**CONDENSED CONSOLIDATED INTERIM RESULTS**
FOR THE SIX MONTHS ENDED 30 JUNE 2015

ROYAL BAFOKENG PLATINUM
MORE THAN MINING

# MORE THAN > MINING

Royal Bafokeng Platinum is a black-owned and controlled, mid-tier platinum group metals (PGMs) producer originating from a joint venture in existing mining operations and endowed with resources for future mining in the Styldrift property

The strategy driving our business has four pillars which are underpinned by the aspiration of
**More than mining**

## What supports our strategy:

> 4E resources of 71.4Moz (58.7Moz, measured and indicated)
> Merensky bias
> Shallow depth mines
> ±60 years life of mine
> Prime location on Western Limb of Bushveld Complex
> Low cost operations

## The elements that influence our strategy, which are also centred around our aspiration to deliver More than mining, include:

### People

> Safety of our people and communities
> Effective leadership
> Technical strength and depth
> Investment in training and development

### Financial position

> Strong cash flow generation
> Ungeared balance sheet

### Enterprise risk management

> Group risk appetite and risk tolerance driving decision-making

### Governance

> Complying with and exceeding the requirements of the Mining Charter
> Complying with the JSE Listings Requirements
> Applying principles of King III
> Complying with all other relevant legislation

### Stakeholders

> Engaging with and responding to all our stakeholders

### Social responsibility

> Community investment
> Responsible approach to environmental management

## OUR VISION AND MISSION

- To seek and deliver the good from mining
- To leave a lasting legacy of sustainable benefits for our stakeholders

## OUR PURPOSE

- To create economic value for all our stakeholders

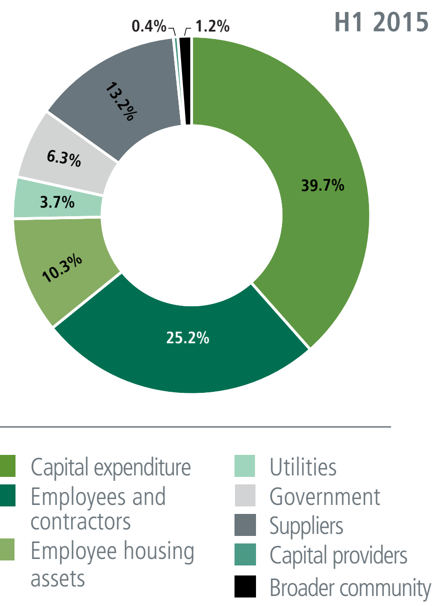
## SUSTAINABLE VALUE CREATION

| Exploration | Project development | People | Suppliers | Mining | Concentrate production |
|---|---|---|---|---|---|

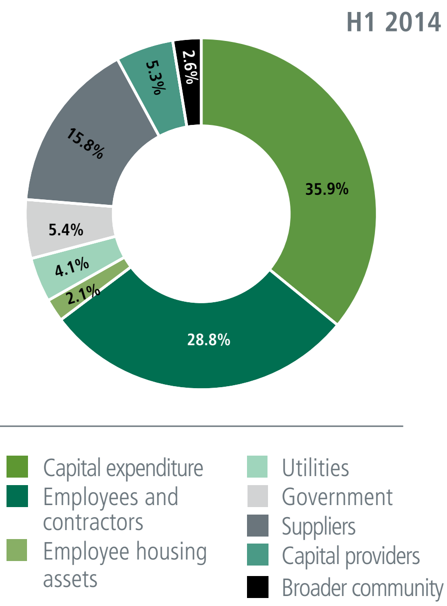
| Refiners of our PGM concentrate and marketers of our end product | Purchasers of PGMs in the form of the automotive, jewellery, electronic, chemical, dental and medical industries, and exchange traded funds (ETFs) |
|---|---|

## VALUE DISTRIBUTION

Total value distributed:
R2 829.3 million




Total value distributed:
R2 190.8 million



# Operating and financial statistics

for the six months ended

| | Unit | 30 June 2015 | 30 June 2014 | % Change |
|---|---|---|---|---|
| **Safety** | | | | |
| Fatalities | No. | **2** | 0 | |
| LTIFR | Rate | **0.51** | 0.68 | 25.0 |
| SIFR | Rate | **0.14** | 0.34 | 58.8 |
| **Production** | | | | |
| Tonnes delivered – Total | kt | **1 178** | 1 159 | 1.6 |
| Merensky | kt | **876** | 908 | (3.5) |
| UG2 | kt | **302** | 251 | 20.3 |
| IMS ore reserve face length | km | **6.1** | 6.1 | – |
| IMS panel ratio | Ratio | **1.67** | 1.57 | 6.4 |
| Tonnes milled – Total | kt | **1 107** | 1 140 | (2.9) |
| Merensky | kt | **810** | 890 | (9.0) |
| UG2 | kt | **297** | 250 | 18.8 |
| UG2% milled | % | **27** | 22 | 22.7 |
| Built-up head grade (4E) – Total | g/t | **4.03** | 4.25 | (5.2) |
| Merensky | g/t | **4.14** | 4.40 | (5.9) |
| UG2 | g/t | **3.72** | 3.72 | – |
| Metals in concentrate | | | | |
| 4E | koz | **122.0** | 134.2 | (9.1) |
| Platinum | koz | **78.8** | 86.4 | (8.8) |
| Nickel | t | **734** | 854 | (14.0) |
| **Labour** | | | | |
| Total working cost labour | No. | **6 279** | 6 213 | (1.1) |
| Stoping crew efficiencies | m²/crew | **305** | 325 | (6.2) |
| Enrolled | m²/crew | **295** | 304 | (3.0) |
| Contractor | m²/crew | **307** | 329 | (6.7) |
| Tonnes milled / TEC | t/emp | **29** | 31 | (6.5) |
| **Financial** | | | | |
| Cash operating cost | R'm | **1 228** | 1 109 | (10.7) |
| Cash operating cost/tonne milled* | R/t | **1 119** | 983 | (13.8) |
| Cash operating cost/4E ounce* | R/oz | **10 080** | 8 288 | (21.6) |
| Cash operating cost/Pt ounce* | R/oz | **15 615** | 12 881 | (21.2) |
| Total BRPM JV capital expenditure | R'm | **1 141**** | 806 | (41.6) |
| Stay-in-business capital (SIB) | R'm | **54** | 77 | 29.9 |
| SIB as a % of cash operating cost | % | **4.4** | 6.9 | 36.7 |
| Replacement capital | R'm | **92** | 82 | (12.2) |
| Expansion capital | R'm | **995** | 647 | (53.8) |
| Gross profit margin | % | **0.6** | 26.8 | (97.8) |
| EBITDA margin | % | **11.1** | 34.0 | (67.4) |
| Average basket price | R/Pt oz | **18 062** | 21 148 | (14.6) |
| Average R:US$ | R/US$ | **11.92** | 10.70 | 11.4 |

* *Unit cash costs are calculated excluding the incidental tonnages, ounces and costs generated by Styldrift I on-reef development*

** *The R1 141 million (2014: R806 million) capital expenditure for the BRPM JV excludes the elimination of intergroup charges of R19 million (2014: R22 million) resulting in RBPlat Group capital expenditure of R1 122 million (2014: R784 million)*

↘ **BRPM concentrator plant**

# CONDENSED CONSOLIDATED INTERIM RESULTS

## FOR THE SIX MONTHS ENDED 30 JUNE 2015

## PERFORMANCE

### ACHIEVEMENTS

- *Healthy labour relations maintained*
- *Successful commissioning of Styldrift I Main shaft*

### IMPROVEMENTS

- *Lost time injury frequency rate improved by 25.0% to 0.51 per 200,000 hours worked*
- *Serious injury frequency rate improved by 58.8% to 0.14 per 200,000 hours worked*

### CHALLENGES

- *Depressed PGM market conditions*
- *Cash operating cost per platinum ounce up 21.2% to R15 615*

### DISAPPOINTMENTS

- *Two fatal accidents at our operations*
- *Platinum production down 8.8% to 78.8koz*
- *US$ PGM price performance*

# COMMENTARY

## Overview

The first six months of 2015 have proved to be the most challenging since RBPlat took operational control of the BRPM joint venture in January 2010. Our safety and operational performances, which were below expectations, contributed to lower production volumes and ounce output, against the backdrop of significant softening in commodity prices.

