NASPERS

Annual financial statements 2013

CONSOLIDATED AND COMPANY ANNUAL FINANCIAL STATEMENTS

INDEX

STATUTORY REPORTS

CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

COMPANY ANNUAL FINANCIAL STATEMENTS

CORPORATE INFORMATION

STATEMENT OF RESPONSIBILITY BY THE BOARD OF DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2013

The annual financial statements of the group and the company are the responsibility of the directors of Naspers Limited. In discharging this responsibility, they rely on the management of the group to prepare the annual financial statements presented on pages 4 to 107 in accordance with International Financial Reporting Standards (IFRS) and the South African Companies Act No 71 of 2008. As such, the annual financial statements include amounts based on judgements and estimates made by management. The information given is comprehensive and presented in a responsible manner.

The directors accept responsibility for the preparation, integrity and fair presentation of the annual financial statements and are satisfied that the systems and internal financial controls implemented by management are effective.

The directors believe that the company and group have adequate resources to continue operations as a going concern in the foreseeable future, based on forecasts and available cash resources. The financial statements support the viability of the group and the company. The preparation of the financial results was supervised by the financial director Steve Pacak, CA(SA). These results were made public on 25 June 2013.

The independent auditing firm PricewaterhouseCoopers Inc., which was given unrestricted access to all financial records and related data, including minutes of all meetings of shareholders, the board of directors and committees of the board, has audited the annual financial statements. The directors believe that all representations made to the independent auditors during their audit were valid and appropriate. PricewaterhouseCoopers Inc.'s audit report is presented on page 8.

The annual financial statements were approved by the board of directors on 21 June 2013 and are signed on its behalf by:

T Vosloo
Chair

JP Bekker

J P Bekker
Chief executive

CERTIFICATE BY THE COMPANY SECRETARY

In terms of section 88(2)(e) of the Companies Act No 71 of 2008 I, Gillian Kisbey-Green, in my capacity as company secretary of Naspers Limited, confirm that for the year ended 31 March 2013, the company has lodged with the Companies and Intellectual Property Commission, all such returns as are required of a public company in terms of the Companies Act and that all such returns and notices are, to the best of my knowledge, true, correct and up to date.

G Kisbey-Green
Company secretary
21 June 2013

REPORT OF THE AUDIT COMMITTEE

FOR THE YEAR ENDED 31 MARCH 2013

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

FUNCTIONS OF THE AUDIT COMMITTEE

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

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

- Reviewed the interim, provisional, year-end financial statements and integrated annual report, culminating in a recommendation to the board to adopt them. In the course of its review the committee:
  - took appropriate steps to ensure the financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Act
  - considered and, when appropriate, made recommendations on internal financial controls
  - dealt with concerns or complaints relating to accounting policies, internal audit, the auditing or content of annual financial statements, and internal financial controls, and
  - reviewed legal matters that could have a significant impact on the organisation's financial statements.
- Reviewed external audit reports on the annual financial statements.
- Reviewed the board-approved internal audit charter.
- Reviewed and approved the internal audit plan.
- Reviewed internal audit and risk management reports and, where relevant, made recommendations to the board.
- Evaluated the effectiveness of risk management, controls and governance processes.
- Verified the independence of the external auditor, nominated PricewaterhouseCoopers Inc. as auditor for 2013 and noted the appointment of Mr Anton Wentzel as the designated auditor.
- Approved audit fees and engagement terms of the external auditor.
- Determined the nature and extent of allowable non-audit services and approved contract terms for provision of non-audit services by the external auditor.

MEMBERS OF THE AUDIT COMMITTEE AND ATTENDANCE AT MEETINGS

The audit committee consists of the independent non-executive directors listed below and meets at least three times per annum in accordance with its charter. All members act independently as described in section 94 of the Act. During the year under review, four meetings were held, the details of attendance are on page 7.

Name of committee member	Qualifications
J J M van Zyl	PrEng and BScEng(Mechanical) (UCT)
R C C Jafta(1)	MEcon and PhD
F-A du Plessis	BComHons(Taxation), LLB and CA(SA)
B J van der Ross	DipLaw (UCT)

Note

(1) R C C Jafta resigned as a member of the audit committee on 22 February 2013.

All committee members, with the exception of R C C Jafta, served on the committee for the full financial year.

INTERNAL AUDIT

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

ATTENDANCE

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

CONFIDENTIAL MEETINGS

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

INDEPENDENCE OF EXTERNAL AUDITOR

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

EXPERTISE AND EXPERIENCE OF FINANCIAL DIRECTOR AND THE FINANCE FUNCTION

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

DISCHARGE OF RESPONSIBILITIES

The committee determined that during the financial year under review it had discharged its legal and other responsibilities as outlined in terms of its remit, details of which are included on page 118 of the Integrated annual report. The board concurred with this assessment.

J J M van Zyl
Chair: Audit committee
21 June 2013

DIRECTORS' REPORT TO SHAREHOLDERS
FOR THE YEAR ENDED 31 MARCH 2013

NATURE OF BUSINESS

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

OPERATING REVIEW

The group posted a solid performance over the past year. Investors are reminded that our strategy is to maximise the potential of existing businesses, whilst investing deeper to grow new ventures for the longer term. We are mindful that this strategy will reduce both earnings and cash flows in the short term.

Against this background, it is pleasing that we generated consolidated revenue growth of 27% - now some R50bn. The main contribution to this growth came from the internet segment, which experienced robust revenue growth across almost all major platforms. Note that not all internet units are profitable as yet.

Despite the step-up in development spend, core headline earnings per N ordinary share grew 20% to R22,16. However, the major part of this growth came from currency translation effects, as the rand exchange rate weakened over the period.

These results are underpinned by a diverse portfolio, a fairly global presence and the spread of risk. A milestone was reached this year when managed revenues from our internet units, which includes our share of associates, exceeded that of pay television.

Looking ahead, we intend to expand ecommerce businesses across emerging markets and to build our pay-television subscriber base across the African continent. A significant shift is visible in user activity moving from the personal computer to mobile devices such as smartphones and tablets. This trend simultaneously disrupts existing business models and creates new opportunities.

FINANCIAL REVIEW

Consolidated revenues grew by 27% to R50,2bn. Growth came from organic expansion of existing businesses and acquisitions, supplemented by the depreciation of the rand (which has a positive effect when we translate foreign revenues into rand).

Development spend accelerated to R4,3bn (2012: R2,8bn), focused mainly on growing our ecommerce businesses and the roll-out of pay-television services across Africa. As this development spend is expensed through the income statement, our consolidated trading profits for the year were flat at R5,7bn.

Net interest cost on borrowings amounted to R630m (2012: R517m) – largely to fund acquisitions.

Our equity-accounted associates, Tencent and Mail.ru, both reported positive growth and contributed R7,3bn to core headline earnings. We recorded a non-recurring book profit of R2,6bn, flowing from Mail.ru's sale of shares in Facebook. This profit is excluded from core headline earnings.

The impairment of equity-accounted investments amounts to R2,1bn and relates mainly to our print media investment, Abril. Revenues in the print industry are buffeted by the dual headwinds of the macro-economic downturn in Brazil and increased online competition. Whilst cost savings initiatives have been implemented, we believe it prudent to book this impairment.

The net result of the above is that core headline earnings grew 20% to R22,16 per N ordinary share. Free cash flow for the period was R3,5bn, slightly lower than last year because of the higher capital expenditure.

Consolidated balance sheet gearing stands at 12%, excluding transponder lease and non-interest bearing liabilities.

SEGMENTAL REVIEW

This segmental review includes our consolidated subsidiaries, plus a proportional consolidation of associated companies. Refer to note 36 for our segmental reporting.

Internet

In the aggregate, managed internet revenues expanded 80% to R34,6bn. Trading profits from the internet segment were 44% higher at R6,2bn.

DIRECTORS' REPORT TO SHAREHOLDERS *(CONTINUED)*

FOR THE YEAR ENDED 31 MARCH 2013

SEGMENTAL REVIEW (*CONTINUED)*

Internet *(continued)*

Tencent is growing in a highly competitive environment. Internet users in China grew by some 12% to 564m at the end of 2012. Tencent's core operating platforms performed well: the QQ instant messaging platform reached peak concurrent users of 173m, whilst the online gaming business delivered a solid performance. *Weixin/WeChat*, a communication service for smartphones, established a market position in China and is expanding internationally. Tencent continues to build its young ecommerce businesses and achieved growth both in transaction volume and revenues.

Mail.ru had a good year with revenue growing 40% in local currency. The Russian internet market boasts 64m users. Mail.ru integrated and upgraded key products across desktop and mobile platforms, as well as growing online games and value added services.

Ecommerce - We believe online shopping is a global consumer trend and anticipate that affordable tablets and smartphones will accelerate the uptake of services in our markets.

Ecommerce revenues doubled to R11,4bn, through a combination of organic growth and a few acquisitions. We extended the breadth of our products, with particular emphasis on etailing and online classifieds. As we are in the building phase, this segment is presently loss-making and we do not expect profits in the aggregate for several more years.

Pay television

This segment reports revenues 20% higher at R30,3bn. Growth came largely from an increase in the net subscriber base of 1,1m, which now reaches 6,7m households across 48 countries in Africa. Trading profits grew 18% to R7,6bn, despite the increased development spend on infrastructure. We are also investing more in local productions.

We now produce more than 6 000 hours per annum of local broadcasting in South Africa, Nigeria and Kenya. This year saw the launch of seven local entertainment channels. Also the launch of the *Africa Magic* portfolio of channels, the addition of two local community channels and the launch of the M-Net movie genre channels in South Africa. A further six high definition channels were added.

SuperSport is by far the largest funder of sport in Africa. We contribute more to sport bodies than any government.

More affordable digital terrestrial television services were launched under the *GOtv* brand, which now operates in eight African countries reaching 376 000 households.

Print media

It was a tough year for print media globally. Revenues were flat as advertisers continue to either divert their spend to the internet or cut budgets.

In South Africa, Media24's trading profits were marginally up as costs were cut. In Brazil, Abril suffered a decline in profitability. Cost-cutting initiatives are now being implemented there.

SHARE CAPITAL

The authorised share capital at 31 March 2013 was:

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

Naspers issued no new A ordinary shares during the 2013 financial year. During the current financial year, the group issued 28 000 N ordinary shares to the Naspers Share Incentive Trust and 3 800 906 N ordinary shares to various MIH Share Incentive Trusts and group companies.

The issued share capital at 31 March 2013 was:

712 131 A ordinary shares of R20 each	R14 242 620
415 540 259 N ordinary shares of 2 cents each	R8 310 805

PROPERTY, PLANT AND EQUIPMENT

At 31 March 2013 the group's investment in property, plant and equipment amounted to R13,8bn, compared with R8,9bn last year. Details are reflected in note 4 of the consolidated annual financial statements.

Capital commitments at 31 March 2013 amounted to R1,1bn (2012: R289,9m).

DIVIDENDS

The board recommends that a dividend of 385 cents per listed N ordinary share be declared (2012: 335 cents) and 77 cents per A ordinary share (2012: 67 cents).

GROUP

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

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

DIRECTORS, SECRETARY AND AUDITOR

The directors' names and details are presented in the table below and the company secretary's name and business and postal address are presented on page 108. Directors' shareholdings in the issued share capital of the company are disclosed in note 13 to the consolidated annual financial statements.

Directors and attendance at meetings:

	Date first appointed in current position	Date last appointed	Five board meetings were held during the year. Attendance :	Category
T Vosloo	6 October 1997	27 August 2010	5	Non-executive
J P Bekker	6 October 1997	1 April 2008	5	Executive
F-A du Plessis	23 October 2003	26 August 2011	5	Independent, non-executive
G J Gerwel (1)	12 July 1999	26 August 2011	3	Independent, non-executive
R C C Jafta	23 October 2003	31 August 2012	5	Independent, non-executive
L N Jonker	7 June 1996	27 August 2010	5	Independent, non-executive
D Meyer	25 November 2009	31 August 2012	5	Independent, non-executive
S J Z Pacak	24 April 1998	1 April 2009	5	Executive
T M F Phaswana	23 October 2003	26 August 2011	5	Independent, non-executive
L P Retief	1 September 2008	31 August 2012	5	Non-executive
B J van der Ross	12 February 1999	26 August 2011	5	Independent, non-executive
N P van Heerden	7 June 1996	31 August 2012	5	Independent, non-executive
J J M van Zyl	1 January 1988	26 August 2011	5	Independent, non-executive
H S S Willemse	30 August 2002	31 August 2012	5	Independent, non-executive

Note
(1) *Deceased – 28 November 2012.*

DIRECTORS’ REPORT TO SHAREHOLDERS *(CONTINUED)*

FOR THE YEAR ENDED 31 MARCH 2013

DIRECTORS, SECRETARY AND AUDITOR *(CONTINUED)*

Committees and attendance at meetings:

	Executive committee		**Audit committee (3)**		**Risk committee**		**Human resources and remuneration committee (3)**		**Nomination committee (3)**		**Social & ethics committee**		**Category**
	No meetings were held during the year.		Four meetings held during the year.		Four meetings held during the year.		Five meetings held during the year.		Five meetings held during the year.		Two meetings held during the year.		
			Attendance:		Attendance		Attendance:		Attendance:		Attendance:		
T Vosloo	√				√	4	√	5	√	5			Non-executive
F-A du Plessis			√	4	√	4							Independent, non-executive
G J Gerwel (1)	√						√	3	√	3	√	1	Independent, non-executive
R C C Jafta (2)			√	4	√	4	√	n/a	√	n/a			Independent, non-executive
J J M van Zyl	√		√	4	√	4	√	5	√	5	√	2	Independent, non-executive
B J van der Ross			√	4	√	4							Independent, non-executive
D Meyer											√	2	Independent, non-executive
J P Bekker	√				√	4					√	2	Executive
S J Z Pacak	√				√	4					√	2	Executive
FLN Letele											√	2	Non-executive
E Weideman											√	2	Non-executive

Notes

(1) *Deceased – 28 November 2012.*

(2) *On 22 February 2013 R C C Jafta resigned as a member of the audit and risk commitees and replaced G J Gerwel as chairperson of the human resources and remuneration committee. Furthermore, R C C Jafta replaced G J Gerwel as a member of the nomination committee.*

(3) *Executive directors attend meetings by invitation.*

√ *Member of committee.*

PricewaterhouseCoopers Inc. will continue in office as auditor in accordance with section 90(6) of the South African Companies Act, 2008.

BORROWINGS

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

Signed on behalf of the board,

T Vosloo
Chair

J P Bekker
Chief executive

21 June 2013

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF NASPERS LIMITED

We have audited the consolidated and separate financial statements of Naspers Limited set out on pages 9 to 107, which comprise the statements of financial position as at 31 March 2013, and the income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and the notes, comprising a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The company's directors are responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated and separate financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.

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

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

OPINION

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Naspers Limited as at 31 March 2013, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa.

OTHER REPORTS REQUIRED BY THE COMPANIES ACT

As part of our audit of the consolidated and separate financial statements for the year ended 31 March 2013, we have read the directors' report, the audit Committee's report and the company secretary's Certificate for the purpose of identifying whether there are material inconsistencies between these reports and the audited consolidated and separate financial statements. These reports are the responsibility of the respective preparers. Based on reading these reports we have not identified material inconsistencies between these reports and the audited consolidated and separate financial statements. However, we have not audited these reports and accordingly do not express an opinion on these reports.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: A Wentzel
Registered auditor

Cape Town, South Africa
21 June 2013

PricewaterhouseCoopers Inc., No 1 Waterhouse Place, Century City 7441, P O Box 2799, Cape Town 8000
T: +27 (21) 529 2000, F: +27 (21) 529 3300, www.pwc.co.za

Africa Senior Partner: S P Kana
Management Committee: H Boegman, T P Blandin de Chalain, B M Deegan, J G Louw, P J Mothibe, N V Mtetwa, T D Shango, S Subramoney, A R Tilakdari, F Tonelli
Western Cape region – Partner in charge: D J Fölscher
The Company's principal place of business is at 2 Eglin Road, Sunninghill where a list of directors' names is available for inspection.
Reg. no. 1998/012055/21, VAT reg.no. 4950174682

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 MARCH 2013

	Notes	31 March 2013 R'm	 2012 R'm
ASSETS			
Non-current assets		**76 109**	62 037
Property, plant and equipment	4	**13 810**	8 879
Goodwill	5	**21 625**	17 884
Other intangible assets	6	**4 815**	3 884
Investments in associates	7	**33 150**	28 095
Investments and loans	7	**1 891**	2 564
Derivative financial instruments	37	**72**	86
Deferred taxation	9	**746**	645
Current assets		**27 427**	19 241
Inventory	10	**1 941**	1 238
Programme and film rights	8	**1 868**	1 522
Trade receivables	11	**4 121**	3 296
Other receivables	12	**3 167**	2 604
Related party receivables	13	**22**	28
Investments and loans	7	**–**	7
Derivative financial instruments	37	**449**	85
Cash and cash equivalents	35	**15 813**	9 825
		27 381	18 605
Non-current assets held-for-sale	28	**46**	636
TOTAL ASSETS		**103 536**	81 278
EQUITY AND LIABILITIES			
Capital and reserves attributable to the group's equity holders		**53 741**	47 515
Share capital and premium	14	**15 061**	14 689
Other reserves	15	**10 957**	9 761
Retained earnings	16	**27 723**	23 065
Non-controlling interests		**2 112**	2 061
TOTAL EQUITY		**55 853**	49 576
Non-current liabilities		**29 192**	17 845
Post-employment medical liability	17	**164**	139
Long-term liabilities	18	**26 603**	15 484
Cash-settled share-based payment liability	40	**10**	6
Provisions	19	**107**	62
Derivative financial instruments	37	**972**	839
Deferred taxation	9	**1 336**	1 315
Current liabilities		**18 491**	13 857
Current portion of long-term debt	18	**2 298**	1 613
Provisions	19	**295**	279
Trade payables		**4 179**	2 865
Accrued expenses and other current liabilities	20	**9 723**	7 313
Related party payables	13	**139**	111
Taxation		**241**	265
Dividends payable		**13**	13
Derivative financial instruments	37	**180**	206
Bank overdrafts and call loans	35	**1 423**	1 034
		18 491	13 699
Non-current liabilities held-for-sale	28	**–**	158
TOTAL EQUITY AND LIABILITIES		**103 536**	81 278

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

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2013

	Notes	31 March 2013 R'm	 2012 R'm
Revenue	22	**50 249**	39 487
Cost of providing services and sale of goods	23	**(27 852)**	(20 863)
Selling, general and administration expenses	23	**(17 751)**	(13 974)
Other gains/(losses) - net	24	**(831)**	(1 448)
Operating profit		**3 815**	3 202
Interest received	25	**433**	400
Interest paid	25	**(1 501)**	(1 271)
Other finance income/(costs) - net	25	**(248)**	174
Share of equity-accounted results	7	**9 001**	3 869
excluding net gain on disposal of available-for-sale investments		**6 359**	3 869
net gain on disposal of available-for-sale investments		**2 642**	–
Impairment of equity-accounted investments	7	**(2 057)**	(94)
Dilution losses on equity-accounted investments	7	**(96)**	(606)
Losses on acquisitions and disposals	26	**(47)**	(134)
Profit before taxation		**9 300**	5 540
Taxation	27	**(2 552)**	(2 059)
Net profit for the year		**6 748**	3 481
Attributable to:			
Equity holders of the group		**6 047**	2 894
Non-controlling interests		**701**	587
		6 748	3 481
Earnings per N ordinary share (cents)			
Basic	29	**1 570**	770
Fully diluted	29	**1 533**	745

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2013

	31 March 2013 R'm	 2012 R'm
Profit for the year	**6 748**	3 481
Other comprehensive income		
Foreign currency translation reserve	**5 294**	2 172
- Exchange gain arising on translating the net assets of foreign operations	**5 357**	2 172
- Loss reclassified to profit or loss on disposal of foreign operation	**(63)**	–
Hedging reserve	**181**	34
- Net fair value gains/(losses), gross	**275**	(111)
- Net fair value gains/(losses), tax portion	**(63)**	(94)
- Foreign exchange movement, gross	**(78)**	(37)
- Foreign exchange movement, tax portion	**–**	10
- Derecognised and added to asset, gross	**(59)**	(122)
- Derecognised and added to asset, tax portion	**(5)**	45
- Derecognised and reported in cost of sales, gross	**(24)**	–
- Derecognised and reported in cost of sales, tax portion	**6**	–
- Derecognised and reported in income, gross	**147**	427
- Derecognised and reported in income, tax portion	**–**	(89)
- Derecognised and reported in income when recognition criteria failed, gross	**(24)**	5
- Derecognised and reported in income when recognition criteria failed, tax portion	**6**	–
Share of associates' direct reserve movements	**(3 948)**	2 109
- Share-based compensation reserve	**431**	433
- Existing control business combination reserve	**(30)**	–
- Valuation reserve	**(4 349)**	1 676
Total other comprehensive income, net of tax for the year	**1 527**	4 315
Total comprehensive income for the year	**8 275**	7 796
Attributable to:		
Equity holders of the group	**7 463**	7 138
Non-controlling interests	**812**	658
	8 275	7 796

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2013

	Share capital and premium		Foreign currency translation reserve	Hedging reserve	Valuation reserve	Existing control business combination reserve	Share-based compen-sation reserve	Retained earnings	Share-holders' funds	Non-controlling interest	Total
	A shares R'm	N shares R'm	R'm	R'm	R'm	R'm	R'm	R'm	R'm	R'm	R'm
Balance at 1 April 2011	14	14 370	(1 185)	(297)	4 256	25	2 300	21 179	40 662	2 280	42 942
Total comprehensive income for the year	–	–	2 165	(31)	1 677	–	433	2 894	7 138	658	7 796
- Profit for the year	–	–	–	–	–	–	–	2 894	2 894	587	3 481
- Total other comprehensive income for the year	–	–	2 165	(31)	1 677	–	433	–	4 244	71	4 315
Share capital movements	–	1 908	–	–	–	–	–	–	1 908	–	1 908
Treasury share movements	–	(1 603)	–	–	–	–	–	–	(1 603)	–	(1 603)
Share-based compensation movement	–	–	–	–	–	–	401	–	401	15	416
Transactions with non-controlling shareholders	–	–	–	–	–	17	–	4	21	470	491
Dividends	–	–	–	–	–	–	–	(1 012)	(1 012)	(1 362)	(2 374)
Balance at 31 March 2012	14	14 675	980	(328)	5 933	42	3 134	23 065	47 515	2 061	49 576
Balance at 1 April 2012	**14**	**14 675**	**980**	**(328)**	**5 933**	**42**	**3 134**	**23 065**	**47 515**	**2 061**	**49 576**
Total comprehensive income for the year	**–**	**–**	**5 212**	**153**	**(4 350)**	**(30)**	**431**	**6 047**	**7 463**	**812**	**8 275**
- Profit for the year	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**6 047**	**6 047**	**701**	**6 748**
- Total other comprehensive income for the year	**–**	**–**	**5 212**	**153**	**(4 350)**	**(30)**	**431**	**–**	**1 416**	**111**	**1 527**
Share capital movements	**–**	**2 067**	**–**	**–**	**–**	**–**	**–**	**–**	**2 067**	**–**	**2 067**
Treasury share movements	**–**	**(1 695)**	**–**	**–**	**–**	**–**	**–**	**–**	**(1 695)**	**–**	**(1 695)**
Share-based compensation movement	**–**	**–**	**–**	**–**	**–**	**–**	**441**	**–**	**441**	**30**	**471**
Transactions with non-controlling shareholders	**–**	**–**	**–**	**–**	**39**	**(700)**	**–**	**(98)**	**(759)**	**389**	**(370)**
Dividends	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(1 291)**	**(1 291)**	**(1 180)**	**(2 471)**
Balance at 31 March 2013	**14**	**15 047**	**6 192**	**(175)**	**1 622**	**(688)**	**4 006**	**27 723**	**53 741**	**2 112**	**55 853**

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2013

	Notes	31 March 2013 R'm	31 March 2012 R'm
Cash flows from operating activities			
Cash from operations	30	**8 439**	7 507
Dividends received from investments and equity-accounted companies		**5 028**	547
Cash generated from operating activities		**13 467**	8 054
Interest income received		**493**	403
Interest costs paid		**(1 426)**	(1 140)
Taxation paid		**(2 689)**	(1 923)
Net cash generated from operating activities		**9 845**	5 394
Cash flows from investing activities			
Property, plant and equipment acquired		**(2 463)**	(1 837)
Proceeds from sale of property, plant and equipment		**73**	115
Insurance proceeds received		**2**	2
Intangible assets acquired		**(389)**	(340)
Proceeds from sale of intangible assets		**10**	27
Acquisition of subsidiaries	31	**(2 955)**	(1 571)
Disposal of subsidiaries	32	**338**	26
Disposal of joint ventures	33	**34**	101
Acquisition of associates	34	**(1 705)**	(122)
Disposal of associates		**–**	7
Preference dividends received		**150**	396
Preference shares redeemed		**786**	766
Cash movement in other investments and loans		**(94)**	70
Net cash utilised in investing activities		**(6 213)**	(2 360)
Cash flows from financing activities			
Proceeds from long- and short-term loans raised		**4 899**	1 700
Repayments of long- and short-term loans		**(485)**	(846)
Additional investment in existing subsidiaries		**(720)**	(227)
Repayments of capitalised finance lease liabilities		**(353)**	(345)
Inflow from share-based compensation transactions		**377**	342
Contributions by minority shareholders		**33**	–
Dividends paid by subsidiaries to non-controlling shareholders		**(1 180)**	(1 357)
Dividend paid by holding company		**(1 291)**	(1 012)
Net cash generated from/(utilised in) financing activities		**1 280**	(1 745)
Net increase in cash and cash equivalents		**4 912**	1 289
Foreign exchange translation adjustments on cash and cash equivalents		**687**	139
Cash and cash equivalents at beginning of the year		**8 791**	7 401
Cash and cash equivalents classified as held-for-sale at end of the year	28	**–**	(38)
Cash and cash equivalents at end of the year	35	**14 390**	8 791

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

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

1. NATURE OF OPERATIONS

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

2. PRINCIPAL ACCOUNTING POLICIES

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

The consolidated annual financial statements of the group are presented in accordance with, and comply with International Financial Reporting Standards (IFRS), International Financial Reporting Interpretations Committee (IFRIC), interpretations issued and effective at the time of preparing these financial statements and the South African Companies Act No 71 of 2008, as amended. The consolidated financial statements are prepared according to the historic cost convention as modified by the revaluation of financial assets and financial assets and liabilities (including derivative instruments) at fair value with the movements recognised in the income statement and statement of comprehensive income.

The preparation of the consolidated financial statements necessitates the use of estimates, assumptions and judgements by management. These estimates and assumptions affect the reported amounts of assets, liabilities and contingent assets and liabilities at the statement of financial position date as well as affecting the reported income and expenses for the year. Although estimates are based on management's best knowledge and judgement of current facts as at the statement of financial position date, the actual outcome may differ from these estimates. Estimates are made regarding the fair value of intangible assets recognised in business combinations; impairment of goodwill, intangible assets, property, plant and equipment, financial assets, financial assets carried at amortised cost and other assets; the remeasurements required in business combinations and disposals of associates, joint ventures and subsidiaries; fair value measurements of level 2 and level 3 financial instruments; provisions; taxation; post-employment medical aid benefits and equity compensation benefits. Refer to the individual notes for details of estimates, assumptions and judgements used.

(a) Basis of consolidation

The consolidated annual financial statements include the results of Naspers Limited and its subsidiaries, associates, joint ventures and related share incentive trusts.

Subsidiaries

Subsidiaries are entities over which the group has the power to govern the financial and operating policies generally accompanying a shareholding of more than half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible without restriction are considered when assessing whether the group controls another entity. Subsidiaries are consolidated from the date that effective control is transferred to the group and are no longer consolidated from the date that effective control ceases. For certain entities, the group has entered into contractual arrangements (such as nominee relationships and escrow arrangements), which allow the group, along with its direct interests in such entities, to control a majority of the voting rights or otherwise have power to exercise control over the operations of such entities. Because the group controls such entities in this manner they are considered to be subsidiaries and are therefore consolidated in the annual financial statements.

All intergroup transactions, balances and unrealised gains and losses are eliminated as part of the consolidation process. The interests of non-controlling shareholders in the consolidated equity and results of the group are shown separately in the consolidated statement of financial position, consolidated income statement and consolidated statement of comprehensive income, respectively. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Business combinations

Business combinations are accounted for using the acquisition method. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. For each business combination, the group measures the non-controlling interest in the acquiree at the proportionate share of the acquiree's identifiable net assets. Costs related to the acquisition, other than those associated with the issue of debt or equity securities, are expensed as incurred.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss. If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value as at the acquisition date through profit and loss. Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

2. PRINCIPAL ACCOUNTING POLICIES (*CONTINUED*)

(a) Basis of consolidation *(continued)*

***Business combinations** (continued)*

When, as part of an acquisition, a selling shareholder is required to remain in employment subsequent to the business combination, such retention option arrangements are recognised as an employee benefit arrangement and dealt with in terms of the relevant accounting policy for employee compensation benefits.

Goodwill

Goodwill is initially measured at cost being the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest over the group's net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired (a bargain purchase), the difference is recognised in profit or loss.

Goodwill on acquisition of subsidiaries and joint ventures is included in "goodwill" on the statement of financial position. Goodwill on acquisitions of associates is included in "investments in associates". Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units (which are expected to benefit from the business combination) for the purpose of impairment testing. An impairment is determined by assessing the recoverable amount of the cash-generating unit to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised.

Transactions with non-controlling shareholders

The group applies the economic entity model in accounting for transactions with non-controlling shareholders. In terms of this model, non-controlling shareholders are viewed as equity participants of the group and all transactions with non-controlling shareholders are therefore accounted for as equity transactions and included in the statement of changes in equity. On acquisition of an interest from a non-controlling shareholder, any excess of the cost of the transaction over the acquirer's proportionate share of the net asset value acquired, is allocated to a separate component of equity. Dilution profits and losses relating to non-wholly owned subsidiary entities are similarly accounted for in the statement of changes in equity in terms of the economic entity model.

Common control transactions

Business combinations in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination (and where that control is not transitory) are referred to as common control transactions. The accounting policy for the acquiring entity would be to account for the transaction at book value in its consolidated financial statements. The book value of the acquired entity is the consolidated book value as reflected in the consolidated financial statements of the selling entity. The excess of the cost of the transaction over the acquirer's proportionate share of the net asset value acquired in common control transactions, will be allocated to the existing control business combination reserve in equity. Where comparative periods are presented, the financial statements and financial information presented are not restated.

Associated companies

Investments in associated companies are accounted for under the equity method. Associated companies are those companies in which the group generally has between 20% and 50% of the voting rights, or over which the group exercises significant influence, but which it does not control.

All major foreign associates have December year-ends, and the group's accounting policy is to account for a three-month lag period in reporting their results. Any significant transactions that occurred between December and the group's March year-end are taken into account. Accounting policies of associated companies have been changed where necessary to ensure consistency with the policies adopted by the group.

Partial disposals of associates that do not result in a loss of significant influence, are accounted for as dilutions. Dilution profits and losses relating to associated companies are accounted for in the income statement. The proportionate share of any gains or losses previously recognised in other comprehensive income are also reclassified to the income statement.

The group applies the "cost of each purchase" method for step acquisitions of associates. With this method the cost of an associate acquired in stages is measured as the sum of the consideration paid for each purchase plus a share of the investee's profits and other equity movements. Any other comprehensive income recognised in prior periods in relation to the previously held stake in the acquired associate is reversed through equity and a share of profits and other equity movements is also recorded in equity. Any acquisition-related costs are treated as part of the investment in the associate.

2. PRINCIPAL ACCOUNTING POLICIES (*CONTINUED*)

(a) Basis of consolidation *(continued)*

***Associated companies** (continued)*

When the group increases its shareholding in an associate and continues to have significant influence, the group adds the cost of the additional investment to the carrying value of the associate. The goodwill arising is calculated based on the fair value information at the date the additional interest is acquired.

Joint ventures

The group's interest in jointly controlled entities is accounted for by way of proportionate consolidation. The group combines its share of the joint ventures' individual income and expenses, assets and liabilities and cash flows on a line-by-line basis with similar items in the group's financial statements. The group recognises the portion of gains or losses on the sale of assets by the group to the joint venture that is attributable to the other venturers. The group does not recognise its share of gains or losses from the joint venture that results from the purchase of assets by the group from the joint venture until it resells the assets to an independent third party. However, if a loss on the transaction provides evidence of a reduction in the net realisable value of current assets or an impairment loss, the loss is recognised immediately. Where necessary, accounting policies for joint ventures have been changed to ensure consistency with the policies adopted by the group.

Disposals

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

(b) Investments

The group classifies its investments in debt and equity securities into the following categories: at fair value through profit or loss and loans and receivables. The classification is dependent on the purpose for which the investments were acquired. Management determines the classification of its investments at the time of purchase and re-evaluates such designation on an annual basis. At fair value through profit or loss assets has two subcategories: financial assets held-for-trading and those designated as at fair value through profit or loss at inception. A financial asset is classified into this category at inception if acquired principally for the purpose of selling in the short term, if it forms part of a portfolio of financial assets in which there is evidence of short-term profit-taking, or, if permitted to do so, designated by management. For the purpose of these financial statements short term is defined as a period of three months or less. Derivatives are also classified as held-for-trading unless they are designated as hedges.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than those that the group intends to sell in the short term or that it has designated as at fair value through profit or loss or available-for-sale. Loans and receivables are included in non-current assets, except for maturities within 12 months from the statement of financial position date, which are classified as current assets.

Purchases and sales of investments are recognised on the trade date, which is the date that the group commits to purchase or sell the asset. Investments are initially recognised at fair value plus, in the case of all financial assets not carried at fair value through profit or loss, transaction costs that are directly attributable to their acquisition. At fair value through profit or loss and available-for-sale investments are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective yield method. Realised and unrealised gains and losses arising from changes in the fair value of at fair value through profit or loss investments are included in the income statement in the period in which they arise. Unrealised gains and losses arising from changes in the fair value of investments classified as available-for-sale are recognised in other comprehensive income.

The fair values of investments are based on quoted bid prices or amounts derived from cash flow models. Fair values for unlisted equity securities are estimated using applicable price:earnings or price:cash flow ratios refined to reflect the specific circumstances of the issuer. Equity securities for which fair values cannot be measured reliably are recognised at cost less impairment.

