

Naspers

2009 Sustainability report

This is our second sustainability report prepared in accordance with the guidelines of the Global Reporting Initiative. In the period under review, the group increased its focus on the potential impact on the environment as well as enhanced its reporting on investment in the community. Many of the aspects covered in the GRI guidelines are included in the annual report and in this report, where relevant. It is however advisable to read this report with the annual report and the Naspers corporate internet site (www.naspers.com).

Our South African operations, which account for 67% of group revenues, publish separate annual and sustainability reports, which can be viewed on www.media24.co.za and www.multichoice.co.za. The reporting period is in line with the group fiscal year, being 1 April 2008 to 31 March 2009. During the past year the group analysed its direct impact on the environment as reflected in the carbon footprint, which is reported for the first time.

Naspers's view on sustainability is in line with that of the GRI and it aims to identify the areas where it can contribute most towards creating value for its shareholders. Any feedback can be communicated via gri@naspers.com

Reporting scope

The activities of the operations in which Naspers has management control are included in this report, except for areas where another scope is specifically indicated.

STRATEGY AND ANALYSIS

Naspers operates platforms that link users to media services, content and means of communication. During the past year Naspers's revenue grew by 30% to R26,7bn, of which R17,9bn was generated in South Africa. Operating profit before amortisation and other gains/losses increased by 21% to R5,1bn, while core headline earnings per N ordinary share grew by 4%. Details of the financial performance is analysed in the financial review of the annual report.

Emerging markets are at the centre of our strategy. In aggregate and at consumer level they came under pressure, but fared better than developed economies.

Our recent acquisitions in the internet segment – Allegro, Ricardo and Gadu-Gadu – performed steadily. Associates Tencent in China and Mail.ru in Russia expanded.

Our pay-television businesses proved resilient. When people experience economic pressure, they spend more time at home and pay television is an affordable entertainment option. Our technology business, Irdeto, was more impacted by the economy than our consumer-facing units. Print circulations in South Africa and China held up, but advertising revenues were stagnant. In Brazil, however, Abril had a good year.

The South African businesses are primarily pay television (MultiChoice South Africa) and print media (Media24). In **South Africa** the pay-television base grew by 453 000 gross subscribers to 2 401 000. The mid-priced *Compact* bouquet proved the most popular. Advertising revenues retreated on the back of an economic slowdown. Our printing business, Paarl Media, suffered two fires, of which the latter caused the most serious loss of life and injury in the company's history. Our thoughts are with the bereaved families.

Print media operations in South Africa generated marginal revenue growth of 3%. Circulation and readership of newspapers and magazines mostly held up, but advertising felt the pinch of the economic slowdown. In this environment, operating costs have been reduced and capital expenditure reined in. The impact of these savings should materialise in future. The printing sector had revenue growth of 4%, although margins were affected by lower print volumes and exchange rates. The book publishing business is operating satisfactorily.

Looking ahead, we mostly have resilient businesses in economies that are on average doing better than the developed world. Competition in pay television, regulation and consumer spending levels remain concerns.

We plan to continue with our growth strategy. Rigorous evaluation processes are applied when new investments are considered. Our aim remains to deliver value to our shareholders over the medium and longer term. The group has a strong balance sheet.

We continue to evaluate the group’s impact on the environment. A new subcommittee of the Media24 Holdings board was formed during the year to monitor the occupational health and safety, and environmental aspects of the Media24 group.

ORGANISATIONAL PROFILE AND OPERATIONAL REVIEW

Naspers Limited was incorporated in 1915 under the laws of the Republic of South Africa. It is a global group operating business segments; internet, pay television, print media and technology in emerging markets, as reflected in our global footprint. South Africa remains our largest market with 67% of global revenue of R26,7bn and 70% of capital expenditure. South Africa is also the area where the group has its most significant direct environmental impact, as well as most (8 992 or 77%) of its 11 715 employees.



The group operates in four main geographical areas:

Africa – The group derives revenues from television platform services, print media activities, internet services, technology products and services, and book publishing. The activities in the Republic of South Africa are the most significant in this segment. Mobile television licences were activated in Ghana, Kenya, Namibia and Nigeria. Construction of DVB-H networks and employment of staff in these markets continue.

Europe – The group's activities comprise its interest in internet activities based in Central and Eastern Europe. Furthermore, the group generates revenue from interactive television and technology products and services provided by subsidiaries based in the Netherlands. The e-commerce operations of Allegro (Eastern Europe) and Ricardo (Western Europe) generated revenues of R1,9 bn (7% of global revenue). The largest markets, Poland and Switzerland, grew soundly. New services were launched in some smaller markets.

Asia – The group's activities comprise its interest in internet and print activities based in Thailand and China.

Other – Includes the group's provision of various products through subsidiaries and associates located mainly in Brazil, Russia and India. In India, ibibo is growing its internet business, focusing on social media, search and advertising. An agreement was concluded with Tencent, whereby the two companies will jointly develop the Indian business. In Russia, Mail.ru continues to grow and is developing multiple revenue streams.

Operational review of South African business

In South Africa advertising revenues retreated on the back of a general slowdown. More competition across the continent is reflected in higher prices for some content.

MultiChoice South Africa is based in Johannesburg. The group has terrestrial analogue and digital direct-to-home (DTH) satellite television platforms.

The existing analogue system has been around for 20 years, delivering the main M-Net entertainment channel and Community Services Network (CSN). The analogue system uses 72 transmitter sites to deliver content exclusively to South Africa.

Via our satellite broadcasting platforms, MultiChoice imports channels from all over the world. These are packaged with local channels originating in the countries in which we operate, to form compelling entertainment bouquets for subscribers.

Media24 is the leading print media concern in Africa, with operations spread throughout South Africa. The Media24 group is the leading publisher of magazines, a major publisher of newspapers, and a printer and distributor of magazines, newspapers and related products in Africa. Media24 is also the holding company for the book publishing and distribution business, Via Afrika. Media24 has experienced difficult trading

conditions. Circulation and readership of newspapers and magazines have mostly held up, but advertising felt the pinch of the economic slowdown. In this environment, operating costs have been reduced and capital expenditure reined in. The impact of these savings should materialise in the future.

The Naspers portfolio



Internet
(including major brands of associates)

Internet platforms mainly in Central and Eastern Europe, China, Russia, Brazil, Africa, India and Thailand. Services include e-commerce, communities, communication, social networks, entertainment and mobile applications.



Pay-television subscriber platforms and channels, including mobile television, in Africa

Pay-television subscriber platforms and channels, including mobile television, in Africa.



Print media
(including major brands of associates)

Magazines, newspapers, printing, distribution and book publishing businesses in South Africa, as well as print media investments in Brazil and China



Technology

Developing some underlying technologies for internet, pay television and mobile platforms.