RBPlat made a headline loss of 60.4 cents per share for the six months ended 30 June 2015 compared to headline earnings of 116 cents per share for the six months ended 30 June 2014. 66% of this movement was attributable to the reduced average rand basket price (including revaluation of the pipeline) of R18 062/Pt oz from R21 148/Pt oz in the comparative period in 2014.

Tragically we suffered two fatal accidents during the reporting period, one at BRPM North shaft and one at our Styldrift I project. Subsequent to the reporting period we also had a fatal accident at our BRPM South shaft. On 6 July 2015 Mr Kayalethu Sidumo, working for RMS as a Winch Operator was fatally injured when he was struck by a scraper rope during scraping operations. Our deepest condolences go to the families, friends and colleagues of Mr Paquete, Mr Muchanga and Mr Sidumo. Detailed investigations into the fatal incidents have been undertaken and remedial action taken to prevent similar repeat incidents. These incidents occurred despite achieving a significant improvement in our lost time injury frequency rate and recording the lowest serious injury frequency rate since the inception of the BRPM joint venture.

Delivered tonnes for the reporting period ended 1.6% higher compared to the first half of 2014. Platinum and 4E ounce production was however, negatively impacted by a 5.2% reduction in the built-up head grade and a 3% reduction in tonnes milled due to two mill-related failures during the second quarter. Platinum and 4E ounce production amounted to 78.8koz and 122koz respectively, representing a 9% reduction. The reduction in tonnes milled combined with a 10.7% increase in total cash operating costs resulted in the cost per tonne milled increasing by 13.8% year-on-year.

Execution of the Styldrift I project progressed through a period during which the principal shaft and sinking contractor on the project (Shaft Sinkers) was unable to perform the work required as a result of its financial constraints. As a result, we gave notice of termination in January 2015 to Shaft Sinkers and in order to limit the impact of the termination and ensure as smooth a transition as possible we simultaneously engaged Aveng Mining (Aveng). Aveng took over the balance of the Shaft Sinkers scope of work as of mid-March 2015.

The RBPlat Board of directors (the Board) believes that it is imperative during a sustained depressed phase of a market cycle, as is currently being experienced, to maintain a strong and healthy balance sheet and to prepare the organization to maximize the uplift in the cycle that will inevitably follow.

Given the backdrop of this sustained depression in the PGM market which is expected to remain depressed in the medium term, the Board has made a strategic decision to materially reduce construction related activities and related capital expenditure at the Styldrift I project. It is not deemed appropriate to ramp up these high quality Merensky ounces into a currently depressed market at prevailing market prices, and neither is it deemed prudent to burden the balance sheet by raising further funding with its related excessively restrictive and/or dilutive terms and conditions that would apply in the current environment. The intent is to reduce the level of activities at Styldrift I to such an extent that expenditure could be serviced from excess cash flows generated from operations at RBPlat's existing BRPM operations as well as from revenue generated from on-reef development at Styldrift I. The Board will continuously monitor the situation and necessary adaptive decisions will be taken as market conditions change or improve.

At BRPM our Merensky Phase III replacement project remains ahead of schedule and below budget.

A settlement in respect of a taxation dispute between our wholly-owned subsidiary, Royal Bafokeng Resources (Pty) Ltd (RBR) and the South African Revenue Services (SARS) relating to the tax assessments for the 2008, 2009 and 2010 tax years, was reached. This settlement, further discussed under the financial capital section, provides closure to a long outstanding matter.

## Human capital

### Safety, health and wellness

Despite the ongoing improvements in our serious injury frequency rate (SIFR) and lost time injury frequency rate (LTIFR) safety metrics, we tragically suffered two fatal injuries during the period under review, one at BRPM North shaft and one at Styldrift I Main shaft.

- On 8 January 2015, Mr Amelio Paquete, working for JIC as a Winch Operator at North shaft, was fatally injured by a fall of ground incident
- On 21 April 2015, Mr Alberto Jose Muchanga, working for Aveng Mining as an Equipping Assistant, was fatally injured in a shaft related incident at the Styldrift I Main shaft.

Our SIFR and LTIFR reduced by 58.8% and 25% respectively, compared to the first half of 2014.

The principle of zero harm remains a key goal for RBPlat in achieving the company's strategic objective of operational excellence. In this regard we investigate every incident in order to improve our systems and procedures and remain committed to establishing a resilient working culture underpinned by continued improvement in the health and safety of our employees. We strive to achieve the principle that every employee must go home unharmed every day.

The BRPM clinic works constantly to get all the employees and contractors that are TB positive registered on the BRPM TB programme. We remain encouraged by the increase in the number of people screening and testing for TB, with 33 new cases of TB identified during the period under review and registered on the TB programme. Furthermore, we will be commencing a TB Outreach programme in the surrounding communities during the third quarter of 2015. All employees undergoing medical examinations are also counselled for HIV and AIDS. The counselling has two general objectives: (1) the prevention of HIV transmission and (2) the support of those affected directly and indirectly by HIV. As a company, we use our workplace wellness programmes to engage with employees and contractors in this regard.

### Labour relations

Employee relations remain healthy at RBPlat with constant dialog between management, organized labour and employees. Mining contracting companies at BRPM have now aligned their wage agreements with the five-year wage agreement between NUM and RBPlat.

## Manufactured capital

### Production

At BRPM operational flexibility was maintained with immediately stopable ore reserves (IMS) of 6.1km, which resulted in an IMS panel ratio of 1.67 panels per stoping team. Operational flexibility remains a key strategy to support increased productivity, higher grades and improved safety performance.

Safety stoppages during the past six months amounted to a loss of approximately 119kt tonnes milled or 14koz (4E), equating to a 250% increase in loss of production when compared to the corresponding period in 2014.

Tonnes delivered to the concentrator plant during the six months to 30 June 2015 increased by 1.6% to 1 178kt with a Merensky:UG2 proportion of 74.4% (H1 2014 – 78.3%). The concentrator plant however, did not mill all accessible stocks due to a failure of the primary mill drive gearboxes and the discharge trunnion bearing during June, which resulted in a stockpile of 95kt (10koz 4E) being accumulated. This stockpile will be depleted during the second half of 2015.

