and disposals (continued)

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

The group made its first investment targeting the education technology market by investing US\$13m (23.6% fully diluted interest) in Brainly (May 2016), a social learning network. The group also invested US\$70m (10.6% fully diluted interest) in Udemy (June and October 2016), an online education marketplace with over 7m students enrolled, and US\$22m (19.2% fully diluted interest) in Codecademy (June 2016), a leading global platform focused on online coding education. The group accounts for these interests as investments in associates.

In January 2017 the group merged its Indian online travel business, ibibo, with Nasdaq-listed MakeMyTrip Limited, in exchange for a 40% fully diluted interest in MakeMyTrip Limited. A gain on disposal of US\$228m was recognised in "Gains on acquisitions and disposals" in the income statement following the transaction. The group accounts for its interest as an investment in an associate.

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

In May 2016 the group disposed of its Czech online comparison-shopping platform, Heureka, for a cash consideration of US\$67m, following the receipt of regulatory approval. A gain on disposal of US\$61m was recognised in "Gains on acquisitions and disposals" in the income statement following the transaction.

During July 2016 the group disposed of its Czech online retail and ecommerce platform Netretail for a cash consideration of US\$102m. A loss on disposal of US\$28m has been recognised in "Gains on acquisitions and disposals" in the income statement.

During January 2017, following the receipt of regulatory approval, the group concluded the disposal of Allegro.pl and Ceneo.pl, the leading online marketplace and price comparison businesses in Poland for net proceeds of US\$3.21bn. A gain on disposal of US\$1.94bn was recognised in "Gains on acquisitions and disposals" in the income statement following the transaction.

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

13. Financial instruments

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

Fair-value measurements at 31 March 2017 using:

	Quoted prices in active markets for identical assets or liabilities (level 1) US\$'m			Significant other observable inputs (level 2) US\$'m		Significant unobservable inputs (level 3) US\$'m	
Assets							
Available-for-sale investments	11			2			–
Forward exchange contracts	–			2			–
Currency devaluation features	–			–			6
Liabilities							
Forward exchange contracts	–			106			–
Shareholders' liabilities	–			–			18
Earn-out obligations	–			–			24
Interest rate swaps	–			8			–

Notes to the summarised consolidated financial results (continued)

13. Financial instruments (continued)

	Fair-value measurements at 31 March 2016 using:		
	Quoted prices in active markets for identical assets or liabilities (level 1) US\$'m	Significant other observable inputs (level 2) US\$'m	Significant unobservable inputs (level 3) US\$'m
Assets			
Available-for-sale investments	12	—	—
Forward exchange contracts	—	48	—
Currency devaluation features	—	—	11
Liabilities			
Forward exchange contracts	—	17	—
Shareholders' liabilities	—	—	13
Earn-out obligations	—	—	22
Interest rate swaps	—	21	—

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

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

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

For 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 active markets and interest rate extracts from observable yield curves.

Financial instruments for which fair value is disclosed:

	Carrying value US\$'m	Fair value US\$'m
Financial liabilities		
31 March 2017		
Capitalised finance leases ⁽¹⁾	1 211	1 199
Publicly traded bonds	2 900	3 041
31 March 2016		
Capitalised finance leases	836	865
Publicly traded bonds	2 900	3 029

Note

⁽¹⁾ Includes financial liabilities classified as held for sale.

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

Notes to the summarised consolidated financial results (continued)

14. Related party transactions and balances

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

15. Events after the reporting period

In April 2017 the group signed an agreement to acquire a controlling stake in its associate Takealot Online (RF) Proprietary Limited (Takealot) for approximately R960m (US\$73m). Following the investment, the group will consolidate Takealot as a subsidiary and will hold a fully diluted interest of 53.6%. The transaction is subject to regulatory approval.

The group invested US\$71m for an additional interest in its associate Flipkart Limited (Flipkart) in April 2017. The additional interest was acquired from existing shareholders of Flipkart. Following the investment, the group holds a 16% interest in Flipkart on a fully diluted basis.

The group invested an additional US\$132m in its associate MakeMyTrip Limited (MakeMyTrip), during May 2017, as part of an equity funding round. Following the investment, the group holds a 40% interest in MakeMyTrip on a fully diluted basis.

In May 2017 the group invested €387m (approximately US\$434m) for a 10% fully diluted interest in Delivery Hero GmbH, an online food-ordering and delivery marketplace business operating in over 40 countries globally.

During May 2017 the group committed to an investment of €110m (approximately US\$120m) in Kreditech Holding SSL GmbH (Kreditech), a provider of consumer lending and financial services. The investment is a combination of subscriptions for new shares and purchases of shares from existing shareholders in an aggregate amount of €90m and convertible loans of €20m to be advanced in future. The investment is part of the group's credit services strategy, which will continue to establish it as a leading fintech provider in high-growth markets. Following the completion of the investment (excluding the convertible loans), the group will hold a 37.6% interest in Kreditech.

The group concluded the disposal of its investment in Souq Group Limited in May 2017. The proceeds on the disposal amounted to US\$173m.

In June 2017 the group invested INR3.9bn (approximately US\$60m) in Bundl Technologies Private Limited (Swiggy), the operator of a first-party food delivery marketplace in India. Following the investment, the group holds a 14.8% interest in Swiggy on a fully diluted basis.

Notes to the summarised consolidated financial results (continued)

16. Pro forma financial information

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

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

The pro forma financial information has been prepared to illustrate the impact of changes in foreign exchange rates and changes in the composition of the group on its results for the period ended 31 March 2017. The following methodology was applied in calculating the pro forma financial information:

1. Foreign exchange/constant currency adjustments have been calculated by adjusting the current period's results to the prior period's average foreign exchange rates, determined as the average of the monthly exchange rates for that period. The local currency financial information quoted is calculated as the constant currency results, arrived at using the methodology outlined above, compared to the prior period's actual IFRS results. The relevant average exchange rates (relative to the US dollar) used for the group's most significant functional currencies, were South African rand (2017: 0.0713; 2016: 0.0721); Polish zloty (2017: 0.2516; 2016: 0.2604); Russian rouble (2017: 0.0159; 2016: 0.0156); Chinese yuan renminbi (2017: 0.1483; 2016: 0.1572); Indian rupee (2017: 0.0149; 2016: 0.0152); Brazilian real (2017: 0.3061; 2016: 0.2753); and Nigerian naira (2017: 0.0035; 2016: 0.0050).
2. Adjustments made for changes in the composition of the group relate to acquisitions and disposals of subsidiaries and equity-accounted investments, as well as to changes in the group's shareholding in its equity-accounted investments. The following significant changes in the composition of the group during the respective reporting periods have been adjusted for in arriving at the pro forma financial information:

Transaction	Basis of accounting	Reportable segment	Acquisition/ Disposal
Dilution of the group's interest in Tencent	Associate	Internet	Disposal
Dilution of the group's interest in Mail.ru and disposal by Mail.ru of Headhunter	Associate	Internet	Disposal
Dilution of the group's interest in Souq	Joint venture	Ecommerce	Disposal
Acquisition of the group's interest in Ietgo	Subsidiary	Ecommerce	Acquisition
Acquisition of the group's interest in Avito	Subsidiary	Ecommerce	Acquisition
Acquisition of the group's interest in Citrus Pay	Subsidiary	Ecommerce	Acquisition
Disposal of ibibo to MakeMyTrip	Subsidiary	Ecommerce	Disposal
Disposal of Allegro and Ceneo	Subsidiary	Ecommerce	Disposal
Disposal of Netretail	Subsidiary	Ecommerce	Disposal
Disposal of Heureka	Subsidiary	Ecommerce	Disposal
Disposal of Korbitec	Subsidiary	Ecommerce	Disposal

The net adjustment made for all acquisitions and disposals that took place during the year ended 31 March 2017 amounted to a negative adjustment of US\$309m on revenue and a negative adjustment of US\$45m on trading profit.

An assurance report issued in respect of the pro forma financial information by the group's external auditor, is available at the registered office of the company.

Notes to the summarised consolidated financial results (continued)

16. Pro forma financial information (continued)

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

	2016 A	2017 B	2017 C	Year ended 31 March			2017 G ⁽³⁾	2017 H ⁽⁴⁾
		Group composition disposal adjust- ment	Group composition acquisition adjust- ment	2017 D	2017 E	2017 F ⁽²⁾	Local currency growth %	IFRS %
	IFRS US\$'m	US\$'m	US\$'m	Foreign currency adjust- ment US\$'m	Local currency growth US\$'m	IFRS US\$'m	change	change
Revenue⁽¹⁾								
Internet	8 237	(457)	157	(502)	3 186	10 621	41	29
– Ecommerce	2 647	(418)	151	(51)	600	2 929	27	11
– Tencent	5 417	(28)	–	(454)	2 571	7 506	48	39
– Mail.ru	173	(11)	6	3	15	186	9	8
Video entertainment	3 413	(2)	–	(245)	235	3 401	7	–
Media	608	(7)	–	(8)	(5)	588	(1)	(3)
Corporate services	1	–	–	–	1	2	100	100
Intersegmental	(35)	–	–	(1)	(14)	(50)		
Economic interest	12 224	(466)	157	(756)	3 403	14 562	29	19
Trading profit⁽¹⁾								
Internet	1 619	(2)	(43)	(167)	1 047	2 454	65	52
– Ecommerce	(693)	16	(42)	22	(34)	(731)	(5)	(5)
– Tencent	2 246	(12)	–	(189)	1 080	3 125	48	39
– Mail.ru	66	6	(1)	–	1	60	2	(9)
Video entertainment	610	–	–	(125)	(198)	287	(32)	(53)
Media	29	–	–	–	(10)	19	(34)	(34)
Corporate services	(12)	–	–	1	(3)	(14)	(25)	(17)
Economic interest	2 246	(2)	(43)	(291)	836	2 746	37	22
Other metrics reported⁽¹⁾								
Development spend ⁽⁵⁾								
– economic interest	961	–	51	(1)	73	1 084	8	13
– consolidated	708	–	54	8	91	861	13	22
Consolidated revenue	5 930	(395)	138	(295)	720	6 098	13	3
Consolidated ecommerce revenue	1 966	(389)	138	(41)	499	2 173	32	11
Classifieds revenue	217	(19)	114	(13)	127	426	64	96
Avito revenue	54	–	114	7	29	204	54	278
Payments revenue	140	–	8	(7)	45	186	32	33

Core headline earnings, calculated in local currency terms, amounted to US\$2.01bn.

Notes

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

⁽²⁾ A + B + C + D + E.

⁽³⁾ $[E/(A+B)] \times 100$.

⁽⁴⁾ $[(F/A)-1] \times 100$.

⁽⁵⁾ Development spend is not an IFRS measure and accordingly does not have a corresponding IFRS equivalent and therefore has been excluded from the assurance report issued by the group's external auditor.

Independent auditor's report on the summary consolidated financial statements

TO THE SHAREHOLDERS OF NASPERS LIMITED

Opinion

The summary consolidated financial statements of Naspers Limited, contained in the accompanying provisional report, which comprise the summary consolidated statement of financial position as at 31 March 2017, the summary 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 financial statements of Naspers Limited for the year ended 31 March 2017.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the requirements of the JSE Limited Listings Requirements for provisional reports, as set out in note 2 to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Summary consolidated financial statements

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

The audited consolidated financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 23 June 2017. That report also includes communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period.

Director's responsibility for the summary consolidated financial statements

The directors are responsible for the preparation of the summary consolidated financial statements in accordance with the requirements of the JSE Limited Listings Requirements for provisional reports, set out in note 2 to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to Report on Summary Financial Statements

PricewaterhouseCoopers Inc.

Director: Brendan Deegan

Registered Auditor

Johannesburg
23 June 2017

Administration and corporate information

Naspers Limited

Incorporated in the Republic of South Africa
(Registration number 1925/001431/06)
(Naspers)
JSE share code: NPN ISIN: ZAE000015889
LSE share code: NPSN ISIN: US 6315121003

Directors

J P Bekker (chair), B van Dijk (chief executive), E Choi, H J du Toit, C L Enenstein, D G Eriksson, R C C Jafta, F L N Letele, G Liu, D Meyer, R Oliveira de Lima, S J Z Pacak, T M F Phaswana, V Sgourdos, M R Sorour, J D T Stofberg, B J van der Ross

Company secretary

G Kisbey-Green

Registered office

40 Heerengracht, Cape Town 8001, South Africa
(PO Box 2271, Cape Town 8000, South Africa)

Transfer secretaries

Link Market Services South Africa Proprietary Limited
13th Floor, Rennie House, 19 Ameshoff Street, Braamfontein 2001, South Africa
(PO Box 4844, Johannesburg 2000, South Africa)

Sponsor

Investec Bank Limited

ADR programme

Bank of New York Mellon maintains a GlobalBuyDIRECTSM 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: Bank of New York Mellon, Shareholder Relations Department – GlobalBuyDIRECTSM, Church Street Station, PO Box 11258, New York, NY 10286-1258, USA.

Important information

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

NASPERS LIMITED

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Financial results presentation

For the year ended 31 March 2017



NASPERS



This presentation contains 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 judgments and future expectations, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations. These include key factors that could adversely affect our businesses and financial performance.

We are not under any obligation to (and expressly disclaim any such obligation to) update or alter our forward-looking statements whether as a result of new information, future events or otherwise. Investors are cautioned not to place undue reliance on any forward-looking statements contained herein.

Agenda

1. Strategy

2. Operations

3. Financials

4. Outlook

STRATEGY



Strategy: building blocks in place



Partner with **entrepreneurs**



Build businesses with **'platform'** potential



Address **big societal needs**



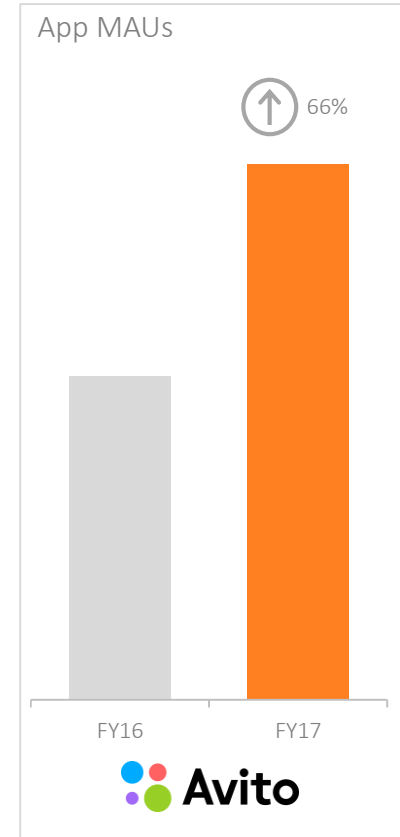
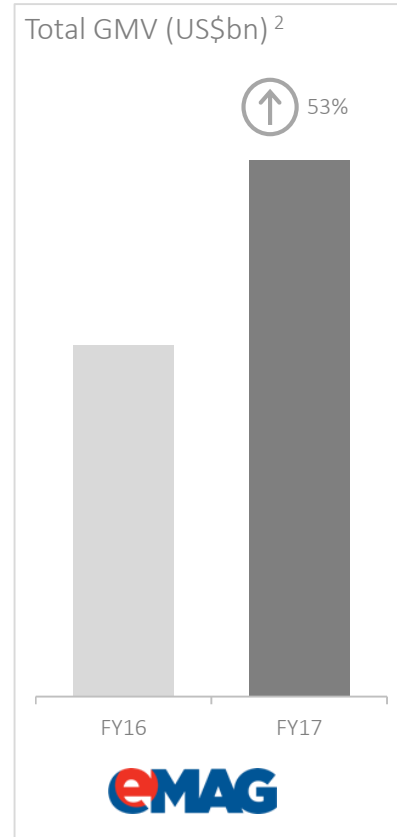
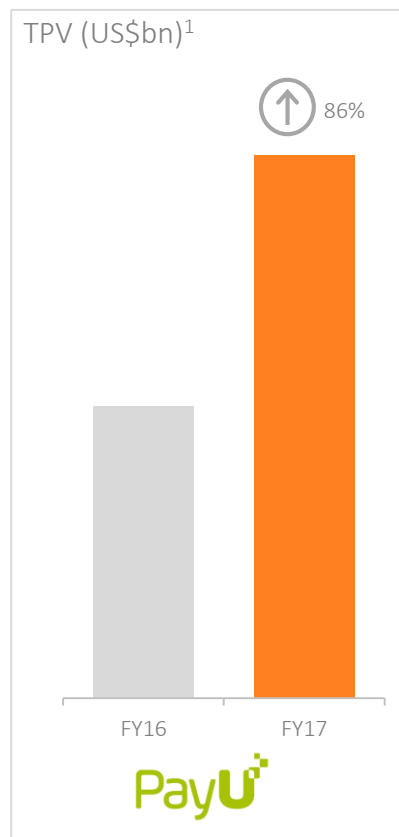
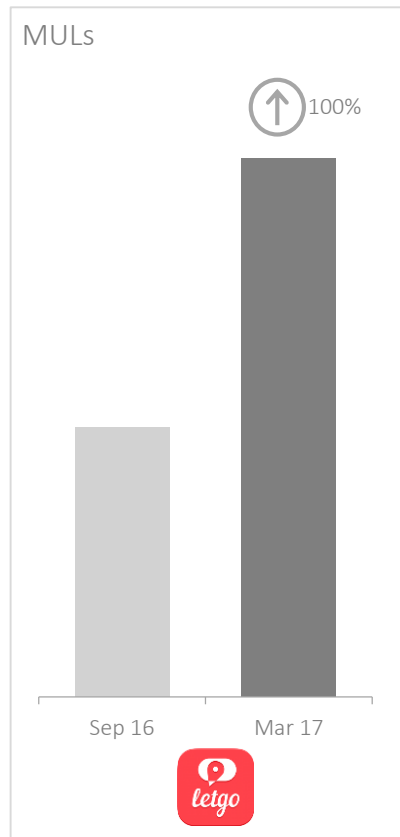
In **high-growth** markets



Where we can build sustainable **leadership positions**



Target high growth opportunities



1)TPV data reflect PayU India, YoY organic growth excluding Citrus was 64%

2) GMV data reflects Emag Romania

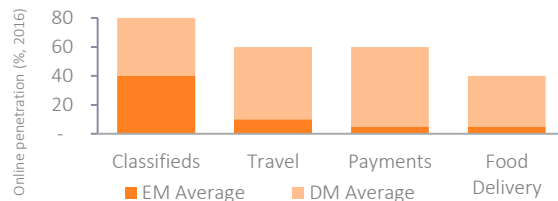
Online food delivery: another high-growth opportunity



Attractive sector

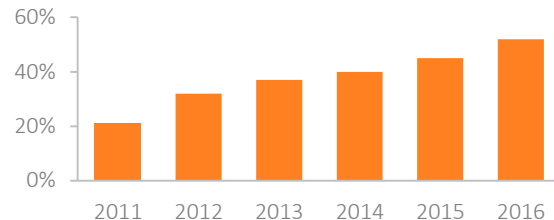
Online takeaway market expected to grow +25% CAGR to 2020, driven by online shift and additional delivery capacity.

Food delivery is underpenetrated in EMs



Source: Company data compiled from various sources

Food delivery: healthy margins over time*

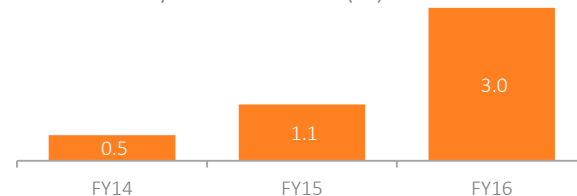


Source: UBS; *EBITDA margin of Just Eat

Existing expertise

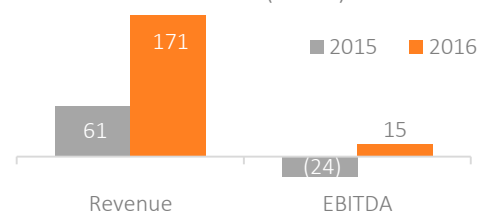
iFood continues to track well ahead of expectations. Now profitable with run rate of 3m orders p.m., it confirms attractive market fundamentals and business model.

iFood: monthly order run-rate (m)



Source: Company data as at 31 December

iFood: Revenue and EBITDA (BRLm)

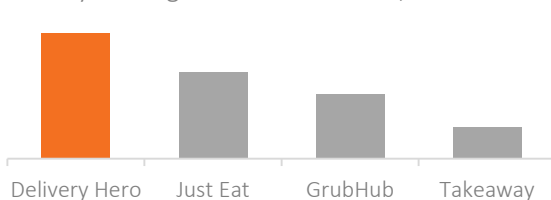


Source: Company data as at 31 December

Increased scale

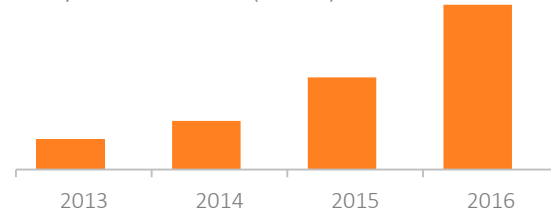
US\$434m investment in Delivery Hero in May 2017, as well as recent US\$60m investment in Swiggy (India), creates opportunity to leverage existing expertise and expand global footprint.

Delivery Hero: global market leader, # of orders*



Source: Company data for 2016, includes Foodpanda

Delivery Hero: revenue (EURm)



Source: Company data

Leadership positions in large, growing markets

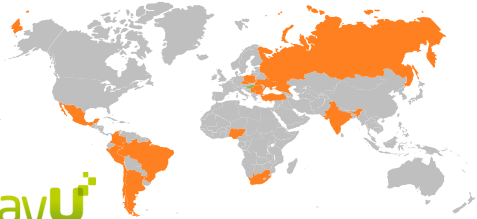


Tencent 腾讯



- ~938m Weixin & WeChat users
- #1 online platform in China

PayU



- Currently ~2m transactions daily
- Leading payments platforms in 17 markets

@mail.ru group



- ~97m monthly active users on VK
- A leading internet platform in Russia

MULTIChoice
ENRICHING LIVES



- ~12m active subscribers
- #1 provider of VE in Africa

Flipkart



- ~120m registered users
- A leading B2C marketplace in India

OLX



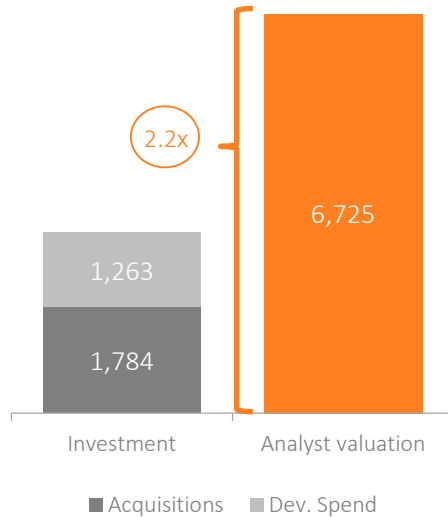
- ~330m monthly active users
- Largest global online classifieds footprint

*Excludes Allegro, the leading online marketplace in Poland, which was sold in January 2017.

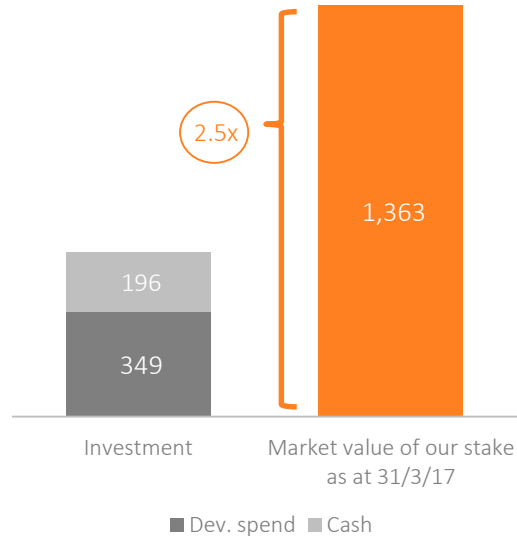
Building valuable platforms



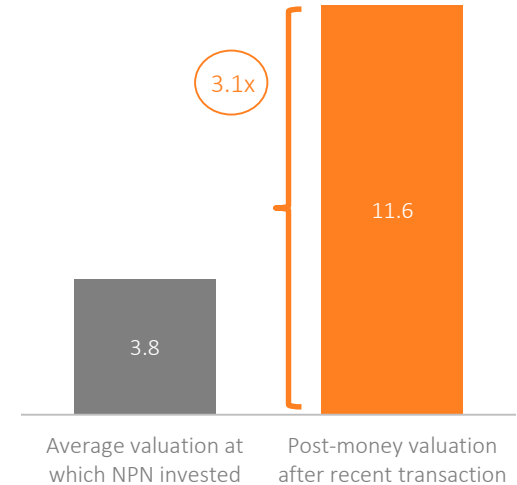
Analyst value (US\$m)¹



Market value (US\$m)²



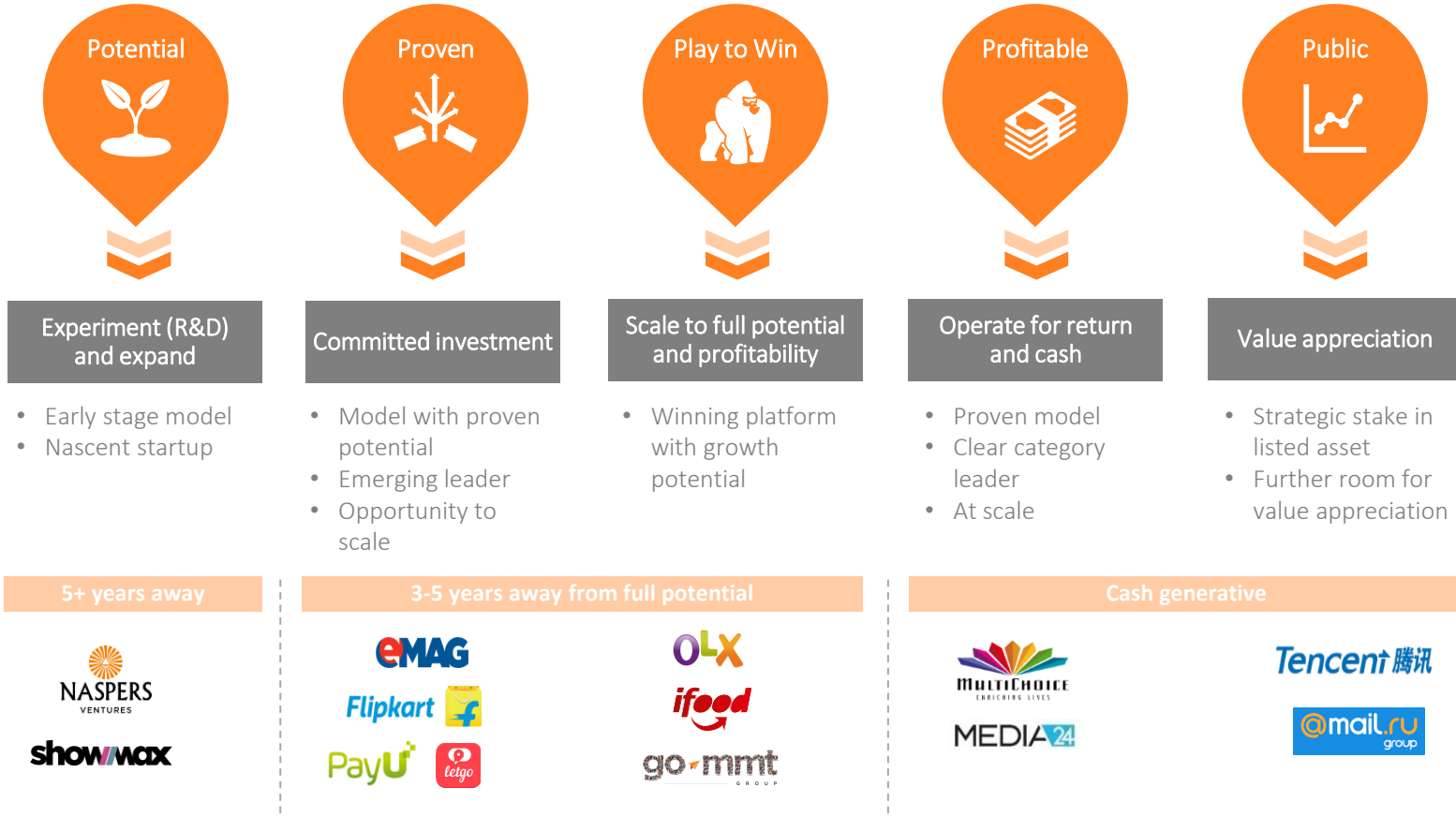
Transaction value (US\$bn)



1) Analyst valuation for entire classifieds portfolio (including Avito and letgo) as at 31 March 2017, based on the average of sell-side analysts currently covering Naspers.

