

## Annual Results

for the year ended 30 June 2013



## Forward-looking statement



Certain statements contained in this presentation other than the statements of historical fact contain forward-looking statements regarding Implats' operations, economic performance or financial condition, including, without limitation, those concerning the economic outlook for the platinum industry, expectations regarding metal prices, production, cash costs and other operating results, growth prospects and the outlook of Implats' operations, including the completion and commencement of commercial operations of certain of Implats' exploration and production projects, its liquidity and capital resources and expenditure, and the outcome and consequences of any pending litigation or enforcement proceedings. Although Implats believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to be correct. Accordingly, results may differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in metal prices and exchange rates and business and operational risk management. For a discussion on such factors, refer to the risk management section of the company's Annual Report. Implats is not obliged to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after the dates of the Annual Report or to reflect the occurrence of unanticipated events. All subsequent written or oral forward-looking statements attributable to Implats or any person acting on its behalf are qualified by the cautionary statements herein.

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## Agenda



- Overview -  
Terence Goodlace
- Safety and Operational review -  
Terence Goodlace
- Impala Rustenburg review –  
Paul Dunne
- Financial review -  
Brenda Berlin
- Market Review -  
Derek Engelbrecht
- Conclusion -  
Terence Goodlace

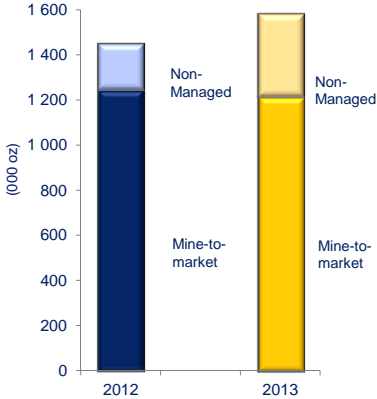
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## Key operational features



- Safety has improved across all indicators
- Performance was impacted by low throughput at Impala
- Gross refined platinum production increased by 9% to 1.58 million ounces
  - Mine-to-market down 2%
  - IRS up 80%
- Group unit costs increased by 23% to R16 570 per refined platinum ounce

Platinum production



Year	Mine-to-market	Non-Managed	Total
2012	~1250	~150	~1400
2013	~1200	~380	~1580

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## Key financial features



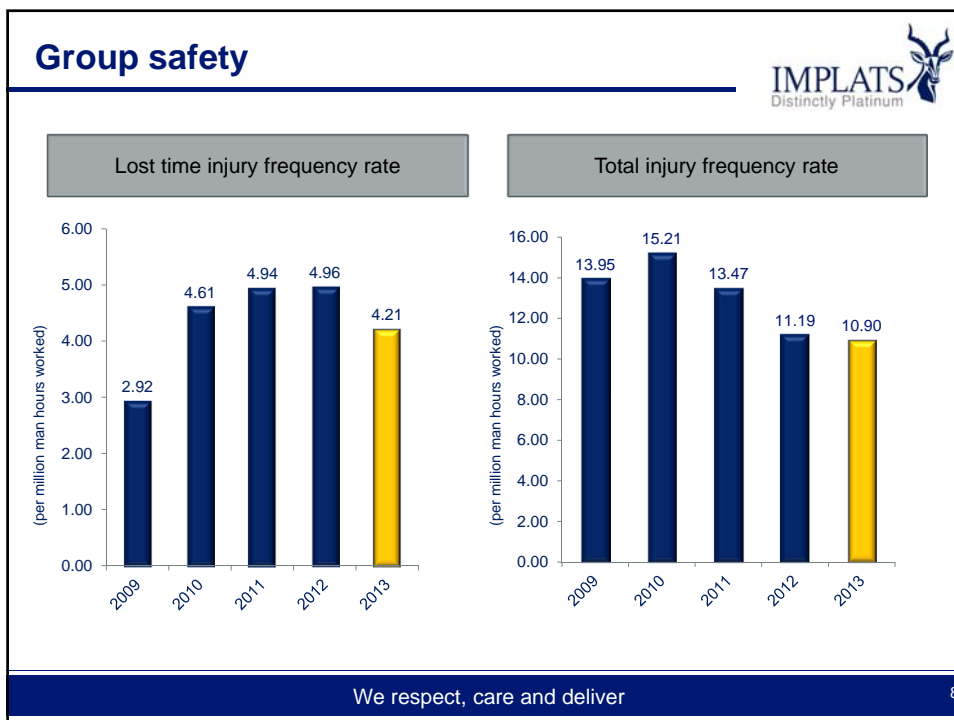
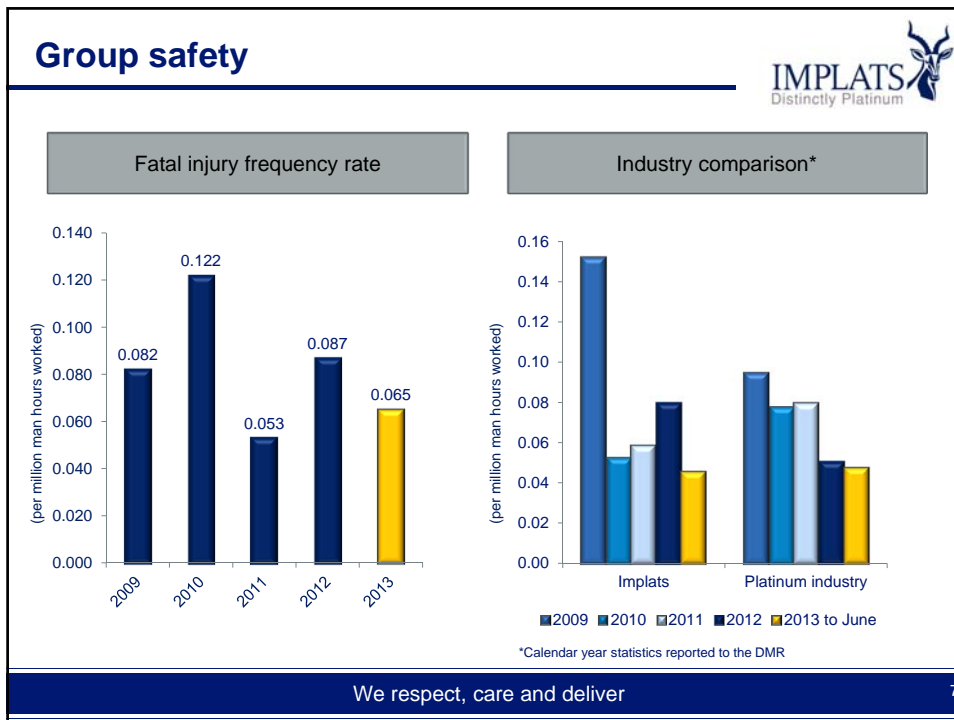
- Revenue up 9% to R30 billion
- Gross profit declined by 19% to R5.1 billion
- Headline earnings declined by 52% to R2 billion (330 cps)
- Group capital expenditure reduced by 22% to R6.4 billion
- Successful convertible bond raising of R4.5 billion (US\$500 million)
- Net debt increased from R1.0 billion to R1.6 billion
- Final dividend of 60 cps declared and 95 cps for the year

