IMPLATS
Distinctly Platinum

Consolidated interim results (reviewed) for the six months ended 31 December 2014

Our vision

Our vision is to be the world's best platinum-producing company, delivering superior returns to stakeholders relative to our peers.

Our mission

To safely mine, process, refine, recycle and market our products at the best possible cost, ensuring sustainable value creation for all our stakeholders.

Our values

We respect

- All our stakeholders, including:
  - Shareholders
  - Employees and their representative bodies
  - Communities within which we operate
  - Regulatory bodies
  - Suppliers and customers
  - Directors and management
  - All other interested and affected parties
- The principles of the UN Global Compact
- The laws of the countries in which we operate
- Company policies and procedures
- Our place and way of work
- Open and honest communication
- Diversity of all our stakeholders
- Risk management and continuous improvement philosophies.

We care

- For the health and safety of all our stakeholders
- For the preservation of natural resources
- For the environment within which we operate
- For the socio-economic well-being of the communities in which we operate.

We strive to deliver

- Positive returns to our stakeholders through an operational excellence model
- A safe, productive and conducive working environment
- On our capital projects
- A fair working environment through equitable and competitive human capital practices
- On the development of our employees
- On our commitment to all stakeholders
- Quality products that meet or exceed our customers' expectations.

Key features

Safety

- Zero fatalities in the second quarter
- Lost-time injury frequency rate (LTIFR) improved by 11% in the first half of the 2015 financial year.

Operational performance

- Operational performance and unit costs improving as Rustenburg ramps up. Achieved stated target of 250 000 platinum ounces at Impala.

Prices

- Above-ground platinum group metal (PGM) inventories continue to depress prices.

Market

- The PGM market remains in fundamental deficit driven by increased US, European and Chinese vehicle sales
- World Platinum Investment Council (WPIC) launched.

Implats refined
630 600oz

Group refined platinum production

Mine-to-market operations

Impala	252 400oz
Zimplats	111 600oz*
Marula	35 600oz*
Mimosa	55 200oz*
Two Rivers	84 400oz*

Impala Refining Services (IRS)

Third-party concentrate purchase contracts, recycling and toll treatment
91 400oz

Refined platinum ounces indicated above have been rounded for illustrative purposes.
**Ex-Impala Refining Services (IRS)*

Operating statistics

		Six months ended 31 December 2014	Six months ended 31 December 2013	Year ended 30 June 2014
Gross refined production				
Platinum	(000oz)	**631**	786	1 178
Palladium	(000oz)	**413**	469	710
Rhodium	(000oz)	**89**	97	157
Nickel	(t)	**7 835**	8 103	13 915
IRS metal returned (toll refined)				
Platinum	(000oz)	**–**	91	94
Palladium	(000oz)	**–**	28	28
Rhodium	(000oz)	**–**	9	9
Nickel	(t)	**1 683**	1 602	3 186
Sales volumes				
Platinum	(000oz)	**611**	720	1 197
Palladium	(000oz)	**393**	426	767
Rhodium	(000oz)	**84**	80	147
Nickel	(t)	**5 149**	5 716	10 736
Prices achieved				
Platinum	(US$/oz)	**1 320**	1 426	1 423
Palladium	(US$/oz)	**823**	723	737
Rhodium	(US$/oz)	**1 227**	973	1 000
Nickel	(US$/t)	**17 314**	13 953	14 644
Consolidated statistics				
Average exchange rate achieved	(R/US$)	**11.01**	10.09	10.36
Closing exchange rate for the period	(R/US$)	**11.57**	10.50	10.64
Revenue per platinum ounce sold	(US$/oz)	**2 333**	2 226	2 299
	(R/oz)	**25 686**	22 460	23 818
Tonnes milled ex-mine	(000t)	**7 315**	9 758	13 916
Total development (Impala)	(Metres)	**39 145**	57 984	61 337
Gross PGM refined production	(000oz)	**1 317**	1 550	2 370
Capital expenditure	(Rm)	**2 238**	2 718	4 384
Group unit cost per platinum ounce	(US$/oz)	**2 097**	1 624	1 874
	(R/oz)	**22 952**	16 310	19 430

Commentary

Introduction

The Group's performance in the first half of the 2015 financial year was impacted by the ramp-up of the Rustenburg operations following prolonged industrial action across the platinum industry in early 2014, suspension of operations at Bimha mine at Zimplats, as well as depressed platinum group metal (PGM) prices and industrial action at Marula. The ramp-up at Rustenburg progressed well, but was interrupted by four fatal accidents and subsequent work stoppage effects. Full production rates were achieved in November 2014.

While the underlying medium- to long-term demand drivers for PGMs remain robust, it is expected that excess metal inventories will continue to constrain prices over the medium term. Taking cognisance of this and of the impact of the strike on the profitability at Impala, a strategic review of the Group's operations has been completed that will conserve cash in the short term but nonetheless position the business to deliver sustainable returns to all stakeholders.

Market review

(All references to years in this section refer to calendar years)

The South African platinum industry had a challenging year which was exacerbated by global economic pressures and constrained supply following the five-month platinum industry labour disruption. The strike reduced total South African platinum production by more than 700 000 ounces in 2014. Sluggish South African supply and healthy demand, driven mainly by the automotive sector, led to a fundamental deficit in excess of one million platinum ounces. This was offset by above-ground inventories, which disappointingly led to depressed platinum prices throughout 2014.

The automotive industry showed good growth in the US, China and Europe in 2014. Improving economic fundamentals in the US market supported passenger vehicle sales, which rose by 6% for the full year, the highest level since 2006. Despite slower economic growth in China, the market posted a healthy 10% growth in passenger vehicle sales. Similarly, even though the economy remains weak in Western Europe, growth in vehicle sales was 5% in 2014, the best progress in the past five years. There is no reason not to expect this trend to continue given the European Central Bank stimulation programme. Vehicle sales in Japan were disappointing after tax hikes in April. Nevertheless, the market was still able to achieve 3.5% growth in 2014, recording a third consecutive year of increases. Globally, passenger vehicle sales are expected to increase by 4% in 2015, to an estimated 90 million light-duty vehicles. This, together with stricter regulations pertaining to emissions and the recent declines in fuel prices, should be positive for platinum, palladium and rhodium demand in 2015.

Platinum jewellery market growth was flat in 2014, with demand in China remaining constant, but with lower growth in the US and Europe offset by strong growth in India. Chinese platinum demand, which is by far the largest consumer, is anticipated to remain largely unchanged over the next year.

The growth in demand of 155 000 ounces in platinum exchange traded funds (ETFs) was lower than last year's strong performance as depressed prices impacted investment decisions. Future demand is expected to be driven by the World Platinum Investment Council (WPIC), which was launched during the period under review, and the International Platinum Association (IPA) promotional programme. While there were some liquidations on the mature palladium ETFs, the new South African funds more than offset these by accumulating in excess of 1.2 million ounces in 2014, resulting in the growth of global palladium ETFs in excess of 900 000 ounces.