2) Excludes investment of US\$132m post year-end; market value as per company data

Deliberate capital allocation to sustain growth



Continued optimisation of portfolio



Consolidate



- Increased operating scale
- Accelerated tech innovation
- Strengthened depth of management



34.1m
Total transactions



9.7m
Air



6.6m
Hotel

*Pro-forma transaction numbers as at 31 March 2016



- Highly complementary Indian payments play
- Increased customer base to >30m customers and >300k merchants



- Merged US operations of letgo and Wallapop
- Now market leader on number of key metrics

Exit



US\$3,214m



US\$102m

Other

US\$67m

Re-deployed in FY17 US\$3.4bn

Invest

Ventures in FY17 US\$130m



Other investments US\$423m



Other



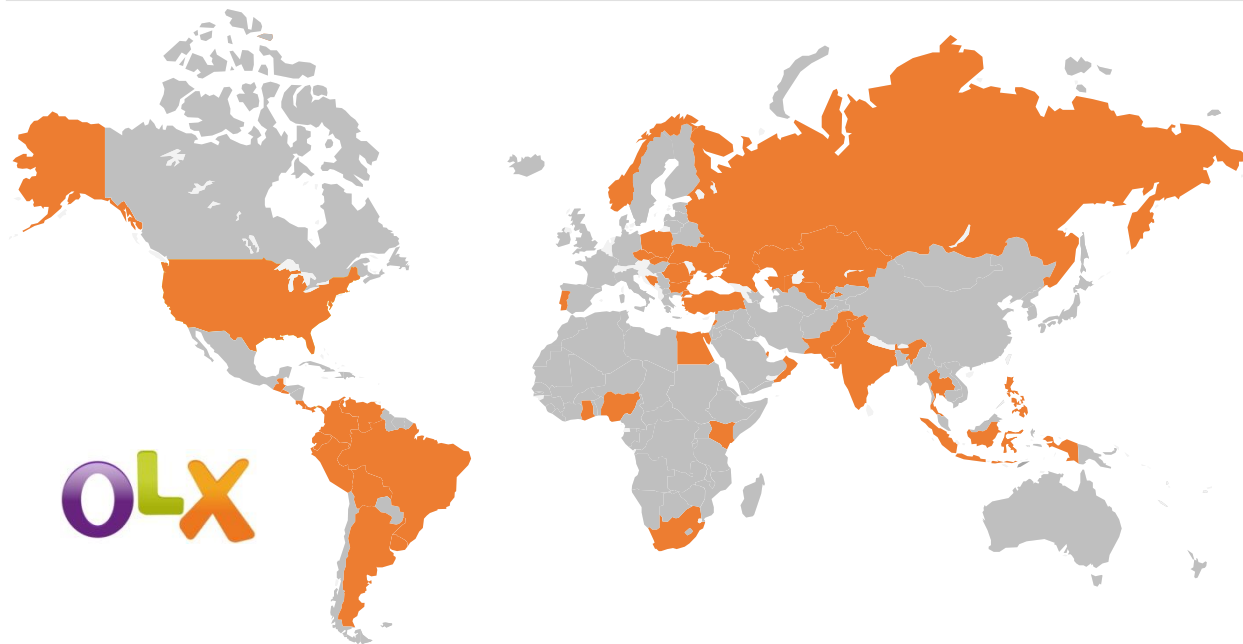
OPERATIONS





- 1 Classifieds: driving scale and monetization across portfolio
- 2 B2C: optimised portfolio; retain strong line-up of local leaders
- 3 Payments: consolidated platforms; delivering strong growth
- 4 Ventures: new bets gaining traction; scaling presence in food delivery
- 5 VE: SA solid; strong turnaround in SSA subscriber growth

Classifieds: largest online global platform by footprint



Global footprint



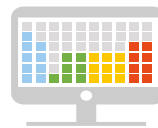
Mobile leadership



#1 app
22 COUNTRIES¹

+4.4
APP RATING

Scale²



+330m
Monthly
Active Users



+60m
Monthly
Net New Listings

1) Google play store; shopping/lifestyle categories

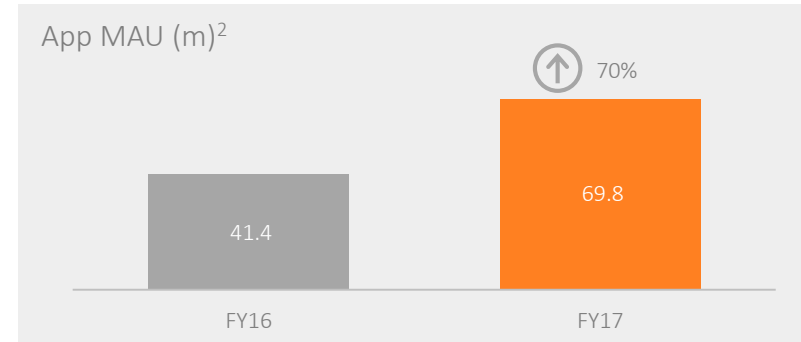
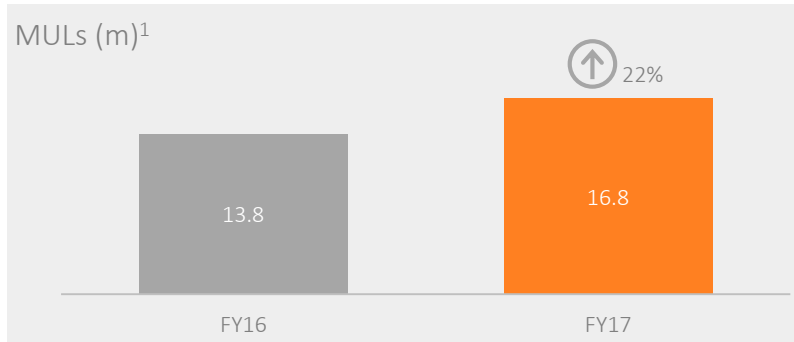
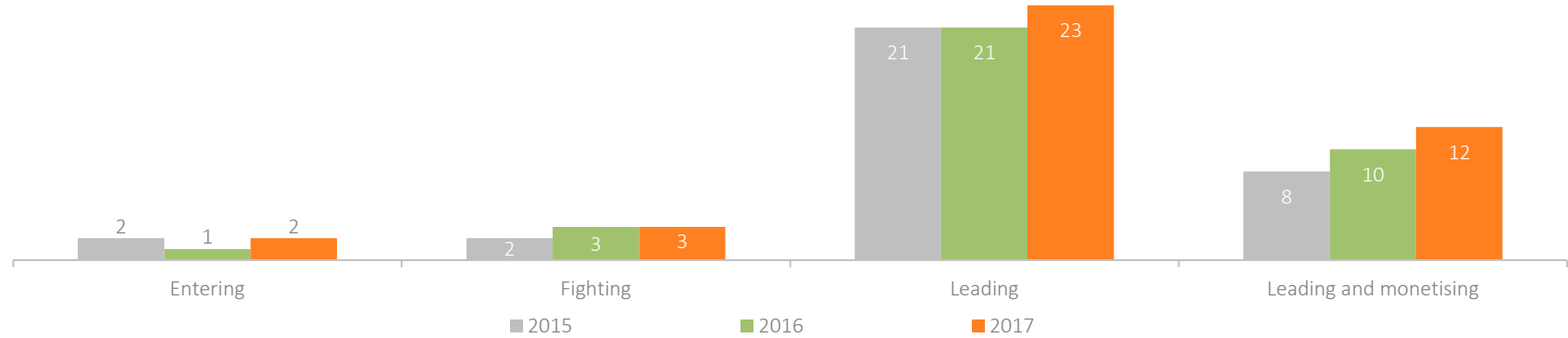
2) Numbers reflect proportionate pickup of equity-accounted investments

3) Countries with lower than 1,000 daily unique listers (7 total) excluded from 'active country' list

Classifieds: widening leadership, strong operational momentum



Naspers positions (number of countries)¹



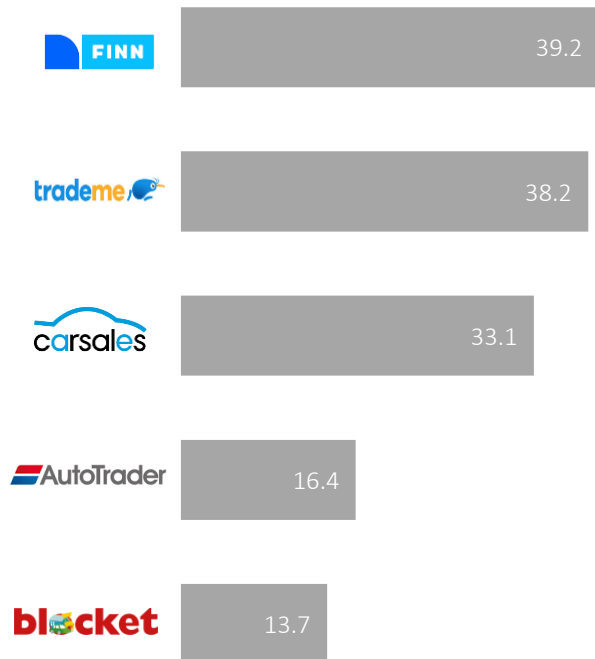
1) Countries with lower than 1,000 daily unique listers (7 total) excluded from 'active country' list

2) Data reflects full year averages at 100% of controlled entities and proportionate share of equity-accounted investments

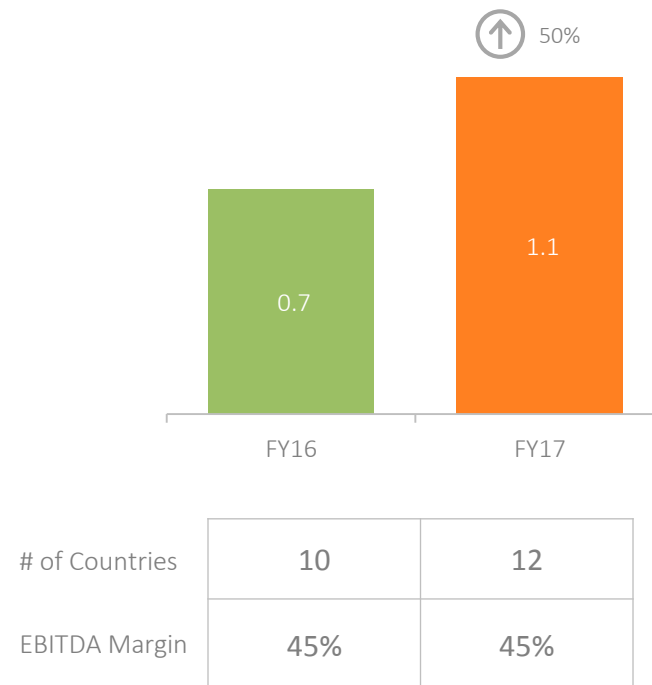
Classifieds: room to grow and expand margins



Industry peers: revenue/internet user (US\$, 2016A)¹



OLX: revenue/internet user (US\$) - monetisation countries²



1) Calculated as total country revenue divided by the total internet population of that country

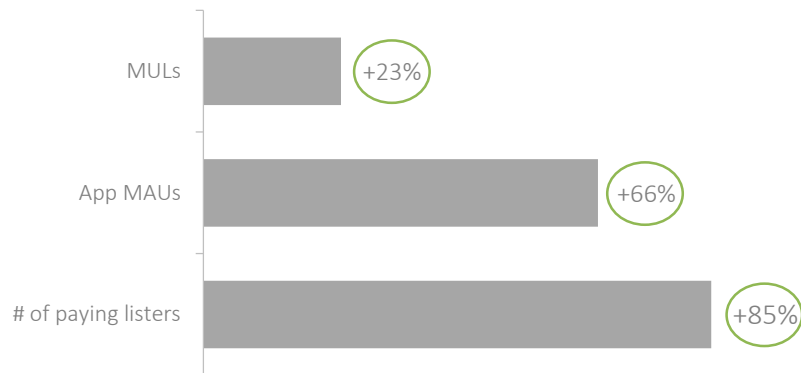
2) Calculated as total revenue for OLX monetisation countries, divided by the total number of internet users in those countries

Sources: Company filings, investor reports, EIU reports and Factset. Revenue/internet user (RPIU) converted at average fx rates for the year

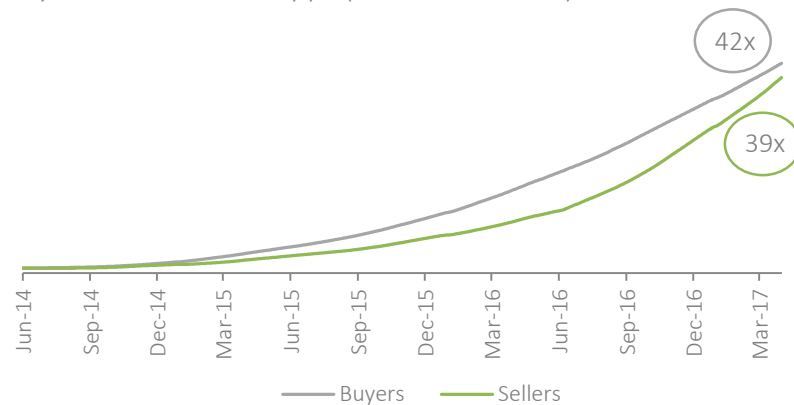
Classifieds: Avito continues to grow, at scale



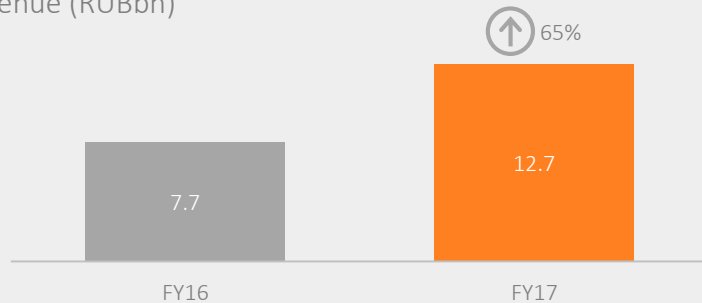
YoY growth in key metrics (avg FY17 vs. avg FY16)



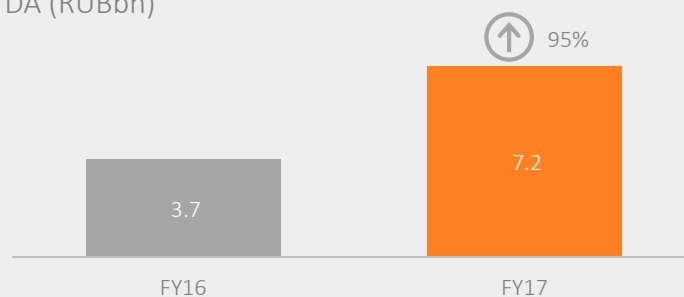
Buyers and Sellers in Apps (June 2014 = 100)



Revenue (RUBbn)



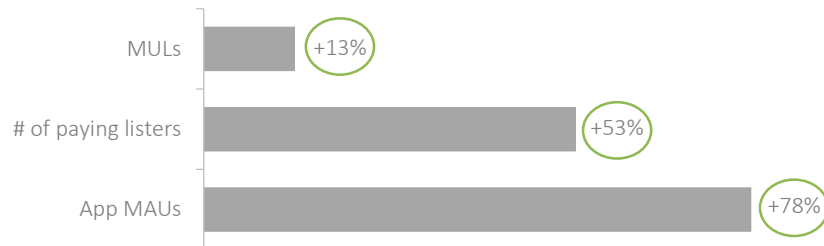
EBITDA (RUBbn)



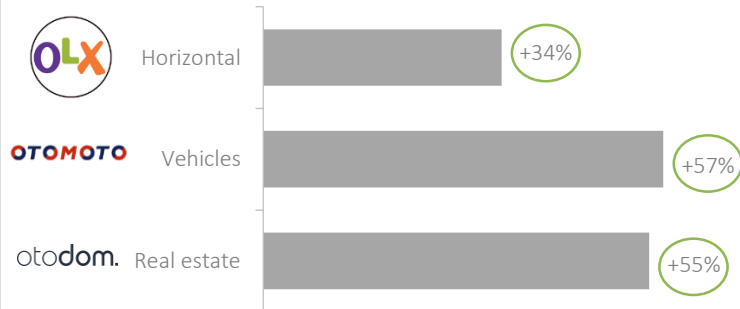
Classifieds: Poland performing well, continued growth in verticals



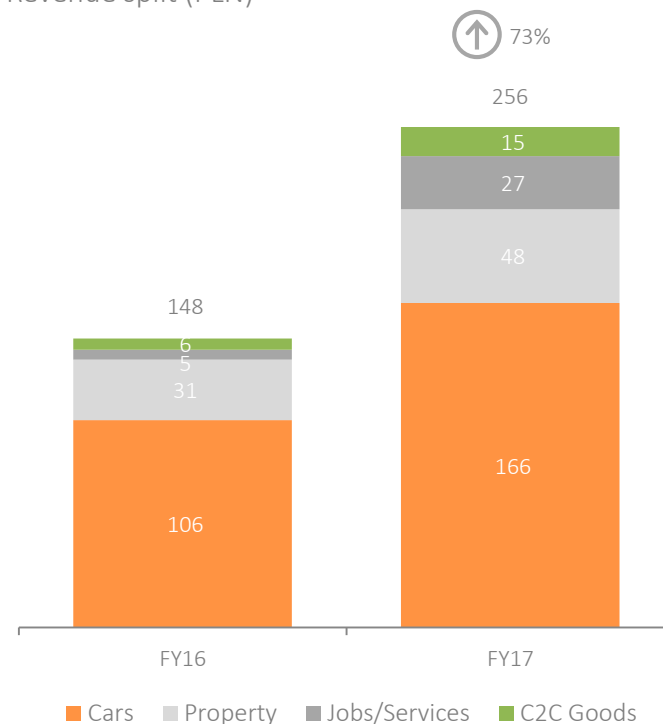
YoY growth in key metrics



YoY growth in revenue

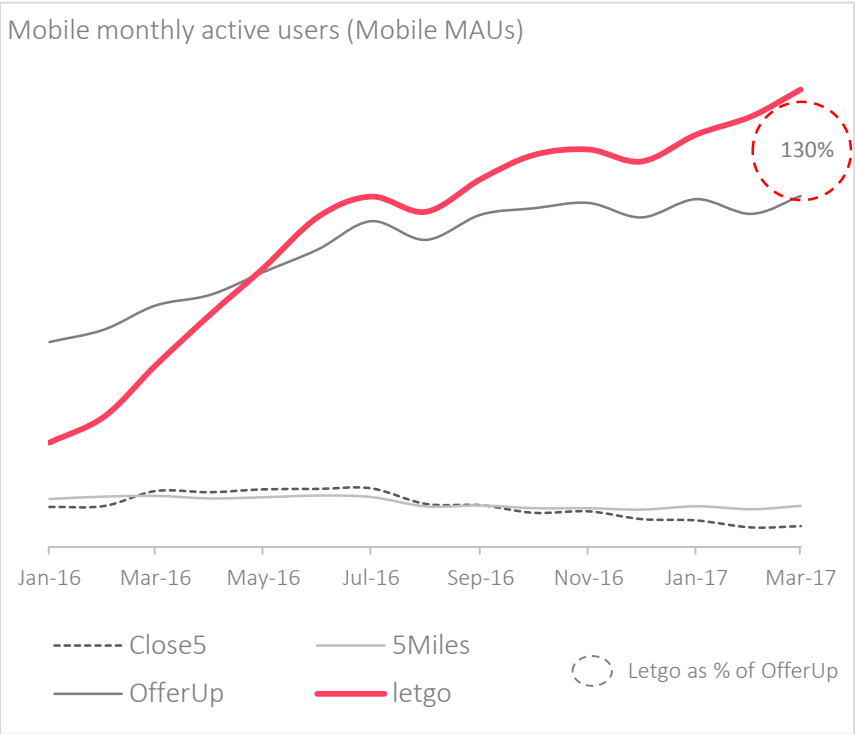
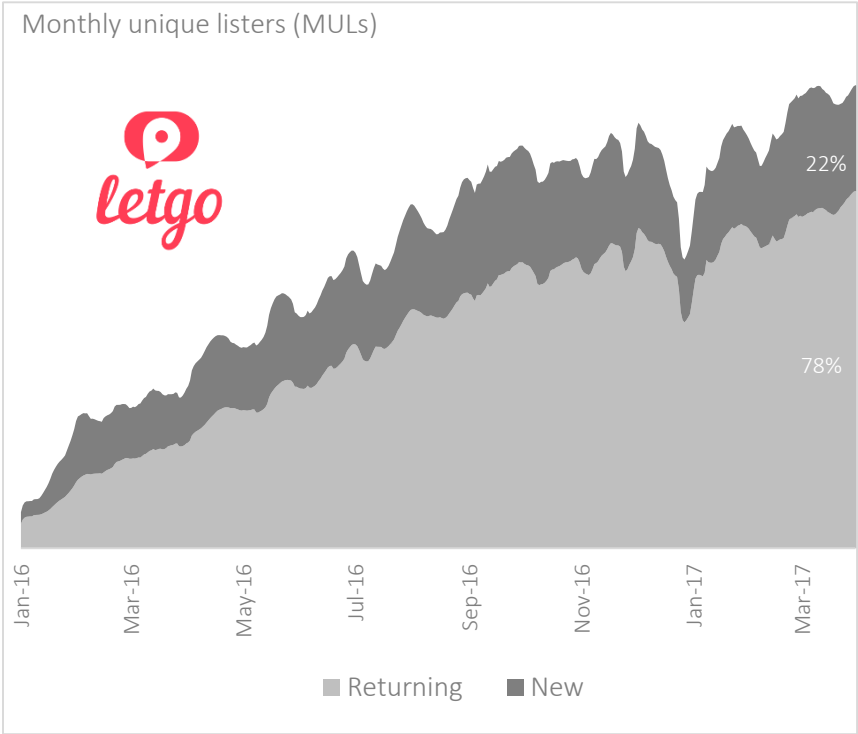


Revenue split (PLN)



Note: Vehicles and real estate revenues include revenues from those categories on the OLX branded platform. Horizontal excludes the vehicles and real estate revenues.

Classifieds: letgo USA... increasing investment to accelerate growth



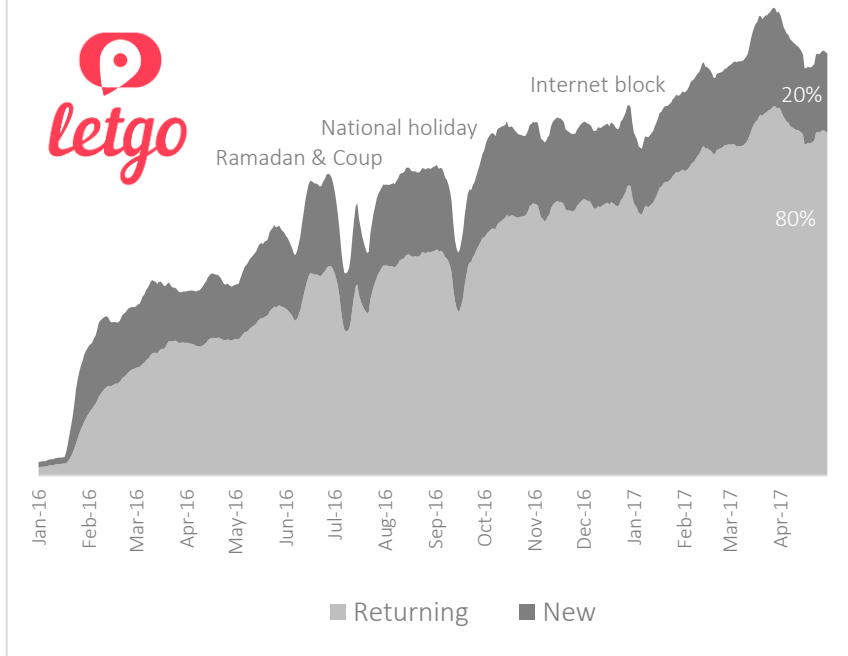
Source: Internal Database

Source: Leading third-party data provider

Classifieds: letgo Turkey closing the gap with Sahibinden

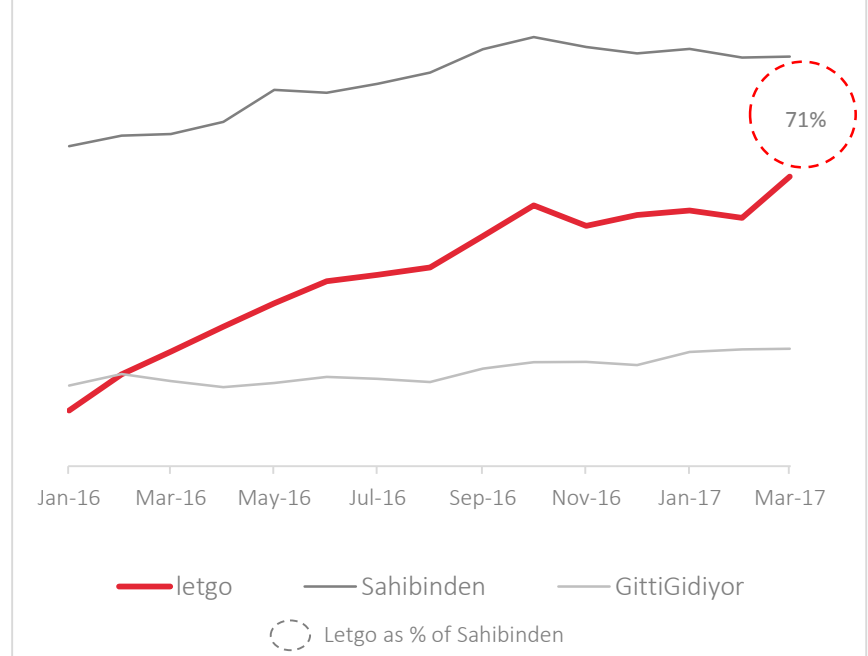


Monthly unique listers (MULs)



Source: Internal Database

Mobile Monthly active users (Mobile MAUs)

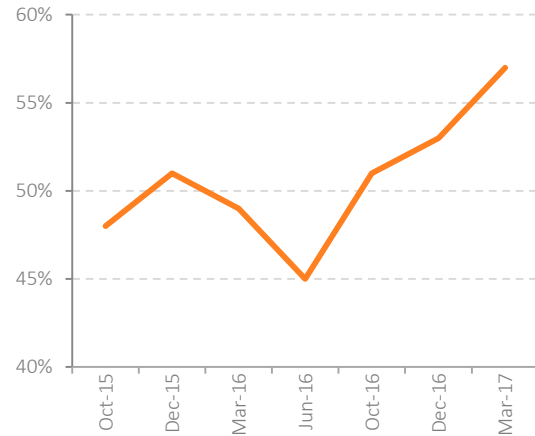


Source: Leading third-party data provider

B2C etail: retain strong line-up of local leaders

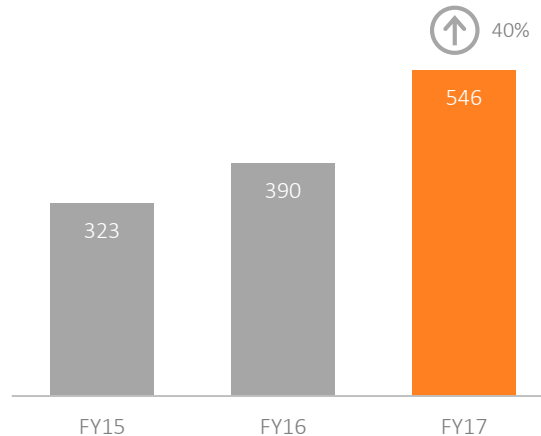


Flipkart share of monthly gross GMV

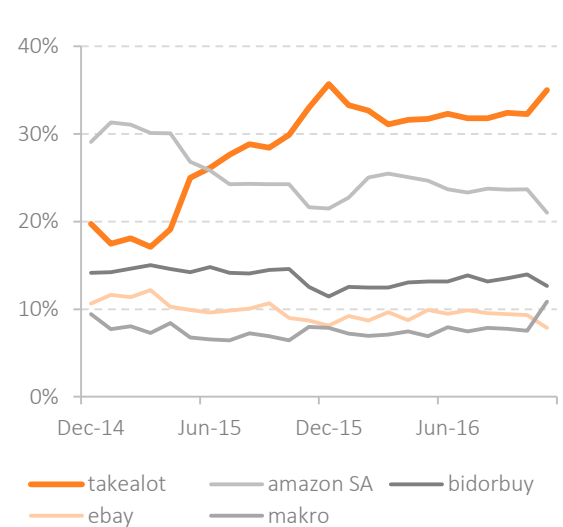


* Source: internal estimates incorporating 3rd party projections on GMV of top-3 players. Flipkart market share includes Myntra and Jabong (since September 2016)

eMAG Romania revenue (US\$m)



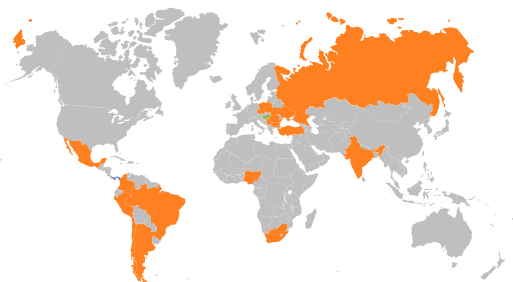
Online traffic share, % (desktop and mobile)



Payments: PayU consolidation in India generated lively growth



Scaling rapidly

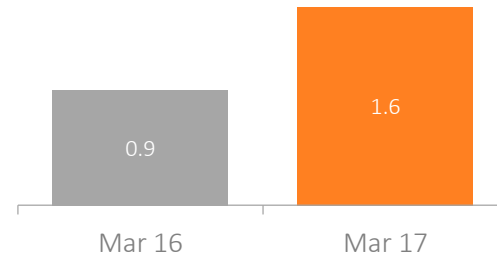


- >300,000 merchants, including large global companies
- Operations across 17 markets
- Global reach, but deep local presence

Strong growth

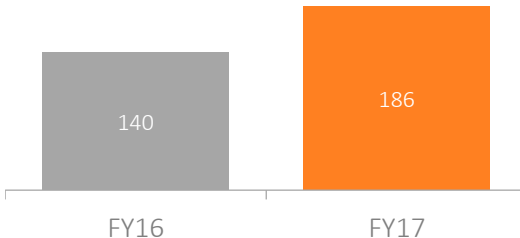
Average daily transactions (m)

↑ 72% (49%)



Revenue growth (US\$m)

↑ 33% (32%)



Select investments



- Significantly increased scale and market positioning in Indian PSP market
- Increased customer base to >30m customers and +300k merchants



- Brings innovative services to under-served markets
- Provide access to credit for people with little or no credit history



zest

* Year-on-year trends affected by the acquisition of Citrus in November 2016, numbers in brackets represent organic growth excluding this transaction



Approach

Flexible engagement

- Agnostic to life stage
- Adapt to local rules

Going beyond money

- Look to add value operationally
- Seek to leverage group scale

Long-term orientation

- Focus on geographies and segments with long-term potential
- No exit focus

Global perspective

- Back local winners with global scale and reach potential

Investments

codecademy

udemy

BRAINLY



twiggles

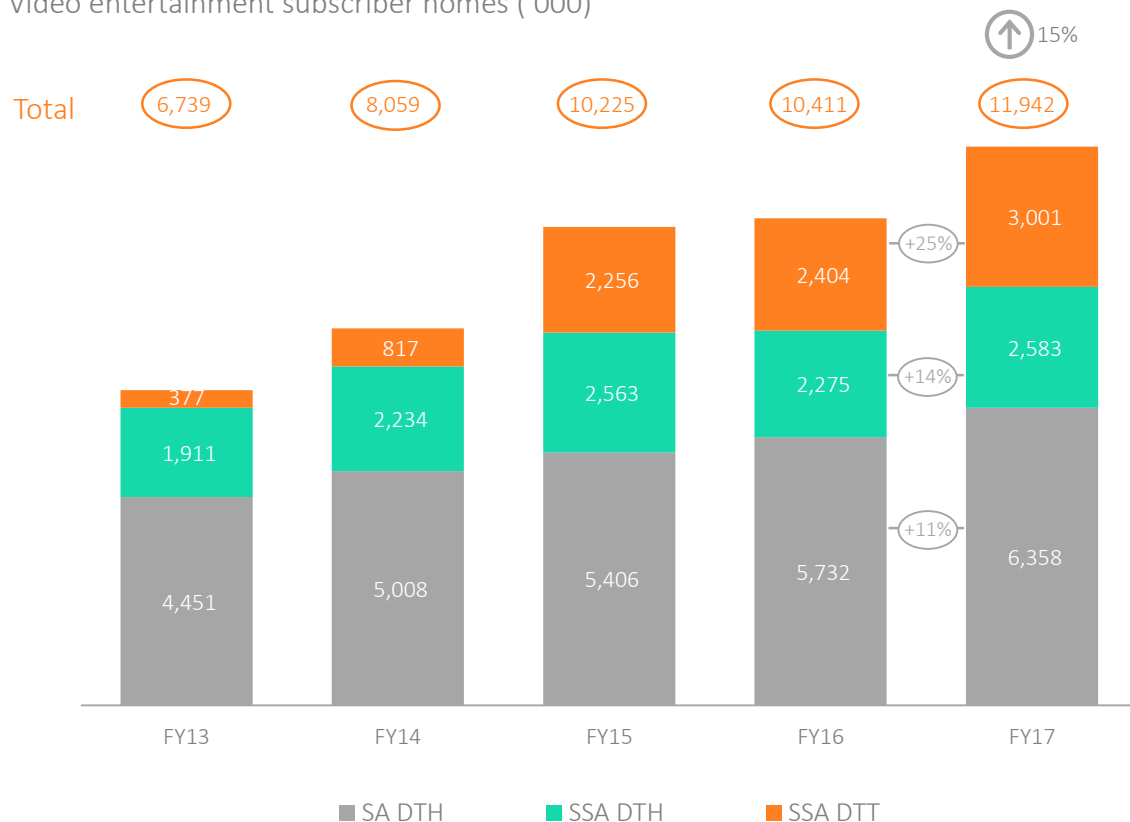
FarmLogs

coins.ph

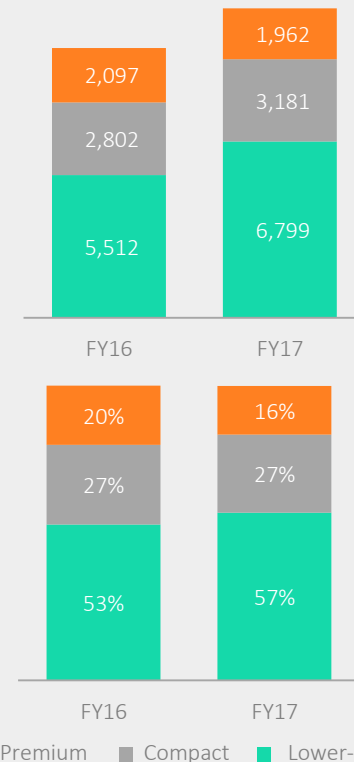
Video entertainment: solid subscriber growth, changing mix



