IMPLATS
Distinctly Platinum

Annual Report 2009

Contents

Zimplats, Zimbabwe

Vision and values

Implats' vision

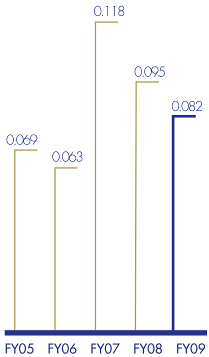
To be the world's best platinum producing company, delivering superior returns to shareholders relative to our peers.

Implats' values

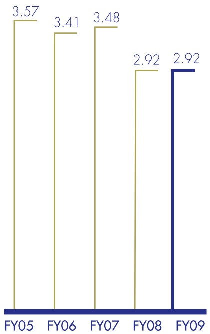
- Safeguarding the health and safety of our employees, and caring for the environment in which we operate.
- Acting with integrity and openness in all that we do and fostering a workplace in which honest and open communication thrives.
- Promoting and rewarding teamwork, innovation, continuous improvement and the application of best practice by being a responsible employer, developing people to the best of their abilities and fostering a culture of mutual respect among employees.
- Being accountable and responsible for our actions as a company and as individuals.
- Being a good corporate citizen in the communities in which we live and work.

A challenging year impacted by the economic crisis

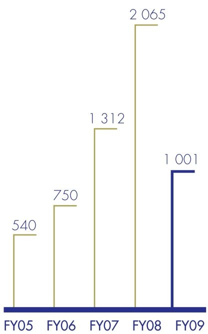
FIFR improves marginally
(per million man hours worked)



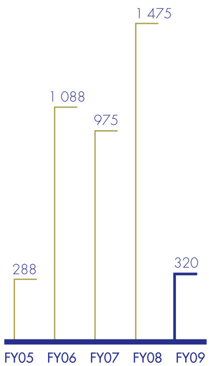
LTIFR unchanged
(per million man hours worked)



HEPS down 52% (cps)

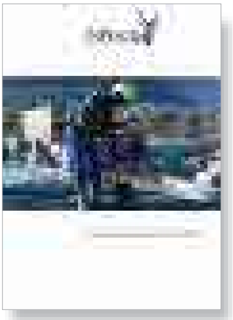


Continuous dividend payments (cps)

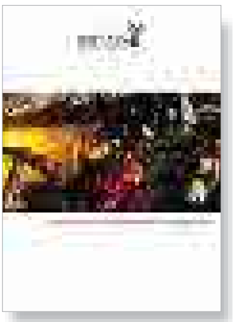


Scope of report

Annual Report 2009



Sustainable Development Report 2009



Mineral Resource and Mineral Reserve Statement 2009

Implats' Annual Report 2009 has been compiled for the Implats group and its subsidiaries and covers the 2009 financial year, from 1 July 2008 to 30 June 2009. The Annual Report includes the audited annual financial statements, as well as an operational overview of the group's performance for the year.

In addition to this annual report, Implats has also produced:
- Mineral Resource and Mineral Reserve Statement 2009
- Sustainable Development Report 2009.

The Annual Report 2009 and Sustainable Development Report 2009 (formerly the Corporate Responsibility Report) are produced in accordance with the principles of integrated reporting as advocated by the forthcoming King III report on corporate governance and should be read as one. Furthermore, the Sustainable Development Report has been compiled in line with the G3 guidelines of the Global Reporting Initiatives (GRI). These reports are available as interactive online reports on the corporate website with the latter including a series of additional case studies to illustrate the company's approach to sustainability. The Mineral Resource and Mineral Reserve Statement 2009 is available electronically as a pdf on the website.

The aim of these reports is to provide an objective view of Implats' business.

In this report, production is reported in terms of platinum and platinum group metals (PGMs) where the latter includes platinum, palladium, rhodium, ruthenium and iridium as well as gold, or what is otherwise referred to as 5PGE+Au. The annual financial statements, presented on pages 112 to 219, were prepared in accordance with International Financial Reporting Standards (IFRS), the requirements of the South African Companies Act, the regulations of the JSE Limited (JSE) and the recommendations of the King Report on Corporate Governance for South Africa 2002 (King II).

Reporting of Mineral Resources and Mineral Reserves estimates was done in accordance with the South African Code for Reporting of Mineral Resources and Mineral Reserves (SAMREC) and the Australian Code for Reporting of Mineral Resources and Ore Reserves (JORC), and was duly signed off by the Competent Persons, as defined by these codes. This annual report contains a summary of Implats' Mineral Resources and Mineral Reserves with more detailed information available in the Mineral Resources and Mineral Reserves Statement 2009.

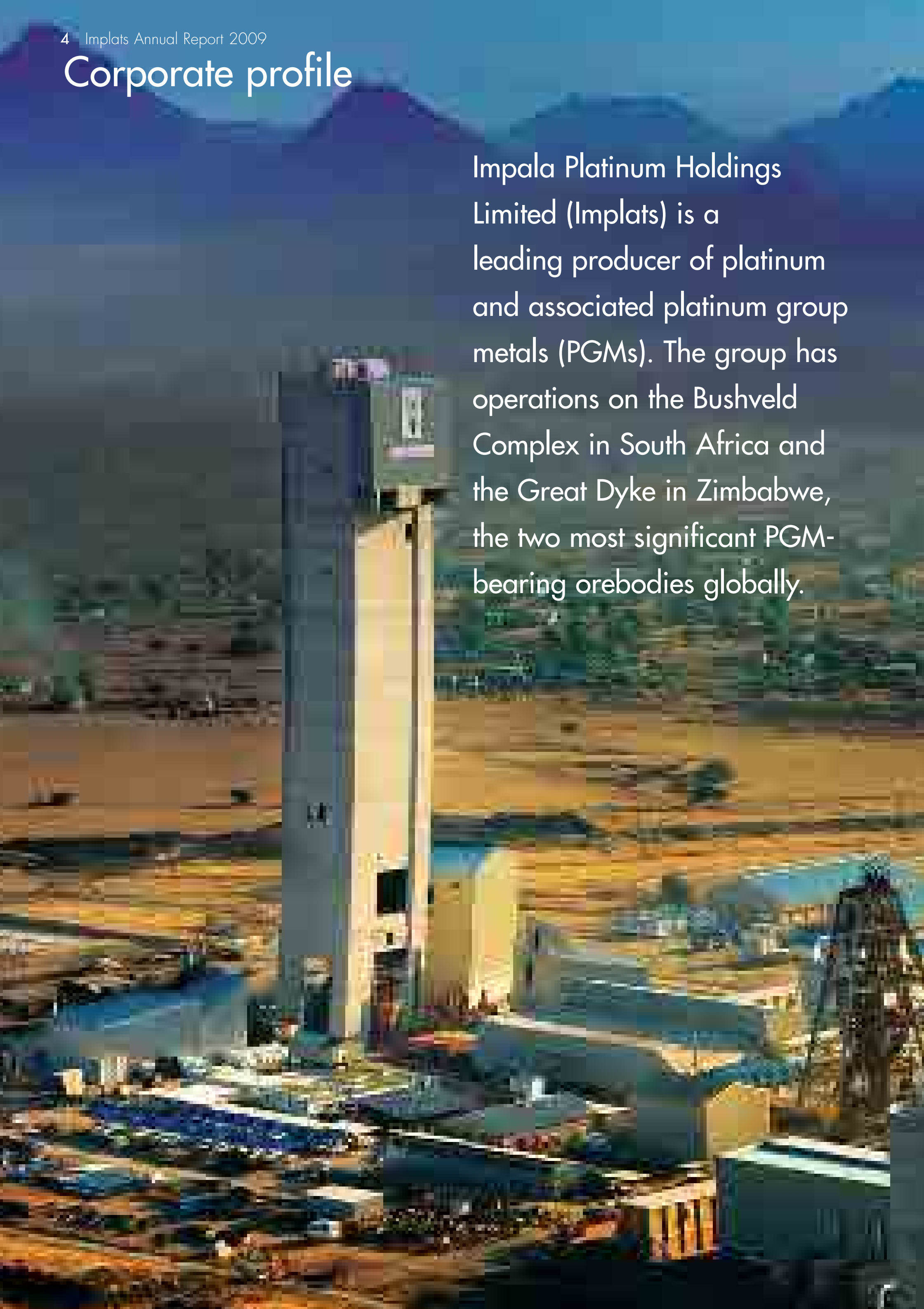
Online reports – www.implats.co.za

Both historical and forward-looking data are provided for information purposes. Unless otherwise stated, information in this report is primarily for FY2009 while that relating to the physical metals markets is provided by calendar year. Certain statistical information is provided for comparative purposes for up to 10 years (financial years 2000 to 2009). While information is in respect of all subsidiary, joint venture and investment companies, it should be noted that in all cases production, capital expenditure, etc, which are attributable to Implats, are highlighted. In all cases in this report, $ or dollar refers to the US dollar.

The 2009 reports are all available electronically as pdf documents on the corporate website, www.implats.co.za. Printed copies of these reports may also be requested from the contact persons listed at the end of this report.

Corporate profile

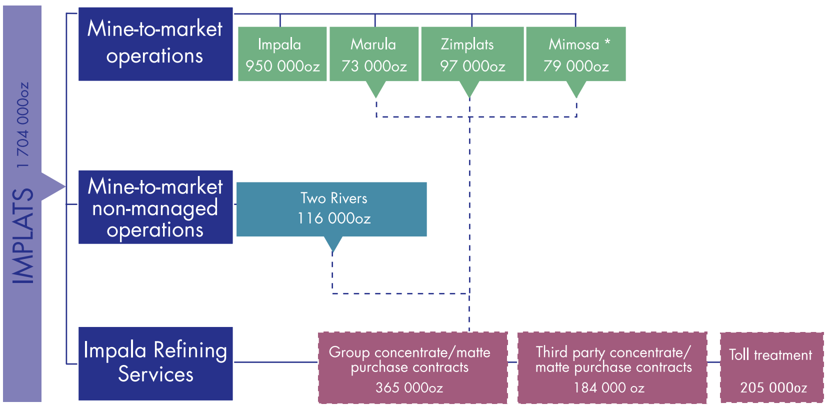
Impala Platinum Holdings Limited (Implats) is a leading producer of platinum and associated platinum group metals (PGMs). The group has operations on the Bushveld Complex in South Africa and the Great Dyke in Zimbabwe, the two most significant PGM-bearing orebodies globally.



Implats this year celebrates the 40th anniversary of the first blast at what is now its flagship operation, Impala Platinum. From small beginnings, this operation has grown and today comprises a 14-shaft mining operation and processing plant (Mineral Processes) in Rustenburg, as well as the refining operation in Springs, east of Johannesburg. Currently, Impala produces around 56% of the group's production.

Impala Refining Services (IRS) capitalises on Impala's smelting and refining capacity, and processes the concentrate and matte production of other group operations as well as material purchased from other companies. This business also offers a toll-refining service to other third parties. Through IRS, Implats is one of the largest autocatalyst recyclers in the world.

Group platinum production

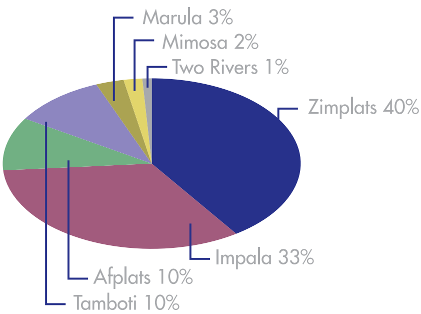


Refined platinum ounces indicated above have been rounded for illustrative purposes

* 100% of platinum production processed

In FY2009, the group employed 53 261 people (including 17 261 contractors which incorporates contractors on both working costs and capital projects) and produced 1.704 million ounces of platinum (3.428 million ounces of PGMs). Implats is targeting production of 2.1 million ounces by FY2014 and has extensive reserves and resources both in South Africa and Zimbabwe.

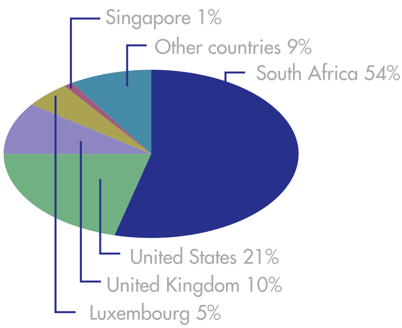
Attributable mineral resources of 230 million platinum ounces as at 30 June 2009



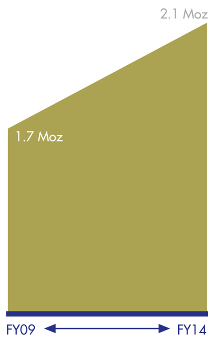
At the end of FY2009, the group had a market capitalisation of R108 billion.

Implats has a primary listing on the JSE in South Africa (IMP) and a secondary listing on the LSE in the United Kingdom (IPLA). It may also be traded via a Level 1 American Depositary Receipt (ADR) programme (IMPUY) in the United States of America.

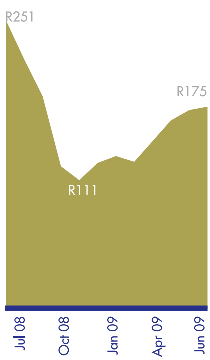
Geographical distribution of shareholders as at 30 June 2009 (%)



Growing platinum production (000 oz)



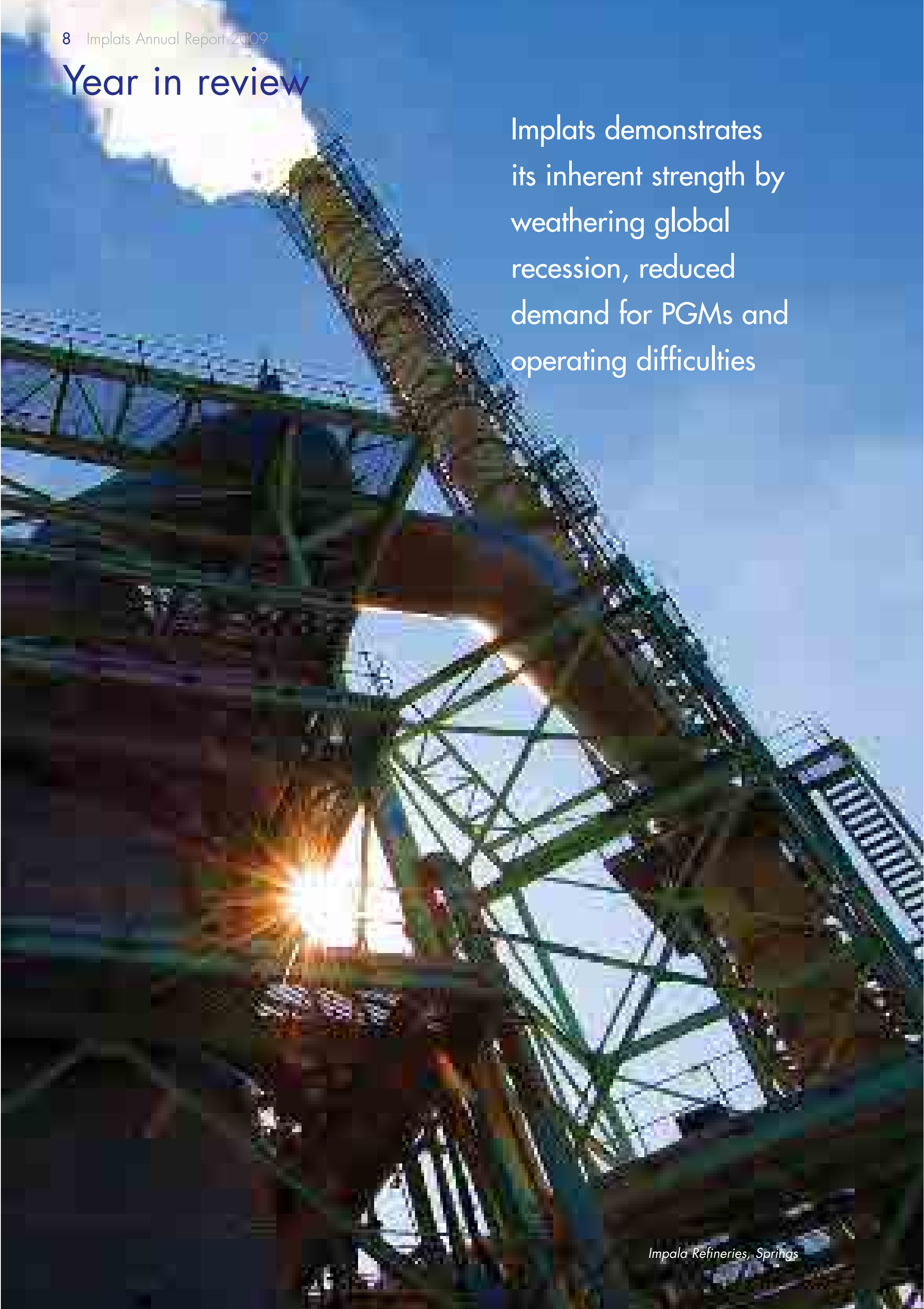
Average monthly share price performance (R)



Impala, Rustenburg

Year in review

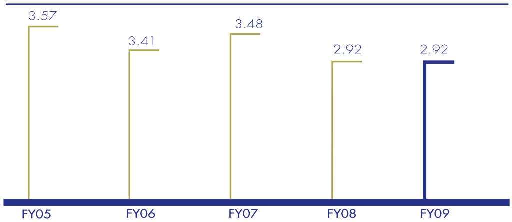
Implats demonstrates its inherent strength by weathering global recession, reduced demand for PGMs and operating difficulties



Impala Refineries, Springs

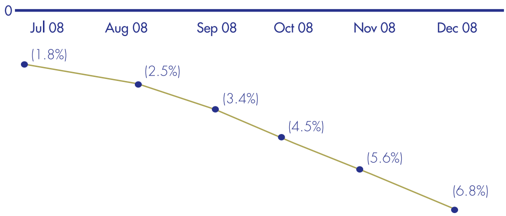
Despite a marginal improvement, safety performance continued to disappoint relative to our internal targets. Sadly 11 of our employees lost their lives at work during the year.

LTIFR unchanged (per million man hours worked)



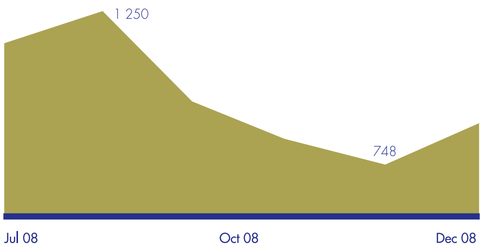
The first half of FY2009 was dominated by the US sub-prime crisis, which sparked the near-collapse of the global financial system and plunged the world into recession. The speed and depth of the economic decline far exceeded forecasters' worst expectations.

Recession bites (year-on-year % change)
OECD Composite Leading Indicator



Demand for motor vehicles fell significantly as consumer confidence was undermined, and finance all but dried up.

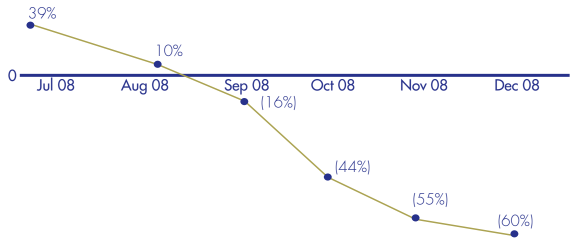
Vehicle sales fell sharply (US light vehicle sales) (000)



Year in review (continued)

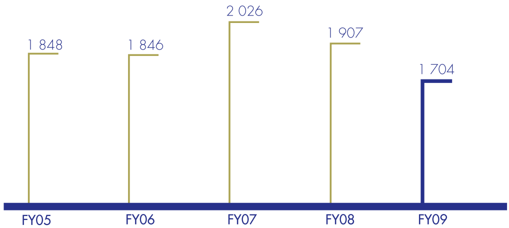
The dramatic drop in metal prices together with the fall off in demand affected the company's financial performance.

PGM dollar basket plunges (year-on-year % change)



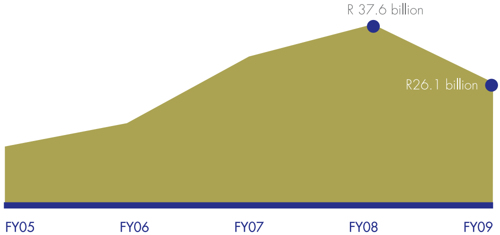
Reduced third parties deliveries and lower output from Rustenburg affected group production, and platinum ounces decreased by 11% to 1.704 million ounces.

Reduced gross production (000 oz)



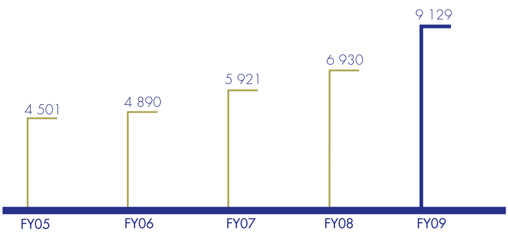
Revenue declined by 31% as a result of significantly lower metal prices.

Revenues decline (Rbn)



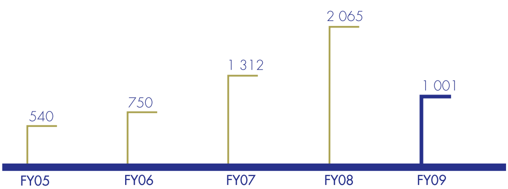
Unit costs (excluding share-based payments) increased by 32% to R9 129 per platinum ounce as a result of lower production volumes and inflationary pressures. Unit cost including share-based payments increased by 10% to R8 526 per platinum ounce.

Cost per platinum ounce escalates steeply (R/oz)



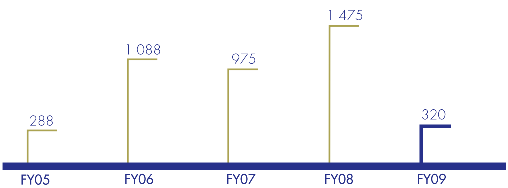
Headline earnings dropped 52% from the previous year.

Headline earnings fall accordingly (cps)



However, Implats demonstrated its inherent strength and management's confidence about the future, and paid a dividend for the year of 320 cents – 78% down on the previous period.

Continuous dividend payments (cps)



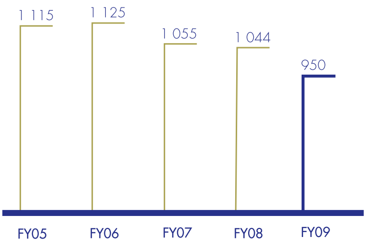
This has been a tough year, yet Implats is weathering the storm. The focus on cash preservation and the optimisation of operations has stood the company in good stead, whilst cash-generation potential remains positive. The outlook for the group remains strong, though FY2010 will be a tough year.

Operations at a glance – FY2009

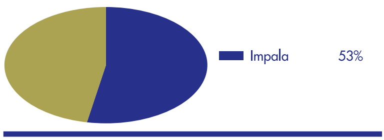
Impala (100%)

- A 14-shaft mining system
- Mineral Processes, incorporating concentrating and smelting plants
- Refineries, housing the base and precious metals refineries

Refined platinum production (000 oz)

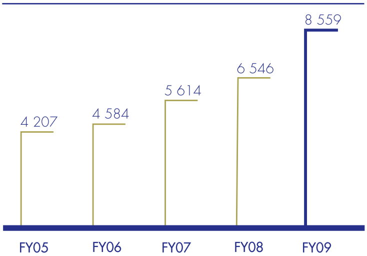


Contribution to group platinum production (%)



- Number of employees: 30 540
- Number of contractors: 12 786
- Centares per panel man per month: 34.6 m^2/man

Cost per refined platinum ounce (R/oz)*



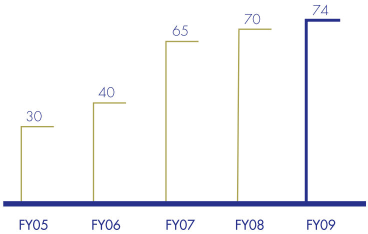
* Excluding share-based payments

- Capital expenditure: R4 782 million

Marula (73%)

- Two on-reef decline shafts and an off-reef conventional decline
- Concentrator plant

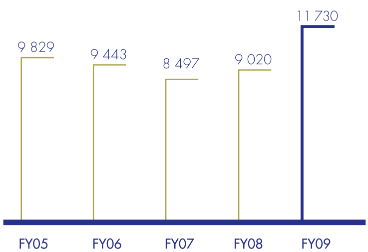
Platinum in concentrate production (000 oz)



Contribution to group platinum production (%)

- Number of employees: 2 512
- Number of contractors: 998
- Centares per panel man per month: 27.2 m^2/man

Cost per platinum ounce in concentrate (R/oz)*



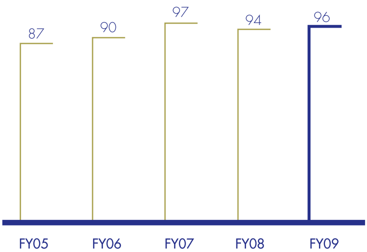
* Excluding share-based payments

- Capital expenditure: R398 million

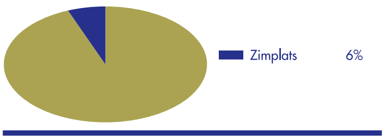
Zimplats (87%)

- Three shallow mechanised underground mines
- Concentrator and smelter plants at Selous Metallurgical Complex (77km north of Ngezi)
- Concentrator plant at Ngezi

Platinum in matte production (000 oz)

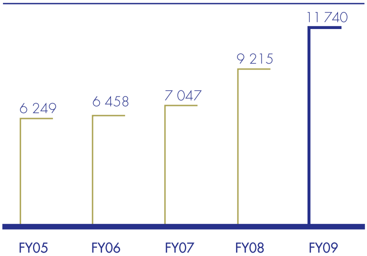


Contribution to group platinum production (%)



- Number of employees: 2 136
- Number of contractors: 3 323
- Centares per panel man per month: 26.0 m²/man

Cost per platinum ounce in matte (R/oz)

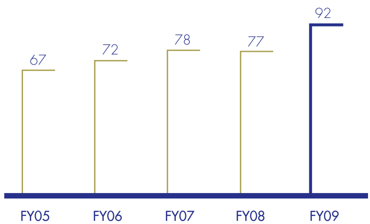


- Capital expenditure: R1 358 million

Mimosa (50%)

- Joint venture with Aquarius Platinum Limited
- Mechanised shallow underground mine
- Concentrator plant

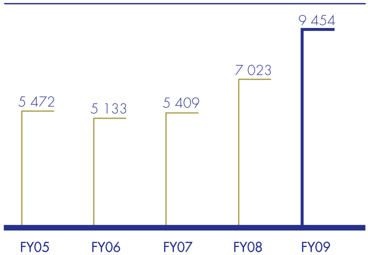
Platinum in concentrate production (000 oz)



Contribution to group platinum production (%)

- Number of employees: 1 623
- Number of contractors: 308
- Centares per panel man per month:

Cost per platinum ounce in concentrate (R/oz)



52.4 m²/man

- Capital expenditure: R555 million

Operations at a glance (continued)

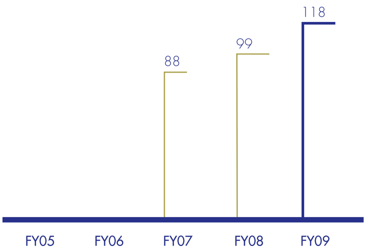
Two Rivers (45%)

- Joint venture with African Rainbow Minerals Limited
- Two on-reef shafts
- Concentrator plant

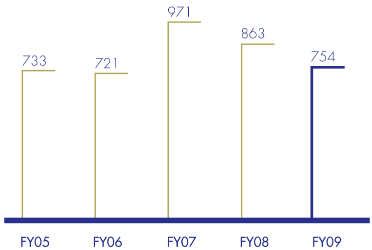
IRS (100%)

- Three main areas of activity
  - Provision of smelting and refining services through off-take agreements
  - Autocatalyst recycling
  - Other toll-refining

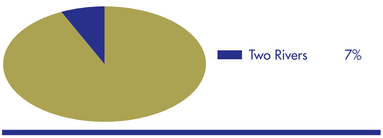
Platinum in concentrate production (000 oz)



Refined platinum production (000 oz)

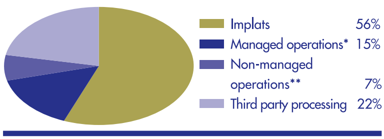


Contribution to group platinum production (%)



- Number of employees: 774
- Number of contractors: 2 068

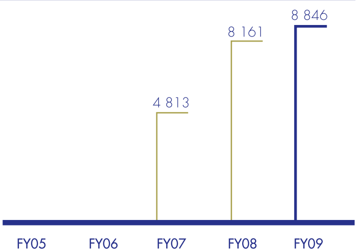
Contribution to group platinum production (%)



* Production includes toll refining for Marula, Zimplats, and Mimosa

**Production from Two Rivers

Cost per platinum ounce in concentrate (R/oz)



- Capital expenditure: R349 million

Overview of the year

Mimosa, Zimbabwe

Chairman's letter

Fred Roux
Chairman

Dear Shareholder

The past year has been hugely challenging and most disappointing, both from a safety performance point of view and in terms of our operating results. Notwithstanding our considerable efforts and initiatives on the safety front, Implats has been unable to drive home a safety culture in a manner that will set it on course to achieve its objective of zero harm by 2012. Operating performance was well below par, and together with reduced commodity prices – associated with the turmoil in world markets – culminated in a 31% reduction in rand revenue and a 52% decline in headline profit for the year.

During the year, eleven of our employees tragically lost their lives in work-related incidents, and we extend our sincere condolences to the relatives and friends of the deceased. This level of fatalities represents only a marginal improvement from the previous year, and is most disappointing in view of the considerable efforts that have been made to eliminate incidents of this nature. Lost-time incidents were maintained at similar levels in relation to the previous year and we are still a long way off from achieving the paradigm shift that we seek and will continue to pursue.

To this end, the issue of zero tolerance around non-compliance is non-negotiable – and it is non-negotiable because almost every fatality that occurs has a non-compliance connotation of some sort, albeit not necessarily by the unfortunate victim. In support of this approach, we have, and have had for some time, a work-stoppage rule in terms of which any employee may stop a workplace if it is deemed unsafe in any manner. We sincerely trust that employees will in future embrace in a meaningful way the strong message that we regard the cost of such a work stoppage as inconsequential compared with the far-reaching implications of a workplace incident.

In addition to this strong emphasis on compliance, we continue with our commitment to promoting and creating an embedded safety culture through better and more frequent training, improved communications at and between all levels of the organisation and through visible leadership. Our objective of zero harm by 2012 will be in jeopardy if our lacklustre performance this year continues, but our resolve to achieve it is greater than ever.

As shareholders well know, the near failure in the world financial system during the past year was precipitated by the export from the United States of so-called "toxic assets" that permeated financial institutions throughout the world. It is also well known that governments worldwide made available some $3-4 trillion to defend the financial system. What is not as well known is that the particular derivative instruments that caused so much hardship represent only a tiny proportion of the total so-called over-the-counter (OTC) derivatives traded worldwide. According to the publication *The Economist*, OTC derivatives had a notional value of $592 trillion at December 2008, with a gross market value of some $34 trillion. The potential for violent dislocations in the world financial system is therefore self-evident, is ever-present and is, indeed, frightening. What is incomprehensible about what transpired is the failure of disclosure of risk to the shareholders of

Chairman's letter (continued)

iconic financial institutions in a so-called era of transparency. Equally incomprehensible is the lack of focus subsequently on this non-disclosure. Shareholders will have noted that Implats, as a matter of course, makes a statement on its exposure to derivative instruments of any nature.

The build-up to the financial crisis occurred over many years before non-sustainability intervened. The particular instruments that became "toxic" were introduced by individuals and institutions almost a decade ago, and their use subsequently gained momentum. The ensuing euphoria associated with home-ownership and increasing house prices led many consumers to believe that they could afford an unprecedented consumer-buying trend that was sustained for almost ten years before the collapse. Consumption then decreased markedly in response to severe financial constraints, and was rapidly reflected in the prices of all asset classes.

For the platinum industry, the major impact of the crisis was in the automotive sector, where demand for new vehicles all but evaporated and inventory downsizing resulted in eroded demand for platinum, palladium and rhodium. Global passenger vehicle sales fell by 8.4% from an already weaker 2007 to 2008 and are likely to fall similar levels in the current year despite various vehicle scrapping incentives having been introduced around the world. The resulting price decline did, however, benefit the jewellery industry in China, where the high price of platinum in recent years had resulted in demand for the metal decreasing markedly. Lower prices also increased demand from the Japanese investment community, who purchased investment bars in unprecedented quantities. The combination of these events mitigated to some extent the excess supply brought about by lower automotive demand. In addition, the impact on the industry was further diminished by under-delivery on the supply side by virtually all producers.

The cycle of boom and bust that we have experienced in the world recently is one that is, of course, not new to the platinum industry. What is unusual about the present cycle is that it did not have its genesis in the actions of producers, who have usually precipitated downturns by major over-production. Indeed, with all the planned new platinum production by existing producers and by juniors who attempted to enter the industry, it seemed that the industry was well on its way in that direction when the massive optimism evaporated, leaving producers exposed to the higher cost base that usually accompanies such boom periods.

The financial impact of the downturn on the performance of Implats has been dramatic. Revenue in rand terms declined to R26.1 billion from R37.6 billion last year, and headline profit at R6 billion was approximately halved. More disconcerting is the fact that unit costs per platinum ounce produced increased by 31.7% to R9 129 per ounce, which seems to indicate that the group has lost the ability to contain costs and to remain the pre-eminent low-cost producer of platinum. An analysis of the cost increases is, however, instructive: approximately two-thirds of it was the result of inflation and only one-third the result of lower production.

The portion of the cost increase that resulted from inflation is to a large extent beyond the control of operating entities, and comprises cost components such as steel, explosives, fuel, coal and power. This portion of costs increased at an average rate of more than 20% per annum in response to the abnormally high demand for such goods, and there was little that management could do other than to manage it. Labour costs directly within the control of our operating entities increased by 14.6% per annum This is significantly higher than the wage increases granted during the year, and reflects the impact of the group having to compete for the retention of skills in a mining industry that was recruiting globally. The impact of the skills shortage in South Africa was therefore exacerbated by us having to compete with job offers for skilled personnel from international companies.

I referred last year to the skills shortage and the fact that it is becoming increasingly difficult to compete as, all things being equal, an employee would be inclined to relocate to a country where crime is less prevalent, and education and healthcare are better. In addition, the vast pool of skills that we have become accustomed to in this country has diminished significantly as activity in the gold-mining sector has declined. In 1990, ore milled on South African gold mines was 129 million tonnes; by 2006, this had declined to some 53 million tonnes. Similarly, gold production declined from 603 tonnes in 1990 to 275 tonnes in 2006. The level of activity in the gold-mining industry has therefore declined by some 55% to 60%, reducing the size of the skills pool. To some extent, this decline in gold-mining activity was offset by increased production from platinum mines; but at a relatively modest 80 tonnes over the period, this increase did not quite compensate for the skills shed by the gold mines.

At present, the skills-demand situation has abated somewhat as a result of the downturn in world mining activity. However, it would

Chairman's letter (continued)

be naïve to imagine that it would not occur again, and the group will have to position itself accordingly to ensure it has the necessary manpower and expertise to run its mining operations efficiently, and to expand operations when necessary. Regrettably, this will mean that the employee component of the cost base will have to increase, and will stay at these higher levels permanently.

I have already mentioned that under-performance on production has contributed about one-third of the increase in the cost per platinum ounce produced. To some extent, this cost increase is also due to the depletion of skills, as those individuals targeted by other companies are generally the better performers. However, management must shoulder a great deal of the blame for this production performance as poor forward planning, sub-standard delivery against production targets and poor delivery against plan on the new decline-shaft projects have been major contributory factors. Although rectification measures have been implemented and have arrested the situation, the reduced own production together with lower expected deliveries from third parties will result in total production of only some 2.1 million ounces in 2014 rather than the previously targeted 2.3 million ounces.

Given the issues that have resulted in our "underwhelming" production performance, it is appropriate at this point to mention the difficulties associated with managing in the present-day environment of enlightened democracy. The new reality is that seeking buy-in from the workforce has become ever more prevalent. This is a concept that is foreign to the mining environment in particular, where discipline has traditionally been enforced in an autocratic manner. But we have to accept that this new reality is here to stay. Our managers will have to adjust accordingly, even though it is time-consuming and somewhat debilitating to always seek some form of consensus on major issues and new initiatives. The situation is somewhat exacerbated by an entitlement attitude that now seems pervasive in our society, and leads to unrealistic expectations which often are difficult to meet. Your board is, however, confident that it has the management in place to deal with these challenges and to position the group as the employer of first choice in the mining industry.