Labour efficiency measured in stoping $m^2$/crew and tonnes milled per total employee costed declined by approximately 6.5% compared to the corresponding period of 2014. This is attributed to the increased safety stoppages which directly impacted on stoping efficiencies and lower milled volumes due to the mill related failures experienced in the June month.

The built-up head grade of 4.03g/t (4E) achieved for the reporting period is 5% lower than the comparable period in 2014 as a result of:

- The built-up head grade of 3.87g/t (4E) reported in the first quarter of 2015 which was a function of an increase in the contribution of lower grade on-reef Merensky development mainly from BRPM Phase III and Styldrift I and stoping production being negatively impacted by the safety stoppages imposed on the operation subsequent to the fatal accident in January
- An increase in UG2 production to mitigate the impact of the stoppages on overall production volumes resulting in the net contribution to tonnes milled increasing to 27% from 22% year-on-year.

The built-up head grade improved to 4.18g/t (4E) during the second quarter of 2015 in line with our guided range for the 2015 year of 4.15g/t (4E) to 4.20g/t (4E). We expect that the built-up head grade will remain in this range for the remainder of 2015 as Merensky stoping production normalises and UG2 volumes reduce to approximately 22% of production.

Platinum group metal output decreased by 9% to 122.0koz (4E) and 78.8koz of platinum compared to the first half of 2014. The lower ounce output was attributable to the 5% reduction in the built-up head grade and a 3% lower mill throughput to 1 107kt.

Given the current Eskom power generation constraints, power management has been a key operational focus to minimise the impact of load curtailment on production. Our operational strategy involves load reduction by restricting metallurgical operations, specifically crushing, to enable underground operations to continue unaffected as and when load curtailment is implemented. To date this strategy has proven effective in managing the intermittent stage 1 and 2 load curtailments, with the direct impact being 312 hours of crusher plant downtime being successfully absorbed without negatively impacting on output. Stage 3 load curtailments, however, did impact on production with our milling section having to be stopped in addition to our crushing operations in order to meet the associated 20% power consumption reduction requirement from Eskom. A total of 34 hours of milling time was lost due to stage 3 load curtailments, equating to approximately 13kt of production losses. The indirect impact of the Eskom curtailments include reduced recovery, increased maintenance and repairs due to unscheduled stopping and starting of the BRPM concentrator plant and other mine equipment designed to run continuously.

**Operating costs**

Total cash operating costs increased by 10.7% from R1 109 million in the first half of 2014 to R1 228 million in the period under review. Cash operating cost per tonne milled increased by 13.8% from R983 to R1 119 per tonne due to mining inflationary pressures and the 3% lower mill throughput. The cash operating cost per platinum ounce and per 4E ounce ended 21.2% and 21.6% higher at R15 615 and R10 080 respectively, for the first six months of 2015 compared to R12 881 and R8 288 respectively, in the first half of 2014. This was a direct result of both the lower grade and throughput achieved.

**Capital expenditure**

Capital expenditure increased by R335 million or 42% from R806 million in the first half of 2014 to R1 141 million, with expansion and replacement capital expenditure increasing by R348 million and R10 million respectively. Stay-in-business (SIB) capital expenditure decreased by R23 million.

- SIB expenditure decreased from R77 million during the first half of 2014 to R54 million for the period under review primarily due to the completion of several large projects which include the North shaft chairlift project and the water treatment plant. We expect SIB to return to the range of 6% to 8% of cash operating costs during the second half of 2015
- The R10 million increase in replacement capital expenditure is mainly attributable to the Phase III Merensky replacement project in line with project construction requirements
- Expansion capital increased by R348 million (54%) mainly due to the increase in expenditure at the Styldrift I project, in line with the project execution schedule. Key expenditure areas included orders being placed for the manufacture of the primary mining equipment fleet, mechanical and structural equipment for shaft equipping and underground infrastructure. However, given the decision of the Board to scale back construction activities at Styldrift I, we expect a material reduction in our expansion capex for the second half of the year.

**BRPM project overview (Phase III)**

The Phase III project extends the North shaft Merensky decline system and associated infrastructure from 10 level to the mine boundary at 15 level. The project is ahead of schedule and ended the reporting period at 82% completion against a planned completion of 74%. Capital expenditure for the six months ended 30 June 2015 amounted to R89.6 million resulting in the total project expenditure to date of R837.4 million.

Project completion is forecast to conclude three months ahead of schedule in 2017 and project expenditure remains within budget.

**Styldrift I expansion project**

As at end of June 2015 the project had reached an overall completion of 55.8%, which was 0.9% below the planned completion of 56.7%. Capital expenditure for the period under review amounted to R980 million bringing the total project expenditure to R4.793 billion to date. The focus during the first half of this year has been on the completion of the Main shaft vertical equipping activities. We are pleased to announce that the Main shaft has been commissioned with the Rock Winder hoisting first rock on 29 June 2015.

Surface silos, offices, change houses and the lamp room have been commissioned and are operational.

Construction activities during the second half of the year, as stated earlier, will be limited to activities which can be funded from excess operational cash flows from BRPM as well as revenue generated from on-reef development at Styldrift I.

**BRPM concentrator upgrade**

Construction of the overland conveyor between Styldrift I and BRPM concentrator has progressed well during the period under review, with 44.0% of the scope having been completed. Execution of the BRPM 250ktpm concentrator upgrade project continued during the reporting period and has reached 46.0% with beneficial treatment plant capacity of 250ktpm planned to be achieved during the third quarter of 2015.

## Financial capital

RBPlat made a headline loss of 60.4 cents per share for the six months ended 30 June 2015 compared to headline earnings of 116 cents per share for the six months ended 30 June 2014. The main reasons explaining this negative movement of 176.4 cents per share are:

- A lower realised average rand basket price for the six months ended 30 June 2015. The impact of the reduced rand basket price is a loss of 74 cents per share
- The impact of a once-off current income tax (R50 million) and deferred tax (R60 million) expense for the settlement of a tax dispute with SARS relating to the RBR tax assessments for the 2008, 2009 and 2010 tax years. The impact of the once off tax adjustment is a loss of 57.5 cents per share
- Revenue for the six months ended 30 June 2014 included a positive revaluation of the pipeline of R98.7 million whilst the revaluation of the pipeline for the six months ended 30 June 2015 was a negative R12.8 million resulting in a total negative movement of R111.5 million. The impact of the revaluation of the pipeline is a loss of 42 cents per share.

The headline loss per share of 60.4 cents adjusted for an after tax effect of additional amortisation and depreciation charges of 16 cents per share related to a fair value adjustment as well as a once off tax charge of 57.5 cents per share as discussed above, resulted in normalised headline earnings per share of 13.1 cents.

Net revenue decreased by 22.1% from R1 826.5 million in the first half of 2014 to R1 422.6 million for the first half of 2015 due to a 14.6% decrease in the average rand basket price to R18 062 per platinum ounce in the first half of 2015 compared to R21 148 in 2014 and an 8.8% decrease in platinum ounces produced due to intermittent stoppages at the mining and processing operations.

BRPM's average cash operating cost per platinum ounce increased by 21.2% from R12 881 to R15 615 due to an 8.8% decrease in platinum ounce production, the front-end loading of the wage increases in terms of the five-year wage agreement and above inflation utility increases.

Our gross profit margin reduced by 97.8% from 26.8% to 0.6% for the period ended 30 June 2015. This was due to the 22.1% decrease in net revenue and a 5.7% increase in total cost of sales for the six months ended 30 June 2015.