Video entertainment subscriber homes ('000)



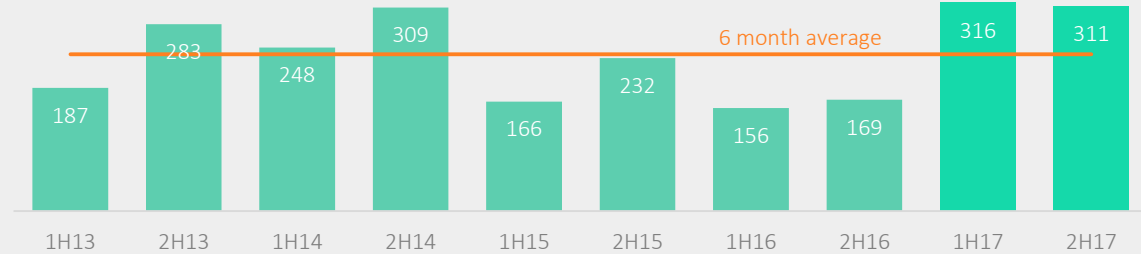
Subscriber mix ('000)



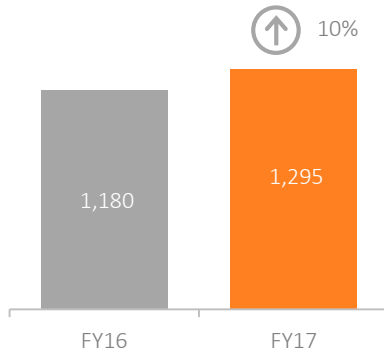
Video entertainment: SA delivers solid all-round performance



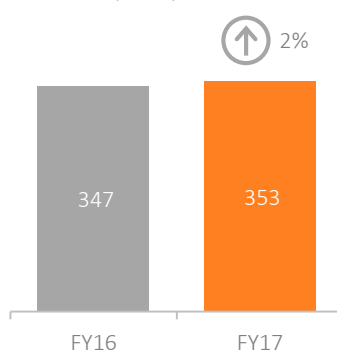
SA DTH net additions ('000) reflect strong growth relative to previous periods



PVR's ('000)



ARPU (ZAR)



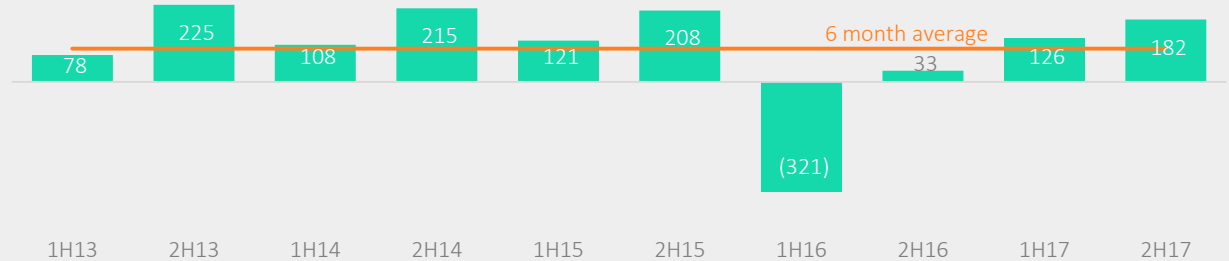
Increasing competition



Video entertainment: good operational progress in SSA

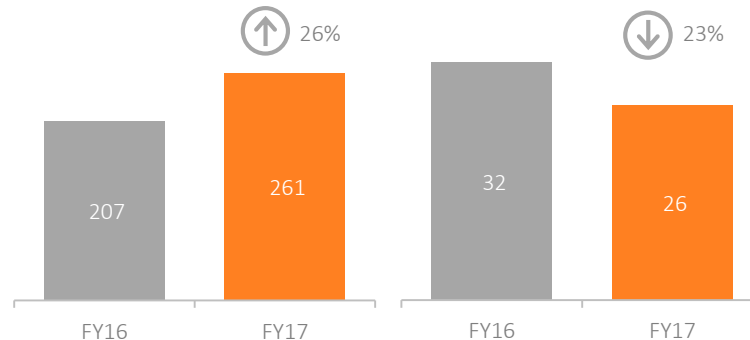


SSA net DTH additions ('000) reflect significant recovery in growth



PVR's ('000)

ARPU (US\$)



Increasing competition



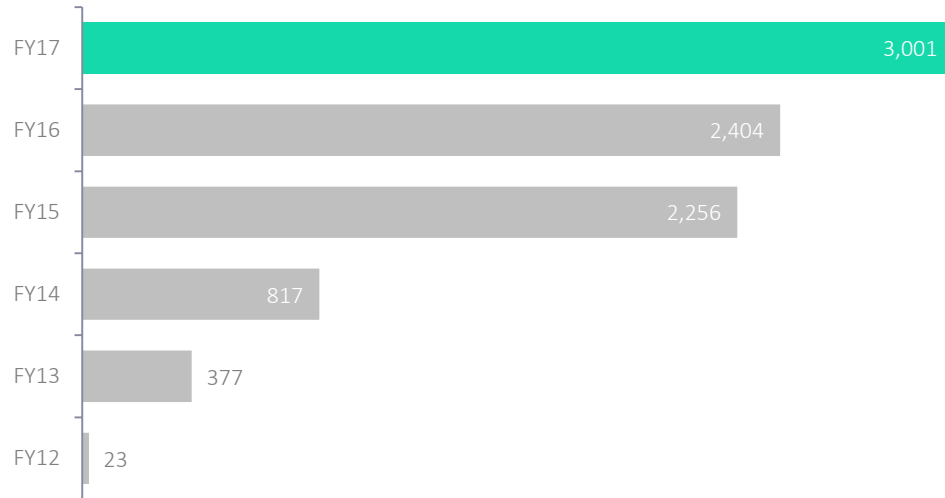
StarTimes



VE: DTT progressing toward profitability



Subscribers (m)



FINANCIALS



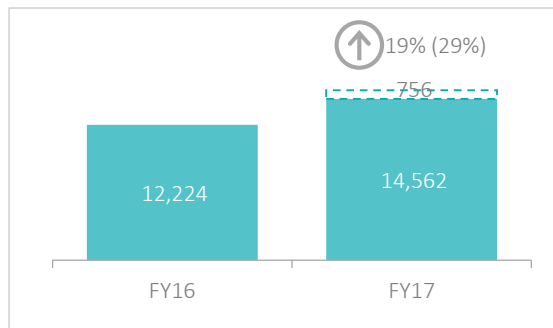


- 1 Accelerated growth operationally and financially
- 2 Ecommerce: increased profits and cash generation from core operations
- 3 New bets gaining traction
- 4 Video entertainment: solid results from SA business; SSA recovering, but fx headwinds
- 5 Tencent delivered excellent results
- 6 Strong balance sheet - ungeared with healthy liquidity profile

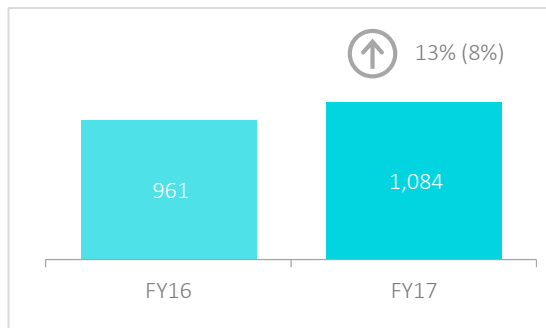
Synopsis of financials



Revenue* (US\$m)

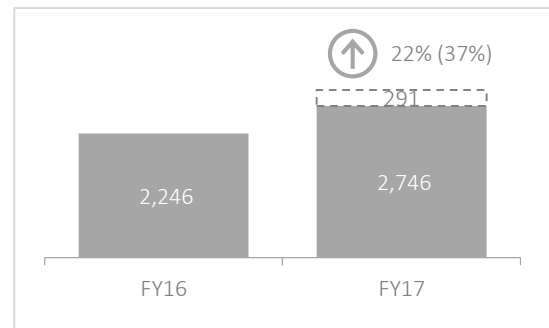


Development spend* (US\$m)

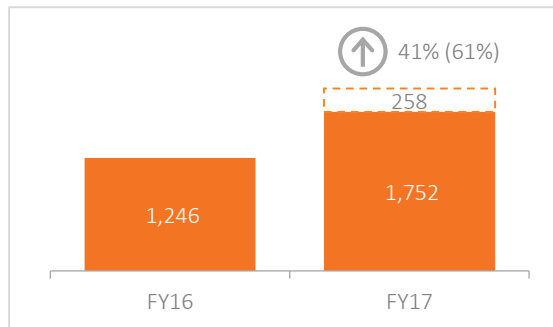


Trading profit* (US\$m)

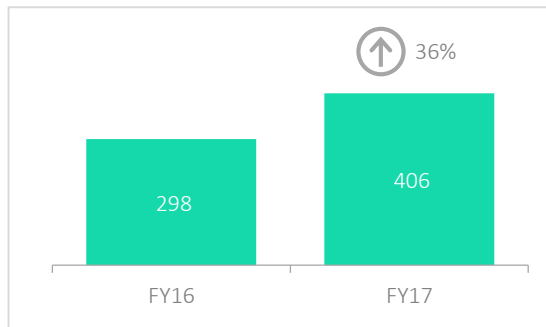
□ Currency impact



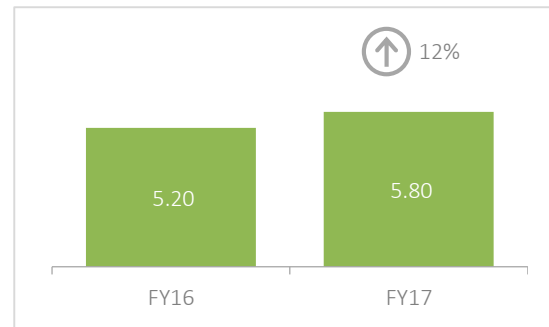
Core headline earnings (US\$m)



Core HEPS (USc)



DPS (ZAR)

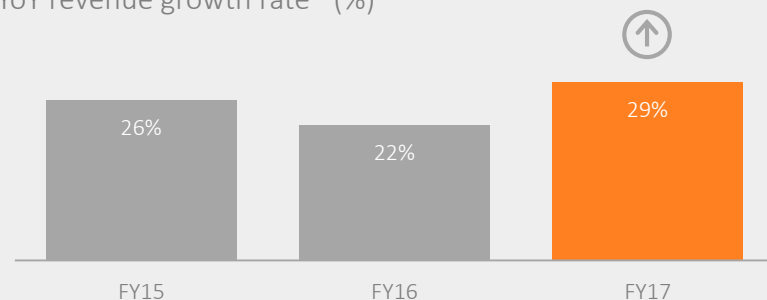


*Results reported on an economic-interest basis, i.e. equity-accounted investments are proportionately consolidated. Numbers in brackets represent year-on-year growth in local currency, excluding M&A. The currency impact indicates by how much the reported number would have increased had the currency exchange rate remained similar to the prior year.

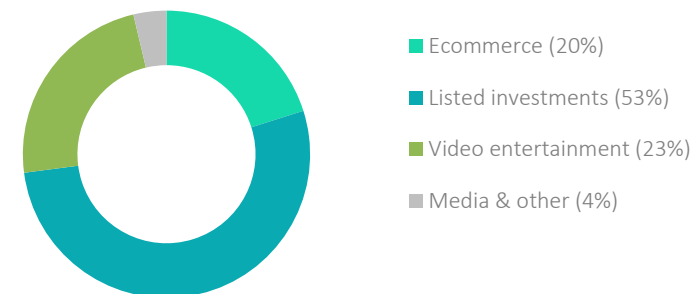
Revenue growth driven by ecommerce and Tencent



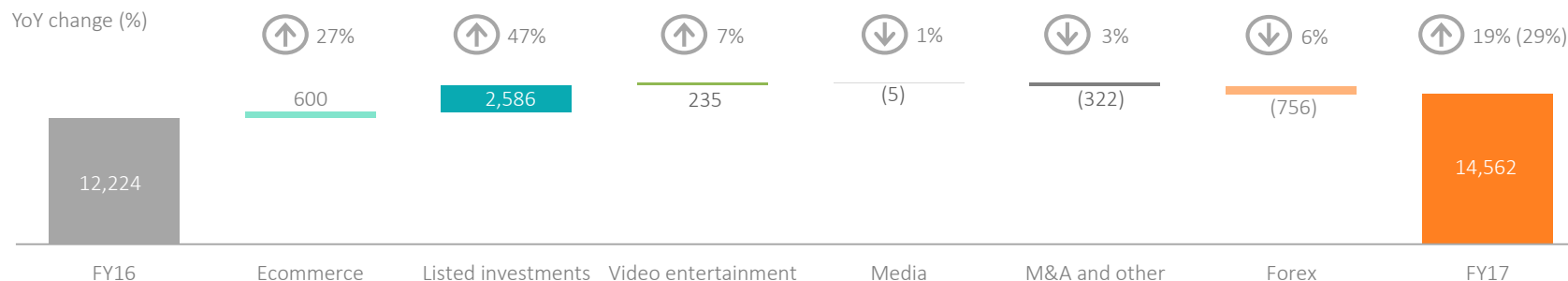
YoY revenue growth rate* (%)



Revenue* by segment (US\$m)



Incremental revenue* by segment, YoY (US\$m)

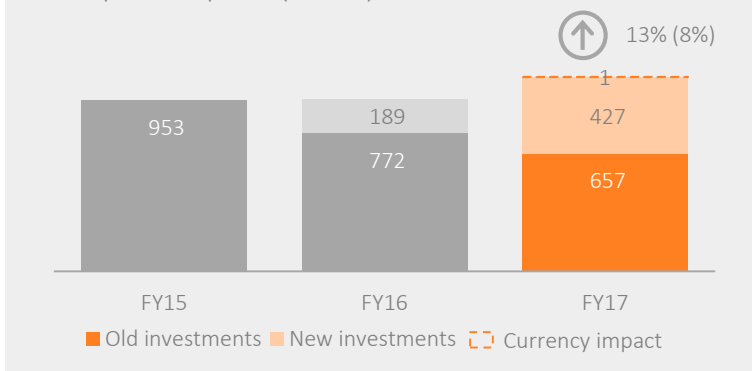


*Results reported on an economic-interest basis, i.e. equity-accounted investments are proportionately consolidated. Numbers in brackets represent year-on-year growth in local currency, excluding M&A. Listed investments excludes MMYT which is included in ecommerce

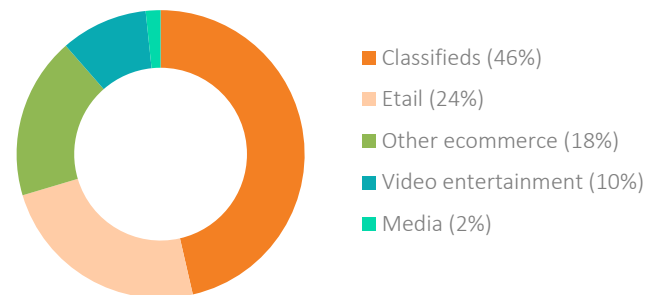
Development spend higher due to new growth initiatives



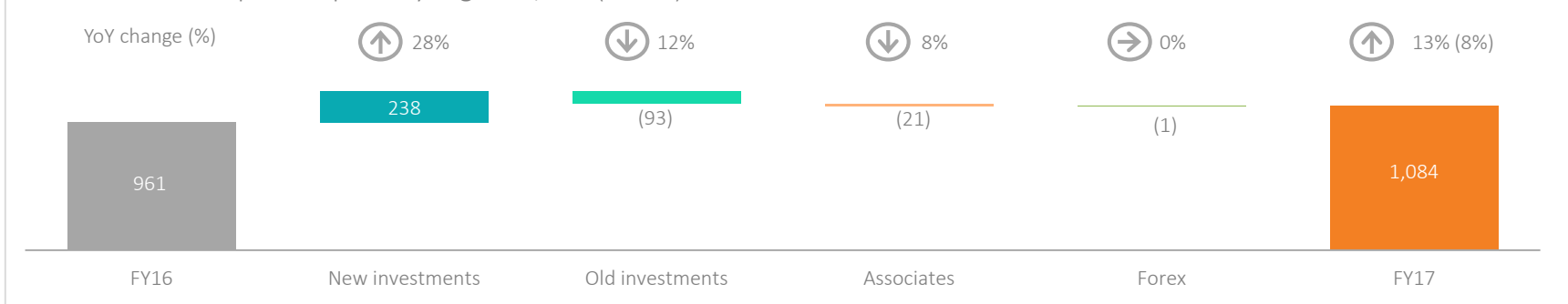
Development spend (US\$m)¹



Development spend by segment (US\$m)¹

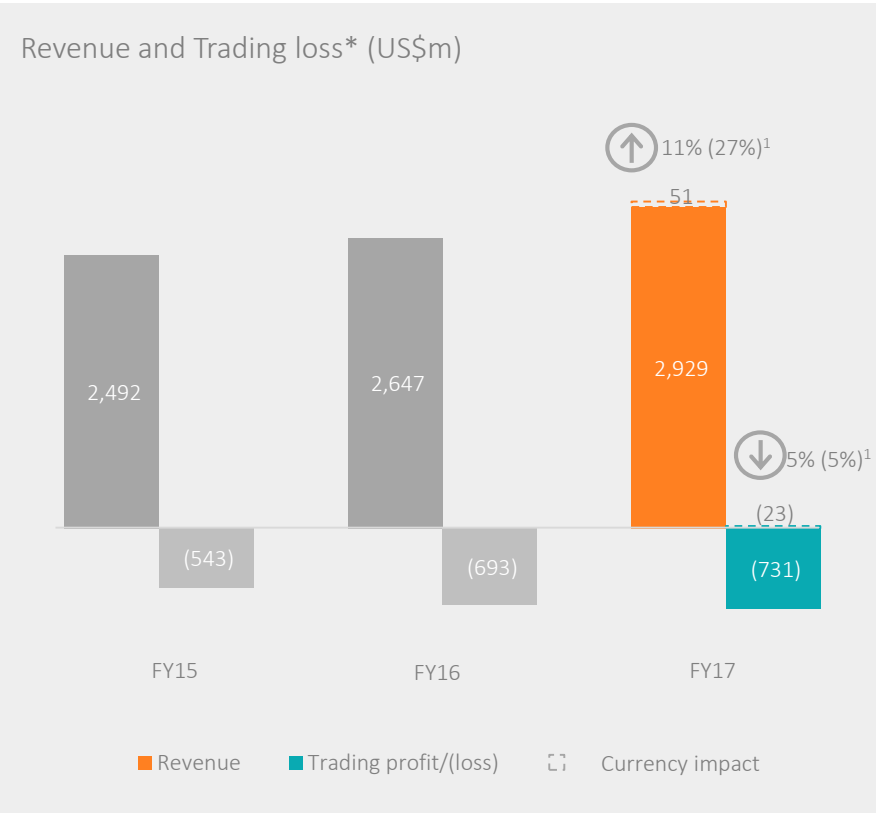


Incremental development spend by segment, YoY (US\$m)¹

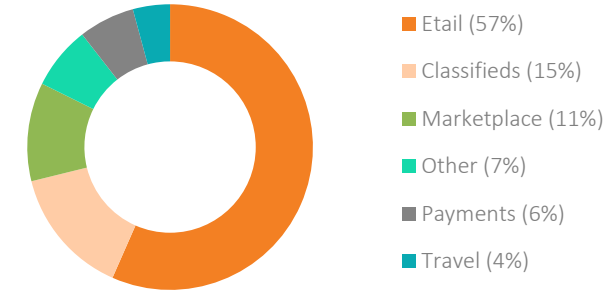


¹) Development spend consists of trading losses incurred by developing businesses that have yet to reach scale. Results reported on an economic-interest basis, i.e. equity-accounted investments are proportionately consolidated. Numbers in brackets represent year-on-year growth in local currency, excluding M&A

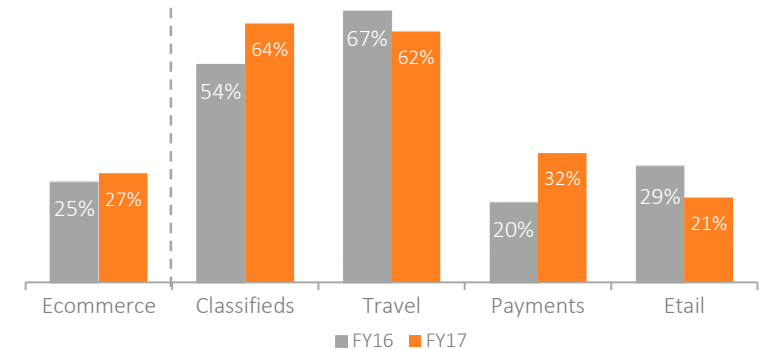
Ecommerce: accelerating growth



Revenue split*



Constant currency revenue growth by type*



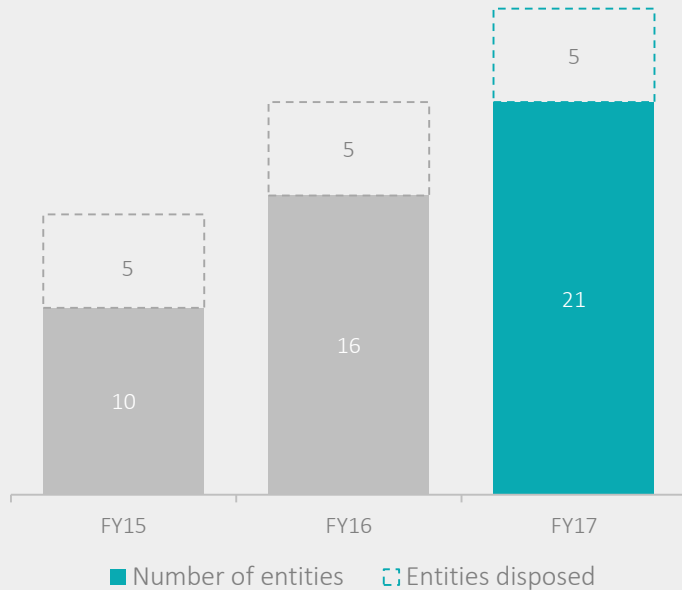
*Results reported on an economic-interest basis, i.e. equity-accounted investments are proportionately consolidated.

1) Numbers in brackets represent year-on-year growth in local currency, excluding M&A

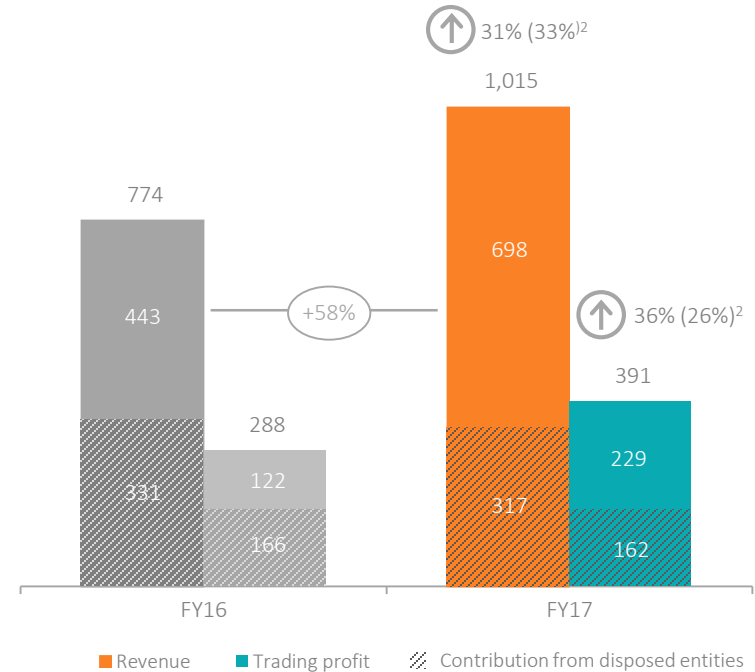
Increase in number of profitable ecommerce entities



Number¹ of profitable ecommerce entities*



Financial progress of profitable entities* (US\$m)



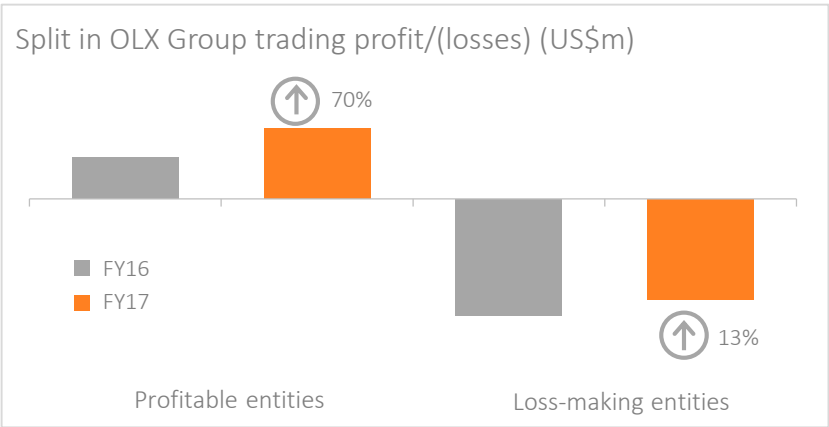
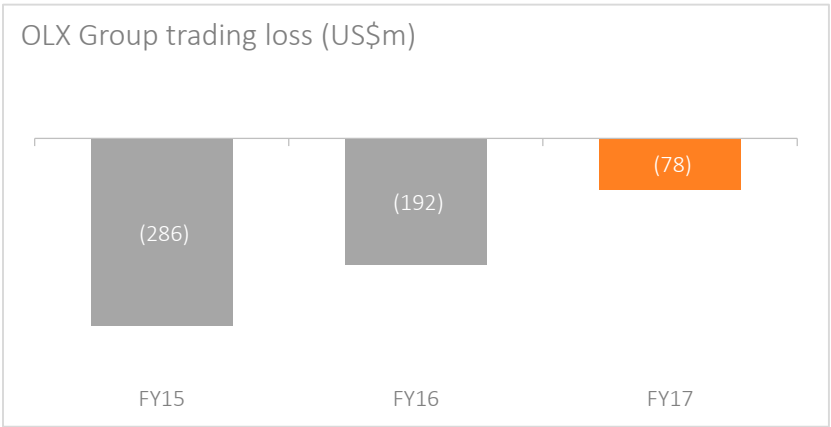
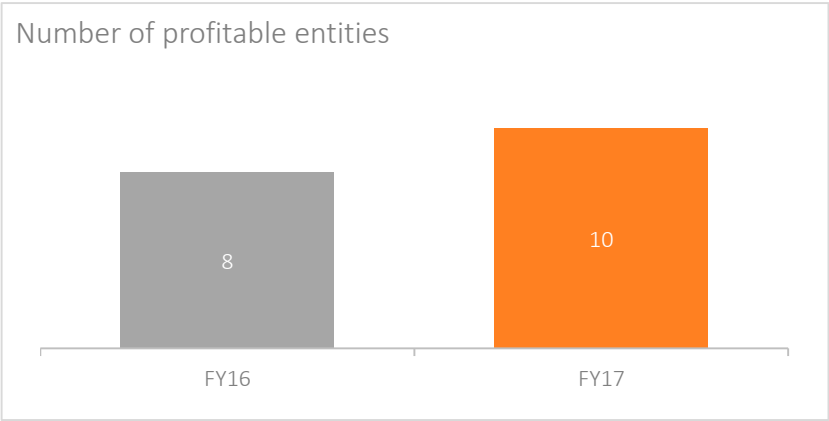
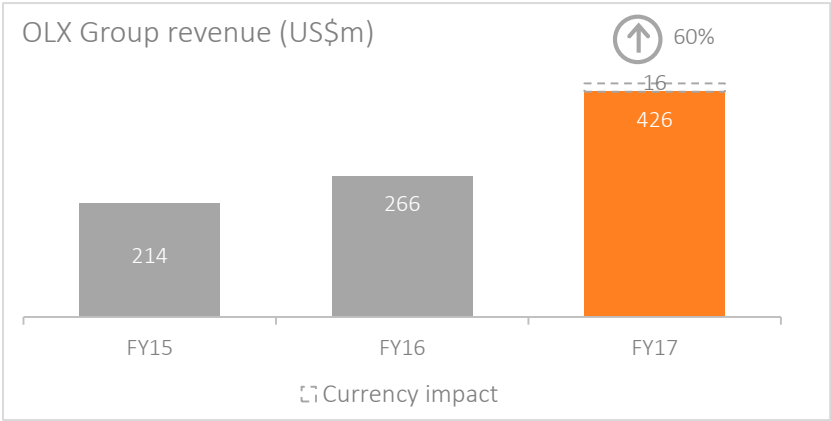
*Information is reflected on an economic interest basis.

1) Reflect businesses that reported a trading profit for the year ended 31 March.

* Information is reflected on an economic-interest basis

2) Numbers in brackets represent YoY growth in local currency, excluding M&A, on a normalised basis (i.e. accounting for changes in shareholding).

Classifieds: OLX Group moving toward profitability in core platform

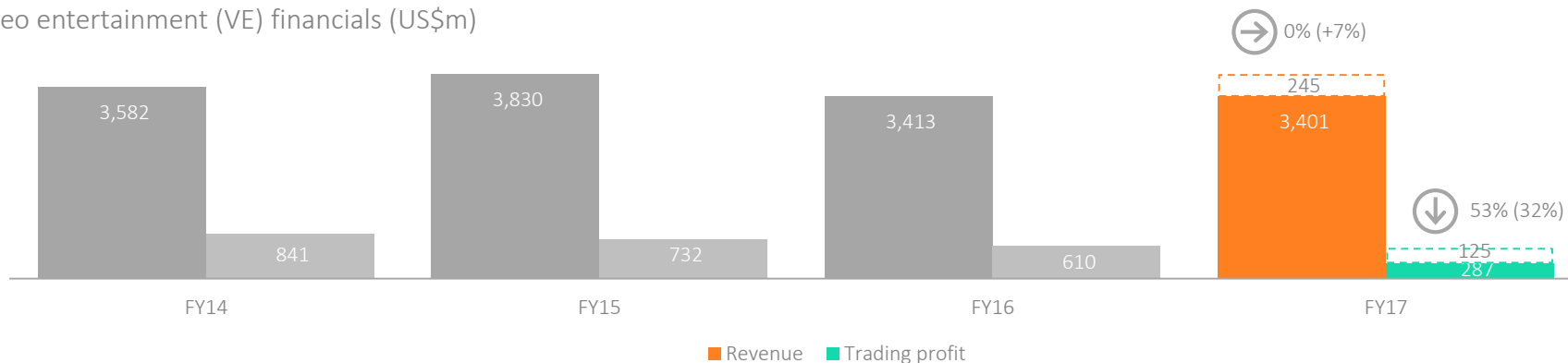


* All numbers exclude letgo; profitable entities reflect businesses that reported a trading profit for the year ended 31 March

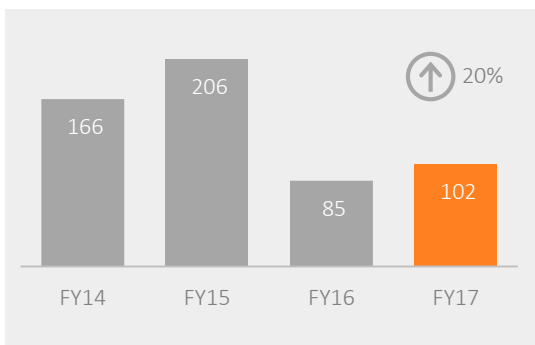
Video entertainment: fx challenges drag down financial result



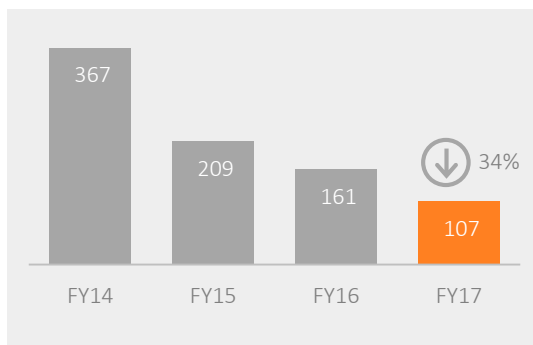
Video entertainment (VE) financials (US\$m)



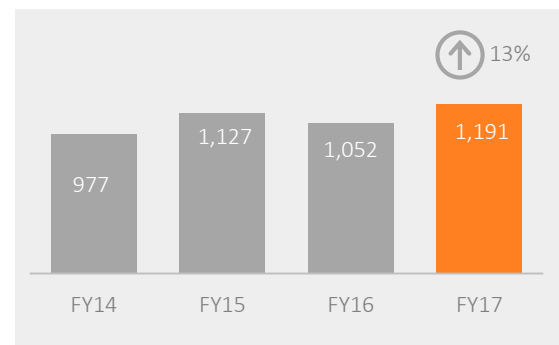
Development spend (US\$m)



Capital expenditure (US\$m)



Programming and production costs (US\$m)

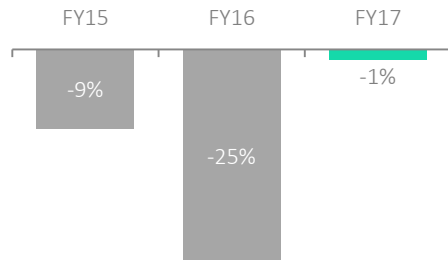


Video entertainment: SA solid, SSA recovering but fx headwinds

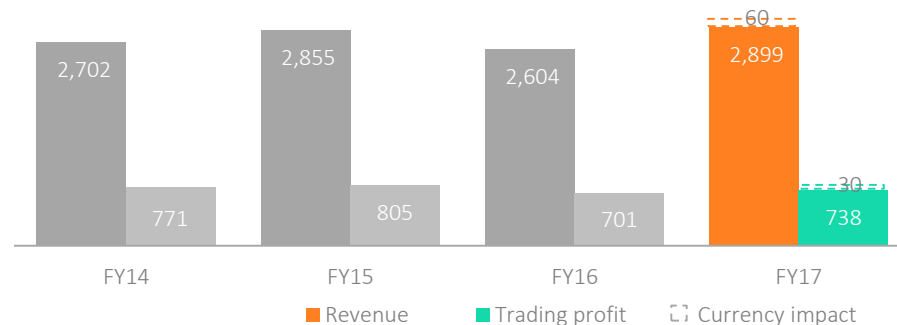


South Africa

ZAR vs US\$ relatively stable yoy...