Muted palladium supply growth from Russia and South Africa, combined with increased demand from the automotive sector and the new South African funds, drove palladium to a fundamental deficit in excess of 1.5 million ounces in 2014.

Safety review

Implats' safety performance has improved significantly since the 2010 financial year. The fatal injury frequency rate has improved by 34% over this period, while the total injury frequency and the lost-time injury frequency rates improved by 22% and 25% respectively. Despite the overall improvement the Group deeply regrets to report that four employees and one contractor suffered fatal injuries in August and September 2014. The board of directors and the management team have extended their sincere and deepest sympathies to their families, friends and colleagues.

Commentary continued

Following these tragic incidents all affected shaft and production units at Impala Rustenburg were stopped in September 2014 for an extended period while full investigations were completed. In addition, all mining operations were suspended for a period of four days as management actively consulted all key stakeholders, including employees, union leaders and representatives from the Department of Mineral Resources (DMR), in a collaborative effort to improve safety at this operation. Post these consultations, Impala Rustenburg amended its safety plan to include, among others, the implementation of a critical safe behaviours initiative. This programme culminated in a three-day safety summit which was attended by 600 safety representatives. This will remain an ongoing initiative.

The lost-time injury frequency rate (LTIFR) improved by 11% from the end of the previous financial year to 3.47 per million man hours worked, demonstrating the success of the various initiatives that have been undertaken to address employee safety. Currently, Impala Services has achieved 10 million fatality-free shifts: 12 Shaft achieved five million, Zimplats and Two Rivers two million, and 9 Shaft and 20 Shaft one million. In addition, Springs Refineries has achieved one year without a lost-time injury and 7 and E&F Shafts have achieved a similar status for six months.

The Group's safety strategy is premised on the achievement of zero harm, and focuses on three key areas: cultural transformation supported by effective leadership and supervision, compliance with leading safety practices and, lastly, creating a working environment that supports safety. Team mobilisation has been identified as a key element in ensuring the safe behaviour of employees, with the objectives of enhancing trust, building commitment and accountability, and achieving collective results. As at the end of December 2014, 73 stoping teams (out of a total of 515) had participated in this intervention.

Operational review

Mine-to-market output decreased by 20.4% to 539 200 ounces of platinum from the previous comparable period, primarily due to lower production from Impala Rustenburg, Zimplats' Bimha Mine and Marula. Third party production decreased by 16.3% to 91 400 ounces due to one-off material treated in the previous comparable period. Gross refined platinum production decreased by 19.8% to 630 600 ounces. Group unit costs were impacted by the lower volumes and increased by 40.7% to R22 952 per platinum ounce.

Managed operations

IMPALA PLATINUM

Impala met its stated production target for the first half of the 2015 financial year despite the interruptions caused by the four tragic, separate fatal incidents and the subsequent closure of the mining operation for four days in September 2014. The second restart progressed well and full production rates were achieved in November 2014.

Mill throughput decreased by 31.5% from the previous comparable period to 4.01 million tonnes, and refined platinum production declined by 35.2% to 252 400 ounces. Unit costs were severely impacted by the lower throughput given costs incurred during the ramp-up and increased to R26 430 per platinum ounce refined.

Capital expenditure was strictly controlled during the period, in line with the Group's cash preservation strategy, and decreased by 26.6% from the previous comparable period to R1.50 billion with the bulk of this expenditure still being incurred on the development of the new shafts.

Reef access, development and stoping have resumed at 20 Shaft and an assessment is underway to open a mechanised section to further improve the work environment from a safety aspect and boost stoping throughput.

ZIMPLATS

Production was impacted by the precautionary closure of Bimha Mine following the underground collapse in August 2014. Six of the eight affected production fleets at Bimha were redeployed to offset potential production losses. Productivity from these teams has been impacted by the constrained availability of work areas; however, this redundancy issue is being addressed and is expected to improve. The ramp-up of production from Mupfuti Mine partially offset the lost production, resulting in tonnes milled decreasing by only 16.9% from the previous comparable period, to 2.48 million. Head grade was maintained at 3.47 grams per tonne and platinum in matte production decreased by 11.7% to 102 400 ounces.

Unit costs per platinum ounce in matte were affected by the lower volumes and increased by 11.8% to US$1 504. In rand terms, unit costs rose by 21.9% to R16 455 per platinum ounce in matte, which was impacted by the weaker rand/dollar exchange rate.

Detailed assessments to fully understand the nature and extent of the ground collapse and the structural geological settings at Bimha Mine have been advanced, and re-development of the mine was initiated in December 2014. Three new on-reef access haulages have been designed to isolate the existing workings and create new mining areas to the north and south of the mine. An extensive monitoring programme remains in place to continually assess the ground conditions.

In an effort to further ameliorate the impact of re-establishing Bimha Mine, contracted open-pit mining has been initiated to supplement the ore supply to the processing operations in order to fully utilise the available processing capacity. Contractor mobilisation is currently in progress and first production is expected in the third quarter of the 2015 financial year. In addition, the Phase 2 expansion (Mupfuti Mine) remains on track to achieve its expected steady-state capacity in the third quarter of the 2015 financial year.

Zimplats continues to engage with the Government of Zimbabwe with regard to the indigenisation implementation plan and the securing of a more conducive regulatory and fiscal framework for the mining industry in Zimbabwe.

MARULA

Marula has made steady progress in opening up ore reserves but continues to be impacted by safety and labour issues. Industrial action and safety stoppages affected efficiencies during the period and tonnes milled, at 829 000, were 10.9% lower than the previous comparable period. Head grade declined by 2.9% to 4.14 grams per tonne and platinum in concentrate production decreased by 10.6% to 37 000 ounces. Unit costs per platinum ounce increased by 21.0% to R22 000, negatively impacted by the lower volumes.

IMPALA REFINING SERVICES (IRS)

Refined platinum production at IRS from third-party contracts decreased by 16.3%, to 91 400 ounces, due to the once-off material treated in the previous comparable period. This impact was offset to some extent by the 30 000 ounces of platinum reduction in the pipeline. Overall, IRS platinum production (including mine-to-market operations offtakes) decreased by 4.7% to 378 200 ounces.

Non-managed operations

TWO RIVERS

Tonnes milled rose by 1.8% to 1.69 million. Head grade declined marginally to 3.97 grams per tonne due to some lower-grade stockpile material. Platinum in concentrate production decreased by 3.1% to 87 300 ounces, and unit costs rose by 10.6% to R12 165 per platinum ounce in concentrate.

Subsequent to the half-year end, transactions to transfer the mineral rights on the Kalkfontein, Buffelshoek and Tweefontein farms from Impala to Two Rivers, in return for an additional 4% stake in Two Rivers and a royalty agreement, have become unconditional. These transactions have increased the Group's shareholding in Two Rivers to 49% and will enable Two Rivers to maintain production above 150 000 ounces of platinum in concentrate in the medium term.