As shareholders, you may also rest assured that your company is financially sound and is positioning itself to take advantage of the next upturn in demand – difficult as it may be now to imagine that good times will ever dawn again. The group has embarked on

Impala, Mineral Processes, Rustenburg

Chairman's letter (continued)

a cash-preservation strategy in order to preserve its ungeared balance sheet, but capital expenditure on our major new shafts may from time to time result in relatively minor levels of debt funding. Notwithstanding the poor cost-per-ounce performance during the past year, your group remains by far the lowest-cost platinum producer. In addition, the measures that we have implemented will further improve our position as the pre-eminent low-cost producer. In this regard, we are acutely aware that complacency at a time like this is insidious, and that average performance, if condoned, will become pervasive and inevitably lead to permanent under-performance.

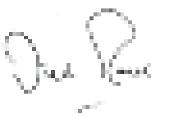
Looking forward, we believe that the fundamentals in the market will lead to a recovery in the medium to longer term. On this particular occasion, the recovery may take somewhat longer given the massive dent to consumer confidence and the fact that a recovery in the automobile industry – by far the largest consumer of platinum metals – will depend on consumer spending increasing by a considerable margin. The challenge in the interim is for the group to position itself to take advantage of the next upturn. Shareholders know well that we have several organic growth opportunities available to us, and we will embark on these as soon as funding constraints abate and the timing is right.

It would be remiss of me not to make mention of Zimplats and Mimosa, our operations in Zimbabwe. Despite the most unimaginably difficult business environment, they have performed admirably. At Zimplats, a new concentrator at Ngezi commenced commissioning in July this year, and will enable tonnage treated to increase to around 4 million tonnes per year and platinum-in-matte to 180 000 ounces per year. Given an improved political environment in Zimbabwe, it will be possible in due course to increase this platinum production to 1 million ounces per year. Shareholders may therefore be confident that given this organic growth potential, together with that of our South African operations, growth will not be constrained. Further opportunities to add to our resource base will continue to receive attention, as will opportunities to utilise to the fullest possible extent our smelting and refining assets for third-party processing.

Shareholders will be aware that in the recent King III report on Corporate Governance, a great deal of emphasis has been placed on the matter of Sustainability Reporting by companies. This is most appropriate, as sustainability in the mining industry is a national imperative closely intertwined with the issue of transformation. Consequently, our social-development programmes and community-engagement initiatives will remain key as we pursue transformation related to ownership, employment equity, skills development, preferential procurement, small-enterprise development and socio-economic development. It is to be hoped, however, that the present confusion regarding changes to the recently gazetted Codes of Good Practice to the South African Minerals Industry will be clarified soon. In its present form, this document is widely regarded as controversial in that it fundamentally alters the way empowerment is conducted in South Africa. In this regard, Government should note the recent findings of the Fraser Institute, an independent Canadian research company, which every year consults some 3 000 mining companies involved in worldwide exploration and mine development. South Africa is ranked only 49th out of 71 countries in terms of its attractiveness for new mining investment. The findings also indicate that, although the South African environmental regulations and tax regime do deter investment, these factors matter far less than the issue of "uncertainty as to the interpretation of new mining legislation, regulatory inconsistencies and misgivings about land claims".

I take this opportunity to thank my fellow board members for their commitment and dedication during the past year. In particular, I thank Lex van Vught, who resigned from the board at the end of June this year. We wish him well in any future endeavours.

My personal gratitude, and that of the board, goes to David Brown and all employees in the Implats family, as well as to contractors, customers, suppliers and other business partners. This has been a difficult year for the group, but we are up to the challenges that have come our way. I am confident that with your support, we will emerge from the present downturn leaner and stronger, and ready to face future opportunities with invigorated enthusiasm.



Fred Roux
Chairman
27 August 2009

Chief executive officer's review

David Brown
Chief executive officer

Emerging from a year of financial turmoil

Our operations have weathered the storm despite lower production output

The platinum market moved from a position of large deficit in the early part of 2008 to one of balance by the end of that year. The driving factors were the well-documented issues around South African mine supply in the first six months including the power crisis in South Africa, industry-wide skills shortages, an increased focus on safety and escalating input costs. The situation was further impacted by the meltdown of the banking system in the wake of the sub-prime crisis. Economic recession ensued, resulting in with a decline in PGM demand.

The metal price hit a record high of $2 276 per ounce at the peak of the supply cycle. As industrial demand for platinum continued to increase, jewellery demand declined, and the market was flooded by record volumes of platinum-jewellery scrap metal for recycling.

The cycle turned in July when the sub-prime crisis surfaced, resulting in massive commodity-fund liquidation of PGM positions, driven by a desperate need for cash. The world moved from commodity supercycle to deep recession within five months, and the platinum price tested levels below $800 per ounce.

Safety – targeting zero harm

Despite the less-than-satisfactory overall safety picture, individual mines continue to excel in specific areas, demonstrating that Zero Harm is a realistic objective. The milestone of 1 million fatality-free shifts was reached during the course of the year at Marula and Impala Rustenburg (1 Shaft, 9 Shaft and Mineral Processing). Mimosa achieved 1.5 million fatality-free shifts while Impala Springs did even better, notching up 7 million fatality-free shifts.

Poor consumer sentiment in a recessionary environment, coupled with the credit squeeze and eroding personal confidence levels, combined to decimate demand for motor vehicles: sales collapsed in the second half of 2008 and the first half of 2009. This saw demand for PGMs fall off the proverbial cliff.

However, the low metal prices had the effect of raising jewellery demand in China, with strong physical buying noted at the $1000 level. Demand was also boosted by exchange traded fund (ETF) investments through a combination of further inflows into ETFs and a return to the market by Japanese investors.

No significant improvement in safety

Implats experienced a poor safety year in terms of what we expect from ourselves and what we believe we can achieve. Regrettably, eleven employees lost their lives at work in FY2009. The Board and management team join me in extending our sincere condolences to all the families and friends of those who died.

Our lost-time injury frequency rate for the group in FY2009 was maintained at 2.92 per million man hours worked. Operationally, Impala's safety record remained unchanged year-on-year.

Chief executive officer's review (continued)

Improvements recorded at Zimplats and Mimosa were negated by a deterioration at Marula. We believe we can mine without incident. Measures that have contributed to safety improvements in previous years are continuing, and new initiatives are being implemented to further develop safety awareness and push us to the next level of performance.

Dividend shows strength, confidence

In the midst of the worst economic downturn the world has seen in recent memory, Implats bucked the industry trend by paying a dividend for the year of 320 cents. This is an illustration of the company's inherent strength as well as management's confidence about the future.

Pressure on costs

Implats' platinum production was down in FY2009 by approximately 11% to 1.7 million ounces. Headline earnings per share declined from 2 065 cents in FY2008 to 1 001 cents in the current financial year, but the portion attributed to reduced production was overshadowed by the credit crunch and resulting collapse of the metal prices from the second quarter of FY2009.

The financial year began with a positive net cash balance of R9 billion. However, cash net of all debt declined to R1.4 billion at the end of FY2009 due to a combination of a significant final dividend relating to FY2008 of R7.1 billion, reduced margins, increased capital expenditure, and cash obligations for tax and dividends relating to the previous year. This has spurred us on to further efforts to reduce costs, preserve cash and optimise operations throughout the organisation.

Nevertheless, despite these concerted efforts, unit costs (excluding share-based payments) increased by 32% to R9 129 per platinum ounce. This was not attributable to any one company in the group, but was experienced by all to various degrees. The most significant increase came from the largest volume contributor, Impala, at 31% due to a combination of lower volumes and inflationary pressures. The cost per platinum ounce for the group year-on-year, including share-based payments, was R8 526, an increase of 10%. This difference is attributable to a share-based credit for FY2009 arising from a decrease in the share price.

A shift in strategic focus

The year saw a shift in strategic focus from growth to cash preservation through ongoing commitment to our six key strategic elements: safety, growing production and our resource base, cost-leadership, capital efficiency and delivery, improving the holistic contract with employees and managing the balance sheet.

Safety

To realise our vision of being the world's best platinum-producing company, we need to improve our safety record. While we have seen improvements in all areas, our safety performance over the last year has been disappointing.

The overall vision of Zero Harm remains our objective. There are times when this seems unobtainable, but it is our collective duty – as employees, unions and government – to work as a team to make this vision a reality. Apportioning blame does not help. We have a common goal, and must move forward together.

In the previous annual review, I wrote that non-compliance with safety standards was a key factor to be addressed. This continues to be the case, as was borne out by the past year's safety performance. We simply have to ensure that compliance with safety standards is enforced. This might prove unpopular, but it has to be done if we wish to achieve our common vision.

Growth

As in previous years, opportunities for growing our production and resource base will come from four key areas:

- **Exploration**
  Our lack of success in this area is not for want of trying. There have been no new major discoveries worldwide since the Stillwater discovery in the United States of America in the early 1980s.

- **Organic growth**
  This is growth derived from assets we already own or have some ownership stake in.

  The company has mineral resources of some 230 million ounces of platinum in the ground, 72% of which is located at Zimplats and Impala. Nevertheless, a basic driver of the industry is continuous growth of our resource base to allow exploitation flexibility in the future.

Zimbabwe operations shine

Zimplats and Mimosa, the two group mines in Zimbabwe, had an excellent year. Virtually all production and expansion targets were met, costs are under control despite the dollarisation of the economy and a new group safety record was set at Zimplats. This overall performance is doubly satisfying given not only the current state of world markets, but also the trying conditions in which both people and companies have to operate in that country.

Chief executive officer's review (continued)

Zimplats, Zimbabwe

- Acquisitions
  We continue to look at potential targets in the PGM space in order to increase our resource base and our organic-growth pipeline. We will be selective in any such acquisitions.

- Recycling
  We will remain a relevant player in the recycling sector.

The group is no longer on track to achieve production of 2.3 million ounces of platinum (4.6 million ounces of PGMs) by FY2012; we believe we will only achieve 2.1 million ounces by FY2014. We are currently establishing the building blocks to grow to 2.8 million ounces of platinum annually (5.6 million ounces of PGMs). Capital expenditure to increase refining capacity to 2.8 million ounces of platinum has already been approved.

Our market share of global supply is approximately 25%. Our aim is to increase this number, or at the very least maintain it at current levels.

Impala Refining Services, by virtue of its ability to process our organic and recycling material, remains a key source of support for the overall business – particularly from a growth perspective. We are able to leverage potential acquisitions through off-take agreements or gain exposure to any value proposition through a standalone IRS contract. Potential for competition in the smelting and refining arena still remains a threat, though not in the short to medium term where prospects have been impacted by South Africa's current power crisis. However, it remains important to continue subtly shifting our strategy to ensure we have greater influence and ownership in the various resource bases where we see value.

Cost-leadership

We continue to be the leader in the industry. Impala's performance, in particular, remains key, and it is of paramount importance that we continue to drive hard in this area. All members of the team should, and must, contribute to the "cost conscience" of the organisation.

We continue to focus on the following elements:

- **Labour complement:** additional staff requires additional output
- **Materials efficiency:** using less material inputs where possible
- **Competitive input pricing:** keeping these at the right levels

Chief executive officer's review (continued)

It should be noted that the cost of production has escalated significantly in the past two years, and the outlook for the future sees the cost trend being subdued by increased output and a lower inflationary environment. Despite future cost increases being more repressed, the cost of production will become a greater factor in the future when setting the prices of our products. We are in fact price-takers, with little or no influence over demand fundamentals. Therefore we have to ensure that our supply is produced at reasonable cost, and that our capital input remains efficient.

Capital delivery

This is the component that will allow us cost-effective production in the future. In order to achieve this, we must ensure that all projects deliver on target and on time.

The lack of delivery from the decline projects at Rustenburg has clearly affected the position we find ourselves in today. We have little mining flexibility there, and as a result of delays and underperformance, we have placed ourselves under constant pressure. In addition, capital costs are rising drastically, and any time delays have a profound impact on cost — and ultimately profitability. The timely delivery of 20, 16 and 17 shafts, currently under construction, is crucial to ensuring mining flexibility in future.

People contract

We are determined to see the employer/employee relationship grow in a more holistic way so that individuals feel that their personal contribution is encouraged, recognised and rewarded. Skills remain a key issue, and programmes are in place to ensure that we attract, nurture and retain the right people. In the coming year, we will be focusing not only on adult education and training, but also on various learning initiatives in high schools in the vicinity of our mines. The most important element will be delivery on the ground, particularly in the housing arena.

Managing the balance sheet

Our cash-generation potential remains positive at an operating level, and the outlook remains strong. An acceptable level of debt remains an ideal and there should be an element of debt over the next year. In addition, we maintained a dividend payment for the year which places Implats in a good position within our sector.

We believe that the continued prudent mix between further investment, capital expenditure and returns to shareholders is encapsulated in our future plans.

Power and skills remain key risks

The group ensures that all key strategic risks are understood, and that cost-effective steps to mitigate them are in place. The two key risks from the previous financial year were related to the power crisis and the lack of skills. These are still key risks in southern Africa and its mining industry, and although their immediate impact has receded, they remain ever-present.

In the event of an economic upturn – and hence increased demand for commodities – these issues will once again come to the fore. In the meantime, management must mitigate the group's exposure to these risks. Likewise, government should recognise this intervening period as an ideal opportunity to help improve the country's response in these areas.

Prospects: all about delivery

Your company continues to focus on ensuring a stable production base in the short term so that it remains squarely positioned for future growth when market fundamentals improve. We anticipate production increases in FY2010 as our various ramp-up projects (particularly Zimplats) deliver additional ounces.

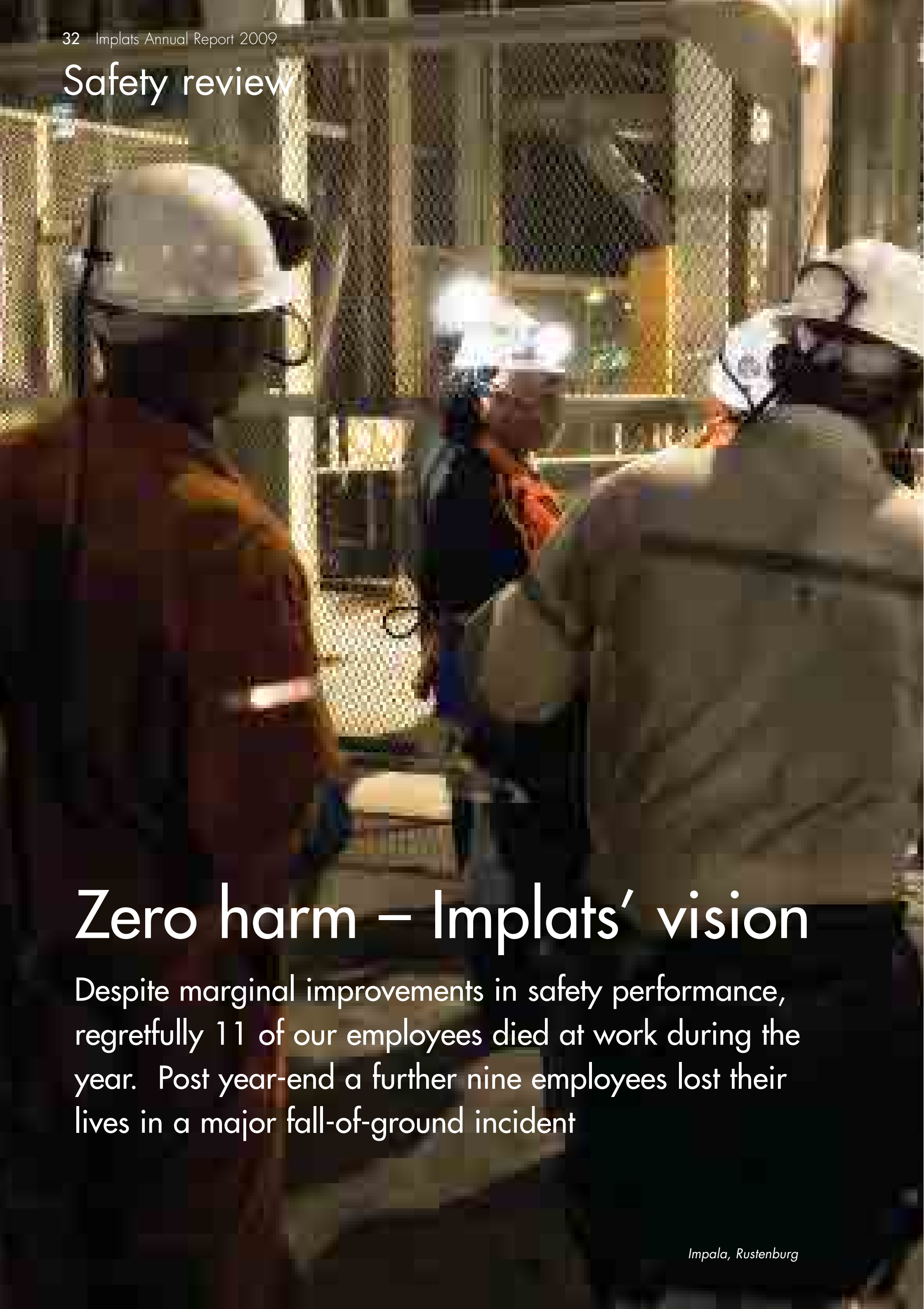
The platinum market remains close to a position of balance, with lower supply being welcome given the demand destruction in the automobile industry. The next financial year will be a tough one, due to the slow recovery of the world economy. We are likely to see improved sentiment towards the end of the next financial year, and ultimately increased end-user demand. The medium to long term fundamentals remain positive for our industry, as our metals remain an essential resource in many applications.

I would like to thank the Implats team for making good progress in a very difficult year. I also thank my fellow board members and management teams for their support. I wish to make special mention of Lex Van Vught, who resigned from the board at the end of June – thank you for all your valuable support and input.

The next financial year is all about our ability to deliver on our production and safety targets, even as we continue to focus on cash-preservation. It's going to be tough, but I know that we have a team that can deliver.

David Brown
Chief executive officer
27 August 2009

Safety review



Zero harm – Implats' vision

Despite marginal improvements in safety performance, regretfully 11 of our employees died at work during the year. Post year-end a further nine employees lost their lives in a major fall-of-ground incident

Impala, Rustenburg

Safety remains the highest priority for Implats, and we are committed to achieving our vision of Zero Harm. It is a tragedy that 11 employees lost their lives at work during the year, and a further nine were killed in a fall-of-ground incident at 14 Shaft in July 2009. We extend our sincere and deep sympathies to the families and friends of all those who died.

The group's safety performance did, nevertheless, improve marginally during the year. The improvement in the fatality rate, however, belies the disappointing safety records of both the Rustenburg and Marula operations. Ten of our team members were fatally injured at Rustenburg, and one at Marula. The lost-time injury frequency rate for the group was maintained at 2.92 per million man-hours worked.

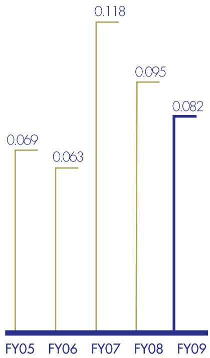
It is of great concern to the company that safety performance was well below the targets set. A number of safety initiatives, developed jointly with our unions, were rolled out during the year. These include:

- Creating and promoting a safety culture within every employee at Implats;
- Safety communication using sms-messaging, e-mail, posters and billboards and our Safety, Health and Environment Quality (SHEQ) structures;
- Balancing compliance with our new Platinum Rules;
- Visible safety leadership using our behaviour-based safety programmes and recognition of outstanding safety leaders and achievers in the company.

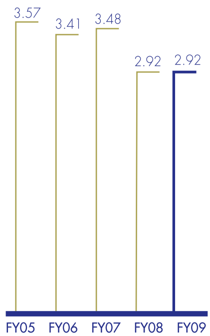
We are using our increased understanding of the cause of accidents to improve our performance going forward. Increased co-operation between management and employees will enable the further development of strategies to mitigate future incidents.

Implats welcomes the Department of Mineral Resources' attention to safety and applauds all efforts to increase safety in the mining industry. It is only through the involvement of all role-players – including government, unions, management, employees, employee representatives and members of the community – that a safer working environment will be created. The realisation of the vision Zero Harm will only be achieved through a collective effort.

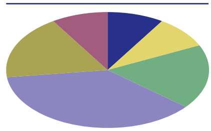
FIFR improves marginally
(per million man hours worked)



LTIFR unchanged
(per million man hours worked)



Causes of fatal incidents FY2009



Explosion	9%
Falling material	9%
Fall of ground	18%
Trucks/Tramming	37%
Scraper-related	18%
Equipment/ material handling	9%

Safety review (continued)

In memory of our deceased colleagues:

Name	Operation	Date	Home
Thobo Tshose	Impala 11 shaft	30 July 2008	Chaneng Village, North West Province
Arone James Makhobosi	Impala 16 shaft	3 August 2008	Kanana Village, North West Province
Bongani Qhuqhani	Impala 10 shaft	26 August 2008	Mfidikwe Village, North West Province
Moeketsi Sebotsa	Impala 11 shaft	17 September 2008	Klerksdorp, North West Province
Thethani Sorry Phondoyi	Impala 12 shaft	14 October 2008	Queenstown, Eastern Cape
Tshep Mazibuko	Impala 20 shaft	27 November 2008	Mafikeng, North West Province
Mkhawuleni Zulu	Impala 14 shaft	7 January 2009	Kwasiwela Village, Kwazulu Natal
Romeu Francisco Chivale	Impala 14 shaft	16 February 2009	Massinga, Mozambique
Tobias Nelson Khameni	Impala 10 shaft	21 March 2009	Mqanduli, Eastern Cape
Mamonwana Jacob Montwedi	Impala 2 shaft	14 April 2009	Hartebeestfontein, North West Province
Lazarus Mashabela	Marula Clapham	21 May 2009	Mashishi Village, Mpumalanga

Tragedy at 14 shaft

On 20th July 2009, nine employees tragically lost their lives in a massive fall-of-ground incident in one of the mechanised sections. A tri-partite investigation involving Implats, the DMR and the unions, together with an independent review, was conducted. In order to significantly reduce the operational risks the decision was taken to reduce bord widths to six metres across all Rustenburg mechanised sections. A memorial service was held in Rustenburg on Friday, 24th July.

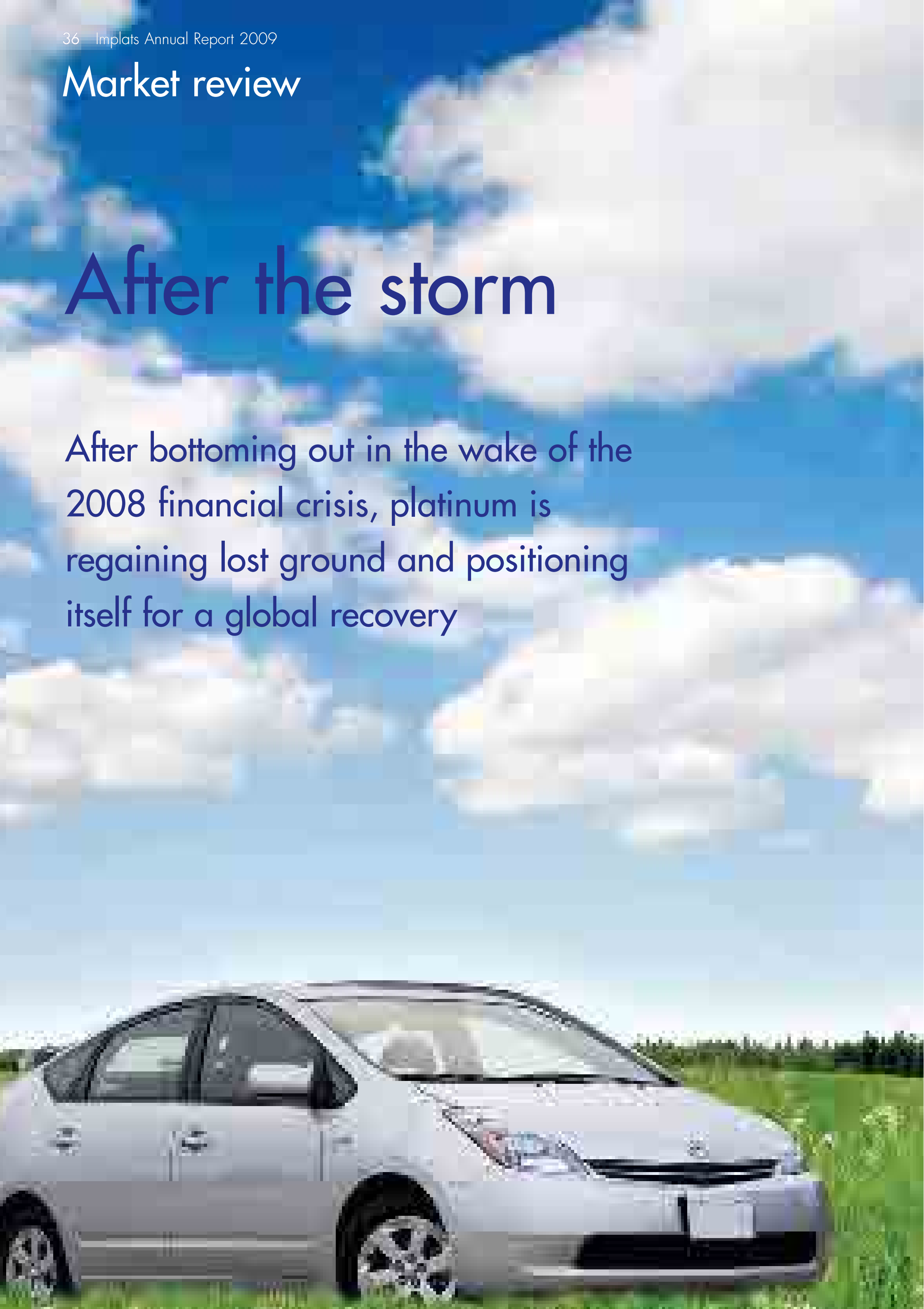
In memory of our deceased colleagues:

Name	Home
Sithembisile Foxo	Mdwaka Village, Mzanduli, Eastern Cape
Jotata Gitywa	Nenga Village, Mqanduli, Eastern Cape
Albert Machubeni	Digetlane Village, Matatiele – Mount Fletcher, Eastern Cape
Ofentse Zacharia Mafora	Dinokana, Zeerust, North West
Mziwonke Matandabuzo	Lekhuni Village, Lebote, Eastern Cape
Phindisingaki Mvuleni Mbhamali	Bhanganoma Village, Nongama, Kwazulu-Natal
Bethuel Karabo Rakoma	Thabaneng, Lerome Village, Rustenburg, North West
Sechache Coronea Ramonyatsi	Khakhathane, Mohaleshoek, Lesotho
Tsollana Tshatsha	Esunwane Village, Idutywa, Eastern Cape

Market review

After the storm

After bottoming out in the wake of the 2008 financial crisis, platinum is regaining lost ground and positioning itself for a global recovery



2008 – the year the bubble burst

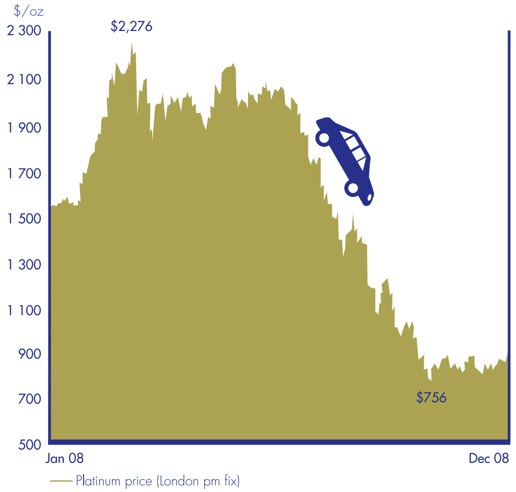
In March 2008 the platinum price peaked at an all-time high of $2 276 an ounce, driven by the prevailing commodity boom and underpinned by major supply concerns, particularly in South Africa, where the platinum industry was contending with acute electricity shortages, a scarcity of skills and various operational and safety related difficulties.

These heady market conditions came to an abrupt halt in July as the US sub-prime crisis triggered a collapse in global financial markets and the worst economic recession in recent times. The world automotive industry – which absorbs around 2/3 of global PGM output for use in autocatalysts – was severely impacted.

Plummeting vehicle sales accompanied by massive investor liquidations of metal resulted in the platinum price dropping to a low of $756 an ounce in October 2008.

The end of the ride

Plunging auto sales send platinum plummeting 68%



Market review (continued)

The low price was good news for investors

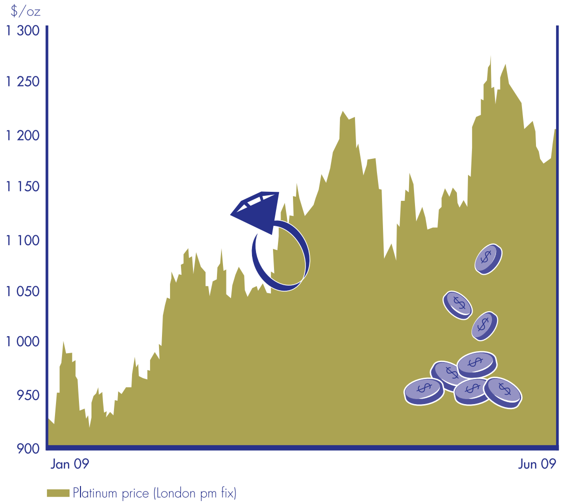
Perhaps predictably, the lower-price environment for platinum proved an ideal buying opportunity for both investors and the "platinum loving" Chinese jewellery community. As early as the third quarter of 2008, demand for platinum began to show signs of revival as Chinese retailers and manufacturers rebuilt their jewellery stocks. Many retailers cut prices of old high priced inventory to stimulate sales.

Toward the end of the year Japanese investors showed strong interest in platinum bars on the back of a low dollar price and a strong yen, resulting in a shortage of these products.

Exchange traded funds (ETFs), which are backed by physical metal, also took the opportunity to rebuild their positions in this lower priced environment. This trend has continued through the first half of 2009, resulting in investment interest in such funds returning, and even exceeding, pre-crash levels.

Investors cash in

Too good an opportunity to miss



Production shortfalls stabilise supply and demand

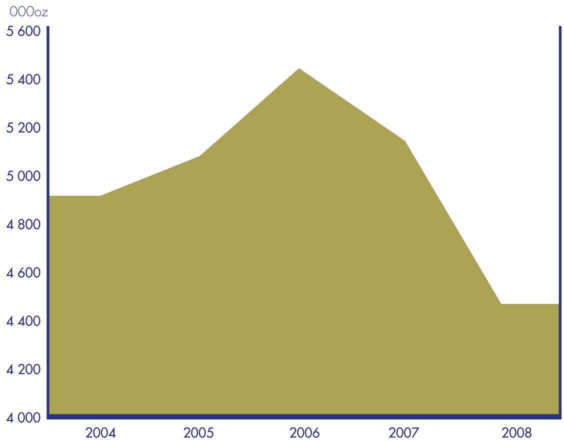
With the world economy in crisis, platinum demand shrinking on the back of lower vehicle sales and additional recycled metal coming from old Japanese jewellery, the scene was set for an oversupply of metal. However, failures by PGM producers in meeting production targets brought the supply/demand balance back to relative equilibrium.

South African operations troubled by electricity supply issues and various operational setbacks, Russian producers contending with sharply lower grades and processing difficulties, and the first mine closure in North America kept at least 0.5 million ounces off the market.

The combination of lower prices and unfavourable exchange rates has created a difficult environment for many new South African platinum projects and several have been delayed or even shelved. This, together with the current dearth of capital investment in the industry, will restrict the growth of future supply as demand for PGMs recovers towards previous levels.

South African supply disappoints

Platinum production falls short of targets



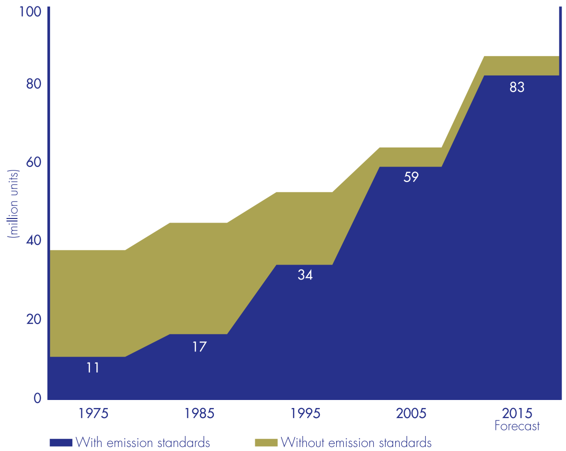
Market review (continued)

Outlook positive as global economy recovers

The gradual recovery of the world economy, with the inevitable revival in industrial production and consumer demand, will be the single biggest driver of platinum and PGM demand over the medium to longer term.

Global light duty vehicle sales

Autocatalysts are now standard in the majority of vehicles sold to the world



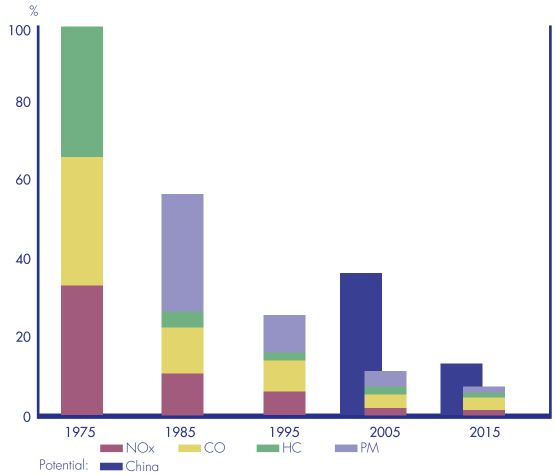
Other drivers of demand that will have a positive effect on the PGM market are:

- Tighter auto-emission legislation

Emission legislation has now spread to countries outside the developed world creating growing demand both in terms of the larger number of autocatalysts required as well as increased loadings of PGMs per catalyst in order to meet ever tightening regulatory obligations. At the same time the legislative net is widening to include older vehicles as well as a wider range of equipment such as motorbikes, construction vehicles, lawnmowers and marine engines.

Exhaust pollution has been cut drastically in the world's mature markets

Falling emission* limits



*Average of key auto pollutants: nitrogen oxide, carbon monoxide, hydrocarbons and particulate matter

- **Incentives to scrap old cars**

Governments in Europe, China, Brazil and more recently the US are incentivising the scrappage of older motorcars. This will serve to stimulate new-vehicle sales in the short term and consequently strengthen PGM demand. However, this could be mitigated in the medium term when these incentives fall away.

- **Consumer demand for jewellery**

Asian buyers, who were relatively sheltered from the financial crisis, are expected to continue purchasing platinum jewellery in the current low-price environment. The heavy buying by Chinese consumers in the first half of 2009 will more than compensate for weaknesses in the North American and European jewellery markets.

- **A new ETF in America**

To date, ETFs, which are big buyers of physical metal, have been a solely European phenomenon. The formation of a US-based platinum and palladium ETF will significantly boost demand.