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## Safety Review

Terence Goodlace



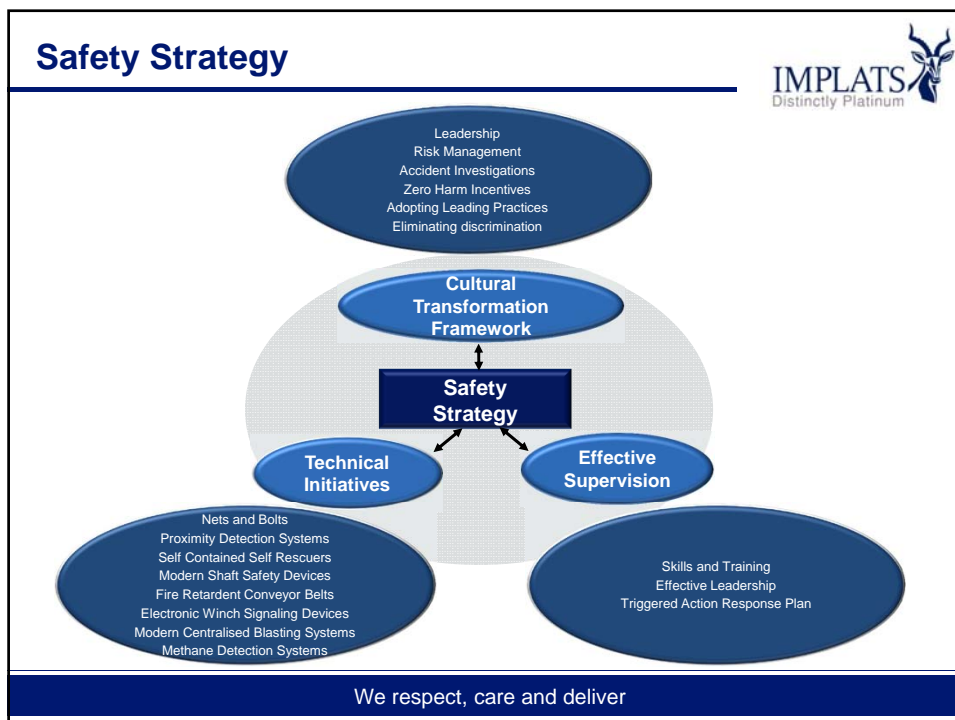


## Notable safety achievements




Operation	Achievement
Zimplats	10 million fatality free shifts on 26 March 2013
Impala refineries	9 million fatality free shifts 9 November 2012
Impala 1 shaft	6 million fatality free shifts on 13 December 2012
Impala 12 shaft	4 million fatality free shifts on 9 May 2013
Mimosa	3 million fatality free shifts on 22 April 2013
Impala 16 shaft	2 million fatality free shifts on 1 March 2013
Impala 10, 14, 20, 6 shafts and Marula	Each achieved 1 million fatality free shifts during the year
Mimosa	Improved its lost time injury rate by 78% for the year
Marula	Improved its lost time injury rate by 53% for the year


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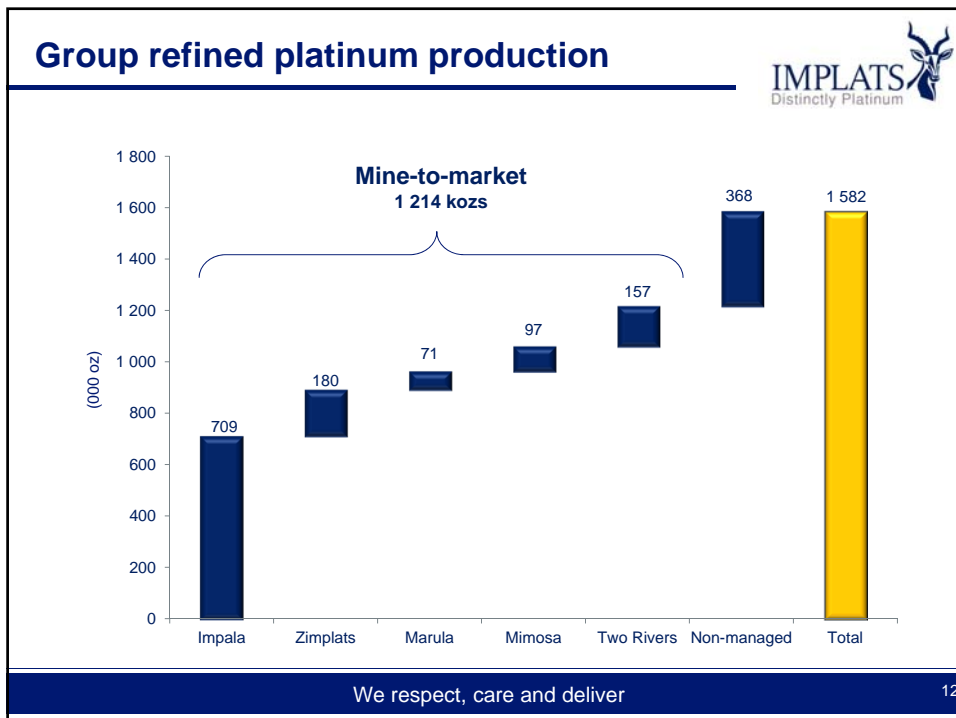


## Operational Review

Terence Goodlace







## Zimbabwean operations



- Zimplats
  - Tonnes milled up 7% to 4.7 million
  - Platinum in matte increased by 6% to 198 000 ounces
  - Unit costs rose by 5% to US\$1 307 per platinum ounce in matte
  - Phase 2 expansion on target for full production in 2015
  
- Mimosa
  - Tonnes milled up by 2% to 2.3 million
  - Platinum in concentrate declined by 5% to 100 300 ounces
  - Unit costs increased by 23% to US\$1 782 per platinum ounce in concentrate