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

2. PRINCIPAL ACCOUNTING POLICIES (*CONTINUED*)

(c) Property, plant and equipment

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

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

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

The group applied the component approach whereby parts of some items of property, plant and equipment may require replacement at regular intervals. The carrying amount of an item of property, plant and equipment will include the cost of replacing the part of such an item when that cost is incurred, if it is probable that future economic benefits will flow to the group and the cost can be reliably measured. The carrying amount of those parts that are replaced is derecognised on disposal or when it is withdrawn from use and no future economic benefits are expected from its disposal. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

Major leasehold improvements are amortised over the shorter of their respective lease periods and estimated useful economic life.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits will flow to the group and the cost can be reliably measured. Major renovations are depreciated over the remaining useful economic life of the related asset.

The carrying values of property, plant and equipment are reviewed periodically to assess whether or not the net recoverable amount has declined below the carrying amount. In the event of such impairment, the carrying amount is reduced and the reduction is charged as an expense against income.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date. Gains and losses on disposals are determined by comparing the proceeds with the asset's carrying amount and are recognised within "other gains/losses – net" in the income statement.

Work in progress is defined as assets still in the construction phase and not yet available for use. These assets are carried at initial cost and are not depreciated. Depreciation on these assets commence when they become available for use and depreciation periods are based on management's assessment of their useful lives.

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

(d) Leased assets

Leases of property, plant and equipment, except land, are classified as finance leases where, substantially all risks and rewards associated with ownership of an asset are transferred from the lessor to the group as lessee. Assets classified as finance leases are capitalised at the lower of the fair value of the leased asset and the estimated present value of the underlying minimum lease payments, with the related lease obligation recognised at the estimated present value of the minimum lease payments. Bank rates are used to calculate present values of minimum lease payments. Capitalised leased assets are depreciated over their estimated useful lives, limited to the duration of the lease agreement. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long- or short-term payables. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

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

2. PRINCIPAL ACCOUNTING POLICIES (*CONTINUED*)

(e) Intangible assets

Patents, brand names, trademarks, title rights, concession rights, software and other similar intangible assets acquired are capitalised at cost. Intangible assets with finite useful lives are being amortised using the straight-line method over their estimated useful lives. The useful lives and residual values of intangible assets are reassessed on an annual basis. Where the carrying amount exceeds the recoverable amount, it is adjusted for impairment.

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

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

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

Intangible assets with finite or indefinite useful lives are measured at fair value due to valuation differences that arise on business combinations.

This does not signify that the group has elected to apply an accounting policy of revaluing these items after initial recognition. The valuation and impairment testing of intangible assets requires significant judgement by management.

Work in progress is defined as assets still in the construction phase and not yet available for use. These assets are carried at initial cost and are not amortised. Amortisation on these assets commence when they become available for use and amortisation periods are based on management’s assessment of their useful lives.

(f) Programme and film rights

Programme material rights

Purchased programme and film rights are stated at acquisition costs less accumulated amortisation. Programme material rights, which consist of the rights to broadcast programmes, series and films, are recorded at the date the rights come into license at the spot rates on the purchase date. The rights are amortised based on contracted screenings or expensed where management have confirmed that it is their intention that no further screenings will occur.

Programme material rights contracted by the reporting date in respect of programmes, series and films not yet in license are disclosed as commitments.

Programme production costs

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

Programme production costs are amortised based on contracted screenings or expensed where management have confirmed that it is their intention that no further screenings will occur.

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

Sports events rights

Sports events rights are recorded at the date that the period to which the events relate, commences at the rate of exchange ruling at that date. These rights are expensed over the period to which the events relate or where management has confirmed that it is its intention that the event will not be screened.

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

2. PRINCIPAL ACCOUNTING POLICIES (*CONTINUED*)

(g) Impairment

Financial assets

The group assesses, at each statement of financial position date or when an indication of possible impairment exists, whether there is any objective evidence that an investment or group of investments is impaired. If any such evidence exists, the entity applies the following principles for each class of financial asset to determine the amount of any impairment loss.

Financial assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (ie the effective interest rate computed at initial recognition).

The carrying amount of the asset is reduced directly through profit and loss. An impairment loss recognised on an asset in a previous period is written back through profit and loss if the estimates used to calculate the recoverable amount have changed since the previous impairment loss was recognised. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The reversal is recognised in the income statement in the same line as the original impairment charge.

Intangible and tangible assets

The group evaluates the carrying value of assets with finite useful lives annually and when events and circumstances indicate that the carrying value may not be recoverable. Indicators of possible impairment include, but are not limited to: significant underperformance relative to expectations based on historical or projected future operating results, significant changes in the manner of use of the assets or the strategy for the group's overall business, significant negative industry or economic trends and a significant and sustained decline in an investment's share price or market capitalisation relative to its net asset value.

An impairment loss is recognised in the income statement when the carrying amount of an asset exceeds its recoverable amount. An asset's recoverable amount is the higher of the asset's fair value less cost to sell, or its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. The estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

An impairment loss recognised for an asset in prior years is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised and the recoverable amount exceeds the new carrying amount. The reversal of the impairment is limited to the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior years. The reversal of such an impairment loss is recognised in the income statement in the same line item as the original impairment charge.

(h) Development activities

Research and development costs

Research expenditure is recognised as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will be profitable considering its commercial and technical feasibility and its costs can be measured reliably. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Software and website development costs

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

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

2. PRINCIPAL ACCOUNTING POLICIES (*CONTINUED*)

(i) Inventory

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

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

(j) Trade receivables

Trade receivables are recognised at fair value at the date of initial recognition, and subsequently carried at amortised cost less provision made for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the carrying amount and the estimated recoverable amount.

(k) Cash and cash equivalents

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

(l) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective yield method. Any difference between proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings.

(m) Accounts payable

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payables are classified as current liabilities if payment is due within one year (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(n) Provisions

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Costs related to the ongoing activities of the group are not provided in advance.

The group recognises the estimated liability on all products still under warranty at the statement of financial position date. The group recognises a provision for onerous contracts when the expected benefits to be derived from a contract are less than the unavoidable costs of meeting the obligations under the contract. Restructuring provisions are recognised in the period in which the group becomes legally or constructively committed to payment.

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

2. PRINCIPAL ACCOUNTING POLICIES (*CONTINUED*)

(o) Taxation

Tax expense

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

Current income tax

The normal South African company tax rate used for the year ending 31 March 2013 is 28% (2012: 28%). The current income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the statement of financial position date in the countries where the company's subsidiaries, joint ventures and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Capital gains tax is calculated as a percentage of the company tax rate. Up to 29 February 2012 it was 50% of the company tax rate, and has been increased to 66% from 1 March 2012. International tax rates vary from jurisdiction to jurisdiction.

Deferred taxation

Deferred tax assets and liabilities for South African entities at 31 March 2013 have been calculated using the 28% (2012: 28%) rate, being the rate that the group expects to apply to the periods when the assets are realised or the liabilities are settled. Deferred taxation is provided in full, using the statement of financial position liability method, for all taxable or deductible temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Using this method, the group is required to make provision for deferred taxation, in relation to an acquisition, on the difference between the fair values of the net assets acquired and their tax base. Provision for taxes, mainly withholding taxes, which could arise on the remittance of retained earnings, is only made if there is a current intention to remit such earnings.

The principal taxable or deductible temporary differences arise from depreciation on property, plant and equipment, other intangibles, provisions and other current liabilities, income received in advance, finance leases and tax losses carried forward. Deferred taxation assets are recognised to the extent that it is probable that future taxable profit will be available against which deductible temporary differences and unused tax losses can be utilised.

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

Dividend tax (DT)

Secondary tax on companies (STC) has been replaced with DT with effect from 1 April 2012 at a rate of 15%. Unutilised STC credits can be utilised to reduce the DT on dividend payments after 1 April 2012, but expire 1 April 2017. The group utilised all its remaining unutilised STC credits with its dividend payment during September 2012.

(p) Foreign currencies

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

2. PRINCIPAL ACCOUNTING POLICIES (*CONTINUED*)

(p) Foreign currencies *(continued)*

For transactions and balances

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

Translation differences on non-monetary financial assets and liabilities, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on non-monetary items are included in the valuation reserve in other comprehensive income.

For translation of group companies' results

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

(i) Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position.
(ii) Income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the spot rate on the dates of the transactions).
(iii) Components of equity for each statement of changes in equity presented are translated at the historic rate.
(iv) All resulting exchange differences are recognised as a separate component of other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to other comprehensive income. When a foreign operation is sold, such exchange differences are recognised in the income statement as part of the "(losses)/gains on acquisitions and disposals".

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as the foreign entity's assets and liabilities and are translated at the closing rate.

(q) Derivative financial instruments

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

The group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are expected to be and have been highly effective in offsetting changes in fair values or cash flows of hedged items. The fair values of various derivative instruments used for hedging purposes are disclosed in note 38. Movements on the hedging reserve are shown in the statement of comprehensive income.

Derivative financial instruments are recognised in the statement of financial position at fair value. Derivatives are classified as non-current assets and liabilities except for derivatives with maturity dates within 12 months of the statement of financial position date, which are then classified as current assets or liabilities. The method of recognising the resulting gain or loss is dependent on the nature of the item being hedged. The group designates derivatives as either (1) a hedge of the fair value of a recognised asset or liability or firm commitment (fair value hedge), or (2) a hedge of a forecast transaction or of the foreign currency risk of a firm commitment (cash flow hedge), or (3) a hedge of a net investment in a foreign entity on the date a derivative contract is entered into.

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

Changes in the fair value of derivatives that are designated and qualify as cash flow hedges and that are highly effective are recognised in other comprehensive income and the ineffective part of the hedge is recognised in the income statement. Where the forecast transaction or firm commitment, of which the foreign currency risk is being hedged, results in the recognition of an asset or a liability, the gains and losses previously deferred in other comprehensive income are transferred from other comprehensive income and included

2. PRINCIPAL ACCOUNTING POLICIES (*CONTINUED*)

(q) Derivative financial instruments *(continued)*

in the initial measurement of the cost of the asset or liability. Otherwise, amounts deferred in other comprehensive income are transferred to the income statement and classified as income or expense in the same periods during which the hedged transaction affects the income statement.

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

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

Hedges of net investments in foreign entities are accounted for similarly to cash flow hedges. Where the hedging instrument is a derivative, any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income; the gain or loss relating to the ineffective portion is recognised immediately in the income statement. However, where the hedging instrument is not a derivative, all foreign exchange gains and losses arising on translation are recognised in the income statement.

(r) Revenue recognition

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

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

Product sales and book publishing

Sales are recognised upon delivery of products and customer acceptance. No element of financing is deemed present as the sales are made with credit terms, which are short term in nature.

Subscription fees

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

Circulation revenue

Circulation revenue is recognised net of estimated returns in the month in which the magazine or newspaper is sold.

Advertising revenues

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

Printing and distribution

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

2. PRINCIPAL ACCOUNTING POLICIES (*CONTINUED*)

(r) Revenue recognition *(continued)*

Printing and distribution *(continued)*

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

Technology contracts and licensing

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

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

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

Contract publishing

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

Decoder maintenance

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

Ecommerce

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

(s) Other income

Interest and dividends received on financial assets are included in investment income. Interest is accrued on the effective yield method and dividends are recognised when the right to receive payment is established.

(t) Employee benefits

Retirement benefits

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

Medical aid benefits

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

2. PRINCIPAL ACCOUNTING POLICIES (*CONTINUED*)

(t) Employee benefits *(continued)*

Post employment medical aid benefit

Some group companies provide post employment healthcare benefits to their retirees. The entitlement to post-retirement healthcare benefits is based on the employee remaining in service up to retirement age and completing a minimum service period. The expected costs of these benefits are accrued over the period of employment. Independent qualified actuaries carry out annual valuations of these obligations. All actuarial gains and losses are recognised immediately in the income statement. The actuarial valuation method used to value the obligations is the projected unit credit method. Future benefits are projected using specific actuarial assumptions and the liability to in-service members is accrued over their expected working lifetime. These obligations are unfunded.

Termination benefits

Termination benefits are employee benefits payable as a result of either an entity's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept voluntary redundancy in exchange for those benefits. The group recognises these termination benefits when the group is demonstrably committed to either terminate the employment of an employee or group of employees before the normal retirement date, or provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

The group is demonstrably committed to a termination when the group has a detailed formal plan (with specified minimum contents) for the termination and it is without realistic possibility of withdrawal. Where termination benefits fall due more than 12 months after the reporting period, they are discounted. In the case of an offer made to encourage voluntary redundancy, the measurement of termination benefits are based on the number of employees expected to accept the offer. Termination benefits are immediately recognised as an expense.

(u) Equity compensation benefits

The group grants share options/share appreciation rights (SARs) to its employees under a number of equity compensation plans. In accordance with IFRS 2, the group has recognised an employee benefit expense in the income statement, representing the fair value of share options/SARs granted to the group's employees. A corresponding credit to equity has been raised for equity-settled plans, whereas a corresponding credit to liabilities has been raised for cash-settled plans. The fair value of the options/SARs at the date of grant under equity-settled plans is charged to income over the relevant vesting periods, adjusted to reflect actual and expected levels of vesting. For cash-settled plans, the group remeasures the fair value of the recognised liability at each reporting date and at the date of settlement, with any changes in fair value recognised in profit or loss for the period.

A share option scheme/SAR is considered equity-settled when the option/gain is settled by the issue of a Naspers N share. They are considered cash-settled when they are settled in cash or any other asset, ie not by the issue of a Naspers N share. Each share trust deed and SAR plan deed, as appropriate, indicates whether a plan is to be settled by the issue of Naspers shares or not.

Where shares are held or acquired by subsidiary companies for equity compensation plans, they are treated as treasury shares (see accounting policy below). When these shares are subsequently issued to participants of the equity compensation plans on the vesting date, any gains or losses realised by the plan are recorded in treasury shares.

(v) Share capital and treasury shares

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

Where subsidiaries hold shares in the holding company's share capital, the consideration paid to acquire these shares, including any attributable incremental external costs, is deducted from total shareholders' equity as treasury shares. Where such shares are subsequently sold or reissued, the cost of those shares is released, and any realised gains or losses are included in treasury shares. Shares issued to or held by share incentive plans within the group are treated as treasury shares until such time when participants pay for and take delivery of such shares.

(w) Segment reporting

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

2. PRINCIPAL ACCOUNTING POLICIES (*CONTINUED*)

(x) Recently issued accounting standards

The International Accounting Standards Board (IASB) issued a number of standards, amendments to standards and interpretations during the financial year ended 31 March 2013.

(i) The following new standards, amendments and interpretations to existing standards are effective as at 31 March 2013 and had no significant effect on the group's operations:

Standard/Interpretation	**Title**
IFRS 1	Amendments relating to first-time adoption of IFRS
IFRS 7	Amendments relating to the disclosure of financial instruments
IAS 12	Amendments relating to the recovery of underlying deferred tax assets

(ii) The following new standards, amendments and interpretations to existing standards are not yet effective as at 31 March 2013. The group is currently evaluating the effects of these standards and interpretations which have not been earlier adopted by the group:

Standard/Interpretation	**Title**	**Effective for year ending**
IFRS 1	Relief for First-time Adopters with Government Loans	March 2014
IFRS 7	Offsetting of financial assets and financial liabilities	March 2014
IFRS 9	Financial Instruments	March 2016
IFRS 10	Consolidated Financial Statements	March 2014
Amendments to IFRS 10, IFRS 12 and IAS 27	Investment entities: Certain funds and similar entities are excluded from consolidation	March 2015
IFRS 11	Joint Arrangements	March 2014
IFRS 12	Disclosure of Interests in Other Entities	March 2014
IFRS 13	Fair Value Measurement	March 2014
IAS 1	Presentation of Items of Other Comprehensive Income	March 2014
IAS 19	Employee Benefits	March 2014
IAS 27	Separate Financial Statements	March 2014
IAS 28	Investments in Associates and Joint Ventures	March 2014
IAS 32	Offsetting Financial Assets and Financial Liabilities	March 2015
Various	Annual improvements to IFRSs 2011	March 2014

3. SIGNIFICANT ACQUISITIONS AND DIVESTITURES

Financial year ended 31 March 2013

In June 2012 the group acquired a 79% interest in Netretail (85% is consolidated inclusive of retention options), an online retailer with operations in Czech Republic, Poland, Hungary, Slovakia and Slovenia. The fair value of the total purchase consideration was R1,8bn (US$215m) in cash. The purchase price allocation: Property, plant and equipment R36m; intangible assets R626m; cash R79m; inventory R116m; trade and other receivables R213m; trade and other payables R507m; deferred tax liability R114m and the balance to goodwill. A non-controlling interest of R116m was recognised at the acquisition date.

During October 2012 the group acquired a 70% interest in Dante International S.A. trading as eMag (73% is consolidated inclusive of retention options), a leading online retailer in Romania. The fair value of the total purchase consideration was R728m (US$82,2m) in cash. The purchase price allocation: Property, plant and equipment R40m; intangible assets R358m; investments R106m, cash R12m; trade and other receivables R81m; inventory R182m; trade and other payables R293m; deferred tax liability R55m and the balance to goodwill. A non-controlling interest of R116m was recognised at the acquisition date.

In October 2012 the group acquired a 65% interest in FixeAds B.V., a leading online classifieds operation in Portugal. The fair value of the total purchase consideration was R159m in cash (US$18,3m). The purchase price allocation: Property, plant and equipment R3m; intangible assets R67m; cash R7m; trade and other receivables R18m; trade and other payables R57m; deferred tax liability R16m and the balance to goodwill. A non-controlling interest of R8m was recognised at the acquisition date.

In November 2012 the group acquired a 65% interest in Tokobagus Exploitatie B.V., a leading online classifieds operation in Indonesia. The fair value of the total purchase consideration was R162m (US$16,4m) in cash. The purchase price allocation: Property, plant and equipment R4m; intangible assets R15m; cash R10m; trade and other receivables R13m; long-term liabilities R71m; trade and other payables R12m; deferred tax asset R13m and the balance to goodwill. A negative non-controlling interest of R10m was recognised at the acquisition date.

3. SIGNIFICANT ACQUISITIONS AND DIVESTITURES *(CONTINUED)*

Financial year ended 31 March 2013 *(continued)*

The main factor contributing to the goodwill recognised in these acquisitions is their leading market presence. This goodwill is not expected to be deductible for income tax purposes. The non-controlling interest in these acquisitions was measured using the proportionate share of the identifiable net assets.

The group made various smaller acquisitions with a combined cost of R129m. Total acquisition-related costs of R73m were recorded in "Losses on acquisitions and disposals" in the income statement. Had the revenues and net results of Netretail and eMag been included from 1 April 2012, the group's consolidated revenue would have been R1,8bn higher and the net results would have decreased by R55m. The rest of the acquisitions made during the period would not have had a significant effect on the group's consolidated revenue and net results.

The following investments in associated and joint venture companies were made during the period:

In August 2012 the group acquired a 10% interest in Flipkart Private Limited, a leading ecommerce platform in India for R858m (US$102,3m) in cash.

In October 2012 the group acquired a 29,6% interest in Souq Group Limited, an online retailer, marketplace and payment platform business, with operations in the UAE, Saudi Arabia, Egypt and Kuwait for R319m (US$36,6m) in cash.

In March 2013 the group contributed its Slando.ru and OLX.ru assets as well as R462m (US$50m) in cash in exchange for a 22,2% (18,6% on a fully diluted basis) interest in Avito Holdings AB. Avito.ru is the leading general classifieds platform in Russia.

Financial year ended 31 March 2012

In April 2011 the group acquired a 85% interest in 7Pixel, an ecommerce group operating in Western Europe. The fair value of the total purchase consideration was R228m (US$35m) in cash. The purchase price allocation: Property, plant and equipment R22m; intangible assets R136m; cash R12m; trade and other receivables R25m; trade and other payables R17m; deferred tax liability R43m and the balance to goodwill. A non-controlling interest of R20m was recognised at the acquisition date.

In July 2011 the group acquired a 80% interest in Vipindirim Electronic Services plc (Markafoni), a Turkish ecommerce group. The fair value of the total purchase consideration was R672m (US$95m) in cash. The purchase price allocation: Property, plant and equipment R18m; intangible assets R373m; cash R48m; inventory R42m; trade and other receivables R11m; trade and other payables R116m; deferred tax liability R69m and the balance to goodwill. A non-controlling interest of R104m was recognised at the acquisition date.

In July 2011 the group acquired 100% interest in Slando Limited, an online classifieds company in the Ukraine. The fair value of the total purchase consideration was R195m (US$29m) in cash. The purchase price allocation: intangible assets R21m; cash R2m; trade and other receivables R3m; trade and other payables R2m; deferred tax liability R5m and the balance to goodwill.

In December 2011 the group acquired a 90% interest in Fashion Days, an ecommerce group operating in several eastern European countries. The fair value of the total purchase consideration was R435m (US$54m) in cash. The group finalised the purchase price allocation during the year ended 31 March 2013 (no comparatives have been restated). The purchase price allocation: Property, plant and equipment R4m; intangible assets R342m; cash R7m; inventory R35m; trade and other receivables R123m; trade and other payables R76m; deferred tax liability R64m and the balance to goodwill. A non-controlling interest of R37m was recognised at the acquisition date.

The main factor contributing to the goodwill recognised in these acquisitions is their leading market presence. This goodwill is not expected to be deductible for income tax purposes. The non-controlling interest in these acquisitions was measured using the proportionate share of the identifiable net assets.

The group made various smaller acquisitions with a combined cost of R323m. Total acquisition-related costs of R72m were recorded in "Losses on acquisitions and disposals" in the income statement. Had the revenues and net results of all business combinations that occurred in the period been included from 1 April 2011, it would not have had a significant effect on the group's consolidated revenue and net results.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
(CONTINUED)

4. PROPERTY, PLANT AND EQUIPMENT

	31 March 2013 R'm	31 March 2012 R'm
Land and buildings - owned	**1 886**	1 615
Cost price	**2 265**	1 886
Accumulated depreciation and impairment	**379**	271
Land and buildings - leased	**157**	216
Cost price	**268**	310
Accumulated depreciation and impairment	**111**	94
Manufacturing equipment - owned	**1 374**	1 360
Cost price	**2 549**	2 406
Accumulated depreciation and impairment	**1 175**	1 046
Transmission equipment - owned	**1 620**	1 178
Cost price	**3 063**	2 194
Accumulated depreciation and impairment	**1 443**	1 016
Transmission equipment - leased	**5 596**	2 322
Cost price	**6 383**	2 733
Accumulated depreciation and impairment	**787**	411
Vehicles, computer and office equipment - owned	**1 509**	1 284
Cost price	**3 453**	2 866
Accumulated depreciation and impairment	**1 944**	1 582
Vehicles, computers and office equipment - leased	**26**	3
Cost price	**35**	9
Accumulated depreciation and impairment	**9**	6
Subtotal	**12 168**	7 978
Work in progress	**1 642**	901
Net book value	**13 810**	8 879
Total cost price	**19 658**	13 305
Accumulated depreciation and impairment	**5 848**	4 426
Net book value	**13 810**	8 879

4. PROPERTY, PLANT AND EQUIPMENT *(CONTINUED)*

	Land and buildings R'm	Manufacturing equipment R'm	Transmission equipment R'm	Vehicles, computers and office equipment R'm	Total R'm
1 April 2011					
Cost	1 758	2 289	4 973	2 595	11 615
Accumulated depreciation and impairment	(288)	(919)	(2 086)	(1 389)	(4 682)
Net book value at 1 April 2011	1 470	1 370	2 887	1 206	6 933
Foreign currency translation effects	7	–	264	36	307
Reclassifications	96	6	120	(222)	–
Transfer to other intangible assets	–	–	4	(12)	(8)
Transferred to non-current assets held-for-sale	(4)	–	–	(24)	(28)
Acquisition of subsidiaries	2	–	–	68	70
Acquisitions	351	125	938	672	2 086
Disposals/scrappings	(17)	(3)	(114)	(24)	(158)
Impairment	–	–	–	(2)	(2)
Depreciation	(74)	(138)	(599)	(411)	(1 222)
31 March 2012					
Cost	2 196	2 406	4 927	2 875	12 404
Accumulated depreciation and impairment	(365)	(1 046)	(1 427)	(1 588)	(4 426)
Net book value at 31 March 2012	1 831	1 360	3 500	1 287	7 978
Work in progress 31 March 2012					901
Total net book value at 31 March 2012					8 879
1 April 2012					
Cost	**2 196**	**2 406**	**4 927**	**2 875**	**12 404**
Accumulated depreciation and impairment	**(365)**	**(1 046)**	**(1 427)**	**(1 588)**	**(4 426)**
Net book value at 1 April 2012	**1 831**	**1 360**	**3 500**	**1 287**	**7 978**
Joint venture activities	**(5)**	**(23)**	**–**	**(6)**	**(34)**
Foreign currency translation effects	**48**	**–**	**493**	**86**	**627**
Reclassifications	**56**	**(3)**	**(49)**	**(4)**	**–**
Transfer to other intangible assets	**(5)**	**–**	**1**	**(3)**	**(7)**
Transferred to non-current assets held-for-sale	**(17)**	**(15)**	**–**	**–**	**(32)**
Acquisition of subsidiaries	**45**	**51**	**–**	**69**	**165**
Disposal of subsidiaries	**(1)**	**–**	**–**	**(19)**	**(20)**
Acquisitions	**311**	**157**	**4 055**	**668**	**5 191**
Disposals/scrappings	**(66)**	**(3)**	**(4)**	**(34)**	**(107)**
Impairment	**(40)**	**(6)**	**(32)**	**(6)**	**(84)**
Depreciation	**(114)**	**(144)**	**(748)**	**(503)**	**(1 509)**
31 March 2013					
Cost	**2 533**	**2 549**	**9 446**	**3 488**	**18 016**
Accumulated depreciation and impairment	**(490)**	**(1 175)**	**(2 230)**	**(1 953)**	**(5 848)**
Net book value at 31 March 2013	**2 043**	**1 374**	**7 216**	**1 535**	**12 168**
Work in progress 31 March 2013					**1 642**
Total net book value at 31 March 2013					**13 810**

In terms of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" an assessment of the expected future benefits associated with property, plant and equipment was determined. Based on the latest available and reliable information there was a change in the estimated useful life and residual value, which resulted in a decrease in depreciation of R4,2m (2012: decrease of R6,4m).

The group recognised an impairment of property, plant and equipment with a net book value of R84,0m (2012: R1,5m). The impairment loss has been included in "Other gains/(losses) – net" in the income statement of which R74,5m has been included in the pay-television segment, R3,5m in the internet segment and R6,0m in the print segment (2012: R1,5m included in the pay-television segment). The recoverable amounts of the remaining assets have been determined based on either a value in use calculation or on a fair value less costs to sell basis. The impairments resulted from the recoverable amounts of the assets being lower than the carrying value thereof.

Included in the acquisition of property, plant and equipment is an amount of R3,3bn (2012: R593m) relating to leased assets which are non-cash of nature.

4. PROPERTY, PLANT AND EQUIPMENT *(CONTINUED)*

The group has pledged property, plant and equipment with a carrying value of R5,7bn at 31 March 2013 (2012: R2,6bn) as security against certain term loans and overdrafts with banks.

5. GOODWILL

	31 March 2013 R'm	 2012 R'm
Cost		
Opening balance	**19 801**	18 371
Foreign currency translation effects	**2 349**	584
Acquisition of subsidiaries	**2 423**	1 184
Disposal of subsidiaries	**(281)**	(22)
Joint ventures activities	**(39)**	(90)
Transferred to non-current assets held-for-sale	**–**	(226)
Closing balance	**24 253**	19 801
Accumulated impairment		
Opening balance	**1 917**	1 093
Foreign currency translation effects	**226**	1
Impairment	**602**	836
Disposal of subsidiaries	**(117)**	(13)
Closing balance	**2 628**	1 917
Net book value	**21 625**	17 884

The group recognised impairment losses on goodwill of R602,4m (2012: R836,1m) during the financial year ended 31 March 2013 due to the fact that the recoverable amount of certain cash-generating units were less than their carrying value. Included in the total impairment charge is an amount of R149,0m which relates to the group's investment in DineroMail. Slower than expected economic growth in the online payment market, negatively impacted DineroMail's revenue and profit growth and fell behind management's expectations. For the impairment in DineroMail, management used a ten-year projected cash flow model, a growth rate of 4% and a discount rate of 18%. The impairment charge also includes R89,3m relating to the group's investment in Bankier.pl. A contraction of online advertising spend negatively impacted Bankier's revenue and profit growth. For the impairment management used a ten-year projected cash flow model, a growth rate of 3% and a discount rate of 16%. The impairment charge further includes R82,4m relating to the group's investment in Sanook! Online Limited. Sanook's B2C business, Sabuy, could not achieve the necessary traction in its market impacting negatively on Sanook's revenue and profit growth and fell behind management's expectations. For the impairment management used a ten-year projected cash flow model, a growth rate of 4% and a discount rate of 18%. The impairment charge also includes R70,1m relating to the group's investment in BD+. BD+'s revenue and profit growth was negatively impacted by slower than expected economic growth in the technology market. For the impairment management used a five-year projected cash flow model, a growth rate of 3% and a discount rate of 27%. The group also impaired other smaller internet and print investments where growth has lagged.

The impairment charges have been included in "Other gains/(losses) – net" in the income statement of which R140,0m (2012: R408,0m) has been included in the pay-television segment, R435,9m (2012; R385,1m) has been included in the internet segment and R26,4m (2012: R42,9m) in the print segment. The recoverable amounts have been based on value in use calculations.

During the year ended 31 March 2012, the total impairment loss included R408,0m which related to Cloakware Inc. Cloakware's revenue and profit growth was negatively impacted by slower than expected economic growth in the online market. For the impairment in Cloakware, management used a five-year projected cash flow model, a growth rate of 5% and a discount rate of 16.5%.

During the year the group finalised the purchase price accounting for acquisitions in the prior year and no significant adjustments were required.

5. GOODWILL *(CONTINUED)*

Impairment testing of goodwill

The group has allocated its goodwill to various cash-generating units. The recoverable amounts of these cash-generating units have been determined based on a value in use calculation. The value in use is based on discounted cash flow calculations. The group based its cash flow calculations on three-to-ten year budgeted and forecast information approved by senior management and the various boards of directors of group companies. Long-term average growth rates for the respective countries in which the entities operate or where more appropriate, the growth rate of the cash-generating units, were used to extrapolate the cash flows into the future. The discount rates used reflect specific risks relating to the relevant cash-generating units and the countries in which they operate. The group allocated goodwill to the following groups of cash-generating units:

	Net book value of goodwill R'm	**Basis of determination of recoverable amount**	**Discount rate applied to cash flows %**	**Growth rate used to extrapolate cash flows %**
Groups of cash-generating units				
Allegro group	8 296	Value in use	11.0	5.0
MultiChoice South Africa group	3 824	Value in use	14.0	3.0
BuscaPé.com Inc.	2 435	Value in use	16.0	6.0
Netretail Group	1 634	Value in use	11.0	3.0
Ricardo.ch.AG	1 319	Value in use	10.0	4.0
OLX Inc.	1 066	Value in use	14.0	4.0
eMag Group (Dante)	547	Value in use	12.8	3.0
Markafoni	431	Value in use	17.0	5.0
Movile Internet Movel S.A.	222	Value in use	19.0	5.0
Tokobagus	184	Value in use	21.0	5.0
Allegroup.hu	178	Value in use	18.0	3.0
7Pixel s.r.l	148	Value in use	11.0	3.0
Fashion Days Holdings AG	142	Value in use	17.0	2.0
Irdeto group	138	Value in use	9.6	1.0
Trendsales ApS	126	Value in use	8.0	3.0
Bondfaro.com	111	Value in use	16.0	6.0
Moonfish Media OÜ	99	Value in use	16.0	3.0
Travel Boutique Online	85	Value in use	21.0	5.0
Digital Mobile Television Proprietary Limited	75	Value in use	17.0	3.0
eMarket	55	Note 1	–	–
Brandsclub	51	Value in use	16.0	5.0
Various other units	459	Value in use	Various	Various
	21 625			

Note 1
The amounts of goodwill presented for the above cash-generating units represent acquisitions that were made during the year and represent the excess of the purchase consideration over the fair value of the assets acquired. A post-tax discount rate is applied as the value in use was determined using post-tax cash flows.

Goodwill represents the above cash-generating units' ability to generate future cash flows, which is a direct result of various factors, including customer relationships, technological innovations, content libraries, the quality of the workforce acquired, supplier relationships and possible future synergies.

If one or more of the inputs were changed to a reasonable possible alternative assumption, there would be no further significant impairments that would have to be recognised.

6. OTHER INTANGIBLE ASSETS

	Intellectual property rights and patents R’m	Subscriber base R’m	Brand names and title rights R’m	Software R’m	Total R’m
1 April 2011					
Cost	617	2 992	3 835	971	8 415
Accumulated amortisation and impairment	(289)	(2 581)	(1 056)	(609)	(4 535)
Net book value at 1 April 2011	328	411	2 779	362	3 880
Foreign currency translation effects	173	139	170	45	527
Acquisition of subsidiaries	22	276	718	69	1 085
Acquisitions	96	56	4	162	318
Transfer from property, plant and equipment	(1)	–	–	9	8
Transferred to non-current assets held-for-sale	(139)	(3)	(100)	(2)	(244)
Reclassifications	–	1	(4)	3	–
Disposals	(9)	(8)	(1)	(12)	(30)
Impairment	(266)	(212)	(64)	(108)	(650)
Amortisation	(54)	(583)	(273)	(178)	(1 088)
31 March 2012					
Cost	694	3 523	4 638	1 282	10 137
Accumulated amortisation and impairment	(544)	(3 446)	(1 409)	(932)	(6 331)
Net book value at 31 March 2012	150	77	3 229	350	3 806
Work in progress 31 March 2012					78
Total net book value at 31 March 2012					3 884
1 April 2012					
Cost	**694**	**3 523**	**4 638**	**1 282**	**10 137**
Accumulated amortisation and impairment	**(544)**	**(3 446)**	**(1 409)**	**(932)**	**(6 331)**
Net book value at 1 April 2012	**150**	**77**	**3 229**	**350**	**3 806**
Joint venture activities	**–**	**–**	**(11)**	**–**	**(11)**
Foreign currency translation effects	**99**	**127**	**390**	**16**	**632**
Reclassifications	**1**	**27**	**(39)**	**11**	**–**
Acquisition of subsidiaries	**1**	**493**	**632**	**55**	**1 181**
Disposal of subsidiaries	**–**	**–**	**(28)**	**(1)**	**(29)**
Acquisitions	**2**	**53**	**2**	**340**	**397**
Transfer from property, plant and equipment	**–**	**–**	**–**	**7**	**7**
Disposals	**–**	**(5)**	**–**	**(10)**	**(15)**
Impairment	**(36)**	**(24)**	**(19)**	**(3)**	**(82)**
Amortisation	**(55)**	**(544)**	**(362)**	**(192)**	**(1 153)**
31 March 2013					
Cost	**901**	**4 565**	**5 681**	**1 558**	**12 705**
Accumulated amortisation and impairment	**(739)**	**(4 361)**	**(1 887)**	**(985)**	**(7 972)**
Net book value at 31 March 2013	**162**	**204**	**3 794**	**573**	**4 733**
Work in progress 31 March 2013					**82**
Total net book value at 31 March 2013					**4 815**

The group recognised impairment losses on other intangible assets of R81,6m (2012: R650,4m) during the financial year ended 31 March 2013 due to the fact that the recoverable amounts of certain cash-generating units were less than their carrying values. Included in the total impairment charge are amounts of R29,0m and R46,6m which relates to our investments in Bankier.pl and BD+ and are based on the same assumptions as disclosed in note 5. The impairment charges have been included in “Other gains/(losses) – net” on the income statement of which R46,7m (2012: R412,3m) has been included in the pay-television segment, R33,3m (2012: R254,4m) in the internet segment and R2,7m (2012: R3,8m) in the print segment. The recoverable amounts have been based on value in use calculations with discount rates comparable to those used in assessing the impairment of goodwill. The group also impaired other smaller internet and print investments where growth has lagged.

