NASPERS

Naspers Limited
(Registration Number: 1925/001431/06)
ISIN ZAE000015889
JSE Share Code: NPN
LSE Share Code: NPSN
("Naspers")

Provisional Report

Summary of the audited results of the Naspers group for the year ended 31 March 2008

Commentary

GROUP OVERVIEW

Over the past year the group experienced growth, especially in the internet sector. Performance of the core operations was solid and the development of several business opportunities progressed. A number of new investments such as Tradus and Gadu-Gadu are included in our financial results for the first time.

The financial performance over the past year is analysed below. In summary, revenues increased by 19% to R20,5 billion, largely driven by the pay-television and internet businesses. Operating profit before amortisation and other gains/losses expanded by 15%, despite increased development costs. Core headline earnings grew by 38% and core headline earnings per N ordinary share increased by 16% to R11,16 during the year.

Looking ahead, our growth strategy remains focused on three legs: organically expanding existing businesses, developing new opportunities and seeking attractive investments. Geographically, our attention remains mostly on the emerging markets, as these still offer good opportunities for growth. The group has made some substantial investments over the past two years and these will be further developed. Our aim remains to deliver value to our shareholders over the medium and longer term.

Financial performance in the period ahead will be influenced by the timing of regulatory approvals for ventures such as mobile television and the development of internet opportunities. Such services, when launched, typically have an initial negative impact on both earnings and cash flows until they start contributing. In the pay-television segment the level of competition is also expected to intensify.

In South Africa we expect the slowdown in consumer spending to continue. This will have a dampening effect on advertising and circulation revenues. However, in the past pay television has proven resilient to the economic cycle. The macro-economic conditions in our other principal markets like China, Russia and Brazil are expected to remain buoyant in the year ahead.

FINANCIAL REVIEW

The group reported revenue growth of 19% to R20,5 billion. The star was the internet segment, which grew by 42%. The pay-television segment expanded by 22% – subscriber growth over the period was 246 000 equated subscribers.

Operating profit before amortisation and other gains/losses grew by 15% to R4,2 billion (2007: R3,7 billion). Included is R1,1 billion (2007: R876 million), which the group invested in developing new technologies, products and services. This spend was lower than anticipated, due to the slower rollout of mobile television services, which are dependent on the issuance of commercial licences by regulatory authorities.

Net finance income for the period amounted to R1,0 billion, compared with net finance costs of R338 million in the prior year. This includes interest income earned on net cash deposits of R602 million. As the capital raised in March 2007 was only deployed in the latter half of the current financial year, interest income in the year ahead will be lower.

In the recent past the group acquired substantial minority stakes in businesses in emerging markets such as China, Brazil and Russia. For reporting purposes, these are equity-accounted and are excluded from the segmental results. Tencent, Abril and Mail.ru have all recorded pleasing growth, reflected in our share of earnings from equity-accounted associates growing by 93% to R654 million.

The impairment of equity-accounted investments relates mostly to our investment in Beijing Media Corporation Limited and Titan Media. Whilst positive about the future prospects of these investments, we believe it prudent to record an impairment charge.

The discontinued operations relate to the private education business, which was sold, and also to the pay-television activities in Greece and Cyprus, where sale agreements have been concluded and which we hope to close later this year.

The net effect of all the above is that core headline earnings grew by 38% for the period to R3,9 billion. The "Calculation of Headline and Core Headline Earnings" is detailed below.

During the year a three-year revolving credit facility of US$1,4 billion was raised to fund the Tradus acquisition. The balance sheet remains sound, with a gearing ratio of 11%, excluding transponder leases. Free cash flow generated by the group in the current year was R2,2 billion, similar to last year.

INTERNET

The internet segment grew revenues by 42% to R1,6 billion. This increase came from a solid performance by established operations and the inclusion of the new investments in the current year. The operating loss was R142 million before amortisation and other gains/losses and excludes our share of the profits of equity-accounted associates. This loss arises largely from the incurrence of R291 million (2007: R103 million) of development costs in the current year, mainly relating to the development of our Indian business.

