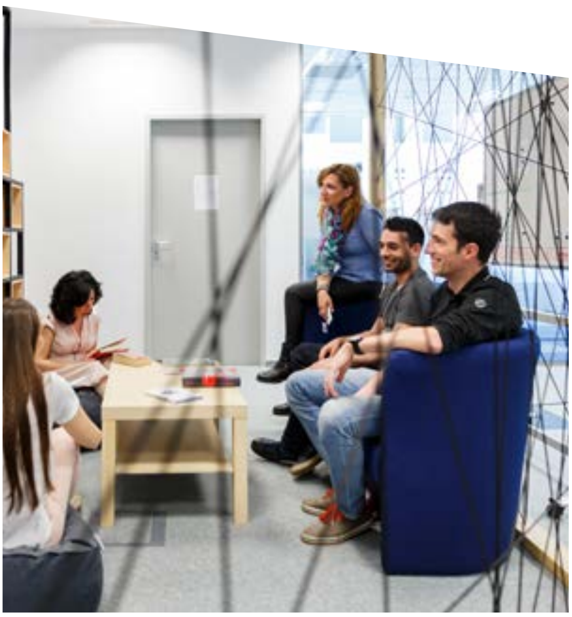
NASPERS

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.

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 Indian etail 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-accounted etail 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, 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.

4. Headline and core headline earnings

	31 March 2017 US$'m	31 March 2016 US$'m
Net profit attributable to shareholders	**2 921**	994
Adjusted for:		
– 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
Adjusted for:		
– 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.

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.

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 US$'m	31 March 2016 US$'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 US$'m	31 March 2016 US$'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)

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	2016
	US$'m	US$'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	2016
	US$'m	US$'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.

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 US$'m	31 March 2016 US$'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.

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	–
Foreward exchange contracts	–	2	–
Currency devaluation features	–	–	6
Liabilities			
Foreward exchange contracts	–	106	–
Shareholders' liabilities	–	–	18
Earn-out obligations	–	–	24
Interest rate swaps	–	8	–

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:

Financial liabilities	**Carrying value US$'m**	**Fair value US$'m**
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.

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.

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 letgo	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.

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:

	Year ended 31 March							
	2016 A IFRS US$'m	**2017 B Group composition disposal adjustment US$'m**	**2017 C Group composition acquisition adjustment US$'m**	**2017 D Foreign currency adjustment US$'m**	**2017 E Local currency growth US$'m**	**2017 F[2] IFRS US$'m**	**2017 G[3] Local currency growth % change**	**2017 H[4] IFRS % 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)] x 100.*

[4] *[(F/A)–1)] x 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

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Transfer secretaries
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Sponsor
Investec Bank Limited

ADR programme
Bank of New York Mellon maintains a GlobalBuyDIRECT^{SM} plan for Naspers Limited. For additional information, please visit Bank of New York Mellon's website at www.globalbuydirect.com or call Shareholder Relations at 1-888-BNY-ADRS or 1-800-345-1612 or write to: Bank of New York Mellon, Shareholder Relations Department – GlobalBuyDIRECT^{SM}, 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.

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