6. OTHER INTANGIBLE ASSETS *(CONTINUED)*

During the year ended 31 March 2012 the total impairment loss included R407,0m which related to our investment in Cloakware Inc. The Cloakware Inc. impairment is based on the same assumptions as disclosed in note 5.

In terms of IAS 8 an assessment of the expected future benefits associated with other intangible assets was determined. Based on the latest available and reliable information there was no change in the estimated useful life and residual value, which resulted in no additional amortisation (2012: Rnil).

7. INVESTMENTS AND LOANS

		31 March	
		2013 R'm	**2012 R'm**
Investments in associates			
Listed		**29 157**	24 331
Unlisted		**3 993**	3 764
Total investments in associates		**33 150**	28 095
Investments and loans			
Loans to related parties			
Unlisted			
M-Web Holdings (Thailand) Limited	[a]	**162**	98
Level Up! International Holdings Private Limited	[a]	**48**	–
Non-controlling shareholders	[b]	**107**	96
Various other related parties	[a]	**7**	23
Total long-term loans to related parties		**324**	217
Loans and receivables			
Unlisted			
Welkom Yizani preference shares		**422**	415
Phuthuma Nathi preference shares		**1 195**	2 014
Other		**3**	10
Total loans and receivables		**1 620**	2 439
Accrued dividends included in preference shares		**(53)**	(85)
Total loans and receivables excluding accrued dividends		**1 567**	2 354
Short-term loans and receivables		**–**	(7)
Long-term loans and receivables		**1 567**	2 347
Total investments and loans		**1 944**	2 656
Investments classified on statement of financial position			
Non-current investments and loans		**1 891**	2 564
Current investments and loans		**–**	7
Accrued dividends classified under other receivables		**53**	85
		1 944	2 656

Notes

[a] The nature of these related party relationships are that of joint ventures and associates. The loan to M-Web Holdings (Thailand) Limited is non-interest-bearing with no fixed terms of repayment. The loan to Level Up! is non-interest bearing and repayable within 90 days of demand.

[b] The nature of these related party relationships are that of non-controlling shareholders. These loans are interest and non-interest-bearing with no fixed terms of repayment.

Naspers has two major black economic empowerment (BEE) ownership initiatives, Welkom Yizani Investments Limited ("Welkom Yizani"), which holds ordinary shares in Media24 Holdings Proprietary Limited and Phuthuma Nathi Investments Limited and Phuthuma Nathi Investments Limited 2 ("Phuthuma Nathi") which holds ordinary shares in MultiChoice South Africa Holdings Proprietary Limited. BEE participants funded 20% of their investment with cash and the remaining 80% was funded through the issuance of preference shares to Naspers Limited and MIH Holdings Proprietary Limited. These preference shares are variable, cumulative, redeemable preference shares and are classified as loans and receivables.

The carrying value for Welkom Yizani is R421,5m (2012: R414,7m) at 31 March 2013. Preference dividends are calculated at a rate of 65% (2012: 65%) of the prime interest rate.

During the year preference shares totalling R786,4m (2012: R765,5m) were redeemed and the carrying value for Phuthuma Nathi is R1,2bn (2012: R2,0bn) at 31 March 2013. Preference dividends are calculated at a rate of 75% (2012: 75%) of the prime interest rate.

The group does not hold any collateral as security against the preference shares.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

7. INVESTMENTS AND LOANS *(CONTINUED)*

All subsidiaries, significant associated companies and joint ventures share the same financial year-end as the holding company, except for Tencent Holdings Limited, Abril S.A., Mail.ru Group Limited and Level Up! International Holdings Private Limited, which have a 31 December year-end.

The following information relates to Naspers Limited's financial interest in its significant subsidiaries, over which the group has voting control through its direct and indirect interests in respective intermediate holding companies and other entities:

Name of subsidiary	Effective percentage interest*		Nature of business	Country of incorporation	Functional currency	D or I
	2013 %	2012 %				
UNLISTED COMPANIES						
Investment Holding Companies						
MIH Holdings Proprietary Limited	**100.0**	100.0	Investment holding	South Africa	ZAR	D
MIH Ming He Holdings Limited	**100.0**	100.0	Investment holding	Hong Kong	USD	I
MIH (Mauritius) Limited	**100.0**	100.0	Investment holding	Mauritius	USD	I
Myriad International Holdings B.V.	**100.0**	100.0	Investment holding	The Netherlands	USD	I
Pay television						
MultiChoice South Africa Holdings Proprietary Limited	**80.0**	80.0	Subscription television	South Africa	ZAR	I
Electronic Media Network Proprietary Limited	**80.0**	80.0	Pay-TV content provider	South Africa	ZAR	I
SuperSport International Holdings Proprietary Limited	**80.0**	80.0	Pay-TV content provider	South Africa	ZAR	I
Huntley Holdings Proprietary Limited	**80.0**	80.0	Internet service provider	South Africa	ZAR	I
MultiChoice Africa Holdings B.V.	**100.0**	100.0	Investment holding	The Netherlands	USD	I
Irdeto Access B.V.	**100.0**	100.0	Technology development	The Netherlands	USD	I
Internet						
MIH Allegro B.V.	**96.7**	97.0	Classifieds/auction/price comparison	The Netherlands	PLN	I
Ricardo.ch AG	**100.0**	100.0	Ecommerce platform	Switzerland	CHF	I
BuscaPé.com Inc.	**95.4**	94.7	Comparitive shopping and ecommerce	Brazil	BRL	I
Movile Internet Movel S.A.	**64.7**	64.7	Mobile value added services	Brazil	BRL	I
OLX Inc.	**94.5**	83.9	Classifieds	United States	USD	I
FixeAds B.V.	**65.4**	–	Classifieds	Portugal	EUR	I
Tokobagus Exploitatie B.V.	**63.4**	–	Classifieds	The Netherlands	EUR	I
Slando Limited	**96.7**	97.0	Classifieds	United Kingdom	GBP	I
Netrepreneur Connections Enterprices Inc. (Sulit)	**93.7**	51.0	Classifieds	Phillippines	PHP	I
Park One Holdings Inc. (Brandsclub)	**100.0**	76.0	Retail and ecommerce	Brazil	BRL	I
Netretail s.r.o.	**82.4**	–	Online retail/ecommerce	Czech Republic	CZK	I
Dante International S.A. (eMag)	**67.7**	–	Retail and ecommerce	Romania	RON	I
LazienkaPlus.pl S.A.	**61.2**	–	Retail and ecommerce	Poland	PLN	I
Agito S.A.	**96.7**	–	Retail and ecommerce	Poland	PLN	I
7Pixel s.r.l	**82.0**	85.0	Comparitive shopping and ecommerce	Italy	EUR	I
Vipindirim Elektronik Hozmetler ve Ticaret A.S. (Markafoni)	**76.0**	77.4	Retail and ecommerce	Turkey	TRY	I
Fashion Days Holdings AG	**88.5**	87.4	Retail and ecommerce	Switzerland	CHF	I
Pricetown s.r.o [#]	**96.7**	48.5	Classifieds	Czech Republic	CZK	I
MIH Internet Africa Proprietary Limited	**100.0**	100.0	Retail and ecommerce	South Africa	ZAR	I
Korbitec Proprietary Limited	**85.3**	51.0	Property ecommerce	South Africa	ZAR	I

D - *Direct interest*

I - *Combined direct and indirect effective interest*

* - *The percentage interest shown is the financial effective interest, after adjusting for the interests of the group's equity compensation plans treated as treasury shares and taking into account retention options.*

[#] - *The investment in these entities increased from a joint venture to a subsidiary in the current financial year.*

7. INVESTMENTS AND LOANS *(CONTINUED)*

Significant subsidiaries *(continued)*:

Name of subsidiary	Effective percentage interest*		Nature of business	Country of incorporation	Functional currency	D or I
	2013 %	2012 %				
UNLISTED COMPANIES						
Print						
Media24 Holdings Proprietary Limited	**85.0**	85.0	Investment holding	South Africa	ZAR	D
Media24 Proprietary Limited	**85.0**	85.0	Printing	South Africa	ZAR	I
Paarl Media Group Proprietary Limited	**85.0**	85.0	Printing	South Africa	ZAR	I
The Natal Witness Printing and Publishing Company Proprietary Limited #	**85.0**	42.5	Publishing	South Africa	ZAR	I

D - *Direct interest*

I - *Combined direct and indirect effective interest*

* - *The percentage interest shown is the financial effective interest, after adjusting for the interests of the group's equity compensation plans treated as treasury shares and taking into account retention options.*

[#] - *The investment in these entities increased from a joint venture to a subsidiary in the current financial year.*

The following information relates to Naspers Limited's financial interest in its significant joint ventures, over which the group has joint voting control through its direct and indirect interests in respective intermediate holding companies and other entities:

Name of joint venture	Effective percentage interest*		Nature of business	Country of incorporation	Functional currency	D or I
	2013 %	2012 %				
UNLISTED COMPANIES						
MIH India Global Internet Limited (ibibo) #	**80.1**	80.1	Internet related services	India	INR	I
Glendover Ventures Limited	**48.5**	48.5	Classifieds	Cyprus	EUR	I
M-Web Holdings (Thailand) Limited (Sanook!)	**50.0**	50.0	Internet related services	Thailand	THB	I
New Media Publishers Proprietary Limited	**60.0**	58.0	Publishing of magazines	South Africa	ZAR	I

D - *Direct interest*

I - *Combined direct and indirect effective interest*

* - *The percentage interest shown is the financial effective interest, after adjusting for the interests of the group's equity compensation plans treated as treasury shares and taking into account retention options.*

[#] - *Although ownership is greater than 50%, it is not consolidated as it is jointly controlled (refer to note 13).*

7. INVESTMENTS AND LOANS *(CONTINUED)*

Additional joint venture disclosure

The following is the group's effective interest in the combined summarised statements of financial position and income statements of the joint ventures as per their financial statements:

	31 March 2013 R'm	 2012 R'm
Statement of financial position information		
Non-current assets	**96**	167
Current assets	**321**	296
Total assets	**417**	463
Non-current liabilities	**1 255**	841
Current liabilities	**183**	173
Total liabilities	**1 438**	1 014
Total shareholders' equity	**(1 021)**	(551)
Total equity and liabilities	**417**	463
Income statement information		
Revenue	**591**	688
Net loss	**(214)**	(109)

The group had no interest in the joint ventures' capital commitments or contingent liabilities at 31 March 2013 and 31 March 2012.

The following information relates to Naspers Limited's financial interest in its significant associated companies:

Name of associated company	Effective percentage interest* 2013 %	 2012 %	Nature of business	Country of incorporation	Functional currency	D or I
LISTED COMPANIES						
Tencent Holdings Limited	**34.0**	34.2	Internet related services	China	CNY	I
Mail.ru Group Limited	**29.0**	29.0	Internet related services	Russia	RUB	I
Beijing Media Corporation Limited	**9.9**	9.9	Print media	China	CNY	I
UNLISTED COMPANIES						
Abril S.A.	**30.0**	30.0	Print media	Brazil	BRL	I
Flipkart Private Limited	**10.0**	–	Ecommerce	India	USD	I
Level Up! International Holdings Private Limited	**51.0**	100.0	Online gaming	Phillipines	PHP	I
Dubizzle Limited BVI	**25.0**	25.0	Classifieds	British Virgin Islands	AED	I
Souq Group Limited	**29.7**	–	Ecommerce	Singapore	USD	I
Avito Holdings AB	**21.5**	–	Classifieds	Sweden	SEK	I
Konga Online Shopping Limited	**25.5**	–	Ecommerce	Nigeria	NGN	I
Vtex Informatica Limited	**27.8**	27.8	Ecommerce and price comparison	Brazil	BRL	I

D - *Direct interest*
I - *Combined direct and indirect effective interest*
* - *The percentage interest shown is the financial effective interest, after adjusting for the interests of the group's equity compensation plans treated as treasury shares and taking into account retention options.*

The group holds the following number of shares in listed investments as at 31 March 2013:

Listed investment	Number of shares held	Fair value R'm
Tencent Holdings Limited	630 240 380	185 055
Mail.ru Group Limited	60 636 000	15 514
Beijing Media Corporation Limited	19 533 000	155

7. INVESTMENTS AND LOANS *(CONTINUED)*

Investments in associated companies

	31 March 2013 R'm	2012 R'm
Opening balance	**28 095**	20 767
Associated companies acquired - gross consideration	**2 149**	135
Net assets acquired	**553**	–
Goodwill and intangibles recognised	**1 735**	–
Deferred taxation recognised	**(140)**	–
Other	**1**	135
Associated companies sold	**(25)**	(130)
Share of current year other reserve movements	**(3 948)**	2 109
Share of equity-accounted results	**9 273**	4 161
Net income before amortisation	**10 952**	5 205
Net loss before amortisation	**–**	(18)
Amortisation/impairment at associate company	**(498)**	–
Taxation	**(1 181)**	(1 026)
Equity-accounted results due to purchase accounting	**(271)**	(293)
Amortisation of other intangible assets	**(378)**	(401)
Realisation of deferred taxation	**107**	108
Impairment of equity-accounted investments	**(2 057)**	(94)
Dividends received	**(5 030)**	(547)
Foreign currency translation adjustments	**5 060**	2 593
Dilution losses on equity-accounted investments	**(96)**	(606)
Closing balance	**33 150**	28 095

The group recognised R9,0bn (2012: R3,9bn) as its share of equity-accounted results in the income statement.

Impairment losses on investments in associated companies of R2,1bn (2012: R93,7m) has been recorded during the financial year ended 31 March 2013 due to the fact that the recoverable amounts of certain investments in associated companies were less than their carrying values. The impairment charge includes R1,7bn relating to the group's investment in Abril S.A. A contraction of advertising spend due to increased competition from online offerings and difficult trading conditions negatively impacted Abril's revenue and profit growth and fell behind management's expectations. For the impairment management used a five-year projected cash flow model, a growth rate of 4% and a discount rate of 14%. The impairment charge also includes R315,2m relating to the group's investment in Xin'an Media Company Limited. A contraction of property advertising spend negatively impacted Xin'an Media's revenue and profit growth and fell behind management's expectations. For the impairment management used a five-year projected cash flow model, a growth rate of 4% and a discount rate of 17%. The impairment charges have been included in "Impairment of equity-accounted investments" on the income statement.

Our share of associates' other comprehensive income and reserves relates mainly to the revaluation of the associates' available-for-sale investments.

The recoverable amounts of the other unlisted investments have been based on value in use calculations with discount rates comparable to those used in assessing the impairment of goodwill. Refer to note 5.

7. INVESTMENTS AND LOANS *(CONTINUED)*

Additional associate disclosure

The following are the combined summarised statements of financial position and income statements of the associated companies as per their annual financial statements:

	31 March	
	2013 **R'm**	**2012** **R'm**
Statement of financial position information		
Non-current assets	**84 949**	66 531
Current assets	**75 598**	52 756
Total assets	**160 547**	119 287
Non-current liabilities	**26 310**	13 284
Current liabilities	**38 835**	33 177
Total liabilities	**65 145**	46 461
Total shareholders' equity	**95 402**	72 826
Total equity and liabilities	**160 547**	119 287
Income statement information		
Revenue	**81 141**	52 336
Operating profit	**22 809**	15 503
Net profit	**28 818**	12 455

The group's interest in the associates' contingent liabilities as at 31 March 2013 amounted to R846,0m (2012: R576,8m).

The following are entities with more than 50% ownership, which are not consolidated:

Name of entity	**Effective percentage interest**	**Country of incorporation**	**Reason for not consolidating**
MIH India Global Internet Limited (ibibo)	80.1	India	Management agreement, joint control
New Media Publishers Proprietary Limited	60.0	South Africa	Management agreement, joint control
Level Up! International Holdings Private Limited	51.0	Phillipines	Exercisable options, associate

The following entities have less than 20% ownership, but are classified as associates as significant influence is established through either cooperation agreements, board representation, and the placement of key management:

Name of entity	**Effective percentage interest**	**Country of incorporation**
Beijing Media Corporation Limited	9.9	China
Flipkart Private Limited	10.0	India

8. PROGRAMME AND FILM RIGHTS

	31 March 2013 R'm	31 March 2012 R'm
Cost price		
- programme rights	**4 058**	3 129
- film rights	**664**	640
	4 722	**3 769**
Accumulated amortisation		
- programme rights	**(2 445)**	(1 852)
- film rights	**(409)**	(395)
	(2 854)	**(2 247)**
Net book value		
- programme rights	**1 613**	1 277
- film rights	**255**	245
	1 868	**1 522**

A significant portion of the group's cash obligations under contracts for pay-television programming and channels is denominated in US dollars. The group uses forward exchange contracts to hedge the exposure to foreign currency risk. The group generally covers forward 50% to 100% of firm commitments in foreign currency for up to two years. The average US dollar forward rate for exchange contracts to 31 March 2013 is R8,31 (2012: R7,77).

At 31 March 2013 the group had entered into contracts for the purchase of programme and film rights. The group's commitments in respect of these contracts amounted to R13,6bn (2012: R12,1bn).

9. DEFERRED TAXATION

The deferred tax assets and liabilities and movement thereon were attributable to the following items:

	1 April 2012 R'm	Charged to income R'm	Charged to equity R'm	Acquisition of subsidiaries and joint ventures R'm	Disposal of subsidiaries and joint ventures R'm	Foreign exchange adjustments R'm	31 March 2013 R'm
Deferred taxation assets							
Provisions and other current liabilities	**489**	**37**	**–**	**(2)**	**(1)**	**27**	**550**
Capitalised finance leases	**30**	**893**	**–**	**–**	**–**	**–**	**923**
Income received in advance	**111**	**219**	**–**	**–**	**–**	**3**	**333**
Tax losses carried forward	**3 378**	**939**	**–**	**77**	**(63)**	**580**	**4 911**
STC credits	**12**	**(12)**	**–**	**–**	**–**	**–**	**–**
Derivatives	**10**	**(7)**	**–**	**–**	**–**	**–**	**3**
Other	**338**	**160**	**–**	**(4)**	**–**	**10**	**504**
	4 368	**2 229**	**–**	**71**	**(64)**	**620**	**7 224**
Valuation allowance	**3 556**	**1 068**	**–**	**58**	**(59)**	**594**	**5 217**
	812	**1 161**	**–**	**13**	**(5)**	**26**	**2 007**
Deferred taxation liabilities							
Property, plant and equipment	**503**	**(50)**	**–**	**14**	**(6)**	**11**	**472**
Intangible assets	**697**	**(200)**	**–**	**204**	**(6)**	**115**	**810**
Receivables and other current assets	**125**	**63**	**–**	**–**	**–**	**2**	**190**
Capitalised finance leases	**–**	**847**	**–**	**–**	**–**	**–**	**847**
Programme and film rights	**95**	**34**	**–**	**–**	**–**	**–**	**129**
Other	**62**	**21**	**56**	**–**	**–**	**10**	**149**
	1 482	**715**	**56**	**218**	**(12)**	**138**	**2 597**
Net deferred taxation	**(670)**	**446**	**(56)**	**(205)**	**7**	**(112)**	**(590)**

	1 April 2011 R'm	Charged to income R'm	Charged to equity R'm	Acquisition of subsidiaries and joint ventures R'm	Disposal of subsidiaries and joint ventures R'm	Foreign exchange adjustments R'm	Transferred to held-for-sale R'm	31 March 2012 R'm
Deferred taxation assets								
Provisions and other current liabilities	443	36	1	1	–	8	–	489
Income received in advance	107	4	–	–	–	–	–	111
Tax losses carried forward	2 420	717	–	8	(4)	237	–	3 378
STC credits	158	(146)	–	–	–	–	–	12
Derivatives	124	6	(120)	–	–	–	–	10
Other	350	112	(1)	(71)	(4)	(18)	–	368
	3 602	729	(120)	(62)	(8)	227	–	4 368
Valuation allowance	2 501	818	–	–	(5)	242	–	3 556
	1 101	(89)	(120)	(62)	(3)	(15)	–	812
Deferred taxation liabilities								
Property, plant and equipment	453	45	–	–	–	5	–	503
Intangible assets	791	(366)	(3)	194	(4)	132	(47)	697
Receivables and other current assets	69	55	–	–	–	1	–	125
Other	136	6	10	–	–	5	–	157
	1 449	(260)	7	194	(4)	143	(47)	1 482
Net deferred taxation	(348)	171	(127)	(256)	1	(158)	47	(670)

9. DEFERRED TAXATION (CONTINUED)

Valuation allowances are created against the net deferred taxation assets, when it is probable that the deferred taxation assets will not be realised in the near future, due to the timing on available tax loss carry-forwards that arose on these losses. Further valuation allowances have been raised when it is uncertain whether future taxable profits will be available to utilise unused tax losses and timing differences.

	South Africa R'm	Rest of Africa R'm	Asia R'm	Europe R'm	Latin America and USA R'm	Other R'm	Total R'm
Valuation allowance - 2013	**743**	**397**	**222**	**1 506**	**1 978**	**371**	**5 217**
Valuation allowance - 2012	573	42	133	1 244	1 293	271	3 556

The group has tax losses carried forward of approximately R15,9bn (2012: R9,2bn). A summary of the tax losses carried forward at 31 March 2013 by tax jurisdiction and the expected expiry dates are set out below:

	South Africa R'm	Rest of Africa R'm	Asia R'm	Europe R'm	Latin America and USA R'm	Other R'm	Total R'm
Expires in year one	–	11	4	113	–	6	134
Expires in year two	–	19	30	113	–	–	162
Expires in year three	–	37	79	404	–	–	520
Expires in year four	–	29	69	774	–	–	872
Expires in year five	–	949	79	955	–	–	1 983
Non-expiring/expires after year five	1 962	348	378	4 292	4 822	406	12 208
	1 962	1 393	639	6 651	4 822	412	**15 879**

The ultimate outcome of additional taxation assessments may vary from the amounts accrued. However, management believes that any additional taxation liability over and above the amount accrued would not have a material adverse impact on the group's income statement and statement of financial position.

Deferred taxation assets and liabilities are offset when the income tax relates to the same fiscal authority and there is a legal right to offset at settlement. The following amounts are shown in the consolidated statement of financial position:

	31 March 2013 R'm	31 March 2012 R'm
Classification on statement of financial position		
Deferred tax assets	**746**	645
Deferred tax liabilities	**(1 336)**	(1 315)
Net deferred tax liabilities	**(590)**	(670)

The group recognised deferred income tax of R55,5m (2012: R127,8m) in other comprehensive income as a result of changes in the fair value of derivative financial instruments that relate to forecast transactions or commitments.

Total deferred taxation assets amount to R745,6m (2012: R644,7m) of which R282,9m (2012: R326,8m) will be utilised within the next 12 months and R462,7m (2012: R317,7m) after 12 months. Total deferred taxation liabilities amount to R1,3bn (2012: R1,3bn) of which R23,9m (2012: R221,4m) will be utilised within the next 12 months and R1,3bn (2012: R1,1bn) after 12 months.

During the year a deferred tax asset of R250,2m (2012: R46,7m) has been recognised of which the utilisation thereof depends on future taxable profits in excess of the profits arising from the reversal of existing taxable temporary differences, and the entity has suffered a loss in either the current or preceding period.

10. INVENTORY

	31 March 2013 R'm	31 March 2012 R'm
Carrying value		
Raw materials	**212**	218
Finished products, trading inventory and consumables	**1 135**	458
Work in progress	**51**	41
Decoders, internet and associated components	**1 111**	826
Gross inventory	**2 509**	1 543
Provision for slow-moving and obsolete inventories	**(568)**	(305)
Net inventory	**1 941**	1 238

The total provision charged to write inventory down to net realisable value in the income statement amounted to R501,3m (2012: R265,1m), and reversals of these provisions amounted to R1,4m (2012: R2,4m). Inventories written down to net realisable value amounted to R0,9m (2012: R4,1m).

11. TRADE RECEIVABLES

	31 March 2013 R'm	31 March 2012 R'm
Carrying value		
Trade accounts receivable, gross	**4 549**	3 606
Less: Provision for impairment of receivables	**(428)**	(310)
	4 121	3 296

The movement in the allowance account for impairment of trade receivables during the year was as follows:

Provision for impairment of receivables		
Opening balance	**(310)**	(250)
Additional provisions charged to income statement	**(267)**	(158)
Provisions reversed to income statement	**52**	16
Provisions utilised	**123**	89
Foreign currency translation effect	**(26)**	(11)
Other	**–**	4
Closing balance	**(428)**	(310)

Past due but not impaired

At 31 March 2013 and 2012 the total provision for impairment of trade receivables comprised both portfolio provisions and specific provisions. In terms of the total provision, the majority of the provision related to a portfolio provision, which cannot be identified with specific receivables and for which a distinction between "past due but not impaired" and "impaired" would not be applicable.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

11. TRADE RECEIVABLES *(CONTINUED)*

The ageing of trade receivables as well as the amount of provision per age class, for each of the reportable segments (excluding associates), is presented below:

	31 March 2013						31 March 2012					
	Neither past due, nor impaired	Past due				Total	Neither past due, nor impaired	Past due				Total
		30 days and older	60 days and older	90 days and older	120 days and older			30 days and older	60 days and older	90 days and older	120 days and older	
	R'm	R'm	R'm	R'm	R'm	R'm	R'm	R'm	R'm	R'm	R'm	R'm
Pay television	**831**	**450**	**135**	**30**	**66**	**1 512**	809	199	45	28	72	1 153
Provision	**–**	**(40)**	**(19)**	**(14)**	**(58)**	**(131)**	–	(24)	(25)	(21)	(51)	(121)
Total	**831**	**410**	**116**	**16**	**8**	**1 381**	809	175	20	7	21	1 032
Internet	**1 399**	**272**	**42**	**35**	**146**	**1 894**	1 003	128	47	46	83	1 307
Provision	**–**	**(20)**	**(7)**	**(9)**	**(88)**	**(124)**	–	(12)	(3)	(9)	(70)	(94)
Total	**1 399**	**252**	**35**	**26**	**58**	**1 770**	1 003	116	44	37	13	1 213
Print	**737**	**139**	**59**	**33**	**175**	**1 143**	622	233	86	39	166	1 146
Provision	**–**	**(6)**	**(7)**	**(17)**	**(143)**	**(173)**	–	(21)	(7)	(6)	(61)	(95)
Total	**737**	**133**	**52**	**16**	**32**	**970**	622	212	79	33	105	1 051
Total	**2 967**	**861**	**236**	**98**	**387**	**4 549**	2 434	560	178	113	321	3 606
Provision	**–**	**(66)**	**(33)**	**(40)**	**(289)**	**(428)**	–	(57)	(35)	(36)	(182)	(310)
Total	**2 967**	**795**	**203**	**58**	**98**	**4 121**	2 434	503	143	77	139	3 296

During the March 2013 financial year, the pay-television and technology segments have been combined as these segments are interdependent in the provision of pay-television services. Comparative segmental results have been restated.

12. OTHER RECEIVABLES

	31 March	
	2013 R'm	2012 R'm
Prepayments and accrued income	**1 857**	1 402
Staff debtors	**17**	12
VAT and related taxes receivable	**467**	340
Preference dividend accrual	**53**	85
Promissory notes	**–**	203
Sundry deposits	**279**	76
Other receivables	**494**	486
	3 167	**2 604**

13. RELATED PARTY TRANSACTIONS AND BALANCES

The group entered into transactions and has balances with a number of related parties, including equity investees, joint ventures, directors, shareholders and entities under common control. Transactions that are eliminated on consolidation are not included. The transactions and balances with related parties are summarised below:

RELATED PARTY TRANSACTIONS AND BALANCES		31 March	
		2013 R'm	2012 R'm
Sale of goods and services to related parties	**Note**		
New Media Publishers Proprietary Limited	[a]	**83**	83
Various other related parties	[a]	**2**	4
		85	87

[a] *The group receives revenue from a number of its related parties mainly for the printing and distribution of magazines and newspapers. The nature of these related party relationships are that of joint ventures and associates.*

13. RELATED PARTY TRANSACTIONS AND BALANCES *(CONTINUED)*

		31 March	
		2013	2012
		R'm	R'm
Purchase of goods and services from related parties	**Note**		
New Media Publishers Proprietary Limited	[a]	**8**	6
Natal Witness Printing & Publishing Company Proprietary Limited	[a]	**3**	17
Various other related parties	[a]	**13**	19
		24	42

[a] *The group purchases goods and services from a number of its related parties mainly for the printing and distribution of magazines and newspapers. The nature of these related party relationships are that of joint ventures and associates. The Natal Witness amount above refers to goods purchased while still a joint venture.*

Other transactions with related parties

Tencent Holdings Limited ("Tencent")

MIH India Global Internet Limited ("MIH India"), a joint venture of the group, entered into a transaction with Tencent, pursuant to which Tencent granted to MIH India and its subsidiaries a licence to use Tencent's technology and content in India in consideration of MIH India granting an option to Tencent to subscribe for new shares of MIH India. The licence will be exclusive to MIH India for an initial period of seven years. Upon termination of the exclusive period, the licence will continue on a non-exclusive basis. Tencent will also provide additional support services to MIH India.

During the current year Tencent did not exercise any of its options in MIH India. At 31 March 2013, Tencent held a 19,9% interest in MIH India with the remaining 80,1% held by the group. The group has performed an assessment, as required by IAS 27 "Consolidated and Separate Financial Statements", to determine whether the group would still exert control over MIH India in the event that the remaining option is exercised. The option to acquire an additional interest is exercisable until 17 June 2013, whereafter the option will lapse. Based on this assessment, if Tencent were to exercise its option in full, all decisions made by the board of directors would require approval by both the group and Tencent's directors. As such, the group will exert joint control, as defined in IAS 31 "Interests in Joint Ventures", over MIH India with Tencent. The group has proportionately consolidated its share of all assets, liabilities, income and expenses of MIH India. Should the option lapse, then MIH India will be consolidated from July 2013 with 19,9% recognised as non-controlling interest.

The option granted falls within the scope of IFRS 2 "Share-based Payments", as equity of the company is being given in exchange for goods and services to be received. The group has therefore performed a calculation to determine the fair value of the option during 2009, which amounted to R31,5m and is being amortised over a seven-year period, being the licence period.

In July 2012, the group disposed of 49% of its investment in Level Up! International Private Holdings to Tencent Holdings Limited for a total cash consideration of R221,7m. Simultaneously, the group granted Tencent the option to obtain a further 18% interest, thereby increasing its stake to 67% and taking management control. This option is currently exercisable and lapses within two years if not exercised. The option is recorded at fair value and will be remeasured until settlement with movements being recorded through profit and loss. As the group has lost control, the transaction was accounted for as a disposal of a subsidiary and an acquisition of an associate. The loss on the disposal of the subsidiary of R29,8m, has been recorded in the "Losses on acquisitions and disposals" line in the income statement. The remaining 51% interest held by the group has been recorded as an investment in associate in accordance with IAS 28 at a cost of R230,7m being the fair value on the date of disposal.

The balances of advances, deposits, receivables and payables between the group and related parties are as follows:

		31 March	
		2013	2012
		R'm	R'm
Receivables	**Note**		
New Media Publishers Proprietary Limited	[a]	**22**	25
Various other related parties	[a]	**–**	3
		22	28

[a] *The group receives revenue from a number of its related parties. The nature of these related party relationships are that of joint ventures and associates.*

Refer to note 7 for long-term loans to related parties.

13. RELATED PARTY TRANSACTIONS AND BALANCES *(CONTINUED)*

		31 March	
		2013	2012
		R'm	R'm
Payables	**Notes**		
Tencent Technology (Shenzhen) Company Limited	[a]	**108**	98
New Media Publishers Proprietary Limited	[b]	**–**	7
Various other related parties	[b]	**31**	6
		139	111

[a] The 6% stake purchased by Tencent during December 2008 in MIH India resulted in a shareholder loan payable to Tencent. The loan is non-interest-bearing with no fixed terms of repayment.

[b] The group purchases goods and services from a number of its related parties. The nature of these related party relationships are that of joint ventures and associates.

Refer to note 18 for long-term loans from related parties.

	31 March	
	2013	2012
	R'000	R'000
Directors' emoluments		
Non-executive directors:		
Fees for services as directors	**9 743**	8 754
Fees for services as directors of subsidiary companies	**6 255**	6 961
	15 998	15 715

No director has a notice period of more than one year.

The company directors' service contracts do not include predetermined compensation as a result of termination that would exceed one year's salary and benefits and none are linked to any restraint payments.

The individual directors received the following remuneration and emoluments during the current financial year:

Executive directors	**Salary R'000**	**Annual cash bonuses and performance-related payments R'000**	**Pension contributions paid on behalf of director to the pension scheme R'000**	**Total R'000**
2013				
S J Z Pacak				
Paid by other companies in the group	**3 801**	**3 200**	**391**	**7 392**
2012				
S J Z Pacak				
Paid by other companies in the group	3 414	3 400	386	7 200

Mr S J Z Pacak's bonus is based on financial, operational and discrete objectives, which were approved by the human resources and remuneration committee in advance. The bonus is capped at 100% of total cost to company. Remuneration is earned for services rendered in connection with the carrying on of the affairs of the business in the company. Mr Pacak has an indefinite employment contract.