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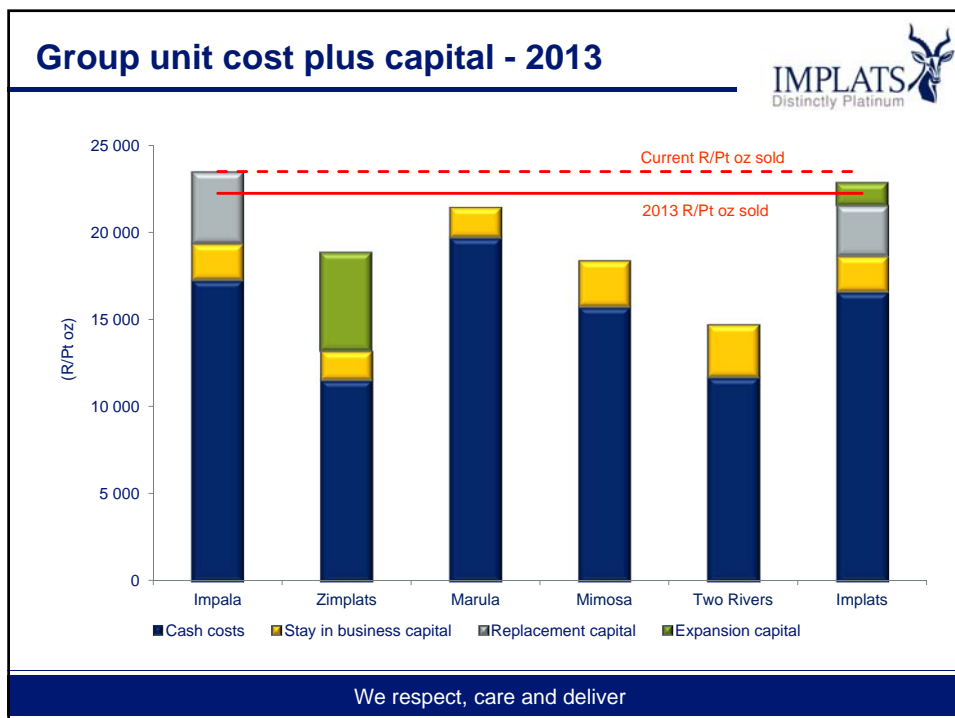
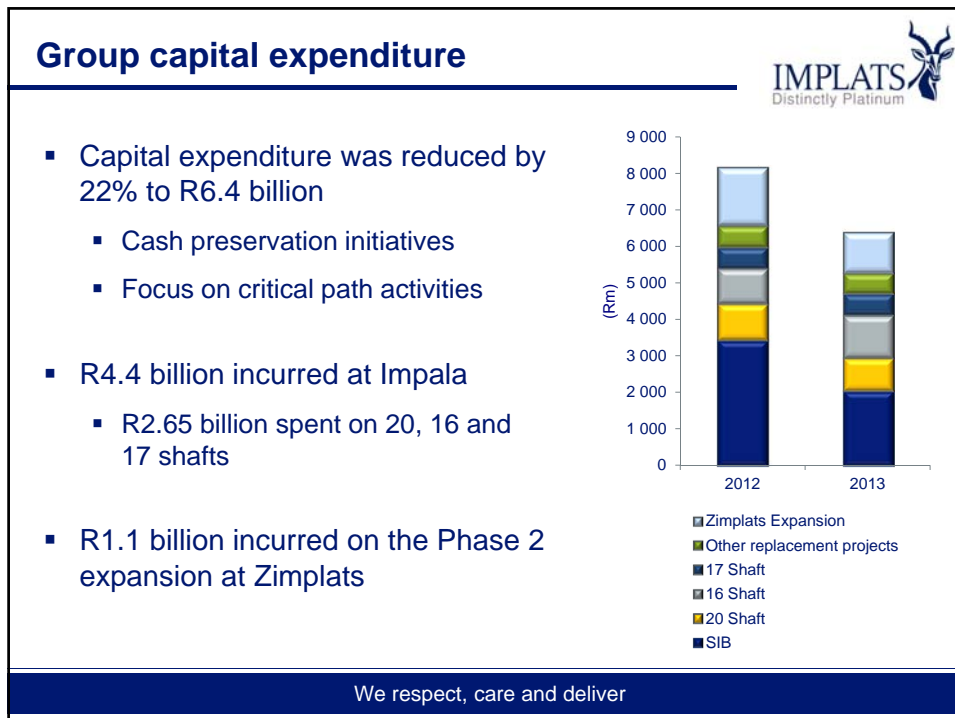
## Other SA operations



- Marula
  - Tonnes milled up 3% to 1.6 million
  - Platinum in concentrate increased by 4% to 71 700 ounces
  - Unit costs rose by 19% to R19 665 per platinum ounce in concentrate
  
- Two Rivers
  - Tonnes milled increased by 2% to 3.2 million
  - Platinum in concentrate up by 8% to 162 200 ounces
  - Unit costs rose by 8% to R11 683 per platinum ounce in concentrate

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## Employee relations



### A dynamic labour environment

- Government intervention to restore peace and stability to the industry
- High barriers to exit
- Diminished labour tension
- Commencement of wage negotiations
- Advancing our ER strategy
  - Increased employee engagement and team mobilisation
  - New recognition agreement concluded with AMCU
  - Health and safety agreement being progressed

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## Zimbabwe update



### Indigenisation

- Indigenisation Plans submitted for both Zimplats and Mimosa
- Plans are constructed as follows:-
  - 10% - Community Trust
  - 10% - Employees Trust
  - 31% - NIEEF
- Term sheets being revisited
- Discussions are on-going

### Land acquisition

- Gazetted on 1 March 2013
- Objection and claim for compensation lodged

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## Impala Rustenburg review

Paul Dunne

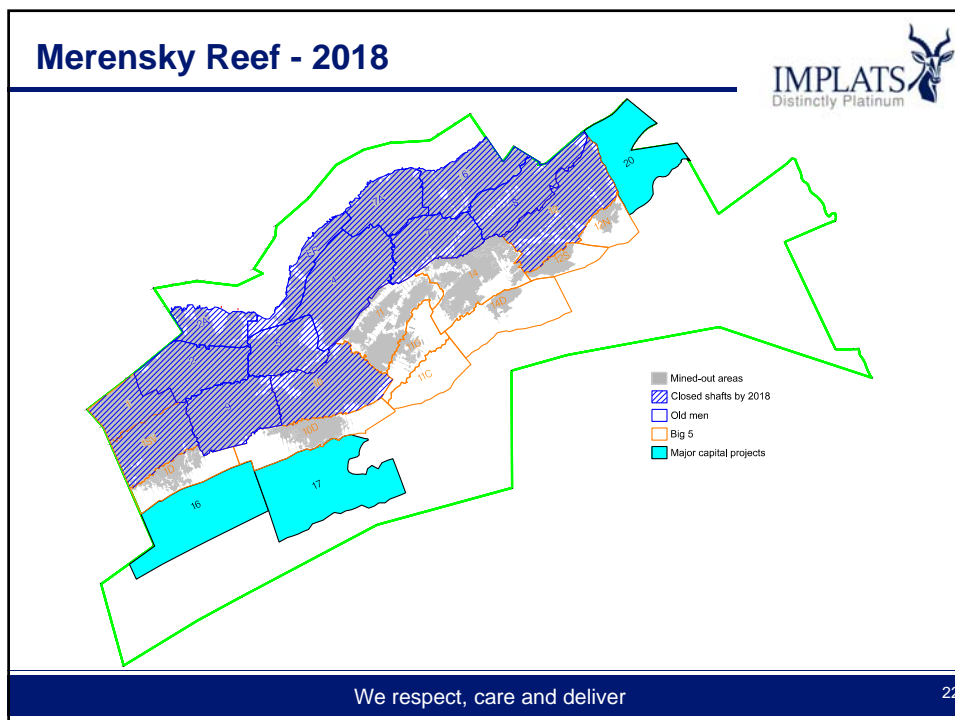
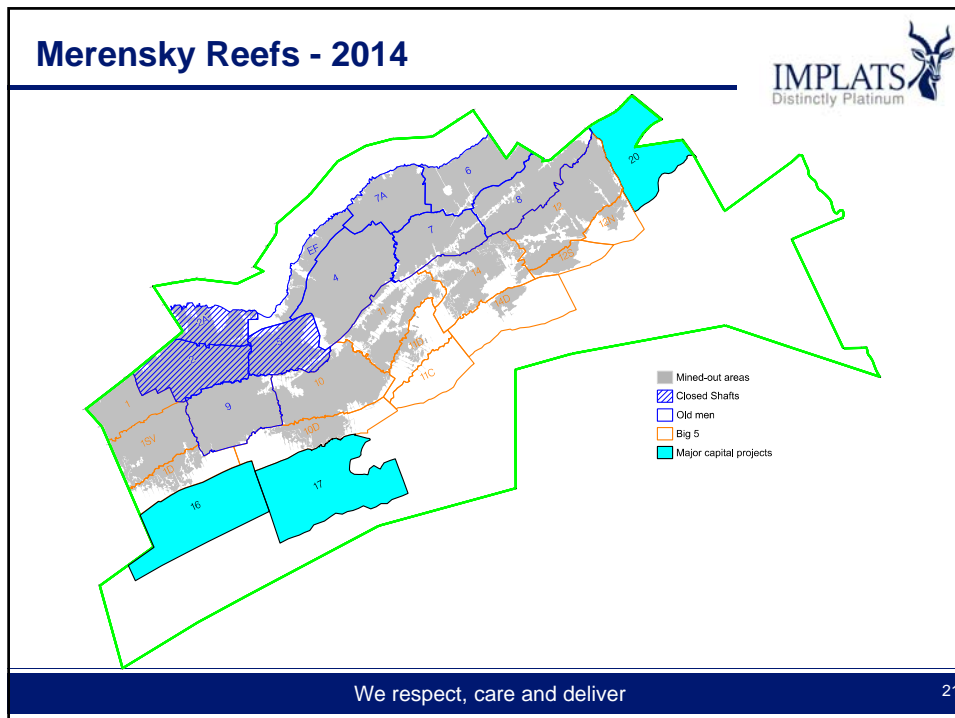