MIMOSA

Mill throughput increased by 5.4% to 1.30 million tonnes, and platinum production in concentrate increased by 12.4% to 59 100 ounces from the previous comparable period. Unit costs per platinum ounce in concentrate benefited from the higher volumes and declined by 6.1% in dollar terms, to US$1 562, but increased marginally in rand terms, to R17 090. The Government of Zimbabwe imposed a 15% export levy on unbeneficiated platinum, effective 1 January 2015. The Government had stated that the export tax would be deferred until 1 January 2017; however, the recently promulgated 2015 Finance Bill does not provide for this. The imposition of this levy will have a material impact on the profitability of Mimosa.

Mineral resources and mineral reserves

There has been no material change to Implats' combined attributable mineral resources and mineral reserves, or legal title to the mining and exploration activities, as disclosed in the integrated report for the financial year ended 30 June 2014.

The main features relating to Implats' mineral resources and mineral reserves as at 31 December 2014, relative to 30 June 2014, are:
- Estimated total attributable mineral resources increased marginally by 0.5% (2Moz 4E) to 397Moz; the total attributable platinum ounces increased by 0.7% (1Moz Pt) to 213Moz
- The estimated total attributable mineral reserves decreased by 9% (4Moz 4E) to 46.1Moz; the total attributable platinum ounces decreased by 8% (2Moz Pt) to 26.5Moz. The decrease can be mainly ascribed to the reduction at Zimplats due to a revised mine design to address ground stability.

Financial performance

The financial performance of the Group for the six months to December 2014 was significantly impacted by the ramp-up at the Rustenburg operations following the prolonged industrial action and the temporary closure of the Bimha Mine at the Zimplats operations.

Revenues, at R15.9 billion, were R599 million or 3.6% lower than those achieved in the six months to December 2013, as a result of:
- A reduction in sales volumes of platinum, palladium and nickel due to lower Impala production, accounting for a negative variance of R2 billion
- The average dollar revenue per platinum ounce sold of US$2 333, was US$107 or 4.8% higher than the prior period and this had a positive impact but was mitigated by the lower volumes to increase revenue by a net R93 million
- The average R/US$ exchange rate achieved of 11.01 was 9.1% weaker than the 10.09 achieved during the prior comparative period leading to a positive variance of R1.3 billion.

Cost of sales decreased by R358 million (2.4%) compared to the prior comparable period as a result of:
- Direct operating costs decreasing by R440 million or 5% as R808 million was transferred to 'other operating expenses' as non-production costs during the ramp-up
- Depreciation decreased by R266 to R1.1 billion. The main contributor to this decrease was lower production for the period
- A change in share-based compensation of R478 million moving from a charge in December 2013 of R288 million to a credit of R190 million. This is mainly due to the closing share price of R78.78 per share at 31 December 2014 (versus R106.88 at 30 June 2014) versus the share price at 31 December 2013, which was R123.00 (R93.00 at June 2013) per share.

  The above decreases were offset by metals purchased by IRS increasing by R536 million due to higher rand metal prices and a change in metal inventories of R336 million.

As a result of the above, gross profit declined by R241 million to R1 519 million.

Group unit costs increased by 40.7% from R16 310 per platinum ounce to R22 952 per ounce due to:
- Group inflation of 10.4% comprising:
  - mining inflation for the South African operations of 10.5% due to above-inflationary increases in utilities and wages
  - Zimplats inflation of 10.3% comprising dollar inflation of 1.1% compounded by a weaker rand

- The lower mine-to-market production volumes from Impala (build-up after strike), Zimplats (closure of Bimha) and Marula (strike and DMR stoppages) resulted in the balance of the of the 40.7% increase in unit costs.

Headline earnings decreased by R460 million or 53.5% to R400 million (66 cents per share). Additional to the movements described in gross profit and apart from R158 million for the partial asset write-down as a result of the Mutambara shear collapse at Bimha, which was added back for headline earnings, headline earnings was affected by the following:
- The transfer of R808 million from cost of sales to other income and expenses as mentioned above
- R200 million variance on net foreign exchange gains. The charge for the revaluation of the dollar bond was not offset (as in the prior period) by the revaluation of positive dollar balances.

The above negative impacts were partially offset by:
- A positive variance of R387 million resulting from the revaluation of the IRS creditors due to metal prices declining towards the end of the period
- Higher equity accounted earnings from associates in the amount of R101 million
- A reduced tax charge of R212 million due to lower taxable income.

Net cash from operating activities amounted to R160 million (December 2013: R1.9 billion). Cash utilised on capital expenditure amounted to R2.1 billion (December 2013: R2.7 billion) mainly on 20, 16 and 17 Shafts at Impala Rustenburg. Cash (net of overdraft) decreased from R4.3 billion at year end to R2.7 billion at December 2014. Net debt at 31 December 2014 amounted to R5.4 billion (June 2014: R3.5 billion).

Given the continued cash conservation strategy, the board has resolved not to declare an interim dividend for the six months to 31 December 2014.

Prospects

The fundamentals for PGMs remain robust, even though excess above-ground stocks continue to impact prices. The lack of capital investment by the platinum industry will curtail future supply from southern Africa and should, together with expected improving demand from recovering world economies, augur well for these metals. Deficit markets, forecast for the next three to five years, are expected to steadily erode the level of inventories, positively impacting prices in the medium- to long-term.

Implats remains strongly focused on increased operating efficiencies and profitability, and equally on the health and safety of employees across the Group. To further advance this, a new employee share ownership trust, which now owns 4% of Impala Platinum Limited, was implemented to substantially increase employees' alignment with the future profitability of Impala. Efforts to mobilise teams, and optimise cash and capital expenditure will underpin sustainable earnings going forward. Cash preservation does not compromise the long-term positioning of the Impala operations within the Group to achieve 850 000 platinum ounces per annum by 2019 and to maintain this production profile if the market warrants it.

The current Eskom crisis is impacting on Implats' South African operations. Eskom media briefings have indicated that the country will experience a constrained power system for at least the next two to three years. Implats is considered by Eskom to be a 'Key Customer' or 'Energy Intensive User' and Impala Rustenburg and the Springs Refinery are considered by Eskom as one business unit. Calls from Eskom to reduce load are therefore dealt with in Rustenburg, while the Refinery carries on with operations without additional load curtailment. Marula is considered by Eskom as a separate business unit. There is a signed load curtailment document (NRS 048-9) in place and when the Eskom power system becomes severely constrained, Impala Rustenburg is cautioned timeously to implement load curtailment as per the agreement. The critical period for Eskom has typically been between 13:00 and 22:00 daily, and this is the most likely period when load curtailment is required. Implats has a comprehensive electrical power control system in place and the electrical power usage profile has been adjusted to offset the national power grid requirements. The Group will continue to seek energy efficiency opportunities to reduce its dependence on Eskom.