Market review (continued)

Platinum wedding bands

Platinum

(000 toz)	2005	2006	2007	2008	2009*
Demand					
Automotive	3 570	4 040	4 080	3 750	3 010
Jewellery	1 965	1 665	1 545	1 355	1 875
Industrial	1 720	1 830	1 870	1 780	1 570
Investment	10	(30)	150	400	330
Total Demand	7 265	7 505	7 645	7 285	6 785
Supply					
South Africa	5 030	5 435	5 145	4 465	4 560
Russian sales	850	800	800	800	775
Other	615	635	640	1 075	720
Recycle	775	855	925	970	850
Total Supply	7 270	7 725	7 510	7 310	6 905
Balance	5	220	(135)	25	120

Palladium

(000 toz)	2005	2006	2007	2008	2009*
Demand					
Automotive	4 605	4 800	5 025	4 760	4 450
Jewellery	1 430	1 000	750	875	950
Industrial	2 475	2 330	2 355	2 420	2 000
Investment	200	50	250	425	400
Total Demand	8 710	8 180	8 380	8 480	7 800
Supply					
South Africa	2 575	2 760	2 670	2 355	2 450
Russian sales	4 100	4 500	4 250	3 750	2 700
Other	1 595	1 315	1 265	1 180	995
Recycle	650	780	930	1 085	1 060
Total Supply	8 920	9 355	9 115	8 370	7 205
Balance	210	1 175	735	(110)	(595)

Rhodium

(000 toz)	2005	2006	2007	2008	2009*
Demand					
Automotive	719	825	844	761	663
Industrial	140	144	146	134	133
Total Demand	859	969	990	895	796
Supply					
South Africa	645	648	663	582	595
Russian sales	70	70	65	65	65
Other	36	38	38	37	42
Recycle	162	184	206	222	190
Total Supply	913	940	972	906	892
Balance	54	(29)	(18)	11	96

* Estimates

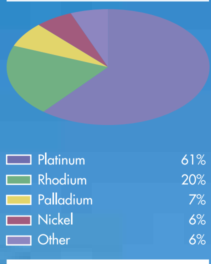
Financial review

Shareholders are advised to read this review in conjunction with the annual financial statements presented on pages 112 to 219.

Reduced demand impacts on profitability

Worsening economic conditions reduce sales, but Implats holds up reasonably well and still declares a dividend

Contribution to revenue by metal



Marula

Implats' financial performance

Revenue

The plight of the global economy impacted financial performance and sales for the 2009 financial year decreased by 31% to R26.1 billion from R37.6 billion in the previous period. In dollar terms, sales were 41% lower at $3.0 billion. This was a result of:

- **Lower sales volumes**
  There was a 10% decrease in sales volumes, resulting in a negative volume variance of R3.8 billion.

- **Lower metal prices**
  Significant falls in the prices of certain metals, in both rand and dollar terms, were worse than anticipated. Platinum, palladium and rhodium prices decreased by 24%; 33% and 49% respectively; dollar revenues per platinum ounce sold fell by 32% to $1 995/oz; and overall PGM dollar prices were 31% lower and contributed to a negative price variance of R11.7 billion.

- **A volatile R/$ exchange rate**
  The average exchange rate achieved for the year was R8.63/$, compared with R7.32/$ for FY2008. This resulted in a positive exchange-rate variance of R3.9 billion.

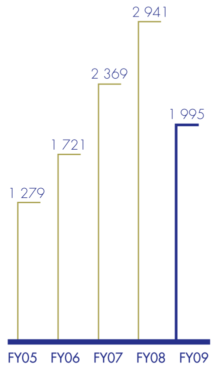
  The range in which the rand traded during this financial year reflects the volatility triggered by the global financial crisis. It traded at a high of R11.93/$ in October and was range-bound until March 2009. By end-June 2009, the currency had strengthened, compared with a close of R7.93/$ a year earlier.

Cost of sales

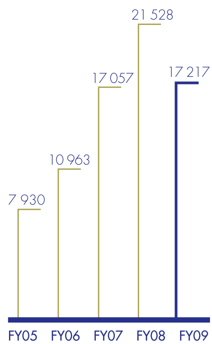
Cost of sales decreased by 18% to R16.4 billion from R19.9 billion in FY2008. There were several key drivers:

- Cost of purchases (net of change in stock) decreased by R3.8 billion, mainly due to the 20% decrease in rand metal prices and lower volumes.
- A R34 million reduction in amortisation due to the lower production at Impala.
- A lower share-based payment expense from a cost of R1 042 million to a credit of R717 million. This was due to a fall in the share price, from R309 in June 2008 to R170/share in June 2009.

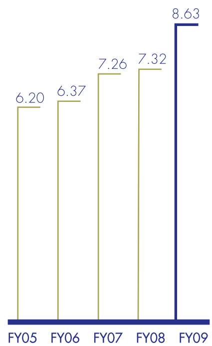
Revenue per platinum ounce sold ($/oz)



Revenue per platinum ounce sold (R/oz)

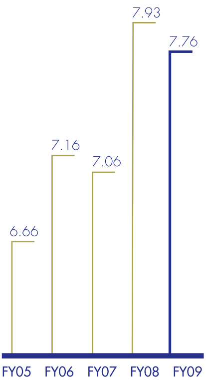


Average annual rand/dollar exchange rate achieved (R/$)



Financial review (continued)

Closing rand/dollar exchange rate (R/$)



These decreases were offset by:

- Inflationary increases of R1.8 billion: The cost of labour increased by 14.6%.
- The price of consumables also rose steeply: explosives increased by 23%, support 27%, mining contracts 29%, coal 65%, mill balls 53% and electricity 24%.

The unit cost per platinum ounce produced rose by 10% to R8 526. Excluding a share-based payment credit of R717 million, the unit cost per platinum ounce relating to operating costs increased by 32% to R9 129/oz.

Cost per platinum ounce performance for the year:

	Excluding SBP*		Including SBP	
R/oz	FY2009	FY2008	FY2009	FY2008
Impala (refined)	8 559	6 546	7 854	7 489
Marula (in concentrate)	11 730	9 020	11 243	9 830
Zimplats (in matte)	11 740	9 215	11 740	9 215
Mimosa (in concentrate)	9 454	7 023	9 454	7 023
Implats Group (refined)	9 129	6 930	8 526	7 750

* Share-based payments

Gross profit

	Gross profit (Rm)		Adjusted gross profit (Rm)*	
	FY2009	FY2008	FY2009	FY2008
Impala	7 586	13 544	7 606	13 597
Marula	(301)	1 050	181	745
Zimplats	(9)	1 122	397	964
Afplats	(1)	–	(1)	–
Mimosa	127	661	314	542
IRS	1 265	1 883	1 265	1 883
Inter-segment adjustment	1 095	(529)	–	–
Implats Group	9 762	17 731	9 762	17 731

*Includes inter-segmental adjustments

The group's margins deteriorated to 37%, and Impala reported a margin of 50% for the year under review. This was due to the lower rand-metal prices.

	Gross profit margin		Adjusted gross profit (Rm)*	
	FY2009	FY2008	FY2009	FY2008
Impala	50%	65%	50%	65%
Marula	(48%)	57%	16%	49%
Zimplats	(1%)	53%	26%	49%
Mimosa	20%	69%	38%	65%
IRS	12%	12%	12%	12%
Implats Group	37%	47%	37%	47%

*Includes inter-segmental adjustments

Other income and expenses

Other operating expenses were 7% lower, the result of a decrease in share-based payments, offset by higher selling and promotional expenses. Royalty expenses decreased due to the lower rand metal prices and lower production used for the calculation of the Impala prepaid royalty.

Finance income grew by R274 million. Interest received rose on the back of the higher cash balances due to the sale of AQP(SA) in the latter part of FY2008.

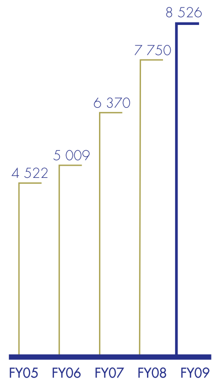
The profit on the sale of our stake in AQP and AQP(SA) in FY2008 amounted to R4.8 billion.

Equity income from the investment in Two Rivers was R41 million, compared to R250 million the previous year. FY2008 equity income included income of R428 million from Aquarius.

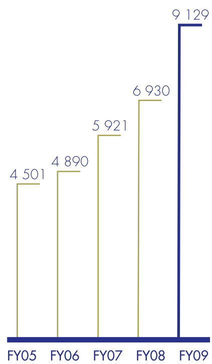
The strengthening of the rand towards the end of the financial year resulted in an overall exchange loss of R211 million, versus a gain of R439 million in the previous year.

The taxation charge decreased by R1.7 billion to R3.4 billion, primarily as a result of lower earnings for the year. The effective tax rate was 36.1% for the year (FY2008: 22.3%).

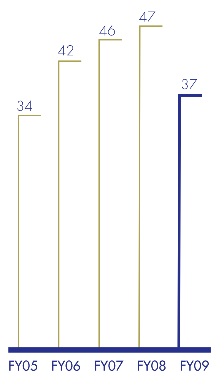
Cost per platinum ounce including share-based payments (R/oz)



Cost per platinum ounce excluding share-based payments (R/oz)

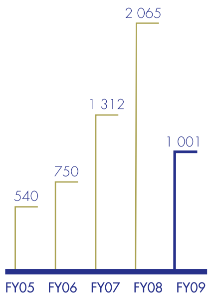


Gross profit margin (%)

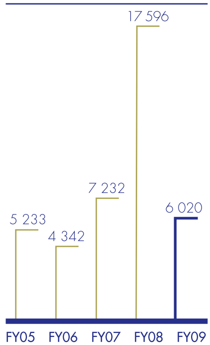


Financial review (continued)

Headline earnings per share (cps)



Profit attributable to owners of the parent (R 000)



Headline earnings

Headline earnings for the financial year decreased by 52% to 1 001 cents per share, from 2 065 cents per share in FY2008, as a result of:

- an R8.0 billion decline in gross profit
- the reduced share of profit from associates of R637 million due to the sale of AQP(SA) in the previous financial year.

This was, however, offset by a decrease in taxation of R1.7 billion because of lower taxable income.

Contribution to headline earnings by company

R million	FY2009	%	FY2008	%
Headline earnings				
Impala*	4 521	75.2	8 393	67.2
Marula	25	0.4	491	3.9
Afplats	(112)	(1.9)	158	1.3
Two Rivers	41	0.7	250	2.0
Zimplats	151	2.5	648	5.2
Mimosa	14	0.2	417	3.3
Aquarius	–	–	428	3.4
IRS	1 375	22.9	1 700	13.6
Headline earnings	6 015	100.0	12 485	100.0
Profit on sale of AQP, AQP (SA)	–		5 181	
Profit on disposal of assets	5		4	
Impairment of assets	–		(74)	
Profit attributable to owners of the parent	6 020		17 596	

* Including holding company and minor subsidiaries

Dividend

A final dividend of 200 cents per share was declared on 27 August 2009, which amounts to a further payment to shareholders of R1.2 billion.

An interim dividend of 120 cents per share was paid, amounting to R712 million.

Implats is one of the few platinum producers to pay a return to its shareholders. The total dividend for the year will be 320 cents. The total dividend payable in FY2008 was 1 475 cents per share.

Cash flow

Operational activities

Cash generated by operations amounted to R9.4 billion before tax, impacted interest of R122 million, income taxes of R2.9 billion and adjustment resulted in net cash from operating activities R6.5 billion.

Investing activities

Net cash out used in investing activities of R5.7 billion, mainly due to capital expenditure of R6.8 billion, offset by finance income of R0.9 billion and repayment of the shareholder loan by Two Rivers of R0.1 billion.

Financial activities

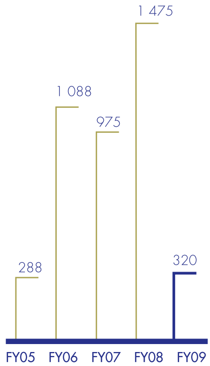
Net cash outflows from financing activities increased by R2.4 billion, resulting in a R7.9 billion outflow compared to a R5.5 billion outflow the previous year.

Dividend payments totalling R7.8 billion were made during the year of which R7.1 billion was for the FY2008 final dividend and R712 million for the FY2009 interim dividend. The dividend payment totalled R6.1 billion in FY2008.

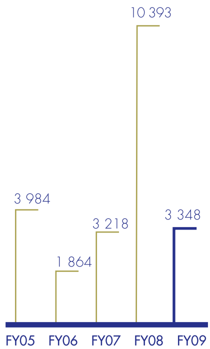
The group acquired 5 562 545 (FY2008: 826 473) of its own shares during the year in terms of an approved share-buy-back scheme for an amount of R724 million (2008: R254 million). In the group's cash preservation strategy announced on 10 November 2008, Implats has suspended its buy-back programme until further notice.

Net proceeds from borrowings amounted to R563 million. These loans were raised as a result of the consolidation of the funding requirement for Zimplats' expansion.

Dividend per share
(cents)



Cash position at year-end
(Rm)

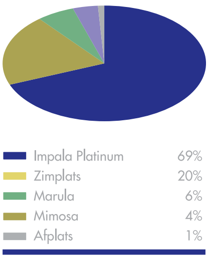


Financial review (continued)

The group will continue to fund cash requirements from cash generated from operations, and will use its adequate banking facilities to cover any shortfalls.

The net result of Implats' operating, investing and financing activities was a net cash outflow of R7.2 billion. When combined with the opening balance of R10.4 billion and the positive translation of R0.1 million, this resulted in a closing cash-and cash-equivalent balance of R3.3 billion.

Capital expenditure by entity (%)



Statement of financial position

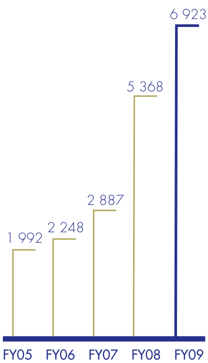
Property, plant and equipment

The growth in property, plant and equipment resulted largely from capital expenditure relating to the group's current projects. Group capital expenditure for FY2009 totalled R6.9 billion, compared with R5.4 billion in the previous financial year. Of this, R4.8 billion was spent at Impala, primarily on the development of 16, 17 and 20 Shafts, accommodation and smelter expansion. The Zimbabwean operations accounted for capital expenditure of R1.6 billion, and Marula R398 million.

There were no impairment write-offs in the current financial year.

Given the current market environment and the short term outlook, cash preservation is paramount. It has been deemed prudent to defer long-lead projects such as Leeuwkop and Marula Merensky, resulting in a lower capital outlay totalling R8.8 billion over the next five years.

Group annual capital expenditure (Rm)



Capital expenditure by entity

	FY2009	FY2008
Impala	4 782	3 415
Marula	398	345
Zimplats	1 358	1 319
Mimosa	277	144
Afplats	108	145
Implats group	6 923	5 368

Forecast capital expenditure for 2010 is R5.0 billion, and will total R23 billion over the next five years. This will be managed in line with group profitability and cash flow.

Cash net of debt

Our net cash is made up as follows:

	FY2009	FY2008
Long-term borrowings	1 778	1 464
Short-term borrowings	207	46
Total debt	1 985	1 510
Less cash	3 348	10 393
Net cash	1 363	8 883
(Decrease)/increase in net cash	(7 520)	6 379

Due to the dynamic nature of the underlying businesses, we aim to maintain flexibility in funding by keeping committed and uncommitted facilities available. As at year-end, total committed facilities amounted to R5 205 million.

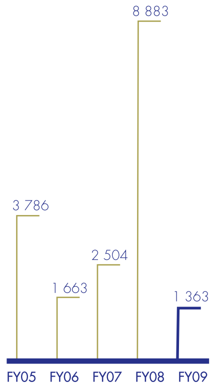
	FY2009	FY2008
Operating EBITDA	9 578	23 296
Total debt	1 985	1 510
EBITDA/Total debt ratio	4.8	15.4

Credit rating

In February 2009, Fitch revised Implats' rating, with the outlook changing from stable to negative. Implats has an International Long-Term Issuer Default rating (IDR) of 'BBB+', and a Short-Term IDR of 'F2' as well as national ratings of Long-Term 'AA (zaf)' and Short-Term 'F1+ (zaf)'.

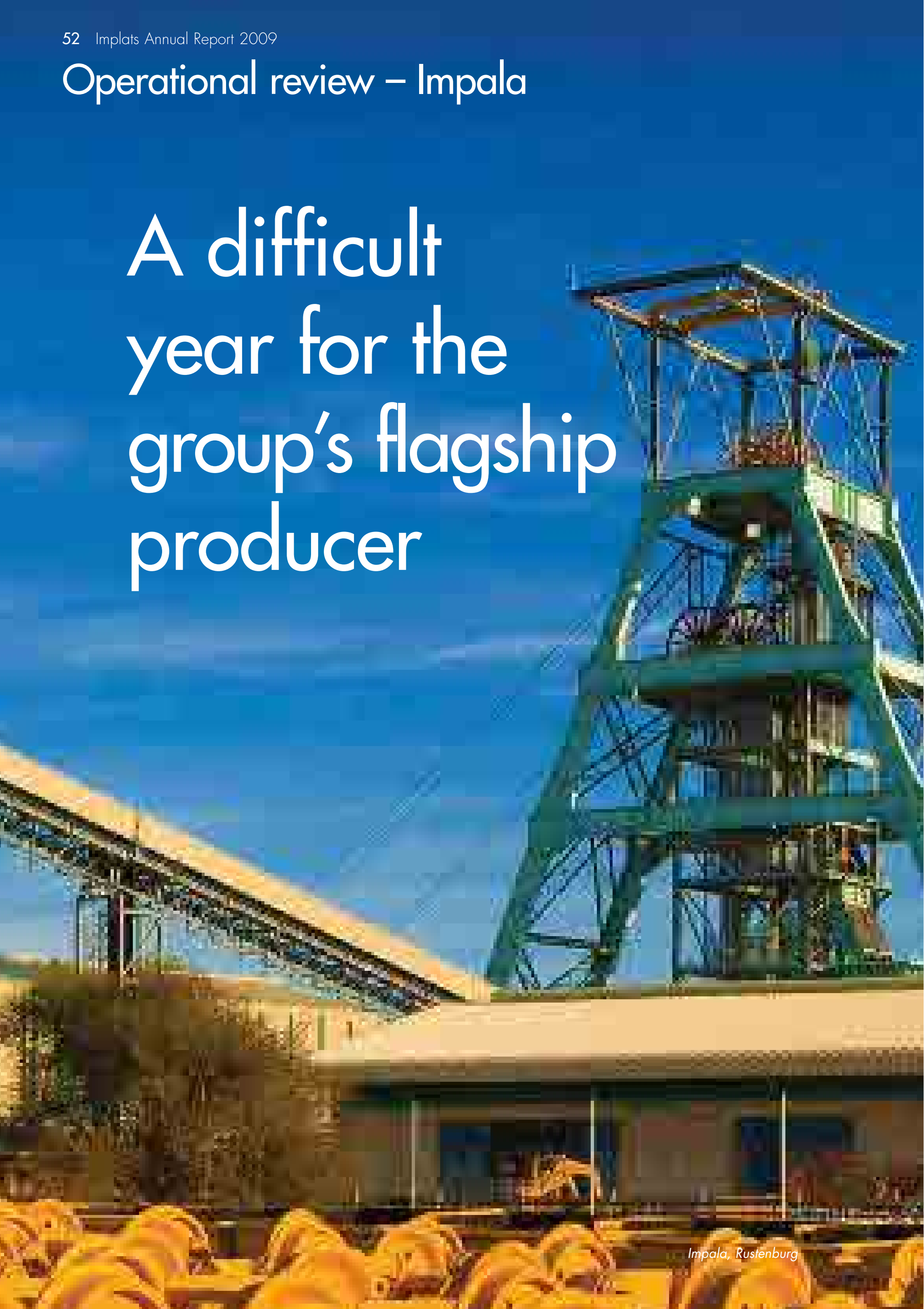
This reflects Implats' significant exposure to the deteriorating global automobile manufacturing industry and the accompanying reduced demand for PGMs used in emission-control components. Fitch has a negative view of the prospects of the automobile sector over the next two to three years, as the industry faces both a severe cyclical downturn and structural changes. Fitch recognises the positive measures taken so far by Implats' management to reduce cash outflows and scale back capital expenditure. The agency will continue to monitor the company's actions to preserve cash given its current expectations.

Net cash position at the end of the year (Rm)



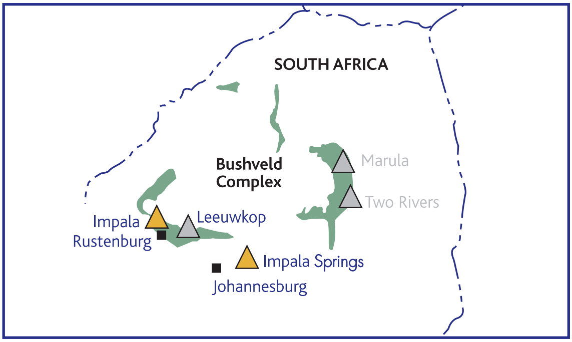
Operational review – Impala

A difficult year for the group's flagship producer

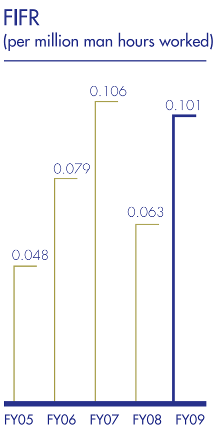


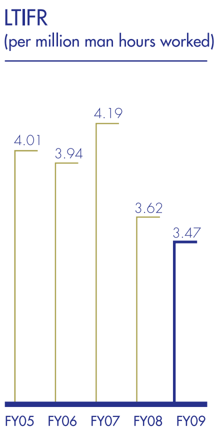
Impala, Rustenburg

Impala at a glance



- A 14-shaft mining system
- Mineral processes incorporating concentrating and smelting plants
- Refineries housing the base and precious metals refineries
- Reserves: 23.5 million attributable ounces of platinum
- Resources (including reserves): 74.0 million attributable ounces of platinum
- Production: 950 500 ounces of refined platinum
- Labour complement (including contractors): 43 326





Operational review – Impala (continued)

Mineral Processes meets environmental regulations

The R1-billion smelter expansion was completed at Mineral Processes in February with the commissioning of the gas-cleaning plant. In addition to increasing overall capacity to 2.8 million ounces of platinum, the plant is now fully compliant with the latest environmental legislation. The expansion to the tails retreatment plant, which involved a doubling of capacity, was completed on time and within budget. Initial indications are that this plant will improve overall recoveries by around 0.5% in the coming year.

Impala Platinum contributes 56% of the group's production. The deterioration in safety performance at Impala Rustenburg, where the number of fatalities doubled period-on-period, is unacceptable. The primary cause of the majority of these incidents was equipment-related, whilst two were the result of falls of ground, the principal cause of fatal incidents in prior years. This change highlights the success of the fall-of-ground campaign, which was revitalised during the year.

However, it is disturbing that nine out of the 10 incidents were caused by non-compliance with safety standards and procedures. The focus going forward remains on leadership and training. In conjunction with these programmes, a communication initiative, known as *Towards zero by 2012*, is being undertaken in order to raise safety awareness levels and to engender a safety culture among all employees.

The quantum of Merensky ore milled declined by 12% to 6.8 million tonnes from the previous period, with underground ore sourced from UG2 remaining virtually unchanged at 7.8 million tonnes. The decline in Merensky can be attributed to a lack of adequate on-reef development on the major Merensky shafts, namely 11, 12 and 14. This resulted in limited face availability, and consequently a lack of mining flexibility. The decline in volumes is also attributed to poor operational efficiencies due to the failure to complete the mining cycle, which was compounded by safety stoppages and poor discipline.

This situation was further exacerbated by the slower-than-anticipated ramp-up of the decline shafts. The development of the declines was undertaken in the late 1990s as a capital-efficient way to access deeper mining areas in an environment of limited capital. However, they have proven difficult to operate due to the fact they are linked to existing operational shafts.

The decline in Merensky tonnage impacted on the ore mix, which increased to 55:45 in favour of the lower platinum grade UG2, which is characterised by lower recoveries. (The overall platinum yield for the UG2 is some 20% lower than that for the Merensky.) The drop in grade was further worsened by excessive dilution resulting from increased off-reef mining.

As a consequence, refined platinum production declined by 9% from 1 044 000 ounces in the previous year to 950 000 ounces. The lower volumes negatively impacted unit costs, which rose 31% to R8 559 (excluding share-based payments).

Outlook

The key mining initiatives in FY2010 will focus on on-reef development and the timeous delivery of Merensky volumes, particularly at 11, 12 and 14 shafts.

In order to ensure the requisite mining flexibility, plans are in place to increase on-reef development by approximately 30% in the next financial year. New supervisory structures have been put in place to ensure delivery against these targets. These include dedicated development sections, better contractor management and enhanced team productivity. The latter will be addressed by implementing best-practice initiatives. It is estimated that it will take two years to restore on-reef/off-reef development to the correct balance. During this period, grade will continue to be impacted by the mix. We anticipate that within five years, Impala will be producing in excess of one million ounces of platinum per annum.

In the medium term, the older shafts will reach the end of their lives and be replaced by a new generation of deeper level shafts, namely 16, 17 and 20 shafts. Number 20 shaft will commence production in FY2011 and will be followed by 16 shaft in FY2013. At full production, these shafts will produce in the region of 330 000 ounces of platinum. The increase in tonnes from these new projects is anticipated to restore the ore mix back to 55:45 in favour of Merensky.

Impala geared up for 2.3 million ounces

The Phase II expansion at the Base Metals Refinery to 2.3 million ounces of platinum, which matches installed capacity at the Precious Metals Refinery (PMR), is scheduled for completion in 2010. The bankable feasibility study for the Phase IV expansion of the PMR to 2.8 million ounces of platinum was completed. However, due to the prevailing difficult economic conditions, it was considered prudent to place the expansion on hold. However, this expansion is of a modular nature and is able to be quickly activated when market conditions warrant.

Operational review – Impala (continued)

Impala – key statistics

		FY2009	FY2008
Mining sales	(Rm)	15 250	20 889
Platinum		9 875	12 087
Palladium		930	1 173
Rhodium		3 067	5 179
Nickel		640	1 506
Other		738	944
Mining cost of sales		(7 664)	(7 345)
On-mine operations		(5 428)	(5 860)
Processing operations		(1 349)	(1 057)
Refining operations		(363)	(476)
Amortisation		(630)	(691)
Increase in inventory		106	739
Mining gross profit		7 586	13 544
Other operating expenses		(325)	(426)
Royalty expense		(373)	(548)
Mining profit from operations		6 888	12 570
Profit/(loss) from metal purchased transactions		18	54
Sales of metals purchased		10 060	15 638
Cost of metals purchased		(10 042)	(15 584)
Profit from operations in Implats group		6 906	12 624
Gross margin ex mine %	(%)	49.7	64.8
Sales volumes ex mine			
Platinum	(000 oz)	924.0	1 043.7
Palladium		401.1	426.7
Rhodium		100.5	101.9
Nickel	(000 t)	6.2	6.9
Sales volumes metals purchased IRS			
Platinum	(000 oz)	551.5	640.7
Palladium		366.7	410.9
Rhodium		77.4	92.7
Nickel	(000 t)	3.7	3.4
Prices achieved ex mine			
Platinum	($/oz)	1 228	1 588
Palladium		271	381
Rhodium		3 733	6 941
Nickel	($/t)	12 774	30 206
Exchange rate achieved ex mine	(R/$)	8.56	7.29

Impala – key statistics (continued)

		FY2009	FY2008
Production ex mine			
Tonnes milled ex-mine	(000 t)	15 102	15 855
% UG2 milled	(%)	54.9	50.7
Development metres	(metres)	92 358	90 656
Headgrade (5PGE+Au)	(g/t)	4.56	4.64
Platinum refined	(000 oz)	950.5	1 044.0
Palladium refined		425.5	436.6
Rhodium refined		124.1	124.9
Nickel refined	(000 t)	6.2	6.9
PGM refined production	(000 oz)	1 790.1	1 841.1
Total cost	(Rm)	7 465	7 819
	($m)	822	1 077
Share-based payments	(Rm)	(670)	985
per tonne milled	(R/t)	494	493
	($/t)	54	68
per PGM ounce refined	(R/oz)	4 170	4 247
	($/oz)	459	585
per platinum ounce refined	(R/oz)	7 854	7 489
	($/oz)	865	1 031
net of revenue received for other metals	(R/oz)	2 199	(941)
	($/oz)	242	(130)
per platinum ounce refined (excluding share-based payments)	(R/oz)	8 559	6 546
	($/oz)	942	901
Capital expenditure	(Rm)	4 728	3 415
	($m)	526	470
Labour including capital as at 30 June	(no)	43 326	44 921
Own employees		30 540	29 533
Contractors		12 786	15 388
Centares per panel man per month*	(m^2/man)	34.6	37.8

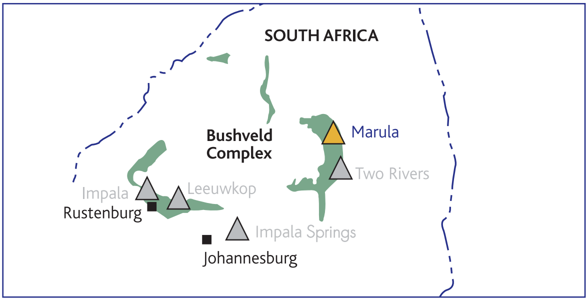
* Conventional mining and own employees efficiency

Operational review – Marula

Challenging operating environment

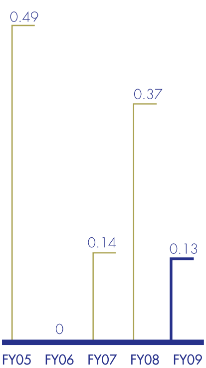
Marula, Limpopo

Marula at a glance

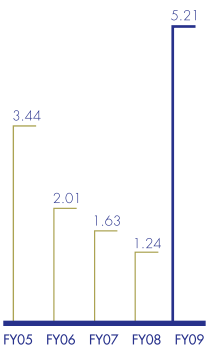


- Two on-reef decline shafts and one off-reef conventional decline
- Concentrator plant
- Reserves: 1.7 million attributable ounces of platinum
- Resources (including reserves): 8.2 million attributable ounces of platinum
- Production: 74 000 ounces of platinum in concentrate
- Labour complement (including contractors): 3 510

FIFR
(per million man hours worked)



LTIFR
(per million man hours worked)



Operational review – Marula (continued)

Marula had a difficult year characterised by an unsatisfactory safety performance, a slower-than-expected ramp-up in production, reduced productivity and persistent labour issues. This operation has been affected by the economic slowdown, and the steep decline in the rhodium price in particular.

Sadly, one of our employees lost his life at work during the year, whilst the lost-time injury frequency rate (LTIFR) more than trebled from the previous year. Strict disciplinary action is being taken to ensure compliance with standards and procedures. However, it is visible, felt leadership that remains the key to a safer working environment.

Marula chrome initiative to benefit local communities

In line with our commitment to social upliftment, a joint venture, Makgomo Chrome, between Implats, Marula and Marula Community Chrome, has been established to extract and market the chrome contained in the current UG2 tailings produced by the Marula operation. The benefits of this business will flow through to six local communities. Implats will fund the design, engineering, construction and commissioning of the plant. Full production is anticipated to be 125 000 tonnes of chrome per annum.

The 1.57 million tonnes milled, though slightly up on the previous year, was well short of the operation's internal target as the production ramp-up once again fell behind schedule. This failure can be attributed to a lack of adequate on-reef development, which resulted in a lack of face availability and, consequently, limited mining flexibility.

Grade fell slightly as production from the higher-grade Driekop shaft declined, and on-reef development at the Clapham shaft increased. Team efficiencies and productivity were of concern, and were impacted by the introduction of new teams to the conventional section as well as safety stoppages and industrial action during the year. As a consequence, platinum production rose only a disappointing 5% to 74 000 ounces in concentrate.

Unit costs (excluding share-based payments) escalated 30% on the back of the high inflationary environment and lower throughput and efficiencies. Including share based payments, unit costs increased by 14% to R11 243 per platinum ounce. Increased volumes and higher efficiencies should contain costs going forward. The retention of skills remained an issue, especially in terms of personnel to maintain the trackless equipment.

Outlook

Marula has a difficult year ahead as it focuses on continuing its ramp-up to full production and ensuring profitability. The ongoing viability of the operation will be determined not only by higher metal prices and more favourable exchange rates, but also by a safer working environment, good cost management and improved operational performance – all of which are receiving concerted management attention.

Production at Driekop will cease in 2010 as mining reaches the property boundary. This could, however, be extended if a mineral reserve agreement is concluded with neighbouring Modikwa mine, an option that is currently being explored. Increased production from Clapham, and in particular the rise in conventional mining, will improve the grade by around 15%. The ongoing development to a more conventional mine layout at Marula is anticipated to achieve full production of 125 000 ounces per annum within a five-year window.

The feasibility study on the exploitation of the Merensky Reef at Marula was completed during the year, but has been put on hold until market conditions improve.

Operational review – Marula (continued)

Marula – key statistics

		FY2009	FY2008
Sales	(Rm)	631	1 827
Platinum		543	774
Palladium		112	185
Rhodium		(69)	795
Nickel		16	28
Other		29	45
Cost of sales		(932)	(777)
Mining operations		(700)	(591)
Concentrating operations		(132)	(101)
Treatment charges		(2)	(2)
Amortisation		(98)	(83)
Gross profit		(301)	1 050
Intercompany adjustment *		482	(305)
Adjusted gross profit		181	745
Royalty expense		(27)	(36)
Profit from operations in Implats group		154	709
Gross margin	(%)	(47.7)	57.5
Adjusted gross margin*		16.3	47.9
Sales volumes in concentrate			
Platinum	(000 oz)	74.0	70.4
Palladium		76.3	72.7
Rhodium		15.7	14.9
Nickel	(t)	220	211
Prices achieved in concentrate			
Platinum	($/oz)	824	1 486
Palladium		166	345
Rhodium		(201)	7 155
Nickel	($/t)	8 570	18 257
Exchange rate achieved	(R/$)	8.35	7.41

* Adjustment note: The adjustment relates to sales from Marula to the Implats group which at year-end were still in the pipeline.

Marula – key statistics (continued)

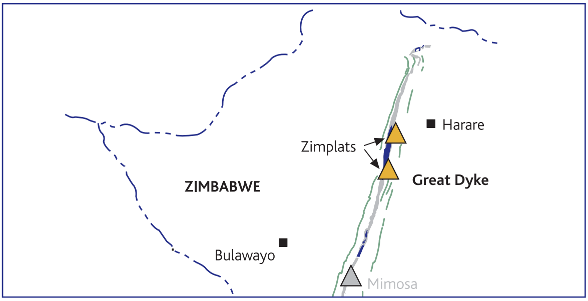
		FY2009	FY2008
Production			
Tonnes milled ex-mine	(000 t)	1 574	1 455
Headgrade (5PGE+Au)	(g/t)	4.29	4.44
Platinum in concentrate	(000 oz)	74.0	70.4
Palladium in concentrate		76.3	72.7
Rhodium in concentrate		15.7	14.9
Nickel in concentrate	(t)	219.5	211.0
PGM in concentrate	(000 oz)	194.4	185.7
Total cost	(Rm)	832	692
	($m)	92	95
Share-based payments	(Rm)	(36)	57
per tonne milled	(R/t)	529	476
	($/t)	58	66
per PGM ounce in concentrate	(R/oz)	4 280	3 726
	($/oz)	471	513
per platinum ounce in concentrate	(R/oz)	11 243	9 830
	($/oz)	1 238	1 354
net of revenue received for other metals	(R/oz)	10 054	(5 128)
	($/oz)	1 204	(692)
per platinum ounce in concentrate (excluding share-based payments)	(R/oz)	11 730	9 020
	($/oz)	1 291	1 242
Capital expenditure	(Rm)	398	345
	($m)	44	48
Labour including capital	(no)	3 510	3 591
Own employees		2 512	2 493
Contractors		998	1 098
Centares per panel man per month	(m^2/man)	27.2	33.2

Operational review – Zimplats

Phase 1 expansion to boost production

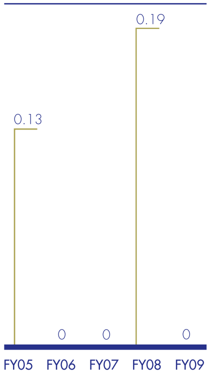
Zimplats, Zimbabwe

Zimplats at a glance

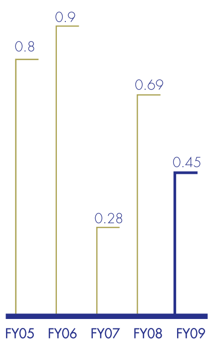


- Three shallow mechanised underground mines
- Concentrator and smelter plants at Selous Metallurgical Complex (77km north of Ngezi)
- Concentrator plant at Ngezi
- Reserves: 10.4 million attributable ounces of platinum
- Resources (including reserves): 92.9 million attributable ounces of platinum
- Production: 96 000 ounces of platinum in matte
- Labour complement (including contractors): 5 459

FIFR
(per million man hours worked)



LTIFR
(per million man hours worked)



Operational review – Zimplats (continued)

Zimplats' focus this year remained on its ongoing expansion programme.