Naspers 2009 sustainability report

24.com, ACL, Allegro, AlleWakacje.pl, allo, Ancestry24, Aruodas.It, Aukro, Beijing Youth Daily online, Careers24, ceneo.pl, Channel24, Compera nTime, Crossfire and Xunixian are licensed games, Dungeon & Fighter, Fin24, EDOMUS.LT, Food24, Gadu-Gadu, GoTravel24, GadunaGlos, Health24, Heureka!, ibibo, Images24, Kalahari.net, KV.EE, LIVECHAT software, Mail.ru, Mobile QQ, Mobilne Gadu-Gadu, MojaGeneracja, Molotok, MWEB, MWEB (Thailand), MXit, nauka.pl, Netads24, News24, Nimbuzz, oferia.pl, OPENFM, OSTA.EE, otoDom.cz, otoMoto.pl, Qzone, PAYBACK, PayGSM, Pay U SA, platnosci, platforma iStore.pl, PracaAllegro, Property24, QQ, QXL, Ricardo, Sanook!, Skelbia.it, Sports24, Tencent, teszvesz, Titan24.com, Wheels24, Women24, qq.com QQ Dancer, QQ Doctor, QQ Download, QQ Friends, QQ eye, QQ Fantasy, QQ Game, QQ Mail, QQ Member, QQ Music, QQ Live, QQ Pinyin Input Method, 3G.QQ.com, QQ Pet, QQ San Guo, QQ Show, QQ Speed, QQ Tang, Vatera.hu, Xin'an Evening News online.

PAY TELEVISION – *M-Net Action, AfricaMagic, AfricaMagic Plus, Big Brother, Carte Blanche, Channel O, DStv, Idols, KooWee, kykNET, MK, M-Net, M-Net Movies 1 and 2, M-Net Series, M-Net Stars, MultiChoice Africa, Oracle Airtime Sales, SuperSport, SuperSport Travel, SuperSport United Football Club.*

NEWSPAPERS – Africa: Beeld, City Press, Daily Sun, Die Burger, Rapport, Soccer Laduuuuuma!, Son, Sondag, Sunday Sun, Supa Strikas, Volksblad and various community newspapers. China: Beijing Youth Daily, Titan Weekly Newspaper, Xin'an Evening News.

Irdeto, Cloakware, Entriq.

MAGAZINES – Africa: Destiny, DRUM, FAIRLADY, FEMINA, FHM, FINWEEK, heat, HUISgenoot, KICKOFF, Landbouweekblad, Men's Health, Move!, SARIE, Sports Illustrated, seventeen, TRUE LOVE, tuis, tv24, tvplus, Twende, Weg, YOU and some 41 more. Brazil: Claudia, EXAME, Nova, Ana Maria, Vejá, Viagem, Viva! and some 90 more. China: All Sports, Golf Digest China, Soccer Weekly, Women's Health and more.

PRINTING – Paarl Gravure, Paarl Media, Paarl Print, Paarl Labels, Paarl Web, Paarl Web Gauteng, Print24.

LOGISTICS – ON THE DOT.

BOOKS – Atica & Scipione (Brazil), Collegium (Botswana), Future Entrepreneurs, idem smile, Jonathan Ball Publishers, Leisure Books/Leserskring, Lux Verbi.BM, Mwajionera Publishers (Zambia), NB Publishers, Nasou Via Afrika, Stimela Publishers, Van Schaik Uitgewers.

GOVERNANCE

The board of directors aspires to conduct the group's business with integrity and is committed to applying appropriate corporate governance policies and practices in each company in the group.

Naspers is a multinational media group. Its primary listing is on the JSE Limited (JSE). The company is therefore subject to the Listings Requirements of the JSE, the guidelines contained in the King Report on Corporate Governance for South Africa 2002 (King II), as well as legislation applicable to publicly listed companies in South Africa. Naspers also has a secondary listing of its American Depositary Shares (ADSs) on the London Stock Exchange (LSE). Although Naspers is not required to adhere to the corporate governance requirements set out under the UK's Combined Code, certain LSE Listings Requirements must be complied with.

Independent boards of directors, all of which have established their own governance practices and subcommittees that comply, as appropriate to the companies, with the necessary governance and regulatory requirements, govern several of Naspers's subsidiaries.

Compliance with both the JSE and applicable LSE Listings Requirements is monitored by the audit and risk management committee of the board.

The board's audit and risk management, human resources and nomination committees fulfil key roles in ensuring good corporate governance. The group uses independent external advisers to monitor regulatory developments, locally and internationally, to enable management to make recommendations to the Naspers board and the boards of major group companies on matters of corporate governance.

The board has a process to annually review the effectiveness and role of the board and its chair, as well as the effectiveness of the respective board committees. Self-assessment of the functioning of the audit and risk management committee includes a focus on the key competencies of the committee. Those subsidiaries with their own audit and risk management committees follow the same practice.

Whistle-blowing facilities are in place at most of the major subsidiaries locally and abroad, where allowed. They make provision for employees to anonymously report unethical conduct in the workplace.

Improvements made during the past year and plans for the year ahead

For South African subsidiaries like MIH Holdings Limited, MultiChoice South Africa Holdings (Proprietary) Limited and Media24 Limited, the implications of the Corporate Laws Amendment Act of 2006, were analysed and appropriate steps were taken. The key focus was on the need for, as well as the composition and functioning of, audit committees, of the respective boards of these subsidiaries. Group governance

policies were also implemented in several of our new multinational subsidiaries, such as Allegro, Ricardo and Gadu-Gadu.

Planning and reporting on the group's corporate social investments and environmental impact has also been reviewed. The Media24 board established a safety, health and environmental committee.

For the ensuing financial year, Naspers will continue to evaluate areas where governance at a corporate and subsidiary level can be strengthened. The implications of the new Companies Act, No. 71 of 2008 in South Africa (signed into law on 8 April 2008), as well as the King III Code on Corporate Governance (currently under review) will also be analysed and appropriate steps taken.

The board recognises that practices and procedures can always be improved, and therefore reviews progress annually.

The board

Composition

Naspers has a unitary board, which fulfils oversight and controlling functions. The board has a charter evidencing a clear division of responsibilities. The majority of board members are non-executive directors, who are independent of management, to ensure that no one individual has unfettered powers of decision making and authority. The roles of chair and managing director are separate, ensuring a clearly defined division of responsibilities.

Mr Koos Bekker was reappointed to the board on 1 April 2008 after a one-year sabbatical. Mr Steve Ward was for the last quarter of the financial year the acting chief financial officer during Mr Steve Pacak's sabbatical. Subsequent to the year-end, Mr Pacak was reappointed to the board as financial director. Mr Boetie van Zyl fulfils the role of lead director in all matters not dealt with by the independent non-executive chair.

At 31 March 2009 the board comprised ten independent non-executive directors, one non-executive director and one executive director, as defined under the Listings Requirements of the JSE. Five directors (42%) are from previously disadvantaged groups and two directors (17%) are female. These figures are above the average for JSE-listed companies.

Please refer to the annual reports of Naspers, MultiChoice and Media24 for details about board members.

The chair

The chair is an independent, non-executive director. He provides guidance to the board as a whole and ensures that the board is efficient, focused and operates as a unit. He acts as facilitator at board meetings to ensure a flow of opinions and attempts to lead discussions to optimal outcomes in the interests of good

governance. He represents the board in external communications in consultation with the managing director and financial director.