A strategic review of the Group has been conducted and is the subject of a separate announcement on 26 February 2015.

Approval of the interim financial statements

The directors of the Company are responsible for the maintenance of adequate accounting records and the preparation of the interim financial statements and related information in a manner that fairly presents the state of the affairs of the Company. These interim financial statements are prepared in accordance with International Financial Reporting Standards and incorporate full and responsible disclosure in line with the accounting policies of the Group which are supported by prudent judgements and estimates.

The interim financial statements have been prepared under the supervision of the chief financial officer, Ms B Berlin, CA(SA).

The directors are also responsible for the maintenance of effective systems of internal control which are based on established organisational structure and procedures. These systems are designed to provide reasonable assurance as to the reliability of the financial statements, and to prevent and detect material misstatement and loss.

The interim financial statements have been prepared on a going-concern basis as the directors believe that the Company and the Group will continue to be in operation in the foreseeable future.

The interim financial statements, as set out on pages 10 to 26, have been approved by the board of directors and are signed on their behalf by:

KDK Mokhele
Chairman

TP Goodlace
Chief executive officer

Johannesburg
26 February 2015

Independent auditor's review report on interim financial statements

To the shareholders of Impala Platinum Holdings Limited

We have reviewed the condensed consolidated interim financial statements of Impala Platinum Holdings Limited in the accompanying interim report, which comprise the condensed consolidated statement of financial position as at 31 December 2014 and the related condensed consolidated statements of comprehensive income, changes in equity and cash flows for the six months then ended, and selected explanatory notes.

Directors' responsibility for the interim financial statements

The directors are responsible for the preparation and presentation of these interim financial statements in accordance with the International Financial Reporting Standard (IAS) 34 Interim Financial Reporting, the South African Institute of Chartered Accountants (SAICA) 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, and for such internal control as the directors determine is necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on these interim financial statements. We conducted our review in accordance with International Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of interim financial statements in accordance with ISRE 2410 (ISRE) is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures in a review are substantially less than and differ in nature from those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements of Impala Platinum Holdings Limited for the six months ended 31 December 2014 are not prepared, in all material respects, in accordance with the International Financial Reporting Standard (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.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.
Director: AJ Rossouw
Registered Auditor

26 February 2015

Consolidated statement of financial position

(Rm)	Notes	As at 31 December 2014 (Reviewed)	As at 31 December 2013 (Restated reviewed)*	As at 30 June 2014 (Audited)
Assets				
Non-current assets				
Property, plant and equipment	5	**48 790**	46 401	46 916
Exploration and evaluation assets		**3 360**	4 294	3 360
Investment in equity-accounted entities	6	**3 068**	2 937	2 959
Deferred tax		**115**	72	238
Available-for-sale financial assets		**45**	118	54
Held-to-maturity financial assets		**36**	33	35
Loans	7	**114**	153	133
Derivative financial instruments		**497**	262	332
Prepayments		**10 601**	10 694	10 665
		66 626	64 964	64 692
Current assets				
Inventories	8	**7 449**	9 037	7 212
Trade and other receivables		**4 600**	3 702	3 078
Loans	7	**44**	13	12
Prepayments		**472**	679	568
Cash and cash equivalents		**2 714**	3 601	4 305
		15 279	17 032	15 175
Total assets		**81 905**	81 996	79 867
Equity and liabilities				
Equity attributable to owners of the Company				
Share capital		**15 648**	15 543	15 624
Retained earnings		**35 185**	35 808	34 936
Other components of equity		**2 623**	1 669	1 807
		53 456	53 020	52 367
Non-controlling interest		**2 698**	2 696	2 550
Total equity		**56 154**	55 716	54 917
Liabilities				
Non-current liabilities				
Deferred tax		**10 227**	10 718	10 179
Borrowings	9	**7 164**	7 145	7 169
Derivative financial instruments		**1**	62	18
Liabilities		**470**	795	676
Provisions		**811**	772	676
		18 673	19 492	18 718
Current liabilities				
Trade and other payables		**5 311**	5 131	4 713
Current tax payable		**630**	375	562
Borrowings	9	**954**	555	618
Liabilities		**183**	447	339
Bank overdraft		**—**	280	—
		7 078	6 788	6 232
Total liabilities		**25 751**	26 280	24 950
Total equity and liabilities		**81 905**	81 996	79 867

**The reviewed December 2013 interim consolidated statement of financial position was restated to align with the audited June 2014 consolidated statement of financial position. Refer note 3.*

The notes on pages 15 to 26 are an integral part of these condensed interim financial statements.

Consolidated statement of comprehensive income

(Rm)	Notes	Six months ended 31 December 2014 (Reviewed)	Six months ended 31 December 2013 (Reviewed)	Year ended 30 June 2014 (Audited)
Revenue		**15 903**	16 502	29 028
Cost of sales	10	**(14 384)**	(14 742)	(25 786)
Gross profit		**1 519**	1 760	3 242
Other operating income	11	**375**	59	239
Other operating expenses	11	**(1 113)**	(75)	(2 809)
Royalty expense		**(319)**	(407)	(693)
Profit/(loss) from operations		**462**	1 337	(21)
Finance income		**81**	163	318
Finance cost		**(174)**	(247)	(496)
Net foreign exchange transaction gains/(losses)		**(219)**	(19)	(101)
Other income		**149**	104	203
Other expenses		**(87)**	(109)	(253)
Share of profit of equity-accounted entities		**231**	130	365
Profit before tax		**443**	1 359	15
Income tax expense		**(160)**	(437)	(144)
Profit/(loss) for the period		**283**	922	(129)
Other comprehensive income, comprising items that may subsequently be reclassified to profit or loss:				
Available-for-sale financial assets		**(9)**	1	(56)
Deferred tax thereon		**(2)**	—	—
Share of other comprehensive income of equity-accounted entities		**153**	—	120
Deferred tax thereon		**(15)**	—	(12)
Exchange differences on translating foreign operations		**932**	668	711
Deferred tax thereon		**(121)**	(170)	(93)
Other comprehensive income, comprising items that will not be subsequently reclassified to profit or loss:				
Actuarial loss on post-employment medical benefit		**—**	—	(1)
Deferred tax thereon		**—**	—	—
Total comprehensive income		**1 221**	1 421	540
Profit/(loss) attributable to:				
Owners of the Company		**249**	879	8
Non-controlling interest		**34**	43	(137)
		283	922	(129)
Total comprehensive income/(loss) attributable to:				
Owners of the Company		**1 065**	1 304	569
Non-controlling interest		**156**	117	(29)
		1 221	1 421	540
Earnings per share (cents per share):				
Basic		**41**	145	1
Diluted		**41**	145	1

For headline earnings per share and dividend per share refer notes 12 and 13.