Depreciation and amortisation charges included in cost of sales were in line with those of the comparative period in 2014. Earnings before interest, tax, depreciation and amortisation (EBITDA) as a percentage of revenue decreased from 34.0% to 11.1% in the first half of 2015 as a result of the decrease in the rand basket price as well as an increase in cash operating costs and administration costs.

Our other income increased by R27.4 million from R8.2 million in the first half of 2014 to R35.6 million for the period under review. The increase is due to the increase in the Impala royalty income from R2.2 million in 2014 (as a result of the industrial action during the first five months of 2014) to R22.2 million for the six months ended 30 June 2015. Other income for the reporting period also included a gain of R10.9 million on the fair value of forward exchange contracts (FECs) (ZAR:USD and Euro FECs) entered into in 2015, mainly to hedge Euro exposure for acquiring equipment from Europe for our Styldrift I project.

Finance income increased by R21.7 million to R62.9 million due to the increased cash on hand as a result of the book build and rights offer completed in March 2014.

During the period under review land was purchased for Phase 2 of the RBPlat employee housing project. Funding for these houses was secured with the Public Investment Corporation (PIC) in early 2015. The PIC housing facility was utilised to fund the acquisition of the land for Phase 2 as well as a cell captive investment of R30 million. At 30 June 2015, the balance on the PIC housing facility was R334.2 million made up of drawdowns of R326.8 million, transaction costs capitalised of R3.4 million and interest capitalised of R4 million. The PIC housing facility is ring-fenced to the RBPlat housing project assets as security with no recourse to the BRPM JV business.

Finance costs increased from R3.0 million to R7.4 million mainly due to R4 million interest expense on the PIC housing facility.

Our administration expenses increased by R10.7 million to R88.6 million compared to the same period last year. The main reason for the increase relates to the inclusion of R12.4 million (compared to R3.6 million for the six months ended 30 June 2014) related to the RBPlat housing project.

The income tax charge increased to R67.0 million mainly due to the inclusion of a R50 million once-off charge relating to the 2008, 2009 and 2010 tax settlement as well as an increase in income tax due to increased interest income and increased non-mining income mainly as a result of the increased Impala royalty income. Deferred tax decreased by R76.8 million from R128.4 million for the six months ended 30 June 2014 to R51.6 million in 2015 due to reduced mining income. The R51.6 million deferred tax expense includes a R60 million once-off charge relating to the 2008, 2009 and 2010 tax settlement and a deferred tax credit of R8 million as a result of mining losses for the six months ended 30 June 2015.

During the six months ended 30 June 2015 the Group decreased its cash and cash equivalents by R552 million as the capital expenditure on the Styldrift I project increased in line with the previously planned increase in construction activities.

At 30 June 2015 the RBPlat Group had cash and near cash investments of R1 312.2 million of which R42.4 million is ring-fenced for the RBPlat housing project. The Group has a R458 million working capital facility of which R152.5 million has been utilised for guarantees at 30 June 2015.

## Social and relationship capital

### Housing

Phase 1 of our housing project has been completed with Phase 2 having commenced with the purchase of the land during the period under review. RBPlat is in the process of finalising the construction agreement for the Phase 2 employee houses.

## Natural capital

RBPlat recognises that climate change is an important global and local issue that requires urgent attention from all members of society. If unmitigated it could undermine global poverty alleviation efforts and have severe implications for food security, clean water, energy supply, and environmental health. As a result addressing the causes and adapting to the impacts of climate change is core to our strategy.

As a platinum group metals producer, we recognise that our activities have an impact on climate change through the production and release of greenhouse gas (GHG) emissions, which contribute to global climate change.

Our Board has therefore approved a climate change policy and strategy and adopted water and energy efficiency targets. Our climate change strategy is implemented to ensure that our business is proactively managing its climate change risks and opportunities. We are in the process of developing detailed plans to meet these targets.

## Market review

The platinum price declined by 11% over the first half of the year, outperforming palladium which fell 16% and rhodium which plummeted by 30%. The strong US dollar and slowing global economic growth have negatively impacted commodity prices in 2015. During the first six months of the year, the rand averaged R11.92:$1 compared to an average of R10.70:$1 for the comparative period in 2014, while the South African 4E PGM average basket price declined 3% to R12 277/4E oz over the same period and has continued to fall in July 2015.

South African mining costs have risen above the rate of inflation for several years and the decline in the basket price has resulted in a significant proportion of production becoming uneconomic even before stay-in-business capital expenditure is taken into account. The mining companies had been ramping up production in order to maximise their cash flow following last year's strike, while minimising capital expenditure and other costs. However, the continued decline in the basket price has now forced a response to reduce financial losses. While South African platinum production is forecast to continue to recover from last year's strike, driving a strong recovery in global primary supply in 2015, further unprofitable production in the sector may be cut leaving refined production below 2013 levels.

Gross demand growth for platinum this year is anticipated to be 4%, with increases seen in autocatalyst and industrial uses. Rising global light vehicle sales and the implementation of Euro 6 legislation in Western Europe will result in increased demand for platinum in autocatalysts in 2015. Western Europe and India, the leading diesel markets, are projected to see stronger auto sales growth this year. Auto sales in North America have remained buoyant, but sales in China have slowed down and the expected annual sales growth has been cut to 3%. China accounts for over 20% of palladium auto demand and slower growth has impacted the metal price.

Jewellery demand is not expanding as much as might be expected given the recent fall in the price of platinum. China represents two thirds of global platinum jewellery demand and buying there has stalled. If the Chinese economy continues to slowdown, jewellery demand could fall short of 2014's level. Outside China, jewellery demand is expected to rise modestly.

Platinum secondary supply is expected to grow in 2015, however, the recent sharp decline in PGM prices could negatively impact collection rates and result in lower than anticipated levels of recycling. It is unlikely that the global platinum supply will meet platinum demand this year, but the market will be much closer to balance than in 2014. Available stocks seem to be more than adequate to meet the shortfall at present.

The palladium market is projected to remain in deficit in 2015, but the deficit is narrowing as South African output recovers, recycling grows and auto sales growth slows in China and North America, which are the major gasoline engine markets that predominantly use palladium and rhodium in three-way catalysts. The rhodium market is experiencing a similar dynamic to palladium, resulting in the market having a much smaller deficit this year. The introduction of Euro 6 legislation for light vehicles in Europe has resulted in rhodium use in diesel lean NOx traps for the first time which will add to demand in the next few years.

## Outlook

We are focused on achieving operational excellence in our core business of mining at BRPM, with an increased focus on improving safety, increasing our Merensky contribution, productivity improvements, grade control and strict cost management. Given the challenges we experienced in the first six months of the year, our guidance is towards the bottom range of the previously communicated guidance of 2.4 – 2.5Mt. Our grade is guided to be around 4.15g/t, yielding 275 – 285koz (4E).

Demand growth for platinum this year is anticipated to be 4%, with increases seen in autocatalyst and industrial uses. However, the platinum price, together with the prices for the other platinum group metals, is expected to remain depressed for the remainder of the year and into the foreseeable future.