Appointments to the board

The board has adopted a policy on procedures for the appointment and orientation of directors. The nomination committee periodically assesses the skills represented on the board by non-executive directors and determines whether these skills meet the company's needs.

Annual self-evaluations conducted by the board and its subcommittees also assist in this regard. Directors are invited to give their input in identifying potential candidates. The members of the nomination committee, who are all independent, propose suitable candidates for consideration by the board. A "fit and proper" evaluation is performed for each candidate identified.

Retirement and re-election of directors

All non-executive directors are subject to retirement and re-election by shareholders every three years. In addition, all non-executive directors are subject to election by shareholders at the first suitable opportunity in the case of an interim appointment. The names of non-executive directors submitted for election or re-election are accompanied by brief biographical details (refer here) to enable shareholders to make an informed decision on their election. The reappointment of non-executive directors is not automatic.

Orientation and development

An induction programme is held for new members of the board and of key committees, specifically tailored to the needs of the individual appointees. This involves industry and company-specific orientation, such as meetings with senior management to facilitate an understanding of operations. Board members are also exposed to the main markets in which the group operates. The company secretary assists the chair with the induction and orientation of directors, including arranging specific training if required.

The company will continue director development to build on expertise and develop an understanding of the businesses and main markets in which the group operates.

Conflicts of interest

Naspers has adopted an official code that deals with the management of potential conflicts of interest. This ensures that candidate directors, as well as existing directors, are free from conflicts of interest between the obligations they have to the company and their private businesses. Any interest in contracts with the company must be formally disclosed and documented. Directors must also adhere to an official policy about the trading of securities of the company and its listed subsidiaries.

ECONOMIC

Naspers has a Level I American Depository Receipt (ADR) programme and its American Depository Shares (ADSs) are listed on the London Stock Exchange (LSE). Level I ADRs are traded in the USA on an over-the-counter (OTC) basis. International investors are therefore able to buy and sell Naspers securities either through the Level I ADR OTC market, the LSE or the JSE Limited.

Naspers reports its financial performance according to International Financial Reporting Standards (IFRS) and its complete annual financial statements are published in its annual report.

Consolidated view

Financial Highlights



The group reported revenue growth of 30% to R26,7bn (2008: R20,5bn). Drivers were both existing operations, which grew by 19%, and new acquisitions, which added 11%. The internet segment was boosted by the inclusion of Allegro and Ricardo (formerly Tradus). Pay-television revenues increased by 29% as a result of strong subscriber growth during the period.

Operating profit before amortisation and other gains/losses increased by 21% to R5,1bn (2008: R4,2bn). However, a reduction in group margins occurred as a consequence of increased competition in pay-

television markets, as well as growing various new services. Total development costs were R1,2bn (2008: R1,1bn).

Net interest costs for the year amounted to R306m, compared with net finance income of R503m in the prior year. This arose from funding new acquisitions. Other finance income includes preference dividends of R377 million (2008: R336 million) and mark-to-market losses of R375 million, compared with gains of R166 million in the prior year.

Naspers's share of the equity-accounted results of its associates, mainly Tencent, Mail.ru and Abril, grew to R1,47bn (2008: R654 million). All three enterprises performed well under exceptional leadership teams. The impairment of equity-accounted investments refers mostly to the withdrawal from a German mobile-television project due to an unappealing regulatory environment.

A R2,97bn profit, arising from the discontinuance of operations, relates to the sale of pay-television businesses in Greece and Cyprus. The proceeds are once-off in nature and were applied to long-term debt. A segmental analysis, reflecting the revenues and results per individual business segment, appears in note 36 to the consolidated annual financial statements.

South Africa

Pay-TV: South Africa

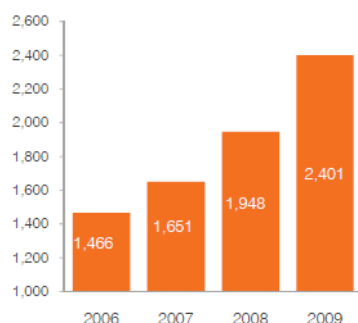
Proving its resilience



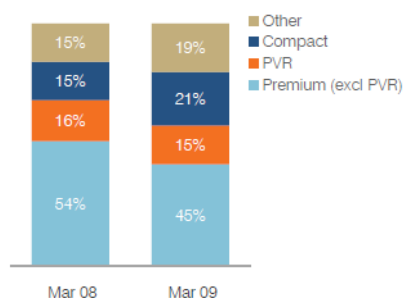
	Mar 08	Mar 09	% Change
Gross subscribers	1,948	2,401	23%
	ZARm	ZARm	
Revenue	8,567	10,335	21%
EBITA	3,392	3,798	12%
EBITA margin	40%	37%	

- FY09 gross subscriber growth 23%
- 453,000 gross additions YoY
 - Premium +8%
 - PVR +16%
 - Compact +82%
- Advertising under pressure
- Churn trending up
- Uptrading = downtrading to date
- Subscription fees hiked 1 Apr 09
 - Premium +6% (R499)
 - Compact +10% (R219)
 - Analogue +6% (R268)
- Competition anticipated in 4Q09
- Expect more regulations
- Mobile TV – awaiting license
- Digital terrestrial (DTT) migration – awaiting regulations

Gross Subscribers ('000)



Digital mix



Despite the economic downturn in South Africa, revenue increased for the year ending 31 March 2009, of which 75% is subscription revenue. The increase is mainly attributable to growth in the number of subscribers. MultiChoice introduced a range of bouquets during the past years to diversify its offering and enable lower income classes to also subscribe thereto.

Being a television operator implies that our impact on the environment lies in its electricity use required to broadcast programming. Energy supply is primarily coal-based in South Africa, which is both a scarce resource as well as inherently harmful to the environment, given its contribution to carbon-based emissions. The inconsistency in electricity supply in the recent years has forced MultiChoice to implement alternative measures in the form of generators at its main broadcasting units in Randburg to ensure continuous content delivery to its subscribers.

Our suppliers of decoders are both South African based and international, and continuously investigating options to limit the impact of decoders on the environment, whilst ensuring a top quality viewing experience. The manufacturing process of decoders (set-top boxes) is classified as low risk to the environment.

Programming is sourced internationally, or in the case of M-Net, produced by outsourced local production houses. SuperSport purchases sports rights for international events, and is responsible for the broadcasting of certain local sports events, such as the PSL soccer league and rugby events.

The company's annual financial statements reflect a healthy balance sheet and it remains a going concern. It's most significant long-term liabilities are dollar-based satellite lease facilities.

There were 3 601 full-time employees working at the MultiChoice group at 31 March 2009 (2008: 3 444). The total staff cost was R1bn for the year (2008: R0,8bn), with a very small percentage of foreign nationals.

The group did not receive financial assistance from government and remains a going concern.