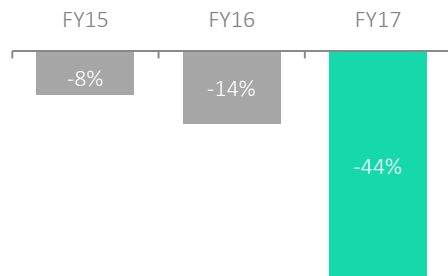


... performance driven by sub revenue and cost controls (US\$m)

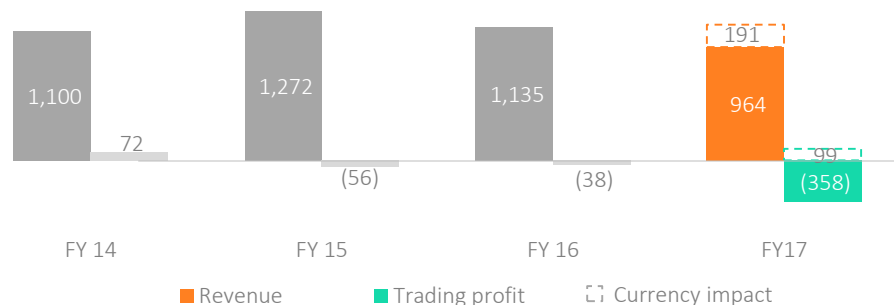


Sub-Saharan Africa

Naira continues to weaken...



... and significantly impacted revenue and trading profit (US\$m)

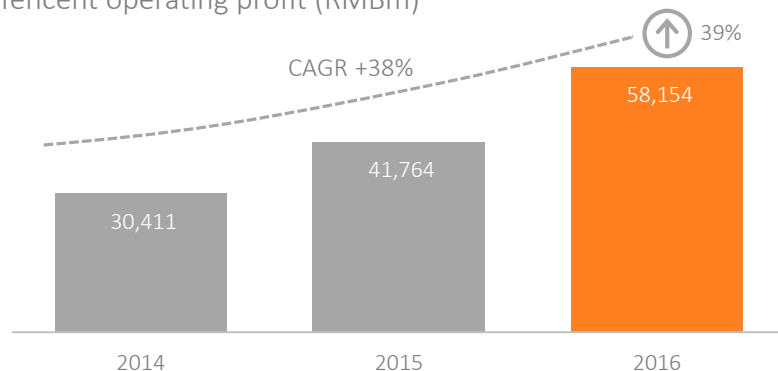


*Reflecting change in average rates for the reporting periods

Associates: Tencent and Mail.ru continue to deliver

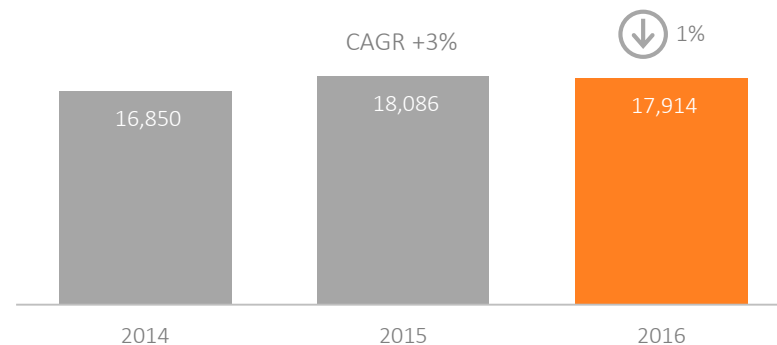


Tencent operating profit (RMBm)*



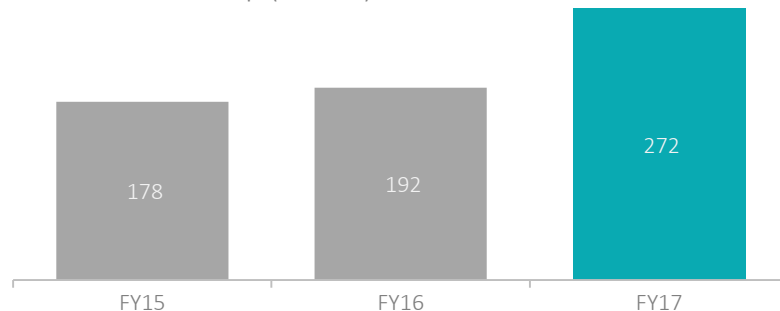
*Reflects 100% of Jan-Dec 2016 (FY16) results on a non-GAAP basis; detailed results available at www.tencent.com. Fx rate: FY17 US\$/RMB6.7448 (6.3612)

Mail.ru EBITDA** (RUBm)

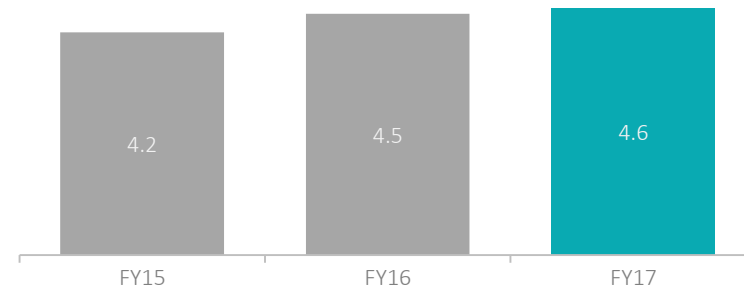


** Reflects 100% of Jan-Dec 2016 (FY16) results on a non-GAAP basis; detailed results available at www.corp.mail.ru. Fx rate: FY17 US\$/RUR62.7623 (64.2813)

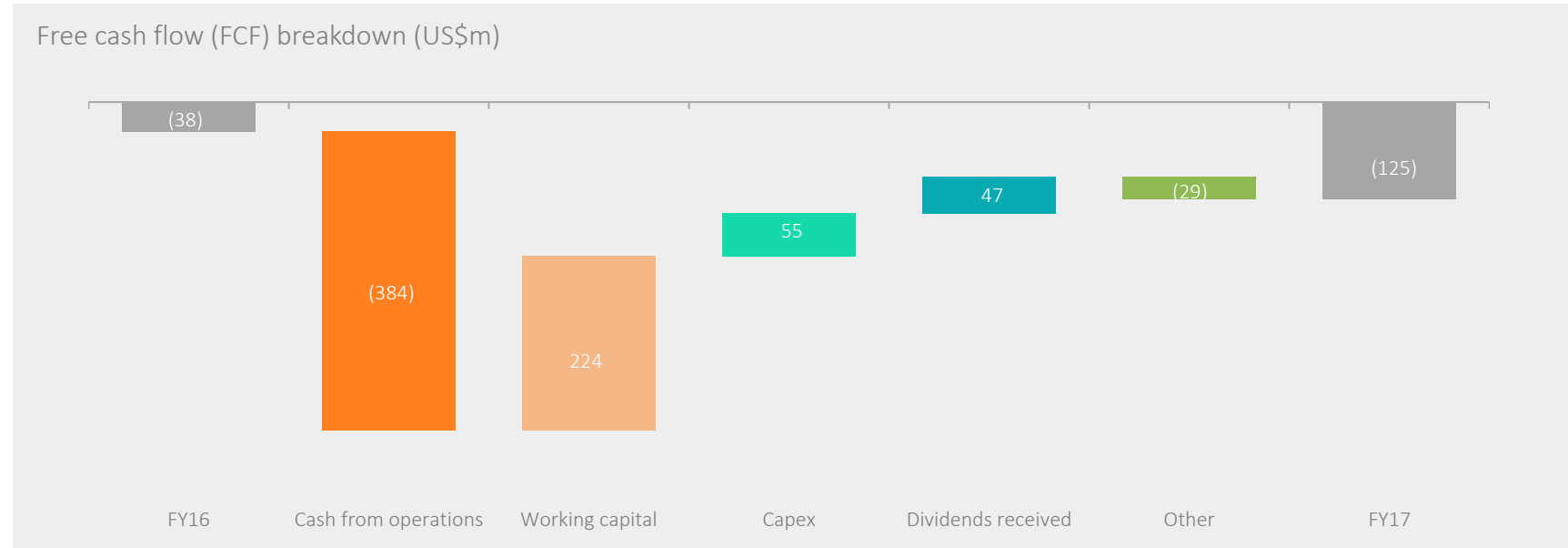
Tencent market cap (US\$bn)



Mail.ru market cap (US\$bn)



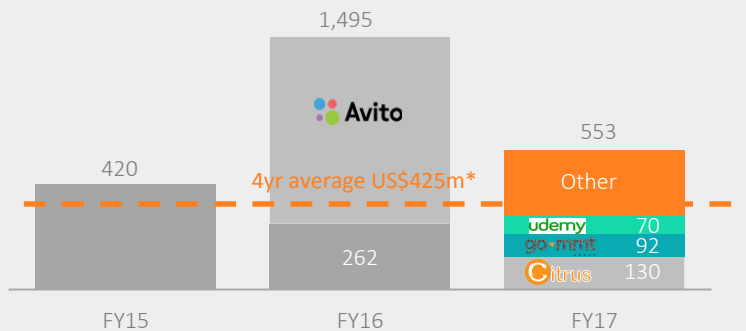
FCF: currency impact in VE offset by timing difference in working capital



M&A activity across ecommerce segments

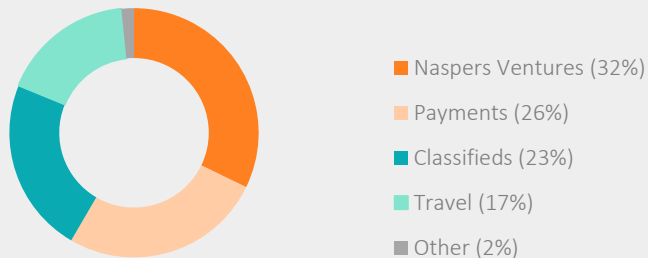


Acquisition spend over time (US\$m)



* Calculated from March 2014 – March 2017 (excluding Avito)

FY17 investments by segment (US\$m)



Announced after year-end

Investments

Kreditech	US\$120m
Flipkart	US\$71m
go-mmt	US\$132m
takealot.com	US\$73m
Delivery Hero	US\$434m
SWIGGY FOOD DELIVERY APP	US\$60m

Exits

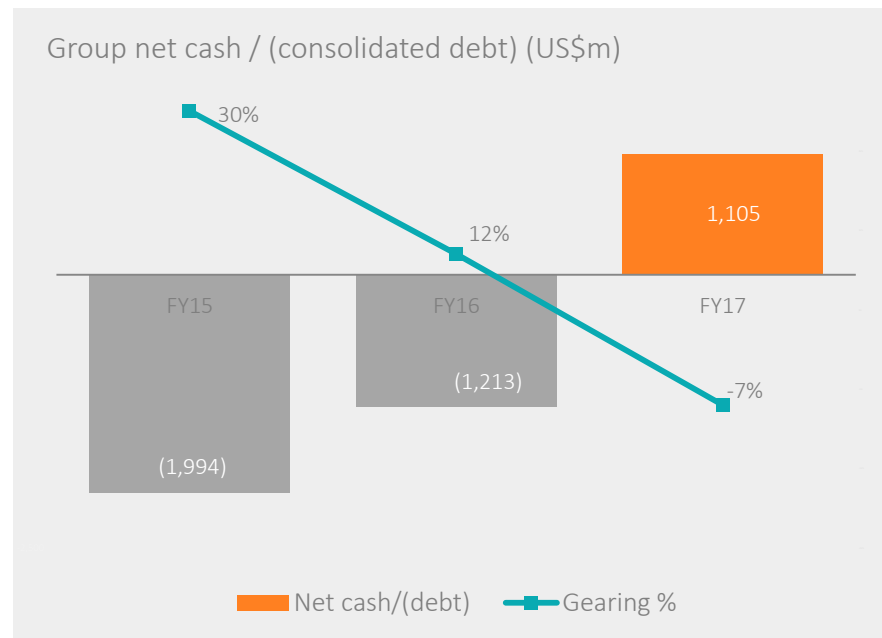
SOUQ.com	US\$173m
MWEB	US\$10m

Balance sheet remains strong



US\$m	FY16	FY17
Debt ⁽¹⁾ : (offshore US\$2.9bn)	(2,926)	(2,898)
Cash: (South Africa US\$477m)	1,713	4,003
Closing net cash / (debt)	(1,213)	1,105
Gearing	12%	-7%
Interest on loans and overdrafts	(207)	(198)

(1) Excludes satellite lease liabilities (US\$1.2bn) and non-interest bearing debt (US\$153m)



OUTLOOK





- 1 Keep scaling ecommerce businesses to drive profitability and cash generation
- 2 Improve the competitiveness of our businesses (innovation and transformation)
- 3 Position the portfolio for growth, also invest in next wave of growth
- 4 Remain disciplined in allocating capital and continue to optimise portfolio

APPENDIX



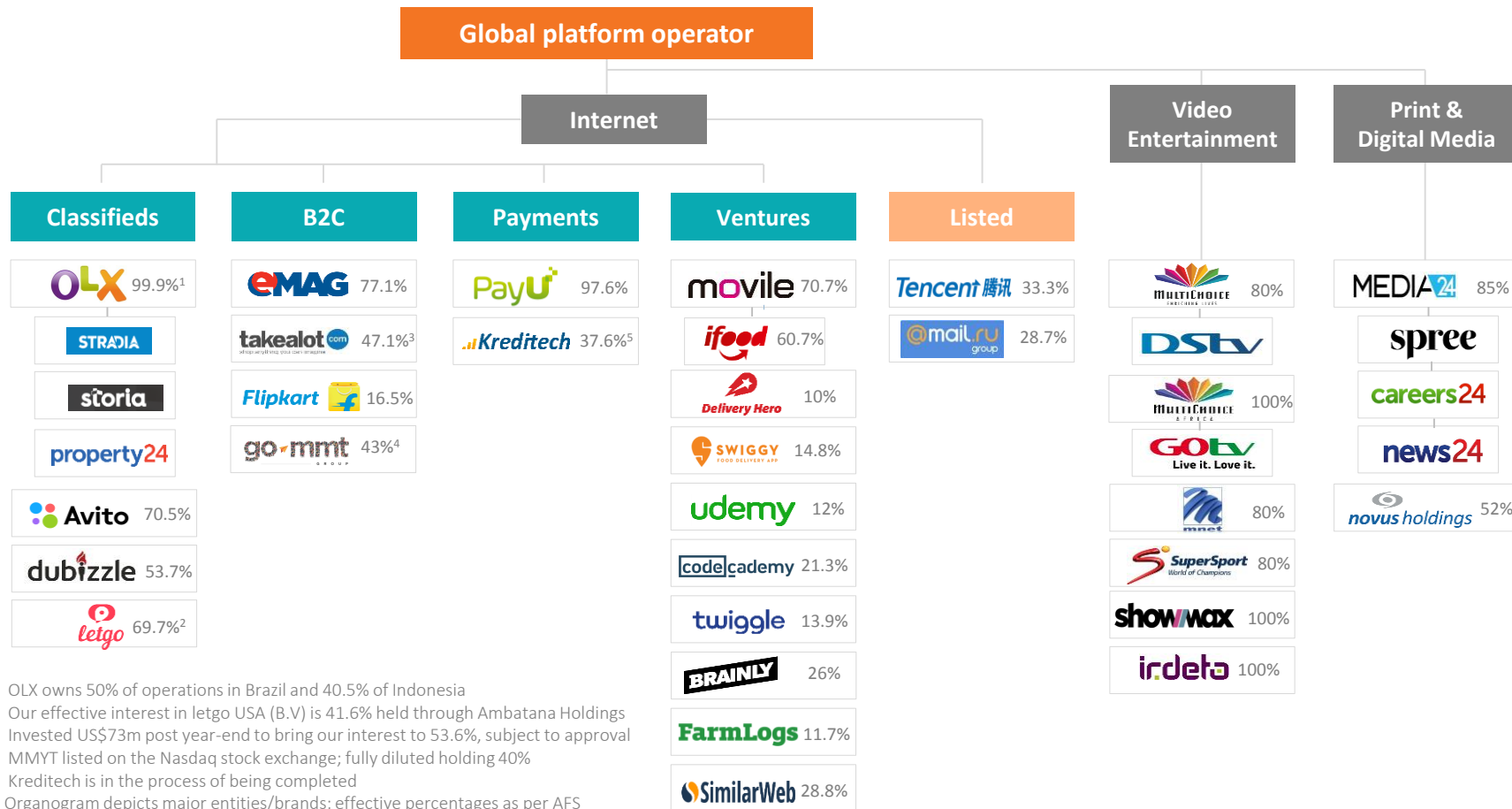
Summarised income statement



US\$m	FY16	FY17
Revenue*	12,224	14,562
Less: Equity-accounted investments	(6,294)	(8,464)
Consolidated revenue	5,930	6,098
Trading (loss)/profit	179	(214)
Trading margin	3%	-4%
Net finance costs	(352)	(467)
Share of equity-accounted results	1,289	1,829
Gains on acquisitions and disposals	452	2,169
Impairments	(341)	(58)
Taxation	(260)	(244)
Net profit	1,001	2,808
Core headline earnings	1,246	1,752
Core headline EPS (US\$)	2.98	4.06

*Based on economic-interest, i.e. equity-accounted investments are proportionately consolidated.

Group structure



1) OLX owns 50% of operations in Brazil and 40.5% of Indonesia

2) Our effective interest in letgo USA (B.V) is 41.6% held through Ambatana Holdings

3) Invested US\$73m post year-end to bring our interest to 53.6%, subject to approval

4) MMYT listed on the Nasdaq stock exchange; fully diluted holding 40%

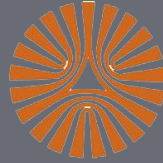
5) Kreditech is in the process of being completed

** Organogram depicts major entities/brands; effective percentages as per AFS

Glossary of terms



— ARPU:	Average Revenue Per User	— GMV:	Gross Merchandise Value
— B2C:	Business to Consumer	— LC:	Local currency
— C2C:	Consumer to Consumer	— M&A:	Mergers and Acquisitions
— CAGR:	Cumulative Annual Growth Rate	— MAU:	Monthly Active User
— DM:	Developed Market	— MUL:	Monthly Unique Lister
— DPS:	Dividend per Share	— RPIU:	Revenue per Internet User
— DTH:	Direct-to-Home	— PVR:	Personal Video Recorder
— DTT:	Digital Terrestrial Television	— ROI:	Return on Investment
— EM:	Emerging Market	— SSA:	Sub-Saharan Africa
— EPS:	Earnings per Share	— SVOD:	Subscription Video-On-Demand
— FCF:	Free Cash Flow	— TPV:	Total Payment Value
— FX:	Foreign Exchange	— VE:	Video Entertainment



THANK YOU



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Analyst Booklet – detailed financials

For the year ended 31 March 2017





This presentation contains 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 judgments and future expectations, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations. These include key factors that could adversely affect our businesses and financial performance.

We are not under any obligation to (and expressly disclaim any such obligation to) update or alter our forward-looking statements whether as a result of new information, future events or otherwise. Investors are cautioned not to place undue reliance on any forward-looking statements contained herein.

STRATEGY



Strategy: building blocks in place



Partner with **entrepreneurs**



Build businesses with **'platform'** potential



Address **big societal needs**



In **high-growth** markets

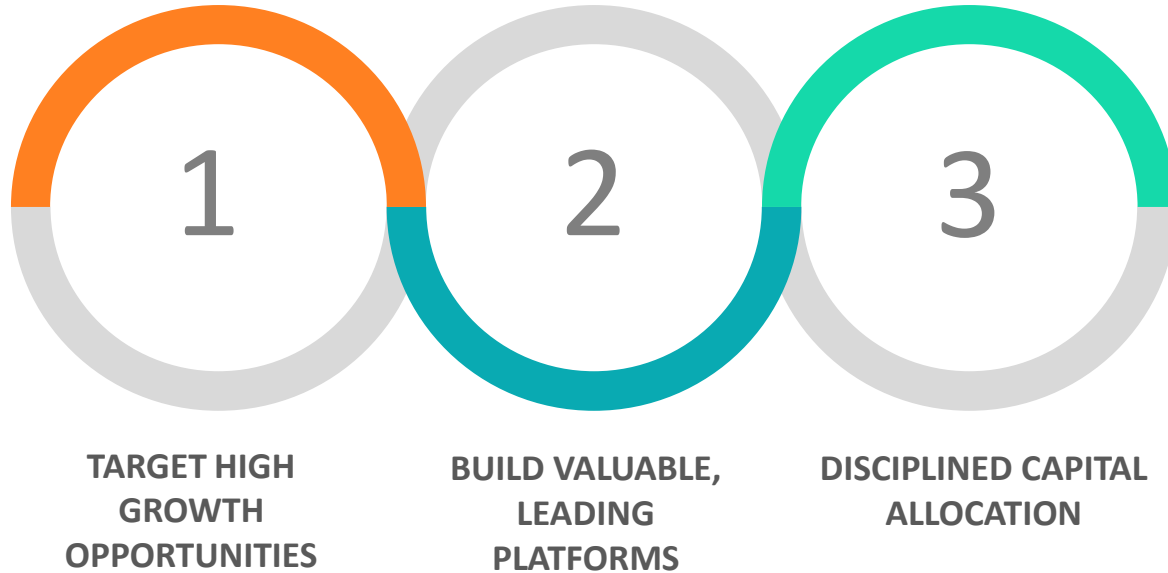


Where we can build sustainable **leadership positions**

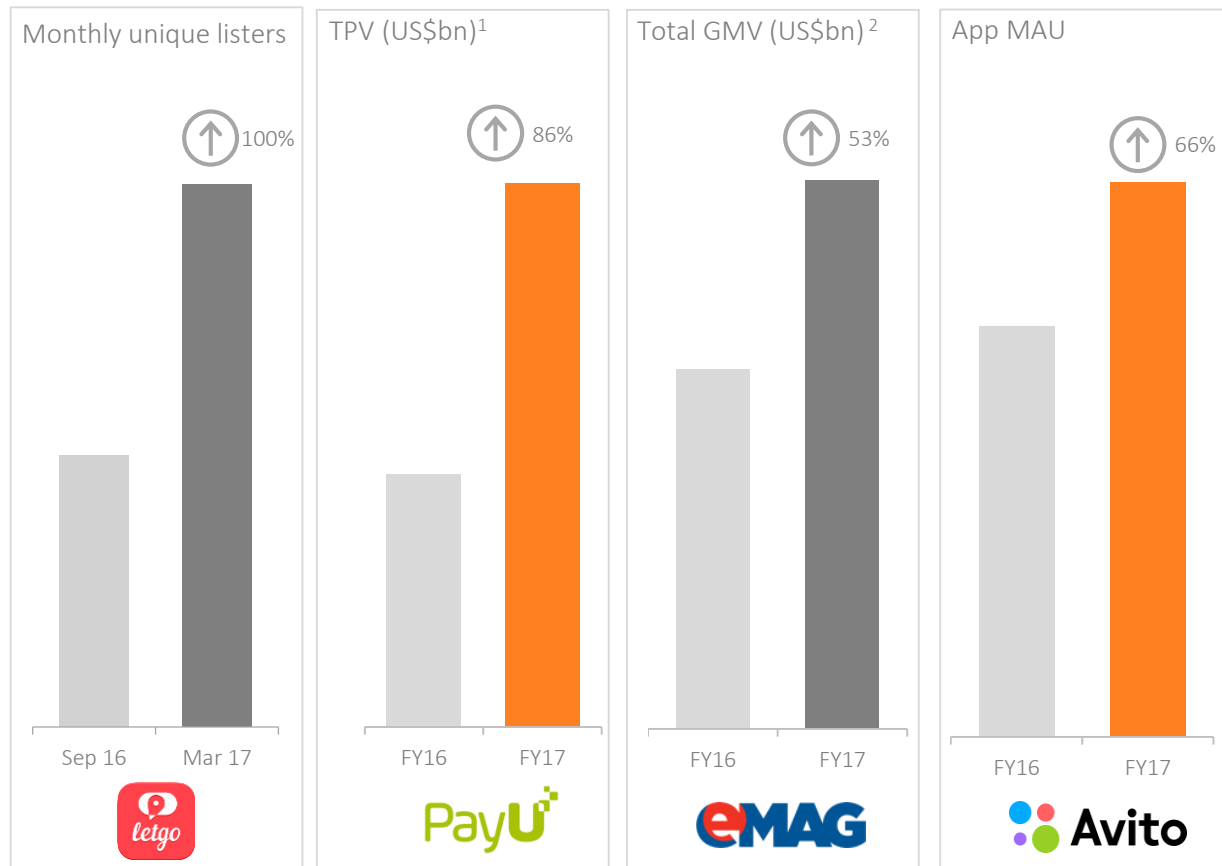
The internet has given rise to a new age where the power is shifting from large, vertically integrated corporations towards platform businesses with attractive economics.

What do we do?

- We partner founders/ entrepreneurs to build platform businesses with scale, which then provides strong and defensible leadership positions (as well as healthy financials).
- We offer services that address something fundamental to customers as this makes them use these platforms regularly.
- And we focus on growth markets, because this approach provides two sources of growth: the markets themselves which are growing rapidly and the business model reaching its full potential.



Target high growth opportunities



1)TPV data reflect PayU India, YoY organic growth excluding Citrus was 64%

2) GMV data reflects Emag Romania

- With software becoming more important than infrastructure and smartphones in the hands of most consumers, new business models are likely to spread quicker around the globe than ever before.
- We continue to pursue business models offering growth and above-average returns.
- We target opportunities where we see customer engagement grow and we look for new areas where technology can disrupt or better serve consumer needs.
- Some examples of our fast growing platforms are letgo (US), PayU (India), eMag (Romania) and Avito (Russia).

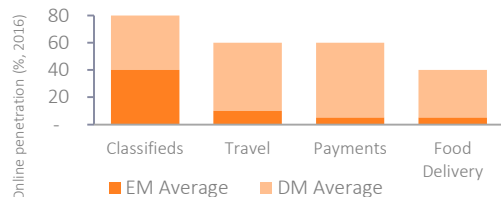
Online food delivery: another high-growth opportunity



Attractive sector

Online takeaway market expected to grow +25% CAGR to 2020, driven by online shift and additional delivery capacity.

Food delivery is underpenetrated in EMs



Source: Company data compiled from various sources

Food delivery: healthy margins over time*

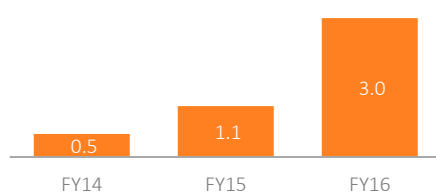


Source: UBS; *EBITDA margin of Just Eat

Existing expertise

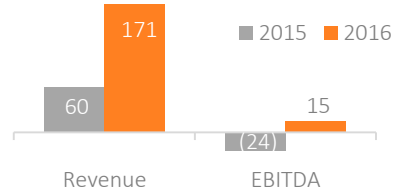
iFood continues to track well ahead of expectations. Now profitable with run rate of 3m orders p.m., it confirms attractive market fundamentals and business model.

iFood: monthly order run-rate (m)



Source: Company data as at 31 December

Revenue and EBITDA (BRLm)

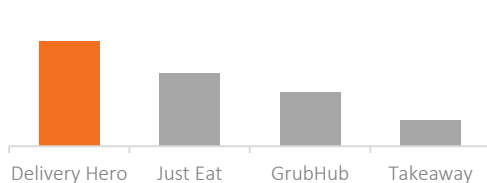


Source: Company data as at 31 December

Increased scale

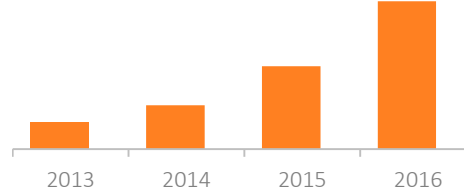
US\$434m investment in Delivery Hero in May 2017, as well as recent US\$60m investment in Swiggy (India), creates opportunity to leverage existing expertise and expand global footprint.