The acquisition of 100% of Tradus was concluded in March 2008. Tradus operates leading trading platforms in 12 countries, offering online auction and fixed-priced sales services to consumers. Its primary market is Poland, with rapidly growing operations in Western, Central and Eastern Europe. Over the past year registered users grew by 41% to 12 million. The gross merchandise value of goods traded on its platform expanded by 45% to €1,6 billion and revenues grew 78% to €107 million. We have restructured the group into two focused businesses with the Allegro brand focused on Eastern Europe and Ricardo on the Western European markets.

In China Tencent strengthened its position with the *QQ* platform, attaining 317 million active registered user accounts. The *QQ.com* portal and wireless service portals continued to build their market position. The *QQ Game* portal reached 4 million peak simultaneous users. Tencent, which was recently included in the Hong Kong Hang Seng Index, contributed R615 million to the group's core headline earnings.

In Russia Mail.ru is experiencing rapid growth. It almost doubled traffic to its portal. The core offering of e-mail services has been growing at a compounded rate of 59% over the past few years. Mail.ru contributed R49 million to our core headline earnings.

In December 2007 we acquired 97% of Warsaw-listed Gadu-Gadu, the leading instant-messaging platform in Poland. Over the past year the number of active instant-messaging users grew by 10% to 5,9 million. The social networking site now has 3,2 million users.

In South Africa connectivity business MWEB maintained its position as the leading internet service provider (ISP). In the rest of the sub-Saharan Africa market our Afsat is the leading provider of networking solutions through satellite technology. Since the group owns no other ISP services anywhere else, offers of purchase for these services are being evaluated.

24.com remains the largest internet publisher in South Africa. MXit doubled its revenue over the period, reaching more than 8 million users and launched services abroad.

In India we invested R103 million to develop the greenfields social network services and local search operation, ibibo. It is one of the fastest growing Indian internet sites with 1,7 million registered users. ibibo recently concluded an agreement to partner with Tencent in India.

PAY TELEVISION

The pay-television segment grew revenues by 22%, largely the result of 246 000 additional equated subscribers. The total subscriber base, excluding the Mediterranean region, encompasses 2,1 million homes. Operating profit

Segmental Review

	Revenue			Ebitda		
	2008 R'm	2007 R'm	% Change	**2008 R'm**	2007 R'm	% Change
Pay television	**11 542**	9 427	22	**4 272**	3 504	22
Internet	**1 624**	1 143	42	**(64)**	19	–
Technology	**1 081**	866	25	**(126)**	(130)	3
Newspapers, magazines and printing	**5 355**	4 823	11	**776**	787	(1)
Book publishing	**916**	983	(7)	**82**	119	(31)
Corporate services	**–**	(23)	–	**(40)**	(55)	–
	20 518	17 219	19	**4 900**	4 244	15

	Operating profit before amortisation and other gains/losses			Operating profit		
	2008 R'm	2007 R'm	% Change	**2008 R'm**	2007 R'm	% Change
Pay television	**3 940**	3 218	22	**3 845**	3 146	22
Internet	**(142)**	(30)	–	**(234)**	(102)	–
Technology	**(168)**	(167)	(1)	**(250)**	(226)	(11)
Newspapers, magazines and printing	**575**	619	(7)	**491**	561	(12)
Book publishing	**75**	111	(32)	**69**	96	(28)
Corporate services	**(42)**	(58)	–	**(43)**	(59)	–
	4 238	3 693	15	**3 878**	3 416	14