The notes on pages 15 to 26 are an integral part of these condensed interim financial statements.

Consolidated statement of changes in equity

(Rm)	Number of shares issued (million)*	Ordinary shares	Share premium	Share-based payments
Balance at 30 June 2014	**607.05**	**16**	**13 371**	**2 237**
Shares issued				
– Implats Share Incentive Scheme	**0.03**	**—**	**1**	**—**
– Employee Share Ownership Programme	**—**	**—**	**—**	**—**
Share-based compensation				
– Long-Term Incentive Plan	**—**	**—**	**—**	**23**
Profit for the year	**—**	**—**	**—**	**—**
Other comprehensive income	**—**	**—**	**—**	**—**
Dividends (note 13)	**—**	**—**	**—**	**—**
Balance at 31 December 2014 (Reviewed)	**607.08**	**16**	**13 372**	**2 260**
Balance at 30 June 2013	606.91	16	13 363	2 114
Shares issued				
– Implats Share Incentive Scheme	0.03	—	1	—
– Employee Share Ownership Programme	—	—	—	—
Share-based compensation				
– Long-Term Incentive Plan	—	—	—	49
Profit for the year	—	—	—	—
Other comprehensive income	—	—	—	—
Dividends (note 13)	—	—	—	—
Balance at 31 December 2013 (Reviewed)	606.94	16	13 364	2 163
Balance at 30 June 2013	606.91	16	13 363	2 114
Shares issued				
– Implats Share Incentive Scheme	0.14	—	8	—
– Employee Share Ownership Programme	—	—	—	—
Share-based compensation				
– Long-Term Incentive Plan	—	—	—	123
Profit/(loss) for the year	—	—	—	—
Other comprehensive income/(loss)	—	—	—	—
Dividends (note 13)	—	—	—	—
Balance at 30 June 2014 (Audited)	607.05	16	13 371	2 237

**The table above excludes the treasury shares, Morokotso Trust (ESOP) and the Implats Share Incentive Scheme as these structured entities are consolidated.*

The notes on pages 15 to 26 are an integral part of these condensed interim financial statements.

Total share capital	Retained earnings	Total other components of equity	Attributable to: Owners of the Company	Attributable to: Non-controlling interest	Total equity
15 624	**34 936**	**1 807**	**52 367**	**2 550**	**54 917**
1	**—**	**—**	**1**	**—**	**1**
—	**—**	**—**	**—**	**—**	**—**
23	**—**	**—**	**23**	**—**	**23**
—	**249**	**—**	**249**	**34**	**283**
—	**—**	**816**	**816**	**122**	**938**
—	**—**	**—**	**—**	**(8)**	**(8)**
15 648	**35 185**	**2 623**	**53 456**	**2 698**	**56 154**
15 493	35 300	1 244	52 037	2 579	54 616
1	—	—	1	—	1
—	—	—	—	—	—
49	—	—	49	—	49
—	879	—	879	43	922
—	—	425	425	74	499
—	(371)	—	(371)	—	(371)
15 543	35 808	1 669	53 020	2 696	55 716
15 493	35 300	1 244	52 037	2 579	54 616
8	—	—	8	—	8
—	—	—	—	—	—
123	—	—	123	—	123
—	8	—	8	(137)	(129)
—	(1)	563	562	108	670
	(371)	—	(371)	—	(371)
15 624	34 936	1 807	52 367	2 550	54 917

Consolidated statement of cash flows

(Rm)	Six months ended 31 December 2014 (Reviewed)	Six months ended 31 December 2013 (Restated reviewed)*	Year ended 30 June 2014 (Audited)
Cash flows from operating activities			
Cash generated from operations	**264**	2 703	5 234
Exploration cost	**(29)**	(10)	(20)
Finance cost	**(80)**	(151)	(404)
Income tax refund received/(paid)	**5**	(648)	(714)
Net cash from operating activities	**160**	1 894	4 096
Cash flows from investing activities			
Purchase of property, plant and equipment	**(2 113)**	(2 720)	(4 500)
Proceeds from sale of property, plant and equipment	**13**	30	64
Proceeds from insurance claim on asset scrapping	**—**	—	112
Loans granted	**(53)**	(6)	(10)
Loan repayments received	**8**	8	11
Finance income	**73**	162	319
Dividends received	**256**	231	467
Net cash used in investing activities	**(1 816)**	(2 295)	(3 537)
Cash flows from financing activities			
Issue of ordinary shares	**—**	1	8
Repayments of borrowings	**—**	(29)	(16)
Dividends paid to Company's shareholders	**(8)**	(371)	(371)
Net cash used in financing activities	**(8)**	(399)	(379)
Net increase/(decrease) in cash and cash equivalents	**(1 664)**	(800)	180
Cash and cash equivalents at beginning of period	**4 305**	4 113	4 113
Effect of exchange rate changes on cash and cash equivalents held in foreign currencies	**73**	8	12
Cash and cash equivalents at end of period**	**2 714**	3 321	4 305

**The reviewed December 2013 interim consolidated statement of cash flows was restated to align with the audited June 2014 consolidated statement of cash flows. Refer note 3.*

***Net of bank overdraft.*

The notes on pages 15 to 26 are an integral part of these condensed interim financial statements.

Notes to the financial information

1. General information

Impala Platinum Holdings Limited ("Implats", "the Company" or "the Group") is a primary producer of platinum and associated platinum group metals (PGMs). The Group has operations on the Bushveld Complex in South Africa and the Great Dyke in Zimbabwe, the two most significant PGM-bearing ore bodies globally.

The Company has its listing on the JSE Limited.

The condensed interim financial information was approved for issue on 26 February 2015 by the board of directors.

2. Basis of preparation

The condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), 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, requirements of the Companies Act, Act 71 of 2008, as amended, and the Listings Requirements of the JSE Limited.

The condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 30 June 2014, which have been prepared in accordance with IFRS.

The condensed consolidated interim financial statements have been prepared under the historical cost convention except for certain financial assets, financial liabilities and derivative financial instruments which are measured at fair value, and except for equity and liabilities for share-based payment arrangements which are measured with a binomial option model.

