

Letter to shareholders

30 August 2010

Dear Shareholder

I am pleased to report to you on the performance of Media24 Holdings (Proprietary) Limited ("Media24") for the financial year ended 31 March 2010. As you know, Welkom Yizani Investments Limited ("Welkom Yizani") owns a 15% stake in Media24.

Media24 faced challenging trading conditions over the past year. Net operating profits before amortisation and other gains and losses were lower than last year resulting in group revenues contracting by 4,1% to R6,7bn, compared with the R7,0bn during 2009 and the double-digit growth experienced in prior years. The net operating profits before other gains and losses were significantly lower than last year because of declining revenue, higher input costs, retrenchment and restructuring costs. We cut back development spend to R133m (2009: R199m).

What is included in your shareholder pack?

We have included the following information for you:

- A copy of the **annual report** of Media24. This report provides you with a snapshot of the group's operations over the past financial year and a summary of its financial results.
- The **financial statements** of Welkom Yizani for the period ended 31 March 2010.
- **Notices** of the annual general meetings (AGMs). You are entitled to vote at both the Media24 and Welkom Yizani AGMs.

Please note that this year's AGMs will start at 09:00 on Wednesday 22 September 2010 at the Fountains Hotel, 1 St Georges Mall, Cape Town. If you will be attending the AGMs, you should sign the proxy/meeting attendance forms and bring them with you to the meeting. They should be presented at the registration counters in order to gain attendance to the meeting and receive voting instructions. Please arrive early for registration to avoid delays. If you are unable to attend in person, you can still exercise your vote by completing the personalised proxy forms posted to all shareholders on Monday 30 August 2010, and returning them to Link Market Services South Africa (Proprietary) Limited to reach them by 09:00 on Monday 20 September 2010.

Please note that the registration counter for purposes of registration to vote at both the Media24 and Welkom Yizani AGMs on Wednesday 22 September 2010, will open at 07:00 and will close at exactly 08:45.

Dividend

This year Welkom Yizani will receive R15m (2009: R24,75m) as a total dividend for its 15% interest in Media24. From these proceeds, Welkom Yizani will declare a preference dividend of R10,8m (2009: R19,8m). This preference dividend is payable in terms of the funding agreement between Naspers Limited and Welkom Yizani.

Letter to shareholders (continued)

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The board of directors of Welkom Yizani has recommended that a dividend be declared to all Welkom Yizani shareholders from the remaining balance of approximately R4,2m (2009: R4,95m) of the dividend received by Welkom Yizani. As a consequence, a dividend (subject to the approval of shareholders at the annual general meeting to be held on 22 September 2010) of 28,9 cents per share (2009: 33,9 cents per share) will be declared by Welkom Yizani.

If approved by shareholders, you will therefore be entitled to 28,9 cents for every share that you own in Welkom Yizani. For example, if you own 100 Welkom Yizani shares, you will receive a dividend equal to $100 \times 28,9$ cents – ie R28,90. The dividend will be paid into your bank account. **It is therefore very important that your bank account details as well as your postal address details are correct on the share register.**

Performance of your shares

As you know, the shares in Welkom Yizani are not listed on any stock exchange. At

a shareholders meeting held in December 2009 the scheme was extended by a further two years to December 2013. This means that shares cannot be bought or sold before 8 December 2013. It is therefore not possible to provide an indication of the value of the shares until they trade. However, you can get an indication of how your investment is performing from the revenue and net profit of the Media24 group as outlined in the financial statements.

We are very happy to have you as a shareholder and we look forward to a long and rewarding relationship with you.

Should you have any queries, please contact our call centre on **0860 12 12 24**.

Kind regards



G J Gerwel
Chairman