Abridged Consolidated Income Statement

	Year ended 31 March 2008 R'm	Year ended 31 March 2007 R'm
Revenue	**20 518**	17 219
Cost of providing services and sale of goods	**(10 778)**	(9 164)
Selling, general and administration expenses	**(5 877)**	(4 531)
Other gains/(losses) – net	**15**	(108)
Operating profit	**3 878**	3 416
Net finance income/(costs)	**1 005**	(338)
Share of equity-accounted results	**654**	339
Profit on sale of investments	**16**	3
Impairment of equity-accounted investments	**(279)**	(176)
Profit before taxation	**5 274**	3 244
Taxation	**(1 378)**	(1 185)
Profit after taxation	**3 896**	2 059
Profit from discontinued operations	**243**	132
Loss arising on discontinuance of operations	**(82)**	–
Profit for the year	**4 057**	2 191
Attributable to:		
Naspers shareholders	**3 418**	1 999
Minority shareholders	**639**	192
	4 057	2 191
Core headline earnings for the period (R'm)	**3 948**	2 854
Core headline earnings per N ordinary share (cents)	**1 116**	965
Headline earnings for the period (R'm)	**3 806**	2 560
Headline earnings per N ordinary share (cents)	**1 076**	866
Fully diluted headline earnings per N ordinary share (cents)	**1 051**	832
Earnings per N ordinary share (cents)	**967**	676
Fully diluted earnings per N ordinary share (cents)	**944**	649
Net number of shares issued ('000)		
– At period-end	**370 558**	344 632
– Weighted average for the period	**353 622**	295 756
– Fully diluted weighted average	**362 106**	307 847

Abridged Consolidated Balance Sheet

	31 March 2008 R'm	31 March 2007 R'm
ASSETS		

Abridged Consolidated Cash Flow Statement

	Year ended 31 March 2008 R'm	Year ended 31 March 2007 R'm
Cash flow from operating activities	**4 411**	3 523
Cash flow utilised in investment activities	**(18 331)**	(5 394)
Cash flow from financing activities	**8 856**	6 407
Net movement in cash and cash equivalents	**(5 064)**	4 536
Foreign exchange translation adjustments	**908**	534
Cash and cash equivalents at beginning of year	**11 481**	6 411
Cash and cash equivalents at end of year	**7 325**	11 481
Included in:		
– Cash and cash equivalents	**6 690**	11 481
– Assets classified as held for sale	**635**	–
	7 325	11 481

Calculation of Headline and Core Headline Earnings

	Year ended 31 March 2008 R'm	Year ended 31 March 2007 R'm
Net profit attributable to shareholders	**3 418**	1 999
Adjusted for:		
– impairment of goodwill and other assets	**48**	114
– profit on sale of property, plant and equipment	**(15)**	(8)
– discontinuance of operations	**82**	–
– gain on loan settlement	**(87)**	–
– loss on sale of investments	**512**	279
– impairment of equity-accounted investments	**348**	176
	4 306	2 560
Total tax effects of adjustments	**(486)**	(4)
Total minority interest of adjustments	**(14)**	4
Headline earnings	**3 806**	2 560
Discontinued operations	**(258)**	(157)
Headline earnings from continuing operations	**3 548**	2 403
Headline earnings	**3 806**	2 560
Adjusted for:		
– creation of deferred tax assets	**(244)**	(30)
– treasury-settled share scheme charges	**47**	42
– amortisation of intangible assets	**410**	173
– fair value adjustments and currency translation differences	**(71)**	109
Core headline earnings	**3 948**	2 854
Discontinued operations	**48**	(26)

PAY TELEVISION

The pay-television segment grew revenues by 22%, largely the result of 246 000 additional equated subscribers. The total subscriber base, excluding the Mediterranean region, encompasses 2,1 million homes. Operating profit before amortisation and other gains/losses increased by 22%. Competition in both South Africa and sub-Saharan Africa is set to intensify in the year ahead, which will continue to exert pressure on content costs and operating margins.

South Africa:
Despite slowing consumer spending, the pay-television business experienced subscriber growth. The equated base expanded by 178 000 to 1,57 million households, whilst the personal video recorder (PVR) take-up increased from 133 000 to 242 000 homes. The lower-priced *DStv Compact* bouquet continued to perform well. Two new lower-priced tiers, *DStv Select* and *Easyview*, were launched to broaden the base.