The condensed consolidated interim financial information is presented in South African rand, which is the Company's functional currency.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

Notes to the financial information continued

3. Accounting policies

The principal accounting policies applied are in terms of IFRS and are consistent with those of the annual consolidated financial statements for the year ended 30 June 2014, except as described below. The following new standards, amendments to standards and interpretations have been adopted by the Group as from 1 July 2014 and have no impact on the results of the Group:

- IAS 1 *Presentation of Financial Statements* (effective 1 January 2016). Disclosure initiative amendments to provide improved presentation and disclosure guidelines.
- IAS 16 *Property, Plant and Equipmen*t and IAS 38 *Intangible Assets* (effective 1 January 2016). Amendments to prohibit entities from using a revenue-based depreciation method and introduce a rebuttable presumption that a revenue-based amortisation method is inappropriate.
- IAS 16 *Property, Plant and Equipment* and IAS 41 *Agriculture* (effective 1 January 2016). Amendments to define bearer plants and to include it in the scope of IAS 16.
- IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investment in Associates and Joint Ventures* (effective 1 January 2016). Amendments regarding the sale or contribution of assets between an investor and its associate or joint venture.
- IAS 27 *Separate Financial Statements* (effective 1 January 2016). Amendment to allow the equity method of accounting for investments in subsidiaries, joint ventures and associates in the entities' separate financial statements.
- IFRS 10 *Consolidated Financial Statements*, IFRS 12 *Disclosure of Interests in Other Entities* and IAS 28 *Investments in Associates and Joint Ventures* (effective 1 January 2016). Amendment confirming the availability of exemption from preparing consolidated financial statements for subsidiary parent companies if the ultimate holding company is an investment company that measures its subsidiaries at fair value.
- IFRS 11 *Joint Arrangements* (effective 1 January 2016). Amendment requiring the application of the relevant principles for business combinations for the accounting for the acquisition of an interest in a joint operation in which the activity of the joint operation constitutes a business.
- IFRS 14 *Regulatory Deferral Accounts* (effective 1 January 2016). New standard permitting an entity who is a first-time adopter of IFRS to continue to account for regulatory deferral account balances as previously.
- Improvements to IFRS 2010 – 2012 Cycle (effective 1 July 2014). Various necessary, non-urgent changes to seven different standards.
- Improvements to IFRS 2011 – 2013 Cycle (effective 1 July 2014). Various necessary, non-urgent changes to four different standards.
- Improvements to IFRS 2012 – 2014 Cycle (effective 1 January 2016). Various necessary, non-urgent changes to five different standards.

The reviewed December 2013 interim consolidated statement of financial position and interim consolidated statement of cash flows were restated in line with the audited June 2014 consolidated statement of financial position and consolidated statement of cash flows.

In the June 2014 financial statements a decision was taken to classify the derivative financial asset and the derivative financial liability, previously included under current assets and liabilities, under trade and other receivables, and trade and other payables as a non-current asset and non-current liability respectively.

Guardrisk has also been deconsolidated and is carried as an available-for-sale investment in the December 2013 interim consolidated statement of financial position, in line with the June 2014 audited financial statements, and the December 2013 interim consolidated cash flow was adjusted accordingly.

3. **Accounting policies** continued

The impact on the interim consolidated statement of financial position is as follows:

(Rm)	As at 31 December 2013 previously stated	Adjustment	**As at 31 December 2013 as presented**
Assets			
Non-current assets			
Available-for-sale financial assets	20	98	**118**
Derivative financial instruments	—	262	**262**
Current assets			
Trade and other receivables	3 968	(266)	**3 702**
Cash and cash equivalents	3 727	(126)	**3 601**
	7 715	(32)	**7 683**
Equity and liabilities			
Equity attributable to owners of the Company			
Retained earnings	35 895	(87)	35 808
Other components of equity	1 582	87	1 669
Non-current liabilities			
Derivative financial instruments	—	62	62
Current liabilities			
Trade and other payables	5 225	(94)	5 131
	42 702	(32)	42 670

The impact on the interim consolidated statement of cash flows is as follows:

(Rm)	As at 31 December 2013 previously stated	Adjustment	**As at 31 December 2013 as presented**
Cash flow from operating activities			
Cash generated from operations	2 686	17	**2 703**
Net decrease in cash and cash equivalents	(817)	17	**(800)**
Cash and cash equivalents at beginning of period	4 256	(143)	**4 113**
Cash and cash equivalents at end of period**	3 447	(126)	**3 321**

***Net of bank overdraft.*

Notes to the financial information continued

4. Segment information

The Group differentiates its segments between mining operations, refining services (which include metals purchased and toll refined), chrome processing and other.

Management has determined the operating segments based on the business activities and management structure within the Group.

Capital expenditure comprises additions to property, plant and equipment (note 5).

Impala mining segment's largest sales customers amounted to 12% and 11% of total sales (December 2013: 12% and 11%) (June 2014: 12% and 11%).

The statement of comprehensive income shows the movement from gross profit to total profit before income tax.

	Six months ended 31 December 2014 (Reviewed)		Six months ended 31 December 2013 (Reviewed)		Year ended 30 June 2014 (Audited)	
(Rm)	**Revenue**	**Gross profit**	Revenue	Gross profit	Revenue	Gross profit
Mining						
– Impala	**15 580**	**(749)**	16 021	(88)	28 308	(1 773)
Mining	**6 315**	**(778)**	7 315	(134)	10 327	(1 902)
Metals purchased	**9 265**	**29**	8 706	46	17 981	129
– Zimplats	**2 556**	**537**	2 678	729	5 973	2 039
– Marula	**839**	**(62)**	877	(12)	1 791	(12)
– Afplats	**–**	**–**	–	(2)	–	(5)
Chrome processing	**101**	**37**	149	33	179	41
Inter-segment adjustment	**(3 403)**	**1 126**	(3 567)	61	(7 778)	1 144
External parties	**15 673**	**889**	16 158	721	28 473	1 434
Refining services	**9 509**	**632**	9 180	1 041	18 495	1 813
Inter-segment adjustment	**(9 279)**	**(2)**	(8 836)	(2)	(17 940)	(5)
External parties	**230**	**630**	344	1 039	555	1 808
Total external parties	**15 903**	**1 519**	16 502	1 760	29 028	3 242

4. Segment information continued

(Rm)	**Six months ended 31 December 2014 (Reviewed)**		Six months ended 31 December 2013 (Reviewed)		Year ended 30 June 2014 (Audited)	
	Capital expenditure	**Total assets**	Capital expenditure	Total assets	Capital expenditure	Total assets
Mining						
– Impala	**1 503**	**49 764**	2 049	51 756	2 823	49 946
– Zimplats	**585**	**14 663**	492	12 083	1 226	12 856
– Marula	**47**	**3 000**	85	3 093	159	3 048
– Afplats	**104**	**6 016**	92	6 765	175	5 912
Total mining	**2 239**	**73 443**	2 718	73 697	4 383	71 762
Refining services	**—**	**4 655**	—	4 776	—	4 580
Chrome processing	**—**	**154**	—	164	2	120
Other	**—**	**3 653**	—	3 359	—	3 405
Total	**2 239**	**81 905**	2 718	81 996	4 385	79 867

5. Property, plant and equipment

(Rm)	**Six months ended 31 December 2014 (Reviewed)**	Six months ended 31 December 2013 (Reviewed)	Year ended 30 June 2014 (Audited)
Opening net book amount	**46 916**	44 410	44 410
Additions	**2 001**	2 670	4 345
Interest capitalised	**147**	70	155
Disposals	**(3)**	(3)	(17)
Depreciation (note 10)	**(1 084)**	(1 350)	(2 341)
Impairment	**—**	—	(65)
Scrapping	**(251)**	—	(223)
Rehabilitation adjustment	**90**	(22)	(115)
Exchange adjustment on translation	**974**	626	767
Closing net book amount	**48 790**	46 401	46 916

Capital commitment

Capital expenditure approved at 31 December 2014 amounted to R16.1 billion (December 2013: R18.1 billion) (June 2014: R15.6 billion), of which R2.2 billion (December 2013: R2.7 billion) (June 2014: R1.9 billion) is already committed. This expenditure will be funded internally and, if necessary, from borrowings.