Output of platinum in matte increased marginally year-on-year as the operation geared itself for the ramp-up in production in the coming year. Open-pit mining, which had already been scaled back because of high costs, was finally halted in November 2008 in response to the slump in metal prices. Underground production from Portal 2 was ramped up to maintain production levels. The open-pit orebody continues to provide optionality should the market environment demand fast access to additional ore in the future.

The Phase 1 expansion, a $340 million project involving the development of two underground mines, Portal 1 and Portal 4, a new concentrator and other infrastructure, is on track. Portal 1 reached full production in December 2008 (1 million tonnes a year), and Portal 4 is scheduled to reach this milestone in 2011 (2 million tonnes a year). The concentrator, was commissioned in July 2009 and should reach its full production capacity of 2 million tonnes per annum in October 2009.

Group leader in safety

Zimplats delivered an excellent safety performance and remains the leader in the group in this area. Management continues to focus on reducing work-related injuries and enhancing awareness of safety issues at all levels. Initiatives here include continuous risk assessments through planned inspections and a greater understanding of the human factor in safety incidents.

In the wake of the dramatic decline in metal prices and the dollarisation of the Zimbabwean economy, both operating costs and capital expenditure were reviewed during the period with a view to minimising debt and conserving cash. Unit costs were negatively impacted by the increase in overhead costs as the operation prepared for ramp-up to full production in the coming year. Once this is achieved, Zimplats will become one of the lowest-cost primary producers in the world.

The issue around the mobility and loss of skills has to a large extent been addressed and is less of a problem for the operation than a year ago. Zimplats is now focusing on training, particularly of new teams as the ramp-up takes effect. Food is also more freely available locally, whilst a pro-active approach to the health and well-being of employees has protected them from the recent cholera crisis in the country.

Outlook

In the coming year, the completion of the Phase 1 expansion will result in production increasing to approximately 4.2 million milled tonnes per annum. Steady-state output of 180 000 platinum ounces will be achieved during FY2010.

Unit costs are expected to decline on the back of the increased volumes (milling of tonne stockpiles). Thereafter, management will focus on mining efficiencies in order to contain cost increases.

Future growth at Zimplats depends on economic and political stability in Zimbabwe. Various expansion options in this regard are currently being investigated. A future expansion could involve the development of underground mines, another concentrator, a dam as well as a new smelter.

Given the right market conditions, Zimplats with its large reserves and easy underground access, has the potential to become a 1-million-ounce–per-annum platinum producer.

Operational review – Zimplats (continued)

Zimplats – key statistics

		FY2009	FY2008
Sales	(Rm)	1 099	2 132
Platinum		749	1 107
Palladium		118	204
Rhodium		(18)	444
Nickel		135	238
Other		115	139
Cost of sales		(1 108)	(1 010)
Mining operations		(795)	(669)
Concentrating operations		(224)	(152)
Amortisation		(210)	(208)
Increase/(decrease) in inventory		121	19
Gross profit		(9)	1 122
Intercompany adjustment*		406	(158)
Adjusted gross profit		397	964
Other operating expenses		(108)	(48)
Royalty expense		(20)	(41)
Profit from operations in Implats group		269	875
Gross margin	(%)	(0.8)	52.6
Adjusted gross margin*		26.4	48.8
Sales volumes in matte			
Platinum	(000 oz)	96.0	94.3
Palladium		75.8	76.2
Rhodium		8.2	8.2
Nickel	(t)	1 613	1 583
Prices achieved in matte			
Platinum	($/oz)	852	1 631
Palladium		171	376
Rhodium		(241)	7 724
Nickel	($/t)	9 195	19 905
Exchange rate achieved	(R/$)	9.08	7.26

* Adjustment note: The adjustment relates to sales from Zimplats to the Implats group which at year-end were still in the pipeline.

Zimplats – key statistics (continued)

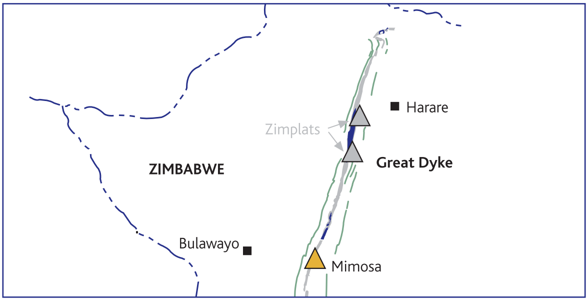
		FY2009	FY2008
Production			
Tonnes milled ex-mine	(000 t)	2 357	2 201
Headgrade (5PGE+Au)	(g/t)	3.52	3.53
Platinum in matte	(000 oz)	96.0	94.3
Palladium in matte		72.8	76.2
Rhodium in matte		7.8	8.2
Nickel in matte	(t)	1,607	1,572
PGM in matte	(000 oz)	196.0	200.2
Total cost	(Rm)	1 127	869
	($m)	124	120
per tonne milled	(R/t)	478	395
	($/t)	53	54
per PGM ounce in matte	(R/oz)	5 750	4 341
	($/oz)	633	598
per platinum ounce in matte	(R/oz)	11 740	9 215
	($/oz)	1 293	1 269
net of revenue received for other metals	(R/oz)	8 031	(1 654)
	($/oz)	844	(228)
Capital expenditure	(Rm)	1 358	1 319
	($m)	150	182
Labour including capital as at 30 June	(no)	5 459	5 582
Own employees		2 136	1 584
Contractors		3 323	3 998
Centares per panel man per month	(m^2/man)	26.0	21.5

Operational review – Mimosa

Phase 5 expansion completed

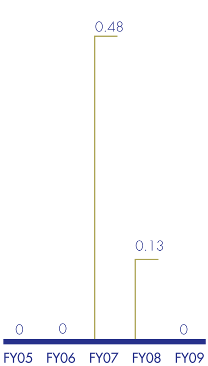
Mimosa, Zimbabwe

Mimosa at a glance

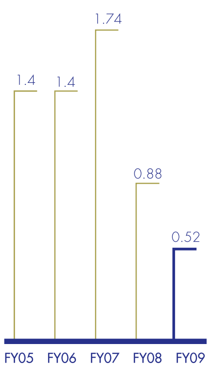


- Joint venture with Aquarius Platinum Limited
- Mechanised shallow underground mine
- Concentrator plant
- Reserves: 0.9 million attributable ounces of platinum
- Resources (including reserves): 4.0 million attributable ounces of platinum
- Production: 91 500 ounces of platinum in concentrate
- Labour complement (including contractors): 1 931

FIFR
(per million man hours worked)



LTIFR
(per million man hours worked)



Operational review – Mimosa (continued)

Mimosa had a solid, trouble-free year during which all key production and expansion parameters were met.

The Wedza Phase 5 expansion project, commissioned last year, was completed. It focused on the extension of milling and tailings handling capacities in order to optimise the extra flotation capacity created in Phase 4. As a result, total tonnes milled increased by 21% to 2.1 million tonnes. Consequently, production of platinum-in-concentrate rose 19% to 91 500 ounces.

Unit costs were 35% higher year-on-year, mainly driven by higher input costs due to the dollarisation of the Zimbabwean economy, inflation and the impact of the rand/dollar exchange rate.

The operation delivered an excellent safety performance, with an improved lost-time injury frequency rate (LTIFR) of 0.52. This was 41% better than in the previous year. Mimosa continues to work towards the group vision of Zero Harm by 2012.

Costs now priced in hard currency

The Zimbabwean economy has been dollarised over the last year following the collapse of that country's own currency. Input costs such as salaries and services are now priced in hard currency, which has put increased pressure on operating costs. Price distortions were also experienced during the transition period, and management is working on addressing these anomalies through revised contracts with various private and municipal service providers, as well as stricter management of materials, procurement and inventory.

Outlook

Mimosa has now achieved capacity for steady-state production of 100 000 ounces of platinum-in-concentrate a year. No further expansions are envisaged at this stage.

Further growth potential does exist through the exploitation of the North Hill and Mtshingwe Mineral Resources.

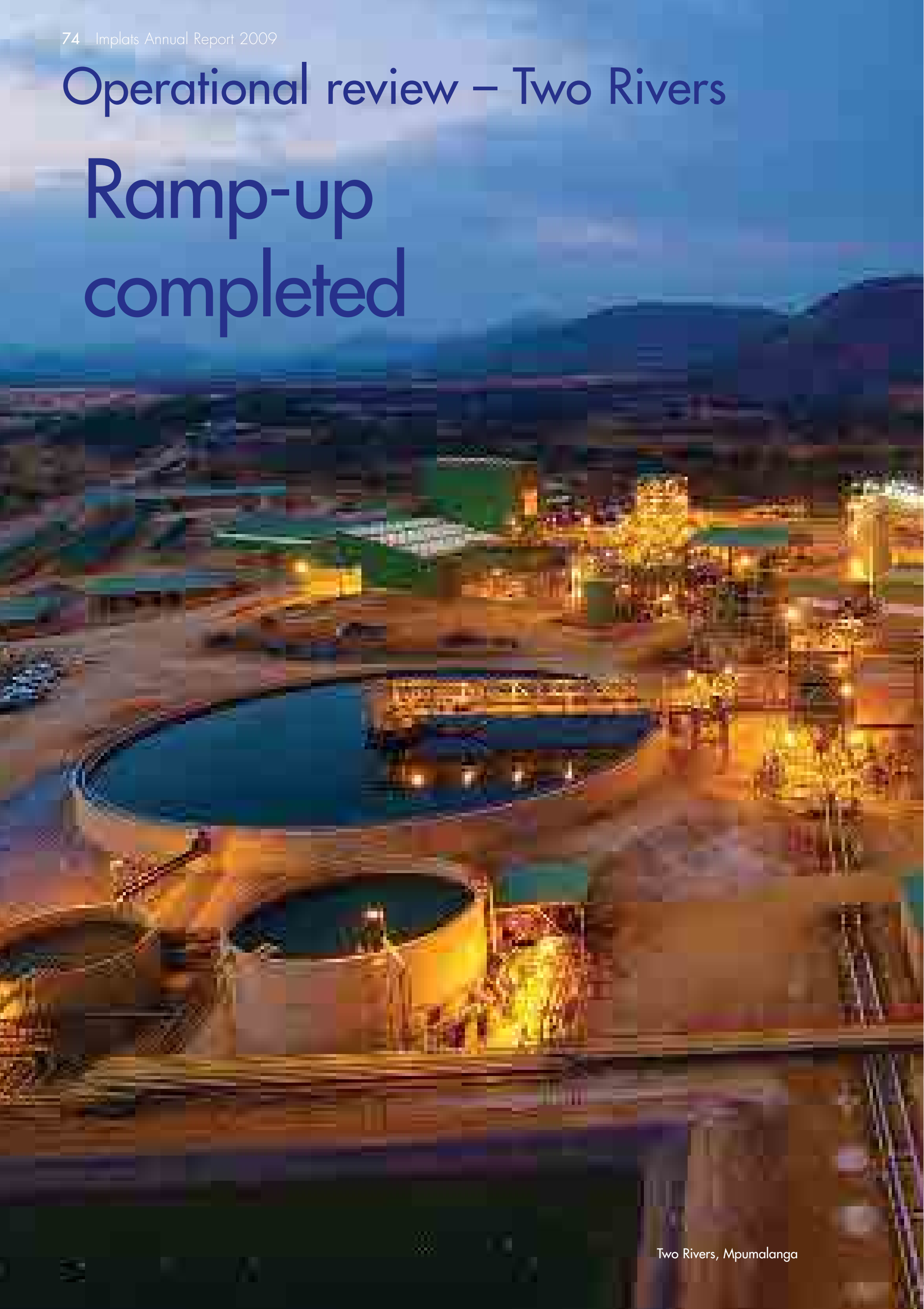
Mimosa – key statistics

		FY2009	FY2008
Sales	(Rm)	1 262	1 916
Platinum		708	847
Palladium		102	160
Rhodium		69	279
Nickel		224	468
Other		159	162
Cost of sales		(1 008)	(594)
Mining operations		(582)	(367)
Concentrating operations		(215)	(104)
Treatment charges		(119)	(86)
Amortisation		(80)	(61)
Increase/(decrease) in inventory		(12)	24
Gross profit		254	1 322
Other operating costs		(68)	(67)
Royalty expense		(45)	(46)
Profit from operations		141	1,209
50% of gross profit attributable to Implats		127	661
Intercompany adjustment		187	(119)
Adjusted gross profit		314	542
Other costs including royalties		(56)	(56)
Profit from operations in Implats group		258	486
Gross margin	(%)	20.1	69.0
Adjusted gross margin*		38.4	64.6
Sales volumes in concentrate			
Platinum	(000 oz)	85.6	74.6
Palladium		65.0	57.0
Rhodium		7.0	5.9
Nickel	(t)	2 443	2 128
Prices achieved in concentrate			
Platinum	($/oz)	911	1 563
Palladium		173	386
Rhodium		1 087	6 449
Nickel	($/t)	10 084	30 256
Exchange rate achieved	(R/$)	9.08	7.26
Production			
Tonnes milled ex-mine	(000 t)	2 111	1 732
Headgrade (5PGE+Au)	(g/t)	3.87	3.85
Platinum in concentrate	(000 oz)	91.5	76.6
Palladium in concentrate		69.4	58.1
Rhodium in concentrate		7.2	6.0
Nickel in concentrate	(t)	2 539	2 086
PGM in concentrate	(000 oz)	189.3	158.9
Total cost	(Rm)	865	538
	($m)	95	74
per tonne milled	(R/t)	412	311
	($/t)	45	43
per PGM ounce in concentrate	(R/oz)	4 569	3 386
	($/oz)	503	466
per platinum ounce in concentrate	(R/oz)	9 454	7 023
	($/oz)	1 041	967
net of revenue received for other metals	(R/oz)	3 399	(6 932)
	($/oz)	374	(955)
Capital expenditure	(Rm)	555	289
	($m)	61	40
Labour including capital as at 30 June	(no)	1 931	1 796
Own employees		1 623	1 543
Contractors		308	253
Centares per panel man per month	(m^2/man)	52	50

* Adjustment note: The adjustment relates to sales from Mimosa to the Implats group which at year-end were still in the pipeline.

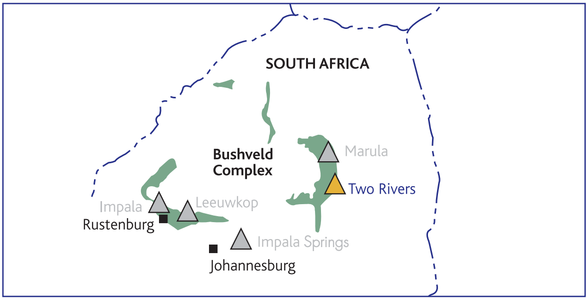
Operational review – Two Rivers

Ramp-up completed

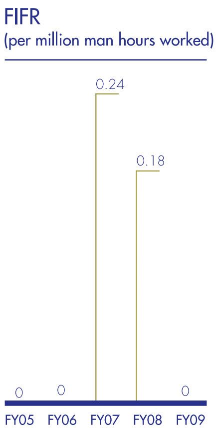


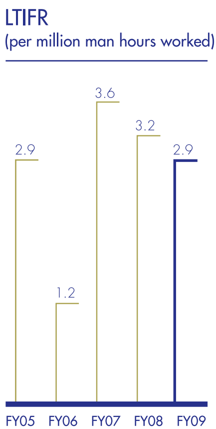
Two Rivers, Mpumalanga

Two Rivers at a glance



- Joint venture with African Rainbow Minerals
- Two on-reef shafts
- Concentrator plant
- Reserves: 0.9 million attributable ounces of platinum
- Resources (including reserves): 2.6 million attributable ounces of platinum
- Production: 118 000 ounces of platinum in concentrate
- Labour complement (including contractors): 2 842





Operational review – Two Rivers (continued)

Two Rivers successfully completed its ramp-up to full production reaching its nameplate milling capacity of 225 000 tonnes per month in June 2007.

A successful joint venture combining the expertise of both partners

As the managing partner, African Rainbow Minerals manages the day-to-day operations of the Two Rivers Platinum Mine and concentrator, while Implats is responsible for smelting, refining and marketing of the PGMs produced.

The plant optimisation which involved increased crushing capacity, additional cleaner circuit cells and filter capacity is on schedule for completion in the first quarter FY2010.

Subject to obtaining the requisite Section 11 approval from the DMR, Implats will vend portions 4, 5 and 6 of the farm Kalkfontein, as well as the area covered by the Tweefontein prospecting rights to Two Rivers in return for a further 4% equity stake. This will take Implats' holding up to 49% in this joint venture.

Outlook

The plant optimisation will result in a marginal increase in tonnes milled to 2.8 million in FY2010. Coupled with further improvements in concentrator recoveries, platinum in concentrate production for next year is forecast at 130 000 ounces increasing to 150 000 ounces by FY2013.

The establishment of mining infrastructure in the area, together will the additional Kalkfontein resource provides additional growth and flexibility opportunities for the company.

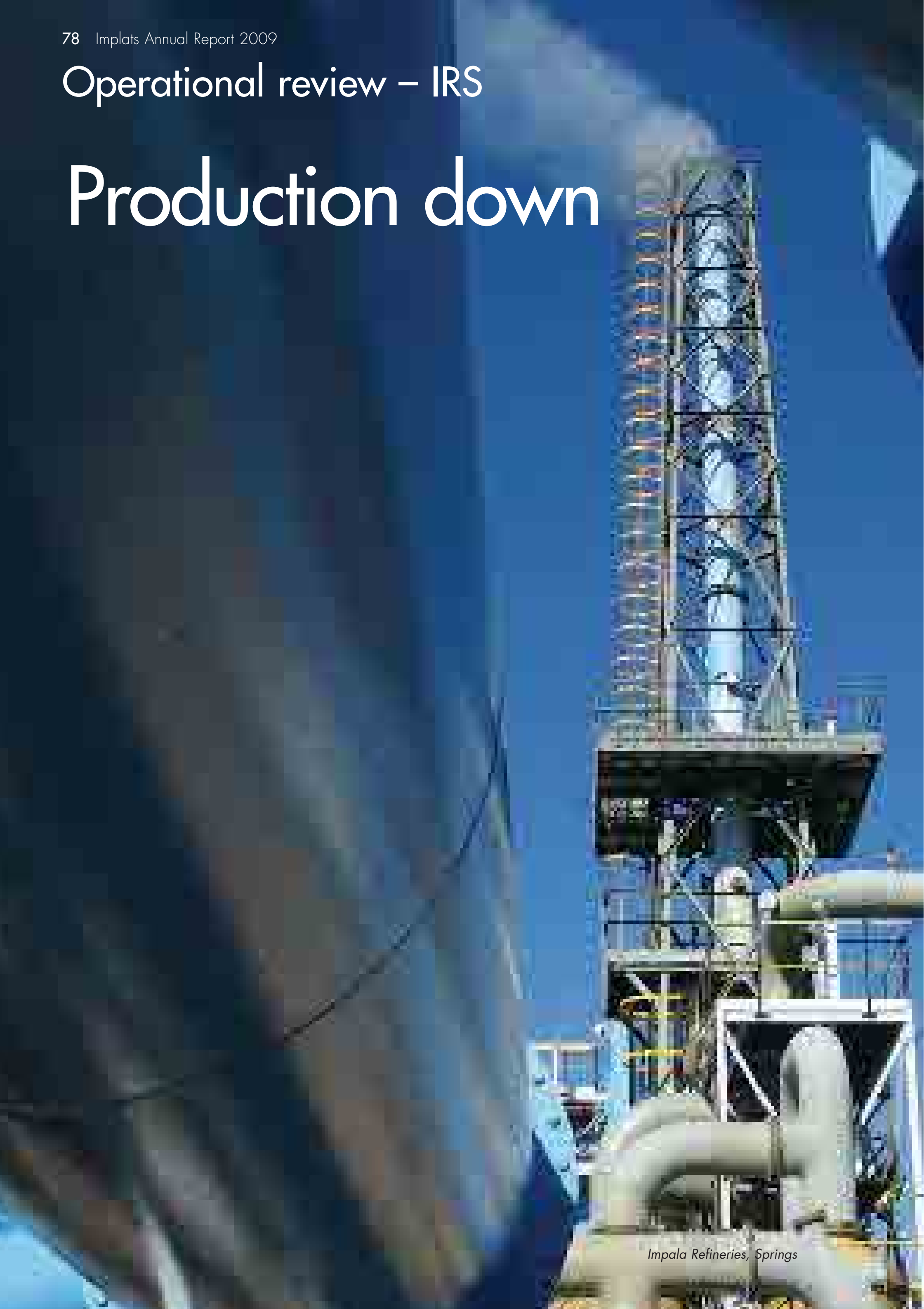
Two Rivers – key statistics

		FY2009	FY2008
Sales	(Rm)	972	2 298
Platinum		874	1 171
Palladium		102	153
Rhodium		(33)	930
Nickel		39	49
Other		(10)	(5)
Cost of sales		(1 325)	(978)
Mining operations		(867)	(692)
Concentrating operations		(179)	(138)
Treatment charges		(13)	(12)
Amortisation		(269)	(162)
Increase/(decrease) in inventory		3	26
Gross profit		(353)	1 320
Profit from operations		(350)	1 323
Gross margin %	(%)	(36.4)	57.4
Profit for the year	(Rm)	(395)	773
45% Attributable to Implats		(178)	348
Intercompany adjustment *		219	(98)
Share of profit in Implats group		41	250
Sales volumes in concentrate			
Platinum	(000 oz)	118.0	98.6
Palladium		67.4	56.4
Rhodium		19.1	16.1
Nickel	(t)	365.0	298.0
Prices achieved in concentrate			
Platinum	($/oz)	781	1 629
Palladium		159	373
Rhodium		(207)	7 891
Nickel	($/t)	11 949	22 864
Exchange rate achieved	(R/$)	9.46	7.29
Production			
Tonnes milled ex-mine	(000 t)	2 616	2 366
Headgrade (5PGE+Au)	(g/t)	4.10	3.99
Platinum in concentrate	(000 oz)	118.0	98.6
Palladium in concentrate		67.4	56.4
Rhodium in concentrate		19.1	16.1
Nickel in concentrate	(t)	365	298
PGM in concentrate	(000 oz)	246.3	206.5
Total cost	(Rm)	1 046	827
per tonne milled	(R/t)	398	349
	($/t)	42	48
per PGM ounce in concentrate	(R/oz)	4 231	4 004
	($/oz)	447	549
per platinum ounce in concentrate	(R/oz)	8 830	8 383
	($/oz)	934	1 150
net of revenue received for other metals	(R/oz)	8 032	(3 045)
	($/oz)	849	(418)
Capital expenditure	(Rm)	349	357
	($m)	37	49
Labour including capital	(no)	2 842	2 511
Own employees		774	679
Contractors		2 068	1 832

Note: The results in this table have been equity accounted

Operational review – IRS

Production down



Impala Refineries, Springs

Operational review – IRS (continued)

Impala Refining Services (IRS), which leverages Impala's smelting and refining assets to process concentrate and matte for group operations as well as third parties, saw a 13% decline in refined platinum production during the year.

As expected the Kroondal contract ended in March 2008, resulting in a drop of 130 000 platinum ounces through IRS. Further ounces were lost following the collapse of the decline at Everest, which caused the suspension of operations at that mine in December 2008.

A strategically important aspect of Implats' business

Through IRS's toll refining service Implats is able to leverage both its processing and refining assets as well as its expertise in this area, while reducing unit costs through economies of scale. The business unit tempers to some extent the group's exposure to mining risk whilst at the same time enabling junior mining companies and other third parties to exploit smaller deposits that would otherwise not be viable.

Excluding the Kroondal ounces, overall production decreased by only 1%, thanks to increased year-on-year deliveries from other suppliers, particularly Two Rivers, Implats' mine-to-market projects, Aquarius' Marikana and Eastplats' Crocodile River Mine.

Outlook

Future growth in platinum output at IRS in the short term will emanate from continued ramp-up in production at Zimplats and Marula, as well as two new projects, Smokey Hills and Blue Ridge. Everest is expected to resume production in the medium term and increased deliveries of autocatalysts are expected in line with the gradual improvement of the global economic environment.

We anticipate growth in our production profile through IRS as various projects continue to ramp-up

IRS platinum production (000)

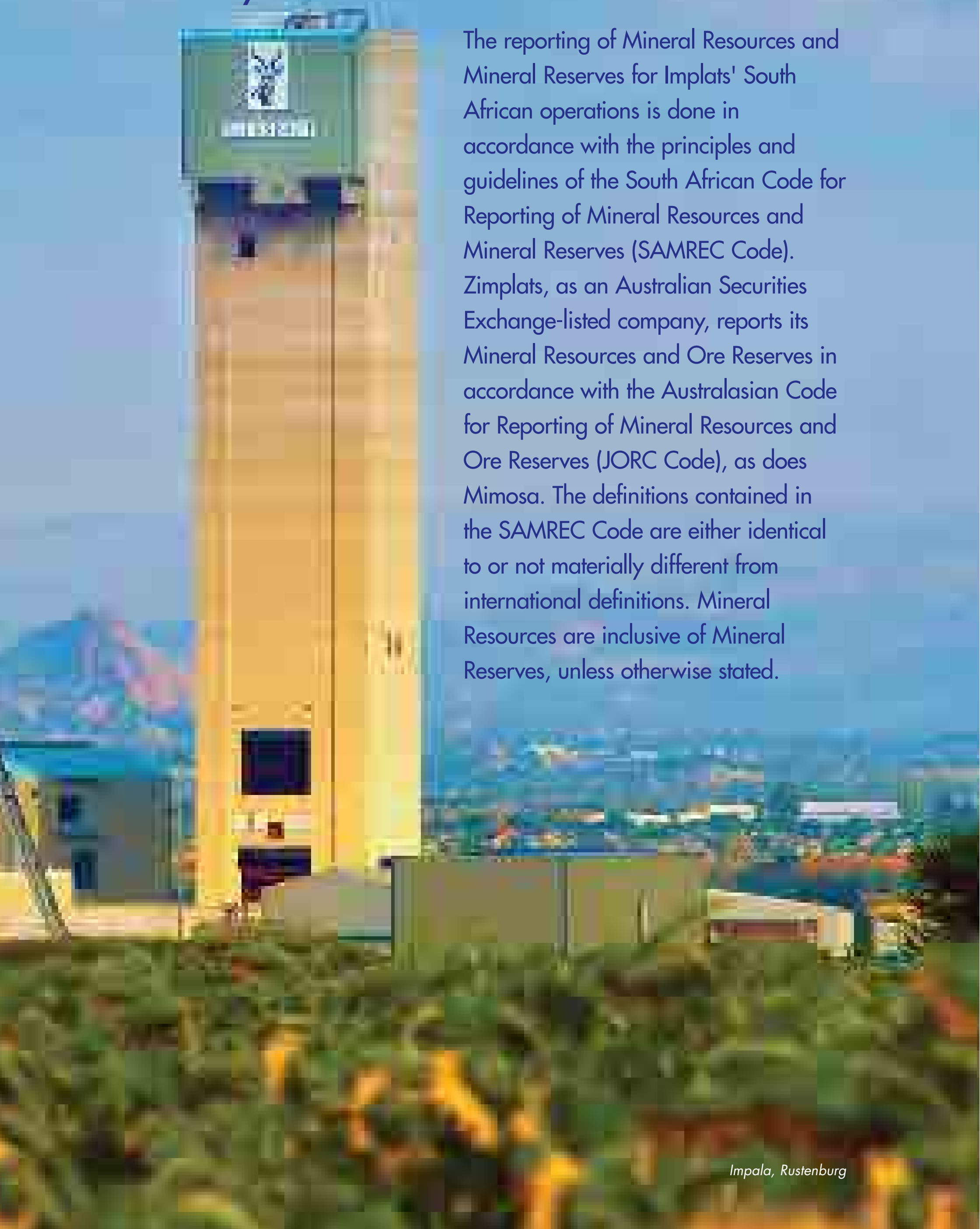
	FY2009	FY2008
Managed operations	249	230
Zimplats	97	91
Marula	73	66
Mimosa(100%)	79	73
Non-managed operations	116	91
Two Rivers Platinum (100%)	116	91
Third-party processing	389	542
Aquarius SA	118	249
Eastplats	61	53
Other	210	240
Total	754	863

IRS – key statistics

		FY2009	FY2008
Sales	(Rm)	10 507	15 704
Platinum		5 954	7 522
Palladium		834	1 194
Rhodium		2 142	4 862
Nickel		755	1 160
Other		822	966
Cost of sales		(9 242)	(13 821)
Metals purchased		(5 822)	(14 911)
Smelting		(150)	(116)
Refining		(229)	(194)
Decrease/(increase) in inventory		(3 041)	1 400
Gross profit		1 265	1 883
Other operating expenses		(30)	(26)
Profit from operations		1 235	1 857
Gross margin	(%)	12.0	12.0
Sales	(Rm)	10 507	15 704
Direct sales to customers		424	631
Sales to Impala		9 778	14 846
Toll income		305	227
Total sales volumes			
Platinum	(000 oz)	556.7	648.3
Palladium		371.8	419.2
Rhodium		79.5	95.1
Nickel	(t)	6 253	5 081
Prices achieved			
Platinum	($/oz)	1 215	1 577
Palladium		255	389
Rhodium		3 210	6 986
Nickel	($/t)	13 695	31 489
Exchange rate achieved	(R/$)	8.72	7.33
Refined production			
Platinum	(000 oz)	753.8	862.7
Palladium		581.7	607.4
Rhodium		124.4	135.7
Nickel	(t)	8 339	7 903
PGM refined production	(000 oz)	1 638.1	1 802.9
Metal returned			
Platinum	(000 oz)	194.1	207.9
Palladium		180.9	199.3
Rhodium		37.5	42.3
Nickel	(t)	2 480	2 131

Mineral Resources and Mineral Reserves – summary

The reporting of Mineral Resources and Mineral Reserves for Implats' South African operations is done in accordance with the principles and guidelines of the South African Code for Reporting of Mineral Resources and Mineral Reserves (SAMREC Code). Zimplats, as an Australian Securities Exchange-listed company, reports its Mineral Resources and Ore Reserves in accordance with the Australasian Code for Reporting of Mineral Resources and Ore Reserves (JORC Code), as does Mimosa. The definitions contained in the SAMREC Code are either identical to or not materially different from international definitions. Mineral Resources are inclusive of Mineral Reserves, unless otherwise stated.



Impala, Rustenburg

In 1969, Implats commenced production at the Impala Lease Area; four decades later, half a billion reef tonnes have been mined from this, Implats' flagship operation, producing some 34 million platinum ounces. Today the company has grown and the mining operations of Implats and its associated companies continue to exploit platiniferous horizons not only within the largest known deposit of platinum group minerals in the world, the Bushveld Complex in South Africa, but also within the second largest world class deposit, the Great Dyke in Zimbabwe. Mining mostly takes place as underground operations focusing on relatively narrow, mineralised channels with specific methods adapted to suit the local geology and morphology of the mineralised horizons. In all, the Implats group has grown from being a 100 000-platinum ounce per annum producer forty years ago to being the second largest producer in the world; to date some 40 million platinum ounces have been produced by the Implats group since 1969.

Key features

The main features relating to Implats' Mineral Resources and Mineral Reserves as at 30 June 2009 relative to 30 June 2008 are as follows:

- Estimated total attributable Mineral Resources decreased by 3% to 230 million platinum ounces from 237 million platinum ounces.
- Total attributable group Mineral Reserves decreased by 12% to 37 million platinum ounces from 42 million platinum ounces.
- Conversion of Impala's old order mining rights.
- Depressed market conditions and Implats' need to conserve cash prompted the deferral of the Leeuwkop Project; as a result a portion of the Leeuwkop orebody was downgraded from the Mineral Reserve class to a Mineral Resource.
- As with many other mining companies world-wide, the cash squeeze experienced in FY2009 led Implats to reduce its exploration spend and to focus on essential valuation of extensions to existing operations. An extensive 3D seismic survey was completed at Impala in FY2009 the complex geological structures detected prompted a reduction in the Mineral Resource estimate.

Attributable platinum ounces, net of depletion, corporate activity and additional work

30 June 2007	Resources	187 Moz	2% increase, Aflplats included
	Reserves	40 Moz	8% increase, Aflplats included
30 June 2008	Resources	237 Moz	27% increase, Tamboti added, reporting principle adjusted
	Reserves	42 Moz	5% increase, progression of 17 shaft to reserves
30 June 2009	Resources	230 Moz	3% decrease, complex graben at Impala excluded
	Reserves	37 Moz	12% decrease, Aflplats excluded

Note: Mineral Resources are inclusive of Mineral Reserves.

Mineral Resources and Mineral Reserves – summary (continued)

Attributable Mineral Resources

Attributable Mineral Resources inclusive of Mineral Reserves as at 30 June 2009:

	Orebody	Category	Tonnage (millions)	Grade (g/t) 5 PGE & Au	Implats % ownership	Attributable Pt ounces (millions)
Impala	Merensky	Measured	127.9	6.59	100	15.4
		Indicated	92.2	7.01	100	11.8
		Inferred	79.5	7.70	100	11.2
	UG2	Measured	127.0	8.99	100	17.5
		Indicated	70.5	8.86	100	9.6
		Inferred	61.5	9.08	100	8.6
	Total		**558.7**	**7.92**		**74.0**
Marula	Merensky	Measured	18.2	5.80	73	1.3
		Indicated	13.7	5.94	73	1.0
		Inferred	17.2	6.28	73	1.4
	UG2	Measured	27.0	9.96	73	2.3
		Indicated	22.0	9.87	73	1.9
		Inferred	3.5	8.88	73	0.3
		Total	**101.6**	**7.99**		**8.2**
Afplats	Leeuwkop UG2	Measured	66.1	6.22	74	4.8
		Indicated	10.5	6.11	74	0.8
		Inferred	108.0	6.11	74	7.7
	Kareepoort/ Wolwekraal	Indicated	10.2	6.26	74	0.8
		Inferred	29.4	6.11	74	2.1
	Imbasa	Indicated	5.7	6.06	60	0.3
		Inferred	62.3	5.69	60	3.4
	Inkosi	Indicated	16.1	6.06	49	0.8
		Inferred	91.4	5.69	49	4.0
	Total		**399.8**	**5.96**		**24.7**
Two Rivers	Merensky	Indicated	18.7	3.55	45	0.5
		Inferred	3.9	3.36	45	0.1
	UG2	Measured	13.8	5.47	45	0.5
		Indicated	40.3	4.47	45	1.2
		Inferred	8.1	4.68	45	0.3
		Total	**84.8**	**4.40**		**2.6**
Tamboti	Merensky	Inferred	123.3	4.17	100	9.1
	UG2	Inferred	153.4	6.62	100	14.5
		Total	**276.6**	**5.53**		**23.5**

Attributable Mineral Resources (continued)

	Orebody	Category	Tonnage (millions)	Grade (g/t) 5 PGE & Au	Implats % ownership	Attributable Pt ounces (millions)
Zimplats	MSZ	Measured	135.1	3.89	86.9	6.9
		Indicated	674.6	3.90	86.9	34.5
		Inferred	1 071	3.79	86.9	51.5
	Total		1 880.4	3.84		92.9
Mimosa	MSZ	Measured	39.7	4.17	50	1.2
		Indicated	26.9	3.78	50	0.7
		Inferred	15.0	4.09	50	0.5
		Inferred (Oxides)	6.6	3.95	50	0.2
		Inferred N Hill	48.6	3.90	50	1.4
	Total		136.9	4.01		4.0
All	Total		3 438.8			230.0

Notes:
- Attributable Mineral Resources as expressed in platinum ounces are based on Implats' equity interest; tonnage shown is the total estimate prior to applying the percentage ownership.
- Initial results of the extensive 3D seismic survey at Impala prompted the exclusion of a large fault zone from the Mineral Resource estimate.
- Mineral Resource tonnage and grades are estimated *in situ*. Mineral Resources for the Merensky Reef are estimated at a minimum mining width and may include mineralisation below the selected cut-off grade. Mineral Resource estimates for the UG2 Reef reflect the chromitite channel widths only and do not include any dilution. Mineral Resource estimates for the Main Sulphide Zone (MSZ) are based on optimal mining widths.
- These are summary estimates, and inaccuracy is derived from the rounding of numbers.

