NASPERS

Interim Report

The reviewed results of the Naspers group for the six months ended 30 September 2007 are as follows:

Naspers's mission is to
build shareholder value by

operating subscriber platforms that bring content,
services and communication to paying users;
to sell related technologies and be
useful to the communities we serve

Commentary

GROUP OVERVIEW

The group continues to make steady progress on a variety of fronts. The financial results, reflected below, show good growth especially in light of higher interest rates and slowing consumer spend in South Africa. The international businesses, particularly those in sub-Saharan Africa, China and Russia also continue to reflect strong growth. The group recorded revenue growth of 19% to R10,5 billion and core headline earnings growth of 32% to R1,75 billion over the period.

As part of its growth strategy, the group continues to pursue investment opportunities, largely in emerging markets, which, at present, offer greater growth prospects. Major transactions include:

- **Gadu-Gadu:**
  Gadu-Gadu operates the leading instant-messaging platform in Poland. The company is listed on the Warsaw Stock Exchange. In October, MIH launched a tender offer to shareholders of Gadu-Gadu to acquire their shares. The tender offer is scheduled to close on 21 December 2007. Shareholders holding 55% of Gadu-Gadu have given an irrevocable commitment to tender their shares. Assuming that all shareholders accept the tender offer, the total investment consideration will approximate US$155 million.
- **Afsat:**
  In October, the group concluded the acquisition of Afsat Communications Limited, the leading African satellite internet service provider. Afsat is active in over 26 countries in east, west and southern Africa.
- **Mail.ru:**
  In October, the group acquired a further 2,6% interest in Mail.ru for US$26 million, increasing its holding to just below 33%.

In addition to the above, the group invested R479 million (2006: R449 million) in the development of new technologies, products and services. This investment was lower than anticipated due to the slow deployment of mobile television services, which are dependent on the issue of commercial licences by regulatory authorities.

Cash flows remain positive and we have a strong balance sheet to fund opportunities that may arise.

Looking forward, we anticipate that growth in consumer spending in South Africa will slow further, placing pressure mostly on advertising and circulation revenues. The other major economies in which we operate remain in a growth phase. As indicated elsewhere in this report, increased competition is experienced in the pay-television business. We expect this to intensify in the period ahead. The group remains focused both on pursuing investment opportunities and developing new products and services. In the past few months we executed a number of transactions that we believe will add value to the group over the long term. We have a number of transactions in our investment pipeline that we are currently pursuing, and hope that some will be concluded in the current financial year.

Whilst the roll-out of new products and services, such as mobile television, has been slower than anticipated, we do anticipate an acceleration of business development expenditure in the second half of the financial year. Whilst these development activities have a negative short-term impact on earnings and cash flows, we believe they will deliver long-term value.

FINANCIAL REVIEW

The electronic media businesses continued to grow strongly, recording revenue growth of 21%. This was largely from net pay-television subscriber growth over the period of 109 000, whilst the internet businesses also contributed strongly. The performances of Tencent in China and Mail.ru in Russia were particularly strong.

The print media business has started to feel the effects of a slowdown in advertising revenues. This is evident from print advertising revenues, which, after growing at some 19% per annum over the past three years, experienced slower growth of 12% in the period under review. Overall the print media business grew revenues by 14%.

Operating profit before amortisation and other gains/losses grew 22% to R2,38 billion (2006: R1,95 billion).

Net finance income for the period was R548 million compared with a net cost of R458 million last year. As analysed below, this includes interest income on net cash deposits of R316 million, imputed interest on finance leases of R63 million, preference dividend income of R160 million and an aggregate amount of R135 million in respect of foreign currency translation differences. Interest income on the capital raised in March 2007 amounted to approximately R216 million. This interest income is not expected to recur as cash is deployed to fund investment opportunities. Included in the prior period was a foreign currency translation loss of R260 million, which arose from partly settling a net investment in a foreign subsidiary.

The group tax charge increased by 63% to R927 million, a function of the increased profitability of the group.

The net effect of all the above is headline earnings for the period of R1,59 billion and core headline earnings of R1,75 billion. The calculation of headline and core headline earnings is detailed below.

ELECTRONIC MEDIA

Pay television

The pay-television business continued to grow, recording a net increase of 109 000 subscribers in the six-month period to 30 September 2007. This generated a 21% increase in revenue to R6,36 billion.