As a result of prevailing weak market conditions, the Board has taken a decision to materially reduce construction activities and related capital expenditure at Styldrift I. The prevailing and forecast market conditions will require close monitoring of business expenditure and expenditure patterns in order to maintain a healthy balance sheet and to preserve cash in the business through an even more enhanced focus throughout the RBPlat Group on:

- Operational cost savings
- Capital deferment
- Improving efficiencies and productivity
- Reviewing our Merensky and UG2 mix
- Rescheduling and restructuring of mining operations.

# CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

as at 30 June 2015

| | Notes | 30 June 2015 Reviewed R (million) | 30 June 2014 Reviewed R (million) | 31 December 2014 Audited R (million) |
|---|---|---|---|---|
| **ASSETS** | | | | |
| **Non-current assets** | | **21 231.6** | 19 150.4 | 19 960.5 |
| Property, plant and equipment | | **11 844.4** | 10 185.4 | 10 889.5 |
| Employee housing assets | 4 | **260.4** | – | – |
| Mineral rights | | **6 490.3** | 6 553.9 | 6 518.4 |
| Goodwill | | **2 275.1** | 2 275.1 | 2 275.1 |
| Environmental trust deposits | | **119.1** | 111.5 | 113.6 |
| Employee housing receivable | 5 | **136.6** | – | 99.4 |
| Employee housing benefit | | **47.9** | – | 36.9 |
| Other non-current assets | 6 | **30.0** | – | – |
| Deferred tax asset | | **27.8** | 24.5 | 27.6 |
| **Current assets** | | **2 831.2** | 3 797.6 | 3 543.4 |
| Employee housing receivable | 5 | **13.0** | – | 9.4 |
| Employee housing assets | 4 | **10.5** | 93.4 | 54.8 |
| Employee housing benefit | | **4.0** | – | 3.0 |
| Inventories | | **97.7** | 62.1 | 51.7 |
| Trade and other receivables | | **1 393.8** | 1 427.3 | 1 558.0 |
| Current tax receivable | | **–** | 4.9 | 2.3 |
| Cash and cash equivalents | 10 | **1 312.2** | 2 209.9 | 1 864.2 |
| **Total assets** | | **24 062.8** | 22 948.0 | 23 503.9 |
| **EQUITY AND LIABILITIES** | | | | |
| **Total equity** | | **18 117.9** | 17 818.3 | 18 196.3 |
| Share capital | | **1.9** | 1.9 | 1.9 |
| Share premium | | **9 366.1** | 9 317.9 | 9 329.2 |
| Retained earnings | | **4 215.1** | 4 096.9 | 4 330.7 |
| Share-based payment reserve | | **169.1** | 158.2 | 176.6 |
| Non-distributable reserve | | **71.8** | – | 71.8 |
| Non-controlling interest | | **4 293.9** | 4 243.4 | 4 286.1 |
| **Non-current liabilities** | | **4 964.4** | 4 462.3 | 4 574.9 |
| Deferred tax liability | | **4 538.5** | 4 390.0 | 4 486.7 |
| PIC housing facility | 7 | **334.2** | – | – |
| Long-term provisions | | **91.7** | 72.3 | 88.2 |
| **Current liabilities** | | **980.5** | 667.4 | 732.7 |
| Trade and other payables | | **966.5** | 654.5 | 726.1 |
| Employee housing facility | | **–** | 12.9 | 6.6 |
| Current tax payable | | **14.0** | – | – |
| **Total equity and liabilities** | | **24 062.8** | 22 948.0 | 23 503.9 |

The notes on pages 16 to 21 form an integral part of these condensed consolidated interim financial statements.

# CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

for the six months ended 30 June 2015

| | | For the six months ended | | | Year ended |
|---|---|---|---|---|---|
| | Notes | 30 June 2015 Reviewed R (million) | 30 June 2014 Reviewed R (million) | % change | 31 December 2014 Audited R (million) |
| Revenue | 12 | **1 422.6** | 1 826.5 | (22.1) | 3 767.5 |
| Cost of sales | 13 | **(1 414.3)** | (1 337.6) | (5.7) | (2 902.2) |
| Cost of sales excl depreciation and amortisation | | **(1 254.9)** | (1 158.5) | (8.3) | (2 477.5) |
| Depreciation and amortisation | | **(200.9)** | (200.9) | 0.0 | (435.1) |
| Increase in inventories | | **41.5** | 21.8 | 90.4 | 10.4 |
| **Gross profit** | | **8.3** | 488.9 | (98.3) | 865.3 |
| Other income | | **35.6** | 8.2 | 334.1 | 25.2 |
| Administration expenses | | **(88.6)** | (77.9) | (13.7) | (137.3) |
| Corporate office | | **(76.2)** | (74.3) | (2.6) | (122.2) |
| Housing project | | **(12.4)** | (3.6) | (244.4) | (15.1) |
| Finance income | | **62.9** | 41.2 | 52.7 | 96.4 |
| Finance costs | | **(7.4)** | (3.0) | (146.7) | (5.1) |
| **Profit before tax** | | **10.8** | 457.4 | (97.6) | 844.5 |
| Income tax expense | | **(118.6)** | (135.1) | (12.2) | (245.7) |
| Income tax | | **(67.0)** | (6.7) | (900.0) | (23.7) |
| Deferred tax | | **(51.6)** | (128.4) | 59.8 | (222.0) |
| **Net (loss)/profit for the period** | | **(107.8)** | 322.3 | (133.4) | 598.8 |
| Other comprehensive income | | **–** | – | – | – |
| **Total comprehensive (loss)/income** | | **(107.8)** | 322.3 | (133.4) | 598.8 |
| Attributable to owners of the Company | | **(115.6)** | 207.1 | (155.8) | 440.9 |
| Attributable to non-controlling interest | | **7.8** | 115.2 | (93.2) | 157.9 |
| **Basic (loss)/earnings per share (cents/share)** | 11 | **(60.4)** | 116.0 | (152.1) | 238.6 |
| **Diluted (loss)/earnings per share (cents/share)** | 11 | **(60.4)** | 115.8 | (152.2) | 238.0 |
| **Headline (loss)/earnings per share (cents/share)** | 11 | **(60.4)** | 116.0 | (152.1) | 238.6 |

The notes on pages 16 to 21 form an integral part of these condensed consolidated interim financial statements.

# CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2015

| | Number of shares issued | Ordinary shares R (million) | Share premium R (million) | Share-based payment reserve R (million) | Non-distributable reserves R (million) | Retained earnings/ (loss) R (million) | Attributable to owners of the Company R (million) | Non-controlling interest R (million) | Total R (million) |
|---|---|---|---|---|---|---|---|---|---|
| **Balance at 1 January 2014** | 164 459 662 | 1.7 | 7 808.9 | 157.7 | – | 3 889.8 | 11 858.1 | 4 128.2 | 15 986.3 |
| Share-based payment charge for the six months | – | – | – | 29.8 | – | – | 29.8 | – | 29.8 |
| Mahube ordinary shares vested 31 March 2014 | 187 971 | – | 12.2 | (12.2) | – | – | – | – | – |
| 2011 BSP shares vested in March/ April 2014 | 263 029 | – | 17.1 | (17.1) | – | – | – | – | – |
| Issue of shares – bookbuild | 11 290 323 | 0.1 | 699.9 | – | – | – | 700.0 | – | 700.0 |
| Issue of shares – rights offer | 14 545 455 | 0.1 | 799.9 | – | – | – | 800.0 | – | 800.0 |
| Costs relating to issue of shares capitalised | – | – | (21.5) | – | – | – | (21.5) | – | (21.5) |
| Rights followed on treasury shares | – | – | (6.5) | – | – | – | (6.5) | – | (6.5) |
| Share options exercised | 158 089 | – | 7.9 | – | – | – | 7.9 | – | 7.9 |
| Total comprehensive income | – | – | – | – | – | 207.1 | 207.1 | 115.2 | 322.3 |
| **Balance at 30 June 2014 Reviewed** | **190 904 529** | **1.9** | **9 317.9** | **158.2** | **–** | **4 096.9** | **13 574.9** | **4 243.4** | **17 818.3** |
| Share-based payment charge for the six months | – | – | – | 18.4 | – | – | 18.4 | – | 18.4 |
| Share options exercised | 226 128 | – | 11.3 | – | – | – | 11.3 | – | 11.3 |
| RPM contribution to housing fund | – | – | – | – | 71.8 | – | 71.8 | – | 71.8 |
| Total comprehensive income | – | – | – | – | – | 233.8 | 233.8 | 42.7 | 276.5 |
| **Balance at 31 December 2014 Audited** | 191 130 657 | 1.9 | 9 329.2 | 176.6 | 71.8 | 4 330.7 | 13 910.2 | 4 286.1 | 18 196.3 |
| Share-based payment charge for the six months | – | – | – | 29.4 | – | – | 29.4 | – | 29.4 |
| Mahube ordinary shares vested 31 March 2015 | 187 971 | – | 12.2 | (12.2) | – | – | – | – | – |
| 2012 BSP shares vested in April 2015 | 424 985 | – | 24.7 | (24.7) | – | – | – | – | – |
| Total comprehensive income | – | – | – | – | – | (115.6) | (115.6) | 7.8 | (107.8) |
| **Balance at 30 June 2015 Reviewed** | **191 743 613** | **1.9** | **9 366.1** | **169.1** | **71.8** | **4 215.1** | **13 824.0** | **4 293.9** | **18 117.9** |

The notes on pages 16 to 21 form an integral part of these condensed consolidated interim financial statements.

# CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

for the six months ended 30 June 2015

| | | For the six months ended | | | Year ended |
|---|---|---|---|---|---|
| | Notes | 30 June 2015 Reviewed R (million) | 30 June 2014 Reviewed R (million) | % change | 31 December 2014 Audited R (million) |
| *Cash flows from operating activities* | | | | | |
| Cash generated by operations | | **538.5** | 747.4 | (28.0) | 1 358.5 |
| Interest paid | | **(4.5)** | (0.8) | (462.5) | (1.1) |
| Interest received | | **48.3** | 35.2 | 37.2 | 80.3 |
| Dividend received | | **4.1** | 5.7 | (28.1) | 14.2 |
| RBR 2008/2009/2010 tax settlement – First payment | | **(33.8)** | – | (100.0) | – |
| Tax paid | | **(16.8)** | (11.0) | 52.7 | (25.4) |
| **Net cash flow generated by operating activities** | | **535.8** | 776.5 | (31.0) | 1 426.5 |
| *Cash flows from investing activities* | | | | | |
| Acquisition of property, plant and equipment | | **(1 122.2)** | (784.0) | (43.1) | (1 675.6) |
| Acquisition of employee housing assets | | **(260.4)** | (46.9) | (455.2) | (138.2) |
| Acquisition of other non-current assets | | **(30.0)** | – | (100.0) | – |
| Increase in environmental trust deposits | | **(2.8)** | – | (100.0) | (0.1) |
| **Net cash flow utilised by investing activities** | | **(1 415.4)** | (830.9) | (70.3) | (1 813.9) |
| *Cash flows from financing activities* | | | | | |
| Issue of ordinary shares net of cost | | **–** | 1 478.5 | (100.0) | 1 478.5 |
| Costs relating to rights followed on treasury shares | | **–** | – | – | (6.4) |
| Increase in PIC housing facility | 7 | **334.2** | – | 100.0 | – |
| (Decrease)/increase in employee housing facility | | **(6.6)** | 12.9 | (151.2) | 6.6 |
| **Net cash flow generated by financing activities** | | **327.6** | 1 491.4 | (78.0) | 1 478.7 |
| Net (decrease)/increase in cash and cash equivalents | | **(552.0)** | 1 437.0 | (138.4) | 1 091.3 |
| Cash and cash equivalents at beginning of period | | **1 864.2** | 772.9 | 141.2 | 772.9 |
| **Cash and cash equivalents at end of period** | 10 | **1 312.2** | 2 209.9 | (40.6) | 1 864.2 |

The notes on pages 16 to 21 form an integral part of these condensed consolidated interim financial statements.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

for the six months ended 30 June 2015

## 1 Basis of preparation

The condensed consolidated interim financial statements are prepared in accordance with and containing information required by the International Financial Reporting Standards, IAS 34 Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the Companies Act of South Africa. The accounting policies applied in the preparation of these interim financial statements are in terms of International Financial Reporting Standards and are consistent with those applied in the previous consolidated annual financial statements.

## 2 Accounting policies

The condensed consolidated interim financial statements have been prepared under the historical cost convention. The principal accounting policies used by the Group are consistent with those of the previous period, except for the adoption of various revised and new standards. The adoption of these standards had no material impact on the financial results of this review period.

The following standards, amendments and interpretations are effective and had no impact on the interim financial statements:

– Annual improvements to IFRS 2010 to 2012 cycle.

## 3 Independent review by the auditors

These condensed consolidated interim financial statements have been reviewed by PricewaterhouseCoopers Inc., who expressed an unmodified conclusion thereon. A copy of the auditor's report on the condensed consolidated interim financial statements is available for inspection at the company's registered office, together with the financial statements identified in the auditor's report. The preparation of these interim financial statements was supervised by the Finance Director, Mr MJL Prinsloo (CA)SA.

## 4 Employee housing assets

During the period under review, land was acquired for Phase 2 of the RBPlat employee housing project.

## 5 Employee housing receivable

| | **30 June 2015 Reviewed R (million)** | 30 June 2014 Reviewed R (million) |
|---|---|---|
| Opening balance | **108.8** | – |
| Houses sold to employees during the six months (inclusive of VAT) | **50.5** | – |
| Interest capitalised (including fair value interest adjustment) | **4.9** | – |
| Employee housing benefit reallocation | **(14.6)** | – |
| Closing balance | **149.6** | – |
| *Split between:* | | |
| Non-current portion of employee housing receivable | **136.6** | – |
| Current portion of employee housing receivable | **13.0** | – |

## 6 Other non-current assets

Other non-current assets consist of a R30 million cell captive investment relating to the RBPlat employee housing project.

## 7 PIC housing facility

| | 30 June 2015 Reviewed R (million) | 30 June 2014 Reviewed R (million) |
|---|---|---|
| Opening balance | – | – |
| Plus: Draw downs | **326.8** | – |
| Plus: Transaction costs | **3.4** | – |
| Plus: Interest charge | **4.0** | – |
| Closing balance | **334.2** | – |

During the period under review the PIC housing facility was used to fund the acquisition of land for Phase 2 of the RBPlat employee housing project as well as the cell captive investment referred to in note 6. Security for the PIC housing facility is ring-fenced to the RBPlat employee housing project assets with no recourse to the BRPM JV business.