6. Investment in equity accounted entities

(Rm)	**Six months ended 31 December 2014 (Reviewed)**	Six months ended 31 December 2013 (Reviewed)	Year ended 30 June 2014 (Audited)
Summary – Balances			
Joint venture			
Mimosa	**1 786**	1 716	1 756
Associates			
Two Rivers	**1 212**	1 154	1 134
Makgomo Chrome	**70**	66	69
Friedshelf 1226 & 1169	**—**	—	—
Total investment in equity accounted entities	**3 068**	2 936	2 959
Summary – Movement			
Beginning of the period	**2 959**	2 922	2 922
Share of profit	**212**	149	383
Share of other comprehensive income	**153**	95	120
Dividends received	**(256)**	(230)	(466)
End of the period	**3 068**	2 936	2 959

7. Loans

(Rm)	**Six months ended 31 December 2014 (Reviewed)**	Six months ended 31 December 2013 (Reviewed)	Year ended 30 June 2014 (Audited)
Summary – Balances			
Employee housing	**66**	50	55
Reserve Bank of Zimbabwe	**39**	108	73
Contractors	**42**	8	5
Silplats	**11**	—	12
	158	166	145
Short-term portion	**(44)**	(13)	(12)
Long-term portion	**114**	153	133
Summary – Movement			
Beginning of the period	**145**	195	195
Loans granted during the year	**53**	6	22
Interest accrued	**8**	3	7
Impairment	**(37)**	(34)	(71)
Repayment received	**(14)**	(11)	(17)
Exchange adjustment	**3**	7	9
End of the period	**158**	166	145

8. Inventories

(Rm)	Six months ended 31 December 2014 (Reviewed)	Six months ended 31 December 2013 (Reviewed)	Year ended 30 June 2014 (Audited)
Mining metal			
Refined metal	**976**	3 103	1 300
Main products – at cost	**750**	1 792	941
Main products – at net realisable value	**127**	1 210	286
By-products – at net realisable value	**99**	101	73
In-process metal	**2 112**	1 632	1 728
At cost	**1 608**	916	1 270
At net realisable value	**504**	716	458
Non-mining metal			
Refined metal	**1 169**	1 149	1 160
At cost	**1 164**	1 138	1 134
At net realisable value	**5**	11	26
In-process metal	**2 414**	2 433	2 291
At cost	**2 414**	2 433	2 291
At net realisable value	**—**	—	—
Total metal inventories	**6 671**	8 317	6 479
Stores and materials inventories	**778**	720	733
	7 449	9 037	7 212

Refined metal

Refined main products at a cost of R168 million (December 2013: R1 586 million) (June 2014: R361 million) were written down by R36 million (December 2013: R365 million) (June 2014: R49 million) to net realisable value of R132 million (December 2013: R1 221 million) (June 2014: R312 million).

Included in refined metal is metal on lease to third parties of 36 000 ounces (December 2013: 36 000 ounces) (June 2014: 36 000 ounces) ruthenium.

In-process metal

In-process metal of main products at a cost of R663 million (December 2013: R910 million) (June 2014: R544 million) were written down by R159 million (December 2013: R194 million) (June 2014: R86 million) to net realisable value amounting to R504 million (December 2013: R716 million) (June 2014: R458 million).

Notes to the financial information continued

9. Borrowings

(Rm)	Six months ended 31 December 2014 (Reviewed)	Six months ended 31 December 2013 (Reviewed)	Year ended 30 June 2014 (Audited)
Summary – Balances			
Standard Bank Limited – BEE partners Marula	**881**	876	878
Standard Bank Limited – Zimplats	**1 215**	1 102	1 117
Convertible bonds – ZAR	**2 463**	2 396	2 429
Convertible bonds – US$	**2 176**	1 936	1 981
Finance leases	**1 383**	1 390	1 382
	8 118	7 700	7 787
Short-term portion	**(954)**	(555)	(618)
Long-term portion	**7 164**	7 145	7 169
Summary – Movement			
Beginning of the period	**7 787**	7 479	7 479
Leases capitalised	**—**	21	—
Interest accrued	**284**	268	549
Repayments	**(226)**	(247)	(462)
Exchange adjustment	**273**	179	221
End of the period	**8 118**	7 700	7 787

10. Cost of sales

(Rm)	Six months ended 31 December 2014 (Reviewed)	Six months ended 31 December 2013 (Reviewed)	Year ended 30 June 2014 (Audited)
Included in cost of sales:			
On-mine operations	**6 272**	6 653	9 090
Wages and salaries	**4 351**	3 992	6 085
Materials and consumables	**2 194**	2 169	3 323
Utilities	**482**	492	819
Minus: Post-strike start-up cost/Non-production cost during the strike	**(755)**	–	(1 137)
Processing operations	**1 635**	1 757	2 733
Wages and salaries	**346**	307	562
Materials and consumables	**826**	846	1 333
Utilities	**516**	604	956
Minus: Post-strike start-up cost/Non-production cost during the strike	**(53)**	–	(118)
Refining operations	**498**	468	880
Wages and salaries	**221**	216	406
Materials and consumables	**211**	187	354
Utilities	**66**	65	120
Other cost	**362**	329	655
Corporate costs, salaries and wages	**272**	255	483
Selling and promotional expenses	**90**	74	172
Share-based compensation	**(190)**	288	231
Chrome operation – cost of sales	**56**	102	117
Depreciation of operating assets (note 5)	**1 084**	1 350	2 341
Metals purchased	**4 824**	4 288	8 601
Change in metal inventories	**(157)**	(493)	1 138
	14 384	14 742	25 786

Notes to the financial information continued

11. Other operating expenses/(income)

(Rm)	Six months ended 31 December 2014 (Reviewed)	Six months ended 31 December 2013 (Reviewed)	Year ended 30 June 2014 (Audited)
Other operating expenses/(income) comprise the following principal categories:			
Post-strike start-up cost/non-production cost during strike	**808**	—	1 255
Profit on disposal of property, plant and equipment	**(26)**	(43)	(76)
Rehabilitation provision – change in estimate	**4**	(12)	(44)
Impairment	**39**	34	1 071
Trade payables – commodity price adjustment	**(349)**	38	246
Scrapping of assets	**251**	—	223
Insurance claim	**—**	—	(112)
Audit remuneration	**3**	3	14
Other	**8**	(4)	(7)
	738	16	2 570