Mineral Resources and Mineral Reserves – summary (continued)

Attributable Mineral Reserves

Attributable Mineral Reserve estimates as at 30 June 2009 are as follows:

	Orebody	Category	Tonnage (millions)	Grade (g/t) 5 PGE & Au	Implats % ownership	Attributable Pt ounces (millions)
Impala	Merensky	Proved	16.9	4.56	100	1.4
		Probable	133.6	4.44	100	10.8
	UG2	Proved	21.8	5.02	100	1.7
		Probable	127.8	4.90	100	9.5
	Total		299.6	4.68	100	23.5
Marula	UG2	Probable	36.3	5.31	73	1.7
Two Rivers	UG2	Proved	7.9	4.11	45	0.2
		Probable	27.2	3.86	45	0.7
	Total		35.2	4.02	45	0.9
Zimplats	MSZ	Proved	54.3	3.59	86.9	2.6
		Probable	163.1	3.62	86.9	7.8
	Total		217.4	3.62	86.9	10.4
Mimosa	MSZ	Proved	16.3	3.93	50	0.5
		Probable	16.9	3.55	50	0.4
	Total		33.2	3.74	50	0.9
All	Total		621.7			37.4

Notes:
- Attributable Mineral Resources as expressed in platinum ounces are based on the Implats equity interest; the tonnage shown is the total estimate prior to applying the percentage ownership.
- These are summary estimates and inaccuracy is derived from rounding of numbers.
- The Mineral Reserves quoted reflect anticipated grades delivered to mill.

Various Competent Persons, as defined by the SAMREC and JORC codes, contributed to the summary Mineral Reserve and Mineral Resource figures quoted in this report. As such these statements reflect the estimates as compiled by teams of professional practitioners from the various operations, shafts and projects.

Accordingly, the Group Executive: Mineral Resource Management, Seef Vermaak, PRi.Sci Nat registration No. 40015/88 assumes responsibility for the Mineral Resource and Mineral Reserve estimates for the group.

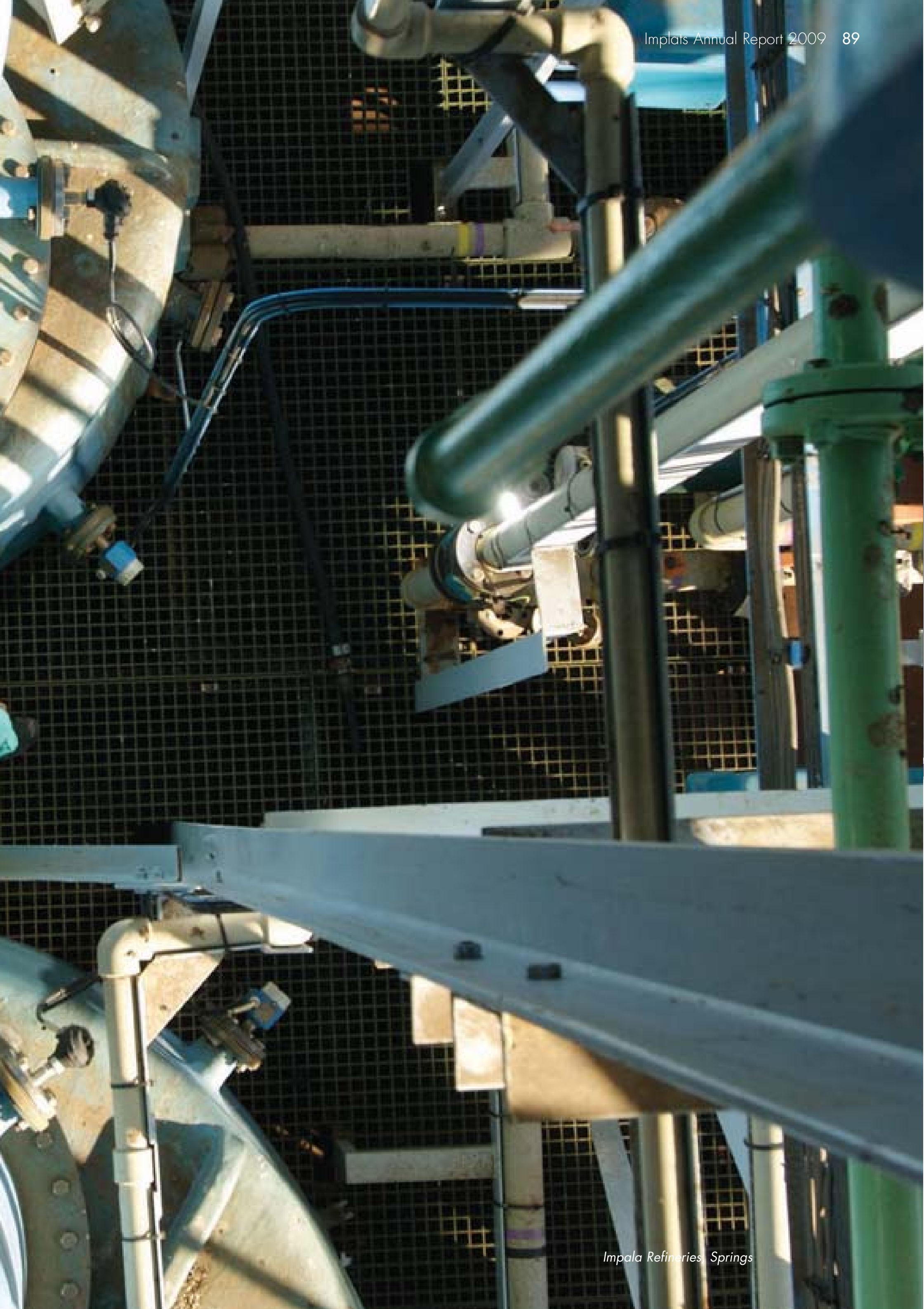
- the Competent Person for the Two Rivers' Mineral Resources and Reserves is Mr. PJ van der Merwe, full-time employee of ARM;
- the Competent Persons for Zimplats are Messrs. A du Toit and S Simango, full-time employees of Zimplats;
- the Competent Person for Mimosa is Mr. D. Mapundu, full-time employee of Mimosa.

The summations on the individual operations and the combined Implats group depicted in the tabulations above reflect both stability and future opportunities. Implats as a group remains committed to an integrated mineral resource management process and various initiatives are pursued to improve mineral resource management protocols, processes, systems and skills continuously. The development, attraction and retention of skills remain the highest risk area relating to continuous improvement in mineral resource management.

A more detailed breakdown of Implats' Mineral Resources and Mineral Reserves is provided in a separate report entitled, **Mineral Resource and Mineral Reserve Statement 2009**, which is available in the annual report section of the Implats website www.Implats.co.za and may be downloaded as a PDF file using Adobe Acrobat Reader. This information is also available on request from the Implats offices at the address given at the back of this report.

Accountability

Implats is committed to implementing best practice in respect of corporate governance, by being accountable for all its actions and behaving with integrity



Impala Refineries, Springs

Board of directors

Implats' board of directors, which provides corporate strategic direction, comprises a balance of executive and non-executive directors, with the majority of the latter being independent.

Board of directors

7 6 8 2

Independent non-executive directors

1. Fred Roux (Chairman) (61)

BSc, MSc, PhD, MBA. Joined the board in 2004 and appointed Chairman in 2004.

2. Fatima Jakoet (49)

BSc, CTA, CA(SA). Non-executive director of the South African Reserve Bank, Metropolitan Holdings Group and MTN Group (West African Region). Joined the board in August 2007.

3. Michael McMahon* (62)

Pr.Eng. BSc (Mech Eng). Director of Murray & Roberts Holdings Limited, Central Rand Gold Limited and Central Rand Gold SA Limited. Joined the group in 1990 as managing director, appointed chairman in 1993 and a non-executive director in 2002.

4. Vivienne Mennell (66)

BA, MBA, FCMA, THD. Joined the board in 1990 as financial director. Re-joined the board in 1998 as a non-executive director.

5. Khotso Mokhele (53)

BSc (Agriculture), MSc (Food Science) PhD (Microbiology). Chairman of ArcelorMittal South Africa Limited and Adcock Ingram Holdings Limited. Non-executive director of African Oxygen Limited and Tiger Brands Limited. Joined the board in 2004.

6. Thandi Orleyn (53)
B Juris, B Proc, LLB. Non-executive director of ArcelorMittal South Africa Limited, Reunert Limited and the South African Reserve Bank. Joined the board in 2004.

7. Lex van Vught (66)
BSc (Hons) (Chemistry), B Comm. Chairman of Tiger Brands Limited and non-executive director of AECI Limited. Joined the board in 2004.

* British

Non-executive directors

8. Thabo Mokgatlha (34)
CA(SA). Non-executive director of Royal Bafokeng Holdings (Pty) Limited. Joined the board in 2003 as nominee of the Royal Bafokeng Nation.

9. Steve Phiri (53)
B Juris, LLB, LLM, HDip Co Law. Chief Executive Officer of Merafe Resources Limited. Member of the Minerals and Mining Board. Non-executive director of Royal Bafokeng Holdings (Pty) Limited and SA Eagle Limited. Joined the board in June 2007 as nominee of the Royal Bafokeng Nation.

9 13 3 5 12

Executive directors

10. David Brown (Chief executive officer) (47)

BCom, CTA, CA(SA). Joined the group in 1999 as financial director and appointed chief executive officer in 2006.

11. Shadwick Bessit (Executive director) (47)

NHD (Metalliferous Mining). Joined the group in 2002 as a general manager at Impala Platinum. Appointed to the board in 2005.

12. Dawn Earp (Executive director: Finance) (47)

BCom, BAcc, CA(SA). Joined the group in 2007 as executive director: finance. Non-executive director of Rand Refinery Limited.

13. Les Paton (Executive director) (57)

BSc (Hons) (Geology), B Comm. Pr SciNat FGSSA. Joined the group as geologist in 1975 and appointed to the board in 2003. Independent non-executive director of Metorex.

Alternative director

Niall Carroll (44)

CA (SA). CEO of Royal Bafokeng Holdings. Joined the board in 2009 as alternate director to Thabo Mokgatlha.

Management

In addition to EXCOM, various committees, of which Implats' executives and senior management are members, oversee all aspects of the company's business and its day-to-day operations.

Management

1 4 3 5

EXCOM

(Day-to-day management of group operations)

1. David Brown
Chief Executive Officer
2. Jon Andrews
Group Executive: SHEQ
3. Brenda Berlin
Group Executive: Commercial
4. Shadwick Bessit
Executive Director: Growth Projects
5. Paul Dunne
Group Executive: Operations
6. Dawn Earp
Executive Director: Finance
7. Derek Engelbrecht
Group Executive: Marketing
8. Paul Finney
Group Executive: Refining
9. Alex Mhembere
Chief Executive Officer: Zimplats
10. Les Paton
Executive Director: Mineral Resource Management and Mining Operations
11. Johan Theron
Group Executive: People

Permanent invitees

12. Bob Gilmour
Group Executive: Corporate Relations
13. Paul Skivington
Group Executive: Strategy and Risk

Treasury Committee

(Conversion of foreign exchange proceeds to rands and hedging metal sales)

Warren Adams
Group Treasurer
David Brown
Chief Executive Officer
Dawn Earp
Executive Director: Finance
Derek Engelbrecht
Group Executive: Marketing

Risk Management Committee

(Enterprise risk management)

Jon Andrews
Group Executive: SHEQ
Shadwick Bessit
Executive Director: Growth Projects
Paul Dunne
Group Executive: Operations
Dawn Earp
Executive Director: Finance
Paul Finney
Group Executive: Refining
Nonhlanhla Mgadza
Group Head: Internal Audit
Alex Mhembere
Chief Executive Officer: Zimplats
Reshma Ramkumar
Group Risk Analyst
Paul Skivington
Group Executive: Strategy and Risk
Johan Theron
Group Executive: People
Avanthi Parboosing
Group Secretary

GROWCO

(Growth and capital delivery)

Brenda Berlin
Group Executive: Commercial
Chris McDowell
Group Executive: New Business
Derek Engelbrecht
Group Executive: Marketing
Martyn Fox
Group Executive: Technical Support
Rob Dey
Group Executive: Projects
Shadwick Bessit
Executive Director: Growth Projects
Seef Vermaak
Group Executive: Mineral Resource Management

PEOPLECO

(Managing and developing people and communities)

Colin Smith
Group Talent Manager
Humphrey Oliphant
Group Employee Relations Manager

13 12 6 10 7

Johan Theron
Group Executive: People
Johanna Tau
Group Stakeholder Manager
Karen Otto
Group Reward Manager
Pierre Lourens
Group Sustainable Development Manager

FINCO

(Support, protection and service functions)

Dawn Earp
Executive Director: Finance
Nonhlanhla Mgadza
Group Head: Internal Audit
Francois Naude
Group Executive: Financial Control
Avanthi Parboosing
Group Secretary
John Strauss
Group Executive: Shared Services
Leon van Schalkwyk
Group Strategic Finance Manager
Stefanie Vivier
Group Legal Services Manager

OPCO

(Delivery through effective safety, cost and production leadership)

Jon Andrews
Group Executive: SHEQ
Paul Dunne
Group Executive: Operations
Paul Finney
Group Executive: Refining
Tinus Gericke
General Manager: Technical Services
Sean Graham
General Manager: Processing
Jacques van Schalkwyk
Management Accounting Manager: Operations
Les Paton
Executive director: Mineral Resource Management and mining operations

Corporate governance

The board of directors of Implats is committed to maintaining high standards of governance when discharging their fiduciary duties, and as such, sound corporate governance structures and processes are entrenched within the group. These structures and processes are regularly reviewed to comply with local and international best practice.

In the year under review, Implats complied with the King Code of Corporate Governance (King II) and utilised the Code's principles to establish and enhance its governance framework. The group's subsidiary companies were also guided by this framework and those subsidiaries operating outside the jurisdiction of South Africa ensured compliance with local law.

A revised Code of Corporate Governance (King III) is currently being circulated for comment and review by all interested parties and it is anticipated that compliance with the new code will be compulsory in the forthcoming year.

Implats maintains a primary listing of ordinary shares on the Johannesburg Stock Exchange (JSE) and a secondary listing on the London Stock Exchange (LSE). In addition to local compliance, the company is accordingly subject to the disclosure requirements of the LSE.

Implats gives priority to sound corporate governance principles, and as such, governance will continue to receive the board and its committees' attention as they strive to provide strategic oversight and leadership to the company.

Board of directors

In compliance with the company's articles of association, the board comprised thirteen directors. There were seven independent non-executive directors, two non-executive directors and four executive directors on the board.

Dr FJP Roux, an independent non-executive director is chairman of the board. Mr DH Brown, an executive director, is the chief executive officer. The roles of the chairman and chief executive officer are distinctly separate.

Mr TV Mokgatlha, and Mr DS Phiri are not considered to be independent given their relationship with the Royal Bafokeng Nation, a substantial shareholder of the company. During the year, Mr N Carroll was appointed as an alternate director to Mr TV Mokgatlha. Mr Carroll, as the chief executive officer of Royal Bafokeng Holdings is also not independent. The board holds the view, however, that all directors bring independent judgment to bear on material decisions put to the board for consideration.

On 30 June 2009, Mr LC van Vught resigned as a non-executive director of the board and as a member of the Audit Committee and chairman of the Remuneration Committee. There have been no new appointments to the board replacing Mr van Vught.

Non-executive directors are chosen for their business and industry-specific skill and acumen and consideration is given to racial and gender diversity when appointments are recommended by the Nominations Committee to the board. As such, the board comprises 67% HDSAs and 33% female members. Details of all board members are contained on page 90 of the Annual Report.

In terms of the company's articles of association, one-third of directors must retire at every annual general meeting and may be eligible for re-election. Re-election of board members takes place on a staggered basis to ensure continuity. An executive director retires at the annual general meeting following his/her 63rd birthday, and a non-executive director following his/her 67th birthday, Thereafter, in the case of a non-executive director, his/her term of office continues on an annual basis, if a majority of their co-directors so request. The names of the retiring directors and their accompanying curriculum vitae are stated under the heading of Annual General Meeting on page 107.

The role of the board is regulated by a formal board charter which defines matters reserved for board approval. A formal approval framework is in place which defines the powers and authority of management. The board charter is available on the company's website (www.implats.co.za).

In addition to the quarterly board meetings, a full-day strategy session is held and is attended by all board members and senior executives. This is in line with the board's mandate for setting group strategy, which is considered and approved annually.

An annual board meeting is also held to discuss the business plan of the group. The board meets on an ad hoc basic to consider specific issues, if the need arises. The progress and status of identified strategic issues are reported and monitored at quarterly board meetings.

Going forward, board members are obliged to attend a full day board-training session, in keeping with the company's obligation to provide ongoing training to all directors.

Finally, non-executive directors meet formally and informally with management on a regular basis.

The board functions are supported by the following committees of the board:
- Audit Committee
- Nominations Committee
- Remuneration Committee
- Safety, Health and Environmental Quality Audit Committee
- Transformation Committee

The composition of the board committees was altered during the year due to a re-shuffle of the chairmanship of the various committees. The composition of these committees is detailed in this report under their respective headings. Furthermore, the resignation of Mr LC van Vught necessitated the appointment of a new chairman of the Remuneration Committee. Mr van Vught was not replaced on the Audit Committee.

Corporate governance (continued)

Attendance at board meetings and committee meetings is set out in the table below:

Attendance at board, committee meetings and annual general meeting

	Board	Special Board	Audit Committee	Nominations Committee	Remuneration Committee	SHEQ Committee	Transformation Committee	Annual General Meeting
Number of meetings	6	1	4	4	4	4	4	1
FJP Roux •	5/6	1/1		4/4		4/4	4/4	✓
S Bessit	6/6	1/1					4/4	✓
DH Brown*	6/6	1/1				4/4	4/4	✓
D Earp†	6/6	1/1					4/4	✓
F Jakoet	6/6	1/1	4/4					
JM McMahon	6/6	1/1	1/1		4/4	4/4		✓
MV Mennell	6/6	0/1	4/4	4/4				✓
TV Mokgatlha	5/6	1/1					4/4	✓
K Mokhele	6/6	1/1		4/4		4/4	4/4	
NDB Orleyn	6/6	1/1		1/1	4/4		4/4	✓
LJ Paton	6/6	1/1					3/4	✓
DS Phiri	5/6	1/1			4/4			
LC van Vught	5/6	1/1	4/4		1/1			✓
MF Pleming ø						3/4		

* Chief executive officer
† Executive director: finance
ø External consultant
• Chairman

Board committees

Audit Committee

Members:
Michael McMahon (Chairman)
Fatima Jakoet
Vivienne Mennell
Lex van Vught

On 1 May 2009, Mr Michael McMahon was appointed as an additional member and chairman of the Audit Committee in place of Mr Lex van Vught. Mr van Vught retained membership of the committee until his resignation on 30 June 2009.

The Audit Committee comprised four independent non-executive directors until Mr van Vught's resignation. Its role is to provide assurance that relevant board duties are discharged by:

- monitoring the integrity of the financial statements and other relevant external financial reports of Implats and reviewing all significant inputs, judgments and outputs in order to present a balanced and understandable assessment of the position, performance and prospects of Implats, as appropriate;

- reviewing the company's internal financial control and financial risk management systems in order to safeguard Implats' assets;
- monitoring and reviewing the effectiveness of Implats' internal audit functions;
- recommending to the board the appointment of the external auditors, approving the remuneration and terms of engagement of the external auditors and monitoring their independence, objectivity and effectiveness, taking into consideration relevant professional and regulatory requirements; and
- regulating the use of the external auditors for non-audit duties in terms of a policy document prepared and enforced which governs the use of external auditors for non-audit services. The use of the external auditors for non-audit services is disclosed in the annual financial statements.

The committee, in carrying out its tasks, has a wide range of powers to consult both internally and externally. The overriding principle is that the Audit Committee shall be provided with sufficient resources to undertake its duties.

Its terms of reference allow the investigation into any activity of the company and permit the seeking of information or advice from any employee in the course of its duties. The chairman of the Audit Committee meets at least once a year on an individual basis with the external and internal auditors, the chief executive officer and the chief financial officer without any other executive member of the board in attendance.

The Audit Committee oversees the Risk Management Committee.

Nominations Committee

Members:
Thandi Orleyn (Chairperson)
Khotso Mokhele
Fred Roux
Vivienne Mennell

The committee comprises four independent non-executive directors. Ms Thandi Orleyn was appointed as an additional member and chairperson of the committee on 1 May 2009 in place of Dr Khotso Mokhele.

This committee assists the board in ensuring that the structure, size, effectiveness and composition of the board and its committees:

- are reviewed regularly;
- comprise the requisite mix of skills, experience, diversity and other qualities;
- align with the strategic direction and requirements of Implats, and
- meet the requirements of sound corporate governance.

The Nominations Committee is also responsible for ensuring that the board, its directors and its committees are assessed regularly; proposing adjustments to the board and its committees; planning for the succession of directors; recommending appointments and re-elections of directors; establishing a formal induction process and ensuring that a training and development programme is in place for board members.

Corporate governance (continued)

A self-assessment of the board, an evaluation of the board chairman, as well as an individual evaluation of board members standing for re-election was undertaken during the year by KPMG. Corrective action will be taken by the board and Nominations Committee to address key issues identified.

An assessment of the board committees and the chairmen of the board committees is planned for the ensuing year and will also be undertaken by KPMG to ensure a continuity of the evaluation process. The Nominations Committee oversees the evaluation process as part of its mandate.

Remuneration Committee

Members:
Lex van Vught (Chairman resigned 30 June 2009)
Michael McMahon
Thandi Orleyn
Steve Phiri (Chairman from 1 July 2009)

The Remuneration Committee comprised three independent non-executive directors and one non-executive director. Mr Lex van Vught was appointed as an additional member and chairman of the committee on 1 May 2009 in place of Ms Thandi Orleyn as part of a planned rotation of responsibilities. Subsequent to Mr Lex van Vught's resignation, on 30 June 2009, Mr Steve Phiri was appointed chairman of the committee effective 1 July 2009. The chairman of the board, chief executive officer and the human resources executive are invited to attend all Remuneration Committee meetings except when their own remuneration is under consideration.

The company's remuneration policy is determined by the Remuneration Committee and strives for competitive and fair reward in recognising and rewarding individual and team achievement that contributes to the attraction, retention and motivation of employees, and organisational growth and prosperity.

The main functions of the Remuneration Committee are to:
- determine fixed and variable remuneration for executive directors and senior executives;
- ensure the implementation of policies and practices to attract and retain the best talent at executive level;
- ensure the provision of fair, equitable and competitive conditions of employment across the group;
- ensure the effectiveness of a comprehensive talent management process, encompassing employee development and succession planning;
- benchmark remuneration practices against both local and international best practice;
- monitor retirement benefits; and
- recommend fees for non-executive directors for consideration by executive directors on the board for approval by shareholders at the annual general meeting.

Safety, Health and Environmental Quality Audit Committee

Members:
Khotso Mokhele (Chairman)
Michael McMahon
Fred Roux
David Brown (Chief Executive Officer)
Mike Pleming (external consultant)

A board-appointed Safety, Health and Environmental Quality Audit Committee (SHEQ) has been in place since 1988. Its role in terms of its mandate is to monitor and review safety, health and environmental performance and standards. The SHEQ Audit Committee supplements and gives support, advice and guidance on the effectiveness or otherwise of management's efforts in the areas of safety, health and the environment. The SHEQ Audit Committee comprises three non-executive directors and the chief executive officer. An external consultant is also a member of the committee in line with the committee's initiative to have a wide range of expertise available to it.

On 1 May 2009, an independent, non-executive, Dr Khotso Mokhele, replaced Mr Michael McMahon as chairman of the committee.

The SHEQ Audit Committee meets at least once a quarter. Meetings are held alternately at operations, coinciding with visits to sites of SHEQ importance/relevance or at Implats' head office. At all meetings, Implats' overall performance in all areas of safety, health and the environment is critically appraised. Internal audit regularly reviews reporting systems to ensure that injuries sustained by employees/contractors are reported timeously and effectively.

Transformation Committee

Members:

Khotso Mokhele (Chairman)	Dawn Earp
Thandi Orleyn	Les Paton
Fred Roux	Paul Finney
Thabo Mokgatlha	Johan Theron
Shadwick Bessit	Avanthi Parboosing (Secretary)
David Brown	

The composition of the Transformation Committee was altered during the year. The committee now comprises three independent non-executive directors, a non-executive director, the four executive directors and two executives.

The committee is responsible for monitoring the progress of achieving a transformed workforce by:

- advising and guiding the board in any decision making process relating to transformation;
- guiding the organisation on issues of transformation;
- consulting all role players to ensure commitment and adoption of an inclusive approach in addressing transformation issues;
- providing quality assurance regarding the implementation of all transformation processes; and
- ensuring transparency in communication in respect of the transformation processes.

The challenge of achieving the company's strategic imperative of becoming a transformed workplace, hinges on it meeting and exceeding its targets and the numerical goals set as per the Employment Equity Act, the Mineral and Petroleum Resources Development Act (MPRDA) and the related Mining Charter. These targets have been affected by the amendment to the Employment Equity Act regarding the definition of designated groups.

With the increased emphasis on sustainability and its inseparable interface with the strategy of the company, the committee also plays a material role in reviewing and providing guidance on sustainability issues facing the group. The committee also plays a substantial role in assisting the company on its sustainability reporting and the need for independent assurance thereof.

Corporate governance (continued)

The Transformation Committee of the board as well as the transformation steering committees at all South African operations monitor targets and numerical goals.

Employment equity statistics 2009

Below is a summary of the 2009 employment equity report as required by section 22(1) of the Employment Equity Act of 1998 based on occupational levels at Implats' South African operations, broken down by number of employees within each category. The table includes the following: white (W), coloured (C), Indian (I), and African (A) population groups including persons with disabilities.

	Male				Female				Foreign nationals		
Occupational levels	A	C	I	W	A	C	I	W	Male	Female	Total
Top management	–	1	–	2	–	–	–	1	–	–	4
Senior management	11	3	2	64	3	–	1	6	6	–	96
Professionally qualified and experienced specialists and mid-management	156	7	18	316	36	2	10	70	12	2	629
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	2 463	27	7	1 070	250	6	3	140	376	1	4 343
Semi-skilled and discretionary decision making	3 836	11	4	188	567	2	2	49	657	–	5 316
Unskilled and defined decision making	17 200	12	–	25	1 634	5	–	1	3 785	2	22 664
Total permanent employees	23 666	61	31	1 665	2 490	15	16	267	4 836	5	33 052
Temporary employees	80	10	–	64	20	1	–	1	1	–	177
Grand total	23 746	71	31	1 729	2 510	16	16	268	4 837	5	33 229

Company secretary

Board members have access to a company secretary who is appointed in accordance with the JSE Listing Requirements and the Companies Act (as amended). The company secretary provides guidance to the directors on their fiduciary duties and ensures that the board remains cognisant of its responsibilities and the discharge thereof, within the prevailing regulatory and statutory environment. The board is also entitled to seek additional independent advice as it deems necessary.

Other corporate governance issues

Risk management

A summary of Implats' strategic risks is presented in a separate section of this report on page 109.

Internal control

The board has ultimate responsibility for establishing a framework for internal controls designed to effectively provide reasonable assurance against material loss, including appropriate risk management and good corporate governance frameworks and systems. Implats has established key controls that focus on critical risk areas identified by line management, facilitated by risk management and assessed and evaluated by the internal auditors. The controls are designed to provide a cost effective assurance that Implats assets are safeguarded and that liabilities and working capital are efficiently managed. The established organisational policies, procedures, standards, guidelines, structures and delegation frameworks clearly define and provide appropriate levels of direction, accountability and segregation of responsibility; which facilitate self checking and monitoring mechanisms.

Internal audit

Group internal audit is an independent objective assurance that delivers substantial benefits to Implats by primarily focusing on the systems of internal control, resulting in better risk management and good governance as well as achievement of set business objectives. Internal audit is well supported by the board and well-positioned to deliver on its mandate. In keeping with best practice, the group internal auditor reports to the executive director, finance for administrative purposes and to the Audit Committee chairman for functional purposes. The group internal auditor also holds quarterly meetings with the chairman of the board and the chief executive officer to discuss internal audit issues. The internal audit charter provides a structured framework within which the internal audit function operates and continuous improvement in the quality and objectivity of the function remains a priority for the group internal auditor.

Code of ethics

Implats has a code of business practice to which all employees and suppliers are expected and encouraged to adhere. The policy outlines conflicts of interest, the prevention of dissemination of company information, guidelines on the acceptance of donations and gifts, and protection of the intellectual property and patent rights of the company. The policy outlines the disciplinary action (including dismissal or prosecution) which will be taken in the event of any contravention. A "whistle-blowing" toll-free helpline is in place to facilitate the confidential reporting of alleged incidents which are reported to the chairman of the board. In essence, the code is designed to ensure that all stakeholders are empowered to operate within a defined ethical environment.

Dealings in securities

The group observes a closed period from the end of the relevant accounting period to the announcement of the interim or year-end results, as the case may be, during which neither directors nor employees may deal, either directly or indirectly, in the shares of the company or its listed subsidiaries. The company secretary is responsible for providing guidance to the board and to management on dealing in securities during specific periods. A report on directors' dealings in company's shares is tabled at every quarterly Audit Committee meeting.

Sustainability reporting

The company publishes a Sustainable Development Report (formerly titled the Corporate Responsibility Report) in conjunction with the Annual Report. The full contents of the report can be accessed on the company's website (www.implats.co.za).

JSE Socially Responsible Investment (SRI) Index

Implats has been a constituent of the JSE SRI index since the inception of the index.

The index assesses the constituent's performance in terms of triple bottom line reporting regarding the environment, society and the economy, as well as corporate governance.

Relations with shareholders

Investors, fund managers, analysts, the media and the market are kept fully informed of all developments. Implats communicates regularly with shareholders and other stakeholders regarding its financial and operational performance. Communication with interested institutional and private investors pays due regard to the statutory and regulatory requirements on the communication of price sensitive information by the company and its officers.

The shareholder communication functions of the company secretary and the share registrar are supported by an investor relations programme which operates in South Africa, Europe, the United States and Canada. The programme is aimed at maintaining contact with institutional shareholders, fund managers and analysts in these countries as well as the media. It is also aimed at undertaking formal financial disclosure through interim and annual results announcements, the annual report, road shows, press releases, ad hoc investor meetings, participation in investment conferences and the website.

In particular, road shows and teleconference calls also provide investors with the opportunity to communicate with management and to make recommendations to the board. Management is also open to meetings requested by shareholders and contact details are available on the company website.

The result announcements, both interim and annual, take the form of live presentations which are webcast simultaneously. Quarterly production reports are also released, as required by the LSE. International conference calls are also held. All presentations, webcasts and conference call transcripts are available on the website (www.implats.co.za). In addition, copies of all presentations made by executive management to the investment community are posted on the website.

Dividends

It is company policy to pay a dividend twice a year, firstly at the end of the interim financial period and secondly, at the end of the financial year. While the payment of dividends is not guaranteed, dividends have been paid consistently in the past. The interim dividend of 120 cents per share and the final dividend of 200 cents per share were not in line with the stated dividend policy but were based on a cash quantum basis in view of the prevailing uncertain economic circumstances.

Access to information

Implats has complied with the requirements of the Promotion of Access to Information Act of 2000. The corporate manuals are available on the website www.implats.co.za.

Sponsor

Deutsche Bank is the company's corporate sponsor, in compliance with the JSE listing requirements.

Annual general meeting

Effects and implications of the annual general meeting

The notice of the annual general meeting on pages 235 to 238 includes the following items:

1. Approval of the annual financial statements for the year ended 30 June 2009.

2. Re-appointments of directors of the company who retire from office at this meeting and who offer themselves for re-election are Ms Dawn Earp, Ms Thandi Orleyn and Dr Khotso Mokhele. Mr Shadwick Bessit retires at this meeting and does not avail himself for re-election. The articles of association require that at least one-third of the board retire from office annually and stand for re-election by shareholders at the annual general meeting.

   The curriculum vitae of all directors to be re-appointed at the annual general meeting are set out below:

   Dawn Earp (Executive director) (47)
   BCom, BAcc, CA(SA). Joined the group in 2007 as Executive Director: Finance. Non-executive director of Rand Refinery Limited.

   Khotso Mokhele (Independent non-executive director) (53)
   BSc (Agriculture), MSc (Food Science) PhD (Microbiology). Chairman ArcelorMittal South Africa Limited and Adcock Ingram Holdings Limited. Non-executive director of African Oxygen Limited and Tiger Brands Limited. Joined the board in 2004.

   Thandi Orleyn (Independent non-executive director) (53)
   B Juris, B Proc, LLB. Non-executive director of ArcelorMittal South Africa Limited, Reunert Limited and the South African Reserve Bank. Joined the board in 2004.

3. Directors' remuneration

   To increase the remuneration of the non-executive directors and of the chairman of the board by 5%.

These ordinary resolutions require a simple majority of members present in person or by proxy at the meeting.

Corporate governance (continued)

Special business

4. Changes to the Morokotso Trust deed

To amend the trust deed of the employee share scheme for A, B and C Paterson level employees (Morokotso Trust).

The principal amendments to the trust deed constituting the Morokotso Trust may be summarised as follows :

- Clarifying that allocations of shares under the Employee Share Ownership Programme are only available to defined categories of employees of Impala Platinum Limited and Marula Platinum (Proprietary) Limited (subsidiaries of the company) who were employed in the two-year period ended on 3 July 2008.
- Defining the price at which the company has a pre-emptive right to purchase any shares to be sold by the Trust.
- Specifying that employees eligible for allocations of shares at the commencement of the Programme were entitled to 568 shares and that any employees who are subsequently eligible for allocations are to receive an equal number of shares until the allocated number of shares reaches 568. Any subsequent allocations are to be made equally to all eligible employees.
- Recording the specific powers and duties of the Trustees and issues related to the holding of their meetings.
- Providing that employees are entitled to sell 40 per cent of their allocated shares after five years from the commencement of the programme and that such sales and the sale of shares after the termination of the programme may not take place during closed periods.
- Establishing a target price of R170 per share and a prescribed period of six months to sell shares on behalf of employees terminating employment in approved circumstances, (such as retirement/retrenchment/ill health).

A copy of the amended trust deed is available for inspection at the registered office of the company and is available on the company's website www.implats.co.za

This ordinary resolution requires approval by a 75% majority of members present in person or by proxy at the meeting.

5. Share buy-back

To extend, for a further year, the authority for the directors to buy-back a maximum of 10% of the company's issued share capital. The company bought back approximately 2.6% of the issued share capital in the prior years, utilising surplus cash to acquire shares at lower price levels. The special resolution requires approval by a 75% majority of members present in person or by proxy at the meeting.

Chairmen of all the board committees are encouraged to attend the annual general meeting to answer any questions from shareholders.

Strategic risks – a summary

Summary of Implats' strategic risk focus in 2009

The strategic risk issues that currently face the group and which inform Implats' business planning, risk management and resource allocation priorities are:

Safety, health and environment

Continuous improvement in safety, health and environmental performance towards the goal of 'zero harm'.

Production

Maintaining reliable and effective production processes and delivering product on time and to specification.

Project delivery

Maintaining effective project management processes and skills to ensure successful project implementation and delivery.

Supply and demand

Understanding the future demand for our products, and the corresponding industry supply-side profile.

Scanning the environment for technological advances that may affect the demand for Implats' products (substitution), and instituting appropriate responses where possible.

Related to the above, the prices achieved for our products have been subjected to unprecedented volatility, and metal price fluctuation remains a significant risk for the business.

Rand/dollar exchange rate

Closely monitoring the rand/dollar exchange rate as a source of significant volatility for our business.

Cash preservation

Focus on cash management as a key to preserving the financial value of the business.

Country risk

Zimbabwe
Managing the uncertainties that affect the Zimbabwe operations.

Social
Addressing relevant issues regarding sustainability, corporate responsibility, and being recognised as a good corporate citizen in the countries and communities where the company operates, and maintaining sound and mutually beneficial relationships with them and the general public.

Retaining permission to operate, and full legal and regulatory compliance in a continuously changing environment.

Strategic risks – a summary (continued)

Effective people

Attracting, developing, retaining and motivating the requisite management, operational, technical and business skills and pool of talent.

Achieving organisational diversity and improved employee engagement and participation in all business activities.

Growth

Retaining a focused and sustainable growth portfolio of assets to ensure that the company remains in the top quartile of performers within its areas of core competence.

Unit costs

Sustaining unit production costs in the lowest quartile of the industry.

Mineral resource management

Ongoing identification, delineation, measurement and optimisation of mineral resources and reserves.