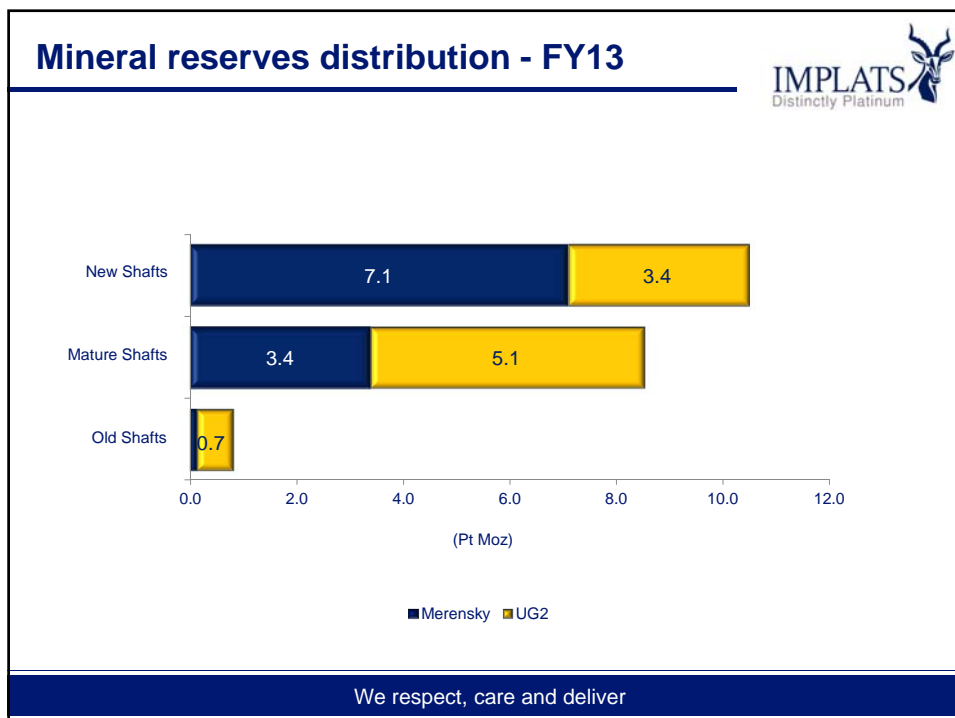
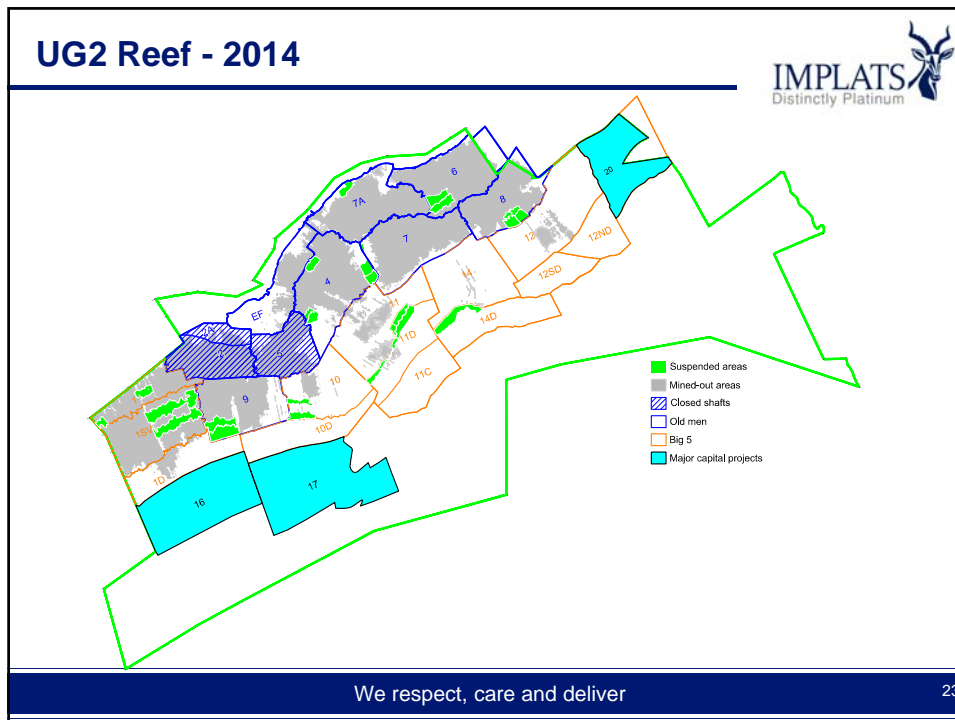
### Constrained mining flexibility



- Limited mining face availability
  - lower than planned primary development
  - backlog in construction, equipping and ledging
  - depletion of the old shafts
  
- Further impacted by:
  - challenging UG2 geology at 10, 12 and 14 Shafts
  - safety initiatives and stoppages
  - changing workforce dynamic
  - deterioration in mining quality

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## Initiatives



- Ore reserve flexibility
  - Proudfoot initiative
  - Dedicated development and construction management
  - Breast ledging
  - Increased development
- Quality mining
  - Grade reviews
  - Grade control observers
  - Team mobilisation
  - Incentive scheme
- Improved systems
  - Mine planning
  - Enhanced Production Scheduler
  - Geological information and diamond drilling
  - Predictive planning models