The chief executive, Mr J P Bekker, does not earn any remuneration from the group, in particular no salary, bonus, car scheme, medical or pension contributions of any nature whatsoever. His contract is for a five-year period which started on 1 April 2008 and was extended until February 2014. No remuneration is paid in respect of the extended contract and no share offers were made. No compensation will apply to termination.

13. RELATED PARTY TRANSACTIONS AND BALANCES *(CONTINUED)*

The individual directors received the following remuneration and emoluments during the current financial year:

Non-executive directors	Directors' fees Paid by company R'000	Directors' fees Paid by subsidiary R'000	Committee(1) and trustee(2) fees Paid by company R'000	Committee(1) and trustee(2) fees Paid by subsidiary R'000	Total 2013 R'000	Directors' fees Paid by company R'000	Directors' fees Paid by subsidiary R'000	Committee(1) and trustee(2) fees Paid by company R'000	Committee(1) and trustee(2) fees Paid by subsidiary R'000	Total 2012 R'000
T Vosloo(3)	**2 630**	**1 845**	**–**	**165**	**4 640**	2 390	1 520	–	150	4 060
J J M van Zyl(3)	**473**	**885**	**775**	**243**	**2 376**	430	750	564	226	1 970
L N Jonker(3)	**473**	**–**	**51**	**–**	**524**	430	–	48	–	478
N P van Heerden(3)	**473**	**–**	**–**	**–**	**473**	430	–	–	–	430
B J van der Ross	**473**	**–**	**231**	**–**	**704**	430	–	210	–	640
G J Gerwel(3)(4)	**355**	**504**	**218**	**60**	**1 137**	430	630	190	75	1 325
H S S Willemse	**473**	**–**	**51**	**–**	**524**	430	–	48	–	478
F-A du Plessis	**473**	**–**	**394**	**–**	**867**	430	–	364	–	794
T M F Phaswana(3)	**473**	**–**	**–**	**–**	**473**	430	–	–	–	430
L P Retief (3)	**473**	**1 933**	**–**	**51**	**2 457**	430	3 032	–	48	3 510
R C C Jafta(3)	**473**	**224**	**231**	**345**	**1 273**	430	210	210	320	1 170
D Meyer	**473**	**–**	**77**	**–**	**550**	430	–	–	–	430
	7 715	**5 391**	**2 028**	**864**	**15 998**	7 120	6 142	1 634	819	15 715

Notes

(1) *Committee fees include fees for the attendance of the audit committee, risk committee, human resources and remuneration committee, the nomination committee and the social and ethics committee meetings of the board. The committee fee for 2013 now includes fees for the social and ethics committee.*

(2) *Trustee fees include fees for the attendance of the various retirement fund trustee meetings of the group's retirement funds.*

(3) *Directors' fees include fees for services as directors, where appropriate, of Media24 Proprietary Limited, Paarl Media Holdings Proprietary Limited, MIH Holdings Proprietary Limited and MultiChoice South Africa Holdings Proprietary Limited.*

(4) *Deceased – 28 November 2012.*

General notes

Committee and trustee fees include, where appropriate, fees to be considered by shareholders at the annual general meeting on 30 August 2013 for services as trustees or members, as appropriate, of the group share schemes/retirement funds/Media24 safety, health and environmental committee.

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

Directors' interests in Naspers scheme shares in the group's share incentive schemes

The executive directors of Naspers are allowed to participate in the Naspers scheme shares in the group's share incentive schemes. Details as at 31 March 2013 in respect of the executive directors' participation in scheme shares not yet released, are as follows:

Name	Incentive scheme	Offer date	Number of N shares	Purchase price	Release period	Value of option (1)
S J Z Pacak	MIH (Mauritius) Limited share incentive scheme	2012/09/07	18 000	R 484.70	2017/09/07	R 189.16
	MIH (Mauritius) Limited share incentive scheme	2012/09/07	18 000	R 484.70	2016/09/07	R 175.38
	MIH (Mauritius) Limited share incentive scheme	2012/09/07	18 000	R 484.70	2015/09/07	R 159.91
	MIH (Mauritius) Limited share incentive scheme	2009/02/27	66 667	R 154.00	2014/02/27	R 84.77

Note

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

On 2 January 2002, Mr S J Z Pacak was offered, and accepted, 115 000 Naspers N ordinary shares at the listed market price of the shares on that date. In terms of the rules of the Naspers share incentive trust the shares vested over time and delivery of the shares acquired must be taken no later than the tenth anniversary of the offer date. Accordingly, on 4 September 2012 a total of 115 000 Naspers N ordinary shares were delivered to his family trust upon payment of the amount of R2 702 500, being the listed market value on the date of the offer.

13. RELATED PARTY TRANSACTIONS AND BALANCES *(CONTINUED)*

Directors' interest in Naspers shares

The directors of Naspers have the following interests in Naspers A ordinary shares on 31 March 2013:

	Naspers A ordinary shares			Naspers A ordinary shares		
	Beneficial			Beneficial		
Name	Direct	Indirect	Total	Direct	Indirect	Total
J J M van Zyl	**745**	**–**	**745**	745	–	745

Mr J P Bekker has an indirect 25% interest in Wheatfields 221 Proprietary Limited, which controls 168 605 Naspers Beleggings Limited ordinary shares, 16 860 500 Keeromstraat 30 Beleggings Limited ordinary shares and 133 350 Naspers A shares.

No other director of Naspers had any direct interest in Naspers A ordinary shares at 31 March 2013 or 31 March 2012.

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

	31 March 2013			31 March 2012		
	Naspers N ordinary shares			Naspers N ordinary shares		
	Beneficial			Beneficial		
Name	Direct	Indirect	Total	Direct	Indirect	Total
T Vosloo [5]	**–**	**185 000**	**185 000**	–	213 000	213 000
J P Bekker [2]	**11 687 808**	**4 688 691**	**16 376 499**	7 791 872	4 688 691	12 480 563
J J M van Zyl	**50 361**	**150 796**	**201 157**	50 361	150 796	201 157
L N Jonker	**1 000**	**52 000**	**53 000**	1 000	52 000	53 000
N P van Heerden	**–**	**2 600**	**2 600**	–	2 600	2 600
B J van der Ross	**–**	**400**	**400**	–	400	400
G J Gerwel [4]	**–**	**–**	**–**	–	–	–
H S S Willemse	**85**	**3 205**	**3 290**	85	3 205	3 290
F-A du Plessis	**–**	**–**	**–**	–	–	–
T M F Phaswana	**–**	**3 530**	**3 530**	–	3 530	3 530
L P Retief [1]	**–**	**–**	**–**	–	–	–
R C C Jafta	**–**	**–**	**–**	–	–	–
S J Z Pacak [3]	**711 843**	**282 548**	**994 391**	545 176	282 548	827 724
D Meyer	**–**	**–**	**–**	–	–	–
	12 451 097	**5 368 770**	**17 819 867**	8 388 494	5 396 770	13 785 264

Notes

[1] *The Media24 group entered into a contract with the Retief family trust in October 2008, which contains a put option whereby the Retief family trust can enforce a buy-out by Media24 group of their remaining interest in Paarl Media Holdings Proprietary Limited (currently 5%) and Paarl Coldset Proprietary Limited (currently 12,6%). Mr L P Retief, a director of Naspers Limited, is a related party to the Retief family trust.*

[2] *At 31 March 2013, 3 895 936 Naspers N ordinary shares at an offer price of R185,56 per share were released and reserved for Mr J P Bekker in the Naspers share incentive scheme. Furthermore, in terms of the rules of the Naspers share incentive trust, offers to participants expire on the tenth anniversary of the date of the offer, or, if the expiry date is in a closed period, 90 days after the end of the closed period. On 1 October 2002 and 17 December 2002, 2 452 411 and 2 236 280 Naspers N ordinary shares, respectively (a total of 4 668 691 N Shares), were offered to and accepted by Mr JP Bekker, chief executive of Naspers. Offer prices ranged from R22,39 to R 31,54, being the original offer prices on 1 October 2002 and 17 December 2002 based on the listed market price of Naspers N ordinary shares on the dates of the offers, adjusted by anticipated inflation over the course of the vesting periods. Inflation expectations were calculated by the Bureau for Economic Research of Stellenbosch University. On 14 December 2012, 4 688 691 Naspers N ordinary shares were delivered off-market to Mr Bekker's family trust upon payment of R125 252 946,38 to the Naspers Share Incentive Trust. The nature of Mr Bekker's interest is an indirect beneficial interest.*

[3] *During the financial year 166 667 Naspers N ordinary shares at offer prices of between R138,87 and R154,00 were released and reserved for Mr S J Z Pacak in the Naspers group's share incentive schemes. On 2 January 2002, Mr S J Z Pacak was offered, and accepted, 115 000 Naspers N ordinary shares at the listed market price of the shares on that date. In terms of the rules of the Naspers share incentive trust the shares vested over time and delivery of the shares acquired must be taken no later than the tenth anniversary of the offer date. Accordingly, on 4 September 2012 a total of 115 000 Naspers N ordinary shares were delivered to his family trust upon payment of the amount of R2 702 500, being the listed market value on the date of the offer.*

[4] *Deceased – 28 November 2012.*

[5] *In September 2012 Mr T Vosloo's family trust sold 28 000 Naspers N ordinary shares at average market prices ranging between R490,00 and R499,72 per share.*

There have been no changes to the directors' interests in the table above between the end of the financial year and 21 June 2013.

13. RELATED PARTY TRANSACTIONS AND BALANCES *(CONTINUED)*

Key management remuneration and participation in share-based incentive plans

Comparatives have not been restated to account for the change in the composition of key management.

The total of executive directors' and key management emoluments amounted to R232,4m (2012: R231,2m), comprising short-term employee benefits of R103,1m (2012: R85,1m), post-employment benefits of R10,6m (2012: R8,4m) and a share-based payment charge of R118,7m (2012: R137,6m). The aggregate number of share options granted to the executive directors and key management during the 2013 financial year and the number of shares allocated to the executive directors and key management at 31 March 2013 respectively are:

For shares listed on a recognised stock exchange as follows: 217 960 (2012: 166 415) Naspers Limited Class N ordinary shares were allocated during the 2013 financial year and an aggregate of 13 319 850 (2012: 18 040 747) Naspers Limited Class N ordinary shares were allocated as at 31 March 2013.

For shares in unlisted companies as follows: nil (2012: nil) Media24 Limited ordinary shares were allocated during the 2013 financial year and an aggregate of 10 441 (2012: 10 441) Media24 Limited ordinary shares were allocated as at 31 March 2013; nil (2012: nil) MIH China (BVI) Limited ordinary shares were allocated during 2013 financial year and an aggregate of 1 833 (2012: 6 807) MIH China (BVI) Limited ordinary shares were allocated as at 31 March 2013; nil (2012: 253 628) MIH India (Mauritius) Limited ordinary shares were allocated during the 2013 financial year and an aggregate of nil (2012: 753 322) MIH India (Mauritius) Limited ordinary shares were allocated as at 31 March 2013; 15 867 (2012: nil) MIH Russia Internet B.V. ordinary shares were allocated during the 2013 financial year and an aggregate of 335 070 (2012: 397 484) MIH Russia Internet B.V. ordinary shares were allocated as at 31 March 2013; nil (2012: nil) MIH BuscaPé ordinary shares were allocated during the 2013 financial year and an aggregate of 375 295 (2012: 55 667) MIH BuscaPé ordinary shares were allocated as at 31 March 2013; nil (2012: 14 317) MIH BuscaPé Holdings B.V. 2011 ordinary shares were allocated during the 2013 financial year and an aggregate of 24 317 (2012: 14 317) MIH BuscaPé Holdings B.V. 2011 ordinary shares were allocated as at 31 March 2013; 138 125 (2012: nil) MIH BuscaPé Holdings B.V. 2012 ordinary shares were allocated during the 2013 financial year and an aggregate of 138 125 (2012: nil) MIH BuscaPé Holdings B.V. 2012 ordinary shares were allocated as at 31 March 2013; 7 732 224 (2012: 1 513 508) OLX Inc ordinary shares were allocated during the 2013 financial year and an aggregate of 7 732 224 (2012: 1 513 508) OLX Inc ordinary shares were allocated as at 31 March 2013; 33 333 (2012: nil) MIH Allegro BV ordinary shares were allocated during the 2013 financial year and an aggregate of 33 333 (2012: nil) MIH Allegro BV ordinary shares were allocated as at 31 March 2013;

For share appreciation rights (SARs) in unlisted companies as follows: nil (2012: 1 186 551) Media24 SARs were allocated during the 2013 financial year and an aggregate of 1 340 333 (2012: 1 439 737) Media 24 SARs were allocated as at 31 March 2013; nil (2012: nil) MultiChoice Africa (Pty) Lmd SARs were allocated during the 2013 financial year and an aggregate of nil (2012: 62 347) MultiChoice Africa (Pty) Limitd SARs were allocated as at 31 March 2013; nil (2012: nil) Gadu-Gadu 2008 SARs were allocated during the 2013 financial year and an aggregate of 23 875 (2012: 31 910) Gadu-Gadu 2008 SARs were allocated as at 31 March 2013; nil (2012: nil) Irdeto 2008 SARs were allocated during the 2013 financial year and an aggregate of 74 184 (2012: 74 184) Irdeto 2008 SARs were allocated as at 31 March 2013; 78 220 (2012: nil) Irdeto Access BV 2012 SARs were allocated during the 2013 financial year and an aggregate of 78 220 (2012: nil) Irdeto Access BV 2012 SARs were allocated as at 31 March 2013; 193 203 (2012: 192 402) MultiChoice 2008 SARs were allocated during the 2013 financial year and an aggregate of 737 003 (2012: 543 800) MultiChoice 2008 SARs were allocated as at 31 March 2013; nil (2012: nil) MIH Allegro 2008 SARs were allocated during the 2013 financial year and an aggregate of 5 570 (2012: 9 449) MIH Allegro 2008 SARs were allocated as at 31 March 2013; 2 005 (2012: nil) MIH China 2008 SARs were allocated during the 2013 financial year and an aggregate of 2 005 (2012: 124) MIH China 2008 SARs were allocated as at 31 March 2013; nil (2012: nil) MIH Ricardo 2008 SARs were allocated during the 2013 financial year and an aggregate of 5 205 (2012: 104 106) MIH Ricardo 2008 SARs were allocated as at 31 March 2013; 91 468 (2012: nil) MIH Ricardo 2012 SARs were allocated during the 2013 financial year and an aggregate of 91 468 (2012: nil) MIH Ricardo 2012 SARs were allocated as at 31 March 2013; nil (2012: nil) Allegro 2009 SARs were allocated during the 2013 financial year and an aggregate of 8 539 (2012: 7 358) Allegro 2009 SARs were allocated as at 31 March 2013; nil (2012: 48 309) MIH Internet Africa (Pty) Ltd SARs were allocated during the 2013 financial year and an aggregate of nil (2012: 289 855) MIH Internet Africa (Pty) Ltd SARs were allocated as at 31 March 2013; 517 241 (2012: nil) MIH Internet Africa (Pty) Ltd 2012 SARs were allocated during the 2013 financial year and an aggregate of 517 241 (2012: nil) MIH Internet Africa (Pty) Ltd 2012 SARs were allocated as at 31 March 2013; nil (2012: 367 000) Paarl Coldset (Pty) Ltd SAR were allocated during the 2013 financial year and an aggregate of 633 000 (2012: 633 000) Paarl Coldset (Pty) Ltd SARs were allocated as at 31 March 2013; nil (2012: 450 000) Paarl Media Holdings (Pty) Ltd SARs were allocated during the 2013 financial year and an aggregate of 550 000 (2012: 750 000) Paarl Media Holdings (Pty) Ltd SARs were allocated as at 31 March 2013; 30 829 (2012: 7 190) Movile Internet Movel S.A SARs were allocated during the 2013 financial year and an aggregate of 38 019 (2012: 7 190) Movile Internet Movel S.A SARs were allocated as at 31 March 2013; nil (2012: 42 559) Level Up! International Holdings SARs were allocated during the 2013 financial year and an aggregate of 42 559 (2012: 42 559) Level Up! International Holdings SARs were allocated as at 31 March 2013; 100 000 (2012: nil) FixeAds B.V. SARs were allocated during the 2013 financial year and an aggregate of 100 000 (2012: nil) FixeAds B.V. SARs were allocated as at 31 March 2013; 100 000 (2012: nil) Korbitec SARs were allocated during the 2013 financial year and an aggregate of 100 000 (2012: nil) Korbitec SARs were allocated as at 31 March 2013; 270 285 (2012: nil) MIH South East Asia SARs were allocated during the 2013 financial year and an aggregate of 270 285 (2012: nil) MIH South East Asia SARs were allocated as at 31 March 2013.

These shares and SARs were granted on the same terms and conditions as those offered to employees of the group.

14. SHARE CAPITAL AND PREMIUM

	31 March 2013 R'm	 2012 R'm
Authorised		
1 250 000 A ordinary shares of R20 each	**25**	25
500 000 000 N ordinary shares of 2 cents each	**10**	10
	35	35
Issued		
712 131 A ordinary shares of R20 each (2012: 712 131)	**14**	14
415 540 259 N ordinary shares of 2 cents each (2012: 411 711 353)	**8**	8
	22	22
Share premium	**23 246**	21 179
	23 268	21 201
Less: Accumulated losses on vesting of equity compensation	**(5 023)**	(3 713)
Less: 21 268 454 (2012: 26 997 254) N ordinary shares held as treasury shares at cost	**(3 184)**	(2 799)
	15 061	14 689

Treasury shares

The group holds a total of 21 268 454 N ordinary shares (2012: 26 997 254), or 5,1% (2012: 6,6%) of the gross number in issue at 31 March 2013 as treasury shares. Equity compensation plans hold 16 458 521 of the N ordinary shares (2012: 22 179 675) and the remaining 4 809 933 N ordinary shares (2012: 4 817 579) are held by various group companies.

Voting and dividend rights

The A ordinary shareholders are entitled to 1 000 votes per share. The Naspers memorandum of incorporation was finalised and both N and A ordinary shareholders shall be entitled to nominal dividends, but the dividends declared to A shareholders will always be limited to one-fifth of the dividend to which N ordinary shareholders are entitled. In respect of all other rights, the A ordinary shares rank pari passu with the N ordinary shares of the company.

Naspers Beleggings Limited holds 350 000 A ordinary shares (2012: 350 000) and Keeromstraat 30 Beleggings Limted holds 219 344 A ordinary shares (2012: 219 344) of the total 712 131 A ordinary shares in issue at year-end. As a result of the voting rights attached to these shares, the companies have significant influence over the group. The majority of the directors on the boards of these companies are also directors of Naspers Limited. Wheatfields 221 Proprietary Limited controls 133 350 A ordinary shares (2012: 133 350).

Unissued share capital

The directors of the company have unrestricted authority until after the following annual general meeting to allot and issue the unissued 537 869 A ordinary shares and 84 459 741 N ordinary shares in the company. This authority was granted subject to the provisions of the South African Companies Act No 71 of 2008, the JSE Listings Requirements and any other exchange on which the shares of the company may be quoted or listed from time to time.

14. SHARE CAPITAL AND PREMIUM *(CONTINUED)*

	2013 Number of N shares	2012 Number of N shares
Movement in N ordinary shares in issue during the year		
Shares in issue at 1 April	**411 711 353**	406 581 911
Shares issued to share incentive trusts and companies	**3 828 906**	5 129 442
Shares in issue at 31 March	**415 540 259**	411 711 353
Movement in N ordinary shares held as treasury shares during the year		
Shares held as treasury shares at 1 April	**26 997 254**	31 142 354
Shares issued to share incentive trusts and companies	**3 828 906**	5 129 442
Shares acquired by participants from equity compensation plans	**(9 557 706)**	(9 274 542)
Shares held as treasury shares at 31 March	**21 268 454**	26 997 254
Net number of N ordinary shares in issue at 31 March	**394 271 805**	384 714 099

	31 March	
	2013 R'm	2012 R'm
Share premium		
Balance at 1 April	**21 179**	19 271
Share premium on share issues	**2 067**	1 908
Balance at 31 March	**23 246**	21 179

Refer to note 40 for share options in employee share incentive plans.

Capital management

The group's objectives when managing capital are to safeguard the entity's ability to continue as a going concern, so that it can continue to provide adequate returns for shareholders and benefits for other stakeholders by pricing products and services commensurately with the level of risk.

Naspers relies upon distributions from its subsidiaries, associated companies, joint ventures and other investments to generate the funds necessary to meet the obligations and other cash flow requirements of the combined group. The operations of Naspers have been funded in a number of ways in the past. The internet development activities were primarily funded by cash generated by the pay-television businesses and some debt financing. The recent acquisitions of ecommerce businesses were mostly funded through debt financing.

The group's general business approach has been to acquire developing businesses and to provide funding to meet the cash needs of the business until it can, within a reasonable period of time, become self-funding. Funding is provided through a combination of loans and share capital, depending on the country-specific regulatory requirements. From a subsidiary's perspective, intergroup loan funding is generally considered to be part of the capital structure. The focus on increased profitability and cash flow generation will continue in the foreseeable future, although the group will continue to actively evaluate potential growth opportunities within its areas of expertise.

The group will also grow its business in the future by making equity investments in growth companies. The group anticipates that it may fund future acquisitions and investments through the issue of debt instruments and available cash resources.

The group sets the amount of capital in proportion to risk. The group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

14. SHARE CAPITAL AND PREMIUM *(CONTINUED)*

Capital management *(continued)*

In July 2010 the group issued a seven-year US$700m international bond. The bond matures in July 2017 with a fixed interest rate of 6,375% per annum. The proceeds were used to partly pay down an offshore revolving credit facility (RCF).

During March 2011, the group refinanced its previous RCF of US$1,72bn with a new RCF of US$1,875bn. The current RCF matures in March 2016 and bears interest at US LIBOR plus 1,75% before commitment and utilisation fees. At the same time, the group entered into a bilateral facility for US$125m under the same terms and conditions as the RCF providing the group with a total RCF of US$2bn.

The borrower under the bond and RCF/bilateral facilities is Myriad International Holdings B.V. and the facilities are guaranteed by Naspers Limited. The borrower is obligated to pay a commitment fee equal to 35% of the applicable margin under the RCF/bilateral facility. The undrawn balance of the RCF is available to fund future investments by the group as part of its growth strategy.

As of 31 March 2013 Naspers had total interest-bearing debt (including capitalised finance leases) of R27,2bn (2012: R15,8bn) and total cash of R14,4bn (2012: R8,8bn). The net interest-bearing debt to equity ratio was 24% (2012: 15%) at 31 March 2013. The group excludes satellite transponders from total interest-bearing debt when evaluating and managing capital. These items are considered to be operating expenses. The adjusted total interest-bearing debt (excluding transponder leases) was R21,0bn (2012: R13,4bn) and the adjusted net interest-bearing debt to equity ratio was 12% (2012: 10%).

The group does not have a formal targeted debt-equity ratio. The group, as well as various group companies, have specific financial covenants in place with various financial institutions to govern their debt.

South African exchange control regulations are administered by the South African Reserve Bank acting through its Financial Surveillance Department. The exchange control regulations provide for a common monetary area consisting of the Republic of South Africa, the Kingdom of Lesotho, the Kingdom of Swaziland and the Republic of Namibia, and restrict the export of capital from the common monetary area. Approval is required for any acquisitions outside of the common monetary area if the acquisition is funded from within the common monetary area.

15. OTHER RESERVES

	31 March	
	2013	**2012**
	R'm	**R'm**
Other reserves on the statement of financial position comprise:		
Foreign currency translation reserve	**6 192**	980
Hedging reserve	**(175)**	(328)
Valuation reserve	**1 622**	5 933
Existing control business combination reserve	**(688)**	42
Share-based compensation reserve	**4 006**	3 134
	10 957	9 761

The foreign currency translation reserve relates to exchange differences arising from the translation of foreign subsidiaries', joint ventures' and associates' income statements at average exchange rates for the year and their statements of financial position at the ruling exchange rates at the statement of financial position date if the functional currency differs.

The hedging reserve relates to the changes in the fair value of derivative financial instruments. It hedges forecast transactions or the foreign currency part of firm commitments. The changes in fair value are recorded in the hedging reserve until the forecast transaction or firm commitment results in the recognition of an asset or liability, when such deferred gains or losses are then included in the initial measurement of the asset or liability.

The valuation reserve relates to the difference between the fair value and the book value of shares given in business combinations, as well as the fair value adjustments made to intangible assets during successive acquisitions are included in this reserve. This includes our share of associates' revaluation of their own available-for-sale investments. During the current year R2,6bn previously recognised in other comprehensive income was reclassified to profit and loss.

15. OTHER RESERVES *(CONTINUED)*

The existing control business combination reserve is used to account for transactions with non-controlling shareholders in terms of the economic entity model, whereby the excess of the cost of the transactions over the acquirer's interest in previously recognised assets and liabilities is allocated to this reserve in equity. This reserve is also used in common control transactions (where all of the combining entities in a business combination are ultimately controlled by the same entity) where the excess of the cost over the acquirer's proportionate share of the net assets is allocated to this reserve.

The fair value of share options issued to employees is accounted for in the share-based compensation reserve over the vesting period. The reserve is adjusted at each year-end when the entity revises its estimates of the number of share options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the income statement, with a corresponding adjustment to this reserve in equity for equity-settled plans.

16. RETAINED EARNINGS

Secondary Tax on Companies has been replaced with Dividend Tax with effect from 1 April 2012 at a rate of 15%. Unutilised STC credits can be utilised to reduce the Dividend Tax on dividend payments after 1 April 2012, but expire 1 April 2017. The company utilised all its available STC credits with regard to the dividend paid in September 2012 to shareholders. No unutilised STC credits remain at 31 March 2013 (2012: R549,6m).

The board of directors has proposed that a dividend of 385 cents (2012: 335 cents) per N ordinary share and 77 cents (2012: 67 cents) per A ordinary share be paid to shareholders on 25 September 2013. If approved by the shareholders of the company at its annual general meeting, the company will pay a total dividend of approximately R1,6bn based on the number of shares in issue at 31 March 2013.

17. POST-EMPLOYMENT LIABILITIES

17.1 Medical liability

The group operates a number of post-employment medical benefit schemes. The obligation of the group to pay medical aid contributions after retirement is no longer part of the conditions of employment for new employees. A number of pensioners and current employees, however, remain entitled to this benefit. The entitlement to this benefit for current employees is dependent upon the employees remaining in service until retirement age and completing a minimum service period. The group provides for post-employment medical aid benefits on the accrual basis determined each year by way of a valuation. The key assumptions and valuation method are described below.

Key assumptions and valuation method

The actuarial valuation method used to value the liabilities is the projected unit credit method prescribed by IAS 19 "Employee Benefits". Future benefits valued are projected using specific actuarial assumptions and the liability for in-service members is accrued over the expected working lifetime.

The most significant actuarial assumptions used for the current and previous valuations are outlined below:

	31 March	
	2013	**2012**
Discount rate	**8.2%**	8.4%
Healthcare cost inflation	**8.0%**	7.9%
Average retirement age	**60**	60
Membership discontinued at retirement	**0%**	0%

We assumed that current in-service members would retire on their current medical scheme option and that there would be no change in options at retirement.

Actuarial assumptions are generally more suited to the estimation of the future experience of larger groups of individuals. The overall experience of larger groups is less variable and is more likely to tend to the expected value of the underlying statistical distribution. The smaller the group size, the less likely it is that the actual future experience will be close to that expected. Furthermore, note that even if the assumptions are appropriate for the group overall, they may not be appropriate at an individual level.

17. POST-EMPLOYMENT LIABILITIES *(CONTINUED)*

17.1 Medical liability *(continued)*

	31 March 2013 R'm	2012 R'm
Post-employment medical liability		
Opening balance	**139**	179
Current service cost	**1**	5
Interest cost	**11**	14
Employer benefit payments	**(6)**	(7)
Buy-out	**–**	(48)
Actuarial loss/(gain)	**6**	(4)
Other	**13**	–
Closing balance	**164**	139

	31 March 2013 R'm	2012 R'm	2011 R'm	2010 R'm	2009 R'm
Trend information					
Present value of obligations	**164**	139	180	179	156
Experience adjustments:					
In respect of present value of obligations - actuarial loss/(gain)	**6**	(4)	(6)	6	6

As the value of the liability is based on a number of assumptions, a sensitivity analysis is presented below to show the effect of a one-percentage point decrease or increase in the rate of healthcare cost inflation:

Healthcare cost inflation	**Assumption 8%**	**-1%**	**+1%**
Accrued liability 31 March 2013 (R'm)	164	143	188
% change	–	-12.4%	15.3%
Current service cost + interest cost 2013/14 (R'm)	12	11	15
% change	–	-13.3%	16.6%

17.2 Pension and provident benefits

The group provides retirement benefits for its full-time employees by way of various separate defined contribution pension and provident funds. All full-time employees have access to these funds. Contributions to these funds are paid on a fixed scale. Substantially all the group's full-time employees are members of either one of the group's retirement benefit plans or a third-party plan. These funds are related parties to the group and as at 31 March 2013 and 2012 there were no outstanding amounts between the group and these funds.

An amount of R385,2m (2012: R344,4m) was recognised as an expense in relation to the group's retirement funds.

18. LONG-TERM LIABILITIES

	31 March 2013 R'm	31 March 2012 R'm
Interest-bearing: Capitalised finance leases	**5 868**	2 208
Total liabilities	**6 251**	2 459
Less: Current portion	**(383)**	(251)
Interest-bearing: Loans and other liabilities	**20 573**	12 996
Total liabilities	**20 984**	13 362
Less: Current portion	**(411)**	(366)
Non-interest-bearing: Programme and film rights	**–**	–
Total liabilities	**1 358**	979
Less: Current portion	**(1 358)**	(979)
Non-interest-bearing: Loans and other liabilities	**162**	280
Total liabilities	**308**	297
Less: Current portion	**(146)**	(17)
Net long-term liabilities	**26 603**	15 484

Interest-bearing: Capitalised finance leases

Type of lease	Currency of year-end balance	Year of final repayment	Weighted average year-end interest rate	31 March 2013 R'm	31 March 2012 R'm
Buildings, manufacturing equipment, vehicles, computers and office equipment	Various	Various	Various	**27**	23
				27	23
Transmission equipment and satellites	USD	2012	8.1%	**–**	89
	USD	2017	3.5%	**91**	90
	USD	2020	4.4%	**352**	227
	USD	2025	6.0%	**2 316**	2 030
	USD	2027	4.5%	**3 465**	–
				6 224	2 436
Total capitalised finance leases				**6 251**	2 459

18. LONG-TERM LIABILITIES *(CONTINUED)*

Interest-bearing: Capitalised finance leases *(continued)*	31 March 2013 R'm	31 March 2012 R'm
Minimum instalments		
Payable within year one	**689**	405
Payable within year two	**687**	281
Payable within year three	**684**	280
Payable within year four	**681**	277
Payable within year five	**674**	277
Payable after year five	**5 077**	1 913
	8 492	3 433
Future finance costs on finance leases	**(2 241)**	(974)
Present value of finance lease liabilities	**6 251**	2 459
Present value		
Payable within year one	**383**	251
Payable within year two	**401**	156
Payable within year three	**418**	165
Payable within year four	**437**	172
Payable within year five	**452**	181
Payable after year five	**4 160**	1 534
Present value of finance lease liabilities	**6 251**	2 459

Interest-bearing: Loans and other liabilities

Loan	Asset secured	Currency of year-end balance	Year of final repayment	Weighted average year-end interest rate	31 March 2013 R'm	31 March 2012 R'm
Secured						
Various institutions	Various	Various	Various	Various	**60**	29
Unsecured						
Nedbank		ZAR	2015	7.6%	**307**	466
Nedbank		ZAR	2018	7.0%	**861**	–
Syndication of banks		USD	2016	1-month LIBOR +1.75% (1.95%)	**12 807**	7 248
Publicly traded bond		USD	2017	6.4%	**6 413**	5 368
Related party loans from non-controlling shareholders		Various	Various	Various	**536**	228
Other loans		Various	Various	Various	**–**	23
					20 984	13 362

Non-interest-bearing: Programme and film rights

Liabilities	Currency of year-end balance	Year of final repayment	31 March 2013 R'm	31 March 2012 R'm
Unsecured				
Programme and film rights liabilities	Various	2013	**1 272**	867
Programme and film rights liabilities	Various	2017	**86**	112
			1 358	979

18. LONG-TERM LIABILITIES *(CONTINUED)*

Non-interest-bearing: Loans and other liabilities

Loans	**Currency of year-end balance**	**Year of final repayment**	**31 March 2013 R'm**	**31 March 2012 R'm**
Secured				
Fortress	EUR	2014 - 2019	**19**	–
Unsecured				
MTN Limited	ZAR	Conditional	**83**	80
Earnouts	Various	Conditional	**122**	185
Related party loans from non-controlling shareholders	Various	Various	**47**	10
Other	Various	Various	**37**	22
			308	297

Total long-term liabilities

	2013 R'm	**2012 R'm**
Repayment terms of long-term liabilities (excluding capitalised finance leases)		
- Payable within year one	**1 830**	1 250
- Payable within year two	**299**	340
- Payable within year three	**12 759**	97
- Payable within year four	**87**	7 252
- Payable within year five	**7 330**	94
- Payable after year five	**345**	5 605
	22 650	14 638
Interest rate profile of long-term liabilities (long- and short-term portion, including capitalised finance leases)		
- Loans at fixed rates: 1 - 12 months	**621**	386
- Loans at fixed rates: more than 12 months	**12 631**	8 122
- Interest-free loans	**1 666**	1 276
- Loans linked to variable rates	**13 983**	7 313
	28 901	17 097

19. PROVISIONS

The following account balances have been determined based on management's estimates and assumptions:

	1 April 2012 R'm	**Additional provisions raised R'm**	**Unutilised provisions reversed to income R'm**	**Provisions utilised R'm**	**Foreign currency translation R'm**	**Other R'm**	**31 March 2013 R'm**	**Less short-term portion R'm**	**Long-term portion R'm**
Group									
Warranties	**95**	**1**	**–**	**(1)**	**16**	**–**	**111**	**(111)**	**–**
Pending litigation	**86**	**14**	**(22)**	**(7)**	**6**	**(3)**	**74**	**(41)**	**33**
Reorganisation	**40**	**77**	**(28)**	**(31)**	**9**	**1**	**68**	**(68)**	**–**
Onerous contracts	**7**	**32**	**–**	**(4)**	**4**	**(1)**	**38**	**(26)**	**12**
Ad valorem duties	**23**	**–**	**–**	**–**	**–**	**–**	**23**	**(23)**	**–**
Long-service and retirement gratuity	**50**	**8**	**–**	**(4)**	**–**	**–**	**54**	**–**	**54**
Other	**40**	**17**	**(6)**	**(12)**	**6**	**(11)**	**34**	**(26)**	**8**
	341	**149**	**(56)**	**(59)**	**41**	**(14)**	**402**	**(295)**	**107**

19. PROVISIONS *(CONTINUED)*

	1 April 2011 R'm	Additional provisions raised R'm	Unutilised provisions reversed to income R'm	Provisions utilised R'm	Foreign currency translation R'm	Other R'm	31 March 2012 R'm	Less short-term portion R'm	Long-term portion R'm
Group									
Warranties	91	–	(1)	(1)	6	–	95	(95)	–
Pending litigation	57	34	(1)	(5)	1	–	86	(70)	16
Reorganisation	1	39	–	(6)	–	6	40	(40)	–
Onerous contracts	23	1	(3)	(16)	1	1	7	(5)	2
Ad valorem duties	23	–	–	–	–	–	23	(23)	–
Long-service and retirement gratuity	33	23	–	(6)	–	–	50	(11)	39
Other	9	32	(4)	(1)	2	2	40	(35)	5
	237	129	(9)	(35)	10	9	341	(279)	62

Further details describing the provisions are included below:

The group recognises the estimated liability on all products still under warranty at the statement of financial position date. Included in warranties are Irdeto's 12-month warranty on all hardware provided as well as warranties relating to a disposal in a subsidiary.