DStv, M-Net and *SuperSport* made several changes to their programming line-ups to improve their appeal to lower-income households. This included launching new TV channels, own produced local programmes and the acquisition of additional soccer leagues, bringing more sport to the viewing public. *SuperSport* is now the prime funder of sports leagues on the African continent as a whole.

Sub-Saharan Africa:
The subscriber base expanded by 68 000 to reach 539 000 homes. Growth was primarily from the Nigerian and Angolan markets. As in South Africa, the introduction of lower-priced family bouquets stimulated sales. The focus on localisation of programming and a broader base of programme offering is stimulating growth.

Mediterranean:
Shareholders have been advised that conditional agreements had been reached with ForthNet SA, a leading Greek telecommunications company, for the sale of our stake in NetMed, which holds the Greek and Cypriot pay-television operations. On 14 May ForthNet shareholders approved a rights issue to partly fund this transaction. It is currently expected that the transaction will close later this year. As a consequence of these agreements, the Mediterranean pay-TV business has been treated as a discontinued operation in our financial results.

Mobile television:
These services allow consumers to receive a bouquet of TV channels on their mobile phones. The development of this technology is at an early stage, but worldwide launches are proliferating and business models are evolving. Value-added internet type services on mobile phones are also growing. The group will continue to develop products and services in this area. In the current year R86 million was invested in the development of mobile television services. This was lower than anticipated due to the delay in issuing a licence in South Africa. In the interim we continue to make progress with mobile TV trials in several major cities.

For the rest of the African continent full mobile TV services are now operational in Nigeria, Kenya and Namibia. Licences have been secured in a number of other countries.

PRINT MEDIA

Due to declining consumer spending in South Africa, the print media segment had a tough year. After a number of years during which we launched new projects and titles, a number of weaker titles were pruned this year. Revenues grew by 8%, whilst operating profit before amortisation and other gains/losses is 11% down on last year, largely the result of development costs. In the year ahead the key focus will be on improving margins and cash flows.

Newspapers, magazines and printing

Circulation growth of titles like *Daily Sun, Son,* and *Soccer Laduuuuuma!* that are aimed at the emerging market, remain positive, as well as titles for some niche markets, like *Weg*.

There was a marked slowdown in advertising support, particularly in the magazine business. After circulation incidents affecting some magazine titles, the affected advertisers were refunded.

The print media business, Paarl Media, experienced a solid year, with the new plant in Gauteng exceeding original expectations.

In Brazil Abril performed well on the strength of, amongst others, a unique magazine delivery network. The cable distribution service, TVA, was disposed of during the period. Abril's contribution to group core headline earnings was R150 million.

Book publishing and education

Revenues and operating profits at the SA unit were reduced by the disposal of retail assets, Van Schaik Retail and Afribooks. The performance of the remaining assets was satisfactory.

The private education business, Educor, was sold during the year and has been treated as a discontinued operation.

TECHNOLOGY

Irdeto grew its revenues from pay-TV, mobile TV and IPTV services by 24% to R1 billion. Some 10,7 million smart cards and security chips were shipped during the period. With the acquisition of a middleware company, IDway, and the group's customer care and billing business, Irdeto now provides an end-to-end solution for its pay-television customers. In a further diversification of its security foundation, Irdeto acquired Cloakware. This unit offers software protection products via software applications.

Entriq continued to grow top-line revenues while expanding its abilities as a technology provider, enabling content providers and aggregators to distribute and be paid for entertainment and sports video over broadband. New customer acquisition was generated from internal growth and the purchase of DayPort, and on an operational level Entriq is being integrated with Irdeto.

DIVIDEND

The board has recommended that the annual dividend be increased by 15% to 180 cents (previously 156 cents) per N ordinary share, and 36 cents (previously 31 cents) per unlisted A ordinary share. If approved by shareholders, the dividends will be payable to shareholders recorded in the books on 5 September 2008. It will be paid on 8 September 2008. The last date to trade cum dividend will be on 29 August 2008.