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## Deliverables – 2014



### Face availability and quality measurements

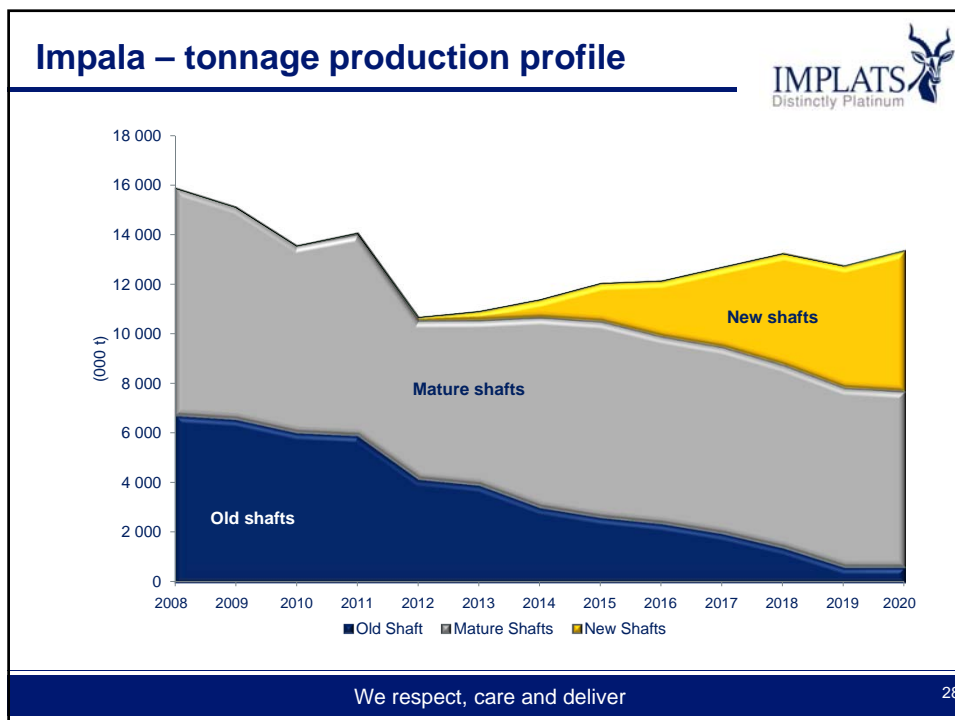
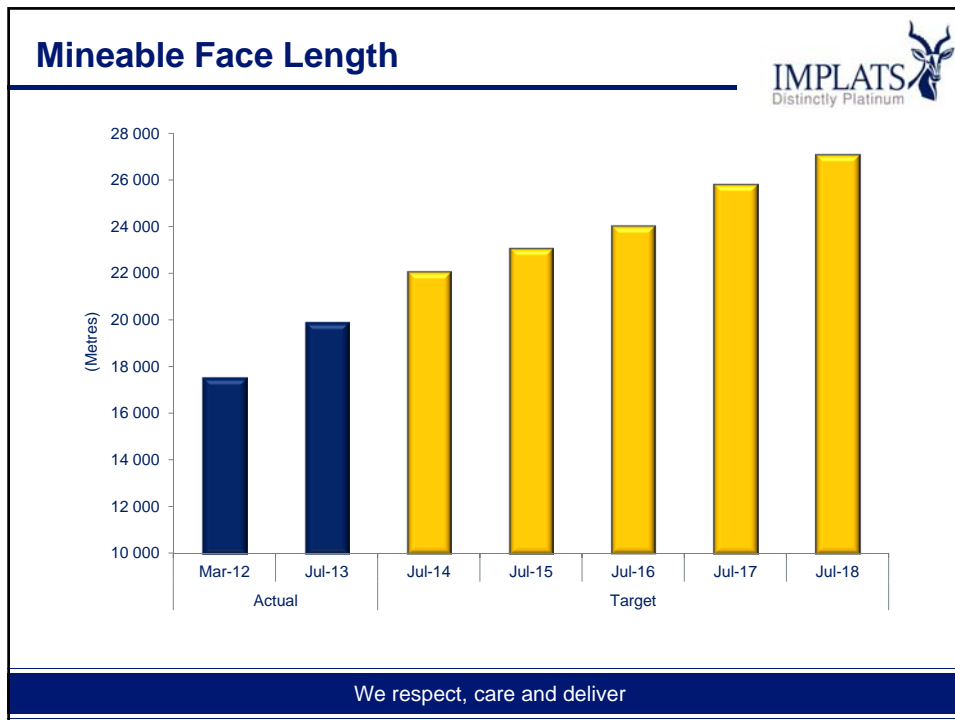
- Total development up 10% to 108 kilometres
- Primary reef development up 35% to 47 kilometres
- Increase mineable face from 19 kilometres to 22 kilometres
- Productivity up 4% to 300m<sup>2</sup> per team
- Off-reef mining improvement from 12% to 9%
- Sweepings improvement from 75% to 84%

### This will result in:

- Tonnes mined will increase to 11.4 million tonnes
- Grade and recoveries will remain unchanged at 3.50 g/t and 85%

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## Financial Review

Brenda Berlin

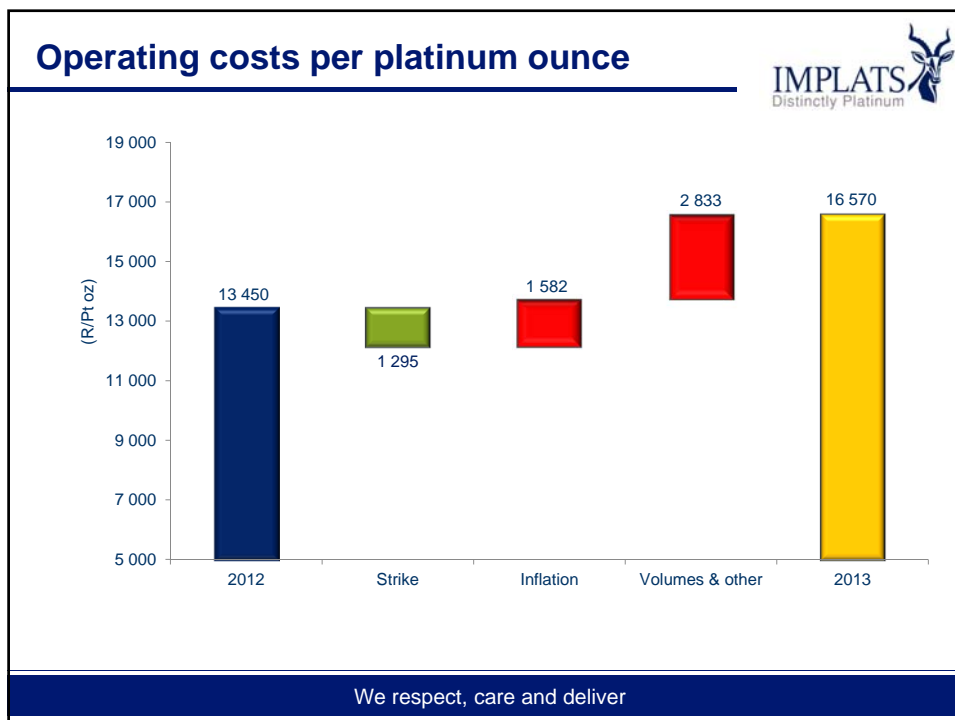
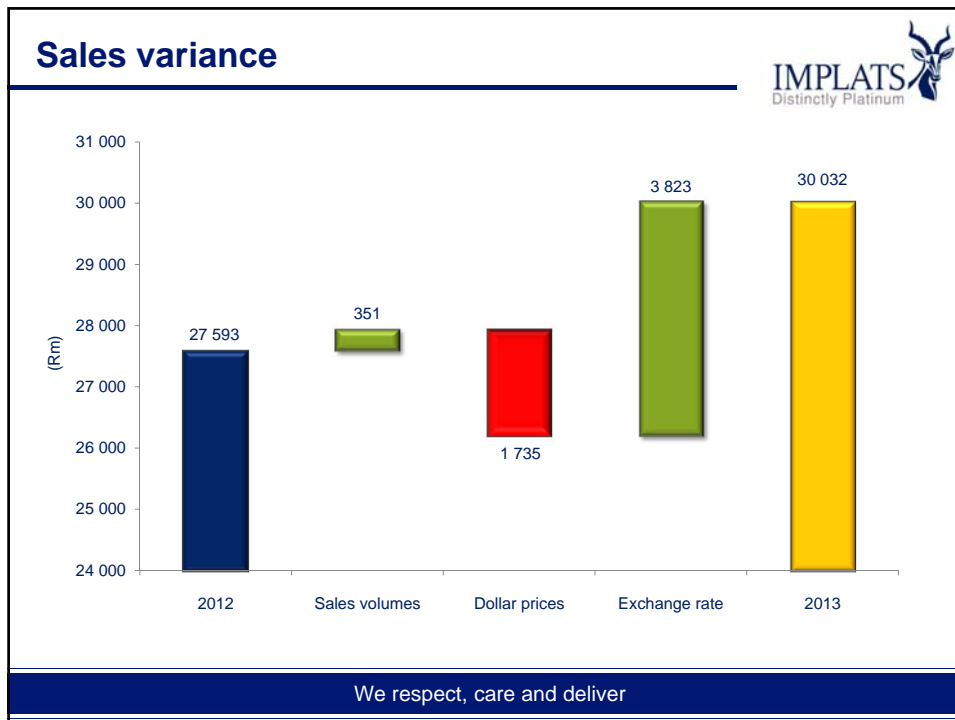