Print – South Africa

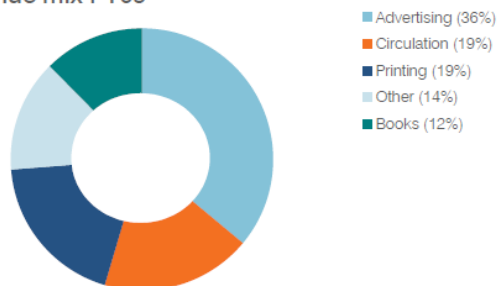
Advertising hit by economic downturn



Print	Mar 08	Mar 09	% Change
Revenue	5,414	5,614	4%
EBITA	670	618	-8%
EBITA margin	12%	11%	
Books	Mar 08	Mar 09	% Change
Revenue	877	894	2%
EBITA	58	59	0%
EBITA margin	7%	7%	

- Consumer spending under pressure
- Advertising revenue growth slowed to 2%
- Reduced headcount by 10%
- Margins affected by ~R80m one-off restructuring costs
- Good circulation growth across most emerging market titles
- Books performance stable
- Continued investments in new titles, market development and product extensions
- Significant investment in process optimization

Revenue mix FY09



Media24 Limited (“Media24”) experienced difficult trading conditions over the past year. This is reflected in group revenues that grew 6,4% to R7,0 n, compared with the double-digit growth experienced in prior years. Net operating profit before other gains and losses was lower than last year because of significant retrenchment and restructuring costs. The company continues to invest in growth projects. Business development costs of R199m (2008: R285m), mostly for the launch of new titles or the development of new markets, were incurred.

However, operating profit before other gains and losses has increased by 1,3% on a like-for-like basis, taking account of one-off retrenchment costs. The net profit of R325,7 million for the year is a significant improvement on the previous year, which included losses of R241 million arising on the discontinuance of certain operations.

The group did not receive financial assistance from government and remains a going concern.

No significant fines of any nature were imposed on the Media24 group during the reporting period.

As at 31 March 2009, the group had 5 391 (2008: 6 825) salaried employees, 1 704 (2008: 1 741) wage employees and 462 (2008: 892) contract and temporary workers, at a total remuneration bill of R2,05bn (2008: R1,8bn).

Employee benefits

Remuneration

The total cost of employment of all employees, including directors, was as follows:

	2009 '000	2008 '000
Salaries, wages and bonuses	4 666 028	3 384 312
Retirement benefit costs (defined contribution plan)	277 547	232 291
Medical aid fund contributions	202 882	193 589
Post-retirement benefits	18 294	-7 629
Training costs	55 457	52 903
Share-based compensation charges	423 564	184 134
Total staff costs*	5 643 772	4 039 600
Total number of full time employees at 31 March*	11 715	13 812

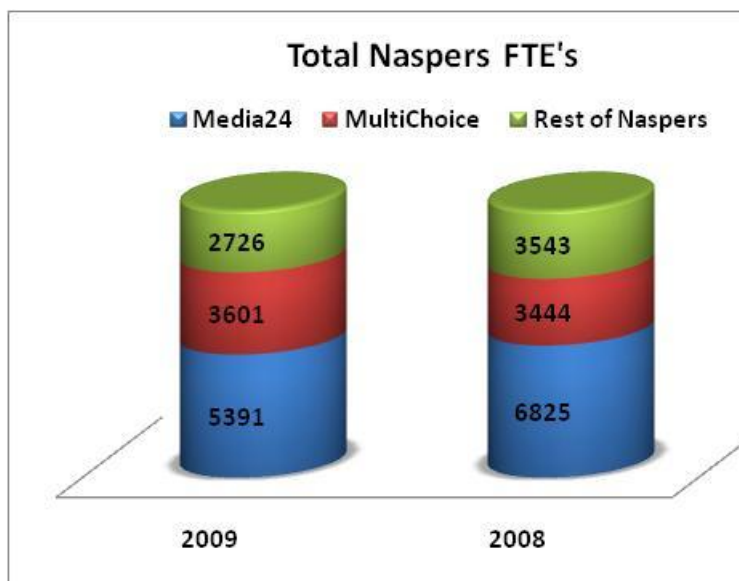
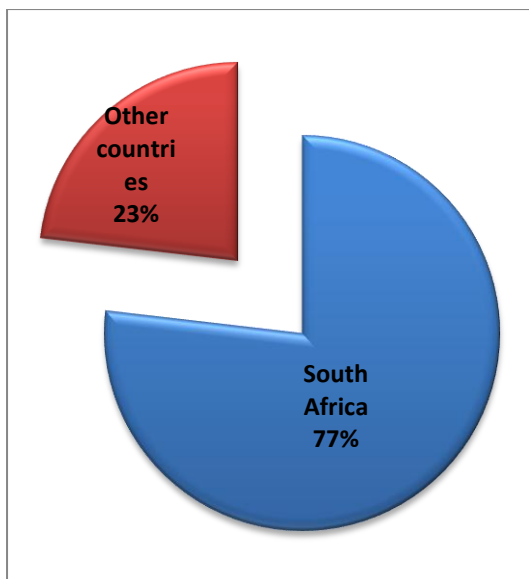
Acquisitions' staff cost for the year ended 31 March 2008, such as Tradus plc (Ricardo & Allegro) and Gadu-Gadu S.A., are included from the acquisition date, while the number of employees at 31 March 2008 fully reflect these acquisitions. This is in line with IFRS recognition of the staff cost.

Bonus plans

The group recognises a liability and an expense for bonuses based on a formula that takes into consideration the profit attributable to the company's shareholders and various other performance-related considerations.

Employees

This section will focus on the South African business where 77% of its total full-time staff members are employed.



During the reporting period, Media24 initiated a significant restructuring process with the objectives of unlocking synergies in the group and increase efficiency. It also resulted in a significant reduction in the total staff complement.

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.

Post-retirement medical aid benefit

Some group companies provide post-retirement 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, using an accounting methodology similar to that for defined benefit pension plans. 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, with the exception of the schemes of agreements entered into with employees of Media24 Limited and Via Afrika Limited.

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.

Equity compensation benefits

The group grants share options/share appreciation rights (SARs) to its employees under a number of equity compensation plans.

Please refer to the notes to the annual financial statements for further details. 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 re-measures 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.

Dividends

Naspers declared a dividend of 207 cents per N ordinary share (2008: 180 cents) and paid dividends of R669m (2008:R544m). MultiChoice paid dividends of R780m to its shareholders (2008: R650m). Media24 paid R165m in dividends to its shareholders (2008: R150m).

Tax

Naspers paid tax of R1.8bn in 2009 (2008: R1.6bn), of which most is in South Africa.

Fines

During the past year, there were no environmental accidents nor were there any fines imposed by the government.