The group is currently involved in various litigation matters. The litigation provision has been made based on legal counsel and management's estimates of costs and possible claims relating to these actions (refer to note 21).

The provision for reorganisation relates to the estimated costs for the reorganisation of businesses in the pay-television segment.

The provision for onerous contracts relates to anticipated costs for work to still be completed in regards to the technology service contracts, compensation for early termination of a contract with a business partner, and obligations that the group has in terms of lease agreements for office space not yet expired, but the premises have been vacated. The group is liable for the rent under these contracts. The obligation will be settled over the remaining lease periods.

The provision for ad valorem duties relates to an investigation by tax authorities into the value ascribed to digital satellite decoders purchased for onward sale to major retailers. The provision was raised for the payment of these duties.

The provision for long service and retirement gratuity relates to the estimated cost of these employee benefits.

20. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	31 March 2013 R'm	31 March 2012 R'm
Deferred income	**1 896**	1 595
Accrued expenses	**3 103**	2 404
Amounts owing in respect of investments acquired	**11**	12
Taxes and other statutory liabilities	**2 637**	1 722
Bonus accrual	**470**	457
Accrual for leave	**316**	267
Other personnel accruals	**171**	239
Payments received in advance	**358**	204
Other current liabilities	**761**	413
	9 723	7 313

21. COMMITMENTS AND CONTINGENCIES

The group is subject to commitments and contingencies, which occur in the normal course of business, including legal proceedings and claims that cover a wide range of matters. The group plans to fund these commitments and contingencies out of existing loan facilities and internally generated funds.

(a) Capital expenditure

Commitments in respect of contracts placed for capital expenditure at 31 March 2013 amounted to R1,1bn (2012: R298,9m).

(b) Programme and film rights

At 31 March 2013 the group had entered into contracts for the purchase of programme and film rights. The group's commitments in respect of these contracts amounted to R13,6bn (2012: R12,1bn).

(c) Transponder leases

During the year ended 31 March 2013 the group entered into new leasing contracts for new satellite transponders. The commitment outstanding as at 31 March 2013 amounted to R399,5m (2012: R4,5bn).

Transponder lease commitments disclosed at 31 March 2012 have been restated by R3,3bn to exclude assets already capitalised.

(d) Set-top boxes

At 31 March 2013 the group had entered into contracts for the purchase of set-top boxes (decoders). The group's commitments in respect of these contracts amounted to R559,6m (2012: R228,4m).

(e) Other commitments

At 31 March 2013 the group had entered into contracts for the receipt of various services. These service contracts are for the receipt of advertising, satellite and DVB-H broadcast capacity, computer and decoder support services, access to networks and contractual relationships with customers, suppliers and employees. The group's commitments in respect of these agreements amounted to R1,2bn (2012: R952,8m).

(f) Operating lease commitments

The group has the following operating lease liabilities at 31 March 2013 and 2012:

	31 March	
	2013 **R'm**	**2012** **R'm**
Minimum operating lease payments:		
Payable in year one	**404**	302
Payable in year two	**300**	235
Payable in year three	**217**	195
Payable in year four	**147**	121
Payable in year five	**99**	100
Payable after five years	**193**	129
	1 360	1 082

The group leases office, manufacturing and warehouse space under various non-cancellable operating leases. Certain contracts contain renewal options and escalation clauses for various periods of time.

21. COMMITMENTS AND CONTINGENCIES *(CONTINUED)*

(g) Litigation claims

Taxation matters

The group operates a number of businesses in jurisdictions where withholding taxes are payable on certain transactions or payments. In some circumstances transactions could possibly lead to withholding taxes being payable. We continue to seek relevant advice and work with our advisors to identify and quantify such tax exposures. Our current assessment of possible withholding tax exposures, including interest and potential penalties amounts to approximately R1,9bn (US$210,0m) (2012: R1,2bn (US$153,6m)).

Complaint referral by the Competition Commission of South Africa

On 31 October 2011 Media24 Proprietary Limited ("Media24"), a subsidiary of the group, received a complaint referral by the Competition Commission of South Africa relating to its pricing conduct in the market for advertising in community newspapers in the Goldfields area of South Africa during the period January 2004 to February 2009. Media24 allegedly contravened section 8(d)(iv), alternatively 8(c) of the Competition Act, by adopting "predatory" pricing policies.

Media24 prepared and delivered its answer to the complaint referral within the set time limits. Independent legal advice has indicated that Media24 has a good prospect of a successful defence against the charges made in the complaint referral. Accordingly, no provision has been made for the payment of any penalties in the year under review. The matter is expected to be heard by the Competition Tribunal in November 2013.

(h) Guarantees

At 31 March 2013 the group had provided guarantees of R3,9bn (2012: R3,1bn) mainly in respect of bank guarantees for sport rights, office rental, services, other contracts and revolving credit facilities.

(i) Assets pledged as security

The group pledged property, plant and equipment, investments, cash and cash equivalents, accounts receivable and inventory with a net carrying value of R5,8bn at 31 March 2013 (2012: R2,6bn) to a number of banks as security for certain term loans listed in note 18 to the value of R6,3bn (2012: R2,5bn).

22. REVENUE

	31 March 2013 R'm	2012 R'm
Subscription revenue	**24 250**	19 953
Ecommerce revenue	**10 214**	5 134
Advertising revenue	**5 237**	4 919
Technology revenue	**2 348**	2 081
Printing revenue	**2 145**	1 919
Hardware sales	**1 576**	1 243
Circulation revenue	**1 374**	1 382
Book publishing and book sales revenue	**840**	750
Distribution revenue	**293**	370
Decoder maintenance	**282**	273
Sublicence revenue	**258**	338
Reconnection fees	**172**	119
Contract publishing	**61**	173
Other revenue	**1 199**	833
	50 249	39 487

Other revenues include revenues from backhaul charges, financing service fees, online deed searches and instant messaging.

Barter revenue		
Amount of barter revenue included in total revenue	**129**	137

23. EXPENSES BY NATURE

	31 March 2013 R'm	2012 R'm
Operating profit includes the following items:		
Depreciation classification		
Cost of providing services and sale of goods	**984**	654
Selling, general and administration expenses	**525**	568
	1 509	1 222
Amortisation classification		
Cost of providing services and sale of goods	**71**	65
Selling, general and administration expenses	**1 082**	1 023
	1 153	1 088
Operating leases		
Buildings	**312**	228
Satellites and transponders	**24**	9
Other equipment	**43**	47
	379	284
Auditor's remuneration		
Audit fees	**82**	75
Audit fees - prior year underprovision	**2**	1
Audit-related fees	**10**	4
Tax fees	**28**	22
All other fees	**10**	7
	132	109
Foreign exchange (gains)/losses		
On capitalisation of forward exchange contracts in hedging transactions	**(132)**	252
Other	**(97)**	26
	(229)	278

23. EXPENSES BY NATURE (CONTINUED)

Staff costs

As at 31 March 2013 the group had 21 326 (2012: 19 228) permanent employees.
The total cost of employment of all employees, including executive directors, was as follows:

	31 March 2013 R'm	31 March 2012 R'm
Salaries, wages and bonuses	**8 738**	7 288
Retirement benefit costs	**385**	344
Medical aid fund contributions	**252**	237
Post-employment benefits	**34**	31
Training costs	**125**	107
Retention option expense	**138**	–
Share-based compensation expenses	**488**	466
Total staff costs	**10 160**	8 473
Advertising expenses	**2 379**	1 534
Amortisation of programme and film rights	**5 517**	4 473
Cost of inventories sold	**5 711**	4 022

24. OTHER GAINS/(LOSSES) - NET

	31 March 2013 R'm	31 March 2012 R'm
Loss on sale of assets	**(17)**	(95)
Fair value adjustment of financial intruments	**(35)**	32
Impairment losses	**(781)**	(1 487)
Impairment and derecognition of goodwill and other intangible assets	**(684)**	(1 487)
Impairment of other property, plant and equipment and other assets	**(97)**	–
Gain on settlement of transponder lease	–	100
Compensation received from third parties for property, plant and equipment impaired, lost or stolen	**2**	2
Total other gains/(losses) - net	**(831)**	**(1 448)**

Refer to notes 4, 5 and 6 for further information on the above impairments.

25. FINANCE COSTS/(INCOME)

	31 March 2013 R'm	31 March 2012 R'm
Interest paid		
Loans and overdrafts	**1 045**	877
Transponder leases	**231**	132
Other	**225**	262
	1 501	1 271
Interest received		
Loans and bank accounts	**(415)**	(360)
Other	**(18)**	(40)
	(433)	(400)
Net loss/(profit) from foreign exchange translation and fair value adjustments on derivative financial instruments		
On translation of assets and liabilities	**124**	303
On translation of transponder leases	**391**	1
On translation of forward exchange contracts	**(142)**	(169)
	373	135
Preference dividends (BEE structures) received	**(125)**	(309)
Other finance (income)/costs - net	**248**	(174)
Total finance costs/(income)	**1 316**	697

26. LOSSES ON ACQUISITIONS AND DISPOSALS

Profit/(loss) on sale of investments	**61**	(7)
Losses recognised on loss of control transactions	**(44)**	–
Acquisition-related costs	**(73)**	(72)
Other	**9**	(55)
	(47)	(134)

27. TAXATION

	31 March 2013 R'm	31 March 2012 R'm
Normal taxation		
South Africa	**2 280**	1 632
Current year	**2 284**	1 639
Prior year	**(4)**	(7)
Foreign taxation	**719**	593
Current year	**723**	583
Prior year	**(4)**	10
Secondary taxation on companies	**(1)**	5
Income taxation for the year	**2 998**	2 230
Deferred taxation		
South Africa	**(315)**	122
Current year	**(322)**	106
Change in rate	**8**	15
Prior year	**(1)**	1
Foreign taxation	**(131)**	(293)
Current year	**(131)**	(286)
Prior year	**–**	(7)
Total taxation per income statement	**2 552**	2 059
Reconciliation of taxation		
Taxation at statutory rates	**2 604**	1 549
Adjusted for:		
Non-deductible expenses	**1 077**	647
Non-taxable income	**(34)**	(243)
Temporary differences not provided for	**641**	703
Assessed losses unprovided/(utilised)	**451**	(31)
Initial recognition of prior year taxes	**14**	(4)
Other taxes	**306**	405
Changes in taxation rates	**3**	7
Tax attributable to associate income	**(2 520)**	(1 083)
Tax adjustment for foreign taxation rates	**10**	109
Taxation provided in income statement	**2 552**	2 059

28. NON-CURRENT ASSETS AND LIABILITIES HELD-FOR-SALE

Level Up!

On 19 January 2012 the group concluded an agreement for the sale of Level Up! International Private Holdings Limited to Tencent Holdings Limited. Level Up! is included in the internet segment. The necessary regulatory approval was obtained during the year and the group disposed 49% of its interest. An option to acquire a further 18% and management control has been granted to Tencent.

	31 March 2013 R'm	31 March 2012 R'm
Non-current assets classified as held-for-sale		
Goodwill	–	226
Other intagible assets	–	242
Other	–	124
	–	592
Non-current liabilities classified as held-for-sale		
Deferred taxation	–	59
Trade payables	–	35
Accrued expenses and other current liabilities	–	54
Other	–	10
	–	158

As at 31 March 2013, the remaining held-for-sale assets of R46m (2012: R44m) comprise other tangible assets and land and buildings which are being actively marketed for sale.

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
(CONTINUED)

29. EARNINGS PER SHARE

	31 March							
	2013				2012			
	Gross R'm	Taxation R'm	Non-controlling interests R'm	Net R'm	Gross R'm	Taxation R'm	Non-controlling interests R'm	Net R'm
Earnings								
Net profit attributable to shareholders				6 047				2 894
Headline adjustments								
Adjustments for:	644	(29)	(32)	583	2 262	(207)	(75)	1 980
Insurance proceeds	(2)	–	–	(2)	(2)	–	–	(2)
Impairment of property, plant and equipment and other assets	97	(19)	(12)	66	–	–	–	–
Impairment of goodwill and intangible assets	684	(6)	(14)	664	1 487	(199)	(75)	1 213
Loss on sale of property, plant and equipment and intangible assets	17	(2)	(1)	14	7	(5)	2	4
Profit on sale of intangibles	–	–	–	–	(7)	2	1	(4)
(Profit)/loss on sale of investments	(4)	–	(4)	(8)	45	–	(3)	42
Dilution loss on equity-accounted investments	96	–	–	96	606	–	–	606
Remeasurement included in equity-accounted earnings	(2 301)	(1)	–	(2 302)	32	(5)	–	27
Impairment of equity-accounted investments	2 057	(1)	(1)	2 055	94	–	–	94
Headline earnings				6 630				4 874

	2013 Number of N shares	2012 Number of N shares
Number of N ordinary shares in issue at year-end (excluding treasury shares)	394 271 805	384 714 099
Adjusted for movement in shares held by share trusts	(9 207 668)	(9 061 589)
Weighted average number of N ordinary shares in issue during the year	385 064 137	375 652 510
Adjusted for effect of future share-based compensation payments	9 300 400	12 914 523
Diluted weighted average number of N ordinary shares in issue during the year	394 364 537	388 567 033
Earnings per N ordinary share (cents)		
Basic	1 570	770
Fully diluted	1 533	745
Headline earnings per N ordinary share (cents)		
Basic	1 722	1 297
Fully diluted	1 681	1 254
Dividend paid per A ordinary share (cents)	67	54
Dividend paid per N ordinary share (cents)	335	270
Proposed dividend per A ordinary share (cents)	77	67
Proposed dividend per N ordinary share (cents)	385	335

30. CASH FROM OPERATIONS

	31 March 2013 R'm	31 March 2012 R'm
Profit before tax per income statement	**9 300**	5 540
Adjustments:		
- Non-cash and other	**(1 193)**	1 870
Loss on sale of assets	**17**	95
Depreciation and amortisation	**2 662**	2 310
Retention option expense	**138**	–
Share-based compensation expenses	**488**	466
Net finance cost	**1 316**	697
Share of equity-accounted results	**(9 001)**	(3 869)
Impairment of equity-accounted investments	**2 057**	94
(Gains)/loss on acquisitions and disposals	**(26)**	63
Dilution losses on equity-accounted investments	**96**	606
Gain on settlement of transponder lease	**–**	(100)
Insurance proceeds	**(2)**	(2)
Impairment losses	**781**	1 487
Other	**281**	23
- Working capital	**332**	97
Cash movement in trade and other receivables	**(980)**	(595)
Cash movement in payables, provisions and accruals	**1 796**	946
Cash movements for programme and film rights	**(151)**	103
Cash movement in inventories	**(333)**	(357)
Cash from operations	**8 439**	7 507

31. ACQUISITION OF SUBSIDIARIES

	2013 R'm	2012 R'm
Fair value of assets and liabilities acquired:		
Property, plant and equipment	**165**	70
Investments and loans	**13**	5
Intangible assets	**1 181**	1 085
Net current assets/(liabilities)	**(136)**	203
Deferred taxation	**(205)**	(256)
Long-term liabilities	**(35)**	(36)
	983	1 071
Non-controlling interests	**(242)**	(259)
Common Control	**(2)**	–
Derecognition of investment in associate	**(26)**	(57)
Gain on bargain purchase	**(5)**	–
Goodwill	**2 423**	1 184
Purchase consideration	**3 131**	1 939
Settlement of loans as part of purchase agreement	**(96)**	–
Amount to be settled in future	**(23)**	(141)
Settlement of amounts owing in respect of prior year purchases	**83**	–
Cash in subsidiaries acquired	**(140)**	(227)
Net cash outflow from acquisition of subsidiaries	**2 955**	1 571

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

32. DISPOSAL OF SUBSIDIARY

	31 March	
	2013 R'm	2012 R'm
Book value of assets and liabilities:		
Property, plant and equipment	**20**	–
Investments and loans	**122**	6
Goodwill	**164**	9
Intangible assets	**29**	21
Net current assets	**98**	3
Deferred taxation	**(2)**	(4)
Long-term liabilities	**(109)**	–
FCTR realised	**(27)**	–
	295	35
Non-controlling interests	**9**	1
Transferred to common control	**–**	(5)
Held-for-sale assets	**483**	–
Loss on sale	**(9)**	(7)
Selling price	**778**	24
Cash in subsidiaries disposed of	**(10)**	2
Shares received as settlement	**(430)**	–
Net cash inflow from disposal of subsidiaries	**338**	**26**

33. DISPOSAL OF JOINT VENTURES

Book value of assets and liabilities:		
Property, plant and equipment	**35**	3
Investments and loans	**6**	30
Goodwill	**39**	–
Intangible assets	**11**	91
Net current assets	**33**	11
Deferred taxation	**(6)**	3
Long-term liabilities	**(20)**	(22)
	98	116
Loss on sale	**(26)**	(3)
Selling price	**72**	113
Cash in joint ventures disposed of	**(27)**	(12)
Shares received as settlement	**(11)**	–
Net cash inflow from disposal of joint ventures	**34**	101

34. ACQUISITION OF ASSOCIATES

Included in acquisition of associates of R1 705m (2012: R122m) are the following: Flipkart Private Limited R858m, Avito Holdings AB R462m, Souq Group Limited R319m and other acquisitions of R66m (2012: Vtex Informática Limited R111m and other acquisitions of R11m). These investments were allocated to investments in associates.

35. CASH AND CASH EQUIVALENTS

Cash at bank and on hand	**8 756**	5 593
Short-term bank deposits	**7 057**	4 232
Bank overdrafts and call loans	**(1 423)**	(1 034)
	14 390	8 791

Restricted cash

Restricted cash is still included in cash and cash equivalents due to the fact that it mostly relates to cash held on behalf of customers. The following cash balances are restricted from immediate use according to agreements with banks and other financial institutions:

Europe	**412**	278
Other	**44**	25
Total restricted cash	**456**	**303**

36. SEGMENT INFORMATION

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the group that are regularly reviewed by the chief operating decision-maker (CODM) in order to allocate resources to the segments and to assess their performance. The chief operating decision-maker has been identified as the executive committee that makes strategic decisions.

The group proportionally consolidates its share of the results of its associated companies in the various reportable segments. This is considered to be more reflective of the economic value of these investments.

The group has identified its operating segments based on its business by service or product and aggregated them into the following reporting segments: pay television, internet and print. Below are the types of services and products from which each segment generates revenue.

- *Pay television* – the group offers digital satellite and other pay-television services to subscribers through MultiChoice South Africa and MultiChoice Africa in the rest of sub-Saharan Africa. Through Irdeto, the group provides digital content management and protection systems to customers globally to protect, manage and monetise all digital media on any platform.
- *Internet* – the group operates internet platforms to provide various services and products. These platforms and communities offer ecommerce, communication, social networks, entertainment and mobile value-added services. Our internet activities are segmented within our internet operations as follows: Integrated internet platforms consisting of Tencent and Mail.ru, Ecommerce platforms (classifieds, etail and payments) and other internet operations.
- *Print* – through Media24 in Africa, the group publishes newspapers, magazines and books. Its activities also include printing and distribution. The group also has print interests in Brazil through its 30% stake in the magazine publisher, Abril S.A., and in China through its stake in the listed Beijing Media Company and Xin'an Media Company.

The pay-television and technology segments have been combined as these segments are interdependent in the provision of pay-television services. Our internet segment has previously been disclosed as "Tencent" and "Other internet". We will from now on disclose four separate reporting units, being "Tencent", "Mail.ru", "Ecommerce" and "Other internet". The group's focus on ecommerce, and Tencent and Mail.ru being listed entities, prompted us to disclose these units separately. The definition of trading profit has been updated to exclude equity-settled share scheme charges and retention option expenses. This resulted in the March 2012 trading profit being restated from R5,5bn to R5,7bn. This is deemed to be a more accurate presentation of the sustainable earnings measurements of the group. Comparative segmental results have been restated in accordance with IFRS 8 "Operating Segments".

36. SEGMENT INFORMATION *(CONTINUED)*

		Internet									
March 2013	**Pay television R'm**	**Tencent R'm**	**Mail.ru R'm**	**Ecommerce R'm**	**Other internet R'm**	**Print R'm**	**Total reportable segments R'm**	**Corporate R'm**	***Less:* Proportionally consolidated associates R'm**	**Eliminations R'm**	**Total R'm**
Revenue											
External	30 257	20 532	1 669	11 433	953	11 932	76 776	–	(26 527)	–	50 249
Intersegmental	246	–	–	38	–	256	540	24	–	(564)	–
Total revenue	30 503	20 532	1 669	11 471	953	12 188	77 316	24	(26 527)	(564)	50 249
Cost of providing services and sale of goods	(15 378)	(7 585)	(411)	(6 164)	(503)	(7 364)	(37 405)	–	10 340	268	(26 797)
Selling, general and administration expenses	(6 192)	(4 344)	(363)	(7 286)	(580)	(3 657)	(22 422)	(162)	6 457	296	(15 831)
EBITDA	8 933	8 603	895	(1 979)	(130)	1 167	17 489	(138)	(9 730)	–	7 621
Depreciation	(1 075)	(880)	(44)	(167)	(11)	(334)	(2 511)	(1)	1 003	–	(1 509)
Amortisation - Software	(68)	(21)	(53)	(46)	(4)	(90)	(282)	–	130	–	(152)
Interest on capitalised transponder leases	(231)	–	–	–	–	–	(231)	–	–	–	(231)
Trading profit	7 559	7 702	798	(2 192)	(145)	743	14 465	(139)	(8 597)	–	5 729
Interest received	1 016	392	22	54	116	119	1 719	251	(504)	(1 033)	433
Interest paid	(723)	(153)	–	(1 029)	(287)	(490)	(2 682)	–	379	1 033	(1 270)
Investment income	102	423	–	–	–	–	525	23	(423)	–	125
Share of equity-accounted results (1)	–	(39)	9	(7)	(1)	2	(36)	–	9 309	–	9 273
Profit before taxation	7 954	8 325	829	(3 174)	(317)	374	13 991	135	164	–	14 290
Taxation	(2 394)	(1 035)	(231)	139	(35)	(7)	(3 563)	(61)	1 072	–	(2 552)
Profit after taxation	5 560	7 290	598	(3 035)	(352)	367	10 428	74	1 236	–	11 738
Non-controlling interests	(963)	(25)	(2)	407	(80)	(64)	(727)	–	26	–	(701)
Profit from operations	4 597	7 265	596	(2 628)	(432)	303	9 701	74	1 262	–	11 037
Amortisation of other intangibles	(88)	(322)	(179)	(896)	(22)	(237)	(1 744)	–	472	–	(1 272)
Foreign exchange (losses)/gains	(309)	(8)	53	(47)	9	(43)	(345)	6	(34)	–	(373)
Impairment of investment in associates	(5)	–	–	(10)	(4)	(2 042)	(2 061) (3)	–	4	–	(2 057)
Equity-settled share-based charge	(74)	(495)	(180)	(22)	(32)	–	(803)	(47)	675	–	(175)
Exceptional items	(128)	(387)	2 665	(808)	(51)	(25)	1 266	–	(2 379)	–	(1 113)
Net profit/(loss)	3 993	6 053	2 955	(4 411)	(532)	(2 044)	6 014	33	–	–	6 047
Additional disclosure											
Impairment of assets	(121)	(330)	(58)	(36)	–	(21)	(566)	–	387	–	(179)
Impairment of goodwill	(140)	–	–	(436)	–	(26)	(602)	–	–	–	(602)
Share of equity-accounted results (2)	–	6 114	2 992	(64)	(17)	(24)	9 001	–	–	–	9 001

Notes

(1) *Includes immaterial associates not proportionally consolidated.*

(2) *All associates' results are accounted for using the equity method.*

(3) *Refer to note 7 for details on Abril S.A. and Xin'An Media Company Limited impairments.*

36. SEGMENT INFORMATION *(CONTINUED)*

		Internet									
March 2012	**Pay television** **R'm**	**Tencent** **R'm**	**Mail.ru** **R'm**	**Ecom-merce** **R'm**	**Other internet** **R'm**	**Print** **R'm**	**Total reportable segments** **R'm**	**Corpo-rate** **R'm**	***Less:*** **Proportionally consolidated associates** **R'm**	**Elimi-nations** **R'm**	**Total** **R'm**
Revenue											
External	25 259	11 455	1 094	5 736	907	12 071	**56 522**	–	(17 035)	–	**39 487**
Intersegmental	214	–	–	5	36	283	**538**	25	–	(563)	**–**
Total revenue	25 473	11 455	1 094	5 741	943	12 354	**57 060**	25	(17 035)	(563)	**39 487**
Cost of providing services and sale of goods	(13 190)	(3 687)	(247)	(1 708)	(475)	(7 140)	**(26 447)**	–	6 021	282	**(20 144)**
Selling, general and administration expenses	(4 891)	(2 281)	(256)	(4 793)	(733)	(3 749)	**(16 703)**	(124)	4 347	281	**(12 199)**
EBITDA	7 392	5 487	591	(760)	(265)	1 465	**13 910**	(99)	(6 667)	–	**7 144**
Depreciation	(828)	(488)	(35)	(126)	(27)	(308)	**(1 812)**	(1)	591	–	**(1 222)**
Amortisation - Software	(53)	(11)	(39)	(28)	(6)	(67)	**(204)**	–	83	–	**(121)**
Interest on capitalised transponder leases	(132)	–	–	–	–	–	**(132)**	–	–	–	**(132)**
Trading profit	6 379	4 988	517	(914)	(298)	1 090	**11 762**	(100)	(5 993)	–	**5 669**
Interest received	1 233	188	7	32	394	66	**1 920**	129	(199)	(1 450)	**400**
Interest paid	(677)	(29)	–	(911)	(731)	(359)	**(2 707)**	(2)	120	1 450	**(1 139)**
Investment income	284	–	–	–	–	–	**284**	25	–	–	**309**
Share of equity-accounted results (1)	(1)	(13)	1	1	1	4	**(7)**	–	4 168	–	**4 161**
Profit before taxation	7 218	5 134	525	(1 792)	(634)	801	**11 252**	52	(1 904)	–	**9 400**
Taxation	(1 887)	(744)	(90)	180	(31)	(273)	**(2 845)**	(135)	921	–	**(2 059)**
Profit after taxation	5 331	4 390	435	(1 612)	(665)	528	**8 407**	(83)	(983)	–	**7 341**
Non-controlling interests	(881)	(8)	(2)	338	21	(69)	**(601)**	–	14	–	**(587)**
Profit from operations	4 450	4 382	433	(1 274)	(644)	459	**7 806**	(83)	(969)	–	**6 754**
Amortisation of other intangibles	(171)	(293)	(233)	(745)	(28)	(239)	**(1 709)**	–	450	–	**(1 259)**
Foreign exchange (losses)/gains	(39)	45	(8)	(38)	(9)	(64)	**(113)**	3	(25)	–	**(135)**
Impairment of investment in associates	–	–	(13)	(94)	–	–	**(107)**	–	13	–	**(94)**
Equity-settled share-based charge	(59)	(329)	(139)	–	(26)	–	**(553)**	(99)	468	–	**(184)**
Exceptional items	(856)	(606)	(77)	(489)	(231)	8	**(2 251)**	–	63	–	**(2 188)**
Net profit/(loss)	3 325	3 199	(37)	(2 640)	(938)	164	**3 073**	(179)	–	–	**2 894**
Additional disclosure											
Impairment of assets	(414)	–	(16)	(143)	(90)	(3)	**(666)**	–	16	–	**(650)**
Impairment of goodwill	(408)	–	–	(277)	(108)	(43)	**(836)**	–	–	–	**(836)**
Share of equity-accounted results (2)	(1)	3 787	(21)	(40)	–	144	**3 869**	–	–	–	**3 869**

Notes

(1) Includes immaterial associates not proportionally consolidated.

(2) All associates' results are accounted for using the equity method.

36. SEGMENT INFORMATION *(CONTINUED)*

The trading profit as disclosed in the segment disclosure above is the CODM and management's measure of each segment's operational performance. A reconciliation of the segmental trading profit to operating profit and profit before tax as reported in the income statement is provided below:

	31 March	
	2013 **R'm**	**2012** **R'm**
Trading profit per segment report	**5 729**	5 669
Adjusted for:		
Interest on capitalised finance leases	**231**	132
Amortisation of other intangible assets	**(1 001)**	(967)
Other gains/(losses) - net	**(831)**	(1 448)
Retention option expense	**(138)**	–
Equity-settled share-based charge	**(175)**	(184)
Operating profit per the income statement	**3 815**	3 202
Interest received	**433**	400
Interest paid	**(1 501)**	(1 271)
Other finance income/(costs) - net	**(248)**	174
Share of equity-accounted results	**9 001**	3 869
Impairment of investment in associates	**(2 057)**	(94)
Losses on acquisitions and disposals	**(47)**	(134)
Dilution losses on equity-accounted investments	**(96)**	(606)
Profit before taxation as per the income statement	**9 300**	5 540

Sales between segments are eliminated in the "Eliminations" column. The revenue from external parties and all other items of income, expenses, profits and losses reported in the segment report is measured in a manner consistent with that in the income statement.

The revenues from external customers for each major group of products and services are disclosed in note 22. The group is not reliant on any one major customer as the group's products are consumed by the general public in a large number of countries.

Geographical information
The group operates in five main geographical areas:

Africa - The group derives revenues from television platform services, print media activities, internet services and technology products and services. The group is domiciled in the Republic of South Africa and is therefore presented separately.

Asia - The group's activities comprise its interest in internet and print activities based in China, India, Thailand and Singapore.

Europe - The group's activities comprise its interest in internet activities based in Central and Eastern Europe and Russia. Furthermore, the group generates revenue from technology products and services provided by subsidiaries based in the Netherlands.

Latin America - The group's activities comprise its interest in internet and print activities based in Brazil and other Latin American countries.

Other - Includes the group's provision of various products through internet and technology activities located mainly in Australia and the United States of America.

36. SEGMENT INFORMATION *(CONTINUED)*

	Africa						
	South Africa R'm	Rest of Africa R'm	Latin America R'm	Asia R'm	Europe R'm	Other R'm	Total R'm
March 2013							
External consolidated revenue	**28 900**	**8 295**	**2 419**	**825**	**9 360**	**450**	**50 249**
External proportionately consolidated revenue [1]	**28 900**	**8 295**	**6 235**	**21 867**	**11 029**	**450**	**76 776**
Segment assets [2]	**13 230**	**4 523**	**5 130**	**22 892**	**26 506**	**1 119**	**73 400**
March 2012							
External consolidated revenue	26 104	6 096	1 996	605	4 254	432	39 487
External proportionately consolidated revenue [1]	26 104	6 096	6 156	12 388	5 351	427	56 522
Segment assets [2]	9 607	3 413	6 659	13 000	24 781	1 282	58 742

Notes

(1) *Revenue includes the group's proportionate share of associates' external revenue.*

(2) *Segment assets consist of non-current assets excluding financial instruments, deferred tax and the proportionate share of associates' assets.*

Included in the segment assets above is R4,8bn (2012: R6,3bn) attributable to Brazil, R21,0bn (2012: R12,7bn) attributable to China, R6,8bn (2012: R5,7bn) attributable to Poland and R8,3bn (2012: R12,1bn) attributable to Russia. These being the only significant foreign countries contributing more than 10% of the group's segment assets for the year ended 31 March 2013 and relates mainly to the investments in associates.

Revenue is allocated to a country based on the location of subscribers or users.

37. FINANCIAL RISK MANAGEMENT

Financial risk factors

The group's activities expose it to a variety of financial risks such as market risk (including currency risk, fair value interest risk, cash flow interest risk and price risk), credit risk and liquidity risk. These include the effects of changes in debt and equity markets, foreign currency exchange rates and interest rates. The group's overall risk management programme seeks to minimise the potential adverse effects on the financial performance of the group. The group uses derivative financial instruments, such as forward exchange contracts and interest rate swaps, to hedge certain risk exposures. The group had no significant price risk for the years ending 31 March 2013 and 31 March 2012.

Risk management is carried out by the management of the group under policies approved by the board of directors and its risk management committee. Management identifies, evaluates and hedges financial risks. The various boards of directors within the group provide written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, the use of derivative instruments and the investment of excess liquidity.

Foreign exchange risk

The group operates internationally and is exposed to foreign exchange risk. Although a substantial portion of the group's revenue is denominated in the currencies of the countries in which it operates, a significant portion of cash obligations, including satellite transponder leases and contracts for pay-television programming, are denominated in US dollars. Where the group's revenue is denominated in local currency depreciation of the local currency against the US dollar adversely affects the group's earnings and its ability to meet cash obligations. Some entities in the group use forward exchange contracts to hedge their exposure to foreign currency risk in connection with their obligations. Management may hedge the net position in the major foreign currencies by using forward currency contracts. The group generally covers forward 50% to 100% of firm commitments in foreign currency for up to two years in the pay-television business. The group also uses forward exchange contracts to hedge foreign currency exposure in its print business where cover is generally taken for 75% to 100% of firm commitments in foreign currency for up to one year.