Delivery Hero: global market leader, # of orders*



Source: Company data for 2016, includes Foodpanda

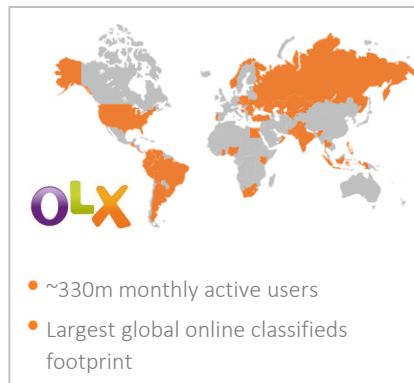
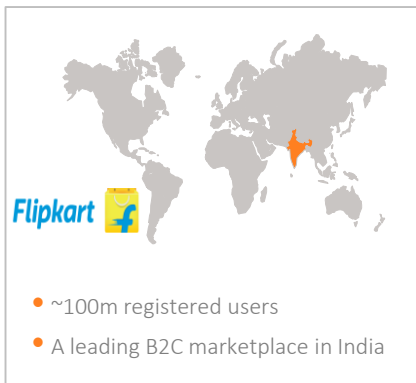
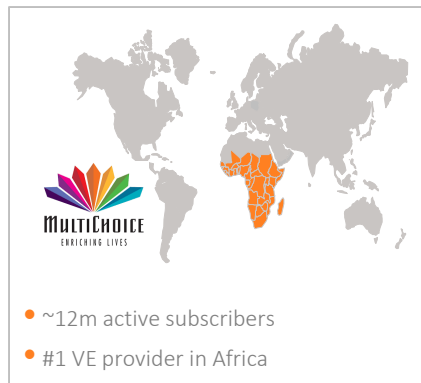
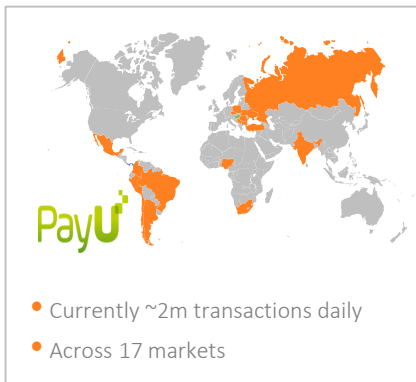
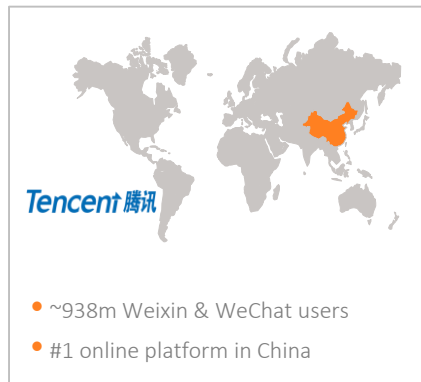
Delivery Hero: revenue (EURm)



Source: Company data

- Online food delivery is gaining momentum and presents an attractive market opportunity to harness consumer spend.
- Whilst well-proven in developed regions (sustainable business model with attractive financials), large, underpenetrated markets like Asia, Latin America and the Middle East are at the beginning of the growth cycle.
- Expansion into this segment is consistent with our strategy to invest in global platforms that offer online marketplace services (e.g. classifieds) with high operating leverage.

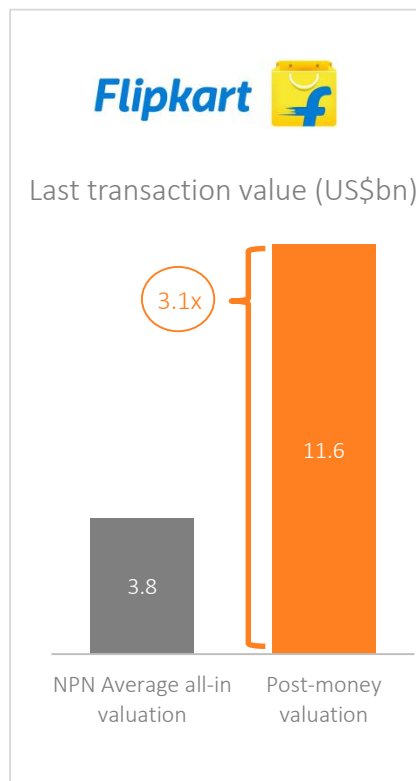
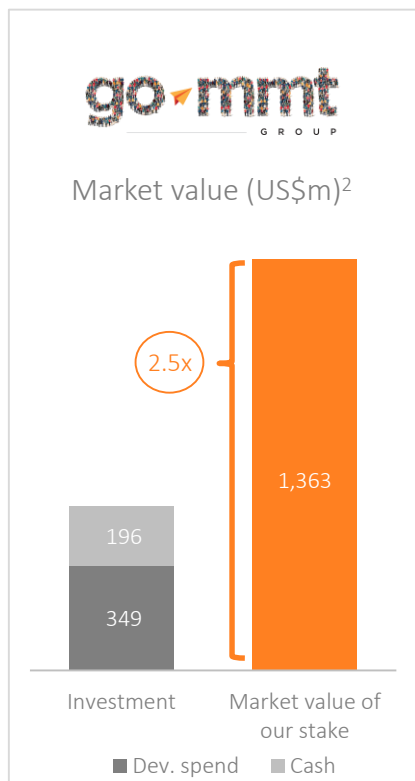
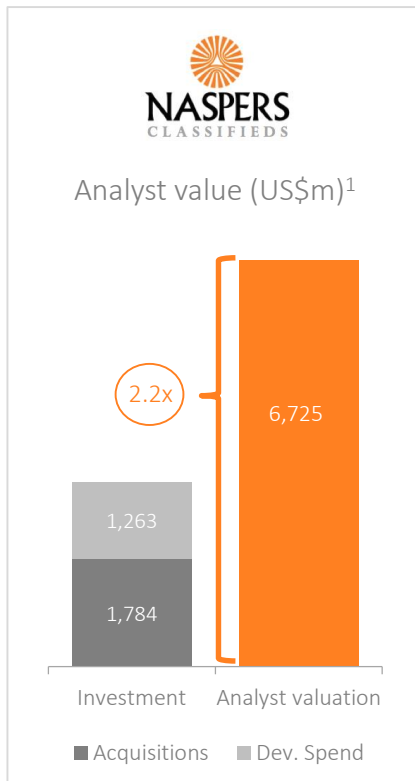
Leadership positions in large, growing markets



- From a geographic perspective, we continue to focus on sizeable economies with strong internet user growth.
- In these markets, the impact of new emerging online technologies is often compounded by fast-growing local economies.
- We believe that our leading market positions provide us with a strong platform from which to expand our business.
- Market leadership typically also drives profitability, which becomes more sustainable with leading positions.

*Excludes Allegro, the leading online marketplace in Poland, which was sold in January 2017.

Building valuable platforms

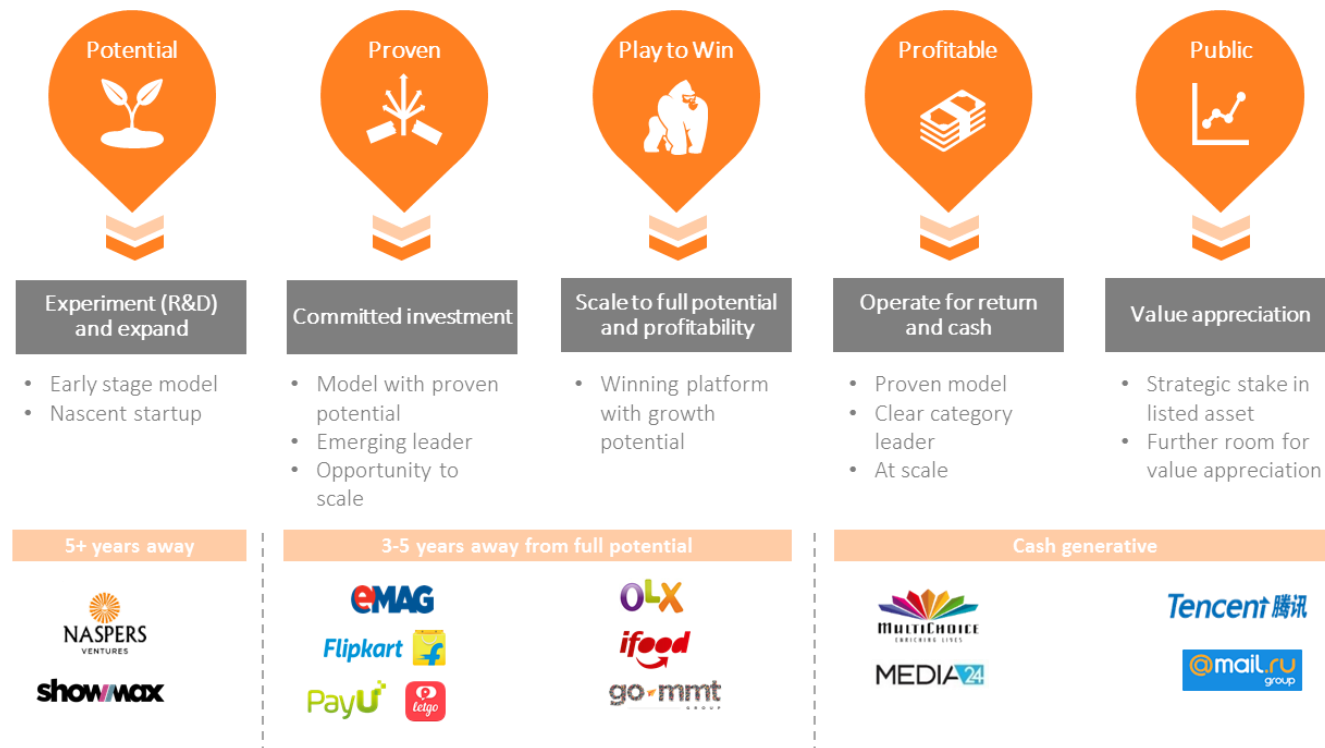


- The most effective platforms have one thing in common – they bring fragmented customers together and where there are more customers on a platform and they use it regularly, it becomes a lot more valuable due to the network effects (many platforms fail simply because people do not use them often enough).
- The benefit of these platforms are numerous: they tend to have very attractive economics, particularly if you own the customer interface without having to invest too much in the underlying value chain to deliver the service.
- A number of platforms in the Naspers portfolio are already valuable, including our Classifieds assets, Nasdaq-listed MakeMyTrip and Flipkart.

1) Analyst valuation for entire classifieds portfolio (including Avito and letgo) as at 31 March 2017, based on the average of sell-side analysts currently covering Naspers.

2) Excludes investment of US\$132m post year-end; market value as per company data

Deliberate capital allocation to sustain growth



- Whether we build or invest, our approach is to allocate capital in a disciplined way.
- We typically invest in new businesses early on, focusing on opportunities that have potential to scale globally.
- On good traction and sustained growth, we often “double-down” on existing investments, helping them build scale and market leadership and become winning platforms.
- Winning platforms tend to generate healthy profits and cash flows, driving increased value over time.




Continued optimisation of portfolio



Consolidate

make my trip + ibibo

- Increased operating scale
- Accelerated tech innovation
- Strengthened depth of management






34.1m 9.7m 6.6m
Total transactions Air Hotel

*Pro-forma transaction numbers as at 31 March 2016

PayU + Citrus

- Highly complementary Indian payments play
- Increased customer base to >30m customers and 300k merchants

letgo + 

- Merged US operations of letgo and Wallapop
- Now market leader on number of key metrics

Exit

allegro US\$3,214m

Netretail holding US\$102m

Other US\$67m

Re-deployed in FY17 **US\$3.4bn**

Invest

Ventures in FY17 US\$130m


udemy

BRAINLY

codecademy

twiggle

FarmLogs



coins.ph

Other investments US\$423m

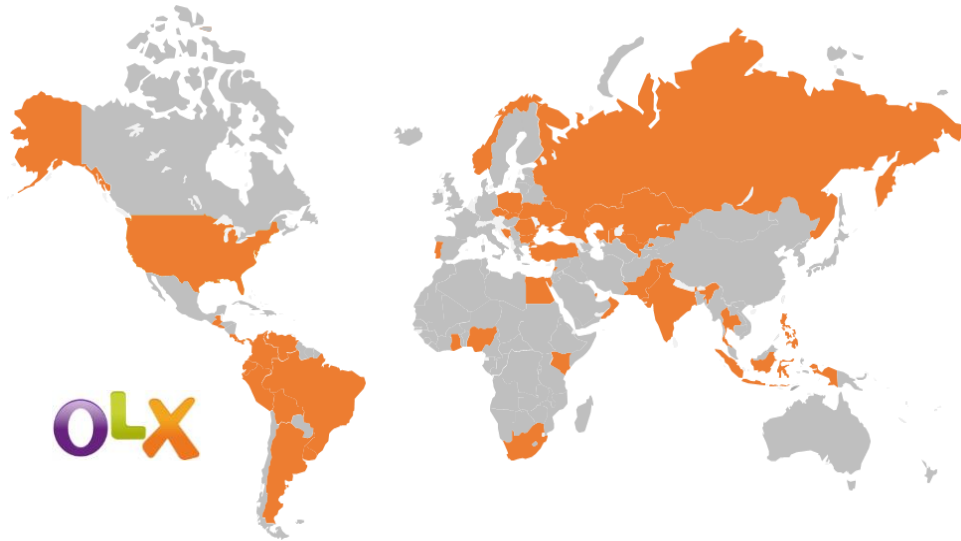
letgo Other **mobile**

- To get to a portfolio that aligns with our strategy, keeps growing at a fast pace and appreciates in value, we need to make changes along the way.
- To ensure optimal returns for our investors, we sometimes invest in new opportunities, consolidate market positions or even exit some investments.
- Optimisation of the portfolio happens on an ongoing basis.
- In FY17 we received US\$3.4bn from disposals.
- We invested US\$553m in new opportunities.
- We also increased the scale of our operations through various consolidations.

OPERATIONS



Classifieds: OLX has the largest global footprint



Global footprint

40
Countries³

25
Offices

- OLX Group consists of 14 brands represented across 40 countries.
- Major brands include OLX, Avito, Dubizzle and letgo.
- Verticals include Stora, Stradia, Property24, Otomoto and Otodom.

Mobile leadership



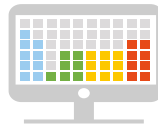
#1 app

22 COUNTRIES¹

+4.4

APP RATING

Scale²



+330m

Monthly
Active Users



+60m

Monthly
Net New Listings

1) Google play store; shopping/lifestyle categories

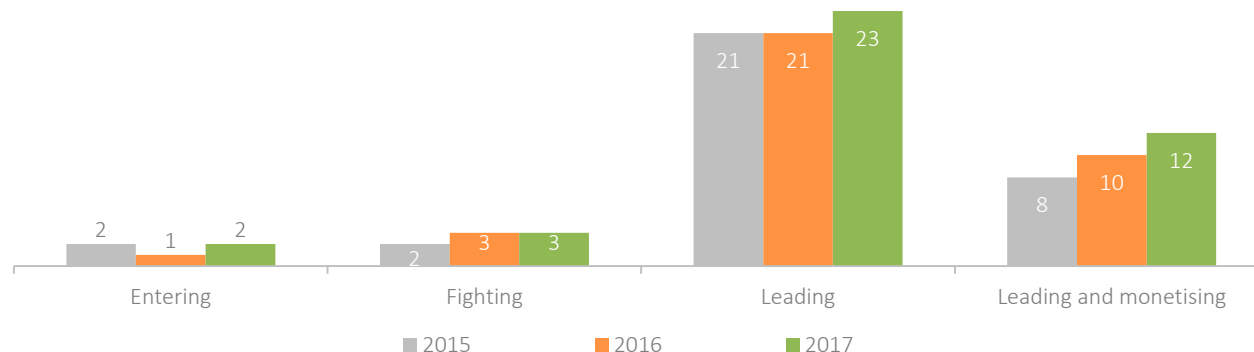
2) Numbers reflect proportionate pickup of equity-accounted investments

3) Countries with lower than 1,000 daily unique listers (7 total) excluded from 'active country' list

Classifieds: widening leadership, strong operational momentum

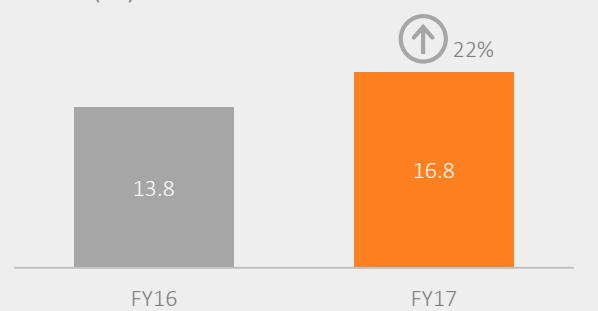


Naspers positions (number of countries)¹

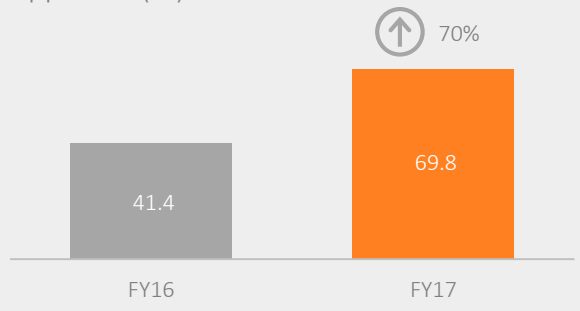


- Country portfolio continues to mature, we now have leading market positions in 35 countries.
- Added 2 countries to the monetising group in FY17.
- Now monetising 12 markets, i.e. in Russia, UAE, Portugal, Brazil, Poland, Bosnia, Bulgaria, Romania, Ukraine, Kazakhstan, Uzbekistan and Ecuador.
- 10 of these markets are profitable.

MULs (m)¹



App MAU (m)²



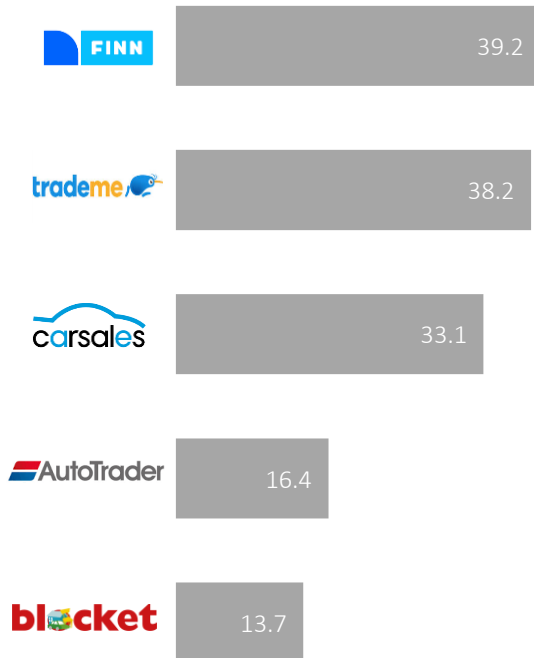
1) Countries with lower than 1,000 daily unique listers (7 total) excluded from 'active country' list

2) Data reflects full year averages at 100% of controlled entities and proportionate share of equity-accounted investments

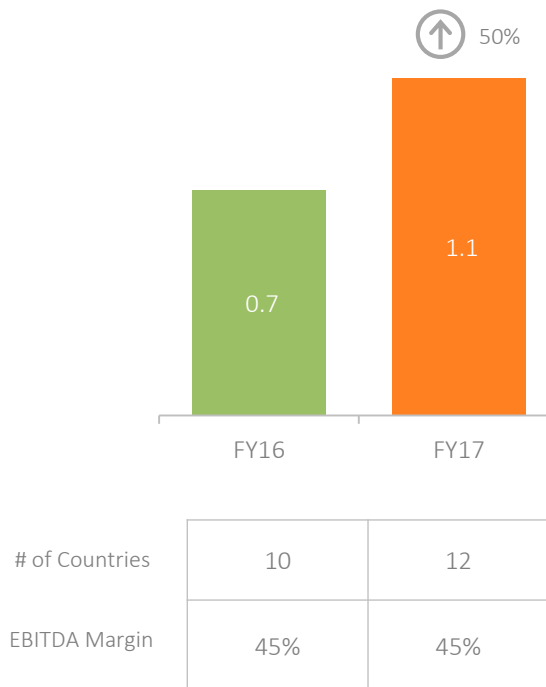
Classifieds: room to grow and expand margins



Industry peers: revenue/internet user (US\$, 2016A)¹



OLX: revenue/internet user (US\$) - monetisation countries²



- Mature markets are generating revenue per internet user (RPIU) well above US\$30.
- For the 12 markets where OLX monetises, our RPIU in FY17 is US\$1.08 and our EBITDA margin is approximately 45%.
- Significant room for growth in both monetisation and margin expansion.

1) Calculated as total country revenue divided by the total internet population of that country

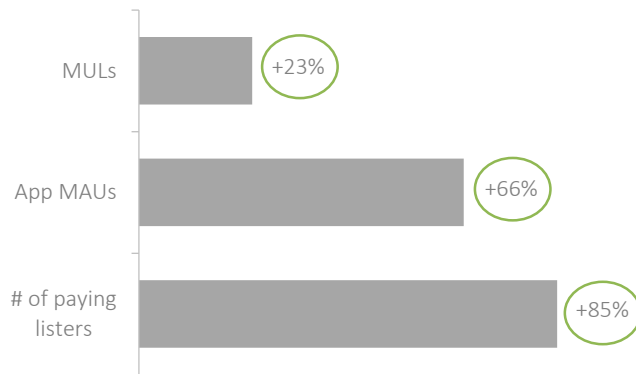
2) Calculated as total revenue for OLX monetisation countries, divided by the total number of internet users in those countries

Sources: Company filings, investor reports, EIU reports and Factset. Revenue/internet user (RPIU) converted at average fx rates for the year

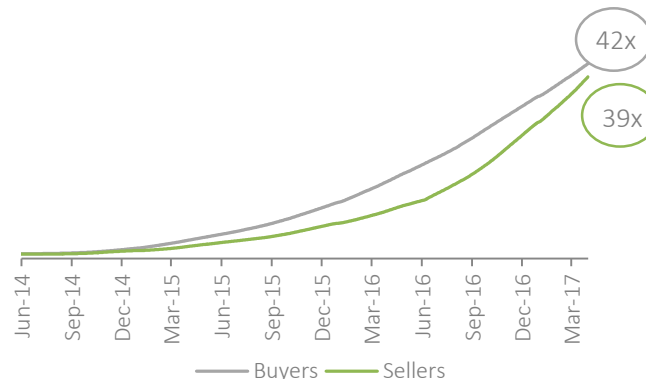
Classifieds: Avito continues to grow, at scale



YoY growth in key metrics (avg FY16 vs. avg FY17)

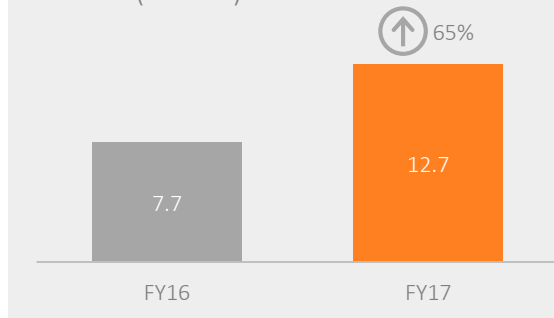


Buyers and Sellers in Apps (June 2014 = 100)

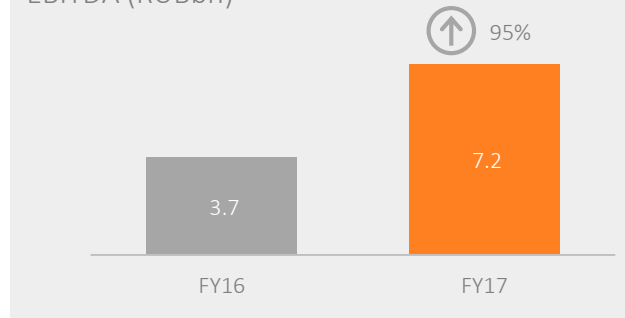


- Avito continues to be a top performer in our portfolio.
- Continues to scale, increasing app Monthly Average Users (MAUs) and Monthly Unique Listers (MULs), as well as number of paid listings.
- Contributed US\$204m in revenue and US\$109m in trading profit in the first full year of consolidation.
- FY16 contributions were US\$54m and US\$23m for revenue and trading profit, respectively, as we only consolidated results for the last 3 months of the financial year following our increased stake from 22.2% to 70.5%.

Revenue (RUBbn)



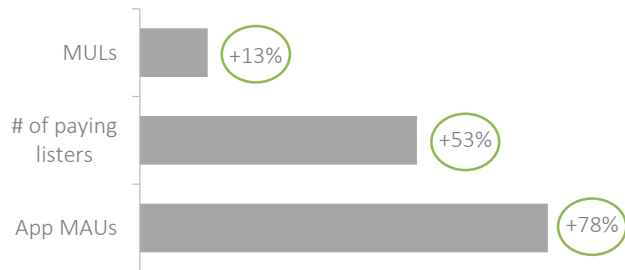
EBITDA (RUBbn)



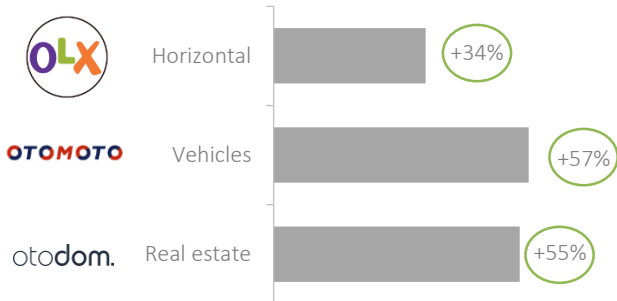
Classifieds: Poland performing well, continued growth in verticals



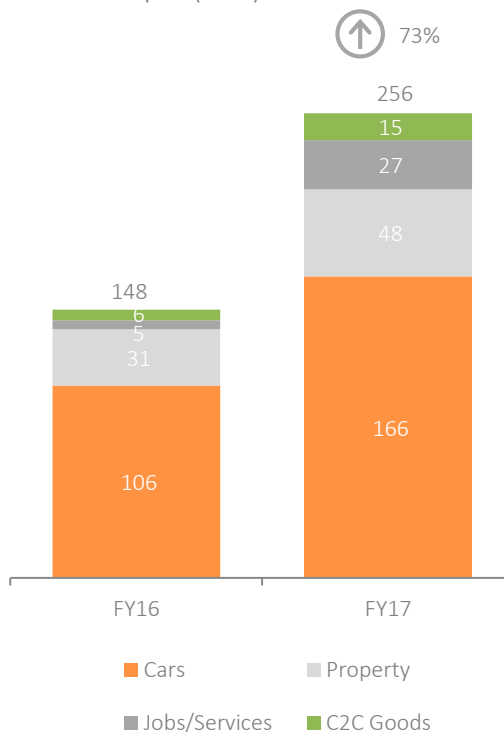
YoY growth in key metrics



YoY growth in revenue



Revenue Split (PLN)



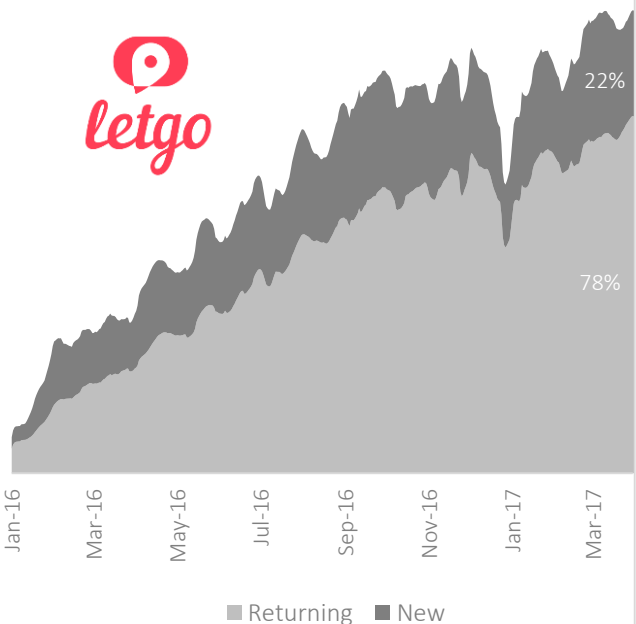
- Poland is our second largest market and continues to perform well.
- MULs have grown 13% year over year, on a very mature base of listers.
- Leadership position in horizontals and in select verticals has allowed for product and price optimisation and drove strong revenue growth year on year.

Note: Vehicles and real estate revenues include revenues from those categories on the OLX branded platform. Horizontal excludes the vehicles and real estate revenues.

Classifieds: letgo USA... increasing investment to accelerate growth

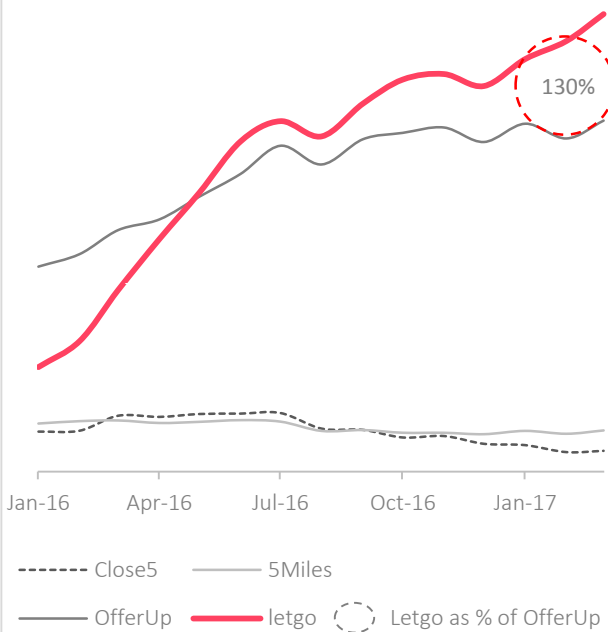


Monthly unique listers (MULs)



Source: Internal Database

Mobile monthly active users (Mobile MAUs)



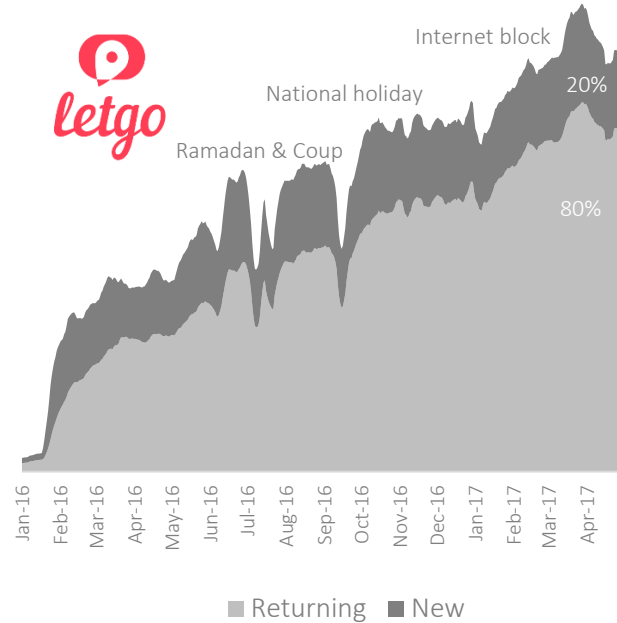
Source: Leading third-party data provider

- Merged letgo US operations with Wallpop in May 2016.
- At the time of the merger shareholders invested a collective US\$100m in the combined business.
- Following lively user engagement after the merger, an additional US\$175m was raised to solidify letgo's competitive position.
- Results to date are encouraging.
- Investment is likely to continue for several years.

Classifieds: letgo Turkey closing the gap with Sahibinden

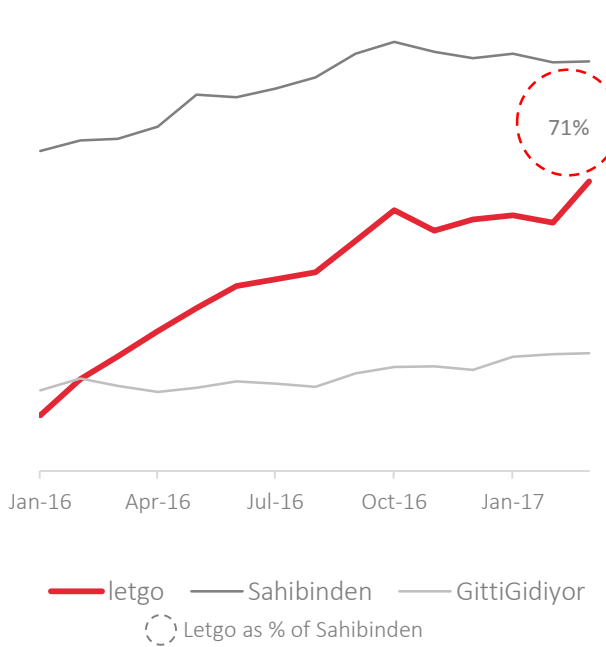


Monthly unique listers (MULs)



Source: Internal database

Mobile Monthly active users (Mobile MAUs)



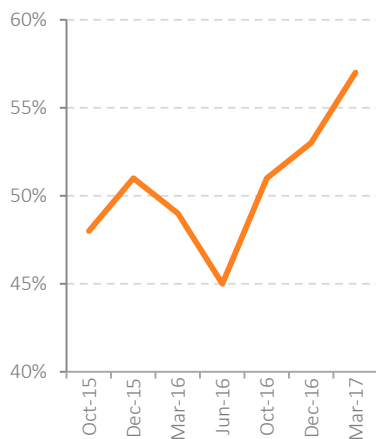
Source: Leading third-party data provider

- Despite a difficult political climate in Turkey, the letgo business performed well.
- Strong growth momentum resulted in improved competitive position relative to Sahibinden with mobile MAUs up from 35% a year ago to 71% at present.