## 8 Capital commitments

Capital commitments relate to the Styldrift I and BRPM Phase III projects.

| | 30 June 2015 Reviewed R (million) | 30 June 2014 Reviewed R (million) |
|---|---|---|
| Contracted commitments | **1 675.1** | 1 012.5 |
| Approved expenditure not yet contracted for | **5 021.6** | 5 648.0 |
| | **6 696.7** | 6 660.5 |

The amount for contracted commitments is being reviewed in light of the Board's decision to materially reduce the expansion capex for Styldrift I. This will result in the amount for approved expenditure not yet contracted for to be amended accordingly.

The capital commitments reflect 100% of the BRPM JV project commitments. In terms of the BRPM JV Agreement, Royal Bafokeng Resources (Pty) Ltd must fund 67% thereof and Rustenburg Platinum Mines Ltd (RPM) the remaining 33%.

Should either party elect not to fund their share, their interest will be diluted according to the terms of the BRPM JV Agreement.

## 9 Contingencies

### 9.1 Guarantees

| | 30 June 2015 Reviewed R (million) | 30 June 2014 Reviewed R (million) |
|---|---|---|
| Eskom guarantee to secure power supply for Styldrift I | **17.1** | 17.1 |
| Eskom early termination guarantee for the Styldrift I | **17.5** | 17.5 |
| Eskom connection charges guarantee for the Styldrift I | **40.0** | 40.0 |
| Anglo American Platinum guarantee for environmental rehabilitation liability | **77.5** | 77.5 |
| Rental guarantee | **0.4** | 0.4 |
| Employee housing guarantee | – | 93.5 |
| | **152.5** | 246.0 |

### 9.2 Tax settlement

A settlement has been reached in respect of the dispute referred to in note 21.5 to the 2014 consolidated annual financial statements of RBPlat, between its wholly-owned subsidiary, Royal Bafokeng Resources Proprietary Limited (RBR) and the South African Revenue Services (SARS) relating to the tax assessments for the 2008, 2009 and 2010 tax years. The settlement comprises a R50 million up-front cash payment (included in the income tax expense as a prior year adjustment) followed by a further R60 million tax payment (included in deferred tax expense as a prior year adjustment) to SARS in future, when and to the extent that RBR moves into a net mining tax paying position which is not anticipated to occur before 2019.

## 10 Available funds

RBPlat had cash and near cash investments on hand at 30 June 2015 of R1 312.2 million. Included in the R1 312.2 million cash balance is restricted cash of R42.4 million ring-fenced for the RBPlat housing project. The Group has an intra-month funding working capital requirement which is met through a R458 million working capital facility of which R152.5 million has been utilised for guarantees at 30 June 2015.

## 11 Basic and headline (loss)/earnings

| | For the six months ended | |
|---|---|---|
| | **30 June 2015 Reviewed** | 30 June 2014 Reviewed |
| Basic (loss)/earnings – attributable to owners of the Company R (million) | **(115.6)** | 207.1 |
| Adjustments net of tax | **–** | – |
| Headline (loss)/earnings R (million) | **(115.6)** | 207.1 |
| Weighted average number of ordinary shares in issue for basic and headline earnings per share | **191 424 876** | 178 530 999 |
| Basic (loss)/earnings per share (cents/share) | **(60.4)** | 116.0 |
| Diluted (loss)/earnings per share (cents/share) | **(60.4)** | 115.8 |
| Headline (loss)/earnings per share (cents/share) | **(60.4)** | 116.0 |
| Diluted headline (loss)/earnings per share (cents/share) | **(60.4)** | 115.8 |

## 12 Revenue

| | For the six months ended | |
|---|---|---|
| | **30 June 2015 Reviewed R (million)** | 30 June 2014 Reviewed R (million) |
| Concentrate sales – production from BRPM concentrator | **1 184.0** | 1 619.3 |
| UG2 toll concentrate sales | **238.6** | 207.2 |
| | **1 422.6** | 1 826.5 |

## 13 Cost of sales

| | For the six months ended | |
|---|---|---|
| | **30 June 2015 Reviewed R (million)** | 30 June 2014 Reviewed R (million) |
| Labour | **450.9** | 408.9 |
| Utilities | **104.3** | 90.3 |
| Contractor costs | **292.1** | 256.0 |
| Materials and other mining costs | **352.3** | 331.3 |
| Materials and other mining costs – BRPM JV | **380.5** | 353.9 |
| Elimination of intergroup charges | **(28.2)** | (22.6) |
| Movement in inventories | **(41.5)** | (21.8) |
| Depreciation | **172.8** | 171.1 |
| Amortisation | **28.1** | 29.8 |
| Share-based payment expense | **14.0** | 15.2 |
| Social and labour plan expenditure | **31.6** | 45.3 |
| State royalties | **4.8** | 6.1 |
| Other | **4.9** | 5.4 |
| | **1 414.3** | 1 337.6 |

## 14 Related party transactions

| | For the six months ended | |
|---|---|---|
| | **30 June 2015 Reviewed R (million)** | 30 June 2014 Reviewed R (million) |
| Amount owing by RPM for concentrate sales | **1 112.9** | 1 298.5 |
| Amount owing to RPM for contribution to BRPM JV | **626.1** | 267.6 |
| Amount owing by Impala Platinum Limited to BRPM JV | **11.4** | – |
| *Transactions during the six months:* | | |
| Concentrate sales to RPM | **1 422.6** | 1 826.5 |
| Impala Platinum Limited royalty income | **22.2** | 2.2 |
| Transactions with Fraser Alexander for rental of mining equipment, maintenance of tailings dam and operation of sewage plant | **5.7** | 2.9 |
| Royal Marang Hotel for accommodation and conferences | **0.5** | 0.3 |
| Geoserve Exploration Drilling Company for exploration drilling | **3.2** | 6.2 |
| Trident South Africa (Pty) Ltd for steel supplies | **0.9** | 0.8 |
| Tarsus Technologies for electronic equipment purchases | **–** | 1.4 |
| Mtech Industrial for the supply and installation of heat pumps | **1.6** | – |
| Fee paid to RBH in respect of rights offer | **–** | 4.2 |
| Fees paid to non-executive directors (RBH/Mogs) | **0.4** | 0.1 |

## 15 Dividends

No dividends have been declared or proposed in the current period (2014: nil).

## 16 Financial risk management

### *Financial risk factors: Fair value determination*

The table below analyses financial instruments at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset and liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3)

The following table presents the environmental trust deposit that is measured at fair value and the employee housing receivable that is measured at amortised cost but for which fair value disclosure is provided at 30 June.

| | Level 1 R (million) | Level 2 R (million) | Level 3 R (million) |
|---|---|---|---|
| *Financial assets at fair value through profit or loss:* | | | |
| Environmental trust deposits [1] | | | |
| 2015 | – | 111.7 | – |
| 2014 | – | 106.9 | – |
| *Financial assets at amortised cost:* | | | |
| Employee housing receivable [2] | | | |
| 2015 | – | – | 149.6 |
| 2014 | – | – | – |

[1] *This was valued using the level 2 fair values which are directly derived from the Shareholders Weighted Top 40 Index (Swix 40) on the JSE and the Bettabeta CIS Bgreen portfolio exchange traded fund*

[2] *The fair value was determined using a discounted cash flow model*

## 17 Segmental reporting

The Group is currently operating one mine with two decline shafts and the Styldrift I project. These operations are located in the North West province of South Africa. With the increase in the capital spend and progress on the Styldrift I project, it was decided to show BRPM and Styldrift I as separate segments. In addition, due to the different nature and significance of the employee home ownership scheme, it was decided to show housing as a seperate segment.