The group has classified its forward exchange contracts relating to forecast transactions and firm commitments as cash flow and fair value hedges, and measures them at fair value. The transactions relate mainly to programming costs, transponder lease instalments and the acquisition of inventory items. A cumulative after-tax loss of R175,0m (2012: R328,3m after-tax loss) has been deferred in a hedging reserve at 31 March 2013. This amount is expected to realise over the next two years. The fair value of all forward exchange contracts designated as cash flow hedges at 31 March 2013 was a net asset of R395,3m (2012: net asset of R80,7m), comprising assets of R394,5m (2012: R85,9m) and liabilities of R0,5m (2012: R5,2m), that were recognised as derivative financial instruments. The fair value of all forward exchange contracts designated as fair value hedges at 31 March 2013 was a liability of R124,4m (2012: liability of R8,7m).

37. FINANCIAL RISK MANAGEMENT *(CONTINUED)*

Foreign exchange risk *(continued)*

During the year ended 31 March 2013 the group recognised gains on fair value hedges of R88,0m (2012: R87,9m) and losses of R422,3m (2012: R148,3m) on the hedged items attributable to the hedged risks. The amount recognised in the income statement due to the ineffectiveness of cash flow hedges was Rnil (2012: R4,1m). As at 31 March 2013 the group had no hedges of net investments in foreign operations.

The table below sets out the periods when the cash flows are expected to occur for both fair-value and cash flow hedges in place at 31 March 2013:

	Maturing within one year			Maturing within one to two years
Total outstanding FECs at 31 March 2013:	**EUR ’m**	**USD ’m**	**Other ’m**	**USD ’m**
Pay television	**–**	**306**	**–**	**61**
Corporate	**–**	**91**	**–**	**34**
Print	**12**	**14**	**2**	**–**
	12	**411**	**2**	**95**
Rand value (R'm)	**136**	**3 417**	**27**	**854**
Average exchange rate	**11.33**	**8.31**	**13.50**	**8.99**

	Maturing within one year:			Maturing within one to two years:
Total outstanding FECs at 31 March 2012:	**EUR ’m**	**USD ’m**	**Other ’m**	**USD ’m**
Pay television	–	309	–	260
Corporate	–	129	–	67
Print	27	20	2	–
	27	458	2	327
Rand value (R'm)	285	3 559	31	2 687
Average exchange rate	10.56	7.77	15.50	8.22

Where the group has surplus funds offshore, the treasury policy is to spread the funds between more than one currency to limit the effect of foreign exchange rate fluctuations and to achieve the highest level of interest income. As at 31 March 2013 the group had a net cash balance of R14,4bn (2012: R8,8bn), of which R8,1bn (2012: R5,5bn) was held in South Africa. The R6,3bn (2012: R3,3bn) held offshore was largely denominated in US dollar, euro, Polish zloty and Chinese yuan renminbi.

Foreign currency sensitivity analysis

The group’s presentation currency is the South African rand, but as it operates internationally, it is exposed to a number of currencies, of which the exposure to the US dollar, euro and Polish zloty is the most significant. The group is also exposed to the Chinese yuan renminbi and Brazil real but to a lesser extent.

The sensitivity analysis details the group’s sensitivity to a 10% decrease (2012: 10% decrease) in the rand against the US dollar and euro, as well as a 10% decrease (2012: 10% decrease) of the US dollar against the euro and Polish zloty. These movements would result in an after-tax loss of R163,5m (2012: R79,7m after-tax gain). Other equity would decrease by R405,0m (2012: R339,0m increase).

This analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period-end for the above percentage change in foreign currency rates. The sensitivity analysis includes external loans, as well as loans to foreign operations within the group, but excludes loans considered part of the net foreign investment and translation differences due to translating from functional currency to presentation currency.

37. FINANCIAL RISK MANAGEMENT *(CONTINUED)*

Foreign exchange risk *(continued)*

Foreign exchange rates

The exchange rates used by the group to translate foreign entities' income statements and statements of financial position are as follows:

	31 March 2013		31 March 2012	
Currency (1FC =ZAR)	**Average rate**	**Closing rate**	**Average rate**	**Closing rate**
US dollar	**8.5537**	**9.2364**	7.4098	7.6690
Euro	**11.0271**	**11.8433**	10.2214	10.2335
Chinese yuan renminbi	**1.3625**	**1.4879**	1.1620	1.2179
Brazilian real	**4.2415**	**4.5676**	4.3660	4.1974
British pound	**13.5135**	**14.0443**	11.8736	12.2800
Polish zloty	**2.6449**	**2.8342**	2.4423	2.4641
Russian ruble	**0.2738**	**0.2974**	0.2511	0.2616

The average rates listed above are only approximate average rates for the year. The group measures separately the transactions of each of its material operations, using the particular currency of the primary economic environment in which the operation conducts its business, translated at the prevailing exchange rate on the transaction date.

	31 March 2013		31 March 2012	
Derivative financial instruments	**Assets R'm**	**Liabilities R'm**	**Assets R'm**	**Liabilities R'm**
Current portion				
Foreign exchange contracts	**448**	**–**	76	38
Shareholders' assets/liabilities (1)	**–**	**23**	–	39
Interest rate swaps	**–**	**157**	–	129
Other derivatives	**1**	**–**	9	–
	449	**180**	85	206
Non-current portion				
Foreign exchange contracts	**72**	**–**	51	23
Shareholders' assets/liabilities (1)	**–**	**681**	–	554
Interest rate swaps	**–**	**291**	1	262
Other derivatives	**–**	**–**	34	–
	72	**972**	86	839
Total	**521**	**1 152**	171	1 045

Note

(1) *Media24 Limited entered into a contract with the Retief family trust in October 2008 which contains a put option whereby the Retief family trust can enforce a buy-out by Media24 Limited of its remaining interest in Paarl Media Holdings Proprietary Limited (currently 5%) and Paarl Coldset Proprietary Limited (currently 12,6%). Mr L P Retief, a director of Naspers Limited (refer to note 13), is a related party to the Retief family trust. The group has several other put options where non-controlling shareholders can put their stakes to the group based on specified terms and conditions. The total value of these other options was R314m at 31 March 2013 (2012: R206m).*

	31 March 2013		31 March 2012	
	Foreign currency amount 'm	**R'm**	**Foreign currency amount 'm**	**R'm**
Uncovered foreign liabilities				
The group had the following uncovered foreign liabilities:				
US dollar	**871**	**8 042**	1 222	9 362
British pound	**–**	**–**	6	69
Euro	**91**	**1 090**	80	821
Polish zloty	**89**	**260**	5	11
Sterling	**13**	**176**	–	–
Danish kroner	**–**	**–**	145	199
Other	**–**	**341**	–	76

37. FINANCIAL RISK MANAGEMENT *(CONTINUED)*

Credit risk

The group is exposed to certain concentrations of credit risk relating to the following assets:

Investments and loans
There is no concentration of credit risk within investments and loans, except for preference shares in Welkom Yizani and Phuthuma Nathi. Shareholder agreements are in place, which regulate the shares held by Welkom Yizani and Phuthuma Nathi, and management monitors the credit risk regularly.

Trade receivables
Receivables consist primarily of invoiced amounts from normal trading activities. The group has a large diversified customer base across many geographical areas. The majority of trade receivables consist of receivables within the pay-television, internet and print segments. Various credit checks are performed on new debtors to determine the quality of their credit history. These checks are also performed on existing debtors with long-overdue accounts. Furthermore, current debtors are monitored to ensure they do not exceed their credit limits.

Other receivables
There is no concentration of credit risk within other receivables, except for the accrued preference share dividends relating to the preference share investments, as disclosed above, and the promissory notes. The level of interest in related party receivables minimises the credit risk.

Cash, deposits and derivative assets
The group is exposed to certain concentrations of credit risk relating to its cash, current investments and derivative assets. It places these instruments mainly with major banking groups and high-quality institutions that have high credit ratings. The group’s treasury policy is designed to limit exposure to any one institution and invests its excess cash in low-risk investment accounts. As at 31 March 2013 the group held the majority of its cash, deposits and derivative assets with local and international banks with a ‘Baa2’ credit rating or higher (Moody’s International rating). The counterparties that are used by the group are evaluated on a continuous basis.

Liquidity risk

Prudent liquidity risk management implies, among others, maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. In terms of the memorandum of incorporation of the company, no limitation is placed on its borrowing capacity. The facilities expiring within one year are subject to renewal at various dates during the next year. The group had the following unutilised banking facilities as at 31 March 2013 and 31 March 2012:

	31 March	
	2013 **R’m**	**2012** **R’m**
On call	**1 812**	490
Expiring within one year	**15**	659
Expiring beyond one year	**7 304**	8 784
	9 131	9 933

37. FINANCIAL RISK MANAGEMENT *(CONTINUED)*

Liquidity risk *(continued)*

The following analysis details the group's remaining contractual maturity for its non-derivative and derivative financial liabilities. The analysis is based on the undiscounted cash flows of financial liabilities based on the earliest date on which the group can be required to pay. The analysis includes both interest and principal cash flows.

31 March 2013 **Non-derivative financial liabilities**	**Carrying value R'm**	**Contractual cash flows R'm**	**0-12 months R'm**	**1 - 5 years R'm**	**5 years + R'm**
- Interest-bearing: Capitalised finance leases	**(6 251)**	**(8 492)**	**(689)**	**(2 726)**	**(5 077)**
- Interest-bearing: Loans and other liabilities	**(20 984)**	**(24 112)**	**(1 316)**	**(22 399)**	**(397)**
- Non-interest-bearing: Programme and film rights	**(1 358)**	**(1 385)**	**(1 293)**	**(92)**	**–**
- Non-interest-bearing: Loans and other liabilities	**(308)**	**(342)**	**(148)**	**(188)**	**(6)**
- Trade payables	**(4 179)**	**(4 179)**	**(4 179)**	**–**	**–**
- Accrued expenses and other current liabilities	**(3 489)**	**(3 489)**	**(3 489)**	**–**	**–**
- Related party payables	**(139)**	**(1 452)**	**(577)**	**(17)**	**(858)**
- Dividends payable	**(13)**	**(13)**	**(13)**	**–**	**–**
- Bank overdrafts and call loans	**(1 423)**	**(1 423)**	**(1 423)**	**–**	**–**
- Other financial liabilities	**(12)**	**(12)**	**(12)**	**–**	**–**

Derivative financial assets/(liabilities)	**Carrying value R'm**	**Contractual cash flows R'm**	**0-12 months R'm**	**1 - 2 years R'm**	**2 years + R'm**
- Forward exchange contracts - outflow	**520**	**(4 434)**	**(3 580)**	**(854)**	**–**
- Forward exchange contracts - inflow	**–**	**4 958**	**4 029**	**929**	**–**
- Shareholders' liabilities	**(704)**	**(831)**	**(57)**	**(751)**	**(23)**
- Interest rate swaps	**(448)**	**(446)**	**(152)**	**(152)**	**(142)**

31 March 2012 **Non-derivative financial liabilities**	**Carrying value R'm**	**Contractual cash flows R'm**	**0-12 months R'm**	**1 - 5 years R'm**	**5 years + R'm**
- Interest-bearing: Capitalised finance leases	(2 459)	(3 433)	(405)	(1 115)	(1 913)
- Interest-bearing: Loans and other liabilities	(13 362)	(15 977)	(748)	(9 464)	(5 765)
- Non-interest-bearing: Programme and film rights	(979)	(979)	(867)	(112)	–
- Non-interest-bearing: Loans and other liabilities	(297)	(297)	(18)	(262)	(17)
- Trade payables	(2 865)	(2 865)	(2 865)	–	–
- Accrued expenses and other current liabilities	(2 635)	(2 635)	(2 526)	(109)	–
- Related party payables	(111)	(111)	(111)	–	–
- Dividends payable	(13)	(13)	(13)	–	–
- Bank overdrafts and call loans	(1 034)	(1 034)	(1 034)	–	–

Derivative financial assets/(liabilities)	**Carrying value R'm**	**Contractual cash flows R'm**	**0-12 months R'm**	**1 - 2 years R'm**	**2 years + R'm**
- Forward exchange contracts - outflow	66	(6 562)	(3 875)	(2 687)	–
- Forward exchange contracts - inflow	–	6 632	3 915	2 717	–
- Shareholders' liabilities	(593)	(636)	(42)	(36)	(558)
- Interest rate swaps	(390)	(390)	(129)	(114)	(147)

37. FINANCIAL RISK MANAGEMENT *(CONTINUED)*

Interest rate risk

As part of the process of managing the group's fixed and floating borrowings mix, the interest rate characteristics of new borrowings and the refinancing of existing borrowings are positioned according to expected movements in interest rates. Where appropriate, the group uses derivative instruments, such as interest rate swap agreements, purely for hedging purposes. The fair value of these instruments will not change significantly as a result of changes in interest rates due to their short-term nature and the floating interest rates. As at 31 March 2013 the group had the following interest rate swaps in place:

Institution	Fair value of asset/(liability) R'm	Loan amount R'm	Rate of loan	Rate of swap
Rand Merchant Bank	(2)	500	3-month average JIBAR +1.77% (6.9%)	7.59%
Rand Merchant Bank	(1)	424	3-month average JIBAR (5.13%)	5.52%
Various	(445)	12 931	1-month LIBOR +1.75% (1.95%)	2.55% + 1.75%
	(448)			

Please refer to note 18 for the interest rate profile and repayment terms of long-term liabilities as at 31 March 2013 and 31 March 2012.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the statement of financial position date (after taking into account the effect of hedging) and the stipulated change taking place at the beginning of the next financial year and held constant throughout the reporting period in the case of instruments that have floating rates. The group is mainly exposed to interest rate fluctuations of the South African, American and European repo rates. The following changes in the repo rates represent management's best estimate of the possible change in interest rates at the respective year-ends:

- South African repo rate: increases by 100-basis points (2012: increases by 100-basis points)
- American, European and London interbank rates: increases by 100-basis points each (2012: increases by 100-basis points each)

If interest rates changed as stipulated above and all other variables were held constant, specifically foreign exchange rates, the group's profit after tax for the year ended 31 March 2013 would increase by R4,7m (2012: increase by R56,2m). Other equity would increase by R200,9m (2012: increase by R243,5m).

38. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair values, together with the carrying values, net gains and losses recognised in profit and loss, total interest income, total interest expense and impairment of each class of financial instrument are as follows:

31 March 2013	**Carrying value R'm**	**Fair value R'm**	**Net gains and (losses) recognised in profit and loss R'm**	**Total interest income R'm**	**Total interest expense R'm**	**Impair-ment R'm**
Assets						
Investments and loans	1 891	1 891	–	126	–	13
Loans and receivables	1 564	1 564	–	125	–	–
Other	3	3	–	1	–	–
Related party loans	324	324	–	–	–	13
Receivables and loans	5 286	5 286	139	35	–	162
Accounts receivable	4 121	4 121	(2)	1	–	162
Other receivables	1 143	1 143	123	34	–	–
Related party receivables	22	22	18	–	–	–
Derivative financial instruments	521	521	225	–	–	–
Foreign exchange contracts	520	520	271	–	–	–
Other derivatives	1	1	(46)	–	–	–
Cash and cash equivalents	15 813	15 813	88	392	–	–
Total	23 511	23 511	452	553	–	175
Liabilities						
Long-term liabilities	26 603	26 603	(354)	–	1 045	–
Interest-bearing: Capitalised finance leases	5 868	5 868	(372)	–	227	–
Interest-bearing: Loans and other liabilities	20 573	20 573	18	–	818	–
Non-interest-bearing: Loans and other liabilities	162	162	–	–	-	–
Short-term payables and loans	10 118	10 118	(257)	–	145	–
Interest-bearing: Capitalised finance leases	383	383	(19)	–	6	–
Interest-bearing: Loans and other liabilities	411	411	(14)	–	15	–
Non-interest-bearing: Programme and film rights	1 358	1 358	(164)	–	44	–
Non-interest-bearing: Loans and other liabilities	146	146	13	–	–	–
Trade payables	4 179	4 179	(102)	–	75	–
Accrued expenses and other current liabilities	3 489	3 489	14	–	–	–
Related party payables	139	139	15	–	5	–
Dividends payable	13	13	–	–	–	–
Derivative financial instruments	1 152	1 152	13	–	203	–
Foreign exchange contracts	–	–	4	–	–	–
Shareholders' liabilities	704	704	9	–	54	–
Interest rate swaps	448	448	–	–	149	–
Bank overdrafts and call loans	1 423	1 423	–	–	98	–
Total	39 296	39 296	(598)	–	1 491	–

38. FAIR VALUE OF FINANCIAL INSTRUMENTS *(CONTINUED)*

31 March 2012	Carrying value R'm	Fair value R'm	Net gains and (losses) recognised in profit and loss R'm	Total interest income R'm	Total interest expense R'm	Impairment R'm
Assets						
Investments and loans	2 570	2 570	–	309	–	–
Loans and receivables	2 343	2 343	–	309	–	–
Other	10	10	–	–	–	–
Related party loans	217	217	–	–	–	–
Receivables and loans	4 630	4 630	(28)	56	–	76
Accounts receivable	3 296	3 296	(2)	1	–	76
Other receivables	1 306	1 306	49	55	–	–
Related party receivables	28	28	(75)	–	–	–
Derivative financial instruments	171	171	(86)	–	–	–
Foreign exchange contracts	127	127	(83)	–	–	–
Interest rate swaps	1	1	–	–	–	–
Other derivatives	43	43	(3)	–	–	–
Cash and cash equivalents	9 825	9 825	17	309	–	–
Total	**17 196**	**17 196**	**(97)**	**674**	**–**	**76**
Liabilities						
Long-term liabilities	15 484	15 484	115	–	736	–
Interest-bearing: Capitalised finance leases	2 208	2 208	97	–	135	–
Interest-bearing: Loans and other liabilities	12 996	12 996	17	–	601	–
Non-interest-bearing: Loans and other liabilities	280	280	1	–	–	–
Short-term payables and loans	7 237	7 237	(329)	–	129	–
Interest-bearing: Capitalised finance leases	251	251	(1)	–	11	–
Interest-bearing: Loans and other liabilities	366	366	–	–	14	–
Non-interest-bearing: Programme and film rights	979	979	(84)	–	92	–
Non-interest-bearing: Loans and other liabilities	17	17	(4)	–	–	–
Trade payables	2 865	2 865	(253)	–	10	–
Accrued expenses and other current liabilities	2 635	2 635	(5)	–	2	–
Related party payables	111	111	18	–	–	–
Dividends payable	13	13	–	–	–	–
Derivative financial instruments	1 045	1 045	8	–	167	–
Foreign exchange contracts	61	61	–	–	-	–
Shareholders' liabilities	593	593	8	–	51	–
Interest rate swaps	391	391	–	–	116	–
Bank overdrafts and call loans	1 034	1 034	1	–	147	–
Total	**24 800**	**24 800**	**(205)**	**–**	**1 179**	**–**

The fair value of financial instruments was calculated using market information and other relevant valuation techniques, and does not necessarily represent the values that the group will realise in the normal course of business. The carrying amounts of cash and cash equivalents, bank overdrafts, receivables and payables are deemed to reflect fair value due to the short maturities of these instruments. The fair values of forward exchange contracts and other derivative instruments are based on quoted market prices, other prices that are observable for the asset or liability, either directly or indirectly, or valuation techniques that include unobservable inputs. The fair values of interest-bearing loans are calculated based on discounted expected future principal and interest cash flows.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

38. FAIR VALUE OF FINANCIAL INSTRUMENTS *(CONTINUED)*

31 March 2013 **Assets/liabilities measured at fair value:**	**Fair value** **R'm**	**Level 1** **R'm**	**Level 2** **R'm**	**Level 3** **R'm**	**Total** **R'm**
Assets					
Foreign exchange contracts	**520**	**–**	**520**	**–**	**520**
Other derivatives	**1**	**–**	**1**	**–**	**1**
Total	**521**	**–**	**521**	**–**	**521**
Liabilities					
Shareholders' liabilities	**704**	**–**	**–**	**704**	**704**
Interest rate swaps	**448**	**–**	**448**	**–**	**448**
Total	**1 152**	**–**	**448**	**704**	**1 152**

31 March 2012 **Assets/liabilities measured at fair value:**	**Fair value** **R'm**	**Level 1** **R'm**	**Level 2** **R'm**	**Level 3** **R'm**	**Total** **R'm**
Assets					
Foreign exchange contracts	127	–	127	–	127
Interest rate swaps	1	–	1	–	1
Other derivatives	43	–	43	–	43
Total	171	–	171	–	171
Liabilities					
Foreign exchange contracts	61	–	61	–	61
Shareholders' liabilities	593	–	–	593	593
Interest rate swaps	391	–	391	–	391
Total	1 045	–	452	593	1 045

There were no transfers between level 1 and level 2 during the period.

The following table presents the changes in level 3 instruments for the year ending 31 March 2013:

Reconciliation of level 3 instruments:	**Other derivatives - shareholders' assets** **R'm**	**Total** **R'm**	**Other derivatives - shareholders' liabilities** **R'm**	**Total** **R'm**
Opening balance at 1 April 2012	**–**	**–**	**593**	**593**
Total losses in income statement	**–**	**–**	**56**	**56**
Purchases	**–**	**–**	**29**	**29**
Issues	**–**	**–**	**–**	**–**
Settlements	**–**	**–**	**(31)**	**(31)**
Foreign currency translation effects	**–**	**–**	**38**	**38**
Other	**–**	**–**	**19**	**19**
Closing balance 31 March 2013	**–**	**–**	**704**	**704**

Reconciliation of level 3 instruments:	**Other derivatives - shareholders' assets** **R'm**	**Total** **R'm**	**Other derivatives - shareholders' liabilities** **R'm**	**Total** **R'm**
Opening balance at 1 April 2011	3	3	686	686
Total losses in income statement	(6)	(6)	7	7
Settlements	–	–	(131)	(131)
Foreign currency translation effects	–	–	28	28
Reclassification	3	3	3	3
Closing balance 31 March 2012	–	–	593	593

Total losses for the period included in the income statement for liabilities still held at the end of the period amounted to R57,0m (2012: R13,4m). Of this amount included in the income statement a loss of R54,2m (2012: a loss of R49,5m) was included in "Other finance income/(costs) – net", a profit of R9,9m (2012: a profit of R34,8m) in "Other gains/(losses) – net", and a loss of R1,0m (2012: a gain of R1,2m) in "Foreign exchange profits/(losses)".

If one or more of the inputs were changed to a reasonable possible alternative assumption, there would be no significant change in the fair value measurements of level 3 instruments.

39. SUBSEQUENT EVENTS

No significant events have occurred between the financial year-end and the date of these financial statements.

40. EQUITY COMPENSATION BENEFITS

The following share incentive plans were in operation during the financial year:

Share trusts:	**Date of Incorporation**	**Maximum awards permissible** [#]	**Vesting period**	**Period to expiry from date of offer**	**IFRS 2 classification**
Naspers	14 August 1987	note [1]	*	10 years	Equity-settled
Media24	31 August 2000	15%	*	10 years	Cash-settled
Paarl Media Holdings	29 May 2001	5%	*	10 years	Cash-settled
MIH Holdings	27 September 1993	note [1]	*	10 years	Equity-settled
MIH (Mauritius) Limited	25 March 1999	note [1]	*	10 years	Equity-settled
Irdeto Access B.V.	14 October 1999	note [5]	*	10 years	note [6]
MIH China (BVI)	23 February 2003	note [2]	**	10 years	Equity-settled
2005 MIH China (BVI)	30 September 2005	note [2]	**	5 to 8 years	Equity-settled
Entriq (Mauritius)	06 May 2003	15%	**	10 years	Cash-settled
MediaZone Holdings B.V.	08 August 2006	15%	**	10 years	Equity-settled
M-Net	12 June 1991	note [1]	*	10 years	Equity-settled
SuperSport	12 June 1991	note [1]	*	10 years	Equity-settled
MIH India (Mauritius)	22 February 2007	15%	***	10 years	Equity-settled
MIH Russia Internet B.V.	04 June 2007	10%	***	10 years	Equity-settled
MIH BuscaPé Holdings B.V.	15 March 2010	note [3]	*	5 years & 3 months	Equity-settled
MIH BuscaPé Holdings B.V. 2011	05 December 2011	note [3]	***	6 years	Equity-settled
OLX Inc	31 March 2011	10%	*	7 years & 3 months	Equity-settled
MIH BuscaPé Holdings B.V. 2012	14 September 2012	note [3]	***	10 years	Equity-settled
MIH Allegro B.V. 2012	14 September 2012	note [4]	***	10 years	Equity-settled

Notes

[#] *The percentage reflected in this column is the maximum percentage of the respective companies issued/notional share capital that the applicable trust may hold and subsequently allocate to participants subject to the following, where applicable:*

(1) *At the Naspers annual general meeting held on Friday 27 August 2010 a resolution was adopted by shareholders whereby the maximum number of shares for fresh allocation after 27 August 2010 to participants under this scheme and any other share incentive scheme of Naspers or any direct or indirect subsidiary of Naspers is 40 588 541 shares which number will increase by virtue of any subdivision of shares or decrease by virtue of any consolidation of shares, as the case may be.*

(2) *The MIH China and 2005 MIH China share trusts may collectively issue no more than 10% of the total number of MIH China Limited ordinary shares in issue.*

(3) *The MIH BuscaPé Holdings B.V., MIH BuscaPé Holdings B.V. 2011 and MIH BuscaPé Holdings B.V. 2012 share trusts may collectively issue no more than 15% of the total number of MIH BuscaPé Holdings B.V. ordinary shares in issue.*

(4) *The MIH Allegro B.V. 2008 and MIH Allegro B.V. 2009 share appreciation rights plans and MIH Allegro B.V. 2012 Share Trust may collectively issue no more than 10% of the total number of MIH Allegro B.V. ordinary shares and notional shares in issue as recorded in the most recent pro forma capitalisation table.*

(5) *The Irdeto Access B.V., Irdeto Access B.V. 2008 and Irdeto Access B.V. 2009 share appreciation rights plans and Irdeto Access Share Trust may collectively issue no more than 15% of the total number of Irdeto Access B.V. notional shares as recorded in the most recent pro forma capitalisation table.*

(6) *Offers before September 2005 are cash-settled and offers after September 2005 are equity-settled.*

Vesting period:
* - *One-third vests after years three, four and five.*
** - *One-quarter vests after years one, two, three and four.*
*** - *One-fifth vests after years one, two, three, four and five.*

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

(CONTINUED)

40. EQUITY COMPENSATION BENEFITS *(CONTINUED)*

The following share incentive plans were in operation during the financial year:

SARs:	Date of Incorporation	Maximum awards permissible [#]	Vesting period	Period to expiry from date of offer	IFRS 2 classification
Media24 Limited	20 September 2005	10%	*	5 years & 14 days	Equity-settled
MultiChoice Africa	20 September 2005	10%	*	5 years & 14 days	Equity-settled
M-Net/SuperSport	20 September 2005	10%	*	5 years & 14 days	Equity-settled
MIH Brazil Holdings B.V.	09 June 2006	10%	*	5 years & 14 days	Equity-settled
Irdeto Access B.V.	09 June 2006	note [1]	*	5 years & 14 days	Equity-settled
MultiChoice Africa 2008	02 April 2008	10%	*	5 years & 14 days	Equity-settled
Gadu-Gadu S.A. 2008	11 July 2008	10%	***	5 years & 14 days	Equity-settled
MIH Allegro B.V. 2008	11 July 2008	note [2]	***	7 years & 14 days	Equity-settled
MIH Ricardo B.V. 2008	11 July 2008	note [3]	***	5 years & 14 days	Equity-settled
Irdeto Access B.V. 2008	05 September 2008	note [1]	***	5 years & 14 days	Equity-settled
MIH (China) Mauritius Limited 2008	05 September 2008	10%	***	5 to 8 years & 14 days	Equity-settled
Molotok No1	12 June 2009	10%	*	5 years & 14 days	Equity-settled
MIH Allegro B.V. 2009	25 September 2009	note [2]	***	7 years & 14 days	Equity-settled
Paarl Coldset[4]	10 March 2010	5%	*	5 years & 14 days	Equity-settled
Paarl Media Holdings[4]	10 March 2010	5%	*	5 years & 14 days	Equity-settled
MIH Internet Africa	09 June 2010	10%	*	5 years & 14 days	Equity-settled
On the Dot	24 November 2010	10%	*	5 years & 14 days	Equity-settled
Movile Internet Movel S.A.	23 March 2011	10%	*	8 years	Equity-settled
Level Up! International Holdings	30 March 2011	10%	*	7 years & 14 days	Equity-settled
Irdeto Access B.V. 2012	28 August 2012	note [1]	***	5 years & 14 days	Equity-settled
MIH Internet Africa 2012	28 August 2012	15%	***	10 years	Equity-settled
Korbitec (Proprietary) Limited	28 August 2012	15%	***	6 Years	Equity-settled
MIH India Global Internet Limited	28 August 2012	15%	***	10 Years	Equity-settled
MIH South East Asia	28 August 2012	2%	***	10 Years	Equity-settled
Multiply Singapore Pte Limited	28 August 2012	15%	***	10 Years	Equity-settled
MWEB Holdings (Thailand) Limited (Sanook! Ecommerce)	28 August 2012	15%	***	10 Years	Equity-settled
Netrepreneur Connections Enterprises Inc (Sulit)	28 August 2012	15%	***	10 Years	Equity-settled
MIH Ricardo BV 2012	09 November 2012	note [3]	***	10 years	Equity-settled
FixeAds B.V.	09 November 2012	15%	***	10 Years	Equity-settled
Tokobagus Eploitatie B.V.	09 November 2012	15%	***	10 Years	Equity-settled

Notes

[#] *The percentage reflected in this column is the maximum percentage of the respective companies issued/notional share capital that the applicable trust may hold.*

(1) *The Irdeto Access B.V., Irdeto Access B.V. 2008 and Irdeto Access B.V. 2009 share appreciation rights plans and Irdeto Access Share Trust may collectively issue no more than 15% of the total number of Irdeto Access B.V. notional shares as recorded in the most recent pro forma capitalisation table.*

(2) *The MIH Allegro B.V. 2008 and MIH Allegro B.V. 2009 share appreciation rights plans and MIH Allegro B.V. 2012 Share Trust may collectively issue no more than 10% of the total number of MIH Allegro B.V. ordinary shares and notional shares in issue as recorded in the most recent pro forma capitalisation table.*

(3) *The MIH Ricardo B.V. 2008 and MIH Ricardo B.V. 2012 share appreciation rights plans may collectively issue no more than 15% of the total number of MIH Ricardo B.V. notional shares as recorded in the most recent pro forma capitalisation table.*

(4) *For these two schemes, the initial grants vest one third after two, three and four years with all subsequent grants vesting as indicated in the table above.*

Vesting period: * - *One-third vests after years three, four and five.*
** - *One-quarter vests after years one, two, three and four.*
*** - *One-fifth vests after years one, two, three, four and five.*

40. EQUITY COMPENSATION BENEFITS *(CONTINUED)*

All share options are granted with an exercise price of not less than 100% of the market value or fair value of the respective company's shares on the date of the grant. All SARs are granted with an exercise price of not less than 100% of the fair value of the SARs on the date of the grant. All unvested share options/SARs are subject to forfeiture upon termination of employment. All cancelled options/SARs are options/SARs cancelled by mutual agreement between the employer and employee.