Details of Implats' specific risk factors are available on the corporate website at www.implats.co.za.

Annual financial statements

Consolidated annual financial statements

Company annual financial statements

Forward-looking statements

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

Approval of the annual financial statements

The annual financial statements for the year ended 30 June 2009, which appear on pages 112 to 219, were approved by the board of directors on 27 August 2009.

The directors are responsible for the fair presentation to shareholders of the affairs of the company and of the group as at the end of the financial year, and of the results for the period, as set out in the annual financial statements. The directors are responsible for the overall co-ordination of the preparation and presentation, and approval of the financial statements. Responsibility for the initial preparation of these statements has been delegated to the officers of the company and the group.

The independent auditors are responsible for auditing and reporting on the financial statements in the course of executing their statutory duties. The financial statements have been prepared on a going concern basis, conform with applicable accounting standards and are presented applying consistent accounting policies supported by reasonable and prudent judgements and estimates. To discharge this responsibility, the group maintains accounting and administrative control systems designed to provide reasonable assurance that assets are safeguarded and that transactions are executed and recorded in accordance with sound and ethical business practices and procedures. The accounting policies of the group are set out on pages 132 to 151 of this report.

FJP Roux
Chairman

DH Brown
Chief Executive Officer

Certificate by group company secretary

I, the undersigned, in my capacity as company secretary, do hereby confirm that for the financial year ended 30 June 2009 Implats has lodged with the Registrar of Companies all such returns as are required of a public company in terms of the Companies Act 61 of 1973, as amended, and that all such returns are true, correct and up to date.

A Parboosing
Group Company Secretary

27 August 2009

Independent auditors' report

To the members of Impala Platinum Holdings Limited

We have audited the group annual financial statements and annual financial statements of Impala Platinum Holdings Limited, which comprise the consolidated and separate statements of financial position as at 30 June 2009 and the consolidated and separate income statements, the consolidated and separate statements of total comprehensive income, the consolidated and separate statements of changes in equity, and consolidated and separate cash flow statements for the year then ended, and a summary of significant accounting policies and other explanatory notes, and the directors' report, as set out on pages 115 to 219.

Directors' responsibility for the financial statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by the Companies Act of South Africa. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independent auditors' report (continued)

Opinion

In our opinion, the financial statements present fairly, in all material respects, the consolidated and separate financial position of Impala Platinum Holdings Limited as at 30 June 2009, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Companies Act of South Africa.

PricewaterhouseCoopers Inc.
Director: Hein Boegman
Registered Auditor
2 Eglin Road
Sunninghill, 2157
Johannesburg

27 August 2009

Directors' report

Profile

Business of the company

Impala Platinum Holdings Limited (Implats/company/group) is principally in the business of producing and supplying platinum group metals (PGMs) to industrial economies. The company's holdings in various mining and exploration activities as at 30 June 2009 are described below:

Company	Short name	Effective interest %	Activity
Impala Platinum Limited	Impala	100	PGM mining processing and refining
Impala Refining Services Limited	IRS	100	Purchase of concentrate and/or smelter matte. Processing of concentrate and matte by the smelting, refining and sale of resultant PGMs and base metals, and toll refining.
Afplats (Pty) Limited	Afplats	74	PGM mining (project phase)
Marula Platinum (Pty) Limited	Marula	73	PGM mining
Zimplats Holdings Limited	Zimplats	86.9	PGM mining
Mimosa Investments Limited	Mimosa	50	PGM mining
Two Rivers Platinum (Pty) Limited	Two Rivers	45	PGM mining

Capital

Authorised and issued share capital

The authorised share capital of the company as at 30 June 2009 was R21 100 200, divided into 844 008 000 ordinary shares of 2.5 cents each.

As at 30 June 2009, the issued share capital stood at 631 578 772 ordinary shares of 2.5 cents each (2008: 631 578 772 ordinary shares of 2.5 cents each).

The Share Incentive Scheme held sufficient shares to meet the current year commitments in terms of the scheme, and accordingly no additional shares were issued during the financial year.

Treasury shares

The group holds 16 233 994 ordinary shares of 2.5 cents each (2008: 10 671 449) of its own shares in terms of an approved share buy-back scheme. During the year, a further 5 562 545 shares were acquired. The share buy-back arrangement was however suspended in November 2008 as part of a cash preservation programme. The shares are held as "treasury shares" by a subsidiary.

Directors' report (continued)

Share-based payments

Details of participation in the share option scheme are set out in note 15 of the financial statements.

The trustees of the scheme are Ms NDB Orleyn and Messrs JM McMahon and DS Phiri.

The group no longer offers employees any further options under the existing Share Incentive Scheme, but pays relevant employees a fully taxable bonus based on the increase in the share price. (Refer to note 18 of the financial statements.) Employees' interests will still be aligned with those of shareholders but without any dilutionary effect.

The rules governing the quantum and timing of benefits to be delivered to employees under the bonus scheme are no different from those under the Share Incentive Scheme.

Shareholding in the company

The issued capital of the company held by public and non-public entities as at 30 June 2009 was as follows:

	No. of shares (000)	%
Public	516 537	81.7
Non-public	115 042	18.3
Directors	173	0
Trustees of share schemes	15 520	2.5
Implats Share Option Scheme	127	0
Morokotso Share Trust	15 393	2.5
Right to appoint a director	83 115	13.2
Treasury shares	16 234	2.6
Total	631 579	100.0

The following shareholders beneficially hold more than 5% of the issued share capital:

Shareholders	No. of shares (000)	%
Royal Bafokeng Holdings (Pty) Limited	83 115	13.2
Public Investment Corporation	53 962	8.5
Blackrock Investment Management (UK) Ltd	42 855	6.8

Investments

Zimplats Holdings Limited (Zimplats)

The company owns 86.9% of Zimplats Holdings Limited ("Zimplats"). Zimbabwe Platinum Mines (Pvt) Limited is a wholly owned subsidiary of Zimplats.

Mimosa Holdings (Private) Limited (Mimosa)

The company holds a 50% shareholding in Mimosa with the balance held by Aquarius Platinum Limited ("Aquarius").

Two Rivers Platinum (Proprietary) Limited (Two Rivers)

The company owns a 45% interest in Two Rivers with the balance held by African Rainbow Minerals Limited ("ARM").

Marula Platinum (Proprietary) Limited (Marula)

The company owns a 73% interest in Marula.

A 9% equity stake in Marula is held by each of the following BEE companies:
- Tubatse Platinum (Pty) Limited ("Tubatse")
- Mmakau Mining (Pty) Limited ("Mmakau")
- Marula Community Trust ("the Trust")

Implats has consolidated the BEE interest as the vendor finance is guaranteed by Implats.

Financial affairs

Results for the year

The results for the year are fully dealt with in the financial statements forming part of the annual report. Refer to pages 127 to 219.

Dividends

An interim dividend (No 82) of 120 cents per share was declared on 19 February 2009, and a final dividend (No 83) of 200 cents per share was declared on 27 August 2009, payable on 21 September 2009 being a total of 320 cents per share (2008: 1 475 cents per share). These dividends amounted to R1 912 million for the year (2008:R8 928 million).

Capital expenditure

Capital expenditure for the year amounted to R6 923million (2008: R5 368 million).

The estimated R4 600 million capital expenditure by Implats envisaged for the 2010 financial year will be funded from internal resources and, if appropriate, borrowings.

Post-balance sheet events

No other material events have occurred between the date of these financial statements and the date of approval thereof, the knowledge of which would affect the ability of the users of these statements to make proper evaluations and decisions.

Directors' report (continued)

Going concern

The financial statements have been prepared using appropriate accounting policies, supported by reasonable and prudent judgements and estimates. The directors have a reasonable expectation that the group has adequate resources to continue as a going concern in the foreseeable future.

Associated and subsidiary companies

Information regarding the company's associated companies is given in note 8 of the financial statements and regarding subsidiaries on page 219.

Property

Details of the freehold and leasehold land and buildings of the various companies are contained in registers, which are available for inspection at the registered offices of those companies.

Directorate

Composition of the board

During the year, Mr N Carroll was appointed as an alternate director to Mr TV Mokgatlha. Mr LC van Vught resigned as an independent non-executive director, effective 30 June 2009. Mr van Vught also served as the chairman of the Remuneration Committee and as a member of the Audit Committee.

The directors who retire at the next general meeting are Ms D Earp, Dr K Mokhele and Ms NDB Orleyn. These directors are eligible and have offered themselves for re-election. Mr S Bessit retires at the meeting but does not avail himself for re-election.

Interest of directors

The interests of directors in the shares of the company were as follows and did not individually exceed 1 per cent of the issued share capital or voting control of the company.

	Direct		Indirect	
30 June	2009	2008	2009	2008
Beneficial				
Directors	172 784	192 264	44 304	23 928
DH Brown	90 896	90 000	–	–
MV Mennell	61 808	61 808	–	–
LJ Paton	20 000	40 376	41 104	20 728
S Phiri	80	80	–	–
LC van Vught	–	–	3 200	3 200
Senior management	224 600	189 940	–	–
Non-beneficial	–	–	–	–

Directors' remuneration

Details of the executive directors, non-executive directors and senior management remuneration are set out in the Remuneration Report on pages 120 to 127.

Directors' interests

No contracts of significance were entered into in which the directors of the company were materially interested, either during or at the end of the financial year. No material change in the aforegoing interests has taken place between 30 June 2009 and the date of this report.

Special resolutions passed

During the year, the following special resolutions were passed by Implats and its subsidiaries:

Implats

Share buy-back

This allowed the company and its subsidiaries to acquire shares in the company, subject to the provisions of the Companies Act 1973 and the Listings Requirements of the JSE Limited, provided that the authority does not extend beyond 15 months from the date of the granting of that authority.

Impala

Loan to Gazelle Platinum in terms of section 38 of the Companies Act of 1973. The loan to Gazelle was capitalised by the issue of 43 ordinary shares to Impala.

Gazelle Platinum

Increase in the authorised share capital from R1 divided into 100 ordinary shares of one cent each to R2 divided into 200 ordinary shares of one cent each.

Financial, administrative and technical advisers

In terms of a service agreement, Impala Platinum Limited acts as financial, administrative and technical advisor to the Implats group during the year on a fee basis. Messrs S Bessit, DH Brown, LJ Paton and Ms D Earp had an interest in this contract to the extent that they are directors of Impala and of the company, but they do not beneficially own any shares in Impala.

Secretaries

Ms A Parboosing acts as Secretary to Implats and Impala. Impala acted as Secretaries to other subsidiaries in the Implats group. The business and postal addresses of the Secretaries are set out on the inside back page of this report.

United Kingdom Secretaries

The business and postal addresses of the United Kingdom Secretaries are set out on the inside back page.

Public Officer

Mr SF Naude acted as Public Officer to companies in the Implats group for the year under review.

Remuneration report

In recognising that Implats strives to be the employer of choice, the company's compensation policy is determined by the Remuneration Committee and as such strives for competitive and fair reward in recognising individual and team achievement. This policy supports the premise that our success is founded on distinctive people, teamwork and inspirational leadership.

Remuneration policy

Guided by the Remuneration Committee of the board, the remuneration policy is aligned with business requirements and labour market dynamics to enable the attraction, retention and motivation of top performers. This policy aims to match the market for the broad talent pool and to lead in areas of critical jobs, talented individuals, important employment equity candidates and/or exceptional performers.

Implats' value proposition comprises a combination of guaranteed and variable performance-enhancing incentives and fair and equitable benefits aimed at attracting, retaining, developing, motivating and rewarding our people. Incentives are related to the performance of individuals, teams, the organisation as a whole and the share price.

During FY2009, the committee reviewed middle and senior management reward in support of a new group management structure and long term incentives ensuring the retention of employees. Several retention mechanisms have been implemented to retain specifically critical and scarce supervisory and technically skilled employees. Regular national, area and sector specific benchmark audits ensure market competitiveness and internal equity.

There has been a renewed focus on performance management, succession planning and accelerated development as talent management tools to minimise risks related to employee turnover in key positions.

In line with the cash preservation strategy that was announced by Implats in November 2008, there will be no salary increases for the D and E level employees in FY2010.

Non-executive directors' remuneration

In terms of the Articles of Association, the fees for services as a director are determined by shareholders in a general meeting. The fees to 30 June 2009 were approved at the annual general meeting on 23 October 2008. Fees for the services of a director of the board are R275 000 per annum and R1.5 million for the chairman of the board. Fees for the services of directors on board committees are R90 000 per annum and R200 000 for the chairman except for the Audit Committee where these fees are R130 000 and R275 000 respectively. Directors' fees in aggregate for serving on board committees for the year under review were as follows:

Non-executive directors' remuneration – for the year ended 30 June 2009 (R000)

Name	Board	Audit Committee	Nominations Committee	Remuneration Committee	SHEQ Committee	Transformation Committee	Total 2009	Total 2008
FJP Roux	1 500						**1 500**	1 200
F Jakoet	275	130					**405**	222
JM McMahon	275	46		90	182		**593**	440
MV Mennell	275	130	90				**495**	375
TV Mokgatlha	69					22	**91**	377
Royal Bafokeng Management Services[#]	206					68	**274**	–
K Mokhele	275		182		108	200	**765**	515
NDB Orleyn	275		33	182		90	**580**	440
DS Phiri	275			90			**365**	251
LC van Vught	275	251		33			**559**	420
Total	3 700	557	305	395	290	380	**5 627**	4 240

[#] Mr TV Mokgatlha's fees are paid directly to the Royal Bafokeng Management Services, effective October 2008 and going forward.

Directors' fees are reviewed annually. It is proposed that directors' fees be increased as follows:

With effect from	Member 1 July 2009	Chairman 1 July 2009	Member 1 July 2008	Chairman 1 July 2008
Board	**288 750**	**1 575 000***	275 000	1 500 000*
Audit Committee	**136 500**	**288 750**	130 000	275 000
Safety, Health and Environment Quality Audit Committee	**94 500**	**210 000**	90 000	200 000
Nominations Committee	**94 500**	**210 000**	90 000	200 000
Remuneration Committee	**94 500**	**210 000**	90 000	200 000
Transformation Committee	**94 500**	**210 000**	90 000	200 000

* Includes attendance at all committee meetings

These fees have been waived by the executive directors.

Remuneration report (continued)

Executive directors' remuneration

Executive directors' remuneration comprises the following:

- **Basic remuneration package**, which reflects the cash portion of the executive's remuneration, is aligned with the market to ensure external equity. The individuals' salary is reviewed annually based on their own performance, experience, responsibility, contribution, company performance and market competitiveness.
- **Employee benefits,** such as medical, retirement funding and group life contributions by the company are applicable to all employees.
- **Annual performance bonus** is determined by the performance of the individual and the company against a set of predetermined targets. The weighting of the respective contribution of company and individual targets is 50% company and 50% individual for production employees with a lesser individual percentage allocated to servicing employees. The bonus is capped at certain percentages based on the level of the executive. Senior management participates in the bonus scheme, which is based on individual achievement of balanced scorecard criteria, as set by the executive team and reviewed by the Remuneration Committee. The bonus is not guaranteed and the apportionment is based on the performance of group companies against set criteria and includes value-added elements (volumes and costs), safety improvements and transformation.
- **Impala Share Appreciation Rights Scheme:** The Impala Share Appreciation Rights Scheme is a share scheme issuing notional shares to all executives, based on various salary multiples depending on the executive's grade. The plan pays out in the form of a cash bonus, linked to the increase in the Implats share price on the JSE. All employees from Paterson D to F levels participate in this scheme.
- **Impala Share Option Scheme.** The Impala Share Option Scheme is a share option scheme that was discontinued in 2004 and replaced with the Impala Share Appreciation Rights Scheme.
- **Impala Preferred Compensation Scheme.** Through the Impala Preferred Compensation Scheme the company contributes 20% of the employee's basic remuneration package to an endowment policy on behalf of the employee. The individual may request the benefit payment from the policy after the terms of the service agreement between the company and the individual has been met. This benefit accrues to the employee after 36 months and every 24 months thereafter, provided the employee is still in service. All employees from Paterson D to F levels participate in this scheme.

Executive directors' remuneration – for the year ended 30 June 2009 (R000)

Fixed remuneration	Package	Retirement funds	Other benefits	Total 2009	Total 2008
Executive directors					
DH Brown	5 201	546	1 357	**7 104**	5 941
S Bessit	2 391	380	139	**2 910**	2 214
D Earp	2 984	313	519	**3 816**	3 009
LJ Paton	2 572	409	692	**3 673**	2 904
Senior executives	12 586	1 565	1 130	**15 281**	13 042
Secretary					
A Parboosing	752	79	73	**904**	494
R Mahadevey	–	–	–	**–**	672

Executive directors' remuneration – for the year ended 30 June 2009 (R000)

Variable remuneration	Leave encash-ment	Bonus #	Preferred compen-sation (accrued)	Gains on share options exercised	Total 2009	Total 2008
Executive directors						
DH Brown	223	3 460	1 087	3 801	**8 571**	10 755
S Bessit	–	692	467	5 383	**6 542**	3 183
D Earp	–	1 029	597	–	**1 626**	625
LJ Paton	–	885	514	–	**1 399**	5 204
Senior executives	–	3 900	2 469	4 337	**10 706**	30 915
Secretary						
A Parboosing	–	136*	227	–	**363**	–
R Mahadevey	–	–	–	–	**–**	5 164

* Pro-rata for seven months.

Refers to bonuses for the period July 2007 to June 2008.

In the event of corporate action giving rise to a loss of office, demotion or the blighting of the career (in the opinion of the Remuneration Committee) of an executive director, that executive director is entitled to a severance package of 24 months salary.

Directors' share options

No share options were granted to non-executive directors. Details of share options and share appreciation bonus notional shares outstanding and exercised by the executive directors, group secretary and senior management are as follows:

Remuneration report (continued)

		Additions		Disposals						
Name	Balance at 1 July 2008	Allocated during the year	Date of allocation	Forfeited	No. of shares sold	Date sold	Balance at 30 June 2009	No of shares	Allocation price (R)	First release date
Directors										
D H Brown	Share options									
	896				896	2 Apr 09		–	64.48	27 Aug 05
	Share appreciation scheme									
	232 815	47 374	18 Nov 08		19 368	4 Apr 09		19 368	56.52	15 Sep 06
		664	1 May 09		11 344	1 Jun 09		11 344	56.87	13 May 07
					984	1 Jun 09		1 984	103.24	1 Dec 07
								19 192	149.42	11 May 08
								65 130	160.14	1 Sep 08
								42 819	233.74	24 May 09
								6 227	242.19	27 Nov 09
								35 055	333.90	30 May 10
								47 374	116.76	18 Nov 10
								664	162.88	1 May 11
							249 157			
	233 711	48 038			32 592		249 157			
S Bessit	Share options									
	3 080							3 080	73.38	16 Feb 06
							3 080			
	Share appreciation scheme									
	96 267	18 309	18 Nov 08		12 824	20 May 08		25 672	56.87	13 May 07
		1 382	1 May 09		7 296	20 May 08		21 904	149.42	11 May 08
								10 383	233.74	24 May 09
								18 188	333.90	30 May 10
								18 309	116.76	18 Nov 10
								1 382	162.88	1 May 11
							95 838			
	99 347	19 691			20 120		98 918			
D Earp	Share appreciation scheme									
	77 262	16 362	18 Nov 08					72 858	205.88	1 Mar 09
		23 014	1 May 09					4 404	333.90	30 May 10
								16 362	116.76	18 Nov 10
								23 014	162.88	1 May 11
							116 638			
	77 262	39 376			–		116 638			

Name	Balance at 1 July 2008	Additions: Allocated during the year	Additions: Date of allocation	Disposals: Forfeited	Disposals: No. of shares sold	Disposals: Date sold	Balance at 30 June 2009	No of shares	Allocation price (R)	First release date
Directors (continued)										
LJ Paton	Share options									
	10 384									
								2 408	47.63	5 May 05
								296	64.48	27 Aug 05
								7 680	67.43	18 Sep 05
							10 384			
	Share appreciation scheme									
	95 391	13 475	18 Nov 08					26 368	50.84	15 Sep 06
		31 456	1 May 09					17 896	56.87	13 May 07
								7 320	103.24	1 Dec 07
								12 744	149.42	11 May 08
								9 343	167.19	27 Nov 08
								8 222	233.74	24 May 09
								13 498	242.19	20 Nov 09
								13 475	116.76	18 Nov 10
								31 456	162.88	1 May 11
							140 322			
	105 775	44 931			–		150 706			
Secretary										
A Parboosing	Share appreciation scheme									
	8 143	2 025	18 Nov 08					7 432	242.19	1 Nov 09
		6 049	1 May 09					711	333.90	30 May 10
								2 025	116.76	18 Nov 10
								6 049	162.88	1 May 11
							16 217			
	8 143	8 074			–		16 217			
Senior management										
	Share options									
	131 212				17 912	Various		4 240	63.38	18 Feb 04
								2 488	69.50	6 Jun 04
								1 528	60.51	16 Aug 04
								1 376	73.75	25 Nov 04
								760	74.28	21 Jan 05
								1 040	47.63	5 May 05
								2 352	64.48	27 Aug 05
								2 256	73.38	16 Feb 06
								24 208	63.39	22 Apr 08
								32 620	53.79	25 June 06
								38 000	63.16	22 Sep 06
								2 432	67.05	22 Sep 06
							113 300			
	Share appreciation scheme									
	317 534	90 238	18 Nov 08							
		76 954	1 May 09		22 544	Various		94 832	56.87	13 May 07
								5 344	103.24	1 Dec 07
								70 168	149.42	11 May 08
								54 324	167.19	27 Nov 08
								31 078	233.74	24 May 09
								13 708	223.22	1 Aug 09
								12 052	242.19	20 Nov 09
								13 484	333.90	30 May 10
								90 238	116.76	18 Nov 10
								76 954	162.88	1 May 11
							462 182			
	448 746	167 192			40 456		575 482			

Remuneration report (continued)

The gains received on shares sold through the share option scheme are as follows:

Name	Number of shares Purchased	Sold	Total	Allocation price (R)	Gains on share options exercised (R000)	Market price (R)
Executive directors						
DH Brown						
	896		896	64.48		
		19 368	19 368	56.52	2 169	168.50
		11 344	11 344	56.87	1 544	193.00
		984	984	103.24	88	193.00
	896	31 696	32 592		3 801	
S Bessit						
		12 824	12 824	56.87	3 862	358.00
		7 296	7 296	149.42	1 521	358.00
	–	20 120	20 120		5 383	
Senior management						
		400	400	47.63	60	197.03
		1 704	1 704	73.38	211	197.03
		5 296	5 296	63.39	708	197.03
	200		200	63.38		
	8 376		8 376	60.51		
	1 936		1 936	74.28		
		8 032	8 032	56.87	1 142	198.99
		6 768	6 768	56.87	969	200.00
		7 744	7 744	56.87	1 247	217.95
	10 512	29 944	40 456		4 337	

Consolidated statement of financial position

As at 30 June

R millions	Notes	2009	2008
Assets			
Non-current assets			
Property, plant and equipment	5	26 224	20 601
Exploration and evaluation assets	6	4 294	4 294
Intangible assets	7	1 018	1 018
Investment in associates	8	983	1 038
Available-for-sale financial assets	9	18	56
Held-to-maturity financial assets	10	51	47
Receivables and prepayments	11	13 592	12 551
		46 180	39 605
Current assets			
Inventories	12	4 248	5 893
Trade and other receivables	13	3 904	6 218
Cash and cash equivalents	14	3 348	10 393
		11 500	22 504
Total assets		57 680	62 109
Equity and liabilities			
Equity attributable to owners of the parent			
Share capital	15	14 069	14 750
Retained earnings		27 222	29 024
Other components of equity		(352)	(356)
		40 939	43 418
Non-controlling interest		1 864	1 885
Total equity		42 803	45 303
Liabilities			
Non-current liabilities			
Long-term borrowings	16	1 778	1 464
Deferred tax liability	17	6 909	5 247
Long-term provisions	18	1 098	1 548
		9 785	8 259
Current liabilities			
Trade and other payables	19	4 634	6 914
Current tax payable	20	36	1 183
Short-term borrowings	16	207	46
Current portion of long-term provisions	18	215	404
		5 092	8 547
Total liabilities		14 877	16 806
Total equity and liabilities		57 680	62 109

The notes on pages 132 to 208 are an integral part of these consolidated financial statements.

Consolidated income statement

For the year ended 30 June

R millions	Notes	2009	2008
Revenue	4	26 121	37 619
Cost of sales	22	(16 359)	(19 888)
Gross profit		9 762	17 731
Other operating expenses	23	(497)	(533)
Royalty expense	24	(442)	(648)
Profit from operations		8 823	16 550
Finance income	25	963	689
Finance cost	26	(169)	(155)
Net foreign exchange transaction (losses)/gains		(211)	439
Other net expenses	27	(54)	(215)
Profit on sale of investments	28	–	4 831
Share of profit of associates	29	41	678
Profit before tax	30	9 393	22 817
Income tax expense	31	(3 389)	(5 112)
Profit for the year		6 004	17 705
Profit attributable to:			
Owners of the parent		6 020	17 596
Non-controlling interest		(16)	109
		6 004	17 705
Earnings per share (expressed in cents per share– cps)			
Basic	32	1 001	2 910
Diluted	32	1 000	2 907
Dividends to group shareholders (cps)			
Interim dividend (paid)	33	120	300
Final dividend (declared)	33	200	1 175
Dividends per share		320	1 475

The notes on pages 132 to 208 are an integral part of these consolidated financial statements.

Consolidated statement of total comprehensive income

For the year ended 30 June

R millions	Fair value adjustments investments	Translation of foreign subsidiaries	Total	Retained earnings	Total
30 June 2008					
Profit for the year				17 705	17 705
Other comprehensive income for the year:					
Fair value adjustment (note 9)	661		661		661
Deferred tax (note 17)	(84)		(84)		(84)
Disposal of available for sale financial asset (note 28)	(2 164)		(2 164)		(2 164)
Deferred tax	274		274		274
Currency translation reserve		457	457		457
Deferred tax (note 17)		(130)	(130)		(130)
Total comprehensive income for the year	**(1 313)**	**327**	**(986)**	**17 705**	16 719
Attributable to:					
Owners of the parent	(1 313)	281	(1 032)	17 596	16 564
Non-controlling interest		46	46	109	155
	(1 313)	**327**	**(986)**	**17 705**	16 719
30 June 2009					
Profit for the year				6 004	6 004
Other comprehensive income for the year:					
Fair value adjustment (note 9)	(47)		(47)		(47)
Deferred tax (note 17)	9		9		9
Currency translation reserve		51	51		51
Deferred tax (note 17)		(14)	(14)		(14)
Total comprehensive income for the year	**(38)**	**37**	**(1)**	**6 004**	6 003
Attributable to:					
Owners of the parent	(38)	42	4	6 020	6 024
Non-controlling interest		(5)	(5)	(16)	(21)
	(38)	**37**	**(1)**	**6 004**	6 003

The notes on pages 132 to 208 are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

As at 30 June

R millions	Share capital and Share premium	Retained earnings	Other components of equity	Attributable to owners of the parent	Non-controlling interest	Total equity
Balance at 30 June 2007	14 809	17 483	676	32 968	1 730	34 698
Change in share capital (note 15)	(59)			(59)		(59)
Total comprehensive income for the year		17 596	(1 032)	16 564	155	16 719
Dividends (note 33)		(6 055)		(6 055)		(6 055)
Balance at 30 June 2008	14 750	29 024	(356)	43 418	1 885	45 303
Change in share capital (note 15)	(681)			(681)		(681)
Total comprehensive income for the year		6 020	4	6 024	(21)	6 003
Dividends (note 33)		(7 822)		(7 822)		(7 822)
Balance at 30 June 2009	**14 069**	**27 222**	**(352)**	**40 939**	**1 864**	**42 803**

Other components of equity consist of a fair value reserve of (R27 million) (2008: R11 million) and a foreign currency translation reserve of (R325 million) (2008: (R367 million)).

The notes on pages 132 to 208 are an integral part of these consolidated financial statements.

Consolidated cash flow statement

For the year ended 30 June

R millions	Notes	2009	2008
Cash flows from operating activities			
Profit before tax		9 393	22 817
Adjustments to profit before tax	34	(1 260)	(3 208)
Cash from changes in working capital	34	1 446	(3 105)
Exploration costs	27	(83)	(91)
Finance cost		(122)	(92)
Income tax paid	20	(2 867)	(5 080)
Net cash from operating activities		6 507	11 241
Cash flows from investing activities			
Purchase of property, plant and equipment		(6 791)	(5 291)
Proceeds from sale of property, plant and equipment		51	49
Increase in investments in associates		–	(9)
Proceeds from investments disposed	28	–	5 692
Purchase of listed investments	9	(6)	(39)
Payment received from associate on shareholders loan	8	96	235
Loan repayments received		9	–
Realisation of held-to-maturity investment		–	83
Finance income		915	559
Net cash (used in)/from investing activities		(5 726)	1 279
Cash flows from financing activities			
Issue of ordinary shares, net of cost	15	43	190
Purchase of treasury shares	15	(724)	(254)
Lease liability repaid		(16)	(21)
Repayments of borrowings		–	(6)
Proceeds from borrowings		579	691
Dividends paid to company's shareholders	33	(7 822)	(6 055)
Net cash used in financing activities		(7 940)	(5 455)
Net (decrease)/increase in cash and cash equivalents		(7 159)	7 065
Cash and cash equivalents at beginning of year	14	10 393	3 218
Effects of exchange rate changes on monetary assets		114	110
Cash and cash equivalents at end of year	14	3 348	10 393

The notes on pages 132 to 208 are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

1. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these group and company financial statements are set out below. Accounting policies that refer to "consolidated or group", apply equally to the company financial statements where relevant.

1.1 Basis of preparation

Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB), requirements of the South African Companies Act and regulations of the JSE Limited.

Basis of measurement

The consolidated financial statements have been prepared under the historical cost convention except for the following:

- certain financial assets and financial liabilities are measured at fair value,
- derivative financial instruments are measured at fair value, and
- liabilities for cash-settled share-based payment arrangements are measured based on fair value.

The principal accounting policies used by the group are consistent with those of the previous year, unless otherwise stated.

The preparation of financial statements in conformity with International Financial Reporting Standards (IFRS) requires the use of certain critical accounting estimates. It also requires management and the board to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 3.

Functional and presentation currency

These consolidated financial statements are presented in South African rands, which is the company's functional currency. All financial information is presented in rand millions, unless otherwise stated.

1.2 New standards, amendments and interpretations under IFRS

The following new interpretations of IFRS have become effective or have been early adopted:

- IFRIC 17: Distributions of Non-Cash Assets to Owners (effective 1 July 2009). The adoption of IFRIC 17 applies to the accounting for distribution of assets, other than cash, as dividends to its shareholders. The implementation of this interpretation had no impact on the results of the group.
- IFRIC 18: Transfers of Assets from Customers (effective 1 July 2009). This Interpretation applies to an entity that receives, from a customer, an item of property, plant and equipment which the entity must then use either to connect the customer to a network or to provide the customer with ongoing access to a supply of goods or service. The implementation of this interpretation had no impact on the results of the group.
- IFRIC 12 to 16 were early adopted in prior years.

1. Summary of significant accounting policies (continued)

1.2 New standards, amendments and interpretations under IFRS (continued)

The following standards and amendments to standards have become effective or have been early adopted:

- IFRS 5 (amendment) Non-current Assets Held-for-Sale and Discontinued Operations (effective 1 July 2009). The amendment clarifies that all of a subsidiary's assets and liabilities are classified as held for sale if a partial disposal sale plan results in loss of control. The amendment has no material impact on the results of the group.
- IFRS 7 (amendment) Financial Instruments: Disclosure (effective 1 January 2009). This amendment improves the disclosure requirements relating to fair value measurements and reinforces existing principles regarding disclosures of liquidity risk associated with financial instruments. The effect of implementation of this IFRS is set out mainly in notes 2 and 39.
- IAS 1 (amendment) Presentation of Financial Statements (effective 1 January 2009). This amendment has no material impact on the results of the group.
- IAS 16 (amendment) Property, Plant and Equipment (effective 1 January 2009). This amendment has no material impact on the results of the group.
- IAS 19 (amendment) Employee Benefits (effective 1 January 2009). This amendment has no material impact on the results of the group.
- IAS 20 (amendment) Accounting for Government Grants and Disclosure of Government Assistance (effective 1 January 2009). This amendment has no material impact on the results of the group.
- IAS 29 (amendment) Financial Reporting in Hyperinflationary Economies (effective 1 January 2009). This amendment has no material impact on the results of the group.
- IAS 36 (amendment) Impairment of Assets (effective 1 January 2009). This amendment has no material impact on the results of the group.
- IAS 38 (amendment) Intangible Assets (effective 1 January 2009). This amendment has no material impact on the results of the group.
- IAS 39 (amendments) Financial instruments: Recognition and Measurement (effective latest 1 July 2009). The amendments mainly clarify the principles relating to hedged risk portions of the cash flow and the accounting treatment of embedded derivatives for entities which made use of the reclassification amendment. These amendments have no material impact on the results of the group.
- IAS 40 (amendment) Investment Property (effective 1 January 2009). This amendment has no material impact on the results of the group.
- IFRS 2, IFRS 8, IAS 1, IAS 23 and IAS 32 were early adopted in prior years.

The following standards, amendments to standards and interpretations are not effective yet and have not been early adopted:

- Annual Improvement Project: April 2009 (effective 1 July 2009 and 1 January 2010). Standards will not be early adopted. The impact will be assessed.
- IFRS 2 (amendment) Group Cash-settled Share-based Payment Transactions (effective 1 January 2010). Amendments relating to group cash-settled share-based payment transactions will not be early adopted. The impact will be assessed.
- IFRS 3 Business Combinations (effective 1 July 2009). This comprehensive revision of IFRS 3 will have an impact on future acquisitions, further impact on the accounting policies of the group will be assessed.

1. Summary of significant accounting policies (continued)

1.3 Consolidation

- IAS 27 (amendment) Consolidated and Separate Financial Statements (effective 1 July 2009) will not be early adopted. The impact will be assessed.

The consolidated financial statements include those of Impala Platinum Holdings Limited, its subsidiaries, associates, joint ventures and special purpose entities, using uniform accounting policies.

Subsidiaries

Subsidiary undertakings, are those companies (including special purpose entities) in which the group, directly or indirectly, has an interest of more than one half of the voting rights or otherwise has power to exercise control over the operations. Subsidiaries are consolidated from the date on which effective control is transferred to the group and are no longer consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest.

The excess of the cost of acquisition over the fair value of the group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement (Refer note 1.8).

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Special purpose entities (SPEs) are those undertakings that are created to satisfy the specific business needs of the group, which has the right to the majority of the benefits of the SPE, and/or is exposed to the majority of the risks inherent in the activities thereof.

SPEs are consolidated when the substance of the relationship indicates that the SPE is controlled by the group.

Transactions with non-controlling interest holders, where the group already has control over the entity, are accounted for using the 'economic entity model'. In terms of this accounting model, any surplus or deficit arising from such transactions, compared to the carrying amount of the non-controlling interest, is adjusted against other reserves.

1. Summary of significant accounting policies (continued)

1.3 Consolidation (continued)

Associates

Associates are undertakings in which the group has a long-term interest and over which it exercises significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associated undertakings are accounted for by the equity method of accounting in the group. The group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition (Refer note 1.8).

The purchase method of accounting is used to account for the acquisition of associates by the group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Equity accounting involves recognising in the income statement the group's share of the associate's post-acquisition profit or loss for the year, and, its share of post-acquisition movements in other comprehensive income. Under the equity method, the investment in the associate is initially recognised at cost and the carrying amount is increased or decreased to recognise the investor's share of profit or loss and movement in reserves of the investee, after the date of acquisition. Dividends and other equity receipts received reduce the carrying amount of the investment.

When the group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the group and its associates are eliminated to the extent of the group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Joint ventures

The group's interest in jointly controlled entities is accounted for by proportionate consolidation.

The group combines its share of the joint ventures' individual total comprehensive income, assets and liabilities and cash flows on a line-by-line basis with similar items in the group's financial statements. The group recognises the portion of gains or losses on the sale of assets by the group to the joint venture that is attributable to the other venturers. The group does not recognise its share of profits or losses from the joint venture that result from the purchase of assets by the group from the joint venture until it re-sells the assets to an independent party. However, if a loss on the transaction provides evidence of a reduction in the net realisable value of current assets or an impairment loss, the loss is recognised immediately.