The past six months witnessed the arrival of additional competition across our various African markets. This is starting to translate into higher content costs and pressure on margins as the group vigorously defends its market position.

Besides organic growth in its existing and new markets, this business unit is focused on expanding into mobile television services.

South Africa:

The South African subscriber base grew by 81 000 over the period to 1 473 000. The lower priced *Compact* bouquet was strengthened with additional channels and the acquisition of South African Premier Soccer League rights. The *Compact* bouquet grew to 159 000 subscribers. *Easyview,* at R20 per month, was enhanced with additional channels in October 2007. The number of personal video recorders showed strong growth closing on 186 000 subscribers.

In addition to licensing MultiChoice South Africa, the Independent Communications Authority of South Africa (Icasa) announced that it will be issuing four new licences. The terms and conditions that will apply to each of these licences are currently being formulated by Icasa and we anticipate that these additional pay-television operators will launch services in 2008.

The trial mobile television broadcast service continues to make progress. We are pursuing the requisite licence ahead of a full commercial launch in the near future.

The Competition Tribunal recently approved the acquisition by Naspers of Johncom's 39% stake in M-Net and SuperSport.

Sub-Saharan Africa:

During the period, a new sub-Saharan Africa direct-to-home (DTH) competitor and a new Nigerian terrestrial/DTH competitor emerged. Despite this, the MultiChoice sub-Saharan subscriber base grew by 30 000 subscribers in the period to 500 000 households. Growth continues to come mostly from Angola and Nigeria. The recently introduced lower priced family bouquet showed good growth.

Several African countries have moved fast in the issuing of mobile television licences, with the result that mobile television broadcast services have been launched in Namibia, Nigeria and Kenya. Licences are being pursued in other African countries.

Mediterranean:

In Greece, the subscriber base remains stable at 330 000 households after the summer churn period. Key local and international soccer rights were renewed and tiering was introduced. Several new IPTV players, whilst still at an embryonic stage, launched services in a strategic alliance with NetMed. A new broadcast bill came into being, paving the way for a digital migration strategy in Greece.

Following a review of our strategic investment priorities we initiated a formal process to explore a possible sale of the Greek and Cypriot pay-television business.

Internet

The internet segment recorded revenue growth of 22% to R654 million. Largely because of the investment cost of developing the Indian operation as well as pursuing other opportunities, a net operating loss before amortisation and other gains/losses of R49 million was incurred.

The revenue and operating profits of Tencent and Mail.ru are not included in the segmental analysis as they are treated as associates. Our share of their earnings is reflected as: "Share of equity-accounted results" in the income statement.

In China, Tencent continues to serve the largest online community in the country with its leading instant-messaging platform, *QQ*. During the period, total active user accounts grew from 254 million to 289 million with peak concurrent user accounts increasing from 28,5 million to 32,6 million. Other growth areas were the blogging service, *Qzone,* which grew from 62 million to 84 million active user accounts, and *QQ Pets*, which grew from 54 million to 89 million. Tencent contributed R218 million to group core headline earnings.

In Russia, Mail.ru continued to grow above expectation. Active users grew from 29,7 million to 35,3 million generating 4,3 billion page views per month. E-mail users grew from 25,6 to 30,7 million users and online photos viewed grew from 315 million to 351 million. Mail.ru contributed positively to group core headline earnings.

The MWEB operations in South Africa remained stable with 330 000 subscribers. The business remains profitable.

In India, we have identified two key areas as possible drivers: local search and youth. During the period, we launched 21 different products into the market. India is fiercely competitive with large international players present in the market. The development of this business will take time.

Conditional access

This business continues to perform well, reflecting revenue growth of 17%. This growth was fuelled from the digital television segment (satellite, cable and terrestrial) worldwide. Irdeto shipped 26% more smart cards compared with the same period last year and signed agreements with 75 customers during the period under review. The revenue related to these customers is expected to be earned in the second half of the year and beyond.

Irdeto continues to invest in research and development to remain competitive and to stay ahead of those in the market seeking to pirate its products.

Broadband technologies

The global growth of broadband has created opportunities for delivery of content, applications and other broadband services. Against this backdrop we continue to invest in cross-platform broadband media solutions for distributing media content to broadband connected PCs, mobile devices and TVs.

PRINT MEDIA

Revenue from the print media segment increased by 14% to just below R3 billion, and operating profit before amortisation and other gains/losses grew by 4% to R276 million.