Movements in terms of the share trust incentive plans are as follows:

31 March 2013	**Naspers**	**Media24**	**Paarl Media**	**MIH Holdings**	**MIH (Mauritius) (US$-based)**	**MIH (Mauritius) (rand-based)**
Shares						
Outstanding at 1 April	**17 130 713**	**70 718**	**38 000**	**939 195**	**20 170**	**3 811 386**
Granted	**42 745**	**–**	**–**	**236 173**	**–**	**186 271**
Exercised	**(4 899 343)**	**(9 146)**	**(38 000)**	**(302 656)**	**(11 500)**	**(1 877 417)**
Forfeited	**(6 149)**	**(9 489)**	**–**	**(21 578)**	**–**	**(20 342)**
Expired	**(15 000)**	**(955)**	**–**	**(1 000)**	**–**	**–**
Outstanding at 31 March	**12 252 966**	**51 128**	**–**	**850 134**	**8 670**	**2 099 898**
Available to be implemented at 31 March	**12 111 762**	**51 128**	**–**	**208 131**	**8 670**	**1 208 551**
Weighted average exercise price	**(rand)**	**(rand)**	**(rand)**	**(rand)**	**(US$)**	**(rand)**
Outstanding at 1 April	**132.81**	**12.60**	**11.50**	**239.11**	**3.15**	**176.39**
Granted	**464.77**	**–**	**–**	**472.51**	**–**	**476.57**
Exercised	**28.46**	**8.58**	**11.50**	**184.49**	**3.12**	**152.10**
Forfeited	**182.32**	**13.94**	**–**	**217.42**	**–**	**340.13**
Expired	**18.50**	**6.90**	**–**	**23.50**	**–**	**–**
Outstanding at 31 March	**175.81**	**13.18**	**–**	**324.20**	**3.20**	**223.14**
Available to be implemented at 31 March	**173.83**	**13.18**	**–**	**158.21**	**3.20**	**151.07**
Weighted average share price of options taken up during the year						
Shares	**4 899 343**	**9 146**	**–**	**302 656**	**11 500**	**1 877 417**
Weighted average share price	**544.73**	**25.99**	**–**	**530.12**	**62.43**	**576.42**

31 March 2012	**Naspers**	**Media24**	**Paarl Media**	**MIH Holdings**	**MIH (Mauritius) (US$-based)**	**MIH (Mauritius) (rand-based)**
Shares						
Outstanding at 1 April	17 225 629	136 004	41 740	857 722	43 250	7 589 587
Granted	41 970	–	–	284 406	–	269 176
Exercised	(128 483)	(64 856)	(3 740)	(180 237)	(20 980)	(4 013 893)
Forfeited	(4 401)	(430)	–	(22 696)	–	(33 484)
Expired	(4 002)	–	–	–	(2 100)	–
Outstanding at 31 March	17 130 713	70 718	38 000	939 195	20 170	3 811 386
Available to be implemented at 31 March	13 032 269	70 718	38 000	265 917	20 170	1 712 192
Weighted average exercise price	**(rand)**	**(rand)**	**(rand)**	**(rand)**	**(US$)**	**(rand)**
Outstanding at 1 April	132.23	10.66	10.90	173.05	2.53	121.68
Granted	352.58	–	–	358.38	–	348.30
Exercised	127.76	8.54	4.80	115.36	2.07	84.33
Forfeited	198.14	11.63	–	219.91	–	193.64
Expired	25.65	–	–	–	1.10	–
Outstanding at 31 March	132.81	12.60	11.50	239.11	3.15	176.39
Available to be implemented at 31 March	115.60	12.60	11.50	110.07	3.15	129.26
Weighted average share price of options taken up during the year						
Shares	128 483	64 856	3 740	180 237	20 980	4 013 893
Weighted average share price	381.64	26.83	26.49	391.34	48.33	388.80

40. EQUITY COMPENSATION BENEFITS *(CONTINUED)*

Movements in terms of the share trust incentive plans are as follows:

31 March 2013	**Irdeto Access B.V.**	**MIH China (BVI)**	**2005 MIH China (BVI)**	**Entriq**	**MediaZone**	**M-Net**	**SuperSport**
Shares							
Outstanding at 1 April	**16 743**	**2 500**	**5 087**	**2 785 400**	**335 000**	**24 189**	**31 302**
Exercised	**(6 197)**	**–**	**(2 457)**	**–**	**–**	**(24 189)**	**(31 302)**
Forfeited	**–**	**–**	**–**	**(2 714 000)**	**(335 000)**	**–**	**–**
Cancelled	**–**	**–**	**–**	**(67 200)**	**–**	**–**	**–**
Outstanding at 31 March	**10 546**	**2 500**	**2 630**	**4 200**	**–**	**–**	**–**
Available to be implemented at 31 March	**10 546**	**2 500**	**2 630**	**4 200**	**–**	**–**	**–**
Weighted average exercise price	**(US$)**	**(US$)**	**(US$)**	**(US$)**	**(US$)**	**(rand)**	**(rand)**
Outstanding at 1 April	**8.33**	**368.41**	**764.26**	**0.65**	**0.82**	**8.68**	**34.88**
Exercised	**8.74**	**–**	**770.30**	**–**	**–**	**8.68**	**34.88**
Forfeited	**–**	**–**	**–**	**0.65**	**0.82**	**–**	**–**
Cancelled	**–**	**–**	**–**	**0.65**	**–**	**–**	**–**
Outstanding at 31 March	**8.09**	**368.41**	**758.61**	**0.65**	**0.82**	**–**	**–**
Available to be implemented at 31 March	**8.09**	**368.41**	**758.61**	**0.65**	**–**	**–**	**–**
Weighted average share price of options taken up during the year							
Shares	**6 197**	**–**	**2 457**	**–**	**–**	**24 189**	**31 302**
Weighted average share price	**16.00**	**–**	**20 318.73**	**–**	**–**	**581.63**	**580.97**

31 March 2012	**Irdeto Access B.V.**	**MIH China (BVI)**	**2005 MIH China (BVI)**	**Entriq**	**MediaZone**	**M-Net**	**SuperSport**
Shares							
Outstanding at 1 April	388 243	6 875	13 363	3 616 800	335 000	24 557	32 269
Exercised	(367 032)	(4 375)	(8 276)	–	–	(368)	(967)
Forfeited	(4 468)	–	–	(10 300)	–	–	–
Cancelled	–	–	–	(821 100)	–	–	–
Outstanding at 31 March	16 743	2 500	5 087	2 785 400	335 000	24 189	31 302
Available to be implemented at 31 March	16 743	2 500	5 087	2 785 400	335 000	24 189	31 302
Weighted average exercise price	**(US$)**	**(US$)**	**(US$)**	**(US$)**	**(US$)**	**(rand)**	**(rand)**
Outstanding at 1 April	7.58	246.81	742.14	0.65	0.82	8.68	34.35
Exercised	7.53	177.32	728.55	–	–	8.67	17.17
Forfeited	8.86	–	–	0.65	–	–	–
Cancelled	–	–	–	0.65	–	–	–
Outstanding at 31 March	8.33	368.41	764.26	0.65	0.82	8.68	34.88
Available to be implemented at 31 March	8.33	368.41	764.26	0.65	0.82	8.68	34.88
Weighted average share price of options taken up during the year							
Shares	367 032	4 375	8 276	–	–	368	967
Weighted average share price	16.90	12 501.44	15 002.67	–	–	392.07	390.02

40. EQUITY COMPENSATION BENEFITS *(CONTINUED)*

Movements in terms of the share trust incentive plans are as follows:

31 March 2013	MIH India	MIH Russia	MIH BuscaPé	MIH BuscaPé 2011	OLX Inc	MIH BuscaPé Holdings BV 2012	Allegro B.V. 2012 Share Trust
Shares							
Outstanding at 1 April	11 693 640	558 678	978 295	293 317	32 418 483	–	–
Granted	–	15 867	–	–	31 804 737	663 872	428 262
Exercised	(9 800 503)	(238 986)	–	(1 000)	–	–	–
Forfeited	(1 893 137)	–	(43 000)	(53 000)	(10 423 061)	(7 319)	–
Cancelled	–	–	–	–	(1 513 508)	–	–
Outstanding at 31 March	–	335 559	935 295	239 317	52 286 651	656 553	428 262
Available to be implemented at 31 March	–	191 412	276 758	47 663	–	21 042	–
Weighted average exercise price	**(US$)**	**(euro)**	**(euro)**	**(BRL)**	**(US$)**	**(BRL)**	**(euro)**
Outstanding at 1 April	0.56	14.79	15.40	45.36	0.40	–	–
Reduction in strike price	–	(5.30)	–	–	–	–	–
Granted	–	56.97	–	–	0.31	49.58	112.41
Exercised	0.55	11.88	–	45.36	–	–	–
Forfeited	0.57	–	15.40	45.36	0.40	49.58	–
Cancelled	–	–	–	–	0.40	–	–
Outstanding at 31 March	–	10.03	15.40	45.36	0.35	49.58	112.41
Available to be implemented at 31 March	–	7.47	15.40	45.36	–	49.58	–
Weighted average share price of options taken up during the year							
Shares	9 800 503	238 986	–	1 000	–	–	–
Weighted average share price	0.58	60.07	–	49.58	–	–	–

31 March 2012	MIH India	MIH Russia	MIH BuscaPé	MIH BuscaPé 2011	OLX Inc
Shares					
Outstanding at 1 April	12 384 468	701 804	937 295	–	–
Granted	507 256	1 645	120 000	293 317	35 008 889
Exercised	(1 100 064)	(144 771)	–	–	–
Forfeited	(98 020)	–	(79 000)	–	(2 590 406)
Outstanding at 31 March	11 693 640	558 678	978 295	293 317	32 418 483
Available to be implemented at 31 March	6 814 128	218 248	–	–	–
Weighted average exercise price	**(US$)**	**(euro)**	**(euro)**	**(BRL)**	**(US$)**
Outstanding at 1 April	0.55	14.40	15.40	–	–
Granted	0.58	53.06	15.40	45.36	0.40
Exercised	0.55	13.35	–	–	–
Forfeited	0.57	–	15.40	–	0.40
Outstanding at 31 March	0.56	14.79	15.40	45.36	0.40
Available to be implemented at 31 March	0.55	14.48	–	–	–
Weighted average share price of options taken up during the year					
Shares	1 100 064	144 771	–	–	–
Weighted average share price	0.58	63.75	–	–	–

40. EQUITY COMPENSATION BENEFITS *(CONTINUED)*

Movements in terms of the share appreciation rights plans are as follows:

31 March 2013	**Media24**	**MultiChoice Africa**	**Irdeto Access**	**MultiChoice Africa 2008**
SARs				
Outstanding at 1 April	**9 735 871**	**858 222**	**80 814**	**8 933 331**
Granted	**3 026 204**	**–**	**–**	**3 690 525**
Exercised	**(149 579)**	**(810 889)**	**(71 244)**	**(540 883)**
Forfeited	**(924 502)**	**(33 759)**	**(1 740)**	**(627 572)**
Expired	**(917 104)**	**(13 574)**	**(7 830)**	**–**
Outstanding at 31 March	**10 770 890**	**–**	**–**	**11 455 401**
Available to be implemented at 31 March	**772 627**	**–**	**–**	**751 121**
Weighted average exercise price	**(rand)**	**(rand)**	**(US$)**	**(rand)**
Outstanding at 1 April	**17.80**	**58.21**	**15.20**	**88.76**
Granted	**18.61**	**–**	**–**	**103.23**
Exercised	**16.85**	**58.21**	**15.20**	**77.21**
Forfeited	**18.25**	**58.21**	**15.20**	**91.66**
Expired	**25.08**	**58.21**	**15.20**	**–**
Outstanding at 31 March	**17.38**	**–**	**–**	**93.81**
Available to be implemented at 31 March	**21.94**	**–**	**–**	**75.56**
Weighted average share price of SARs taken up during the year				
SARs	**149 579**	**810 889**	**71 244**	**540 883**
Weighted average SAR price	**18.61**	**73.65**	**16.00**	**103.23**

31 March 2012	**Media24**	**MultiChoice Africa**	**Irdeto Access**	**MultiChoice Africa 2008**	**M-Net/ SuperSport**	**MIH Brazil**
SARs						
Outstanding at 1 April	11 140 316	2 206 053	181 699	6 492 130	938 602	197 259
Granted	2 646 614	–	–	3 254 119	–	–
Exercised	–	(1 244 570)	(93 183)	(276 259)	(910 591)	(197 259)
Forfeited	(3 305 754)	(80 098)	(7 702)	(536 659)	(13 425)	–
Expired	(745 305)	(23 163)	–	–	(14 586)	–
Outstanding at 31 March	9 735 871	858 222	80 814	8 933 331	–	–
Available to be implemented at 31 March	831 834	259 793	22 895	262 604	–	–
Weighted average exercise price	**(rand)**	**(rand)**	**(US$)**	**(rand)**	**(rand)**	**(US$)**
Outstanding at 1 April	19.83	52.55	15.20	84.15	9.56	44.48
Granted	12.78	–	–	95.95	–	–
Exercised	–	48.87	15.20	72.98	9.56	44.48
Forfeited	19.13	53.10	15.20	84.75	9.56	–
Expired	24.47	38.69	–	–	9.56	–
Outstanding at 31 March	17.80	58.21	15.20	88.76	–	–
Available to be implemented at 31 March	24.80	58.20	15.20	69.31	–	–
Weighted average share price of SARs taken up during the year						
SARs	–	1 244 570	93 183	276 259	910 591	197 259
Weighted average SAR price	–	73.65	17.00	95.95	25.07	51.40

40. EQUITY COMPENSATION BENEFITS *(CONTINUED)*

Movements in terms of the share appreciation rights plans are as follows:

31 March 2013	**Gadu-Gadu S.A. 2008**	**MIH Allegro B.V. 2008**	**MIH Ricardo B.V. 2008**	**Irdeto Access B.V. 2008**	**MIH (China) Mauritius 2008**	**Molotok No1**
SARs						
Outstanding at 1 April	**484 166**	**270 726**	**1 955 318**	**789 890**	**5 708**	**284 226**
Sub-division of shares	**–**	**–**	**–**	**–**	**51 372**	**–**
Granted	**–**	**–**	**144 678**	**–**	**2 092**	**–**
Exercised	**–**	**(160 481)**	**(1 045 109)**	**(145 667)**	**(56 450)**	**–**
Forfeited	**(88 234)**	**(4 447)**	**(224 472)**	**(91 854)**	**–**	**–**
Outstanding at 31 March	**395 932**	**105 798**	**830 415**	**552 369**	**2 722**	**284 226**
Available to be implemented at 31 March	**212 786**	**43 640**	**374 910**	**168 538**	**120**	**94 742**
Weighted average exercise price	**(PLN)**	**(euro)**	**(euro)**	**(US$)**	**(US$)**	**(euro)**
Outstanding at 1 April	**13.55**	**47.71**	**1.68**	**12.67**	**6 446.18**	**17.80**
Granted	**–**	**–**	**2.61**	**–**	**1 912.39**	**–**
Exercised	**–**	**42.98**	**1.62**	**12.08**	**642.41**	**–**
Forfeited	**13.55**	**43.01**	**1.65**	**13.86**	**–**	**–**
Outstanding at 31 March	**13.55**	**55.07**	**1.92**	**12.63**	**1 664.69**	**17.80**
Available to be implemented at 31 March	**13.55**	**57.31**	**1.77**	**12.69**	**1 222.33**	**17.80**
Weighted average share price of SARs taken up during the year						
SARs	**–**	**160 481**	**1 045 109**	**145 667**	**56 450**	**–**
Weighted average SAR price	**–**	**76.30**	**2.61**	**16.00**	**2 168.67**	**–**

31 March 2012	**Gadu-Gadu S.A. 2008**	**MIH Allegro B.V. 2008**	**MIH Ricardo B.V. 2008**	**Irdeto Access B.V. 2008**	**MIH (China) Mauritius 2008**	**Molotok No1**
SARs						
Outstanding at 1 April	965 260	391 778	1 878 426	1 288 719	12 001	284 226
Granted	–	–	289 537	–	–	–
Exercised	–	(109 320)	(133 454)	(363 295)	(6 173)	–
Forfeited	(481 094)	(11 732)	(79 191)	(135 534)	(19)	–
Cancelled	–	–	–	–	(101)	–
Outstanding at 31 March	484 166	270 726	1 955 318	789 890	5 708	284 226
Available to be implemented at 31 March	172 392	92 306	828 658	57 191	344	–
Weighted average exercise price	**(PLN)**	**(euro)**	**(euro)**	**(US$)**	**(US$)**	**(euro)**
Outstanding at 1 April	13.55	47.37	1.60	12.51	6 084.35	17.80
Granted	–	–	2.15	–	–	–
Exercised	–	45.30	1.59	12.74	5 645.20	–
Forfeited	13.55	58.72	1.72	10.95	12 688.00	–
Cancelled	–	–	–	–	11 233.61	–
Outstanding at 31 March	13.55	47.71	1.68	12.67	6 446.18	17.80
Available to be implemented at 31 March	13.55	44.90	1.59	12.54	6 849.60	–
Weighted average share price of SARs taken up during the year						
SARs	–	109 320	133 454	363 295	6 173	–
Weighted average SAR price	–	108.87	2.15	16.97	12 505.15	–

40. EQUITY COMPENSATION BENEFITS *(CONTINUED)*

Movements in terms of the share appreciation rights plans are as follows:

31 March 2013	MIH Allegro B.V. 2009	Paarl Coldset	Paarl Media Holdings	MIH Internet Africa	On the Dot	Movile Internet Movel S.A	Level Up! International
SARs							
Outstanding at 1 April	**172 834**	**3 833 000**	**3 750 000**	**906 785**	**207 000**	**155 610**	**790 539**
Granted	–	–	–	–	–	**260 337**	–
Exercised	–	**(230 000)**	**(1 079 990)**	–	–	–	–
Forfeited	**(6 731)**	**(160 000)**	**(466 667)**	**(167 552)**	**(37 500)**	–	–
Cancelled	–	–	–	**(739 233)**	–	–	–
Outstanding at 31 March	**166 103**	**3 443 000**	**2 203 343**	–	**169 500**	**415 947**	**790 539**
Available to be implemented at 31 March	**70 321**	**1 447 328**	**126 663**	–	–	–	–
Weighted average exercise price	**(euro)**	**(rand)**	**(rand)**	**(rand)**	**(rand)**	**(BRL)**	**(US$)**
Outstanding at 1 April	**90.80**	**6.01**	**27.61**	**20.70**	**20.27**	**25.98**	**5.14**
Granted	–	–	–	–	–	**35.18**	–
Exercised	–	**4.35**	**28.38**	–	–	–	–
Forfeited	**103.33**	**5.84**	**28.22**	**20.70**	**20.27**	–	–
Cancelled	–	–	–	**20.70**	–	–	–
Outstanding at 31 March	**90.29**	**6.13**	**27.10**	–	**20.27**	**31.74**	**5.14**
Available to be implemented at 31 March	**84.64**	**4.35**	**28.38**	–	–	–	–
Weighted average share price of SARs taken up during the year							
SARs	–	**230 000**	**1 079 990**	–	–	–	–
Weighted average SAR price	–	**11.47**	**44.79**	–	–	–	–

31 March 2012	Allegro B.V. 2009	Paarl Coldset	Paarl Media Holdings	MIH Internet Africa	On the Dot	Movile Internet Movel S.A	Level Up! International
SARs							
Outstanding at 1 April	124 687	2 956 000	2 340 000	750 389	482 000	–	–
Granted	70 101	1 307 000	1 590 000	249 309	–	155 610	790 539
Exercised	(8 024)	(80 000)	–	–	–	–	–
Forfeited	(13 930)	(350 000)	(180 000)	(92 913)	(275 000)	–	–
Outstanding at 31 March	172 834	3 833 000	3 750 000	906 785	207 000	155 610	790 539
Available to be implemented at 31 March	31 304	788 664	719 992	–	–	–	–
Weighted average exercise price	**(euro)**	**(rand)**	**(rand)**	**(rand)**	**(rand)**	**(BRL)**	**(US$)**
Outstanding at 1 April	79.37	4.35	28.38	20.70	20.27	–	–
Granted	108.87	9.22	26.56	20.70	–	25.98	5.14
Exercised	80.15	4.35	–	–	–	–	–
Forfeited	85.60	4.35	28.38	20.70	20.27	–	–
Outstanding at 31 March	90.80	6.01	27.61	20.70	20.27	25.98	5.14
Available to be implemented at 31 March	76.50	4.35	28.38	–	–	–	–
Weighted average share price of SARs taken up during the year							
SARs	8 024	80 000	–	–	–	–	–
Weighted average SAR price	108.87	10.41	–	–	–	–	–

40. EQUITY COMPENSATION BENEFITS *(CONTINUED)*

Movements in terms of the share appreciation rights plans are as follows:

31 March 2013	Irdeto Access B.V. 2012	MIH Internet Africa 2012	Korbitec	MIH India (Ibibo ecommerce)	SEA Regional	Multiply
SARs						
Outstanding at 1 April	–	–	–	–	–	–
Granted	**406 799**	**1 906 307**	**1 192 318**	**1 651 996**	**570 843**	**12 042 308**
Forfeited	**(11 186)**	**(28 243)**	–	**(156 216)**	–	**(832 000)**
Outstanding at 31 March	**395 613**	**1 878 064**	**1 192 318**	**1 495 780**	**570 843**	**11 210 308**
Available to be implemented at 31 March	**11 497**	**113 705**	–	–	–	–
Weighted average exercise price	**(US$)**	**(rand)**	**(rand)**	**(US$)**	**(US$)**	**(US$)**
Outstanding at 1 April	–	–	–	–	–	–
Granted	**16.00**	**11.60**	**32.00**	**2.50**	**4.58**	**0.20**
Forfeited	**16.00**	**11.60**	–	**2.50**	–	**0.20**
Outstanding at 31 March	**16.00**	**11.60**	**32.00**	**2.50**	**4.58**	**0.20**
Available to be implemented at 31 March	**16.00**	**11.60**	–	–	–	–
Weighted average share price of SARs taken up during the year						
SARs	–	–	–	–	–	–
Weighted average SAR price	–	–	–	–	–	–

31 March 2013	Sanook ecommerce	Sulit	MIH Ricardo B.V. 2012	FixeAds B.V.	Tokobagus Exploitatie B.V.
SARs					
Outstanding at 1 April	–	–	–	–	–
Granted	**3 700 000**	**622 000**	**457 956**	**530 000**	**704 320**
Forfeited	–	–	–	–	**(851)**
Outstanding at 31 March	**3 700 000**	**622 000**	**457 956**	**530 000**	**703 469**
Available to be implemented at 31 March	–	–	–	–	**12 771**
Weighted average exercise price	**(US$)**	**(US$)**	**(CHF)**	**(euro)**	**(US$)**
Outstanding at 1 April	–	–	–	–	–
Granted	**0.20**	**1.00**	**11.58**	**2.80**	**2.70**
Forfeited	–	–	–	–	**2.70**
Outstanding at 31 March	**0.20**	**1.00**	**11.58**	**2.80**	**2.70**
Available to be implemented at 31 March	–	–	–	–	**2.70**
Weighted average share price of SARs taken up during the year					
SARs	–	–	–	–	–
Weighted average SAR price	–	–	–	–	–

40. EQUITY COMPENSATION BENEFITS *(CONTINUED)*

Share option allocations outstanding and currently available to be implemented at 31 March 2013 by exercise price:

	Share options outstanding			Share options currently available	
Exercise prices	**Number outstanding at 31 March 2013**	**Weighted average remaining contractual life (years)**	**Weighted average exercise price**	**Exercisable at 31 March 2013**	**Weighted average exercise price**
Naspers (rand)					
27.80	35 666	0.41	27.80	35 666	27.80
50.00	100 000	1.44	50.00	100 000	50.00
114.52	150 000	3.35	114.52	150 000	114.52
124.00	4 164	3.43	124.00	4 164	124.00
138.87	86 195	4.95	138.87	86 195	138.87
167.23	3 895 936	5.00	167.23	3 895 936	167.23
167.99	3 339	4.39	167.99	3 339	167.99
173.44	30 519	5.25	173.44	20 346	173.44
174.00	10 000	4.66	174.00	10 000	174.00
176.11	3 895 936	5.00	176.11	3 895 936	176.11
176.90	9 476	5.48	176.90	5 682	176.90
185.56	3 895 936	5.00	185.56	3 895 936	185.56
251.00	14 972	6.42	251.00	4 939	251.00
253.00	16 187	7.25	253.00	–	–
288.00	10 870	6.91	288.00	3 623	288.00
306.00	3 334	7.44	306.00	–	–
350.00	34 294	8.47	350.00	–	–
351.95	5 864	7.96	351.95	–	–
364.35	7 533	8.67	364.35	–	–
436.83	17 797	9.25	436.83	–	–
484.70	24 948	9.44	484.70	–	–
	12 252 966		175.81	12 111 762	173.83
Media24 (rand)					
6.92	1 100	–	6.92	1 100	6.92
8.12	7 748	0.84	8.12	7 748	8.12
11.63	29 560	1.47	11.63	29 560	11.63
20.42	12 720	2.47	20.42	12 720	20.42
	51 128		13.18	51 128	13.18

40. EQUITY COMPENSATION BENEFITS *(CONTINUED)*

Share option allocations outstanding and currently available to be implemented at 31 March 2013 by exercise price:

	Share options outstanding			Share options currently available	
Exercise prices	**Number outstanding at 31 March 2013**	**Weighted average remaining contractual life (years)**	**Weighted average exercise price**	**Exercisable at 31 March 2013**	**Weighted average exercise price**
MIH Holdings (Naspers shares) (rand)					
41.50	12 526	0.90	41.50	12 526	41.50
105.35	10 242	2.45	105.35	10 242	105.35
124.00	17 755	3.43	124.00	17 755	124.00
138.87	98 396	4.95	138.87	98 396	138.87
173.44	4 457	5.25	173.44	–	–
174.00	1 085	4.66	174.00	1 085	174.00
176.90	16 662	5.48	176.90	7 237	176.90
182.00	5 310	4.24	182.00	5 310	182.00
191.02	18 565	4.49	191.02	18 565	191.02
251.00	104 180	6.42	251.00	33 399	251.00
304.05	13 262	6.95	304.05	3 616	304.05
306.00	80 322	7.44	306.00	–	–
350.00	163 191	8.47	350.00	–	–
364.00	11 472	8.00	364.00	–	–
364.35	14 462	8.67	364.35	–	–
379.42	14 409	7.67	379.42	–	–
389.33	7 882	8.87	389.33	–	–
423.00	21 334	8.98	423.00	–	–
436.83	95 497	9.25	436.83	–	–
484.70	121 598	9.44	484.70	–	–
549.00	1 928	9.67	549.00	–	–
585.28	15 599	9.91	585.28	–	–
	850 134		324.20	208 131	158.21
MIH (Mauritius) ADS - USD (US$)					
3.18	4 670	–	3.18	4 670	3.18
3.22	4 000	0.19	3.22	4 000	3.22
	8 670		3.20	8 670	3.20
MIH (Mauritius) - N - ZAR (rand)					
41.50	14 006	0.90	41.50	14 006	41.50
45.25	76 103	1.24	45.25	76 103	45.25
105.35	16 781	2.45	105.35	16 781	105.35
123.50	5 423	2.97	123.50	5 423	123.50
124.00	44 889	3.43	124.00	44 889	124.00
138.87	494 145	4.95	138.87	494 145	138.87
145.99	47 497	3.71	145.99	47 497	145.99
146.50	22 272	5.93	146.50	11 135	146.50
153.06	1 146	5.79	153.06	–	–
154.00	243 000	5.91	154.00	154 833	154.00
154.50	13 514	5.68	154.50	6 756	154.50
162.50	7 179	5.27	162.50	–	–
174.00	23 070	4.66	174.00	23 070	174.00
175.00	115 143	3.99	175.00	115 143	175.00
176.90	67 485	5.48	176.90	37 510	176.90
179.00	37	4.31	179.00	37	179.00
182.00	66 186	4.24	182.00	66 186	182.00
251.00	182 135	6.42	251.00	58 691	251.00
251.50	27 272	6.44	251.50	8 201	251.50
256.67	4 931	6.50	256.67	1 160	256.67
292.56	296	6.69	292.56	52	292.56
304.05	61 483	6.95	304.05	20 491	304.05
306.00	136 751	7.44	306.00	1 979	306.00
350.00	205 172	8.47	350.00	3 649	350.00
364.00	15 634	8.00	364.00	–	–
364.35	13 698	8.67	364.35	–	–
379.42	6 725	7.67	379.42	–	–
388.70	3 827	7.79	388.70	–	–
436.83	40 489	9.25	436.83	–	–
484.70	137 025	9.44	484.70	814	484.70
549.00	6 584	9.67	549.00	–	–
	2 099 898		223.14	1 208 551	151.07

40. EQUITY COMPENSATION BENEFITS *(CONTINUED)*

Share option allocations outstanding and currently available to be implemented at 31 March 2013 by exercise price:

	Share options outstanding			Share options currently available	
Exercise prices	Number outstanding at 31 March 2013	Weighted average remaining contractual life (years)	Weighted average exercise price	Exercisable at 31 March 2013	Weighted average exercise price
Irdeto Access (US$)					
6.70	4 881	1.24	6.70	4 881	6.70
7.90	1 759	2.50	7.90	1 759	7.90
9.90	3 906	3.46	9.90	3 906	9.90
	10 546		8.09	10 546	8.09
MIH China (BVI) Limited (US$)					
368.41	2 500	1.19	368.41	2 500	368.41
	2 500		368.41	2 500	368.41
2005 MIH China (BVI) (US$)					
612.75	2 381	2.44	612.75	2 381	612.75
1 434.92	78	1.44	1 434.92	78	1 434.92
2 481.05	171	2.24	2 481.05	171	2 481.05
	2 630		758.61	2 630	758.61
Entriq (Mauritius) (US$)					
0.65	4 200	2.67	0.65	4 200	0.65
	4 200		0.65	4 200	0.65
MIH Russia Internet (euro)					
5.45	36 660	4.20	5.45	36 660	5.45
7.93	282 543	6.99	7.93	154 655	7.93
45.87	489	8.49	45.87	97	45.87
56.97	15 867	9.25	56.97	–	–
	335 559		10.03	191 412	7.47
MIH BuscaPé (euro)					
15.40	935 295	2.36	15.40	276 758	15.40
	935 295		15.40	276 758	15.40
MIH BuscaPé 2011 (BRL)					
45.36	239 317	4.70	45.36	47 663	45.36
	239 317		45.36	47 663	45.36
OLX, Inc (US$)					
0.31	31 354 737	6.95	0.31	–	–
0.40	20 931 914	5.29	0.40	–	–
	52 286 651		0.35	–	–
MIH BuscaPé Holdings B.V. 2012 (BRL)					
49.58	656 553	9.62	49.58	21 042	49.58
	656 553		49.58	21 042	49.58
Allegro BV 2012 Share Trust (euro)					
112.41	428 262	9.59	112.41	–	–
	428 262		112.41	–	–

40. EQUITY COMPENSATION BENEFITS *(CONTINUED)*

Share appreciation rights allocations outstanding and currently available to be implemented at 31 March 2013 by exercise price:

	SARs outstanding			SARs currently available	
Exercise prices	Number outstanding at 31 March 2013	Weighted average remaining contractual life (years)	Weighted average exercise price	Exercisable at 31 March 2013	Weighted average exercise price
Media24 (rand)					
12.78	2 506 087	3.50	12.78	3 912	12.78
17.46	3 701 147	2.29	17.46	37 802	17.46
18.61	2 875 074	4.48	18.61	14 509	18.61
21.40	1 265 327	1.54	21.40	431 437	21.40
23.65	423 255	0.44	23.65	284 967	23.65
	10 770 890		17.38	772 627	21.94
MultiChoice Africa 2008 (rand)					
69.31	844 409	0.62	69.31	425 528	69.31
82.18	1 210 275	1.45	82.18	283 280	82.18
91.74	2 802 286	2.44	91.74	26 315	91.74
95.95	2 966 019	3.53	95.95	11 188	95.95
103.23	3 632 412	4.49	103.23	4 810	103.23
	11 455 401		93.81	751 121	75.56
Gadu-Gadu S.A. 2008 (PLN)					
13.55	395 932	1.81	13.55	212 786	13.55
	395 932		13.55	212 786	13.55
MIH Allegro B.V. 2008 (euro)					
38.16	57 141	2.36	38.16	20 914	38.16
74.93	48 657	3.50	74.93	22 726	74.93
	105 798		55.07	43 640	57.31
* The expiry dates for offers made in this SAR plan have been extended by two years.					
MIH Ricardo B.V. 2008 (euro)					
1.58	292 842	0.41	1.58	226 311	1.58
1.59	91 476	1.48	1.59	11 352	1.59
1.74	102 538	2.47	1.74	14 540	1.74
2.15	198 881	3.51	2.15	122 707	2.15
2.61	144 678	4.48	2.61	–	–
	830 415		1.92	374 910	1.77
Irdeto Access 2008 B.V. (US$)					
10.20	187 888	1.52	10.20	65 808	10.20
13.60	321 805	2.48	13.60	73 479	13.60
16.00	42 676	0.52	16.00	29 251	16.00
	552 369		12.63	168 538	12.69
MIH (China) Mauritius 2008 (US$)					
335.29	270	0.83	335.29	–	–
1 222.33	360	2.47	1 222.33	120	1 222.33
1 834.23	910	4.29	1 834.23	–	–
1 972.57	1 182	4.48	1 972.57	–	–
	2 722		1 664.69	120	1 222.33
Molotok No 1 (euro)					
17.80	284 226	1.99	17.80	94 742	17.80
	284 226		17.80	94 742	17.80
MIH Allegro B.V. 2009 (euro)					
74.93	72 482	3.59	74.93	42 307	74.93
87.02	28 671	4.47	87.02	12 273	87.02
108.87	64 950	5.51	108.87	15 741	108.87
	166 103		90.29	70 321	84.64

* The expiry dates for offers made in this SAR plan have been extended by two years.