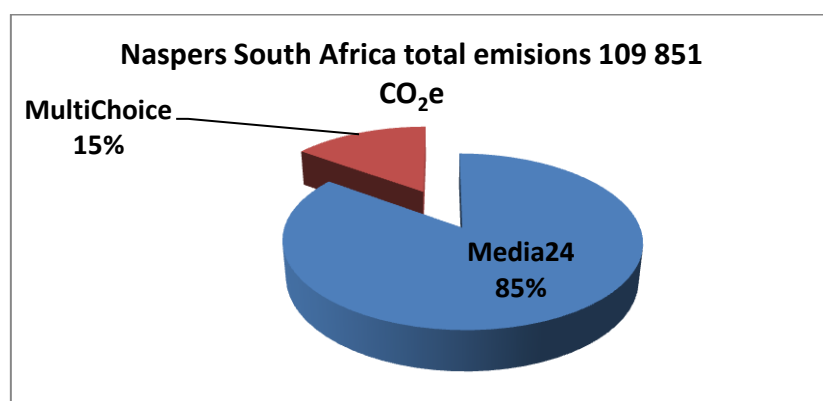
ENVIRONMENT

During the past year the group evaluated its direct impact on the environment on global scale. The result of the evaluation is that the most significant direct impact on the environment through scope 1 and 2 emissions remain in South Africa, where the majority of the group's operations exist, as well as a significant component of shared infrastructure.

The most significant impact on the environment is due to the use of electricity (scope 2) in the print and pay-television operations located in South Africa. The primary source of electricity in South Africa is coal, supplied by Eskom. A total of 81% of the total carbon footprint is through the use of electricity.

The operations in the rest of the world under Naspers's management control are mainly internet operations.

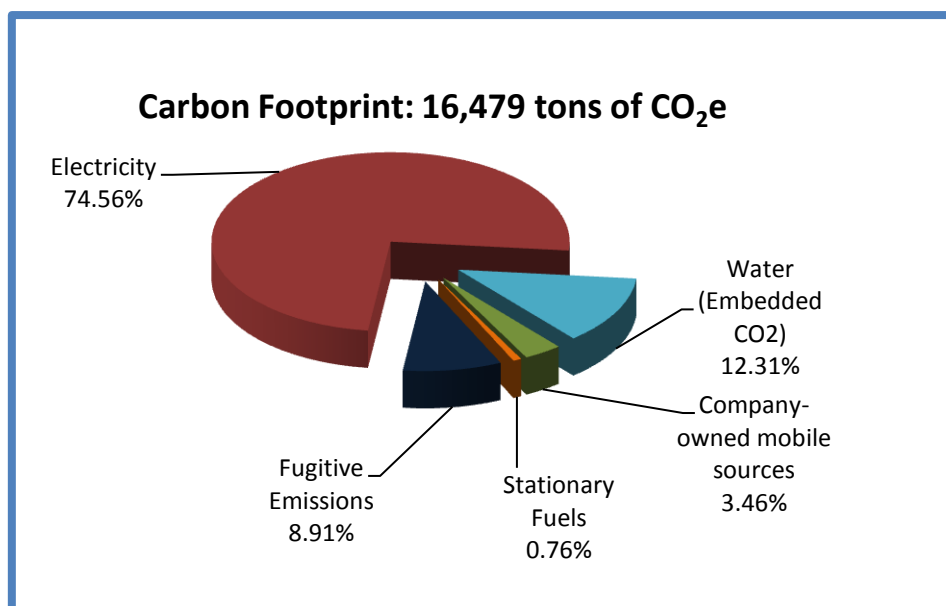
The group therefore decided to determine its gross direct carbon footprint in South Africa first for the period April 2008 to March 2009 for scope 1 and 2 emissions.



Pay-television

The pay-television sector's direct impact on the environment is low and mainly through the use of electricity.

MultiChoice's carbon footprint as measured by an external specialist, for the reporting period is:



Print media

Media24's carbon footprint was also measured by an external specialist for the first time during the reporting period.

Being a publisher and printer implies that our direct impact (scope 1 and 2 emissions) on the environment lies in its electricity use required for the printing activities. Energy supply is primarily coal based in South Africa, which is both a scarce resource and inherently harmful to the environment, given its contribution to carbon-based emissions. The inconsistency in electricity supply in recent years has forced Media24 to implement alternative measures in the form of generators at its operational centres to ensure continuous content delivery to its readers.

Our suppliers of paper are South African as well as European based and are continuously investigating options to limit the impact on the environment, whilst ensuring that top quality paper products are used in our publications. Paarl Media is the first African printing organisation to receive the FSC (Forest Stewardship Council) Chain of Custody certification. This serves as an independent international verification that the products printed can be traced back to their point of origin to responsible, well-managed forestry, controlled and recycled sources.

Paarl Media offers clients a range of environmentally sustainable paper and has taken the lead in the print industry in South Africa, by recognising the impact of print production processes on natural resources and proactively implementing practices to minimise these effects. As part of Paarl Media's environmental policy, the group is actively seeking measures to eliminate emissions. The Paarl Media group strongly focuses on projects to "reduce, re-use and recycle".

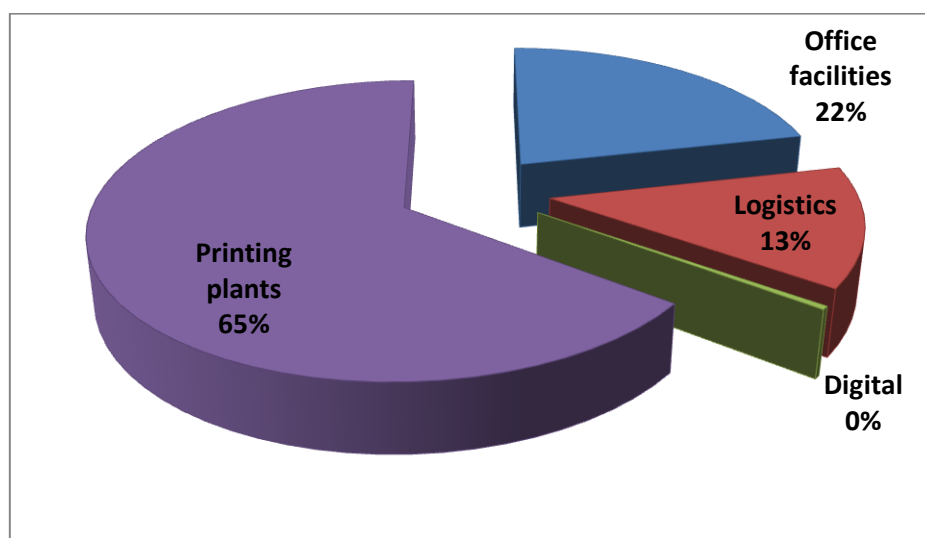
The group recycles all paper not sold as part of the printed product to Mondi, which re-uses the paper. Newspapers are printed from recycled paper.

Eliminating emissions

Paarl Media led the way in South Africa in 2005 by installing the regenerative thermal oxidisers (RTOs) to service all web presses, in order to eliminate emissions in line with stringent international standards. In 2007 the 64-page and 16-page web presses installed at Paarl Web and Paarl Web Gauteng, respectively, were fitted with Megtec's Dual-Dry® TNV RTO technology to ensure that the air released is free of odour, visual smoke and polluting substances. These Dual-Dry TNV dryers meet the strictest global emission compliance standards.