BASIS OF PRESENTATION AND ACCOUNTING POLICIES

The financial results are prepared in accordance with International Financial Reporting Standards (IFRS), the requirements of the South African Companies Act, No 61 of 1973, and in compliance with the Listings Requirements of the JSE Limited (JSE). The accounting policies used to prepare the results are consistent with those applied in the previous period, except for the changes in accounting standards as indicated below. A copy of the unqualified audit opinion of the auditor, PricewaterhouseCoopers Inc., is available for inspection at the registered office of the company.

CHANGES IN ACCOUNTING STANDARDS

IFRS 7 "Financial Instruments: Disclosures" – The standard requires new disclosures on financial instruments to those currently mandated by IAS 32 "Financial Instruments: Presentation".

Directors
T Vosloo (chairman), J P Bekker (CEO), F-A du Plessis, G J Gerwel, R C C Jafta, L N Jonker, S J Z Pacak, F T M Phaswana, B J van der Ross, N P van Heerden, J J M van Zyl, H S S Willemse

Company secretary
G M Coetzee

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Transfer secretaries
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(P O Box 4844, Johannesburg 2000)

	2008 R'm	2007 R'm
ASSETS		
Non-current assets	**41 822**	16 015
Property, plant and equipment	**4 541**	4 089
Goodwill and other intangible assets	**24 183**	1 551
Investments and loans	**12 507**	9 663
Deferred taxation	**466**	506
Other non-current assets	**125**	206
Current assets	**12 940**	16 169
Assets classified as held for sale	**2 030**	–
TOTAL ASSETS	**56 792**	32 184
EQUITY AND LIABILITIES		
Share capital and reserves	**31 909**	21 143
Minority shareholders' interest	**1 238**	427
Total equity	**33 147**	21 570
Non-current liabilities	**13 053**	3 086
Capitalised finance leases	**1 112**	1 448
Liabilities – interest-bearing	**10 629**	748
– non-interest-bearing	**189**	580
Post-retirement medical liability	**142**	195
Deferred taxation	**981**	115
Current liabilities	**8 935**	7 528
Liabilities classified as held for sale	**1 657**	–
TOTAL EQUITY AND LIABILITIES	**56 792**	32 184
Net asset value per N ordinary share (cents)	**8 611**	6 135

Amendment to IAS 1 "Presentation of Financial Statements: Capital Disclosures" – The amendment requires additional disclosures of the group's objectives, policies and processes for managing capital.

The group has provided the disclosures, including comparative information, in the relevant notes to the annual financial statements for the year ended 31 March 2008.

Circular 8/2007 "Headline Earnings" – This replaces Circular 7/2002 "Headline Earnings" and provides detailed guidance for calculating headline earnings as required by the JSE. The circular was adopted by the group and had no material effects on the group's previously reported results.

SIGNIFICANT ACQUISITIONS

In March 2008 the group acquired 100% of the issued share capital of Tradus plc., a company providing online consumer trading platforms and related internet services that connect buyers and sellers. The consideration was R15,3 billion, including acquisition costs of R74 million. The group is finalising the purchase price allocation and has recorded the purchase consideration, based upon a preliminary appraisal, as follows: net tangible assets (R491 million), intangible assets (R461 million) and the balance to goodwill.

In December 2007 the group acquired 97% of the issued share capital of Gadu-Gadu SA, the leading instant messaging platform in Poland. The consideration was R1,1 billion, including acquisition costs of R29 million. The group has recorded the purchase consideration, based upon an appraisal, as follows: net tangible assets (R191 million), intangible assets (R224 million) and the balance to goodwill.

In December 2007 the group acquired 100% of the issued share capital of Cloakware Inc., a company providing software security solutions, for a consideration of R505 million. The group has recorded the purchase consideration, based upon an appraisal, as follows: net tangible liabilities (R204 million), intangible assets (R485 million) and the balance to goodwill.

The revenues and profits recorded from these acquisitions were not material to the group's consolidated results for the year.