### Group income statement

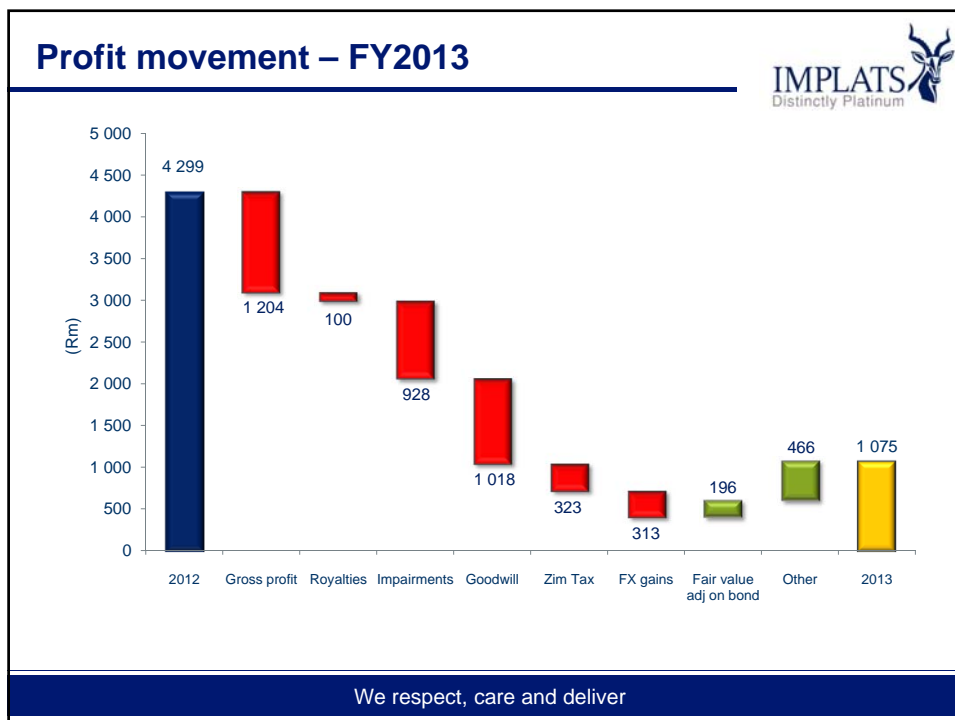
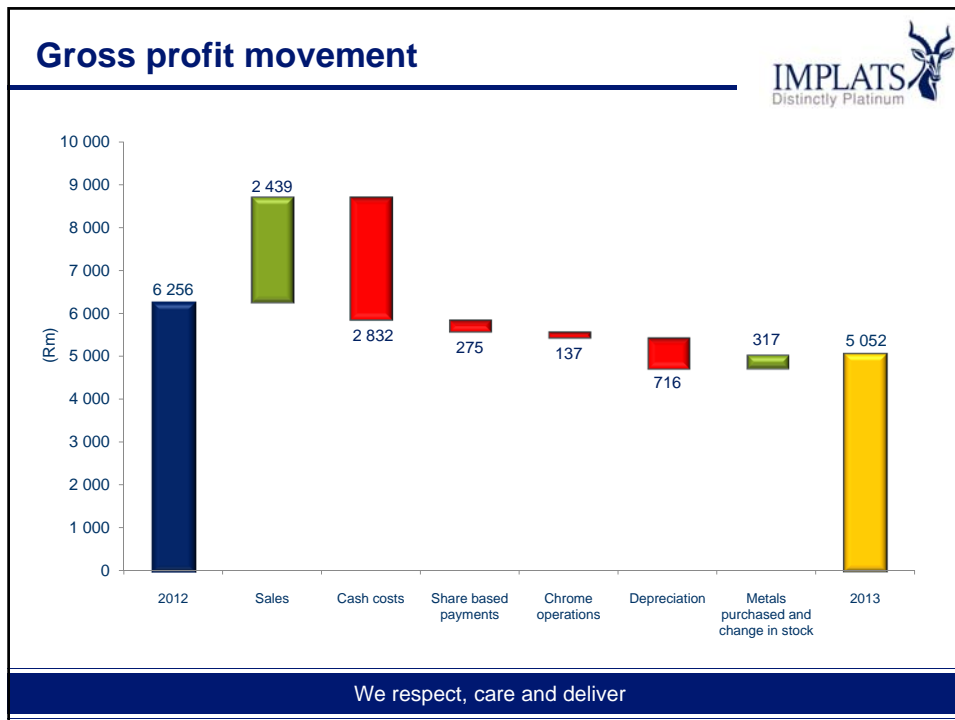


R million	2013	2012	% change
Sales	30 032	27 593	9
Cost of sales	(24 980)	(21 337)	(17)
Gross profit	5 052	6 256	(19)
Gross margin	16.8	22.7	(26)
Royalty expenses	(764)	(664)	(15)
Profit before tax	2 551	6 250	(59)
Profit	1 075	4 299	(75)
HEPS (cps)	330	685	(52)
DPS (cps)	95	195	(51)