The Executive Committee of the Company is regarded as the chief operating decision-maker.

### 17.1 Segmental statement of financial position

| | Reviewed | | | | | | Reviewed | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at 30 June 2015 | | | | | | As at 30 June 2014 | | | |
| | BRPM mining segment (A) R (million) | Styldrift mining segment (B) R (million) | BRPM JV mining segment (A + B) R (million) | RBPlat housing segment R (million) | Corporate office and consolid-ation adjustment R (million) | Total at 30 June 2015 R (million) | BRPM JV mining segment R (million) | RBPlat housing segment R (million) | Corporate office and consolid-ation adjustment R (million) | Total at 30 June 2014 R (million) |
| Non-current assets | 4 585.0 | 5 091.5 | 9 676.5 | 475.3 | 11 079.8 | 21 231.6 | 7 857.8 | – | 11 292.6 | 19 150.4 |
| Current assets | 1 625.1 | 44.6 | 1 669.7 | 115.2 | 1 046.3 | 2 831.2 | 1 826.2 | 93.4 | 1 878.0 | 3 797.6 |
| Total assets per statement of financial position | 6 210.1 | 5 136.1 | 11 346.2 | 590.5 | 12 126.1 | 24 062.8 | 9 684.0 | 93.4 | 13 170.6 | 22 948.0 |
| Non-current liabilities | 79.0 | 12.7 | 91.7 | 334.2 | 4 538.7 | 4 964.6 | 72.3 | – | 4 390.0 | 4 462.3 |
| Current liabilities | 649.3 | 78.7 | 728.0 | 273.0 | (20.7) | 980.3 | 547.8 | 113.2 | 6.4 | 667.4 |
| Total liabilities per statement of financial position | 728.3 | 91.4 | 819.7 | 607.2 | 4 518.0 | 5 944.9 | 620.1 | 113.2 | 4 396.4 | 5 129.7 |

## 17.2 Segmental statement of comprehensive income

| | For the six months ended 30 June 2015 | | | | | | For the six months ended 30 June 2014 | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | BRPM mining segment (A) R (million) | Styldrift mining segment (B) R (million) | BRPM JV mining segment (A + B) R (million) | RBPlat housing segment R (million) | Corporate office and consolid-ation adjustment R (million) | Total R (million) | BRPM JV mining segment R (million) | RBPlat housing segment R (million) | Corporate office and consolid-ation adjustment R (million) | Total R (million) |
| Concentrate sales | 1 421.3 | 1.3 | 1 422.6 | – | – | 1 422.6 | 1 826.5 | – | – | 1 826.5 |
| Cost of sales | (1 347.6) | (9.3) | (1 356.9) | – | (57.4) | (1 414.3) | (1 274.3) | – | (63.3) | (1 337.6) |
| Cost of sales excluding depreciation and amortisation | (1 269.1) | (9.1) | (1 278.2) | – | 23.3 | (1 254.9) | (1 175.0) | – | 16.5 | (1 158.5) |
| Depreciation | (120.0) | (0.2) | (120.2) | – | – | (120.2) | (121.1) | – | – | (121.1) |
| Additional depreciation and amortisation on purchase price allocation of mining assets | – | – | – | – | (80.7) | (80.7) | – | – | (79.8) | (79.8) |
| Movement in inventories | 41.5 | – | 41.5 | – | – | 41.5 | 21.8 | – | – | 21.8 |
| **Gross profit/(loss) per segment and total** | **73.7** | **(8.0)** | **65.7** | **–** | **(57.4)** | **8.3** | 552.2 | – | (63.3) | 488.9 |
| Other income | 35.0 | – | 35.0 | 0.6 | | 35.6 | 8.2 | – | – | 8.2 |
| Total administration expenditure | – | – | – | (12.4) | (76.2) | (88.6) | – | (3.6) | (74.3) | (77.9) |
| Net finance income | 4.0 | 0.2 | 4.2 | 8.9 | 42.4 | 55.5 | 3.4 | – | 34.8 | 38.2 |
| **Profit/(loss) before tax per segment and total** | **112.7** | **(7.8)** | **104.9** | **(2.9)** | **(91.2)** | **10.8** | 563.8 | (3.6) | (102.8) | 457.4 |
| Taxation | – | – | – | – | (118.6) | (118.6) | | | (135.1) | (135.1) |
| **Profit/(loss) after tax** | **112.7** | **(7.8)** | **104.9** | **(2.9)** | **(209.8)** | **(107.8)** | 563.8 | (3.6) | (237.9) | 322.3 |
| Attributable to owners of the Company | | | | | | (115.6) | | | | 207.1 |
| Attributable to non-controlling interest | | | | | | 7.8 | | | | 115.2 |
| **17.3 Segmental statement of cash flows** | | | | | | | | | | |
| **Net cash flow generated/(utilised) by operating activities** | **355.5** | **0.7** | **356.2** | **(5.5)** | **185.1** | **535.8** | 803.5 | (13.1) | (13.9) | 776.5 |
| **Net cash flow (utilised)/generated by investing activities** | **(260.5)** | **(882.8)** | **(1 143.3)** | **(290.4)** | **18.3** | **(1 415.4)** | (806.1) | (46.9) | 22.1 | (830.9) |
| **Net cash flow (utilised)/generated by financing activities** | **(203.6)** | **882.1** | **678.5** | **335.4** | **(686.3)** | **327.6** | 173.6 | 60.0 | 1 257.8 | 1 491.4 |
| **Cash and cash equivalents at beginning of period** | **411.4** | **–** | **411.4** | **2.9** | **1 449.9** | **1 864.2** | 195.0 | – | 577.9 | 772.9 |
| **Cash and cash equivalents at end of period** | **302.8** | **–** | **302.8** | **42.4** | **967.0** | **1 312.2** | 366.0 | – | 1 843.9 | 2 209.9 |

# COMPANY INFORMATION

### Company registered office

Royal Bafokeng Platinum Limited
Registration number: 2008/015696/06
Share code: RBP
ISIN: ZAE000149936

The Pivot
No. 1 Monte Casino Boulevard
Block C
4th Floor
Fourways
Johannesburg
2021

PO Box 2283
Fourways
2055
South Africa

### Executive directors

SD Phiri (Chief Executive Officer)
MJL Prinsloo (Chief Financial Officer)

### Independent non-executive directors

Adv KD Moroka SC (Chairman)
Prof L de Beer
RG Mills
MJ Moffett
T Mokgosi-Mwantembe
MH Rogers
L Stephens

### Non-executive directors

LM Ndala
DR Wilson

### Company Secretary

Lester Jooste (ACIS)
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Telephone: +27 10 590 4519
Telefax: +27 086 572 8047

### Public Officer

Reginald Haman
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### Investor relations

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### Independent external auditors

PricewaterhouseCoopers Inc
2 Eglin Road
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### Transfer Secretaries

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Proprietary Limited
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### Sponsor

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