B2C etail: retain strong line-up of local leaders



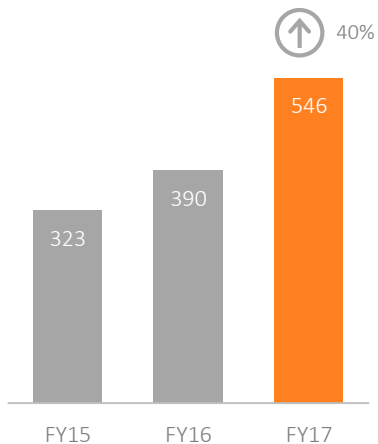
Flipkart share of monthly gross GMV



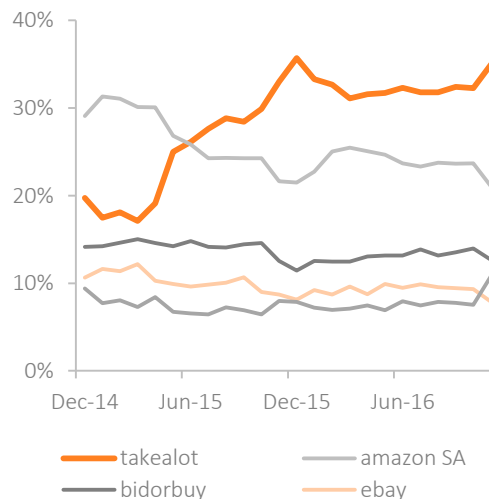
* Source: internal estimates incorporating 3rd party projections on GMV of top-3 players. Flipkart market share includes Myntra and Jabong (since September 2016)



eMAG Romania revenue (US\$m)



Online traffic share, % (desktop and mobile)

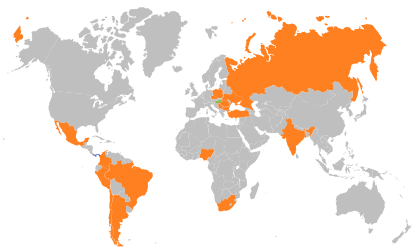


- Flipkart maintained its leadership position, with recent market share trends suggesting gains.
- B2C revenue growth was fueled by eMAG, which improved revenue 35% and increased market share in Romania, Bulgaria and Hungary.
- In April 2017, post year-end, the group agreed to invest an additional US\$73m in Takealot, subject to regulatory approval.
- In March 2017 the group signed an agreement for the sale of its interest in Souq, in the Middle East, to Amazon for US\$173m.

Payment: PayU consolidation in India generated lively growth



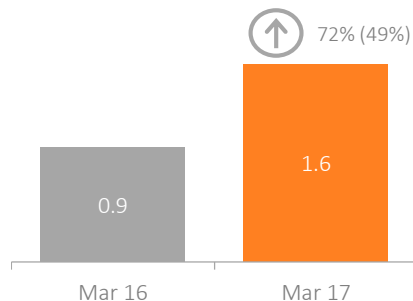
Scaling rapidly



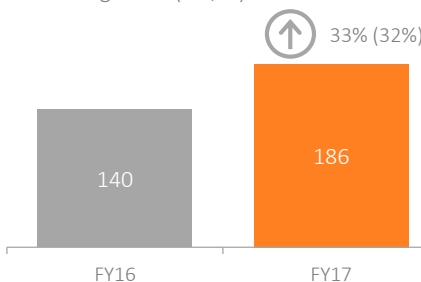
- >300,000 merchants, including large global companies
- Operations across 17 markets
- Global reach, but deep local presence

Strong growth

Average daily transactions (m)*



Revenue growth (US\$m)



Select investments



- Significantly increased scale and market positioning in Indian PSP market
- Increased customer base to >30m customers and +300k merchants



- Brings innovative services to under-serviced markets
- Provide access to credit for people with little or no credit history



- PayU generated strong revenue growth of 33% (32%) YoY, with 6 markets recording operational growth over 50%.
- Total payments volume (TPV) up 36% YoY to US\$16bn, with over 400m transactions processed.
- Acquisition of Citrus Pay in India consolidated PayU's position and will allow it to grow vertical market positions in the airline and telecommunications industries.
- After year-end, PayU invested €110m in Kreditech, a leading technology group for digital consumer credit, to bring innovative credit services to underserved markets.

* Year-on-year trends affected by the acquisition of Citrus in November 2016, numbers in brackets represent organic growth excluding this transaction



Approach

Flexible engagement

- Agnostic to life stage
- Adapt to local rules

Going beyond money

- Look to add value operationally
- Seek to leverage group scale

Long-term orientation

- Focus on geographies and segments with long-term potential
- No exit focus

Global perspective

- Back local winners with global scale and reach potential

Investments

codecademy

udemy

BRAINLY



twiggles

FarmLogs

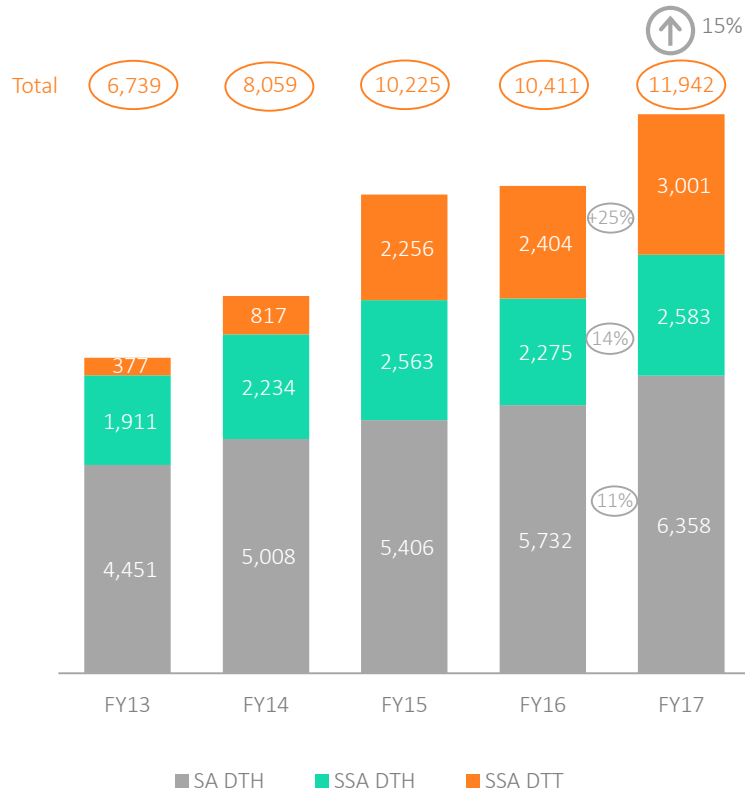
coins.ph

- Ventures segment tasked with identifying new growth opportunities for the group.
- We made a number of investments in early stage technology companies, mostly in online education.
- We invest in industries around the world where innovation can significantly address big societal needs.
- We have offices in Amsterdam and San Francisco, with local presence in 6 other global innovation hubs.
- Total investments in FY17 amounted to US\$130m.

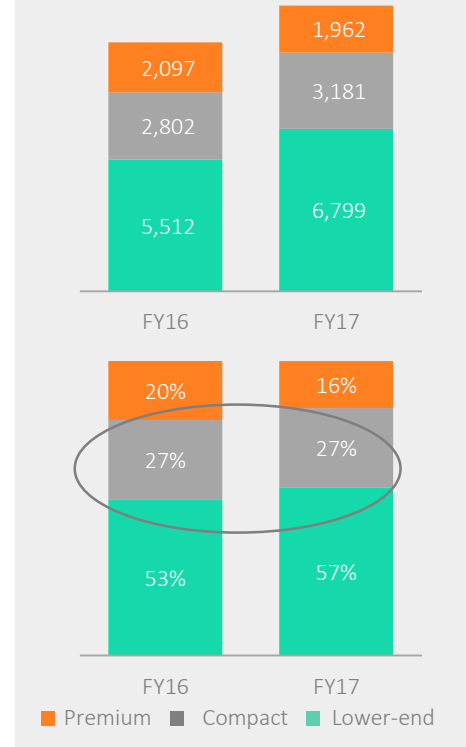
VE: solid subscriber growth, changing mix



Video entertainment subscriber homes ('000)



Change in subscriber mix

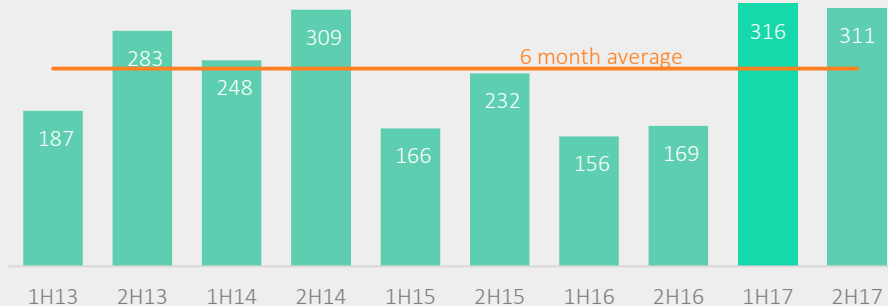


- Total customer base now 11.9m households.
- Added 1.5m subscribers in total.
- Strong growth by DTH
 - Added 934k subs in total
 - 626k of these were added to the SA base
- DTT business recorded 597k additional customers.
- Ongoing change in mix with growth mainly driven by mid- and lower-end bouquets.

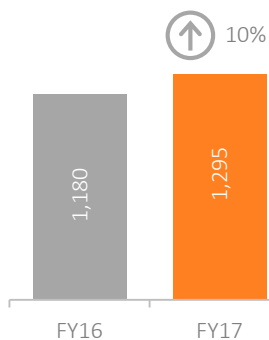
VE SA: solid all-round performance, tight cost controls



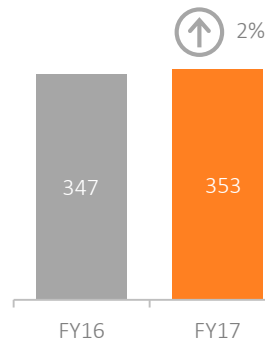
SA net additions ('000)



PVR's ('000)



ARPU (ZAR)



Increasing competition



- Satisfactory financial results despite tough conditions in the South African economy.
- Net sub growth the highest ever over 6-month period.
- Modest growth compared to significant churn in prior year.
- Growth mainly from mid- and lower-end bouquets, with change in subscriber mix negatively impacting revenue uplift.
- Weaker ZAR resulted in cost inflation and margin pressure, offset by continued focus on cost containment.
- DStv Now gained excellent traction - expanded range of linear channels (over 60), includes Catch Up and video-on-demand (VOD) offers.

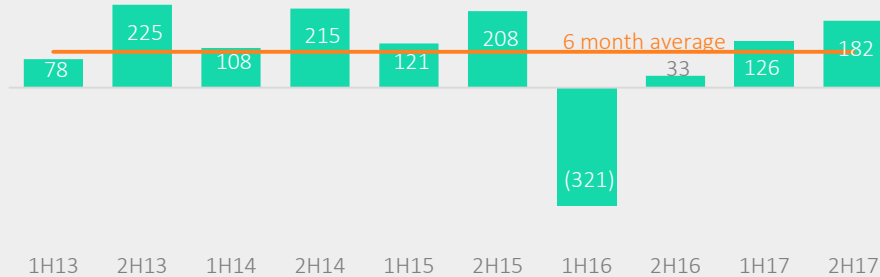
VE: SSA operational progress negated by Naira devaluation



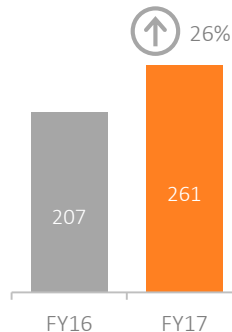
DStv



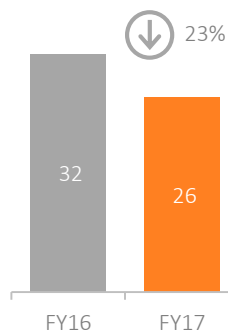
SSA net additions ('000)



PVR's ('000)



ARPU (US\$)



Increasing competition



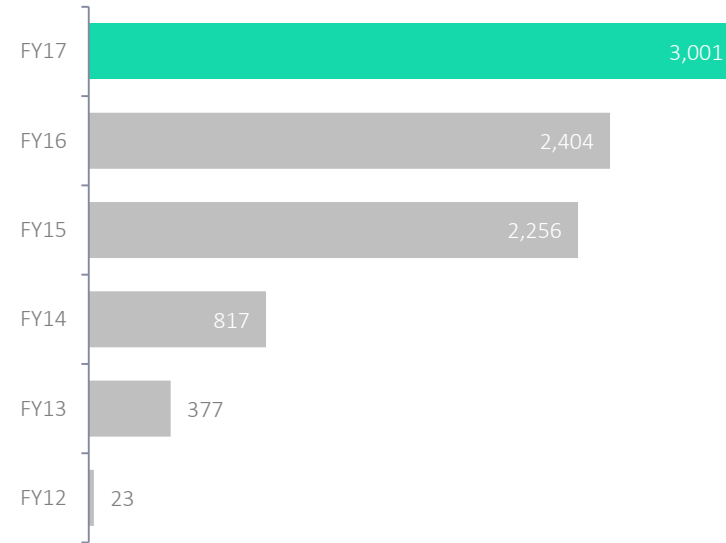
- “Value strategy” focused on bouquet restructuring and reduction of non-performing content, holding subscription prices steady in key markets, better customer focus and retention, reducing set-top box prices and rightsizing operations.
- Ongoing currency weakness negated a similar improvement in financial performance.
- Billing in local currency resulted in lower US\$ revenues upon conversion.
- The impact of an increase in programming costs and 15% lower US\$ revenues results in a trading loss of US\$358m.
- We remain focused on driving costs down.

VE: DTT moving toward profitability



GOtv™
entertaining africa

Subscribers (m)



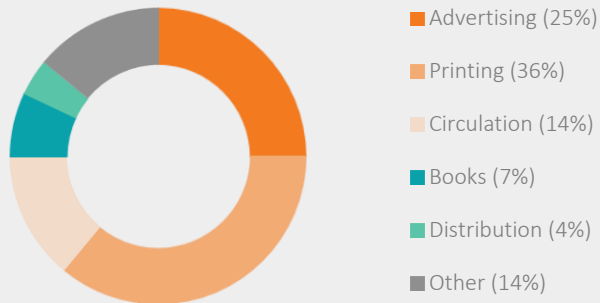
- Subscriber growth 25%, affected by absence of any analogue switch offs.
- Business segment approaching break-even in the aggregate.
- 4 individual countries already profitable.
- ARPU remained stable.



ZARm	FY16	FY17	% change
Revenue	8,116	8,051	-1%
Operating profit	284	38	-87%
Operating margin	3%	0.5%	

*Data reflects Media24's stand-alone results in local currency available on www.media24.com

Revenue mix



- Continues to face the effects of structural decline in traditional print media businesses.
- Revenue growth of ecommerce initiatives ahead of expectations.
- Margin negatively affected by lower revenues – exacerbated by a weak South African economy – and higher printing and production costs.
- Continued focus on cost reductions and unlocking operational efficiencies.
- Solid growth in audience and engagement across digital platforms, particularly on mobile – double digit revenue growth.
- Significant decline in Novus performance due to asset impairments and commissioning costs of diversification and plant consolidation projects.

FINANCIALS

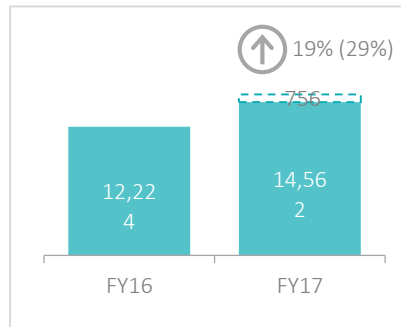


Synopsis of financials

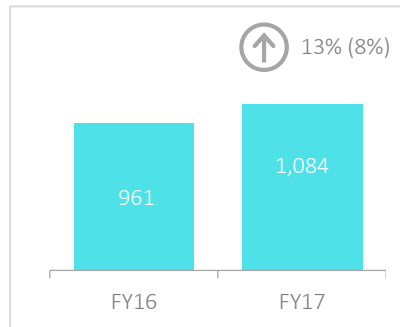


☐ Currency impact

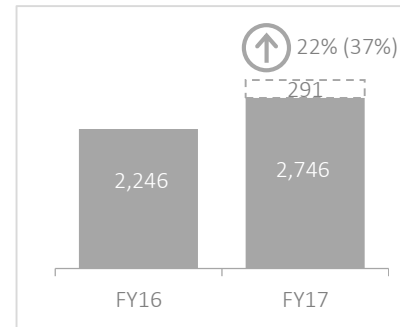
Revenue* (US\$m)



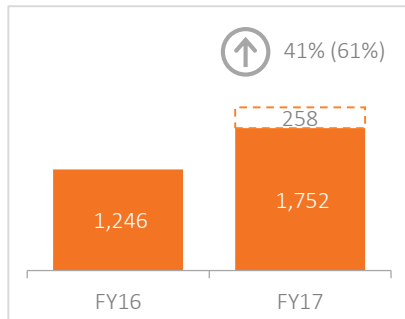
Development spend* (US\$m)



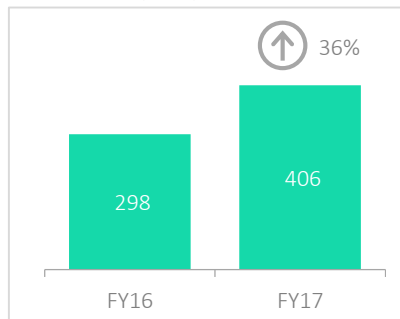
Trading profit* (US\$m)



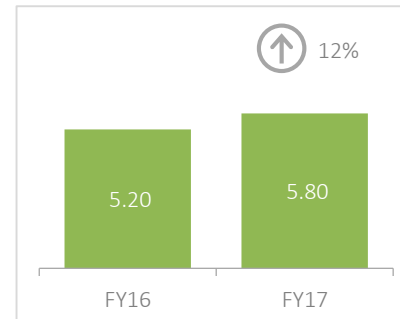
Core headline earnings* (US\$m)



Core HEPS (USc)



DPS (ZAR)



- Positive results for the year
- Tencent delivered strong earnings and we continued to scale our ecommerce businesses.
- Video entertainment has become both more mature and more competitive.
- Weakness in emerging-market currencies dampened performance upon translation.

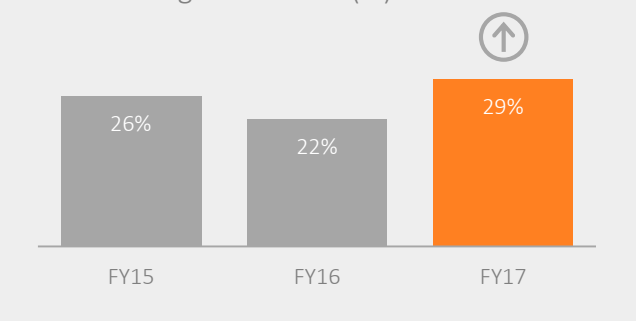
*Results reported on an economic-interest basis, i.e. equity-accounted investments are proportionately consolidated. Numbers in brackets represent year-on-year growth in local currency, excluding M&A.

The currency impact indicates by how much the reported number would have increased had the currency exchange rate remained similar to the prior year.

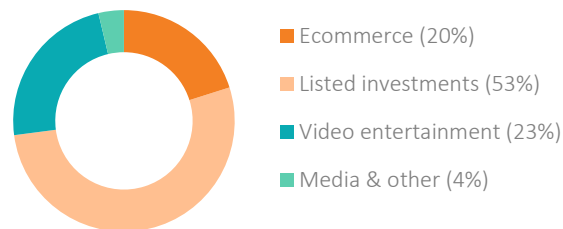
Revenue: Tencent and ecommerce drives acceleration in growth rate



YoY revenue growth rate* (%)

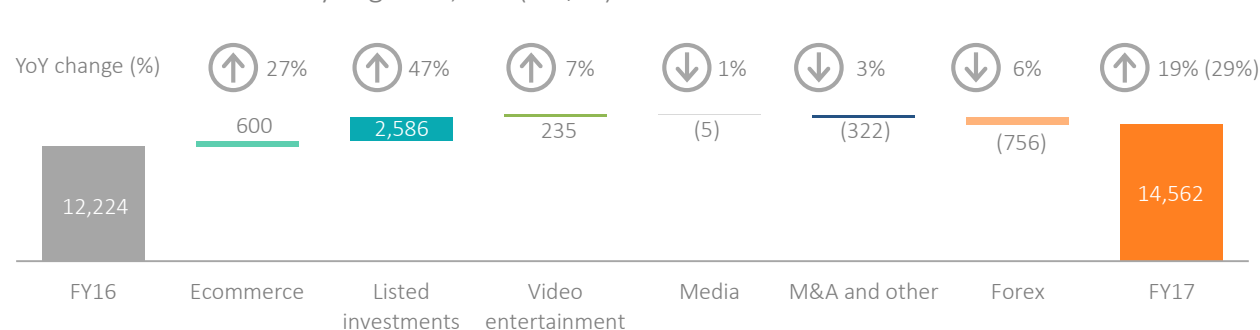


Revenue* by segment (US\$m)



- Growth rate accelerated to +29% YoY.
- Tencent revenues + 48% YoY on the back of strong performance by smart phone games and online performance-based advertising.
- Internet now accounts for 73% of revenues (67% in FY16).
- Video entertainment reported revenues flat, but +7% YoY if forex impact is excluded.

Incremental revenue* by segment, YoY (US\$m)

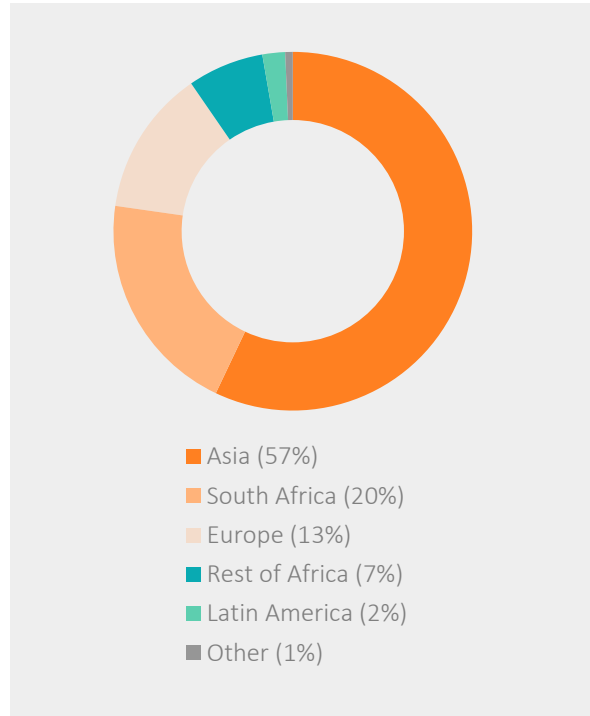


*Results reported on an economic-interest basis, i.e. equity-accounted investments are proportionately consolidated. Numbers in brackets represent year-on-year growth in local currency, excluding M&A. Listed investments excludes MMYT which is included in ecommerce

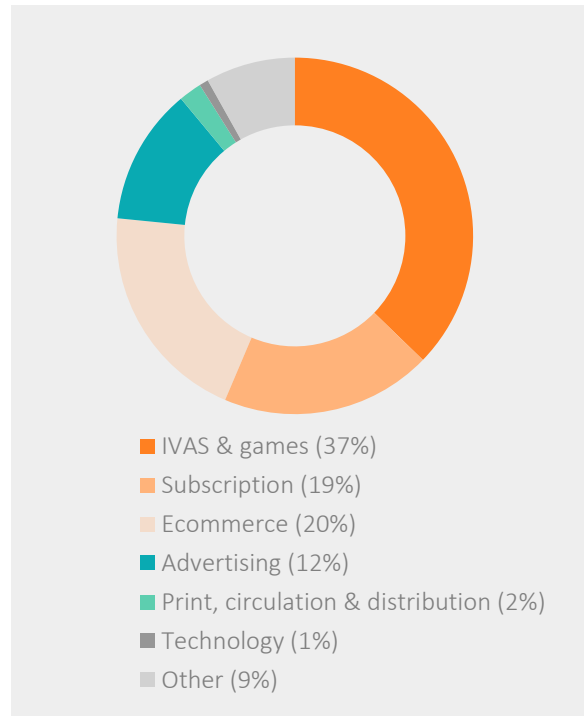
Diversified business mix – ongoing shift



FY17 Revenue* by geography



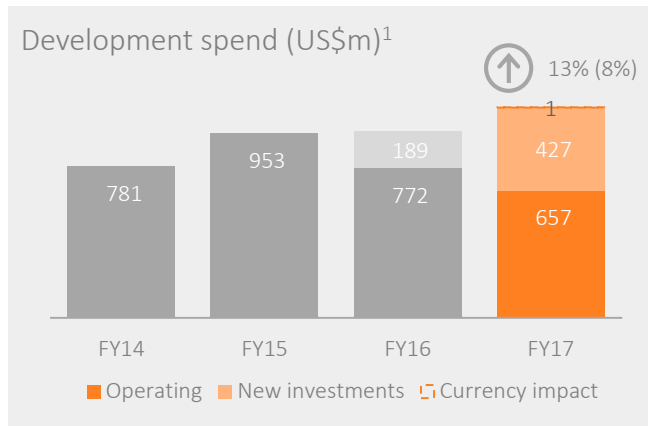
FY17 Revenue* by type



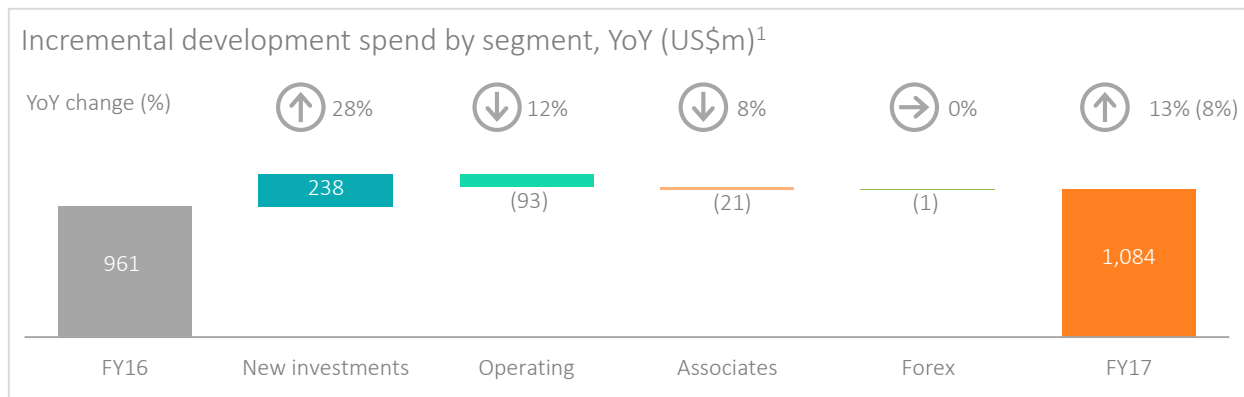
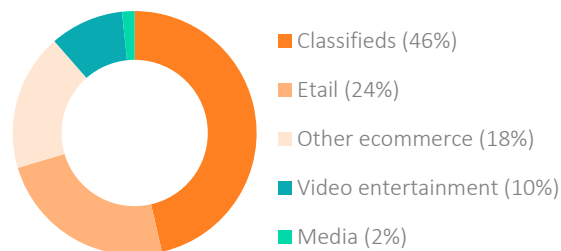
- 80% (FY16: 77%) of revenues now earned outside South Africa.
- Annuity income (i.e. subscription revenues, IVAS and gaming) account for 56% of revenues.
- Cyclical advertising revenue is only 12% of total revenue.
- Diversity of revenue streams reduce the risk of exposure to any one territory/currency or business model.

* Based on economic-interest, i.e. assuming equity-accounted investments are proportionately consolidated

Development spend on an economic interest basis



Development spend by segment (US\$m)¹



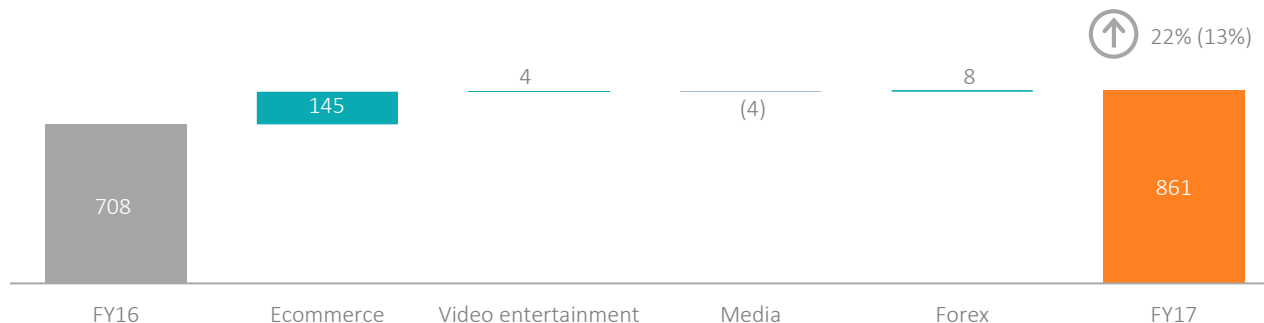
- Proportionate share of development spend from equity-accounted investments, which is the main difference between economic interest and consolidated development spend, amounted to US\$223m (US\$253m in FY16).
- This number does not impact our cashflow as development spend of equity-accounted investments is funded by the capital already raised.
- Step up in spending on new investments announced in FY16 (i.e. letgo, India hotels and ShowMax) increased by US\$238m.
- This was offset by a 16% decline (US\$85m) in funding of established businesses.

1) Development spend consists of trading losses incurred by developing businesses that have yet to reach scale. Results reported on an economic-interest basis, i.e. equity-accounted investments are proportionately consolidated. Numbers in brackets represent year-on-year growth in local currency, excluding M&A

Consolidated development spend

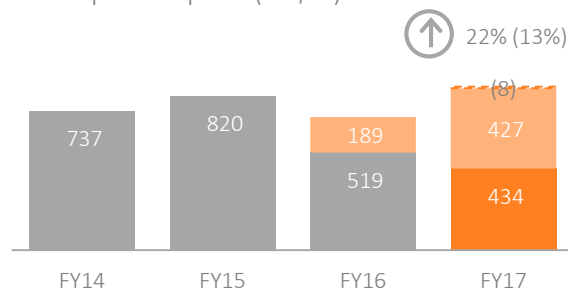


Incremental development spend by segment, YoY (US\$m)



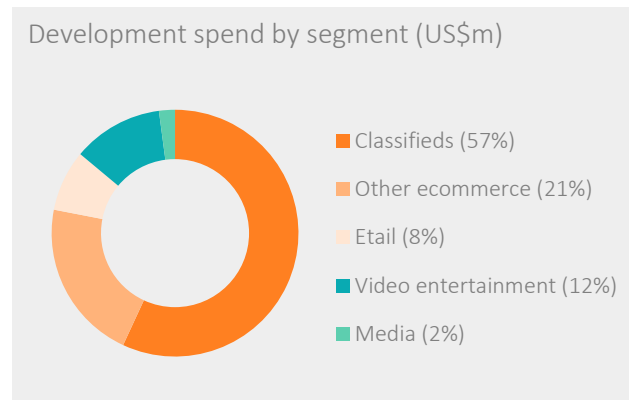
- 22% increase YoY due to US\$427m spend on new investments (letgo, Indian hotels, SVOD and classifieds verticals).