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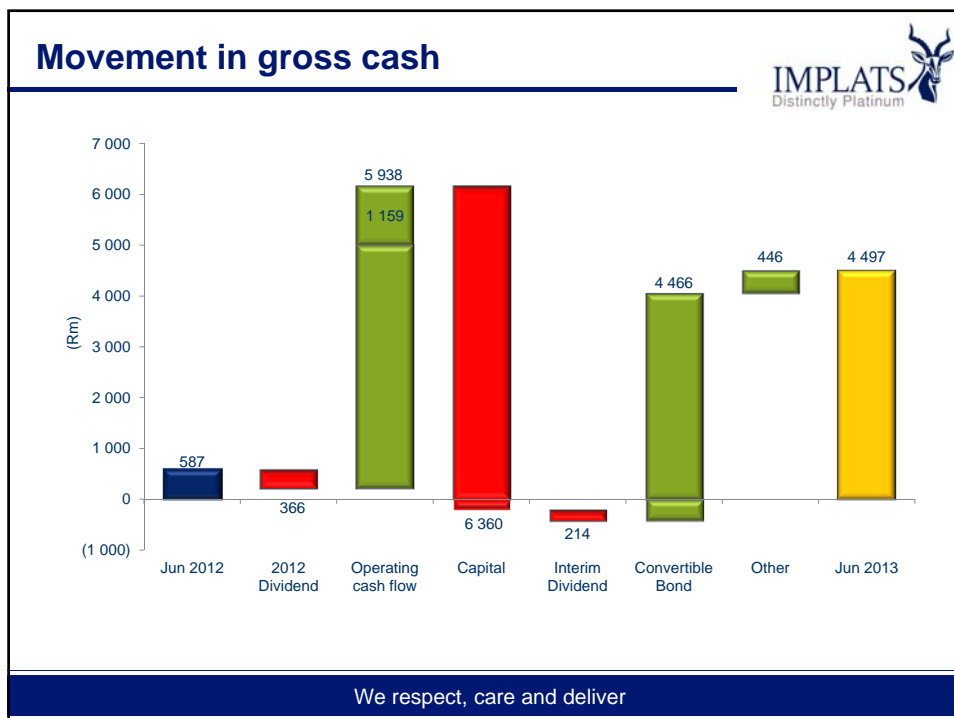
### Net Earnings



	2013		2012		% Var
	(Rm)	cps	(Rm)	Cps	
<b>Basic Earnings</b>	<b>1 022</b>	<b>168</b>	<b>4 180</b>	<b>690</b>	<b>(76)</b>
Headline earnings adjustment *	979	162	(29)	(5)	
<b>Headline Earnings</b>	<b>2 001</b>	<b>330</b>	<b>4 151</b>	<b>685</b>	<b>(52)</b>
Impairments	1 306	215	378	62	
<b>Normalised Earnings</b>	<b>3 307</b>	<b>545</b>	<b>4 529</b>	<b>747</b>	<b>(27)</b>

\* Inclusive of goodwill impairment (R1.0 billion)

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**Net debt**

R million	2013	2012
Cash	4 497	587
Debt excluding leases	(6 114)	(1 582)
Net debt	(1 617)	(995)

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**Market Review**

Derek Engelbrecht



## Sales Volumes by Metal



	2013	2012	% change
Platinum (000oz)	1 333	1 368	(3)
Palladium (000oz)	859	765	12
Rhodium (000oz)	176	183	(4)
Nickel (000t)	14.7	13.9	5

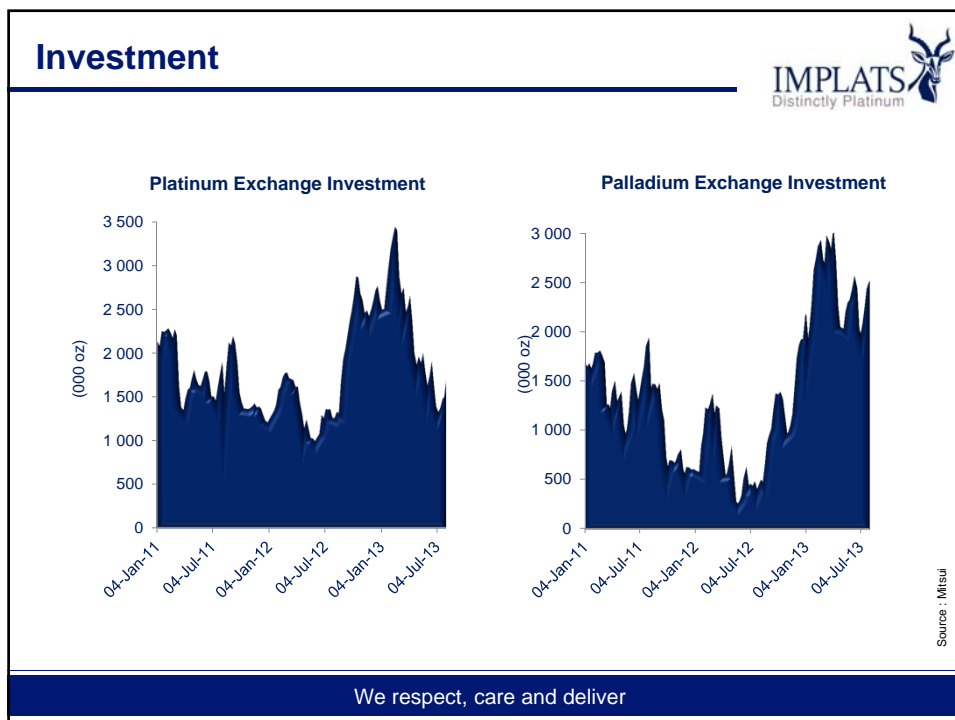
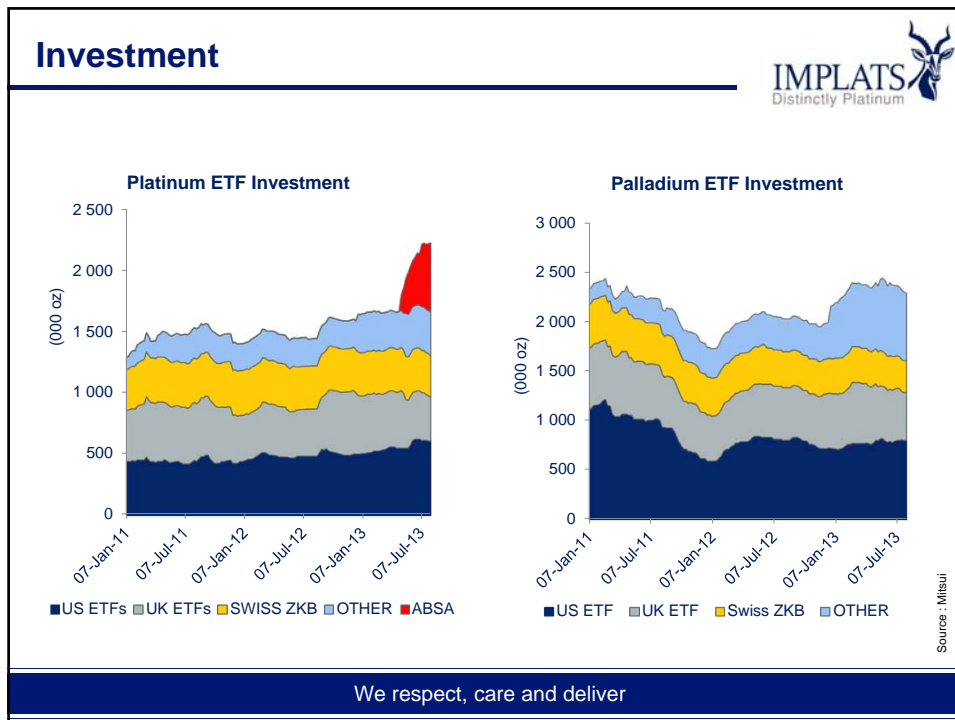
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## Average Prices Achieved – Major Metals