Newspapers, magazines and printing

In South Africa, both newspapers and magazines experienced a slowdown in advertising revenues. Circulation is under pressure in a competitive market and growth is mostly restricted to titles aimed at the emerging market, including *Daily Sun, City Press* and *Soccer Laduuuuuma!.* Growing magazine titles include *Move!, National Geographic Kids* and *Tuis/Home*.

We obtained 50% interests in the magazine *Real*, aimed at female readers in the emerging market, as well as *SA Jagter/Hunter*. In South Africa we launched *Destiny,* a high-end female business magazine in partnership with Khanyi Dhlomo and in Kenya we launched *Adam*, a male interest magazine. We decided to discontinue a number of marginal titles.

In October, irregularities with declared circulation numbers in two of our twelve magazine publishing units were uncovered. Media24 moved decisively to address the problem, to discipline the relevant staff and to introduce additional preventative measures. In view of the important long-term relations with advertising partners, it was decided to refund advertisers proportionately to the circulation overstatement. The total amount has not been finalised, but is not material.

The printing business recorded strong growth as a result of increased capacity, despite competitive market conditions. Our internet publishing business, grouped together under the umbrella of *24.com*, is developing satisfactorily.

Abril S.A., the leading magazine publisher in Brazil, had a slow first half of the year. Due to a decline in the share price of the Hong Kong-listed Beijing Media Corporation, we recorded a further impairment charge of R68 million on this investment.

Book publishing and private education

Marketing expenses in our school book business decreased during the period due to the slowdown in the implementation of the new curriculum. This resulted in operating losses being lower than in the comparative period and confirms the seasonal nature of the school text book publishing business. The general book publishers traded satisfactorily, but the book market remains tough. During the period, Van Schaik Bookstores was sold to Johncom.

In addition, and as previously announced, an agreement was concluded to dispose of the private education assets as a going concern. This transaction is subject to certain conditions and is expected to be effective in the first quarter of 2008. The business has been accounted for as a discontinued operation in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations". Educor incurred a net loss of R82 million during the period ended 30 September 2007. The group also recorded an impairment charge of R81 million in order to reflect the investment at its fair value at 30 September 2007. The group has restated its results accordingly.

BASIS OF PRESENTATION AND ACCOUNTING POLICIES

Condensed interim financial statements for the six months ended 30 September 2007 have been prepared in accordance with IAS 34 "Interim Financial Reporting", and in compliance with the Listings Requirements of the JSE Limited. The accounting policies used to prepare the interim results are consistent with those applied in the previous period and IFRS. These condensed interim financial statements have been reviewed by the company's auditor, PricewaterhouseCoopers Inc., whose report is available for inspection at the registered office of the company.

SECONDARY LISTING

During the period Naspers terminated its secondary listing on the Nasdaq Stock Market and listed a Depository Receipt programme on the London Stock Exchange.

On behalf of the board:

Ton Vosloo
Chairman

Cape Town
27 November 2007

Segmental Review

	Revenue Six months ended 30 September			Ebitda Six months ended 30 September		
	2007	2006	%	**2007**	2006	%
	R'm	R'm	Change	**R'm**	R'm	Change
Electronic media	**7 492**	6 206	21	**2 389**	1 941	23
– pay television	**6 357**	5 268	21	**2 426**	1 924	26
– internet	**654**	538	22	**(20)**	48	–
– conditional access	**445**	379	17	**62**	56	11
– broadband technologies	**36**	21	71	**(79)**	(87)	9
Print media	**2 998**	2 622	14	**375**	350	7
– newspapers, magazines and printing	**2 569**	2 283	13	**384**	389	1
– book publishing	**429**	339	27	**(9)**	(39)	77
Corporate services	**7**	(3)	–	**(24)**	(34)	–
	10 497	8 825	19	**2 740**	2 257	21

	Operating profit before amortisation and other gains/losses Six months ended 30 September			Operating profit Six months ended 30 September		
	2007	2006	%	**2007**	2006	%
	R'm	R'm	Change	**R'm**	R'm	Change
Electronic media	**2 128**	1 715	24	**2 057**	1 761	17
– pay television	**2 215**	1 738	27	**2 205**	1 844	20
– internet	**(49)**	24	–	**(79)**	(5)	–
– conditional access	**51**	48	6	**20**	17	18
– broadband technologies	**(89)**	(95)	6	**(89)**	(95)	6
Print media	**276**	265	4	**234**	252	7
– newspapers, magazines and printing	**289**	307	6	**247**	298	17
– book publishing	**(13)**	(42)	69	**(13)**	(46)	72
Corporate services	**(25)**	(35)	–	**(26)**	(38)	–
	2 379	1 945	22	**2 265**	1 975	15