Development spend (US\$m)



Operating New investments Currency impact

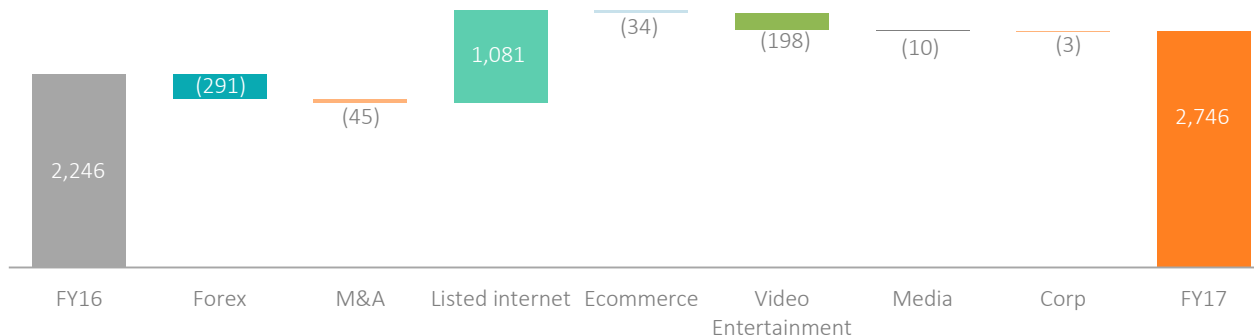
Development spend by segment (US\$m)



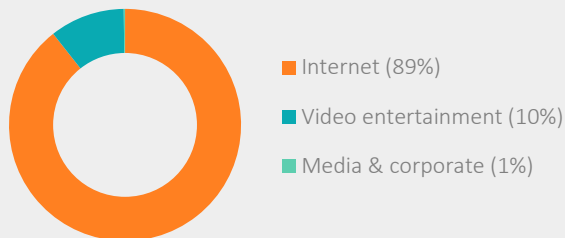
Trading profit on an economic interest basis



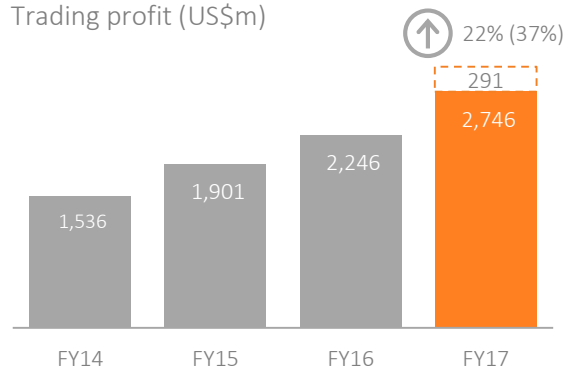
Incremental trading profit by segment, YoY (US\$m)



Split by segment (US\$m)



Trading profit (US\$m)

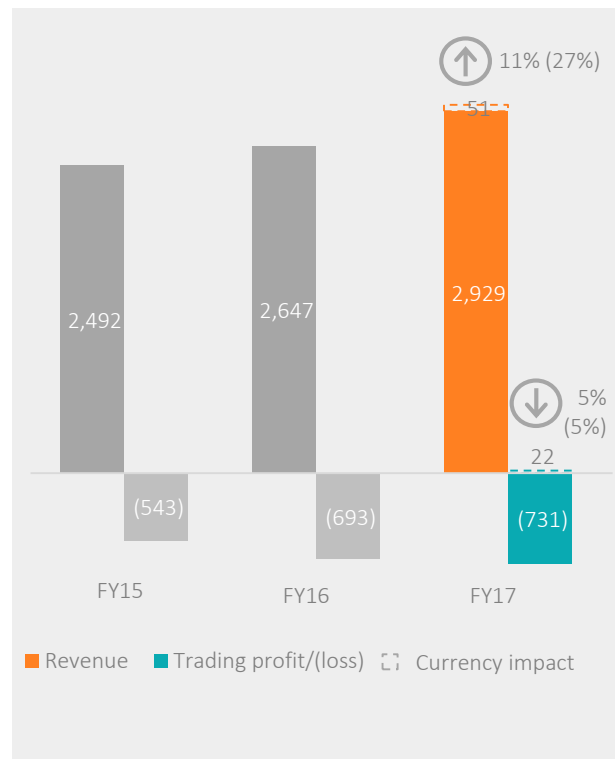


- Trading profit increased 22% (37% in local currency, excluding the impact of M&A).
- This was driven by expansion of 39% in the group's share of Tencent's trading profit.
- Strengthened further by a contraction in trading losses of eetail assets and growth in profitable ecommerce businesses, offset by new investments in letgo and India hotels.
- The ecommerce trading loss widened by US\$34m in local currency.
- Fx movements had a negative impact of US\$291m (13% YoY).
- The lower opening subscriber base in SSA and effects of foreign exchange resulted in video-entertainment trading profits declining 32% YoY in local currency.

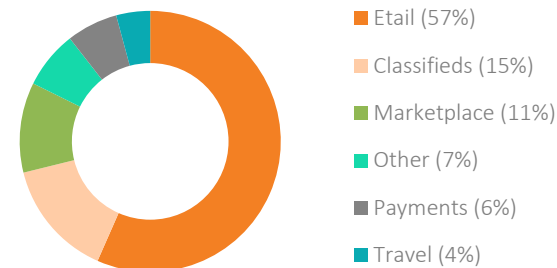
Ecommerce: continues to grow rapidly



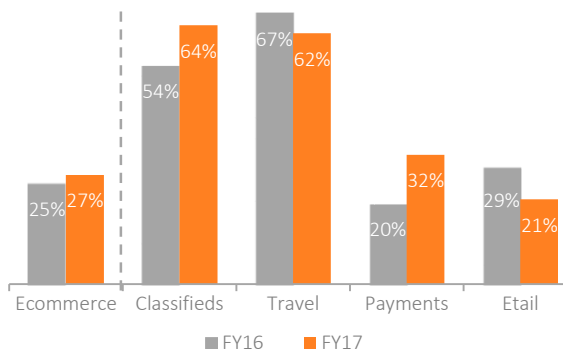
Revenue and Trading loss* (US\$m)



Revenue split*



Constant currency revenue growth by type*



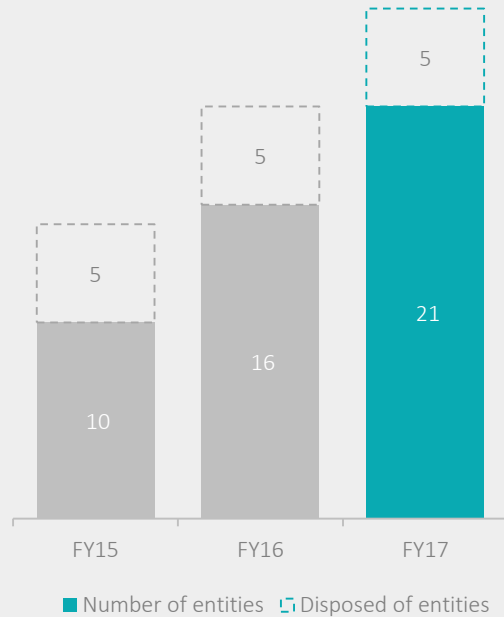
- Classifieds share of revenue impacted by the fact that we are only monetising 12 of the 40 countries where we operate.
- Etail revenue increased by 16% in local currency.
- The acceleration in 3rd party sales is negatively affecting etail revenue growth (due to accounting treatment), but driving improved margins.
- Payment revenue growth driven by increased transaction volumes, M&A and ticket-size improvements.

*Results reported on an economic-interest basis, i.e. equity-accounted investments are proportionately consolidated. Numbers in brackets represent year-on-year growth in local currency, excluding M&A

Increase in number of profitable ecommerce entities



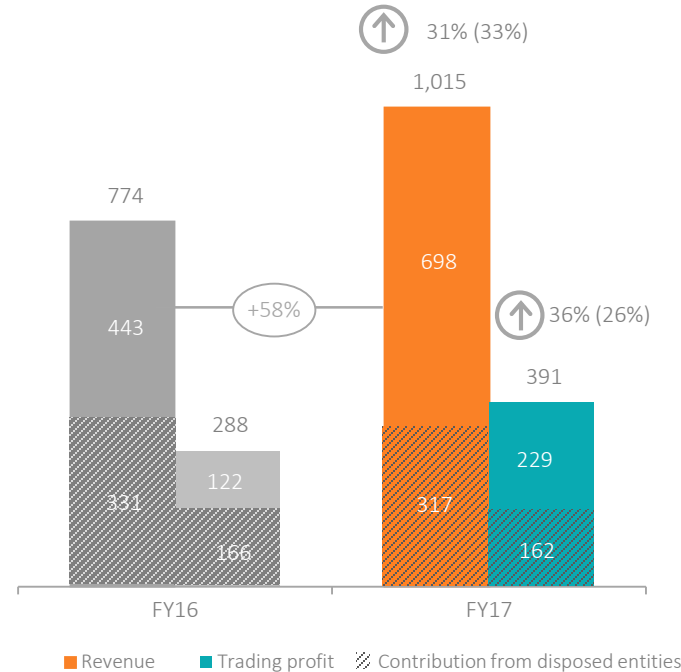
Number of profitable ecommerce entities*



*Information is reflected on an economic interest basis.

1) Reflect businesses that reported a trading profit for the year ended 31 March.

Financial progress of profitable entities* (US\$m)

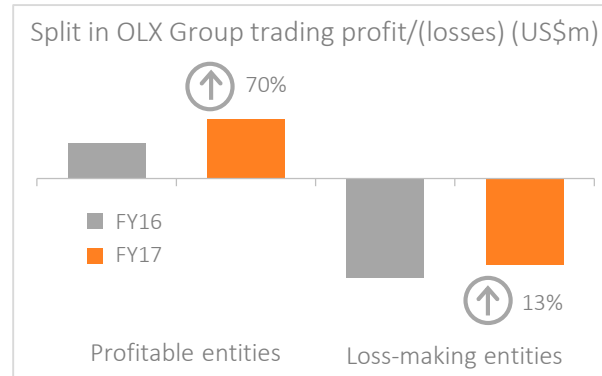
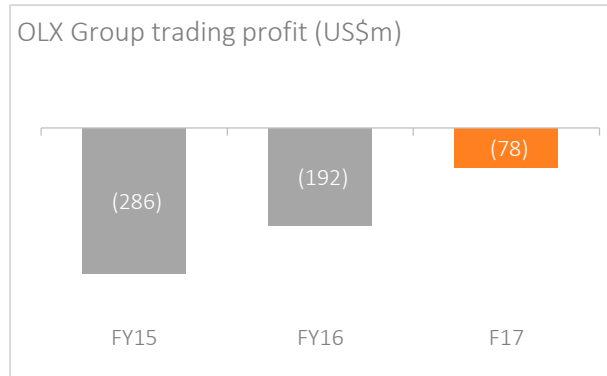
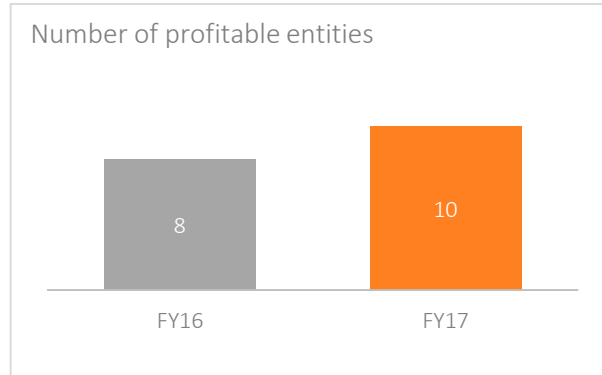
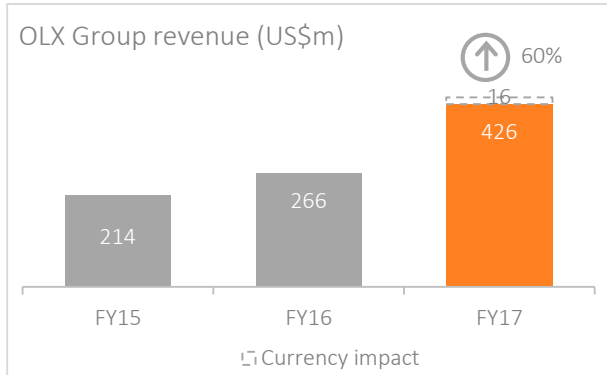


* Information is reflected on an economic-interest basis

2) Numbers in brackets represent YoY growth in local currency, excluding M&A, on a normalised basis (i.e. accounting for changes in shareholding).

- Revenue from profitable businesses +31% YoY and trading profit +36% YoY.
- Trading margin 39% vs. 37% in prior year due to increased revenues from higher margin businesses.
- On a like-for-like basis, excluding disposed entities, trading margin was 33% vs. 28% in prior year.

Classifieds: OLX Group moving toward profitability in core platform



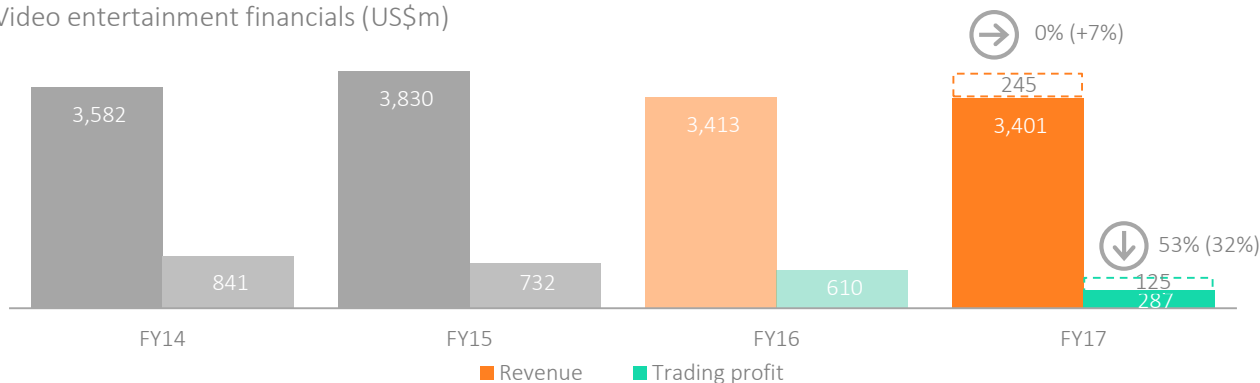
- Number of profitable entities increased to 10 (8 previously).
- Profitable entities increased profitability by 70%.
- Loss-making entities showed a 13% decline in losses, showing movement towards profitability.

* All numbers exclude letgo; profitable entities reflect businesses that reported a trading profit for the year ended 31 March

VE: financials hit by local currency pricing vs. US\$ input costs

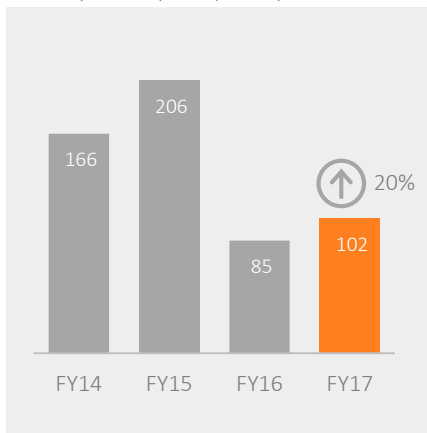


Video entertainment financials (US\$m)

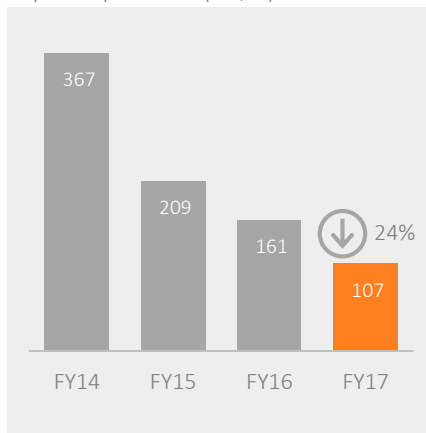


- Financials hard-hit by local currency pricing vs. US\$ input costs.
- Excluding fx weakness revenue growth would have been +7% YoY.
- Profitability further affected by rising content costs and increased decoder subsidies.
- Reduction in development spend mainly due to DTT, offset somewhat by SVOD spend following launch of ShowMax in August 2015.
- Decline in capex due to complete build-out of DTT network.
- Programming costs affected by increased competition, one-off events and increased investment in local content.

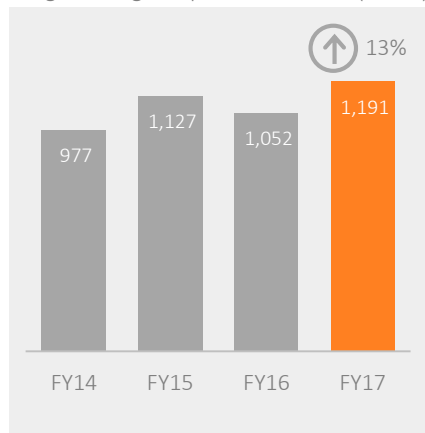
Development spend (US\$m)



Capital expenditure (US\$m)



Programming and production costs (US\$m)

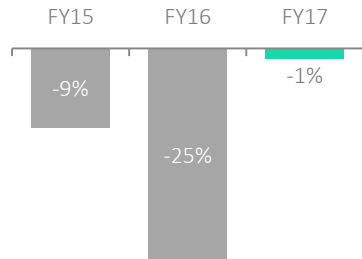


Video entertainment: SA solid, SSA recovering but FX headwinds

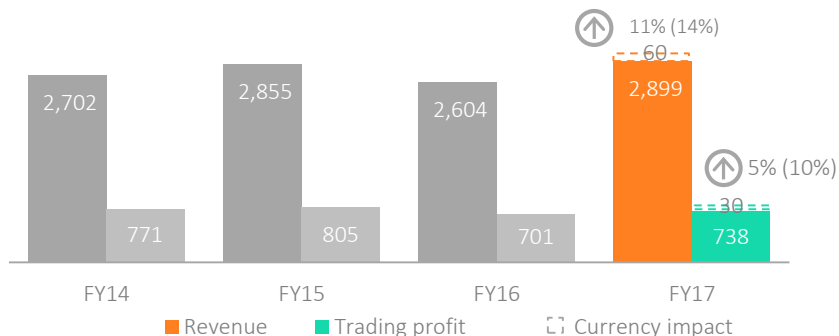


South Africa

ZAR vs US\$ relatively stable yoy



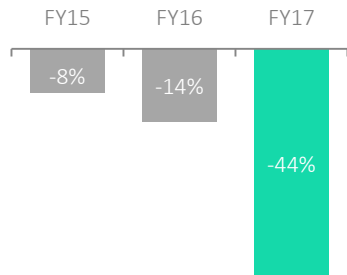
Performance driven by sub revenue and cost controls (US\$m)



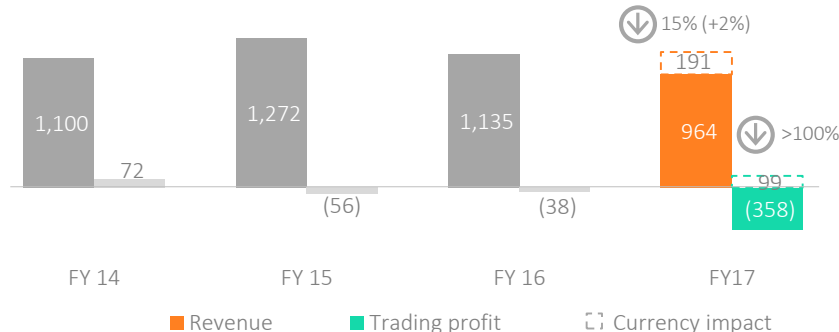
- Revenue growth driven by higher revenues from subscribers, programming and advertising.
- Cost impacted by higher decoder subsidies and increased depreciation costs from the IS20B satellite that was launched in August 2016.
- SA business generated US\$580m in FCF.

Sub-Saharan Africa

Naira continues to weaken...



...and significantly impacted revenue and trading profit (US\$m)



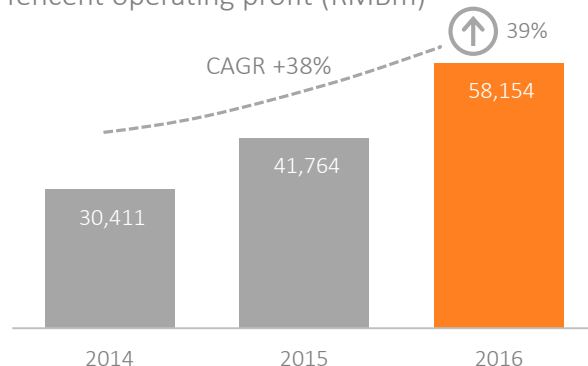
- Subscriber growth recovered following a change in pricing and content strategy but ongoing currency weakness negated a similar improvement in financial performance.
- US\$289m in cash trapped in Nigeria, Angola and Mozambique at 31 March 2017.
- Extracted US\$133m in FY17 and a further US\$113m up to 31 May 2017.

*Reflecting change in average rates for the reporting periods

Associates: Tencent and Mail.ru continue to deliver

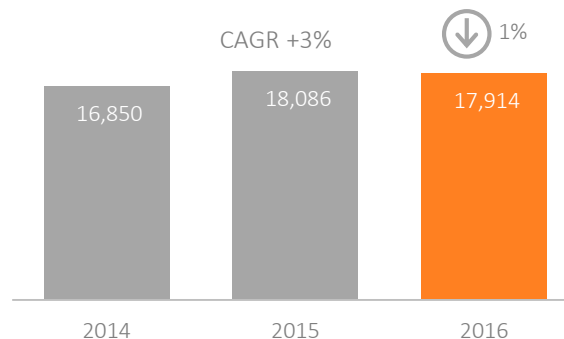


Tencent operating profit (RMBm)¹



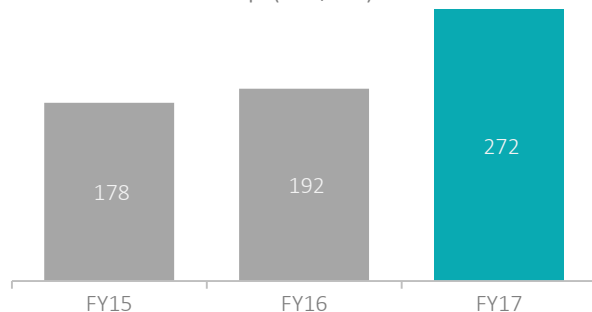
1) Reflects 100% of Jan-Dec 2016 (FY16) results on a non-GAAP basis; detailed results available at www.tencent.com. Fx rate: FY17 US\$/RMB6.7448 (6.3612)

Mail.ru EBITDA (RUBm)²

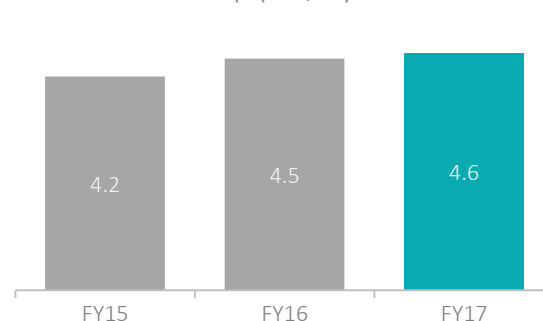


2) Reflects 100% of Jan-Dec 2016 (FY16) results on a non-GAAP basis; detailed results available at www.corp.mail.ru. Fx rate: FY17 US\$/RUR62.7623 (64.2813)

Tencent market cap (US\$bn)*



Mail.ru market cap (US\$m)*



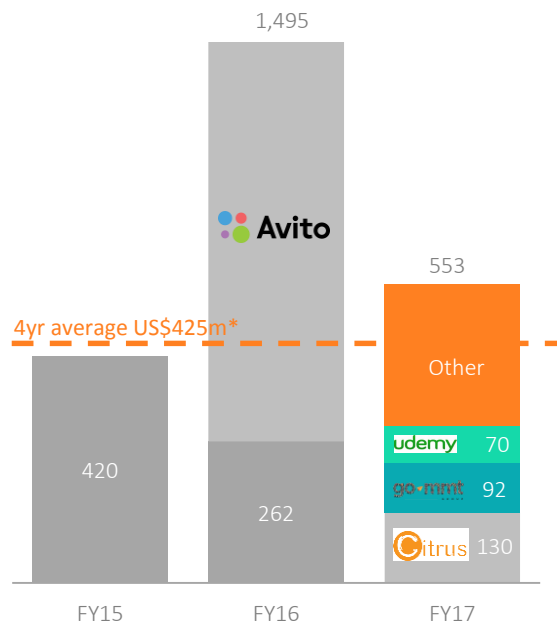
*Market values as at 31 March per company data

- Weixin continued to develop as a 'super app', with monthly active users on Weixin and WeChat up 28% to 889m.
- Tencent launched several successful self-developed and licensed games and expanded its position as a leading global game company by investing in companies such as Supercell and Paradox.
- For the year ended December 2016 Tencent's revenues were RMB151.9bn, up 48% YoY.
- Mail.ru's revenue for the year to December 2016 was up 15% to RUB42.8bn, including the results of newly acquired Pixonix and Delivery Club.
- Key revenue drivers were online games and advertising.
- Mail.ru recorded strong advertising revenue growth in mobile, especially from VKontakte and in-feed native formats.

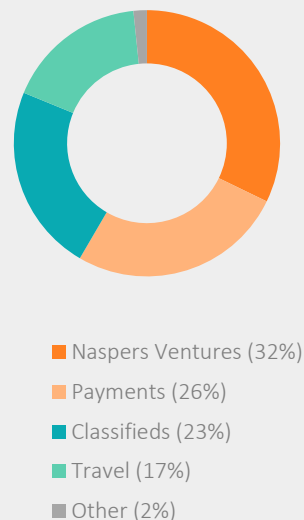
Recent M&A activity focused on EdTech



Acquisition spend over time (US\$m)



FY17 investments by segment (US\$m)



- Key considerations for acquisitions are:
 - High-growth opportunities
 - Ability to scale
 - Potential for success across broad range of geographies
 - Strong founder(s)
- Excluding Avito, the 4yr average annual M&A spend was US\$425m.

* Calculated from March 2014 – March 2017 (excluding Avito)

Summarised income statement



US\$m	FY16	FY17
Revenue*	12,224	14,562
Less: Equity-accounted investments	(6,294)	(8,464)
Consolidated revenue	5,930	6,098
Trading profit	179	(214)
Trading margin	3%	-4%
Net finance costs	(352)	(467)
Share of equity-accounted results	1,289	1,829
Gains on acquisitions and disposals	452	2,169
Impairments	(341)	(58)
Taxation	(260)	(244)
Net profit	1,001	2,808
Core headline earnings	1,246	1,752
Core headline EPS (US\$)	2.98	4.06

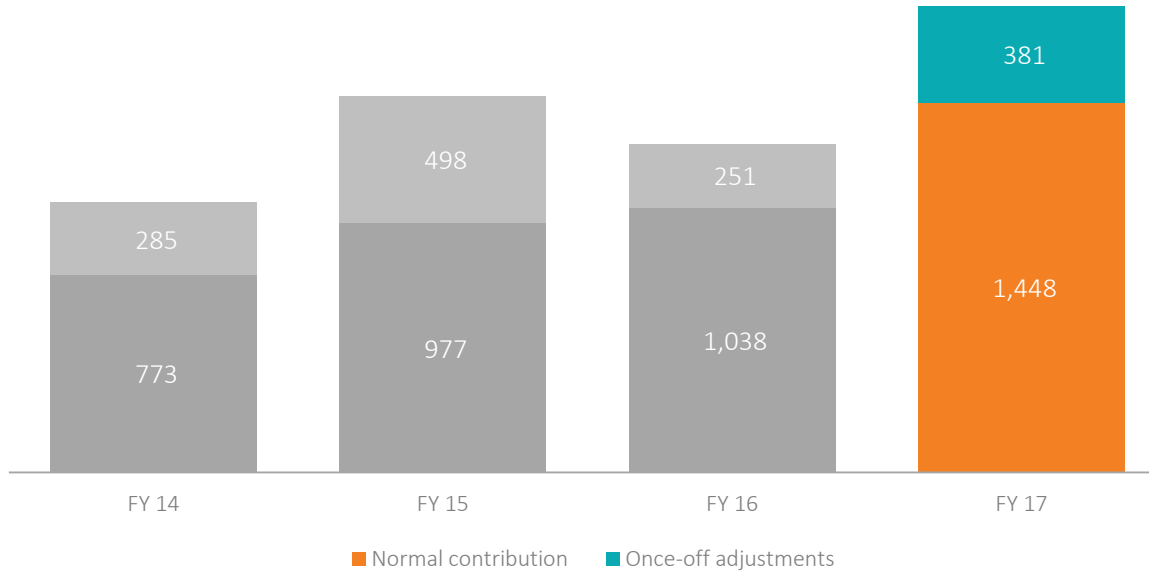
*Based on economic-interest, i.e. equity-accounted investments are proportionately consolidated.

- Gains on acquisitions and disposals relate to:
 - US\$1,990m profit on the sale of investments – Allegro and Ceneo (US\$1.9m profit); Heureka (US\$61m profit); Netretail (US\$28m loss) and Other (US\$51m)
 - Gain of US\$228m recognised on merger of ibibo and MakeMyTrip
- Impairments relate mainly to Markafoni and some smaller intangible asset and PPE write-offs.

Equity-accounted results



Associate and JV contributions (US\$m)



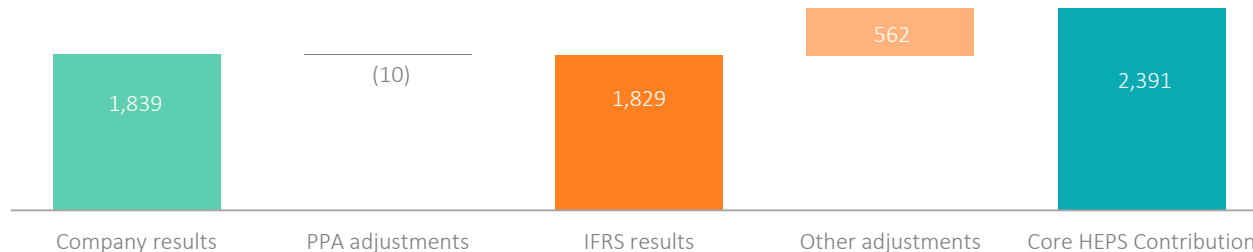
- Once-off gains relate primarily to business combination related gains/losses recognised by associates and joint ventures

Contribution by associates and joint ventures



FY17 (US\$m)	Company results	PPA adjustments	IFRS results	Other adjustments*	Core HEPS contribution
Tencent	2,037		2,037	498	2,535
Mail.ru	10		10	42	52
Other	(208)	(10)	(218)	22	(196)
	1,839	(10)	1,829	562	2,391

Equity-accounted investments' contribution to core HEPS (US\$m)



- “Other adjustments” relate to headline and core earnings adjustments similar to Naspers methodology.
- These include:
 - Equity-settled share-based payments
 - Fair-value adjustments and forex
 - Profit/losses on disposals of non-current assets
 - Impairments
 - Gains/losses on acquisitions and disposals
 - Amortisation charges

Net finance costs



US\$m	FY16	FY17
Interest paid	(292)	(278)
Loans and overdrafts	(207)	(198)
Transponder leases	(33)	(46)
Other	(52)	(34)
Interest received	40	70
Loans and bank accounts	37	56
Other	3	14
Other finance costs, net	(100)	(259)
Net FX differences and FV adjustments on derivatives	(102)	(259)
Preference dividends received	2	-
Total finance costs	(352)	(467)

Foreign exchange

- Net finance costs increasing US\$115m due mainly to foreign exchange differences.
- Increase in Net FX losses includes US\$189m relating to Nigerian intergroup loans not considered part of investments in Nigeria.