40. EQUITY COMPENSATION BENEFITS *(CONTINUED)*

Share appreciation rights allocations outstanding and currently available to be implemented at 31 March 2013 by exercise price:

	SARs outstanding			SARs currently available	
Exercise prices	**Number outstanding at 31 March 2013**	**Weighted average remaining contractual life (years)**	**Weighted average exercise price**	**Exercisable at 31 March 2013**	**Weighted average exercise price**
Paarl Coldset (rand)					
4.35	2 196 000	2.01	4.35	1 447 328	4.35
8.33	690 000	3.04	8.33	–	–
10.41	557 000	4.01	10.41	–	–
	3 443 000		6.13	1 447 328	4.35
Paarl Media Holdings (rand)					
24.96	810 000	4.01	24.96	–	–
28.31	680 000	3.04	28.31	–	–
28.38	713 343	2.01	28.38	126 663	28.38
	2 203 343		27.10	126 663	28.38
On the Dot (rand)					
20.27	169 500	2.84	20.27	–	–
	169 500		20.27	–	–
Movile Internet Movel S.A. (BRL)					
25.98	155 610	6.00	25.98	–	–
35.18	260 337	7.56	35.18	–	–
	415 947		31.74	–	–
Level Up! International SARs (US$)					
5.14	790 539	5.06	5.14	–	–
	790 539		5.14	–	–
Irdeto Access B.V. 2012 (US$)					
16.00	395 613	9.44	16.00	11 497	16.00
	395 613		16.00	11 497	16.00
MIH Internet Africa 2012 (rand)					
11.60	1 878 064	9.50	11.60	113 705	11.60
	1 878 064		11.60	113 705	11.60
Korbitec (rand)					
32.00	1 192 318	5.46	32.00	–	–
	1 192 318		32.00	–	–
MIH India (Ibibo Ecommerce) (US$)					
2.50	1 495 780	9.58	2.50	–	–
	1 495 780		2.50	–	–
SEA Regional (US$)					
4.58	570 843	9.46	4.58	–	–
	570 843		4.58	–	–
Multiply (US$)					
0.20	11 210 308	9.47	0.20	–	–
	11 210 308		0.20	–	–
Sanook e-commence (US$)					
0.20	3 700 000	9.64	0.20	–	–
	3 700 000		0.20	–	–
Sulit (US$)					
1.00	622 000	9.46	1.00	–	–
	622 000		1.00	–	–
MIH Ricardo B.V. 2012 (CHF)					
11.58	457 956	9.81	11.58	–	–
	457 956		11.58	–	–
FixeAds BV SAR (euro)					
2.80	530 000	9.80	2.80	–	–
	530 000		2.80	–	–
Tokobagus Exploitatie BV SAR (US$)					
2.70	703 469	9.67	2.70	12 771	2.70
	703 469		2.70	12 771	2.70

40. EQUITY COMPENSATION BENEFITS *(CONTINUED)*

Share trust incentive plans grants made during the year:

31 March 2013	**Naspers Limited (rand)**	**MIH Holdings Limited (rand)**	**MIH (Mauritius) Limited (rand)**	**MIH India (US$)**	**MIH Russia (euro)**	**MIH BuscaPé (euro)**	**MIH BuscaPé 2011 (BRL)**	**OLX Inc (BRL)**	**MIH BuscaPé 2012 (euro)**	**Allegro BV 2012 Share Trust (euro)**
Weighted average fair value at measurement date	**171.57**	**181.44**	**174.29**	**–**	**24.55**	**–**	**–**	**0.10**	**24.62**	**36.83**

This weighted average fair value has been calculated using the Bermudan Binomial option pricing model, using the following inputs and assumptions:

Weighted average share price	**464.77**	**472.51**	**476.57**	**–**	**56.97**	**–**	**–**	**0.31**	**49.58**	**112.41**
Weighted average exercise price	**464.77**	**472.51**	**476.57**	**–**	**56.97**	**–**	**–**	**0.31**	**49.58**	**112.41**
Weighted average expected volatility (%) *	**25.8**	**25.5**	**25.3**	**–**	**47.5**	**–**	**–**	**30.9**	**48.3**	**31.9**
Weighted average option life (years)	**10.0**	**10.0**	**10.0**	**–**	**10.0**	**–**	**–**	**7.2**	**10.0**	**10.0**
Weighted average dividend yield (%)	**0.9**	**0.9**	**0.9**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Weighted average risk-free interest rate (%) (based on zero rate bond yield at perfect fit)	**7.0**	**7.0**	**6.9**	**–**	**2.2**	**–**	**–**	**1.4**	**5.7**	**2.0**
Weighted average annual sub-optimal rate (%)	**131.0**	**89.5**	**125.5**	**–**	**202.8**	**–**	**–**	**100.0**	**143.0**	**143.0**
Weighted average vesting period (years)	**4.0**	**4.0**	**4.0**	**–**	**3.0**	**–**	**–**	**4.0**	**3.0**	**3.0**

Various early exercise expectations were calculated based on historical exercise behaviours

** The weighted average expected volatility of all share options listed above is determined using historical daily share prices except for the MIH India, MIH Buscapé, MIH Buscapé 2011 and OLX plans where historical annual company valuations are used.*

31 March 2012										
Weighted average fair value at measurement date	168.87	167.23	158.84	0.24	28.22	5.43	25.77	0.17	–	–

This weighted average fair value has been calculated using the Bermudan Binomial option pricing model, using the following inputs and assumptions:

Weighted average share price	352.58	358.38	348.30	0.58	53.06	15.40	45.36	0.40	–	–
Weighted average exercise price	352.58	358.38	348.30	0.58	53.06	15.40	45.36	0.40	–	–
Weighted average expected volatility (%) *	34.6	33.8	34.4	38.9	59.9	35.1	61.8	39.9	–	–
Weighted average option life (years)	10.0	10.0	10.0	10.0	10.0	5.3	6.0	7.2	–	–
Weighted average dividend yield (%)	0.8	0.8	0.8	–	–	–	–	–	–	–
Weighted average risk-free interest rate (%) (based on zero rate bond yield at perfect fit)	7.9	7.9	8.0	3.6	2.5	2.9	6.5	3.0	–	–
Weighted average annual sub-optimal rate (%)	77.0	89.5	124.7	106.5	186.3	186.3	100.0	100.0	–	–
Weighted average vesting period (years)	4.0	4.0	4.0	3.0	3.0	4.0	3.0	4.0	–	–

Various early exercise expectations were calculated based on historical exercise behaviours

** The weighted average expected volatility of all share options listed above is determined using historical daily share prices except for the MIH India, MIH Russia and MIH Buscapé plans where historical annual company valuations are used.*

NOTES TO THE CONSOLIDATED ANNUAL FINANCIAL STATEMENTS
(CONTINUED)

40. EQUITY COMPENSATION BENEFITS *(CONTINUED)*

Share appreciation rights plans grants made during the year:

31 March 2013	**Media24 (rand)**	**Multi-Choice Africa 2008 (rand)**	**MIH Ricardo B.V. 2008 (euro)**	**MIH Allegro 2009 (euro)**	**Irdeto Access B.V. 2012 (US$)**	**FixeAds BV (euro)**	**MIH China Mauritius 2008 (US$)**
Weighted average fair value at measurement date	**6.19**	**33.98**	**0.74**	**–**	**4.65**	**0.90**	**533.21**

This weighted average fair value has been calculated using the Bermudan Binomial option pricing model, using the following inputs and assumptions:

31 March 2013	**Media24 (rand)**	**Multi-Choice Africa 2008 (rand)**	**MIH Ricardo B.V. 2008 (euro)**	**MIH Allegro 2009 (euro)**	**Irdeto Access B.V. 2012 (US$)**	**FixeAds BV (euro)**	**MIH China Mauritius 2008 (US$)**
Weighted average SAR price	**18.61**	**103.23**	**2.61**	**–**	**16.00**	**2.80**	**1 912.39**
Weighted average exercise price	**18.61**	**103.23**	**2.61**	**–**	**16.00**	**2.80**	**1 912.39**
Weighted average expected volatility (%) *	**22.5**	**26.5**	**34.0**	**–**	**26.5**	**29.6**	**35.1**
Weighted average option life (years)	**5.0**	**5.0**	**5.0**	**–**	**10.0**	**10.0**	**5.0**
Weighted average risk-free interest rate (%) (based on zero rate bond yield at perfect fit)	**7.0**	**5.7**	**0.8**	**–**	**1.9**	**1.9**	**0.3**
Weighted average annual sub-optimal rate (%)	**203.0**	**290.8**	**145.5**	**–**	**105.3**	**100.0**	**202.8**
Weighted average vesting period (years)	**4.0**	**4.0**	**3.0**	**–**	**3.0**	**3.0**	**3.0**

31 March 2012	**Media24 (rand)**	**Multi-Choice Africa 2008 (rand)**	**MIH Ricardo B.V. 2008 (euro)**	**MIH Allegro 2009 (euro)**	**Irdeto Access B.V. 2012 (US$)**	**FixeAds BV (euro)**	**MIH China Mauritius 2008 (US$)**
Weighted average fair value at measurement date	4.98	34.73	0.79	38.79	–	–	–

This weighted average fair value has been calculated using the Bermudan Binomial option pricing model, using the following inputs and assumptions:

31 March 2012	**Media24 (rand)**	**Multi-Choice Africa 2008 (rand)**	**MIH Ricardo B.V. 2008 (euro)**	**MIH Allegro 2009 (euro)**	**Irdeto Access B.V. 2012 (US$)**	**FixeAds BV (euro)**	**MIH China Mauritius 2008 (US$)**
Weighted average SAR price	12.78	95.95	2.15	108.87	–	–	–
Weighted average exercise price	12.78	95.95	2.15	108.87	–	–	–
Weighted average expected volatility (%) *	18.8	28.5	43.1	43.1	–	–	–
Weighted average option life (years)	5.0	5.0	5.0	5.0	–	–	–
Weighted average risk-free interest rate (%) (based on zero rate bond yield at perfect fit)	7.7	6.8	1.6	1.6	–	–	–
Weighted average annual sub-optimal rate (%)	112.3	293.8	106.5	186.3	–	–	–
Weighted average vesting period (years)	4.0	4.0	3.0	3.0	–	–	–

Various early exercise expectations were calculated based on historical exercise behaviours

**The weighted average expected volatility of all SAR grants listed above is determined using historical annual company valuations, except for the MIH (China) Mauritius 2008 plan where historical daily share prices are used.*

40. EQUITY COMPENSATION BENEFITS *(CONTINUED)*

Share appreciation rights plans grants made during the year:

31 March 2013	**MIH Internet Africa (rand)**	**On the Dot (rand)**	**Paarl Coldset (rand)**	**Paarl Media Holdings (rand)**	**LevelUp! International Holdings (US$)**	**Movile Internet Movel S.A (BRL)**	**Ibibo ecommerce (US$)**
Weighted average fair value at measurement date	**5.01**	–	–	–	–	**15.93**	**1.09**

This weighted average fair value has been calculated using the Bermudan Binomial option pricing model, using the following inputs and assumptions:

Weighted average SAR price	**11.60**	–	–	–	–	**35.18**	**2.50**
Weighted average exercise price	**11.60**	–	–	–	–	**35.18**	**2.50**
Weighted average expected volatility (%) *	**32.5**	–	–	–	–	**35.8**	**43.5**
Weighted average option life (years)	**10.0**	–	–	–	–	**8.0**	**10.0**
Weighted average risk-free interest rate (%) (based on zero rate bond yield at perfect fit)	**6.9**	–	–	–	–	**5.5**	**1.9**
Weighted average annual sub-optimal rate (%)	**100.0**	–	–	–	–	**100.0**	**100.0**
Weighted average vesting period (years)	**3.0**	–	–	–	–	**4.0**	**3.0**

31 March 2012							
Weighted average fair value at measurement date	8.65	–	3.16	9.09	1.62	12.22	–

This weighted average fair value has been calculated using the Bermudan Binomial option pricing model, using the following inputs and assumptions:

Weighted average SAR price	20.70	–	9.22	26.56	5.14	25.98	–
Weighted average exercise price	20.70	–	9.22	26.56	5.14	25.98	–
Weighted average expected volatility (%) *	31.5	–	19.8	20.0	25.8	32.4	–
Weighted average option life (years)	5.0	–	5.0	5.0	7.0	8.0	–
Weighted average risk-free interest rate (%) (based on zero rate bond yield at perfect fit)	8.0	–	7.6	7.5	3.0	7.5	–
Weighted average annual sub-optimal rate (%)	100.0	–	111.1	110.8	100.0	100.0	–
Weighted average vesting period (years)	4.0	–	4.0	4.0	4.0	4.0	–

Various early exercise expectations were calculated based on historical exercise behaviours
**The weighted average expected volatility of all SAR grants listed above is determined using historical annual company valuations.*

40. EQUITY COMPENSATION BENEFITS *(CONTINUED)*

Share appreciation rights plans grants made during the year:

31 March 2013	**Korbitec (rand)**	**MIH Ricardo B.V. 2012 (CHF)**	**Multiply (US$)**	**Sanook ecommence (US$)**	**SEA Regional (US$)**	**Sulit (US$)**	**Tokobagus Exploitatie B.V. (US$)**
Weighted average fair value at measurement date	**11.24**	**3.64**	**0.07**	**0.07**	**1.69**	**0.35**	**0.90**

This weighted average fair value has been calculated using the Bermudan Binomial option pricing model, using the following inputs and assumptions:

Weighted average SAR price	**32.00**	**11.58**	**0.20**	**0.20**	**4.58**	**1.00**	**2.70**
Weighted average exercise price	**32.00**	**11.58**	**0.20**	**0.20**	**4.58**	**1.00**	**2.70**
Weighted average expected volatility (%) *	**27.9**	**30.6**	**32.5**	**31.3**	**35.4**	**33.6**	**31.3**
Weighted average option life (years)	**6.0**	**10.0**	**10.0**	**10.0**	**10.0**	**10.0**	**10.0**
Weighted average risk-free interest rate (%) (based on zero rate bond yield at perfect fit)	**6.2**	**1.9**	**1.9**	**1.9**	**1.9**	**1.9**	**1.8**
Weighted average annual sub-optimal rate (%)	**100.0**	**145.3**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Weighted average vesting period (years)	**3.0**	**3.0**	**3.0**	**3.0**	**3.0**	**3.0**	**3.0**

31 March 2012							
Weighted average fair value at measurement date	–	–	–	–	–	–	–

This weighted average fair value has been calculated using the Bermudan Binomial option pricing model, using the following inputs and assumptions:

Weighted average SAR price	–	–	–	–	–	–	–
Weighted average exercise price	–	–	–	–	–	–	–
Weighted average expected volatility (%) *	–	–	–	–	–	–	–
Weighted average option life (years)	–	–	–	–	–	–	–
Weighted average risk-free interest rate (%) (based on zero rate bond yield at perfect fit)	–	–	–	–	–	–	–
Weighted average annual sub-optimal rate (%)	–	–	–	–	–	–	–
Weighted average vesting period (years)	–	–	–	–	–	–	–

Various early exercise expectations were calculated based on historical exercise behaviours

**The weighted average expected volatility of all SAR grants listed above is determined using historical annual*

	31 March	
Share-based payment liability	**2013 R'm**	**2012 R'm**
Total carrying amount of cash-settled share-based payment liability	**50**	8
Total instrinsic value of liability for vested benefits	**2**	3

COMPANY STATEMENT OF FINANCIAL POSITION

AT 31 MARCH 2013

		31 March	
		2013	**2012**
	Notes	**R'm**	**R'm**
ASSETS			
Non-current assets		**21 247**	21 358
Investments in subsidiaries	2	**6 530**	5 453
Loans to subsidiaries	3	**14 302**	15 497
Property, plant and equipment	4	**2**	2
Investments and loans	5	**410**	403
Deferred taxation	7	**3**	3
Current assets		**6 725**	5 424
Current portion of long-term loans	3	**–**	1 105
Other receivables	8	**17**	13
Cash and cash equivalents	18	**6 708**	4 306
TOTAL ASSETS		**27 972**	26 782
EQUITY AND LIABILITIES			
Shareholders' equity		**27 924**	26 737
Share capital and premium	9	**21 590**	19 397
Other non-distributable reserves		**1 946**	1 896
Retained earnings		**4 388**	5 444
Non-current liabilities		**2**	2
Post-employment medical liability	10	**2**	2
Current liabilities		**46**	43
Amounts owing in respect of investments acquired	11	**11**	12
Accrued expenses and other current liabilities	12	**20**	17
Taxation		**5**	5
Dividends payable		**10**	9
TOTAL EQUITY AND LIABILITIES		**27 972**	26 782

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

COMPANY STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2013

	Notes	31 March 2013 R'm	 2012 R'm
Revenue		**–**	–
Selling, general and administration expenses	14	**(208)**	(213)
Other gains/(losses) - net	13	**241**	106
Operating loss		**33**	(107)
Interest received	15	**267**	142
Interest paid	15	**–**	(2)
Other finance income/(costs) - net	15	**28**	28
Profit before taxation		**328**	61
Taxation	16	**(60)**	(134)
Profit/(loss) for the year		**268**	(73)
Other comprehensive income		**–**	–
Total comprehensive income for the year		**268**	(73)
Attributable to:			
Equity holders of the company		**268**	(73)
Non-controlling interest		**–**	–
		268	(73)

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

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2013

	Share capital and premium A shares R'm	 N shares R'm	Share-based compensation reserve R'm	Valuation reserve R'm	Retained earnings R'm	Total R'm
Balance at 1 April 2011	14	17 475	499	1 296	6 569	25 853
Total comprehensive income for the year	–	–	–	–	(73)	(73)
Share capital issued	–	1 908	–	–	–	1 908
Share-based compensation reserve movement	–	–	101	–	–	101
Dividends	–	–	–	–	(1 052)	(1 052)
Balance at 31 March 2012	14	19 383	600	1 296	5 444	26 737
Balance at 1 April 2012	**14**	**19 383**	**600**	**1 296**	**5 444**	**26 737**
Total comprehensive income for the year	**–**	**–**	**–**	**–**	**268**	**268**
Share capital issued	**–**	**2 068**	**–**	**–**	**–**	**2 068**
Treasury shares movement	**–**	**125**	**–**	**–**	**–**	**125**
Share-based compensation reserve movement	**–**	**–**	**50**	**–**	**–**	**50**
Dividends	**–**	**–**	**–**	**–**	**(1 324)**	**(1 324)**
Balance at 31 March 2013	**14**	**21 576**	**650**	**1 296**	**4 388**	**27 924**

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

COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 March 2013

	Note	31 March 2013 R'm	 2012 R'm
Cash flows from operating activities			
Cash utilised in operations	17	**(130)**	(79)
Finance income		**249**	124
Dividends received		**238**	106
Taxation paid		**(64)**	(32)
Net cash generated from operating activities		**293**	119
Cash flows from investing activities			
Preference dividends received		**17**	15
Loans repaid by subsidiaries		**3 258**	4 508
Net cash generated from investing activities		**3 275**	4 523
Cash flows from financing activities			
Proceeds from share issue		**139**	16
Dividend paid by holding company		**(1 311)**	(1 042)
Net cash utilised in financing activities		**(1 172)**	(1 026)
Net increase in cash and cash equivalents		**2 396**	3 616
Forex translation adjustments on cash and cash equivalents		**6**	3
Cash and cash equivalents at beginning of the year		**4 306**	687
Cash and cash equivalents at end of the year	18	**6 708**	4 306

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

NOTES TO THE COMPANY ANNUAL FINANCIAL STATEMENTS

1. PRINCIPAL ACCOUNTING POLICIES

The annual financial statements of the company are presented in accordance with, and comply with, International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these financial statements and the South African Companies Act No 71 of 2008, as amended. The accounting policies for the holding company are the same as those of the group, where applicable (refer to note 2 of the consolidated financial statements).

Investments in subsidiaries are accounted for in the company's financial statements at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes directly attributable costs of investment.

2. INVESTMENTS IN SUBSIDIARIES

The following information relates to Naspers Limited's direct interest in its significant subsidiaries:

Name of subsidiary	Functional currency	Effective percentage interest*		Direct investment in shares		Nature of business	Country of incorporation
		2013	2012	2013	2012		
		%	%	R'm	R'm		
UNLISTED COMPANIES							
Media24 Holdings Proprietary Limited	ZAR	**85.0**	85.0	**1 078**	1	Investment holding	South Africa
Heemstede Beleggings Proprietary Limited	ZAR	**100.0**	100.0	**–**	–	Investment holding	South Africa
MIH Holdings Proprietary Limited	ZAR	**100.0**	100.0	**5 452**	5 452	Investment holding	South Africa
Naspers Properties Proprietary Limited	ZAR	**100.0**	100.0	**–**	–	Properties holding	South Africa
Intelprop Proprietary Limited	ZAR	**100.0**	100.0	**–**	–	Investment holding	South Africa
				6 530	5 453		

* The effective percentage interest shown is the effective financial interest, after adjusting for the interests of any equity compensation plans treated as treasury shares.

During the current financial year, the loans to the Media24 group were restructured. Naspers Limited ceded its rights and contributed its claims of R1 077m to the Media24 group for no consideration.

3. LOANS TO SUBSIDIARIES

	31 March 2013	31 March 2012
	R'm	R'm
Media24 Holdings Proprietary Limited group	**–**	1 105
MIH Holdings Proprietary Limited group	**13 917**	15 121
Naspers Properties Proprietary Limited	**355**	335
Intelprop Proprietary Limited	**30**	41
	14 302	16 602
Less : Current portion	**–**	(1 105)
	14 302	15 497

The loans to subsidiary companies do not have any fixed repayment terms. All the loans to subsidiary companies at 31 March 2013 are interest free, except for R180m (2012: R180m) of the Naspers Properties Proprietary Limited loan account bearing interest at a rate of prime plus 1% (2012: prime). As at 31 March 2012, R510m of the Media24 group loans were interest bearing at a rate of prime less 3,5%.

Loans to subsidiaries, which are interest free, are seen as a long term source of additional capital, and are seen as part of the interest in subsidiaries, which is carried at cost.

NOTES TO THE COMPANY ANNUAL FINANCIAL STATEMENTS
(CONTINUED)

4. PROPERTY, PLANT AND EQUIPMENT

	31 March		
	Office equipment R'm	Total 2013 R'm	Total 2012 R'm
Cost			
Opening balance	3	**3**	3
Acquisitions	–	**–**	–
Closing balance	3	**3**	3
Accumulated depreciation			
Opening balance	(1)	**(1)**	(1)
Depreciation	–	**–**	–
Closing balance	(1)	**(1)**	(1)
Cost	3	**3**	3
Accumulated depreciation	(1)	**(1)**	(1)
Net book value	2	**2**	2

5. INVESTMENTS AND LOANS

	31 March	
	2013 R'm	2012 R'm
Loans and receivables		
Welkom Yizani preference shares	**422**	415
Less : Short-term accrued dividends on preference shares	**(12)**	(12)
Long-term portion of loans and receivables	**410**	403

Preference dividends are calculated at a rate of 65% (2012: 65%) of the prime interest rate. See note 7 in the consolidated annual financial statements for further details concerning this investment.

6. RELATED-PARTY TRANSACTIONS AND BALANCES

Loans and interest

For details on related-party loans, interest and dividends received refer to notes 3, 13 and 15.

	31 March	
	2013 R'000	2012 R'000
Directors' emoluments		
Executive directors		
Paid by other companies in the group	**7 392**	7 200
Non-executive directors		
Fees for services as directors	**9 743**	8 754
Fees for services as directors of subsidiary companies	**6 255**	6 961
	23 390	22 915

Refer to note 13 of the consolidated financial statements for disclosure on executive directors' remuneration.

7. DEFERRED TAXATION

Secondary taxation on companies (STC) has been replaced with dividends taxation (DT) with effect from 1 April 2012 at a rate of 15%. Unutilised STC credits can be utilised to reduce the DT on dividends payments after 1 April 2012, but expire 1 April 2017. The unutilised STC credits at 31 March 2012 amounted to R376,5m and was fully utilised during the September 2012 dividend cycle.

	1 April 2011 R'm	Charged to comprehensive income R'm	1 April 2012 R'm	Charged to comprehensive income R'm	31 March 2013 R'm
Deferred taxation balances					
Provisions and other current liabilities	4	–	4	–	**4**
STC credits	110	(110)	–	–	**–**
Prepaid expenses	(1)	–	(1)	–	**(1)**
	113	(110)	3	–	**3**

8. OTHER RECEIVABLES

	31 March 2013 R'm	31 March 2012 R'm
Accrued Welkom Yizani preference dividends	**12**	12
Other receivables	**5**	1
	17	13

9. SHARE CAPITAL AND PREMIUM

	31 March 2013 R'm	31 March 2012 R'm
Authorised		
1 250 000 A ordinary shares of R20 each	**25**	25
500 000 000 N ordinary shares of 2 cents each	**10**	10
	35	35
Issued		
712 131 A ordinary shares of R20 each (2012: 712 131)	**14**	14
415 540 259 N ordinary shares of 2 cents each (2012: 411 711 353)	**8**	8
	22	22
Share premium	**23 247**	21 179
	23 269	21 201
Less : 12 282 578 N ordinary shares held as treasury shares (2012: 17 153 921 N ordinary shares)	**(1 679)**	(1 804)
	21 590	19 397

	2013 Number of N shares	2012 Number of N shares
Movement in N ordinary shares in issue during the year		
Shares in issue at 1 April	**411 711 353**	406 581 911
Shares issued to share incentive trusts and companies	**3 828 906**	5 129 442
Shares in issue at 31 March	**415 540 259**	411 711 353
Movement in N ordinary shares held as treasury shares during the year		
Shares held as treasury shares at 1 April	**17 153 921**	17 237 404
Shares issued to the Naspers equity compensation plan	**28 000**	45 000
Shares acquired by participants from the Naspers equity compensation plan	**(4 899 343)**	(128 483)
Shares held as treasury shares at 31 March	**12 282 578**	17 153 921

9. SHARE CAPITAL AND PREMIUM *(CONTINUED)*

Voting and dividend rights

The A ordinary shareholders are entitled to 1 000 votes per share. The Naspers memorandum of incorporation was finalised and both N and A ordinary shareholders shall be entitled to nominal dividends, but the dividends declared to A shareholders will always be limited to one-fifth of the dividend to which N ordinary shareholders are entitled. In respect of all other rights, the A ordinary shares rank pari passu with the N ordinary shares of the company.

	31 March	
	2013 R'm	2012 R'm
Share premium		
Opening balance at 1 April	**21 179**	19 271
Share premium on share issues	**2 068**	1 908
Balance at 31 March	**23 247**	21 179

Capital management, unissued shares and valuation reserve

See notes 14 and 15 of the consolidated financial statements for the group's capital management policy and more details regarding the nature of the valuation reserve

10. POST-EMPLOYMENT MEDICAL LIABILITY

The company operates a post-employment medical benefit scheme. The obligation of the company to pay medical aid contributions after retirement is no longer part of the conditions of employment for new employees. A number of pensioners, however, remain entitled to this benefit. The company provides for post-retirement medical aid benefits on the accrual basis determined each year by an independent actuary. The directors are confident that adequate provision has been made for future liabilities.

	31 March	
	2013 R'm	2012 R'm
Balance at 1 April	**2**	3
Provisions charged to income statement	**–**	(1)
Balance at 31 March	**2**	2

Refer to note 17 of the consolidated annual financial statements for additional information including the actuarial assumptions.

11. AMOUNTS OWING IN RESPECT OF INVESTMENTS ACQUIRED

On 24 March 2004 the last conditions precedent relating to schemes of arrangement under section 311 of the South African Companies Act, 1973, were satisfied, in terms of which Naspers Limited acquired an additional 19,62% financial interest in Electronic Media Network Proprietary Limited and SuperSport International Holdings Proprietary Limited respectively (which was sold to MultiChoice Africa Proprietary Limited during 2005). An amount of R816m was due to the non-controlling shareholders on 31 March 2004. Some of these non-controlling shareholders have not surrendered their share certificates and claimed payment for their shares, therefore an amount of R11m was still outstanding as at 31 March 2013 (2012: R12m).

12. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	31 March	
	2013 R'm	2012 R'm
Accrued expenses	**9**	10
Bonus accrual	**6**	6
Other current liabilities	**5**	1
	20	17

13. OTHER GAINS/(LOSSES) - NET

	31 March 2013 R'm	31 March 2012 R'm
Subsidiaries		
Dividends - unlisted shares		
Media24 Holdings Proprietary Limited	**120**	106
MIH Holdings Proprietary Limited	**121**	–
Total other gains /(losses) - net	**241**	106

14. EXPENSES BY NATURE

Operating expenses includes the following items:

Staff costs

As at 31 March 2013 the company had 12 (2012: 28) permanent employees.

The total cost of employment of all employees was as follows:

	2013 R'm	2012 R'm
Salaries, wages, bonuses, retirement benefit costs, medical aid fund contributions, post-employment benefits and training costs	**19**	25
Share-based compensation charges	**50**	101
Total staff costs	**69**	126
Fees paid to non-employees for administration, management and technical services	**13**	11
Auditor's remuneration		
Audit fees	**5**	3
	5	3

15. FINANCE INCOME / (COSTS) - NET

	2013 R'm	2012 R'm
Interest paid		
Other	**–**	(2)
	–	(2)
Interest received		
Loans and bank accounts	**236**	100
Subsidiaries	**31**	42
	267	142
Other finance income/(costs) - net		
Net gain from foreign exchange translation of assets	**5**	3
Preference dividends (BEE structures)	**23**	25
	28	28
Finance income/(costs) - net	**295**	168

16. TAXATION

	31 March 2013 R'm	2012 R'm
Normal taxation		
South Africa		
Current year	**63**	27
Prior year overprovision	**(3)**	(3)
Income taxation for the year	**60**	24
Deferred taxation	**–**	110
Current year	**–**	110
Total tax per statement of comprehensive income	**60**	134
Reconciliation of taxation		
Taxation at statutory rates	**106**	17
Adjusted for:		
Non-deductible expenses	**30**	47
Non-taxable income	**(73)**	(37)
Prior year adjustments	**(3)**	(3)
Other taxes	**–**	110
Taxation provided in statement of comprehensive income	**60**	134

17. CASH UTILISED IN OPERATIONS

Profit before tax per statement of comprehensive income	**328**	61
Adjustments:		
- Non-cash and other	**(460)**	(135)
Expenses paid by subsidiary	**28**	38
Finance income - net	**(295)**	(168)
Investment income	**(238)**	(106)
Share-based compensation charges	**50**	101
Other	**(5)**	–
- Working capital	**2**	(5)
Cash movement in trade and other receivables	**(1)**	–
Cash movement in payables, provisions and accruals	**3**	(5)
Cash utilised in operations	**(130)**	(79)

18. CASH AND CASH EQUIVALENTS

Cash at bank and on hand	**466**	841
Short-term bank deposits	**6 242**	3 465
	6 708	4 306

19. FINANCIAL RISK MANAGEMENT

Foreign exchange risk

See note 37 of the consolidated financial statements for the group's risks.

Foreign currency sensitivity analysis

The company's presentation currency is the South African rand, but as it operates internationally, it is exposed to the US dollar and the euro.

The sensitivity analysis below details the company's sensitivity to a 10% decrease (2012: 10% decrease) in the rand against the US dollar and the euro. These percentage decreases represent management's assessment of the possible changes in the foreign exchange rates at the respective year-ends. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period-end for the above percentage change in foreign currency rates.

A 10% decrease (2012: 10% decrease) of the rand against the US dollar and the euro would result in a profit after tax of R2,5m (2012: R2,1m profit after tax).

Credit risk

Refer to note 37 of the consolidated financial statements for the group's credit risks.

The company has guaranteed various revolving credit facilities of R18,5bn (2012: R15,3bn) and an offshore bond of R6,5bn (2012: R5,4bn) in MIH B.V. of which the undrawn balance is available to fund future investments. The guarantees have also been disclosed as part of the company's liquidity risk below.

Liquidity risk

Refer to note 37 of the consolidated financial statements for the group's liquidity risks. In terms of the memorandum of incorporation of the company, no limitation is placed on its borrowing capacity.

The following analysis details the company's remaining contractual maturity for its non-derivative financial liabilities. The analysis is based on the undiscounted cash flows of financial liabilities based on the earliest date at which the company can be required to pay. The analysis includes both interest and principal cash flows.

31 March 2013 **Non-derivative financial liabilities**	**Carrying amount R'm**	**Contractual cash flows R'm**	**0-12 months R'm**
- Amount owing in respect of investments acquired	**11**	**11**	**11**
- Accrued expenses and other current liabilities	**14**	**14**	**14**
- Dividends payable	**10**	**10**	**10**
- Financial guarantees	**–**	**24 938**	**24 938**

31 March 2012 **Non-derivative financial liabilities**	**Carrying amount R'm**	**Contractual cash flows R'm**	**0-12 months R'm**
- Amount owing in respect of investments acquired	12	12	12
- Accrued expenses and other current liabilities	10	10	10
- Dividends payable	9	9	9
- Financial guarantees	–	20 706	20 706

Interest rate risk

See note 37 of the consolidated financial statements for the group policy.

19. FINANCIAL RISK MANAGEMENT *(CONTINUED)*

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the statement of financial position date and the stipulated change taking place at the beginning of the next financial year and held constant throughout the reporting period in the case of instruments that have floating rates. The company is mainly exposed to interest rate fluctuations of the South African, American and European repo rates. The following changes in the repo rates represent management's assessment of the possible change in interest rates at the respective year-ends:

- South African repo rate: increases by 100 basis points (2012: increases by 100 basis points)
- American, European and London Interbank rates: increases by 100 basis points each (2012: increases by 100 basis points each).

If interest rates change as stipulated above and all other variables were held constant, specifically foreign exchange rates, the company's profit after tax for the year ended 31 March 2013 would increase by R52,2m (2012: increase by R38,6m).

20. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair values together with the carrying values, net gains and losses recognised in profit and loss, total interest income, total interest expense and impairment of each class of financial instrument are as follows:

31 March 2013	**Carrying value R'm**	**Fair value R'm**	**Net gains recognised in profit and loss R'm**	**Total interest income R'm**
Assets				
Loans to subsidiaries	**14 302**	**14 302**	–	**31**
Investments and loans	**410**	**410**	–	**23**
Other receivables	**12**	**12**	–	–
Cash and cash equivalents	**6 708**	**6 708**	**6**	**236**
Total	**21 432**	**21 432**	**6**	**290**
Liabilities				
Amounts owing in respect of investments acquired	**11**	**11**	–	–
Accrued expenses and other current liabilities	**14**	**14**	–	–
Dividends payable	**10**	**10**	–	–
Total	**35**	**35**	–	–

31 March 2012	**Carrying value R'm**	**Fair value R'm**	**Net gains recognised in profit and loss R'm**	**Total interest income R'm**
Assets				
Loans to subsidiaries	16 602	16 602	–	42
Investments and loans	403	403	–	25
Other receivables	13	13	–	–
Cash and cash equivalents	4 306	4 306	3	100
Total	21 324	21 324	3	167
Liabilities				
Amounts owing in respect of investments acquired	12	12	–	–
Accrued expenses and other current liabilities	10	10	–	–
Dividends payable	9	9	–	–
Total	31	31	–	–

Refer to note 38 of the consolidated financial statements for details regarding the calculation of the fair values of financial instruments.

21. EQUITY COMPENSATION BENEFITS

Please refer to note 40 of the consolidated financial statements for details regarding the Naspers Limited share incentive plan.

ADMINISTRATION AND CORPORATE INFORMATION

GROUP SECRETARY

G Kisbey-Green
251 Oak Avenue
Randburg 2194
South Africa

REGISTERED OFFICE

40 Heerengracht
Cape Town 8001
South Africa
PO Box 2271
Cape Town 8000
South Africa
Tel: +27 (0)21 406 2121
Fax: +27 (0)21 406 3753

REGISTRATION NUMBER

1925/001431/06
Incorporated in South Africa

AUDITOR

PricewaterhouseCoopers Inc.

TRANSFER SECRETARIES

Link Market Services South Africa Proprietary Limited
(Registration number: 2000/007239/07)
P O Box 4844, Johannesburg 2000
South Africa
Tel: +27 (0)11 630 0800
Fax: +27 (0)11 834 4398

ADR PROGRAMME

The Bank of New York Mellon maintains a Global BuyDIRECT™ plan
for Naspers Limited.
For additional information, please visit
The 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:
The Bank of New York Mellon
Shareholder Relations Department –
Global BuyDIRECT™
Church Street Station
P O Box 11258, New York, NY 10286-1258, USA

SPONSOR

Investec Bank Limited
(Registration number: 1969/004763/06)
P O Box 785700, Sandton 2146
South Africa
Tel: +27 (0)11 286 7326
Fax: +27 (0)11 286 9986

ATTORNEYS

Werksmans
P O Box 1474, Cape Town 8000
South Africa

INVESTOR RELATIONS

M Horn
meloy.horn@naspers.com
Tel: +27 (0)11 289 3320
Fax: +27 (0)11 289 3026

www.naspers.com

ANALYSIS OF SHAREHOLDERS AND SHAREHOLDERS’ DIARY

ANALYSIS OF SHAREHOLDERS

Size of holdings	**Number of shareholders**	**Number of shares owned**
1 – 100 shares	24 476	993 361
101 – 1 000 shares	22 760	7 928 611
1 001 – 5 000 shares	3 905	8 333 750
5 001 – 10 000 shares	615	4 486 142
More than 10 000 shares	1 261	393 798 395

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

Name	**% held**	**Number of shares owned**
Public Investment Corporation of South Africa	11,03	45 841 243
Capital Research and Management Company	6,64	27 604 200
Coronation Fund Managers Proprietary Limited	6,60	27 420 879
Dodge & Cox, Incorporated	6,32	26 245 195

Public shareholder spread

To the best knowledge of the directors, the spread of public shareholders in terms of paragraph 4.25 of the JSE Limited’s Listings Requirements at 31 March 2013 was 91%, represented by 52 989 shareholders holding 376 380 132 ordinary shares in the company. The non-public shareholders of the company comprising 28 shareholders representing 39 160 127 ordinary shares are analysed as follows:

Category	**Number of shares**	**% of issued share capital**
Naspers share trusts	16 530 327	4,0
Directors	17 819 867	4,3
Group companies	4 809 933	1,2

SHAREHOLDERS’ DIARY

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