Consolidated Income Statement

	Six months 30 September 2007 Reviewed R'm	Six months 30 September 2006 Reviewed R'm	31 March 2007 Audited R'm
Revenue	**10 497**	8 825	19 005
Cost of providing services and sale of goods	**(5 409)**	(4 546)	(10 408)
Selling, general and administration expenses	**(2 800)**	(2 420)	(4 869)
Other (losses)/gains – net	**(23)**	116	–
Operating profit	**2 265**	1 975	3 728
Net finance income/(costs)	**548**	(458)	(368)
Share of equity-accounted results	**126**	93	339
Profit on sale of investments	**–**	–	4
Impairment of equity-accounted investment	**(68)**	(150)	(176)
Profit before taxation	**2 871**	1 460	3 527
Taxation	**(927)**	(569)	(1 249)
Profit after taxation	**1 944**	891	2 278
Loss from discontinued operations	**(82)**	(16)	(87)
Loss arising on discontinuance of operations	**(81)**	–	–
Profit for the period	**1 781**	875	2 191
Attributable to:			
Naspers shareholders	**1 454**	824	1 999
Minority shareholders	**327**	51	192
	1 781	875	2 191
Core headline earnings for the period (R'm)	**1 745**	1 322	2 875
Core headline earnings per N ordinary share (cents)	**506**	455	972
Headline earnings for the period (R'm)	**1 588**	1 276	2 560
Headline earnings per N ordinary share (cents)	**461**	439	866
Fully diluted headline earnings per N ordinary share (cents)	**448**	415	832
Earnings per N ordinary share (cents)	**422**	284	676
Fully diluted earnings per N ordinary share (cents)	**411**	268	649
Net number of shares issued ('000)			
– At period-end	**348 527**	291 355	344 632
– Weighted average for the period	**344 632**	290 555	295 756
– Fully diluted weighted average	**354 111**	307 394	307 847

Condensed Consolidated Balance Sheet

	30 September 2007 Reviewed R'm	30 September 2006 Reviewed R'm	31 March 2007 Audited R'm
ASSETS			
Non-current assets	**16 041**	11 345	16 015
Property, plant and equipment	**4 077**	3 991	4 089
Goodwill and other intangible assets	**1 596**	1 495	1 551
Investments and loans	**9 894**	5 006	9 663
Deferred taxation	**474**	614	506
Other non-current assets	**–**	239	206
Current assets	**16 620**	8 099	16 169
Assets classified as held for sale	**411**	–	–
TOTAL ASSETS	**33 072**	19 444	32 184
EQUITY AND LIABILITIES			
Share capital and reserves	**21 809**	9 032	21 143
Minority shareholders' interest	**516**	192	427
Total equity	**22 325**	9 224	21 570
Non-current liabilities	**2 543**	2 782	3 086
Capitalised finance leases	**1 107**	1 628	1 448
Liabilities – interest-bearing	**658**	241	748
– non-interest-bearing	**423**	496	580
Post-retirement medical liability	**183**	150	195
Deferred taxation	**172**	267	115
Current liabilities	**7 933**	7 438	7 528
Liabilities classified as held for sale	**271**	–	–
TOTAL EQUITY AND LIABILITIES	**33 072**	19 444	32 184
Net asset value per N ordinary share (cents)	**6 257**	3 100	6 135

Condensed Consolidated Cash Flow Statement

	Six months ended 30 September 2007 Reviewed R'm	Six months ended 30 September 2006 Reviewed R'm	Year ended 31 March 2007 Audited R'm
Cash flow from operating activities	**1 949**	1 598	3 523
Cash flow utilised in investment activities	**(1 010)**	(4 083)	(5 394)
Cash flow (utilised in)/from financing activities	**(922)**	(1 416)	6 407
Net movement in cash and cash equivalents	**17**	(3 901)	4 536
Foreign exchange translation adjustments	**(256)**	491	534
Cash and cash equivalents at beginning of period	**11 481**	6 411	6 411
Cash and cash equivalents at end of period	**11 242**	3 001	11 481