Notes to the consolidated financial statements (continued)

1. Summary of significant accounting policies (continued)

1.4 Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each entity in the group are measured using the currency of the primary economic environment in which the entity operates. For South African operations the functional currency is South African rands and for Zimbabwean operations it is the US dollar. The consolidated financial statements are presented in South African rands, which is the functional and presentation currency of Impala Platinum Holdings Limited.

Group companies

Total comprehensive income of foreign subsidiaries, associates and joint ventures are translated into South African rands at the actual exchange rate on transaction date. Where appropriate, the average exchange rate is used as an approximation of the actual rate at transaction date. Assets and liabilities are translated at rates ruling at the reporting date. The exchange differences arising on translation of assets and liabilities of foreign subsidiaries and associates are transferred directly to the foreign currency translation reserve. On disposal of the foreign entity such translation differences are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Transactions and balances

Foreign currency transactions are accounted for at the rates of exchange ruling at the date of the transaction. Monetary assets and liabilities are translated at year-end exchange rates. Gains and losses arising on settlement of such transactions and from the translation of foreign currency monetary assets and liabilities are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges or qualifying net investment hedges.

Translation differences on non-monetary items, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

1.5 Property, plant and equipment

Property, plant and equipment are recorded at cost less accumulated amortisation and less any accumulated impairment losses. Pre-production expenditure, including evaluation costs, incurred to establish or expand productive capacity, to support and maintain that productive capacity incurred on mines are capitalised to property plant and equipment. The recognition of costs in the carrying amount of an asset ceases when the item is in the location and condition necessary to operate as intended by management. Any net income earned while the item is not yet capable of operating as intended reduces the capitalised amount. Interest on borrowings, specifically to finance the establishment of mining assets, is capitalised during the construction phase.

1. Summary of significant accounting policies (continued)

1.5 Property, plant and equipment (continued)

The present value of decommissioning cost, which is the dismantling and removal of the asset included in the environmental rehabilitation obligation, is included in the cost of the related assets and changes in the liability resulting from changes in the estimates are accounted for as follows:

- Any decrease in the liability reduces the cost of the asset. The decrease in the asset is limited to its carrying amount and any excess is accounted for in the income statement.
- Any increase in the liability increases the carrying amount of the asset. An increase to the cost of an asset is tested for impairment when there is an indication of impairment.
- These assets are depreciated over their useful lives.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be reliably measured. All repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Assets are not depreciated while the residual value equals or exceeds the carrying value of the asset. Amortisation is calculated on the carrying amount less residual value of the assets or components of the assets where applicable. Amortisation methods and amortisation rates are applied consistently within each asset class except where significant individual assets have been identified which have different amortisation patterns. Residual values are reviewed at least annually. The amortisation calculation is adjusted prospectively for changes in the residual amount.

Other assets consist mainly of information technology equipment and vehicles.

Shafts, mining development and infrastructure

Individual mining assets are amortised using the units-of-production method based on their respective estimated economically recoverable proved and probable mineral reserves.

Metallurgical and refining assets

Metallurgical and refining assets are amortised using the units of production method based on the expected estimated economically recoverable proved and probable mineral reserves to be concentrated or refined by that asset.

Land, buildings and general infrastructure (including housing and mineral rights)

Assets in this category, excluding land which is not depreciated, are depreciated over life of mine using the units of production method and the economically recoverable proved and probable mineral reserves.

Assets under construction

Assets in this category are not depreciated.

Notes to the consolidated financial statements (continued)

1. Summary of significant accounting policies (continued)

1.5 Property, plant and equipment (continued)

Other assets

These assets are depreciated using the straight line method over the useful life of the asset limited to life of mine as follows:

Asset type	Estimated useful life
– Information technology	3 years
– Mobile equipment	5 and 10 years
– Sundry assets	1 – 5 years

Amortisation rates are reassessed annually.

1.6 Exploration for and evaluation of mineral resources

The group expenses all exploration and evaluation expenditures until the directors conclude that a future economic benefit is more likely than not of being realised, i.e. probable. In evaluating if expenditures meet this criterion to be capitalised, the directors utilise several different sources of information depending on the level of exploration. While the criteria for concluding that expenditure should be capitalised is always the "probability" of future benefits, the information that the directors use to make that determination depends on the level of exploration.

- Exploration and evaluation expenditure on greenfields sites, being those where the group does not have any mineral deposits which are already being mined or developed, is expensed as incurred until a final feasibility study has been completed, after which the expenditure is capitalised within development costs, if the final feasibility study demonstrates that future economic benefits are probable.
- Exploration and evaluation expenditure on brownfields sites, being those adjacent to mineral deposits which are already being mined or developed, is expensed as incurred until the directors are able to demonstrate that future economic benefits are probable through the completion of a pre-feasibility study, after which the expenditure is capitalised as a mine development cost. A ''pre-feasibility study'' consists of a comprehensive study of the viability of a mineral project that has advanced to a stage where the mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, has been established, and which, if an effective method of mineral processing has been determined, includes a financial analysis based on reasonable assumptions of technical, engineering, operating economic factors and the evaluation of other relevant factors.

  The pre-feasibility study, when combined with existing knowledge of the mineral property that is adjacent to mineral deposits that are already being mined or developed, allows the directors to conclude that it is more likely than not that the group will obtain future economic benefit from the expenditures.

1. Summary of significant accounting policies (continued)

1.6 Exploration for and evaluation of mineral resources (continued)

- Exploration and evaluation expenditure relating to extensions of mineral deposits which are already being mined or developed, including expenditure on the definition of mineralisation of such mineral deposits, is capitalised as a mine development cost following the completion of an economic evaluation equivalent to a pre-feasibility study. This economic evaluation is distinguished from a pre-feasibility study in that some of the information that would normally be determined in a pre-feasibility study is instead obtained from the existing mine or development. This information when combined with existing knowledge of the mineral property already being mined or developed allows the directors to conclude that more likely than not the group will obtain future economic benefit from the expenditures.

Exploration and evaluation assets acquired in a business combination are initially recognised at fair value, and are subsequently adjusted for impairment provision when applicable. Once commercial reserves are found, exploration and evaluation assets are transferred to assets under construction. No amortisation is charged during the exploration and evaluation phase.

For the purposes of assessing impairment, the exploration and evaluation assets subject to testing are grouped with existing cash-generating units of operating mines that are located in the same geographical region. Where the assets are not associated with a specific cash generating unit, the recoverable amount is assessed using fair value less cost to sell for the specific exploration area.

1.7 Prepaid royalty

Prepaid royalty is recorded initially at cost and subsequently at cost less accumulated depreciation.

The royalty is amortised using the units-of-production method based on the relevant estimated economically recoverable proved and probable minerals reserves of the Rustenburg operation.

1.8 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisitions of associates is included in investments in associates. Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment loss. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing (Refer note 1.9).

Impairment write downs on goodwill may not be reversed.

1. Summary of significant accounting policies (continued)

1.9 Impairment of assets

Non-financial assets

Assets that have an indefinite useful life which are not subject to amortisation, are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets are considered to be impaired when the higher of the asset's fair value less cost to sell and its value in use is less than the carrying amount. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds the recoverable amount.

The recoverability of the long-lived assets is based on estimates of future discounted cash flows and, where applicable, *in situ* resources values. These estimates are subject to risks and uncertainties including future metal prices and exchange rates. It is therefore possible that changes can occur which may affect the recoverability of the mining assets. The recoverable amounts of non-mining assets are generally determined by reference to fair value less cost to sell. Where the recoverable amount is less than the carrying amount, the impairment is charged against income to reduce the carrying amount to the recoverable amount of the asset. The revised carrying amounts are amortised over the remaining lives of such affected assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

An impairment previously recognised will be reversed when changes in circumstances, that have an impact on estimates, occur after the impairment was recognised. The reversal of an impairment will be limited to the lower of the newly calculated recoverable amount or the book value that would have existed if the impairment was not recognised. The reversal of an impairment is recognised in the income statement.

1.10 Leases

Determining whether an arrangement is, or contains a lease, is based on the substance of the arrangement, and requires an assessment of whether fulfilment of the arrangement is dependent on the use of a specific asset or assets and whether the arrangement conveys the right to control the asset.

Leases where the lessee assumes substantially all of the benefits and risks of ownership are classified as finance leases. Finance leases are capitalised at the lower of the estimated present value of the underlying lease payments and the fair value of the asset. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term and short-term payables respectively. The interest element is expensed to the income statement, as a finance charge, over the lease period.

The property, plant and equipment acquired under finance leasing contracts is amortised in terms of the group accounting policy limited to the lease contract term (Refer note 1.5).

1. Summary of significant accounting policies (continued)

1.10 Leases (continued)

Leases of assets under which substantially all the benefits and risks of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on the straight line basis over the life of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

1.11 Inventories

Metal inventories

Platinum, palladium and rhodium are treated as main products and other platinum group and base metals produced as by-products. Metals mined by the group, including in-process metal contained in ore, concentrate and matte produced by the smelter and precious metal concentrate in the base and precious metal refineries, are valued at the lower of average cost of production and net realisable value. Quantities of in-process metals are based on latest available assays. The average cost of production is taken as total costs incurred on mining and refining, including amortisation, less net revenue from the sale of by-products, allocated to main products on a units produced basis. Refined by-products are valued at net realisable value. Stocks of metals purchased by the group are valued at the lower of cost or net realisable value. Metals subject to toll-refining agreements are not included in the group's inventory.

Stores and materials

Stores and materials are valued at the lower of cost or net realisable value, on a weighted average basis. Obsolete, redundant and slow moving stores are identified and written down to net realisable values. Net realisable value is the estimated selling price in the ordinary course of business, less selling expenses.

1.12 Financial instruments

The recognition and measurement methods adopted are disclosed in the individual policy statements associated with each item.

1.12.1 Financial assets – impairment

The group assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired:

- In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is, considered in determining whether the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and the current fair value is recognised as an impairment loss. Any fair value loss previously recognised in the comprehensive income is removed from equity and recognised in the income statement.

1. Summary of significant accounting policies (continued)

1.12 Financial instruments (continued)

1.12.1 Financial assets – impairment (continued)

- A provision for impairment of loans, receivables and advances is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the asset. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default on or delinquency in payments (more than 30 days overdue) are considered indicators of impairment. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the trade receivables and advances is reduced through the use of a provision account, and the amount of the loss is recognised in the income statement within other operating expenses. When a trade receivable is uncollectible, it is written off against the provision account for trade receivables.

Subsequent recoveries of amounts previously written off are credited against other operating expenses in the income statement.

1.12.2 Financial assets

The group classifies its financial assets in the following categories: financial assets held for trading at fair value through profit and loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. No financial instruments were designated at fair value through profit and loss on initial recognition. The classification is dependent on the purpose for which the investments were acquired.

Management determines the classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis. Purchases and sales of investments are recognised on the trade date – the date on which the group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs except financial assets at fair value through profit or loss which are recognised at fair value. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership.

Financial assets held for trading at fair value through profit and loss

Investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in price are classified as financial assets held for trading at fair value through profit and loss and are included in current assets. These investments are measured at fair value. Movements in fair value is recognised in the income statement.

1. Summary of significant accounting policies (continued)

1.12 Financial instruments (continued)

1.12.2 Financial assets (continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables include trade and other receivables, advances and cash and cash equivalents in the statement of financial position. Loans and receivables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method less any accumulated impairment loss.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, bank overdrafts, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are included within cash and cash equivalents in current liabilities in the statement of financial position.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the group's management has the positive intention and ability to hold to maturity, and are included in non-current assets, except for those with maturities within 12 months from the reporting date which are classified as current assets.

Held-to-maturity investments are subsequently carried at amortised cost using the effective interest method less any accumulated impairment loss.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date. Available-for-sale financial assets are subsequently carried at fair value which is determined using period end bid rates.

Unrealised gains and losses arising from changes in the fair value of non-monetary securities classified as available-for-sale are recognised in equity. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities.

The fair values of listed investments are based on current closing bid market prices. If the market for a financial asset is not active (and for unlisted securities), the group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

1. Summary of significant accounting policies (continued)

1.12 Financial instruments (continued)

1.12.3 Derivative financial instruments

Forward sales, forward purchases and metal options are entered into from time to time to preserve and enhance future cash flow streams. Forward exchange contracts are from time to time entered into to hedge anticipated future transactions.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The group designates certain derivatives as either:

- hedges of the fair value of recognised liabilities (fair value hedge); or
- hedges of a particular risk associated with a recognised liability or a highly probable forecast transaction (cash flow hedge).

The group documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as current assets or liabilities.

1.12.4 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

When borrowings are utilised to fund qualifying capital expenditure, such borrowing costs that are directly attributable to capital expenditure are capitalised from the point at which the capital expenditure and related borrowing cost are incurred until completion of construction. All other borrowing costs are charged to finance costs in the income statement.

1.12.5 Trade and other payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost.

1. Summary of significant accounting policies (continued)

1.13 Accounting for derivative financial instruments and hedging activities

The group's risk management policy on hedging is not prescriptive regarding the available financial instruments to be used, but financial limits and exposures are set by the Board. Due to the limited extent of these hedges, hedge accounting is generally not applied and therefore changes in the fair value of any derivative instruments are recognised in the income statement immediately.

Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in equity. The gain or loss relating to the ineffective portion is recognised immediately in the income statement within other income or expenses.

Amounts accumulated in equity are recycled in the income statement in the periods when the hedged item affects profit or loss. When the hedge of a forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, or a forecast transaction for a non-financial asset or non-financial liability becomes a firm commitment for which hedge accounting is applied, then the associated gains and losses that were recognised directly in equity are included in the initial cost or other carrying amount of the asset or liability.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement within other income or other expenses.

Derivatives at fair value through profit or loss

Certain derivative instruments do not qualify for hedge accounting and are accounted for at fair value through profit or loss. Changes in the fair value of these derivative instruments that do not qualify for hedge accounting are recognised immediately in the income statement within other income and expenses.

1.14 Fair value estimation

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The listed market price used for financial assets held by the group is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price at reporting date.

1. Summary of significant accounting policies (continued)

1.14 Fair value estimation (continued)

The fair value of forward foreign exchange contracts is determined using forward exchange market rates at the reporting date.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments.

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

1.15 Provisions

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are not recognised for future operating losses.

Provisions are recognised as the best estimate of the expenditure required to settle the present obligation at reporting date taking into account the time value of money where relevant.

1.16 Environmental rehabilitation obligations

These long-term obligations result from environmental disturbances associated with the group's mining operations. Estimates are determined by independent environmental specialists in accordance with environmental regulations.

Decommissioning costs

This cost will arise from rectifying damage caused before production commences. The net present value of future decommissioning cost estimates as at year-end is recognised and provided for in full in the financial statements. The estimates are reviewed annually to take into account the effects of changes in the estimates. Estimated cash flows have been adjusted to reflect risks and timing specific to the rehabilitation liability. Discount rates that reflect the time value of money are utilised in calculating the present value.

Changes in the measurement of the liability, apart from unwinding the discount, which is recognised in the income statement as a finance cost, are capitalised to the environmental rehabilitation asset (Refer note 1.5).

Depreciation of the environmental rehabilitation asset is charged to the income statement as a cost of production.

1. Summary of significant accounting policies (continued)

1.16 Environmental rehabilitation obligations (continued)

Ongoing rehabilitation cost

The cost of the ongoing current programmes to prevent and control pollution is charged against income as incurred.

Impala Pollution Control, Rehabilitation and Closure Trust Fund

Contributions are made to this trust fund, created in accordance with statutory requirements, to provide for the estimated cost of rehabilitation during and at the end of the life of Impala Platinum Limited's mines. Income earned on monies paid to the trust is accounted for as investment income. The trust investments are included under held-to-maturity-investments and cash and cash equivalents.

The group has control over the trust and it is consolidated as a special purpose entity.

1.17 Employee benefits

Short-term employee benefits

Remuneration to employees is charged to the income statement on an ongoing basis. Provision is made for accumulated leave, incentive bonuses and other short-term employee benefits.

Defined benefit and defined contribution retirement plans

Employee benefit schemes are funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations.

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. A defined contribution plan is a pension scheme under which the group pays fixed contributions into a separate entity. The group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The group operates or participates in a number of retirement plans for its employees. The defined contribution plans are funded by payments from employees and by the relevant group company to insurance companies, and contributions to these funds are expensed as incurred. The defined benefit plan is a multi-employer plan in Zimbabwe. Sufficient information is not available to account for it as a defined benefit plan. It is in substance accounted for as a defined contribution plan.

1. Summary of significant accounting policies (continued)

1.17 Employee benefits (continued)

Post-employment medical obligations

The group provides post-retirement healthcare benefits to qualifying employees and retirees. The expected costs of these benefits are accrued over the period of employment. Valuations of these obligations are carried out annually by independent qualified actuaries. Actuarial gains or losses as a result of these valuations are recognised in the income statement as incurred.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after reporting date are discounted to present value.

Bonus plans

The group recognises a liability and an expense for bonuses based on a formula that takes into consideration production and safety performance. The group recognises a provision when contractually obliged or where there is a past practice that has created a constructive obligation.

Share-based payments

Equity-settled share option incentive scheme

Implats Share Incentive Scheme

This group share option plan provides for the granting of options to key employees who are able to purchase shares in the holding company at a price equal to the average market price of the five trading days preceding the trading day preceding the date upon which the Remuneration Committee approved the granting of the options.

The scheme is administrated by the Implats Share Incentive Trust. Shares are issued to the trust as required. Employees are entitled to exercise their options at the option price.

The maximum number of share options outstanding in terms of the share scheme may not exceed 3.5% of the issued share capital of Impala Platinum Holdings Limited.

Vesting of options first occurs two years after the granting of the options, equal to 25% of the total options granted. In subsequent years an additional 25% vests per year. All outstanding options lapse after 10 years from the date of granting the options.

1. Summary of significant accounting policies (continued)

1.17 Employee benefits (continued)

The fair value of the employee services received in exchange for the grant of options is recognised as an expense. The total amount to be expensed over the vesting period is determined with reference to the fair value of the options granted, excluding non-market vesting conditions, on grant date and is expensed on a straight line basis over the vesting period. The fair value is determined by using the binomial option valuation model and assumptions used to determine the fair value is detailed in note 3.

At each reporting date, the group revises its estimates of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the income statement and a corresponding adjustment to equity over the remaining vesting period.

Cash-settled share-based payments

Share appreciation rights scheme

The group allocates to selected executives and employees notional shares in the holding company. These notional shares will confer the conditional right on a participant to be paid a cash bonus equal to the appreciation in the share price from the date of allocation to the date of surrender of the notional share. Notional shares are first surrenderable after two years of allocation to a maximum of 25% of the allocation. In subsequent years an additional 25% becomes exercisable per year. All outstanding notional shares lapse after 10 years from date of allocation.

Employee Share Ownership Programme (ESOP)

The ESOP for the South African operations provides for participation in the Morokotso Trust and is for employees in the A,B and C Paterson bands who were in the employment of the company before 4 July 2008. The trust acquired 16.4 million shares on behalf of employees.

The Trust will hold the shares on behalf of these employees for a maximum period of ten years. After five years, 40% of the shares will be sold by the Trust and the profit made from the sale, less costs, will be distributed among employees in these bands. After another five years, 60% of the shares will be sold on the same basis.

The fair value of employee services received in exchange for cash settled share-based payments is recognised as an expense. A liability equal to the portion of the services received is determined and recognised at each reporting date. The Binomial option valuation model is used to determine the fair value (excluding non-market vesting conditions) and the assumptions are detailed in note 3.

1. Summary of significant accounting policies (continued)

1.18 Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and deferred income tax liabilities of the same taxable entity are offset when they relate to taxes levied by the same taxation authority and the entity has a legally enforceable right to set off current tax assets against current tax liabilities.

The principal temporary differences arise from amortisation and depreciation on property, plant and equipment, provisions, post-retirement medical benefits, tax losses carried forward and fair value adjustments on assets acquired from business combinations.

1.19 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable, in respect of the sale of metals produced and metals purchased and toll income received by the group. Revenue, net of indirect taxes and trade discounts, is recognised when the risks and rewards of ownership are transferred.

Sales of metals mined and metals purchased

The group recognises revenue when the amount of revenue and costs associated with the transaction can be reliably measured and it is probable that future economic benefits will flow to the entity.

Revenue is recognised when the risk and reward of ownership is transferred and when the entity has no longer any managerial involvement or control over goods that would constitute control.

Consequently sales are recognised when a group entity has delivered products to the customer and collectability of the related receivables is reasonably assured.

Toll income

Toll refining income is recognised at date of declaration or dispatch of metal from the refinery in accordance with the relevant agreements with customers.

1. Summary of significant accounting policies (continued)

1.19 Revenue recognition (continued)

Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

Dividend income

Dividend income is recognised at the accrual date when the shareholder's right to receive payment is established.

1.20 Segment reporting

An operating segment is a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), – whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and
- for which discrete financial information is available.

The group is an integrated PGM and associated base metal producer. The operating segments are:

- mine-to-market primary PGM producers, including the marketing of metals produced by the group,
- toll refiner for third party material (Impala Refining Services) and
- other.

1.21 Dividend distribution

Dividend distribution to the company's shareholders is recognised as a liability in the group's financial statements in the period in which the dividends are approved by the board of directors.

1.22 BEE transactions

This accounting policy relates to transactions where the group grants or sells equity instruments to people in context of empowerment in terms of the Broad-Based Black Empowerment Act no 53 of 2003. The difference between the fair value and the selling price of the equity instruments granted or sold is accounted for as an expense through the income statement as a share-based compensation charge. Refer note 1.17 for discussion of share-based payments.

The fair value of the equity instruments for non-listed entities is determined using the main assumptions as described in note 3 'Critical accounting estimates and judgments' for impairment of assets.

2. Financial risk management

2.1 Financial risk factors

The group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group's financial performance. The group, from time to time, uses derivative financial instruments to hedge certain risk exposures.

Notes to the consolidated financial statements (continued)

2. Financial risk management (continued)

2.1 Financial risk factors (continued)

Financial risk management is carried out by a central treasury department. Policies are approved by the board of directors, which set guidelines to identify, evaluate and hedge financial risks in close co-operation with the group's operating units. The Treasury Committee approves written principles for overall financial risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investing excess liquidity.

2.1.1 Market risk

Foreign exchange risk

The group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions, recognised financial assets and liabilities and net investments in foreign operations.

To manage foreign exchange risk arising from future commercial transactions, recognised financial assets and liabilities, the group, from time to time, uses forward contracts within board approved limits. The Treasury Committee is responsible for managing the net position in each foreign currency.

Sensitivity analysis

Foreign exchange risk sensitivity analysis presents the effect of a 10% change in the year-end exchange rate on financial instruments denominated in foreign currency in the income statement and other comprehensive income.

	Year-end $ exposure		Income statement effect	
Millions	2009 USD	2008 USD	2009 Rand	2008 Rand
Financial assets				
Receivables and prepayments	174	–	±135	–
Trade and other receivables	187	430	±145	±341
Derivative financial instruments	8	–	±6	–
Cash and cash equivalents	97	317	±75	±251
Financial liabilities				
Derivative financial instruments	(8)	–	±6	–
Trade and other payables	(123)	(140)	±96	±111
Forward commitments	(5)	–	±4	–
	330	556	±192	±441

± Refers to an inflow or outflow of economic resources. Figures are calculated before tax and non-controlling interest therein.

2. Financial risk management (continued)

2.1 Financial risk factors (continued)

2.1.1 Market risk (continued)

Securities price risk

The group is exposed to equity securities price risk because of investments held by the group and classified in the consolidated statement of financial position as available-for-sale financial assets.

These investments were acquired as strategic investments and were not actively managed with reference only to securities price risk.

Sensitivity analysis

The calculation of a 20% change in the carrying value of available-for-sale investments would have resulted in a R4 million movement in other comprehensive income in 2009 (2008: R11 million).

Commodity price risk

Commodity price risk refers to the risk of changes in fair value or cash flow of financial instruments as a result of commodity prices. Where the group holds forward sales contracts, metal purchase commitments, sales debtors or receivables from related parties which are determined with reference to commodity prices, this exposes the group to commodity price risk.

From time to time, the group enters into metal forward sales contracts, options or lease contracts to manage the fluctuations in metal prices, thereby preserving and enhancing its cash flow streams.

Sensitivity analysis

Commodity price risk sensitivity analysis presents the effect of a 10% change in the commodity prices on commodity based financial instruments in the statement of financial position, income statement and other comprehensive income.

	Year-end commodity exposure		Income statement effect	
R millions	2009	2008	2009	2008
Financial assets				
Derivative financial instruments	63	–	±6	–
Financial liabilities				
Trade and other payables	(1 041)	(3 974)	±104	±397
Derivative financial instruments	(63)	–	±6	–
	(1 041)	(3 974)	±104	±397

± Refers to an inflow or outflow of economic resources. Figures are calculated before tax and non-controlling interest therein.

Notes to the consolidated financial statements (continued)

2. Financial risk management (continued)

2.1 Financial risk factors (continued)

2.1.1 Market risk (continued)

Interest rate risk

The group is exposed to insignificant fair value interest rate risk in respect of fixed rate financial assets and liabilities.

2.1.2 Credit risk

Credit risk arises from the risk that the financial asset counterparty may default or not meet its obligations timeously. The group minimises credit risk by ensuring that the exposure is spread over a number of counterparties.

The maximum exposure to the credit risk is represented by the carrying value of all the financial assets and the maximum amount the group could have to pay if guarantees are called on (note 35).

The potential concentration of credit risk could arise in cash and cash equivalents, trade receivables, advances and other financial assets.

The group has policies that limit the amount of credit exposure related to cash and cash equivalents and rehabilitation trust investments to any single financial institution by only dealing with well-established financial institutions of high credit quality standing. The credit exposure to any one of the counterparties is managed by setting exposure limits which are regularly reviewed by the Treasury Committee.

Cash and cash equivalents

Financial institutions credit rating by exposure:

Credit rating	Exposure	
R millions	2009	2008
South African operations		
AAA (zaf)	455	1 829
AA+ (zaf)	–	4 603
AA (zaf)	1 435	2 775
AA- (zaf)	1 028	500
AA-	200	–
A+	200	–
Overseas operations		
AA	30	686
	3 348	10 393

Credit risk on cash and cash equivalents is further analysed in note 14.

2. Financial risk management (continued)

2.1 Financial risk factors (continued)

2.1.2 Credit risk (continued)

Trade receivables and advances

The group has policies in place to ensure that the sales of products are made to customers with an appropriate credit history. Trade receivables comprise a number of customers, dispersed across different geographical areas. Credit evaluations are performed on the financial condition of these and other receivables. Trade receivables are presented in the statement of financial position net of impairment.

Advances are made to customers based on toll refining 'in-process metal'. Credit risk on advances where sufficient in-process metal serves as collateral is low.

The table below provides an analysis of the group's customer mix:

	New customers	2 years and less	From 2-5 years	Longer than 5 years*	Total
Financial year 2009					
Number of customers	10	3	4	62	79
Number of defaults	–	–	–	1	1
Value at year-end (R million)	52	0	12	3 211	3 275
Financial year 2008					
Number of customers	7	7	7	60	81
Number of defaults	–	–	–	–	–
Value at year-end (R million)	99	7	990	3 482	4 578

* Included in the value at year-end are non-current advances to customers.

Credit risk exposure in respect of trade receivables and advances is analysed further in note 11 and 13.

Included in advances (customers longer than 5 years) was an amount receivable of R1 782 million by a customer of which R1 354 million (2008: Rnil) was past due. The fair value of the in-process metal collateral against the total outstanding balance amounted to R1 036 million at year-end. Additional collateral (refer note 11) amounted to R388 million at year-end. Payment terms on this amount are being renegotiated and the amount is being transferred to non-current assets. (refer note 11).

Subsequent to year-end, the fair value of total collateral increased to R1 697 million.

Age analysis on past due advances:

R millions	Less than 6 months	Between 6 and 8 months	Total
Advance	1 223	559	1 782
Less transferred to non-current receivables	(795)	(559)	(1 354)
Current	428	–	428

2. Financial risk management (continued)

2.1 Financial risk factors (continued)

2.1.2 Credit risk (continued)

Other financial assets

Credit risk relating to other financial assets consisting of loans to BEE companies is secured by a guarantee from Lonmin PLC (note 11).

The group is exposed to credit related losses in the event of non-performance by counterparties to derivative instruments. The counterparties to these contracts are major financial institutions and metal customers. The group continually monitors its positions and the credit ratings of its counterparties and limits the amount of contracts it enters into with one party.

Employee receivables

Employee receivables consist mainly of vehicle loans for which the vehicles serve as collateral.

2.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the global financial crisis, all facilities were consolidated under committed facilities to ensure liquidity over the short to medium term. A R3 billion facility which relates to the Afplats transaction was cancelled during the financial year.

South African banks	Credit limit facilities					
(R millions)	2009			2008		
Credit rating	Credit limits	Committed	Not committed	Credit limits	Committed	Not committed
AAA (zaf)	–	–	–	1 000	1 000	–
AA+ (zaf)	–	–	–	5 013	3 863	1 150
AA (zaf)	3 584	3 584	–	500	250	250
AA- (zaf)	1 000	1 000	–	500	500	–
	4 584	4 584	–	7 013	5 613	1 400

None of these facilities had been drawn down at year-end. These facilities are renewed annually.

2. Financial risk management (continued)

2.1 Financial risk factors (continued)

2.1.3 Liquidity risk (continued)

Overseas operations (US dollar millions)	Credit limit facilities					
	2009			2008		
Credit rating	Credit limits	Committed	Not committed	Credit limits	Committed	Not committed
AA (zaf)	86	86	–	80	51	29

Management monitors rolling forecasts of the group's liquidity reserve comprising undrawn borrowing facilities (note 16) and cash and cash equivalents (note 14) on the basis of expected cash flows.

The table below analyses the group's financial liabilities and derivative financial liabilities into the relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Balances due within a year equal their carrying amount as the impact of discounting is not significant.

	Total carrying amount	Total cash flow	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
At June 2009 (R million)						
Borrowings (note 16)	1 985	2 809	235	738	501	1 335
Lease liabilities (note 16)	277	533	50	50	172	261
Trade and other payables (note 19)	4 508	4 508	4 508	–	–	–
Financial guarantee contracts (note 35)	508	508	61	7	–	440
At June 2008 (R million)						
Borrowings (note 16)	1 510	1 641	340	340	760	201
Lease liabilities (note 16)	294	581	50	59	177	295
Trade and other payables (note 19)	6 791	6 791	6 791	–	–	–
Financial guarantee contracts (note 35)	542	542	44	68	–	430

2.1.4 Cash flow interest rate risk

The group is exposed to cash flow interest rate risk in respect of its floating rate financial assets and liabilities.

2. Financial risk management (continued)

2.1 Financial risk factors (continued)

2.1.4 Cash flow interest rate risk (continued)

The group monitors its exposure to fluctuating interest rates. Cash and cash equivalents and rehabilitation trust investments are primarily invested with short term maturity dates, which expose the group to cash flow interest rate risk.

Exposure of the group's borrowings to interest rate charges and contractual repricing dates is analysed further in note 16.

Sensitivity analysis

Interest rate risk sensitivity analysis presents the effect of a 100 basis points up and down in the interest rate in the income statement.

	Floating interest rate exposure		Income statement effect	
R millions	2009	2008	2009	2008
Financial assets				
Receivables and prepayments (note 11)	1 354	–	±14	–
Trade and other receivables (note 13)	657	2 724	±7	±27
Cash and cash equivalents (note 14)	3 348	10 393	±33	±104
Financial liabilities				
Borrowings (note 16)	(1 985)	(1 510)	±20	±15
Forward commitment (note 19)	(38)	–	0	–
	3 336	11 607	±34	±116

± Refers to an inflow or outflow of economic resources. Figures are calculated before tax and non-controlling interest therein.

2.1.5 Sovereign risk

Sovereign risk arises from foreign government credit risk, the risk that a foreign central bank or government will impose exchange regulations and the risk associated with negative events relating to taxation policy or other changes in the business climate of a country. These risks are monitored by management by actively engaging with both local and foreign government officials and by operating within the set frameworks to ensure favourable outcomes.

2. Financial risk management (continued)

2.2 Capital risk management

The group defines total capital as 'equity' in the consolidated statement of financial position plus debt. The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce cost of capital.

In order to maintain or improve the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue or repurchase shares.

The group monitors capital on a basis of the gearing ratio.

Implats has an International long-term issuer Default Rating (IDR) of 'BBB+', and a short term IDR of 'F2', as well as national rating of long-term 'AA (zaf)' and short-term 'F1+ (zaf)'. The outlook has been revised from stable to negative, given Fitch's current negative view of the short-term prospects of the automobile sector.

3. Critical accounting estimates and judgements

Use of estimates

The preparation of the financial statements requires the group's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience, current and expected economic conditions, and in some cases actuarial techniques. Actual results may differ from these estimates.

The more significant areas requiring the use of management estimates and assumptions are discussed below.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Carrying value of property, plant and equipment (note 5)

Various units-of-production (UOP) depreciation methodologies are available to management e.g. centares mined, tonnes mined, tonnes milled or ounces produced. Management elected to depreciate all mining and processing assets using the centares mined methodology.

3. Critical accounting estimates and judgements (continued)

Carrying value of property, plant and equipment (note 5) (continued)

For mobile and other equipment, the straight-line method is applied over the estimated useful life of the asset which does not exceed the estimated mine life based on proved and probable mineral reserves as the useful lives of these assets are considered to be limited to the life of the relevant mine.

The calculation of the UOP rate of amortisation will be impacted to the extent that actual production in the future is different from current forecast production based on proved and probable mineral reserves. This will generally result from changes in any of the factors or assumptions used in estimating mineral reserves. Changes in mineral reserves will similarly impact the useful lives of assets depreciated on a straight-line basis, where those lives are limited to the life of the mine.

The recoverable amounts of cash generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. The group reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. In addition, goodwill is tested on an annual basis for impairment (note 1.9).

Assets are grouped at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets. If there are indications that impairment may have occurred, estimates are prepared of expected future cash flows for each group of assets. Expected future cash flows used to determine the recoverable amount of goodwill and tangible assets are inherently uncertain and may materially change over time. They are significantly affected by a number of factors including published reserves, resources, exploration potential and production estimates, together with economic factors such as spot and future metal prices, discount rates, foreign currency exchange rates, estimates of costs to produce reserves and future capital expenditure.

The key financial assumptions used in the impairment calculations are:
- long-term real revenue per platinum ounce sold of R15 602 (2008: R14 954) and
- long-term real discount rate, a range of 6.1% to 12.5% (2008: 6% to 8%) for South African operations and 9.2% to 12.5% (2008: 11% to 13%) for Zimbabwean US dollar cash flows.

Production start date (note 5)

The group assesses the stage of each mine construction project to determine when a mine moves into the production stage. The criteria used to assess the start date are determined based on the unique nature of each mine construction project, such as the complexity of a plant and its location. The group considers various relevant criteria to assess when the mine is substantially complete, ready for its intended use and moves into the production stage. Some of the criteria will include, but are not limited to the following:
- the level of capital expenditure compared to the construction cost estimates;
- completion of a reasonable period of testing of the mine plant and equipment;
- ability to produce metal in saleable form (within specifications); and
- ability to sustain ongoing production of metal.

3. Critical accounting estimates and judgements (continued)

Production start date (note 5) (continued)

When a mine construction project moves into the production stage, the capitalisation of certain mine construction costs ceases and costs are either regarded as inventory or expensed, except for capitalisable costs related to mining asset additions or improvements, underground mine development or mineable reserve development.

Income taxes (notes 17; 31)

The group is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due.

Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Metal in process and product inventories (note 12)

Costs that are incurred in or benefit the production process are accumulated as metal in ore, metal in process and product inventories. Net realisable value tests are performed at least annually and represent the estimated future sales price of the product based on prevailing metal prices, less estimated costs to complete production and bring the product to sale.

Although the quantities of recoverable metal are reconciled by comparing the grades of ore to the quantities of metal actually recovered (metallurgical balancing), the nature of the process inherently limits the ability to precisely monitor recoverability levels. As a result, the metallurgical balancing process is constantly monitored and the engineering estimates are refined based on actual results over time.

