

Naspers to focus on pay TV business

By [Nick Hedley](#)

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Media group [Naspers](#) on Tuesday, 27 November 2012, reported that during the six months to September 2012, revenue from the group's internet operations, which includes e-commerce, increased 70% to R14.1bn.



CEO, Koos Bekker said Naspers would maintain a focus on growing its pay television business and would focus heavily on ramping up its development spend on e-commerce in emerging markets - which he said would become one of the biggest sectors in economies as consumers made more of their purchases online.

"Quite soon the internet will be the largest contributor to the managed revenue base," Bekker said. Internet operations have been the group's major driver of revenue growth, and over the period contributed towards 41% of revenue, just behind pay-TV at 42%. Print operations accounted for only 17% of revenue.

"Very solid" set of results

The R1bn development spending on e-commerce resulted in a trading loss of R767m, although senior analyst of Avior Research Kevin Mattison said yesterday the division was probably "a couple of years away from profitability".

Mattison said Naspers had reported a "very solid" set of results, with good growth of both the pay TV and internet businesses. "They have grown it up very quickly over the past 10 years and clearly their largest investments are going into e-commerce," he said.

"Naspers has acquired a very good long term growth outfit in countries where e-commerce is at a very early stage of its lifecycle," he said. The aim was clearly to become "influential players as the sector starts to mature".

ABOUT NICK HEDLEY

I have a strong interest in the South African economy and the current global crisis. My economic background and my love for writing have resulted in my keen interest in economic journalism.
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