Energy is recovered from the oxidation process to be re-utilised in the drying section, thereby vastly reducing gas energy consumption. In 2007 and 2008 respectively, Paarl Web and Paarl Web Gauteng replaced their existing centralised oxidisers with highly efficient Megtec Epsilon RTO systems. All new web presses are fitted with integrated Megtec RTOs, including the new Manroland Rotoman presses at Paarl Web and Paarl Web Gauteng.

The carbon footprint by sector within Media24, totalling 99 372CO₂e, is:



SOCIETY

Serving our communities

The group plays an active role in the communities it serves. We focus mainly on literacy and educational programmes in Africa. Details of the group's South African subsidiaries' corporate social investment and

sustainability initiatives are available on the MultiChoice (www.multichoice.co.za) and Media24 (www.media24.com) websites.

MultiChoice operates in a highly regulated environment in South Africa where legal compliance is of critical importance to the group. We aim to play an active and constructive role in the regulatory process affecting the communications industry. We actively participate in various public forums and debates to assist regulators to formulate standards and strategy for this industry. The group was not sanctioned to pay significant fines for non-compliance in the past year.

There is an anonymous hotline where alleged incidents of fraud or corruption can be reported. The activity on this line is actively monitored.



The group is also actively looking for ways in which it can contribute to society, one of which is the “**Let’s Play**” initiative of SuperSport (www.letsplay.org). Let’s Play ensures, in conjunction with its partners, that over 580 000 children from 927 schools participate in coaching clinics supervised by 620 coaches every week.

Our aim is to elevate awareness of our social situation and to introduce and encourage play, activity and sport in schools and at home. This is done through advanced media campaigns and close associations with organisations that target children and introduce activities to schools, homes and communities.

Khulisa Project

MultiChoice launched its flagship project, Khulisa. This initiative provides infrastructure support and organisational capacity building for centres that provide residential care for orphaned and vulnerable children. The Khulisa beneficiary in the Western Cape for the past year was Baphumelele Children’s Home. The home provides care for over 50 vulnerable children from Khayelitsha and surrounding townships. Baphumelele received a fully paid-for cluster house for older children. In Soshanguve north of Pretoria, Khulisa provided much-needed renovations for Ikhaya LeNjabulo Children’s Home. This facility provides social services to other relatives to care for them. The building is expected to be completed this year. Another key element of the Khulisa project is to assist beneficiary organisations to function more efficiently.

Media24 invested in numerous projects that educate, uplift and develop, especially projects that are in keeping with the industry we find ourselves in, such as literacy initiatives.

Media24 believes that if South Africans cannot read, our existence is threatened. So it is not just about feeling good about being involved with these projects; it is also an investment in the future.

Community involvement

Literacy, and media training and development remain the key focus areas for Media24. Included in this year's activities were career expos and training for nearly 4 000 learners in magazine and newspaper editing and production.

Social networking and mobile platforms, such as MXit, have been introduced to communicate with students participating in the various company-sponsored educational projects.

Volunteerism proved popular amongst staff members, who raised funds for and participated in many community projects, such as crèches, community centres and health facilities.



DO-IT day 2009

DO-IT day has become known for mobilising the corporate sector into action, resulting in the development of the community. Every year DO-IT day is bookmarked as the event that motivates business volunteers to get together and make a difference through projects of their choice. This national outreach programme, organised by the non-profit organisation GreaterGood South Africa, aims to create a sense of goodwill by connecting thousands of South African volunteers through community projects.

Festivals



Providing platforms for young emerging artists and making the arts accessible to disadvantaged communities remains part of the objectives for Media24's sponsorship of the arts. The company's sponsorship of the Soweto Festival in Gauteng and the Suidoosterfees (festival) in the Western Cape, in particular, has enabled many young artists and emerging arts companies to showcase their work and enabled thousands of people to attend an arts festival for the first time.

Empowerment initiatives

The Rachel's Angels Trust (Media24's mentorship programme at Stellenbosch University) is in its third year of operation. This programme has assisted 222 learners in 16 schools in the Western Cape. In essence it involves mentors from Stellenbosch University teaming up with grade 11 and 12 learners for a duration of two years. In exchange for their commitment the mentors receive shares in Welkom Yizani. Mentors and learners attend various workshops, socials and campus visits with the aim of exposing them to campus life.

The Media24 Lapdesk Challenge



A desk is one of the basic requirements for a proper education, but in South Africa an estimated 4,2m children do not have desks to write on when they attend school.

In 2006 Media24 teamed up with The Lapdesks Company to tackle the shortage of desks. Several Media24 publications, such as *Rapport*, *Sunday Sun*, *City Press*, *Tuis/Home* and the community newspaper *City Vision* bought thousands of portable desks and donated them to schools countrywide. The objective of the

Media24 Lapdesk Challenge is to improve the lives and learning conditions of thousands of school children and teachers immediately and irrevocably by providing them with Lapdesks. The chronic lack of infrastructure in a third of South African schools currently hinders underprivileged children from receiving an adequate education.



MiK stands for media in the classroom (Media in Klaskamer) and is a Media24 project to help learners to use the newspaper for their daily schoolwork. It is the best textbook there is! MiK is one of Media24's community projects and aims to create a culture of reading and learning among learners, teachers and the broader community.

Paarl nature reserve

Following extensive bush fires around Paarl during the past year, management decided to contribute to the effort of restoring the Paarl nature reserve by working the business community in Paarl.

The Big Issue

Paarl Web supports The Big Issue through the sponsorship of printing and binding. The Big Issue has a readership of over 96 000 in the Cape Town CBD and the Peninsula, and has provided employment and social support to more than 10 000 people who have earned over R13m since its inception. Its vendor force in Cape Town comprises mainly long-term unemployed people from township areas.

Paarl Media Bursary Trust fund

The Paarl Media Bursary Trust provides funding in perpetuity for previously disadvantaged students mainly from the Paarl community to study at a tertiary level at the Stellenbosch University, University of Western Cape, Cape Peninsula University of Technology or Elsenburg Agricultural College.

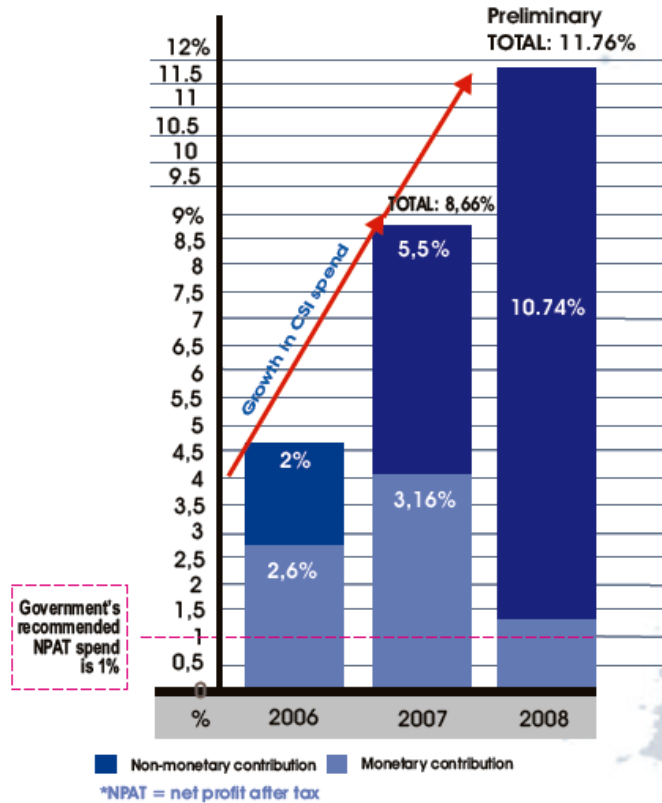
Investment

During the 2008/9 financial year, Media24 has invested more than R38m in various community projects throughout South Africa. The main focus was on welfare, health and education.