12. Headline earnings

Headline earnings attributable to equity holders of the Company arises from operations as follows:

(Rm)	Six months ended 31 December 2014 (Reviewed)	Six months ended 31 December 2013 (Reviewed)	Year ended 30 June 2014 (Audited)
Profit attributable to owners of the Company	**249**	879	8
Adjustments:			
– Profit on disposal of property, plant and equipment	**(10)**	(27)	(47)
– Impairment	**—**	—	630
– Scrapping of property, plant and equipment	**218**	—	223
– Insurance compensation relating to scrapping of property, plant and equipment	**—**	—	(112)
– Total tax effects of adjustments	**(57)**	8	(179)
Headline earnings	**400**	860	523
Weighted average number of ordinary shares in issue for basic earnings per share	**607.06**	606.92	606.94
Weighted average number of ordinary shares for diluted earnings per share	**607.93**	607.38	607.85
Headline earnings per share (cents)			
Basic	**66**	142	86
Diluted	**66**	142	86

13. Dividends

(Rm)	**Six months ended 31 December 2014 (Reviewed)**	Six months ended 31 December 2013 (Reviewed)	Year ended 30 June 2014 (Audited)
No dividends were declared in respect of the six months ended December 2014.			
Dividends paid			
No final dividend for 2014 (2013: final dividend No 91 of 60 cents per share)	**–**	371	371
No interim dividend for 2014 (2013: interim dividend No 90 of 35 cents per share)	**–**	–	–
	–	371	371

14. Contingent liabilities and guarantees

As at the end of December 2014 the Group had bank and other guarantees of R1 417 million (December 2013: R1 161 million) (June 2014: R1 370 million) from which it is anticipated that no material liabilities will arise.

The companies which are subject to water licences with the Department of Water Affairs are in the process of compiling a plan, including future cash flow, to ensure that adherence to the water management requirements, including treatment and rehabilitation requirements of the Department of Water Affairs, are met. This could result in a liability and a corresponding asset in the statement of financial position. Measurement of the liability is currently in progress.

The Group has a contingent liability for Additional Profits Tax (APT) raised by the Zimbabwe Revenue Authority (ZIMRA) in respect of the tax period 2007 to 2010 based on the assumption that this would be payable should the Zimplats appeal against the ZIMRA interpretation of the APT provisions fail in the Special Court of Tax Appeals. Management, supported by the opinions of its tax advisers, strongly disagrees with the ZIMRA interpretation of the provisions of the act. The contingent liability at 31 December 2014 amounts to US$9.4 million.

15. Related party transactions

- The Group entered into PGM purchase transactions of R1 791 million (December 2013: R1 722 million) (June 2014: R3 409 million) with Two Rivers Platinum, an associate company, resulting in an amount payable of R903 million (December 2013: R995 million) (June 2014: R93 million). It also received refining fees to the value of R12 million (December 2013: R9 million) (June 2014: R21 million).
- The Group previously entered into sale and leaseback transactions with Friedshelf, an associate company. At the end of the period, an amount of R1 227 million (December 2013: R1 212 million) (June 2014: R1 221 million) was outstanding in terms of the lease liability. During the period, interest of R63 million (December 2013: R48 million) (June 2014: R111 million) was charged and a R57 million (December 2013: R60 million) (June 2014: R114 million) repayment was made. The finance leases have an effective interest rate of 10.2%.
- The Group entered into PGM purchase transactions of R1 530 million (December 2013: R1 176 million) (June 2014: R2 642 million) with Mimosa Investments, a joint venture, resulting in an amount payable of R740 million (December 2013: R639 million) (June 2014: R778 million). It also received refining fees and interest to the value of R119 million (December 2013: R98 million) (June 2014: R223 million).

These transactions are entered into on an arm's-length basis at prevailing market rates.

Notes to the financial information continued

15. Related party transactions continued

Key management compensation (fixed and variable)

(R'000)	**Six months ended 31 December 2014 (Reviewed)**	Six months ended 31 December 2013 (Reviewed)	Year ended 30 June 2014 (Audited)
Non-executive directors' remuneration	**3 900**	4 026	7 976
Executive directors' remuneration	**8 168**	10 900	25 974[1]
Prescribed officers	**17 765**[2]	12 050	27 573
Senior executives and company secretary	**11 977**	13 902	22 811
Total	**41 810**	40 878	84 334

[1] *Includes severance payment to PA Dunne of R9.2 million.*
[2] *Includes one additional employee compared to the comparable period.*

16. Financial instruments

(Rm)	**Six months ended 31 December 2014 (Reviewed)**	Six months ended 31 December 2013 (Restated reviewed)	Year ended 30 June 2014 (Audited)
Financial assets – carrying amount			
Loans and receivables	**6 183**	6 450	6 145
Financial instruments at fair value through profit and loss[2]	**497**	262	332
Held-to-maturity financial assets	**36**	33	35
Available-for-sale financial assets[1]	**45**	118	54
	6 761	6 863	6 566
Financial liabilities – carrying amount			
Financial liabilities at amortised cost	**12 398**	12 130	11 626
Financial instruments at fair value through profit and loss[2]	**1**	62	18
	12 399	12 192	11 644

The carrying amount of financial assets and liabilities approximate their fair values.

[1] *Level 1 of the fair value hierarchy – Quoted prices in active markets for the same instrument.*
[2] *Level 2 of the fair value hierarchy – Significant inputs are based on observable market data with the R/US$ exchange rate of 11.571 being the most significant. These instruments are valued on a discounted cash flow basis.*

17. Subsequent events

A 15% export levy on unbeneficiated platinum revenue in Zimbabwe became effective from 1 January 2015. Only Mimosa will be affected by this levy, as Zimplats does not export unbeneficiated platinum concentrate. No adjustment to the carrying amount of the investment in Mimosa was made as the legislation was promulgated after 31 December 2014 and the impact is being assessed.

Corporate information

Impala Platinum Holdings Limited

(Incorporated in the Republic of South Africa)
Registration No 1957/001979/06
JSE share code: IMP
ISIN: ZAE000083648
ADRs: IMPUY
("Implats" or "the Company" or "the Group")

Registered office

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Deutsche Securities (SA) Proprietary Limited

Directors

KDK Mokhele (chairman), TP Goodlace (chief executive officer), B Berlin (chief financial officer), HC Cameron, PW Davey*, MSV Gantsho, A Kekana, AS Macfarlane*, AA Maule, TV Mokgatlha, BT Nagle, B Ngonyama, NDB Orleyn
British

Note: Mr TV Mokgatlha has resigned as a non-executive director with effect from 22 October 2014.

BASTION GRAPHICS

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