Net interest expense on borrowings

- Down 17% YoY to US\$142m due to lower utilisation of credit facilities and, to a lesser extent, cash retained from the Allegro disposal.

Debt

- US\$700m 7-year bond issued July 2010 (6.375% coupon).
- US\$1bn 7-year bond issued July 2013 (6% coupon).
- US\$1.2bn 10-year bond issued July 2015 (5.5% coupon).

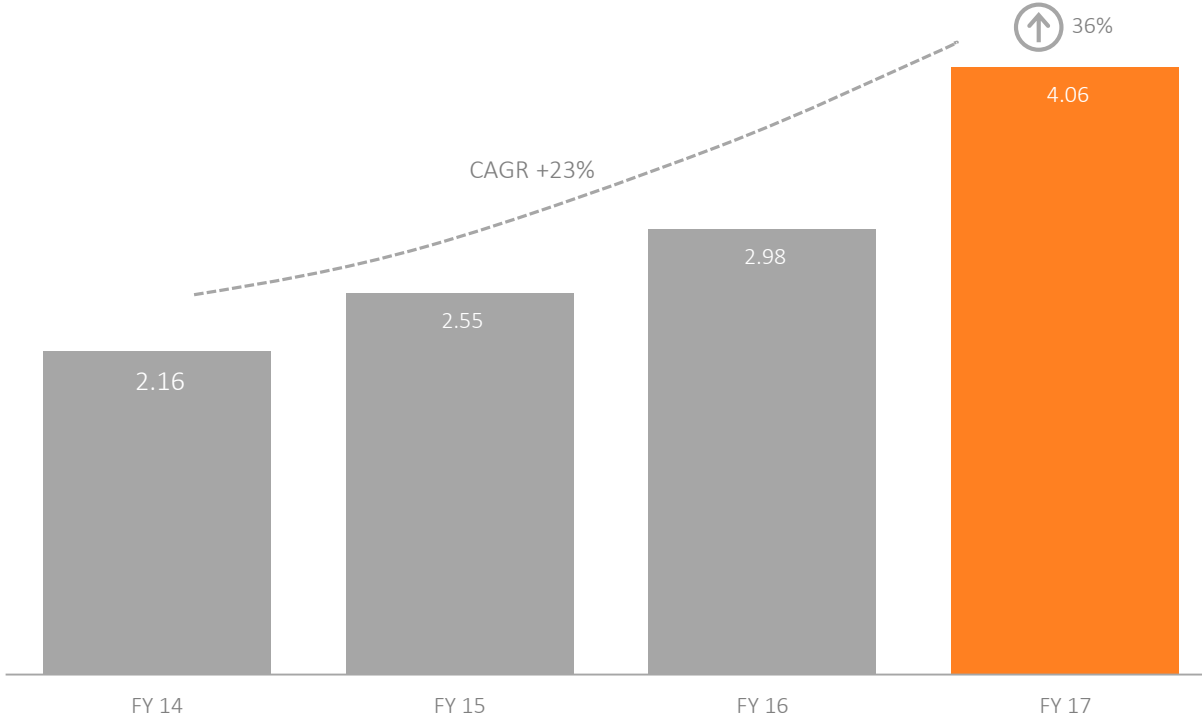
Transponders

- Cost increased due to the IS20B satellite that was launched in August 2016 and capitalised onto the balance sheet.
- SSA - various leases (avg. cost ~US\$12m p.a.)
- 15-yr agreement from Feb 2016 (avg. cost ~US\$21m p.a.)
- SA: 15-yr agreement effective Sep 2016 (avg. cost ~US\$36m p.a.).

Core headline earnings trend



Trend in core headline earnings per share (US\$)



- Core headline earnings per share increased 36% YoY.
- Adjustments to reported earnings to arrive at core headline earnings are also applied to the contribution from equity-accounted investments.
- These adjustments have tax effects that are similarly adjusted for in arriving at the tax on core headline earnings.
- Contribution to core headline earnings by associates and joint ventures was up 50% to US\$2.4bn after adjusting for non-recurring items.

Core headline earnings reconciliation



US\$m	FY16	FY17
Headline earnings	701	772
Equity-settled share-based payment expenses	218	296
Deferred tax adjustments	(1)	-
Amortisation of other intangible assets	230	467
Business combination losses	6	44
Retention option expense	2	1
Fair-value adjustments & currency translation differences	90	172
Core headline earnings	1,246	1,752

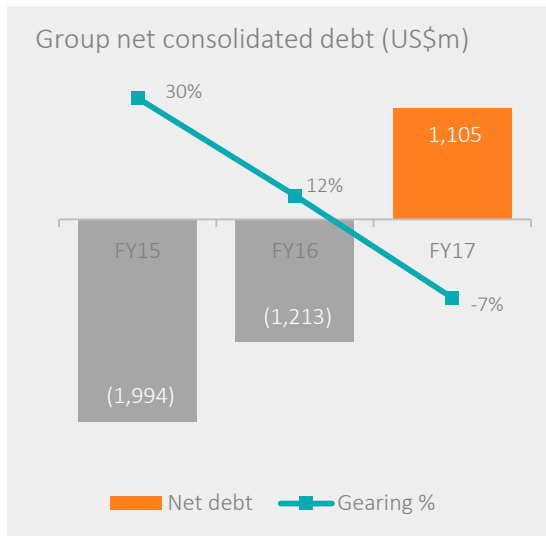
- Increase in equity-settled share-based payments relate mainly to the accelerated vesting of the Allegro and ibibo share schemes due to the disposals of these entities and grants at higher share prices in FY17.
- Increase in amortisation of intangible assets mainly relates to Avito now consolidated for a full year, and amortisation by equity-accounted investments.
- Currency translation differences relate to the effects of changes in underlying foreign exchange rates
- Business combination losses relate mainly to transaction costs incurred in business combinations
- The diluted earnings, headline earnings and core headline earnings per share figures presented on the face of the income statement include a decrease of US\$24m (2016: US\$20m) relating to the future dilutive impact of potential ordinary shares issued by equity-accounted investees.

Balance sheet strong



US\$m	FY16	FY17
Debt ⁽¹⁾ : (offshore US\$2.9bn)	(2,926)	(2,898)
Cash: (South Africa US\$477m)	1,713	4,003
Closing net cash / (debt)	(1,213)	1,105
Gearing	12%	-7%
Net finance cost on loans and borrowings	(170)	(142)

(1) Excludes satellite lease liabilities (US\$1.2) and non-interest bearing debt (US\$153m)

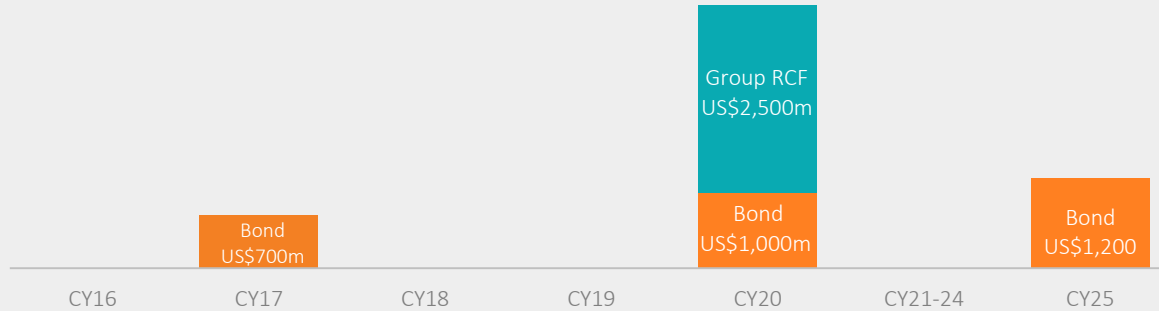


- Net debt declined after the repayment of the group's RCF.
- Balance sheet reflects net proceeds of US\$3,214m from the Allegro disposal which closed January 2017.

Debt maturity profile and debt position

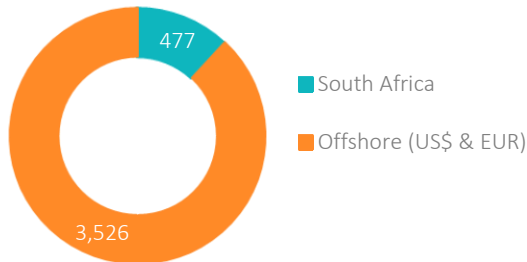


Debt maturity profile (US\$m)

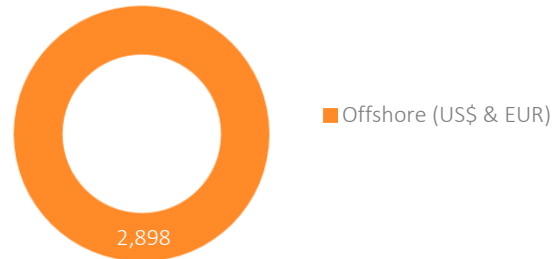


- The US\$2.5bn RCF facility was undrawn at 31 March 2017.
- Announced roadshow with the intention of issuing a new bond to repay the 2017 Notes.
- Global coordinators are Barclays, Citi and JP Morgan.

Split of net cash reserves (US\$m) FY17



Split of debt obligations (US\$m) FY17



Current assets and liabilities

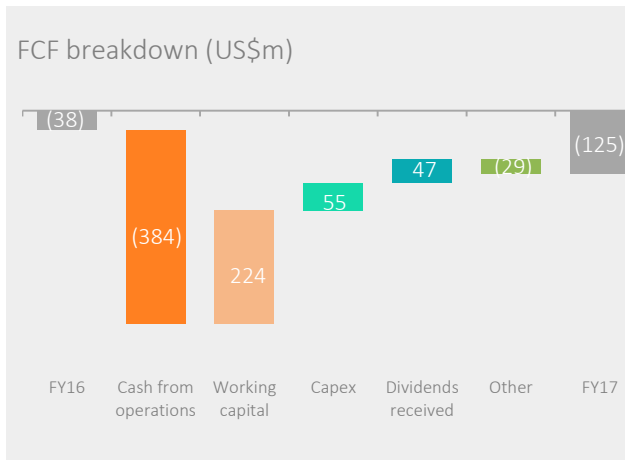


Current assets (US\$m)	FY16	FY17	Current liabilities (US\$m)	FY16	FY17
Inventory	194	154	Current portion of long-term debt	227	915
Programme and film rights	160	193	Provisions	26	48
Trade receivables	393	420	Trade payables	437	487
Other receivables	491	456	Accrued expenses and other	1,193	1,268
Derivative financial assets	59	6	Tax payable	34	17
Cash and deposits	1,714	4,007	Derivative financial liabilities	31	119
Assets held for sale	226	403	Bank overdraft and call loans	1	4
			Liabilities held for sale	97	70
Total	3,237	5,639	Total	2,046	2,928

Free cash flow



US\$m	FY16	FY17
Cash generated from operations	454	294
Capital expenditure	(228)	(173)
Finance leases	(88)	(106)
Taxation	(322)	(333)
Investment income	146	193
Free cash flow (FCF)	(38)	(125)



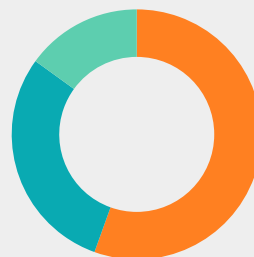
- FCF negatively impacted by:
 - Reduction in the profitability of the SSA video entertainment business
 - Higher consolidated development spend mainly on letgo, Showmax and our Indian hotels offering.
- Offset by:
 - Reduced working capital outflows due to lower investment in DTT set-top boxes due to prior year inventory build-up being unwound, as well as less content prepayments.
 - Higher dividends received from Tencent (US\$191m compared to US\$146m in the prior year).

Capital expenditure



US\$m	FY16	FY17
Land, buildings & manufacturing equipment	44	30
Transmission equipment	27	42
Computers, software & network equipment	93	65
Other (including vehicles and furniture)	64	36
Capital expenditure	228	173
Capex/Revenue	4%	3%

Split by business



- Video Entertainment (56%)
- Ecommerce (29%)
- Media (15%)

- Maintenance capex expected to change as the business evolves.
- Current estimates for maintenance capex are:
 - Media24 <ZAR300m
 - Ecommerce ~US\$50m
 - Video entertainment ~R1bn



US\$ FX Cover	US\$m	ZAR rate
12 months out	565	15.75
24 months out	204	14.99

EUR FX Cover	EURm	ZAR rate
12 months out	56	17.34
24 months out	34	17.25

GBP FX Cover	GBPm	ZAR rate
12 months out	2	17.23

* Excludes Irdeto FECs of US\$118m used to hedge foreign exchange exposure arising on operating expenses

Open FEC positions

- Video entertainment: US\$500m and €67m (programming rights and leases).
- Corporate: US\$267m (Bond/RCF interest hedge).
- Media: US\$2m; EUR23m and GBP2m.

Hedging strategy

- FECs not viable outside of SA, thus exposure in rest of Africa mostly not hedged.
- Video entertainment: cover 100% of net SA exposure under 18 months; up to 100% between 18-24 months forward.
- Media: short-term commitments, cover maximum 12 months rolling input costs.
- Almost all FEC's qualify for hedge accounting .

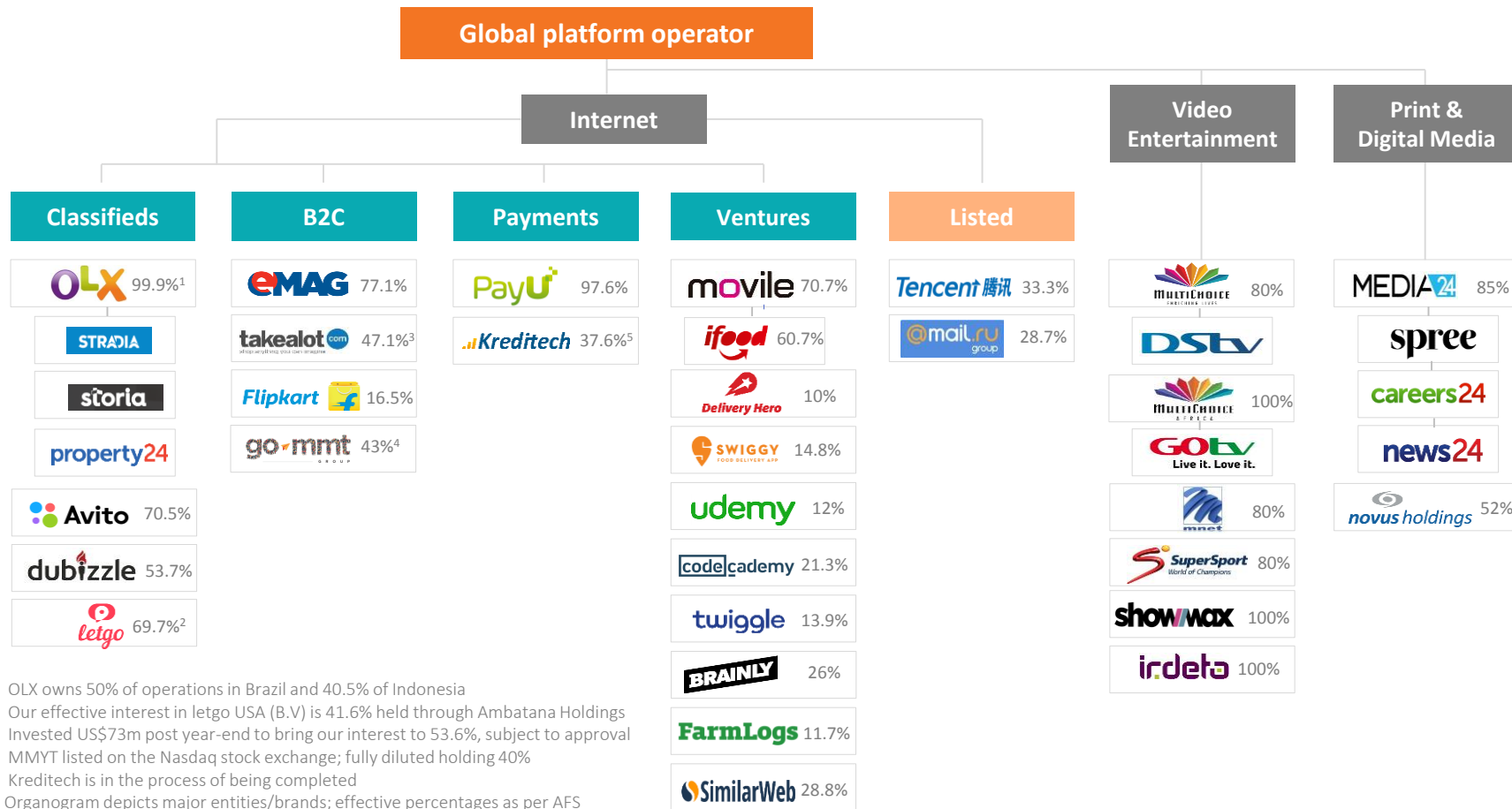
Video entertainment currency dynamics

- Pricing in local currency.
- ~60% of input costs in hard currency.
- ~40% of those costs are hedged.

APPENDIX



Group structure



1) OLX owns 50% of operations in Brazil and 40.5% of Indonesia

2) Our effective interest in letgo USA (B.V) is 41.6% held through Ambatana Holdings

3) Invested US\$73m post year-end to bring our interest to 53.6%, subject to approval

4) MMYT listed on the Nasdaq stock exchange; fully diluted holding 40%

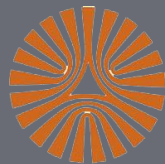
5) Kreditech is in the process of being completed

** Organogram depicts major entities/brands; effective percentages as per AFS

Glossary of terms



—	ARPU:	Average Revenue Per User	—	LC:	Local currency
—	B2C:	Business to Consumer	—	M&A:	Mergers and Acquisitions
—	C2C:	Consumer to Consumer	—	MAU:	Monthly Active User
—	CAGR:	Cumulative Annual Growth Rate	—	MUL:	Monthly Unique Lister
—	DPS:	Dividend per Share	—	RPIU:	Revenue per Internet User
—	DTH:	Direct-to-Home	—	PVR:	Personal Video Recorder
—	DTT:	Digital Terrestrial Television	—	ROI:	Return on Investment
—	EPS:	Earnings per Share	—	SSA:	Sub-Saharan Africa
—	FCF:	Free Cash Flow	—	SVOD:	Subscription Video-On-Demand
—	FX:	Foreign Exchange	—	TPV:	Total Payment Value
—	GMV:	Gross Merchandise Value	—	VE:	Video Entertainment



THANK YOU



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Media release

South Africa, 23 June 2017 – Naspers Limited (JSE: NPN) today announced its results for the year to 31 March 2017.

POSITIVE RESULTS FOR THE YEAR, ACCELERATING GROWTH OPERATIONALLY AND FINANCIALLY

Naspers today announced its financial results for the year to 31 March 2017. Revenues, measured on an economic interest basis (including the proportionate contribution from associates and joint ventures), increased 19% year on year to US\$14.6bn. Excluding acquisitions, disposals and currency movements, growth was 29%. Businesses outside South Africa contributed 80% of revenues, compared to 77% a year ago.

Core headline earnings grew 41% to US\$1.8bn. “Naspers produced satisfactory results for the year,” said Naspers chair Koos Bekker. “Tencent continued its growth, while we scaled various ecommerce businesses. Video entertainment is facing new competition from international players based in the US.”

Foreign currencies affect the group’s segments to varying degrees. In video entertainment, weakened currencies have a large impact on earnings (given pricing in local currencies, but a high US dollar cost base). In the internet segment, the effect is lessened by a diverse geographic spread and a cost base generally denominated in local currencies.

Naspers reports in US dollars, meaning that the local currency financial performance of businesses is translated to US\$. Where pertinent, performance in local currency terms, excluding the effects of acquisitions and disposals, is quoted in brackets after the equivalent International Financial Reporting Standards metrics. Amounts are shown on an economic-interest basis unless otherwise stated.

Revenue in the internet segment, which now accounts for 73% of group revenues (67% last year), was up 29% (41%) to US\$10.6bn. Trading profits increased 52% (65%), mainly due to Tencent's excellent results and increased profitability of the more mature ecommerce assets. "The group now has 21 profitable ecommerce businesses, delivering US\$699m in revenues and US\$229m in trading profits," said CEO Bob van Dijk. "Classifieds performed well, boosted by Avito and accelerated growth in our European markets led by Poland, Ukraine, Romania and Portugal. Our B2C, travel and payments businesses all generated strong revenue growth and were further strengthened by additional investments to drive scale."

Naspers continued to optimise its portfolio during the year. The group acquired Citrus Pay in the Indian online-payments market and merged its Indian online travel platform, ibibo, with Nasdaq-listed MakeMyTrip. The US operations of mobile app-only classifieds platform letgo were merged with Wallapop and results to date are encouraging. In January 2017, the group disposed of Allegro and Ceneo in Poland, generating net proceeds of US\$3.2bn. The group also expanded its footprint in the online food delivery segment, whilst Naspers Ventures made a number of investments in earlier-stage technology companies.

Last year tough economic conditions led to significant subscriber churn in the video-entertainment segment. However, 2017 saw some return to growth with the group adding 935,000 direct-to-home (DTH) homes to bring the subscriber base to 11.9 million households. The digital terrestrial television (DTT) business added a total of 597,000 homes. A value strategy, which focused on bouquet restructuring, better customer retention and cost reduction, is improving the business for the long term.

At a macro level, continued currency weakness (the segment bills in local currencies) resulted in revenues declining marginally to US\$3.4bn (but increasing 7% if the currency impact is excluded). Content costs increased due to competition. These factors resulted in a trading profit of US\$287m, a decline of 53% (32%) year on year. The group is responding by removing or renegotiating non-essential content. Intensifying international competition from global players such as Netflix, Amazon, Apple and Google is foreseen.

Although substantial growth of 14% (16%) was recorded in the ecommerce and digital segments of our media businesses, overall revenues declined marginally to US\$588m. Besides ongoing challenges from structural industry changes, the segment also faced harsh macroeconomic conditions.

The group's share of equity-accounted results was US\$1.8bn and their contribution to core headline earnings increased 50% year on year. The combination of higher development spend (up 22% (13%) on a consolidated basis to US\$861m) and a lower profit contribution from the video-entertainment business resulted in consolidated free cash outflow of US\$125m.

"In the year ahead we will keep scaling the ecommerce businesses to drive profitability and cash generation. In our more mature businesses, such as media and video entertainment, the focus will be on managing macroeconomic and sectoral headwinds through cost containment," said CFO, Basil Sgourdos. "We will continue to drive innovation and transformation of existing businesses, while investing to fuel the next wave of growth," he added.

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Basil Sgourdos, Chief Financial Officer

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Mobile: +852 9080 5155

The complete results are available on the Naspers website at <http://www.naspers.com>.

IMPORTANT INFORMATION

This media release contains forward-looking statements as defined in the United States Private Securities Litigation Reform Act of 1995. Words such as “believe”, “anticipate”, “intend”, “seek”, “will”, “plan”, “could”, “may”, “endeavour” and similar expressions are intended to identify such forward-looking statements, but are not the exclusive means of identifying such statements. While these forward-looking statements represent our judgements and future expectations, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations. These include numerous 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 whether as a result of new information, future events or otherwise. Investors are cautioned not to place undue reliance on any forward-looking statements contained herein.

- END -

Business overview

Founded in 1915, Naspers is a global internet and entertainment group and one of the largest technology investors in the world. Operating in more than 120 countries and markets with long-term growth potential, we build leading companies that empower people and enrich communities. We run some of the world's leading platforms in internet, video entertainment and media.

Naspers companies connect people to each other and the wider world, help people improve their daily lives, and entertain audiences with the best of local and global content.

Every day, millions of people use the products and services of companies that Naspers has invested in, acquired or built, including Avito, Brainly, Codecademy, Delivery Hero, eMAG, Flipkart, ibibo, iFood, letgo, Media24, Mobile, MultiChoice, OLX, PayU, Showmax, SimilarWeb, Swiggy, Twiggle, and Udemy. Similarly, hundreds of millions of people have made the platforms of our listed associates Tencent, Mail.ru and MakeMyTrip a part of their daily lives.

Naspers is listed on the Johannesburg Stock Exchange (JSE) and has an ADR listing on the London Stock Exchange (LSE).

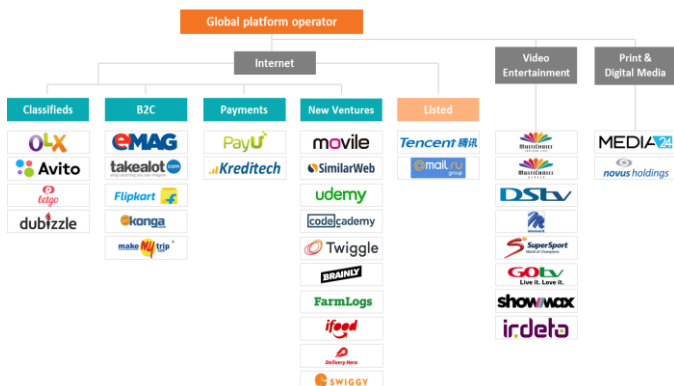
Strategy

Throughout our 100-year history, we have grown by building, acquiring or investing in leading companies. We look for opportunities to address big societal needs in markets where we see the greatest growth potential.

We believe in the power of local, backed by global scale. Our businesses are run by local teams and benefit from global support, including sharing talent and expertise across the group. We believe we are a great partner for founders, start-ups and other investors with the ambition to scale in high-growth markets.

Today, the Naspers group is organised into six business areas: Classifieds, Payments, B2C, Ventures, Video Entertainment and Media. We also hold investments in listed assets.

Group structure



** Organogram depicts major brands

Summarised financial data

Income statement data	FY17	FY16	FY15	FY14
Year ended 31 March	US\$m	US\$m	US\$m	US\$m
Revenue	6,098	5,930	6,569	6,154
EBITDA	72	423	550	637
Trading profit	(214)	179	298	394
Trading margin	-4%	3%	5%	6%
Core Headline EPS (cents)	406	298	255	216
Balance sheet data*				
Non-current assets	16,291	13,486	10,236	9,515
Current assets	5,639	3,237	2,700	2,698
Total assets	21,930	16,723	12,936	12,213
Shareholders equity	15,361	10,654	6,903	6,477
Non-current liabilities	3,641	4,023	3,852	3,471
Current liabilities	2,928	2,046	2,181	2,265
Equity and liabilities	21,930	16,723	12,936	12,213
NAV/share (cents)	3,466	2,379	1,614	1,580
Total liabilities	6,569	6,069	6,033	5,736

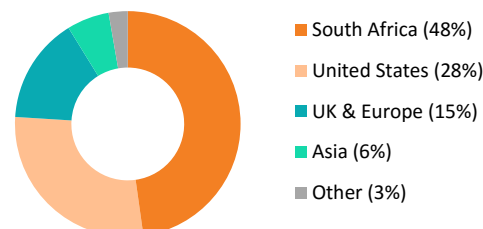
*Core headline earnings per share excludes, amongst other items, fair value adjustments, equity-settled share-based payment expenses, amortisation of intangible assets (other than software) and other non-operating items.

Exchange and trading information

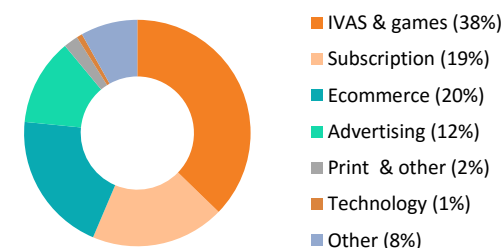
JSE (Ticker: NPN)

Total shares issued: 438.266 million (31/03/2017)

Shareholders:



FY17 Revenue by type*



*Based on economic interest, i.e. assuming equity accounted investments are proportionately consolidated

Internet

We focus on ecommerce, but offer the full range of internet-based services from communication and social networking, to entertainment and mobile value-added services.

Our internet operations include:

- Classifieds – footprint across 40 markets. Our companies OLX, Avito and letgo have the #1 mobile classifieds app in more than 22 countries.
- B2C ecommerce – spanning retail, marketplace and travel segments. Operations are spread across Latin America, Central and Eastern Europe, India, the Middle East and Africa and include eMAG, Flipkart, Konga, Takealot and MakeMyTrip.
- Payments – PayU is one of the largest online payment service platforms in the world, with leading positions in 17 markets across Africa and the Middle East, Central and Eastern Europe, India and Latin America.
- Ventures – Naspers Ventures seeks new growth opportunities. It also supports high-potential internet businesses and helps their founders scale globally. The portfolio includes Brainly, SimilarWeb, Twiggie, Udemy, Codecademy, Human DX, Coins.ph and Farmlogs. We also focus in online food delivery through investments in iFood, Delivery Hero and Swiggy.

We also hold investments in listed internet companies:

- Tencent (33.3%) – China's largest and most used internet-services platform (www.tencent.com; SEHK 00700).
- Mail.ru Group (29%) – the leading internet company in Russian-speaking markets ((www.tencent.com; SEHK 00700), Mail.ru (www.corp.mail.ru; LSE: MAIL).
- MakeMyTrip Ltd (43%) – the leading online travel business in India (www.makemytrip.com; NASDAQ:MMYT).

Video Entertainment

Through MultiChoice South Africa and MultiChoice Africa, our video-entertainment division brings entertainment to almost 12 million subscribing households in 50 countries across sub-Saharan Africa.

With limited broadband infrastructure and almost no cable access in Africa, we offer digital satellite (DTH), digital terrestrial (DTT) and online video-entertainment services, including subscription video-on-demand (SVOD) service, Showmax.

M-Net provides general entertainment content and SuperSport, the largest funder of sport on the African continent, ensures quality sport content for our customers.

Technology provider Irdeto is a world leader in content security, management and delivery for pay-media companies.

Media

Media24 is South Africa's leading media group with interests in digital media and services, newspapers, magazines, ecommerce, book publishing, print and distribution. It publishes almost 40 magazines and 80 newspapers and reaches more than 18 million local unique browsers monthly across its digital platform.

Key Executives

Corporate

Bob van Dijk	- Group CEO
Basil (Vasili) Sgourdos	- Group CFO
Mark Sorour	- Group CIO
Pat Kolek	- Group COO
David Tudor	- Group General Counsel
Aileen O'Toole	- Group Human Resources Officer

Internet CEOs

Oliver Rippel	- B2C
Martin Scheepbouwer	- Classifieds
Charles Searle	- Listed Assets
Laurent Le Moal	- Payments
Larry Illg	- Ventures
Vladimir Pravdivy	- Avito (Russia)
Sandoval Martins	- Buscapé (Brazil)
Niklas Östberg	- Delivery Hero
Iulian Stanciu	- eMag (CEE)
Binny Bansal	- Flipkart (India)
Shola Adekoya	- Konga (Nigeria)
Deep Kalra	- MakeMyTrip (India)
Boris Dobrodeev	- Mail.ru (Russia)
Fabrizio Bloisi	- Movile (Brazil)
Alec Oxenford	- letgo
Or Offer	- SimilarWeb (Middle-East)
Kim Reid	- Takealot (South Africa)
Pony Ma	- Tencent (China)

Video entertainment CEOs

Imtiaz Patel	- Video Entertainment
Brand de Villiers	- MultiChoice Africa
Doug Lowther	- Irdeto
Mark Rayner	- MultiChoice South Africa
Patricia van Rooyen	- M-Net
Gideon Khobane	- SuperSport
Chris Hitchings	- DSTV Media Sales
Glen Marques	- Myriad Programming
John Kotsaftis	- Showmax

Media CEOs

Esmaré Weideman	- Media24
Keith Vroom	- Novus Holdings

Executive offices

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Calendar

Financial year-end	March
Full year results	end June
Annual report	July
Annual general meeting	August
Interim for half-year to September	end November
Dividend	September