Through the flagship programme, the Media24 Lapdesk Challenge, Media24 has donated almost 30 000 lapdesks (portable desks) to needy schools in South Africa. An active *Volunteers24* team worked on numerous projects, including Unite Against Crime, the World Wide Fund's Earth Hour, the Rachel's Angels mentorship programme and various media-in-the-classroom projects to name but a few.

CSI AT MEDIA24

Percentage of net profit after tax (NPAT*) spent on CSI at Media24

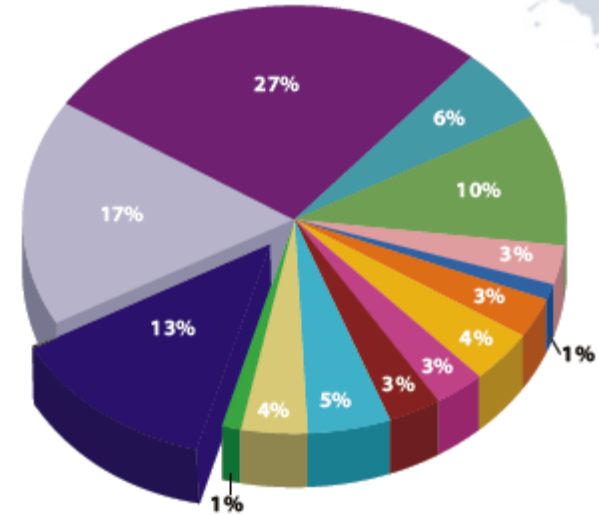


As proof of the company's increasing commitment to community work, the CSI spent has increased from 4.6% to 11.7% over the past three years.

Media24 also received a level 4 rating on the BEE Scorecard (see page 15).

"Media24 is committed to empowering its staff and the communities it serves and will continue to do so in the future," says Media24 CEO Francois Groepe.

Media24's spend during the 2008/9 financial year was more than R38 million



Focus areas for CSI spending in 2008/2009

- Welfare
- Pollution and waste
- Health
- Safety and security
- Education
- Job creation
- Disaster relief
- Land and housing
- Special projects
- Arts and culture
- Fauna and flora
- Community development
- Sustainable development
- Sport and recreation

SOCIAL PERFORMANCE

Transformation

In 2004 Media24 established a transformation forum that functions as a policy-making body to monitor the various elements of the BEE scorecard ie ownership, management, employment equity, procurement, management, skills training and development, entrepreneurship and corporate social investment. The forum, chaired by the Media24 managing director, comprises senior management representatives from each business unit. Over the past few years Media24 has made progress with its transformation aims, which are monitored using a scorecard in terms of the department of trade and industry's code of Good Practice for broad-based black economic empowerment (BBBEE).

Media24 increased its score on the department of trade and industry (DTI's) empowerment scorecard from 58 to 66, making it a level-4 contributor with a 100% recognition level. We are proud to have received full marks on the enterprise development and socio-economic development elements of the scorecard.

Direct empowerment

BBBEE

PHUTHUMA NATHI

MultiChoice believes in broad-based black economic empowerment. With this in mind, it created Phuthuma Nathi Investments, a wholly owned black South African company that now holds 20% of MultiChoice South Africa. When launched, Phuthuma Nathi was the largest empowerment transaction in the listed media sector.

INVEST IN THE FUTURE

Phuthuma Nathi gave qualifying black groups and black individuals the opportunity to invest in an innovative industry in a truly South African company, whose products and services are world renowned. The two Phuthuma Nathi empowerment transactions in September 2006 and January 2007 have resulted in 120 000 black shareholders being added to our diverse shareholder base. The success of Phuthuma Nathi lies in its unique structure. By making Phuthuma Nathi broad-based and accessible to people across income levels, ordinary South Africans were able to purchase shares in MultiChoice.

WELKOM YIZANI

In September 2006 Media24 launched the biggest BBBEE share offer, Welkom Yizani, in the print media industry, which offered eligible black people and groups an indirect interest of 15% in Media24 Holdings. The offer was three times subscribed, with over 100 000 applications received for 14,6 million Welkom Yizani ordinary shares. Applicants who applied for more than 430 Welkom Yizani ordinary shares received at least 430 Welkom Yizani ordinary shares, with 85% of the applicants receiving the full number of shares for which they applied.

The Welkom Share Scheme, which was launched in 1999, has matured with every R1 000 invested yielding a return of R31 000. The total amount paid out was R235m.

Black economic empowerment partners

Media24 is proud of its partnership with several black economic empowerment companies. Vakazi, a black women's organisation, owns 30% of the Via Afrika division, Afribooks, while another 30% is owned by 1 134 previously disadvantaged people. Thebe Investments has a 30% stake in Via Afrika's school and academic publisher National Education Group (NEG). Kurisani Investments has a 26% share in each of the following businesses: Paarl Print, Paarl Print Labels and Paarl Web Gauteng. Kurisani also finances loveLife, a community organisation that runs life skills and HIV/Aids prevention campaigns for youngsters countrywide.

Employee relations and employment equity

The group values diversity in its workforce, of which 62% are black.

MultiChoice

The Workplace Forum is there to protect the interests of employees. It provides every one of our employees, no matter what position, with representation. The Workplace Forum's major functions are to:

- . Promote the interests of all employees
- . Enhance the efficiency in the workplace
- . Be consulted by the employer with the objective of reaching consensus
- . Participate in joint decision-making
- . Skills development

With technology at the core of our business, **skills development** of the MultiChoice team is crucial. That's why we offer career opportunities in different areas of our business and company programmes that are designed to meet employees' and company needs.