	2013	2012	% change
Platinum (\$/oz)	1 551	1 614	(4)
Palladium (\$/oz)	676	687	(2)
Rhodium (\$/oz)	1 143	1 601	(29)
Nickel (\$/t)	16 437	19 513	(16)
Basket (\$/Pt oz sold)	2 528	2 601	(3)
(R/Pt oz sold)	22 246	20 054	11
Exchange rate (R/\$)	8.80	7.71	14

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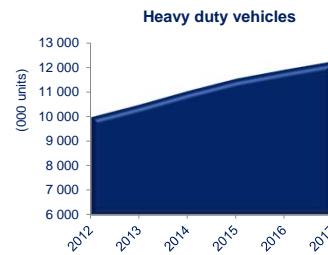
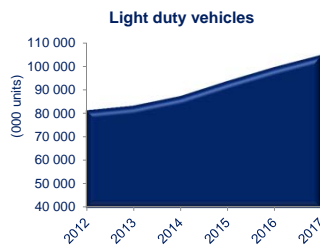


## Vehicle Sales



World Light Vehicle Sales by Region

Region	Year-to-Date		% Chg. YTD
	Current (000)	Year-Ago (000)	
North America	9 181	8 573	7.1
Asia / Pacific	16 572	15 718	5.4
Europe	9 292	9 857	-5.7
South America	2 742	2 564	6.9
Other	1 948	1 877	3.8
<b>World Total</b>	<b>39 735</b>	<b>38 589</b>	<b>3.0</b>



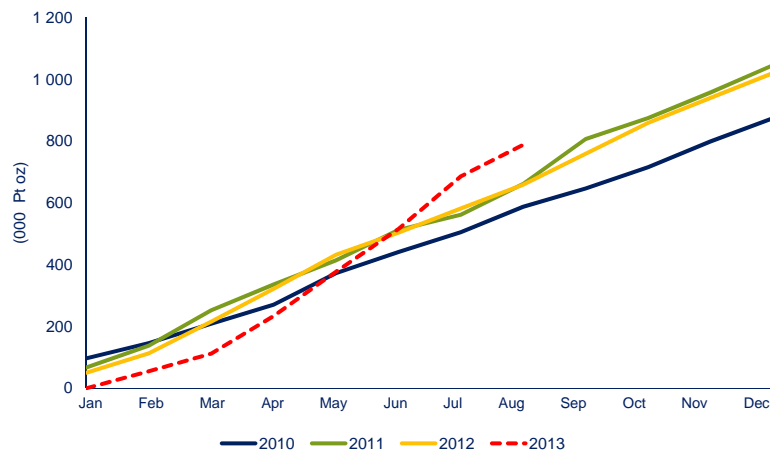
Source : LMC Automotive

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## Chinese Jewellery



Shanghai Gold Exchange  
(Annual cumulative ounces)



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## Platinum Supply / Demand Balance



000 oz	2011	2012	2013 (Forecast)
<b>DEMAND</b>			
Automobile	3 400	3 470	3 475
Jewellery	2 415	2 525	2 565
Industrial	1 730	1 700	1 750
Investment	150	200	600
<b>Total Demand</b>	<b>7 695</b>	<b>7 895</b>	<b>8 390</b>
<b>SUPPLY</b>			
South Africa	4 735	4 025	4 175
North America	375	380	335
Other- Incl. Jewellery recycle	1 020	1 040	1 125
Recycle - Auto	1 110	1 120	1 230
Russian Sales	800	795	800
<b>Total Supply</b>	<b>8 040</b>	<b>7 360</b>	<b>7 665</b>
<b>Balance</b>	<b>345</b>	<b>- 535</b>	<b>- 725</b>

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## Palladium Supply / Demand Balance



000 oz	2011	2012	2013 (Forecast)
<b>DEMAND</b>			
Automobile	5 600	6 000	6 300
Industrial	3 160	3 110	3 125
Investment	-520	300	250
<b>Total Demand</b>	<b>8 240</b>	<b>9 410</b>	<b>9 675</b>
<b>SUPPLY</b>			
South Africa	2 595	2 245	2 300
North America	860	930	950
Other	1 465	1 080	650
Recycle	1 500	1 600	1 850
Russian Sales	2 750	2 700	2 700
<b>Total Supply</b>	<b>9 170</b>	<b>8 555</b>	<b>8 450</b>
<b>Balance</b>	<b>930</b>	<b>- 855</b>	<b>-1 225</b>

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## Rhodium Supply / Demand Balance



000 oz	2011	2012	2013 (Forecast)
<b>DEMAND</b>			
Automobile	760	790	800
Industrial	180	190	190
<b>Total Demand</b>	<b>940</b>	<b>980</b>	<b>990</b>
<b>SUPPLY</b>			
South Africa	635	580	590
North America	20	19	20
Other	30	31	35
Recycle	265	260	300
Russian Sales	70	65	65
<b>Total Supply</b>	<b>1 020</b>	<b>955</b>	<b>1 010</b>
<b>Balance</b>	<b>80</b>	<b>-25</b>	<b>20</b>

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## Prospects




- Inventory overhang depressing prices.
- Fundamental demand holding steady
- Emission legislation continues to drive demand
  - Euro 6 – 2014
  - California - LEV III phased in from 2014
  - China – full Euro 4 plus diesel in 2015
- Eurozone issues still a concern, but may be bottoming.
- US recovery gaining momentum
- Emerging market growth slowing
- Southern African supply challenges will feature prominently


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**Conclusion**

Terence Goodlace



**IMPLATS**  
Distinctly Platinum 

**Conclusion**



**IMPLATS**  
Distinctly Platinum

- Safety
  - Remains our first priority
  - Will drive the safety strategy
  
- PGM Markets
  - Above ground stocks pressurising short-term prices
  - Primary supply to remain constrained
  - Automotive (sales and legislation) drive demand
  - Positive medium to long term price outlook

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## Conclusion



- Operating environment
  - Changed workplace dynamic
  - Impending wage negotiations
  - Margin squeeze
- Grow mine-to-market production
  - Execute operational plan at Impala Rustenburg to deliver 850 000 platinum ounces by 2018
  - Complete the 90 000 ounce Phase 2 expansion at Zimplats by 2015
  - Grow Marula from 70 000 to 86 000 ounces of platinum by 2016
  - Maintain production at other operations
  - Pursue third party and other processing opportunities
- We have a plan and we plan to deliver with respect and care

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## Annual results

for the year ended 30 June 2013



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