Condensed Consolidated Statement of Changes in Equity

	Six months ended 30 September 2007 Reviewed R'm	Six months ended 30 September 2006 Reviewed R'm	Year ended 31 March 2007 Audited R'm
Balance at beginning of period	**21 570**	7 204	7 204
Movement in treasury shares	**(148)**	9	(210)
Share capital and premium issued	**213**	(137)	7 433
Foreign currency translations	**(354)**	1 562	1 231
Movement in cash flow hedging reserve	**(51)**	65	24
Movement in share-based compensation reserve	**78**	60	146
Transactions with minority shareholders	**(16)**	(30)	4 003
Net profit for the period	**1 781**	875	2 191
Dividends	**(748)**	(384)	(452)
Balance at end of period	**22 325**	9 224	21 570

Calculation of Headline and Core Headline Earnings

	Six months ended 30 September 2007 Reviewed R'm	Six months ended 30 September 2006 Reviewed R'm	Year ended 31 March 2007 Audited R'm
Net profit attributable to shareholders	**1 454**	824	1 999
Adjusted for:			
– impairment of goodwill and other assets	**10**	–	114
– profit on sale of property, plant and equipment	**(14)**	(8)	(8)
– discontinuance of operations	**79**	–	–
– loss on sale of investments	**–**	308	279
– impairment of equity-accounted investments	**68**	150	176
	1 597	1 274	2 560
Total tax effects of adjustments	**3**	2	(4)
Total minority interest of adjustments	**(12)**	–	4
Headline earnings	**1 588**	1 276	2 560
Adjusted for:			
– loss from discontinued operations	**69**	14	63
– creation of deferred tax assets	**–**	(35)	(30)
– amortisation of intangible assets	**159**	51	173
– fair value adjustments and currency translation differences	**(71)**	16	109
Core headline earnings	**1 745**	1 322	2 875

Supplementary Information

	Six months ended 30 September 2007 Reviewed R'm	Six months ended 30 September 2006 Reviewed R'm	Year ended 31 March 2007 Audited R'm
Depreciation of property, plant and equipment	**361**	313	652
Amortisation of intangible assets	**91**	86	171
Share-based payment expenses (IFRS 2)	**114**	80	196
Other (losses)/gains – net	**(23)**	116	–
– profit on sale of property, plant and equipment	**4**	7	9
– impairments of goodwill and intangible assets	**–**	–	(10)
– impairments of tangible assets	**(7)**	(1)	(75)
– dividends received	**1**	3	4
– fair value adjustment on shareholders' liabilities	**(21)**	107	72
Net finance (income)/costs	**(548)**	458	368
– interest received	**(405)**	(126)	(283)
– interest paid	**89**	69	110
– interest on finance leases	**63**	78	174
– net foreign exchange differences	**(110)**	337	372
– net fair value adjustments on derivative instruments	**(25)**	100	65
– preference dividends received	**(160)**	–	(70)
Investments and loans	**9 906**	5 006	9 665
– listed investments	**1 533**	1 407	1 543
– unlisted investments	**8 373**	3 599	8 122
Market value of listed investments	**28 147**	11 384	15 123
Directors' valuation of unlisted investments	**8 373**	3 599	8 122
Commitments	**5 777**	3 394	5 478
– capital expenditure	**603**	382	887
– programme and film rights	**2 713**	2 070	2 024
– network and other services commitments	**1 746**	339	1 899
– operating lease commitments	**568**	472	470
– set-top box commitments	**147**	131	198

Directors
T Vosloo (chairman), F-A du Plessis, GJ Gerwel, RCC Jafta, LN Jonker, SJZ Pacak, FTM Phaswana, BJ van der Ross, NP van Heerden, JJM van Zyl, HSS Willemse

Company secretary
GM Coetzee

Registered office
40 Heerengracht, Cape Town, 8001
(PO Box 2271, Cape Town, 8000)

Transfer secretaries
Link Market Services South Africa (Proprietary) Limited
11 Diagonal Street, Johannesburg 2001
(PO Box 4844, Johannesburg 2000)

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

Important information
This report contains forward-looking 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 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.

VISION

TO CREATE A PERSONAL REFERENCE WORLD
OF ENTERTAINMENT, INFORMATION
AND EDUCATION, WHICH IS
ACCESSIBLE WHEREVER YOU ARE

NASPERS

Designed by motiv
Printed by INCE

NASPERS

Naspers Limited
(Registration number: 1925/001431/06)
ISIN: ZAE000015889 JSE share code: NPN
("Naspers")