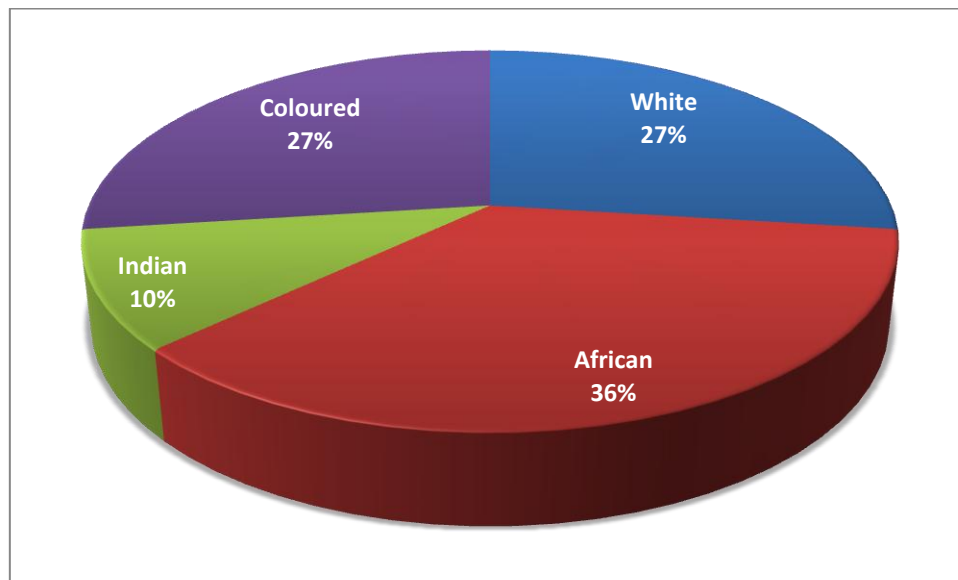
MultiChoice's **learnership programmes** are vocational education and training modules to facilitate the linkage between structured learning and work experience in order to obtain a registered qualification. It combines theory and workplace practice into a qualification that is registered on the National Qualifications Framework (NQF).

MultiChoice participates in **Learnerships and Internships** to build skills and improve employee performance, create opportunities for employment and career advancement for people who cannot secure employment due to lack of skills and work experience, create a talent pipeline for scarce and critical skills, and to pull in talent in entry positions.

Diversity and employment equity

The MultiChoice group continues to embrace the principles of black empowerment, in particular with the appointment of our staff and skills enhancement. Various skills development programmes include the in-house Management Advancement Programme (MAP) and MBA in collaboration with Wits Business School and other programmes focusing on supervisory skills, media management and leadership. We also have a graduate placement programme for university leaders. Our skills development programme currently supports 86 internships and 130 learnerships.

A total of 43% of the MultiChoice workforce is female and its diversity is demonstrated below:



Diversity training is a key element of Media24's general transformation strategy and is actively promoted by the company's human resources department. Heads of business units are encouraged to support and endorse this form of training for all line managers and staff.

Media24 regards employment equity as a strategic advantage. Each business unit has an employment equity plan and strategy with specific objectives.

Media24 appointed its first black chief executive, Mr Francois Groepe, with effect from 1 July 2008. In management bands, grades C to E, an improvement of employment equity representation from 31% to 34% black people was achieved. About R15m was spent on skills development, of which 52% was spent on black employees. The gender breakdown of the skills development expenditure is approximately 52%, made up of 30% spent on black males and 22% on black females.

Of the 18 journalism bursaries awarded, 13 (72%) went to black students. Of the 22 learnerships, 12 went to black candidates and 15 to women (including white women). Media24 employed 62 interns of whom 56 (90%) were black candidates. Moreover, 39 were black women and 17 black males.

The composition of our 7 095 total staff complement (including waged workers) at March 2009, of which 56,4% was black, and 19,7% were black females.

HEALTH AND SAFETY

The workplace

The implementation of a healthy, safe workplace at administrative and production facilities is a priority for the group. Where required, and in keeping with local requirements, health and safety committees – with responsible individuals who receive training to improve their skills – have been formed to ensure compliance with applicable regulations. Medical emergency and disaster recovery plans have been devised as appropriate in operating businesses. Annual occupational health and safety risk-control audits are conducted by South African operational entities and improvements are implemented as required.

Media24 suffered a devastating loss when a fire originating in the canteen of Paarl Print destroyed the building on 17 April, taking the lives of 13 people and seriously injuring another four. The forensic fire investigation into the cause of the fire, as well as the reason for the rapid spread was completed recently. The report revealed that the insulation material used in the building was made of a highly flammable substance that not only burns extremely rapidly, but also releases significant amounts of smoke in doing so. Paarl Media identified other facilities that contain this type of insulation and is removing it.

On 7 February a fire occurred at Paarl Gravure, which was largely contained within the printing press, and no-one was injured in the process.

Media24 has comprehensive short-term insurance arrangements, which responded to these incidents in the form of two different claims. Paarl Media also set up a trust fund from donations received to financially assist victims of the fire.

Furthermore, six circulation staff members in the newspaper street sales network died in motor-vehicle related accidents. Management of the logistics division has embarked on a renewed safety training strategy for street sellers currently being rolled out countrywide. Ongoing health and safety risk and compliance training is provided, along with the annual audit of all significant facilities in the group, by a specialist service provider. We continue to refine the preventative measures and monitoring processes in the areas of risk specific to locations.

At **MultiChoice** there were no deaths or injuries on duty.

Wellness

Several wellness programmes are operated by some of the group's subsidiaries to provide a preventative approach to employee health. These include programmes to assist employees to stop smoking. Regular medical, eye and hearing tests are performed on our drivers and staff exposed to noise. Professional and independent psychosocial support is provided for staff in many of the group's businesses.

During the previous year a wellness centre for staff was established at the **MultiChoice** Randburg campus. The centre provides services such as physiotherapy, optometry, family planning, financial advice and an on-site nurse. Significant **Media24** facilities have either a wellness centre on site or access to mobile facilities.

HIV/Aids

Naspers is acutely aware of the HIV/Aids pandemic in Africa, and the social and economic implications of the disease. Comprehensive programmes in Media24 and MultiChoice comprise:

- information and awareness campaigns
- voluntary free testing
- free counselling, and
- comprehensive medical treatment programmes.

STAKEHOLDERS

Relations with shareholders

The company maintains a dialogue with its key financial audiences, especially institutional shareholders and analysts. The investor relations unit manages interaction with these audiences and presentations take place after publishing interim and final results. This function was further strengthened by the appointment of Mrs Meloy Horn as head of investor relations.

The company's website (www.naspers.com) provides the latest and historical financial and other information, including financial reports.

The board encourages shareholders to attend its annual general meeting, notice of which is contained in this annual report, where shareholders will have the opportunity to put questions to the board, management and the chairs of the various board subcommittees.

MultiChoice operates in a highly regulated environment in South Africa, where legal compliance is of critical importance to the group. We aim to play an active and constructive role in the regulatory process affecting the communications industry. We actively participate in various public forums and debates to assist regulators to formulate standards and strategy for this industry.

Media24 uses a range of methods to generate feedback from stakeholders on the issues that are important to them. These include:

- Feedback from readers through channels such as letters to editors
 - Interaction with readers and the community, as well as the cultural community through various hosted or sponsored cultural events
 - Employee newsletters, management briefings and Intranet sites
 - One-to-one meetings with suppliers, business partners and opinion formers
 - Participation in industry groups to develop relevant shared practices
 - Participation in regulatory bodies such as the Audit Bureau for Circulations
 - Frequent engagement with our shareholders
 - Public policy engagement with regulators where relevant
 - Regular engagement with the local community, principally through our corporate citizenship activities.
-