In November 2007 the group finalised its acquisition of a 40% interest in M-Net/SuperSport as announced in November 2006. The total consideration was settled through the issuance of 21 601 667 Naspers N ordinary shares and R250 million in cash. The fair value of the shares issued was R180 per share on 30 November 2007. The group has recorded the purchase consideration, based upon an appraisal, as follows: net tangible assets (R369 million), intangible assets (R528 million) and the balance to goodwill.

DISCONTINUED OPERATIONS

In October 2007 Media24 announced that it had accepted an offer to sell its private education business, Educor, which was sold as a going concern. Media24 has retained certain minor assets. Educor incurred a net loss from operations of R153 million during the year ended 31 March 2008. The group also recorded a loss on discontinuance of operations of R82 million.

In October 2007 the group announced that it had initiated a formal process to sell NetMed. In April 2008 the group made a further announcement that it had entered into conditional sale agreements for the disposal of NetMed to Forthnet SA. NetMed recorded a net profit from operations of R396 million during the year ended 31 March 2008.

These transactions have been accounted for as discontinued operations in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations".

SUBSEQUENT EVENTS

The group announced on 2 June 2008 that it is initiating an auction process of MWEB, its internet service provider business.

On behalf of the board

Ton Vosloo
Chairman

Koos Bekker
Chief Executive Officer

Cape Town
25 June 2008

Important information

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

– fair value adjustments and currency translation differences	**(71)**	109
Core headline earnings	**3 948**	2 854
Discontinued operations	**48**	(26)
Core headline earnings from continuing operations	**3 996**	2 828

Supplementary Information

	Year ended 31 March 2008 R'm	Year ended 31 March 2007 R'm
Depreciation of property, plant and equipment	**662**	550
Amortisation of intangible assets	**375**	170
Share-based payment expenses (IFRS 2)	**184**	191
Other gains/(losses) – net	**15**	(108)
– profit on sale of property, plant and equipment	**8**	8
– impairments of goodwill and intangible assets	**(20)**	(10)
– impairments of tangible assets	**(28)**	(75)
– dividends received	**1**	4
– gain on loan settlement	**87**	–
– fair value adjustment on shareholders' liabilities	**(33)**	(35)
Net finance (income)/costs	**(1 005)**	338
– interest received	**(826)**	(260)
– interest paid	**224**	97
– interest on finance leases	**100**	123
– net foreign exchange differences	**(91)**	378
– net fair value adjustments on derivative instruments	**(76)**	70
– preference dividends received	**(336)**	(70)
Analysis of equity-accounted results		
Tencent	**615**	343
Abril	**150**	99
Mail.ru	**49**	–
Other	**(42)**	(1)
Contribution to core headline earnings	**772**	441
Amortisation of intangible assets	**(214)**	(86)
Deferred tax assets created	**244**	–
Discontinued operations	**(62)**	(16)
Contribution to headline earnings	**740**	339
Impairments	**(18)**	–
Sale of investments	**(68)**	–
Share of equity-accounted results	**654**	339
Investments and loans	**12 507**	9 665
– listed investments	**2 282**	1 543
– unlisted investments	**10 225**	8 122
Market value of listed investments	**29 306**	15 123
Directors' valuation of unlisted investments	**10 225**	8 122
Commitments	**8 682**	5 478
– capital expenditure	**642**	887
– programme and film rights	**4 804**	2 024
– network and other services commitments	**2 138**	1 899
– operating lease commitments	**802**	470
– set-top box commitments	**296**	198

Abridged Consolidated Statement of Changes in Equity

	Year ended 31 March 2008 R'm	Year ended 31 March 2007 R'm
Balance at beginning of year	**21 570**	7 204
Movement in treasury shares	**(2 180)**	(210)
Share capital and premium issued	**4 752**	7 433
Foreign currency translations	**3 529**	1 231
Movement in fair value reserve	**1 849**	–
Movement in cash flow hedging reserve	**218**	24
Movement in share-based compensation reserve	**155**	146
Transactions with minority shareholders	**24**	4 003
Net profit for the period	**4 057**	2 191
Dividends	**(827)**	(452)
Balance at end of year	**33 147**	21 570

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

MOTIV