Recoverability of advances (notes 11 and 13)

Due to the time involved in toll refining metals, certain customers are granted advances based on a contractually agreed percentage of the fair value of their in-process metal, which serves as collateral for the advances.

The contractually agreed percentage generally provides a sufficient safety margin for normal price fluctuations not to expose the group to undue credit risk. However, in times of significant price decreases, as was experienced in the current year, there is a risk that the fair value of the in-process metal that serves as collateral, could decrease below the carrying amount of the advance.

In cases where the carrying value of advances are not fully supported by the fair value of in-process metal that serves as collateral, management uses judgment to determine the recoverability of the advances.

3. Critical accounting estimates and judgements (continued)

Recoverability of advances (notes 11 and 13) (continued)

Items considered by management include the ability of the customer to continue to deliver metals to the group, the estimated levels of future deliveries and the estimated movements in PGM prices. Recent levels of deliveries and short-term price forecasts were used in managements' assumptions. If customer deliveries or actual PGM prices differ significantly from estimates, there is a possibility of an impairment. Based on management assessments, no impairment provisions against any advances were considered necessary.

Mineral reserves

The estimation of reserves impacts the amortisation of property, plant and equipment, the recoverable amount of property, plant and equipment, the timing of rehabilitation expenditure and purchase price allocation.

Factors impacting the determination of proved and probable reserves are:

- the grade of mineral reserves may vary significantly from time to time (i.e. differences between actual grades mined and resource model grades);
- differences between actual commodity prices and commodity price assumptions;
- unforeseen operational issues at mine sites;
- changes in capital, operating, mining, processing and reclamation costs, discount rates and foreign exchange rates.

Goodwill impairment test (note 7)

In testing whether goodwill is impaired the following critical assumptions and judgements were used:

- The Afplats reserve and resource ounce valuation was based on the UG2 3PGE+Au ounces.
- Most of these resource ounces (85%) were in the 'inferred resource' category and were valued at $11.80 per ounce (2008: $14.00).

Provisions (note 18)

Environmental rehabilitation obligations (note 18 (v))

The group's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The group recognises management's best estimate for asset retirement obligations in the period in which they are incurred. Actual costs incurred in future periods can differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates can affect the carrying amount of this provision.

Estimated long-term environmental provisions, comprising pollution control, rehabilitation and mine closure, are based on the group's environmental policy taking into account current technological, environmental and regulatory requirements.

Provisions for future rehabilitation costs were determined, using calculations which required the use of estimates.

3. Critical accounting estimates and judgements (continued)

Provisions (note 18) (continued)

Assumptions used in calculating the provision

- South African operations

The interest rate is the long-term risk free rate as indicated by the government bonds which ranged between 8.5% and 8.9% at the time of calculation. The net present value of current rehabilitation estimates is based on the assumption of a long-term real interest rate of 2.5% (2008: 2.4%).

- Zimbabwe operations

As the functional currency used by both the group's Zimbabwean operations is the US dollar, the US inflation and US long-term risk-free interest rates are utilised:

US inflation rates	3% (2008: 3%)
US interest rates	5% (2008: 5%)

Post-employment pension plans and medical benefits (note 18(ii))

The determination of Implats' obligation and expense for pension and provident funds, as well as post-retirement health care liabilities, depends on the selection of certain assumptions used by actuaries to calculate amounts. These assumptions include, among others, the discount rate, the expected long-term rate of return of plan assets, health care inflation costs, rates of increase in compensation costs and the number of employees who reach retirement age before the mine reaches the end of its life. Whilst Implats believes that these assumptions are appropriate, significant changes in the assumptions may materially affect pension and other post-retirement obligations as well as future expenses, which may result in an impact on earnings in the periods that the changes in the assumptions occur.

As at 30 June 2009, actuarial parameters used by independent valuators assumed 7.1% (2008: 9.1%) as the long-term medical inflation rate and an 9.25% (2008: 11.25%) risk-free interest rate corresponding to the yields on long-dated high-quality bonds.

A 1% increase in the real discount rate results in a R6 million reduction in the provision and a decrease of 1% results in an increase in the provision of R3.5 million.

Provisions for post-retirement medical liability cost have been determined, based on calculations which require the use of estimates.

Share-based payments (note 15 and note 18 (iii))

The group issues equity-settled and cash-settled share-based payments to employees. Equity-settled share-based payments are measured at fair value (excluding the effect of non-market based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed as services are rendered over the vesting period, based on the group's estimate of the shares that will eventually vest and adjusted for the effect of non-market based vesting conditions. Cash-settled share-based payments are valued on reporting date and recognised over the vesting period.

The fair value of share-based payments is calculated using the binomial option pricing model.

Notes to the consolidated financial statements (continued)

3. Critical accounting estimates and judgements (continued)

Share-based payments (note 15 and note 18 (iii)) (continued)

The average inputs into this model are as follows:

	Employee share option participation scheme [5]		Equity-settled share option scheme [7]		Cash-settled share appreciation scheme [5]	
	2009	2008	2009	2008	2009	2008
Weighted average option value (Rand) [1]	**64.40**	188.65	**190.75**	190.75	**59.61**	166.16
Weighted average share price on valuation date (Rand) [2]	**170.45**	309.00	**70.26**	70.26	**170.45**	309.00
Weighted average exercise price (Rand) [3] [6]	**159.18**	159.18	**61.03**	61.03	**155.88**	147.86
Volatility [4]	**70.42**	57.48	**42.03**	42.03	**70.42**	57.48
Dividend yield (%)	**7.60**	3.23	**5.75**	5.75	**7.60**	3.23
Risk-free interest rate (%)	**8.59**	11.25	**10.43**	10.43	**8.59**	11.25

[1] The weighted average option value for cash settled shares is calculated on reporting date. The weighted average option value of equity settled shares is calculated on grant date.

[2] Weighted average share price for valuation of equity settled shares is calculated taking into account the market price on all grant dates. The value of cash settled share appreciation rights is calculated at year-end based on the year-end closing price.

[3] The weighted average exercise price for equity settled and cash settled shares is calculated taking into account the exercise price on each grant date.

[4] Volatility for equity- and cash settled shares is the four hundred day moving average historical volatility on Implats shares on each valuation date.

[5] Cash-settled share-based payments.

[6] The weighted average market price of the share on date of issue approximates the weighted average exercise price. Options are granted based on the market price at the date of issue.

[7] The share option scheme, equity settled, was closed to future grants with effect from October 2004.

The calculation pertains to non-vested shares. Vested cash-settled shares are valued at their intrinsic value.

3. Critical accounting estimates and judgements (continued)

Contingencies (note 35)

By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. The assessment of such contingencies inherently involves the exercise of significant judgement and estimates of the outcome of future events.

Foreign currency translation

The following exchange rates were used:

Year-end rate:	R7.76	(2008: R7.93)
Annual average rate:	R9.08	(2008: R7.26)

Notes to the consolidated financial statements (continued)

4 Segment information

Segment reporting

Operating segment – June 2009

For the year ended 30 June

R millions	Total mining segment	Impala Refining Services	Other	Inter-segment adjustment	Total
Segment profit					
Revenue from:					
Platinum	11 521	5 954	–	(1 479)	15 996
Palladium	1 211	834	–	(266)	1 779
Rhodium	3 014	2 142	–	84	5 240
Nickel	903	755	–	(158)	1 500
Other metal sales	962	517	–	(116)	1 363
Treatment income	–	305	–	(62)	243
Revenue	17 611	10 507	–	(1 997)	26 121
On-mine operations	(7 214)	–	–	–	(7 214)
Processing operations	(1 812)	(150)	–	–	(1 962)
Refining operations	(363)	(229)	–	–	(592)
Treatment charge	(62)	–	–	62	–
Amortisation	(979)	–	–	–	(979)
Metals purchased	–	(5 822)	–	1 955	(3 867)
Increase/(decrease) in inventories	221	(3 041)	–	1 075	(1 745)
Cost of sales	(10 209)	(9 242)	–	3 092	(16 359)
Gross profit	7 402	1 265	–	1 095	9 762
Other operational expenses	(467)	(30)	–	–	(497)
Royalty expense	(442)	–	–	–	(442)
Profit from operations	6 493	1 235	–	1 095	8 823
Other (expense)/income	(180)	675	30	4	529
Profit from metals purchased	18	–	–	(18)	–
Share of profit of associates	–	–	41	–	41
Profit before tax	6 331	1 910	71	1 081	9 393
Income tax expense	(1 780)	(535)	(857)	(217)	(3 389)
Profit for the year	4 551	1 375	(786)	864	6 004
External revenue*	25 454	667	–	–	26 121

* External revenue excludes intergroup sales and is calculated as actual sales outside the group.

Refer to note 40 for further details.

4 Segment information (continued)

Segment reporting (continued)

Operating segment – June 2009

For the year ended 30 June

R millions	Total mining segment	Impala Refining Services	Other	Total
Segment assets and liabilities				
Non-current segment assets	43 843	1 354	983	46 180
Property, plant and equipment	26 224	–	–	26 224
Exploration and evaluation assets	4 294	–	–	4 294
Intangible assets	1 018	–	–	1 018
Investment in associates	–	–	983	983
Available-for-sale financial assets	18	–	–	18
Held-to-maturity financial assets	51	–	–	51
Receivables and prepayments	12 238	1 354	–	13 592
Current segment assets	8 892	2 423	185	11 500
Inventories	2 394	1 854	–	4 248
Trade and other receivables	2 871	939	94	3 904
Cash and cash equivalents	3 627	(370)	91	3 348
Total assets	52 735	3 777	1 168	57 680
Non-current segment liabilities	9 753	1	31	9 785
Long-term borrowings	1 778	–	–	1 778
Deferred tax liability	6 908	1	–	6 909
Long-term provisions	1 067	–	31	1 098
Current segment liabilities	3 566	1 440	86	5 092
Trade and other payables	3 158	1 407	69	4 634
Current tax payable	(11)	33	14	36
Short-term borrowings	207	–	–	207
Current portion of long-term provision	212	–	3	215
Total liabilities	13 319	1 441	117	14 877
Segmental cash flow				
Net increase/(decrease) in cash and cash equivalents	2 216	(503)	(8 872)	(7 159)
Net cash used from operating activities	7 491	(616)	(368)	6 507
Net cash used in investing activities	(5 838)	113	(1)	(5 726)
Net cash used in financing activities	563	–	(8 503)	(7 940)
Capital expenditure	6 923	–	–	6 923

Notes to the consolidated financial statements (continued)

4 Segment information (continued)

Segment reporting (continued)

Operating segment – June 2008

For the year ended 30 June

R millions	Total mining segment	Impala Refining Services	Other	Inter-segment adjustment	Total
Segment profit					
Revenue from:					
Platinum	14 392	7 522	–	(1 526)	20 388
Palladium	1 642	1 194	–	(318)	2 518
Rhodium	6 558	4 862	–	(1 379)	10 041
Nickel	2 006	1 160	–	(433)	2 733
Other metal sales	1 208	739	–	(190)	1 757
Treatment income	–	227	–	(45)	182
Revenue	25 806	15 704	–	(3 891)	37 619
On-mine operations	(7 303)	–	–	–	(7 303)
Processing operations	(1 362)	(116)	–	–	(1 478)
Refining operations	(476)	(194)	–	–	(670)
Treatment charge	(45)	–	–	45	–
Amortisation	(1 013)	–	–	–	(1 013)
Metals purchased	–	(14 911)	–	3 899	(11 012)
Increase/(decrease) in inventories	770	1 400	–	(582)	1 588
Cost of sales	(9 429)	(13 821)	–	3 362	(19 888)
Gross profit	16 377	1 883	–	(529)	17 731
Other operational expenses	(507)	(26)	–	–	(533)
Royalty expense	(648)	–	–	–	(648)
Profit from operations	15 222	1 857	–	(529)	16 550
Other income/(expense)	183	695	4 711	–	5 589
Profit from metals purchased	54	–	–	(54)	–
Share of profit of associates	–	–	678	–	678
Profit before tax	15 459	2 552	5 389	(583)	22 817
Income tax expense	(4 685)	(852)	304	121	(5 112)
Profit for the year	10 774	1 700	5 693	(462)	17 705
External revenue*	36 806	813	–	–	37 619

* External revenue excludes intergroup sales and is calculated as actual sales outside the group.

Refer to note 40 for further details.

4 Segment information (continued)

Segment reporting (continued)

Operating segment – June 2008

For the year ended 30 June

R millions	Total mining segment	Impala Refining Services	Other	Total
Segment assets and liabilities				
Non-current segment assets	38 567	–	1 038	39 605
Property, plant and equipment	20 601	–	–	20 601
Exploration and evaluation assets	4 294	–	–	4 294
Intangible assets	1 018	–	–	1 018
Investment in associates	–	–	1 038	1 038
Available-for-sale financial assets	56	–	–	56
Held-to-maturity financial assets	47	–	–	47
Receivables and prepayments	12 551	–	–	12 551
Current segment assets	14 305	8 053	146	22 504
Inventories	998	4 895	–	5 893
Trade and other receivables	2 903	3 239	76	6 218
Cash and cash equivalents	10 404	(81)	70	10 393
Total assets	52 872	8 053	1 184	62 109
Non-current segment liabilities	8 613	3	(357)	8 259
Long-term borrowings	1 464	–	–	1 464
Deferred tax liability	5 601	3	(357)	5 247
Long-term provisions	1 548	–	–	1 548
Current segment liabilities	4 218	4 262	67	8 547
Trade and other payables	2 884	3 995	35	6 914
Current tax payable	884	267	32	1 183
Short-term borrowings	46	–	–	46
Current portion of long-term provision	404	–	–	404
Total liabilities	12 831	4 265	(290)	16 806
Segmental cash flow				
Net increase/(decrease) in cash and cash equivalents	6 769	409	(113)	7 065
Net cash used from operating activities	11 003	238	–	11 241
Net cash used in investing activities	(4 898)	171	6 006	1 279
Net cash used in financing activities	664	–	(6 119)	(5 455)
Capital expenditure	5 368	–	–	5 368

Notes to the consolidated financial statements (continued)

For the year ended 30 June

4 Segment information (continued)

Notes to operating segment analysis:

The group distinguishes its segments between mine-to-market operations and refining services which include metals purchased and toll refined. Apart from Impala, none of the other mining segments exceeded 10% of revenue, profit or assets, hence the mine-to-market operations were aggregated.

Operating segments have consistently adopted the consolidated basis of accounting and there are no differences in measurement applied.

Capital expenditure comprises additions to property, plant and equipment (note 5), including additions resulting from acquisitions through business combinations.

Sales to two customers in the Impala mining segment (pages 207 and 208) comprised 8% and 6% (2008: 10% and 12%) of total sales.

Sales

Metals mined

Reflect the mine-to-market sales primarily from the Impala Rustenburg mining operation.

Metals purchased

Revenue from metals purchased is recognised within two separate legal entities:

- for Impala this incorporates sales of metals purchased principally from Impala Refining Services.
- for Impala Refining Services this includes sales from purchases of metals from third party refining customers. The majority of sales are to Impala, and a portion directly to the market.

Treatment income

Fees earned by Impala Refining Services for the treatment of metals from third party refining customers.

Inter-company

Comprises sales of concentrate from Marula, Mimosa and Zimplats mining operations to Impala Refining Services.

Segment operating expenses for:

Gross cost

Comprises total costs associated with the mining, refining and purchase of metals.

Inter-segment adjustments

Elimination of inter-segment sales, purchases, interest, administration fees and unrealised profit in the group.

Inter-segment transfers

Inter-segment transfers are based on market-related prices.

For the year ended 30 June

R millions	2009	2008
4 Segment information (continued)		
Analysis of sales by destination		
Main products		
Asia	9 767	13 352
North America	6 546	7 563
Europe	4 067	5 620
South Africa	2 635	6 412
	23 015	32 947
By-products		
Europe	1 276	365
South Africa	830	2 032
Asia	474	789
North America	283	1 304
	2 863	4 490
Treatment income		
South Africa	151	100
North America	92	82
	243	182
	26 121	37 619
Analysis of sales by category		
Sales of goods		
Precious metals		
Platinum	15 995	20 388
Rhodium	5 241	10 041
Palladium	1 779	2 518
Gold	475	379
Ruthenium	336	746
Iridium	200	199
Silver	7	10
	24 033	34 281
Base metals		
Nickel	1 501	2 733
Copper	277	360
Cobalt	37	36
Chrome	30	27
	1 845	3 156
Revenue from services		
Toll refining	243	182
	26 121	37 619

Notes to the consolidated financial statements (continued)

4 Segment information (continued)

For the year ended 30 June

R millions	Sales 2009	Sales 2008	Capital expenditure 2009	Capital expenditure 2008	Non-current assets 2009	Non-current assets 2008
Other segment information						
South Africa	**24 391**	34 529	**5 287**	3 905	**40 014**	34 940
Zimbabwe	**1 730**	3 090	**1 636**	1 463	**5 183**	3 627
Investment in associates	**–**	–	**–**	–	**983**	1 038
	26 121	37 619	**6 923**	5 368	**46 180**	39 605

Non-current assets and capital expenditure are allocated according to the location of the asset.

Sales are allocated based on the country from which the sale originates.

5 Property, plant and equipment

R millions	Shafts, mining development and infrastructure	Metal-lurgical and refining plants	Land and buildings	Assets under construc-tion	Other assets	Total
Cost						
Balance at 30 June 2007	10 519	4 832	1 528	3 471	1 012	21 362
Additions	1 128	595	339	2 908	303	5 273
Interest capitalised (note 26)	–	–	–	95	–	95
Transfer from assets under construction	5	76	–	(96)	15	–
Disposals	(19)	(36)	(9)	–	(14)	(78)
Exchange adjustment	84	104	49	135	58	430
Balance at 30 June 2008	11 717	5 571	1 907	6 513	1 374	27 082

5 Property, plant and equipment (continued)

For the year ended 30 June

R millions	Shafts, mining development and infrastructure	Metal-lurgical and refining plants	Land and buildings	Assets under construc-tion	Other assets	Total
Cost (continued)						
Additions	1 876	1 703	156	2 737	367	6 839
Interest capitalised (note 26)	–	–	–	84	–	84
Disposals	(10)	–	(35)	(5)	(8)	(58)
Exchange adjustment	(110)	(26)	(14)	(150)	(30)	(330)
Balance at 30 June 2009	13 473	7 248	2 014	9 179	1 703	33 617
Accumulated amortisation and impairment						
Balance at 30 June 2007	3 550	1 148	51	–	584	5 333
Charge for the year (note 22)	560	261	10	–	182	1 013
Impairment of assets (note 27)	–	84	–	–	–	84
Disposals	(4)	(23)	–	–	(8)	(35)
Exchange adjustment	28	34	3	–	21	86
Balance at 30 June 2008	4 134	1 504	64	–	779	6 481
Charge for the year (note 22)	441	220	48	–	270	979
Disposals	(8)	–	–	–	(6)	(14)
Exchange adjustment	18	(12)	(37)	–	(22)	(53)
Balance at 30 June 2009	4 585	1 712	75	–	1 021	7 393
Carrying value at 30 June 2009	**8 888**	**5 536**	**1 939**	**9 179**	**682**	**26 224**
Carrying value at 30 June 2008	7 583	4 067	1 843	6 513	595	20 601

Notes to the consolidated financial statements (continued)

For the year ended 30 June

R millions	2009	2008

5 Property, plant and equipment (continued)

Assets under construction consist mainly of (carrying value)

Impala (16, 17 and 20 shafts)	5 057	3 226
Marula (Accommodation)	132	57
Afplats (Leeuwkop)	1 843	1 744
Zimplats (Ngezi phase 1 and underground mine project)	1 825	1 351

Other assets consist of the following:	2009 Carrying value	2008 Carrying value
Mobile equipment	590	505
Information technology	79	77
Sundry assets	13	13
	682	595

Commitments in respect of property, plant and equipment	2009	2008
Commitments contracted for	2 871	3 892
Approved expenditure not yet contracted	19 184	16 712
	22 055	20 604
Not later than 1 year	4 608	6 730
Later than 1 year not later than 5 years	11 041	10 267
Later than 5 years	6 406	3 607
	22 055	20 604

This expenditure will be funded internally and from borrowings, where necessary. Apart from finance leases, assets are not encumbered by loans. No assets were pledged as collateral.

Included in property, plant and equipment are assets with a carrying amount of R196 million (2008: R213 million) which is a result of finance leases capitalised.

6 Exploration and evaluation assets

Cost	4 318	4 318
Accumulated impairment	(24)	(24)
Carrying value	4 294	4 294

For the year ended 30 June

R millions	2009	2008

7 Intangible assets

Goodwill		
Goodwill at cost less impairment	1 018	1 018

The goodwill originated from the deferred taxation provided on the fair value of the assets over carrying amount of an acquired subsidiary.

A summary of the goodwill allocation is as follows:		
Leeuwkop project	179	179
Evaluation and exploration projects	839	839
	1 018	1 018

Impairment test for goodwill

Goodwill is allocated to the groups cash generating units (CGUs) identified in accordance with business operations.

The recoverable amount of the goodwill is based on fair value less cost-to-sell derived from reserve and resource ounce valuation, based on the UG2 3PGE+Au ounces. Most of these resource ounces are in the inferred resource category.

8 Investment in associates

i) Two Rivers Platinum (Proprietary) Limited		
Beginning of the year	1 038	777
Share of profit (note 29)	41	250
Shareholder's loan movement (note 36)	(96)	11
End of the year	983	1 038

Shares beneficially owned in the company involved in the business of mining and marketing of PGMs.

Impala Platinum Holdings Limited has provided a guarantee to Nedbank Limited for its share of the borrowings by Two Rivers Platinum (Proprietary) Limited. At 30 June 2009, the exposure under the guarantee to Nedbank Limited amounted to R64 million (2008: R70 million) (refer to note 35).

The shareholder's loan of R539 million (2008: R635 million) bears interest at 9% (2008: 12%) per annum and has no fixed term of repayment (refer to note 36).

Shareholding		
Number of shares		
Ordinary shares	270	270
Effective holding	45%	45%

Notes to the consolidated financial statements (continued)

For the year ended 30 June

R millions	2009	2008

8 Investment in associates (continued)

Summarised financial information as at 30 June and for the year then ended:		
Capital and reserves	985	1 367
Non-current liabilities	1 756	2 139
Current liabilities	426	263
	3 167	3 769
Non-current assets	2 523	2 406
Current assets	644	1 363
	3 167	3 769
Sales	972	2 298
(Loss)/profit for the year	(395)	773

The results of the associate are based on audited financial statements.

There were no unrecognised losses in the associate for which the group had not accounted.

Unrealised profit on sales from Two Rivers to Implats were eliminated in the share of profit recognised above.

ii) Aquarius Platinum (South Africa) (Proprietary) Limited		
Beginning of the year	–	640
Share of profit (note 29)	–	428
Dividends received	–	(33)
Repayment of shareholders loan	–	(160)
Repayment of capital	–	(42)
Disposal of investment (note 28)	–	(833)
End of the year	–	–

During the 2008 financial year, the group disposed of its entire interest in Aquarius Platinum (South Africa) (Proprietary) Limited.

For the year ended 30 June

R millions	2009	2008

8 Investment in associates (continued)

iii) Silplat (Proprietary) Limited		
Transferred from available-for-sale financial assets (note 9)	–	15
Acquisition of additional shareholding	0	9
Acquisition date fair value adjustment	(0)	(24)
End of the year	–	–

Shares beneficially owned in the company which is involved in the manufacturing of gold and platinum jewellery for local and export markets and operates principally in South Africa.

During the 2009 financial year, an additional shareholding of 1.7% (2008: 5.7%) was acquired resulting in a 25% (2008: 23%) interest.

Shareholding		
Number of shares		
Ordinary shares	249	232
Effective holding	25%	23%

Summarised financial information as at 30 June 2009 for the year then ended:

Capital and reserves	20	33
Non-current liabilities	6	1
Current liabilities	40	23
	66	57
Non-current assets	29	34
Current assets	37	23
	66	57
Sales	70	56
Loss for the year	(30)	(11)

Summary		
Two Rivers Platinum (Proprietary) Limited	983	1 038
Silplat (Proprietary) Limited	–	–
Total investment in associates	983	1 038

Notes to the consolidated financial statements (continued)

For the year ended 30 June

R millions	2009	2008

9 Available-for-sale financial assets

Investment in listed shares		
Aquarius Platinum Limited		
Beginning of the year	–	1 543
Net gains transferred to equity	–	650
Net book value	–	2 193
Disposal of investment (note 28)	–	(2 193)
End of the year	–	–

During the 2008 financial year, the group disposed of its entire interest of 7 141 966 shares in Aquarius Platinum Limited, which amounted to approximately 8.6% of the issued share capital of that company.

Other listed shares		
Beginning of the year	56	–
Acquisition	6	39
Net (loss)/gains transferred to equity	(47)	11
Exchange adjustment	3	6
	18	56

The group holds various shares listed on the Zimbabwean stock exchange. The fair value of these shares as at the close of business on 30 June 2009 is the stock exchange quoted prices at the closing exchange rate.

Investment in unlisted shares		
Silplat (Proprietary) Limited		
Beginning of year	–	15
Transferred to investments in associates (note 8 (iii))	–	(15)
	–	–

Total available-for-sale-financial assets		
Available-for-sale investments are denominated in the following currencies:		
$2 million (2008: $7 million)	18	56

For the year ended 30 June

R millions	2009	2008

10 Held-to-maturity financial assets

Investment in interest-bearing instruments	51	47

The investment is held through the Impala Pollution, Rehabilitation and Closure Trust Fund. The fund is an irrevocable trust under the group's control. The funds are invested in interest-bearing instruments.

11 Receivables and prepayments

Loans		
BEE companies		
Beginning of the year	672	610
Amortisation of fair value adjustment (note 25)	17	16
Repayment received	(64)	–
Interest charged	56	46
	681	672
Less: current portion of loan (note 13)	(505)	–
End of the year	176	672

Black economic empowerment companies (BEE)

As an integral part of the sale of the group's share in Lonplats, an amount of R618 million was made available as loans in 2005 to the following BEE companies in equal amounts:

Thelo Incwala Investments (Proprietary) Limited,
Dema Incwala Investments (Proprietary) Limited and
Vantage Capital Incwala Investments (Proprietary) Limited.

These loans are repayable within 1 to 2 years (2008: 2 to 3 years) and are structured into interest-free and interest-bearing. The interest-bearing loans bear interest at JIBAR plus 200 basis points and at JIBAR plus 300 basis points from September 2010. The capital portion of the loans are secured by a guarantee from Lonmin PLC. In terms of the group's accounting policy, these loans were fair valued on initial recognition.

The effective interest rate for the loans is 8.8% (2008: 12.1%).

Notes to the consolidated financial statements (continued)

For the year ended 30 June

R millions	2009	2008

11 Receivables and prepayments (continued)

Royalty prepayments		
Beginning of the year	12 208	12 537
Charged to the income statement during the year (note 24)	(316)	(329)
	11 892	12 208
Less: current portion of prepayment (note 13)	(316)	(329)
End of the year	11 576	11 879

In March 2007, the group finalised a deal with the Royal Bafokeng Nation. In terms of this transaction Impala Platinum agreed to pay the Royal Bafokeng Nation (RBN) all future royalties due to them, thus effectively discharging any further obligation to pay royalties. In turn, the RBN purchased, through Royal Bafokeng Impala Investment Company (Proprietary) Limited and Royal Bafokeng Tholo Investment Holding Company (Proprietary) Limited, giving them a 13.2% (2008: 13.2%) holding in the company.

Advances		
Transfer from current assets	1 354	–

This advance bears interest at LIBOR plus 150 basis points per annum. The advance is secured by toll refining in-process metal to the value of R608 million at year-end. In terms of an agreement, additional collateral to the value of R388 million, not under the control of the group, is in place.

Reserve Bank of Zimbabwe		
Transfer from current assets	486	–

No fixed terms of repayment or interest payable have been finalised.

Total receivables and prepayments	13 592	12 551

12 Inventories

Refined metal		
At cost	558	362
At realisable value	158	120
	716	482
In-process metal		
At cost	2 902	5 042
At realisable value	143	–
Metal inventories	3 761	5 524
Stores and materials inventories	487	369
	4 248	5 893

As a result of the decline in metal prices, main products with a cost of R263 million was valued at net realisable value amounting to R115 million (2008: Rnil), and in-process metal of main products with a cost of R348 million was valued at net realisable value amounting to R143 million (2008: Rnil).

For the year ended 30 June

R millions	2009	2008

13 Trade and other receivables

Trade receivables and advances	1 943	4 894
Receivables from related parties (note 36)	–	7
Other receivables	393	239
Employee receivables	179	189
Prepayments	132	245
Derivative financial instruments [(1)]	63	–
Receivables and prepayments – current portion (note 11)	505	–
Royalties prepayments – current portion (note 11)	316	329
South African Revenue Services (Value Added Taxation)	373	315
	3 904	6 218

Advances of R886 million (2008: R2 756 million) to customers are secured by toll refining in-process metal held as collateral against these advances.

The uncovered foreign currency denominated balances, included above, were as follows:

Trade and other receivables (US$ million)	257	430

The credit exposures of trade receivables and advances by country are as follows:

North America	935	2 431
South Africa	736	1 733
Asia	34	320
Europe	166	136
Zimbabwe	72	274
	1 943	4 894

Other receivables represent primarily a South African exposure.

[(1)] At 30 June 2009, the group had forward purchase and sale contracts of 39 000oz of platinum. These contracts are entered into back to back for a period of five months to hedge commodity price movements. (Refer note 19).

Notes to the consolidated financial statements (continued)

For the year ended 30 June

R millions	2009	2008

14 Cash and cash equivalents

Short-term bank deposits	2 907	5 206
Cash at bank	441	5 187
	3 348	10 393

The weighted average effective interest rate on short-term bank deposits was 11.6% (2008: 10.7%) and these deposits have a maximum maturity of 60 days (2008: 30 days).

The net exposure to foreign currency denominated balances as at 30 June was as follows:

Bank balances (US$ million)	112	317

The exposures by country are as follows:

South Africa	3 214	9 431
Europe	127	276
Zimbabwe	3	670
Asia	4	6
Mauritius	0	10
	3 348	10 393

The following cash and cash equivalents are restricted for use by the group by virtue of contractual agreements:

ABSA deposit account for guarantees	1	6
Deposit with the Zimbabwean Reserve Bank	–	343
Commitments to Tau Mining (Afplats)	–	15
Insurance cell captive	62	64
Impala Pollution, Rehabilitation and Closure Trust Fund	93	83
	156	511

The carrying amount of the cash and cash equivalents approximates its fair value.

For the year ended 30 June

R millions	2009	2008

15 Share capital

Share capital and share premium		
The authorised share capital of the holding company is as follows: 844 008 000 (2008: 844 008 000) ordinary shares with a par value of 2.5 cents each	21	21
The issued share capital of the holding company is as follows (millions):		
Number of shares issued	631.58	631.58
Treasury shares	(16.23)	(10.67)
Morokotso Trust	(15.39)	(15.61)
Share Incentive Trust	(0.13)	(0.27)
Number of shares issued outside the group	599.83	605.03
Adjusted for weighted number of shares in issue during the year	1.29	(0.38)
Weighted average number of ordinary shares in issue (note 32)	601.12	604.65
Adjustment for share option scheme (note 32)	0.67	0.59
Weighted average number of ordinary shares for diluted earnings per share (note 32)	601.79	605.24

The table below excludes the treasury shares, Morokotso Trust and the Implats share incentive scheme as these special purpose vehicles are consolidated.

	Number of shares issued (millions)	Ordinary shares (R millions)	Share premium (R millions)	Share-based payment reserve (R millions)	Total (R millions)
Balance at 30 June 2007	604.09	15	12 808	1 986	14 809
Issued by the share option scheme	0.94		59		59
Issued by the Employee Share Ownership Programme	0.83		131		131
Cost of equity compensation plan				5	5
Shares purchased	(0.83)		(254)		(254)
Balance at 30 June 2008	605.03	15	12 744	1 991	14 750
Issued by the share option scheme	0.14		9		9
Issued by the Employee Share Ownership Programme	0.22		34	0	34
Shares purchased	(5.56)		(724)		(724)
Balance at 30 June 2009	599.83	15	12 063	1 991	14 069

The group acquired, through a subsidiary, 5 562 545 (2008: 826 473) of its own shares in this financial year in terms of an approved share buy-back scheme. This was done through purchases on the JSE Limited for an amount of R724 million (2008: R254 million) and through the exercising of its right of first refusal.

Notes to the consolidated financial statements (continued)

15 Share capital (continued)

For the year ended 30 June

	2009 Number (000)	2009 Weighted average exercise price (Rand)	2008 Number (000)	2008 Weighted average exercise price (Rand)
Share options				
Movement in the number of share options outstanding was as follows:				
Beginning of the year	1 020	66	2 014	68
Exercised	(142)	66	(942)	69
Forfeited	(31)	67	(52)	68
End of the year	847	66	1 020	66
Exercisable	727	66	528	66
Not yet exercisable	120	62	492	65
	847	66	1 020	66

Refer to the Directors' report for the details on share options held by key management personnel (executive directors and senior management).

15 Share capital (continued)

Share options outstanding (number in thousands) at the end of the year have the following terms:

For the calendar year ended 31 December

Options price	2001 –		Vesting years				Total
Rand per share	2005	2006	2007	2008	2009	2010	Number
25.00	7.8						7.8
47.63	1.1	1.1	3.0	15.8			21.0
53.79		14.0	24.5	25.0	25.0		88.5
57.71					2.7	13.5	16.2
59.41				4.0	9.4	9.4	22.8
60.44					11.3	11.3	22.6
60.51	4.0	4.0	8.1	19.0			35.1
63.16					19.0	19.0	38.0
63.38	6.0	8.0	56.5				70.5
63.39			8.9	55.1	55.8		119.8
64.48				2.6	7.8		10.4
67.05				23.6	29.4	32.8	85.8
67.43					7.7		7.7
68.03					7.7	7.7	15.4
69.50		1.4	8.8				10.2
71.12				4.2			4.2
72.38				11.9			11.9
73.38				31.4	75.3		106.7
73.75				5.5			5.5
74.28		2.7	2.3	35.5			40.5
75.00				91.7			91.7
76.44			1.1	8.2	5.2		14.5
Total 2009	18.9	31.2	113.2	333.5	256.3	93.7	846.8
Total 2008	19.3	41.4	137.8	410.4	316.4	94.8	1 020.1
Actual remaining contractual life (years):							
2009	1–5	3–5	3–6	4–6	5–6	6	
2008	1–5	3–6	4–7	5–7	6–7	7	

The Share Option Scheme was closed to future grants with effect from October 2004.

Notes to the consolidated financial statements (continued)

For the year ended 30 June

R millions	2009	2008
16 Borrowings		
Current		
Standard Bank of South Africa Ltd	147	30
ABC Bank (Botswana)	3	–
Nedbank South Africa Ltd	39	–
Lease liabilities	18	16
	207	46
Non-current		
Standard Bank of South Africa Ltd	1 519	1 186
Lease liabilities	259	278
	1 778	1 464
Total borrowings	1 985	1 510

Borrowings from Standard Bank Limited:

- Loans obtained by BEE partners for purchasing a 27% share in Marula Platinum (Proprietary) Limited amounting to R710 million (2008: R755 million). The loans carry interest at JIBAR plus 130 (2008: 90) basis points and a revolving credit facility amounting to R107 million (2008: R57 million), which carries interest at JIBAR plus 145 (2008: 100) basis points. The loans are repayable over 6.5 (2008: 7.5) years. The rise in basis points is due to an increase of R89 million on the term facility and R55 million on the revolving credit facility.

- A loan facility of R621 million (US$80 million) (2008: R635 million (US$80 million)) was obtained to partially finance the Ngezi Phase One expansion at Zimplats. An amount of R588 million (US$76 million) (2008: R404 million (US$51 million)) of this facility was drawn at the end of the period. The loan carries interest at LIBOR plus 700 (2008: 700) basis points. It is repayable in 12 equal quarterly instalments starting December 2009 and will be repaid by December 2012. The loan is secured by cessions over cash, debtors and revenues of Zimplats Mines (Pvt) Limited.

- A loan facility of R300 million was obtained to finance the expansion of underground mine and related above-ground processing facilities at Zimplats. An amount of R261 million of this facility was drawn at the end of the period. The loan carries interest at JIBAR plus 700 basis points. It is repayable in 10 semi-annual instalments starting December 2010 and will be repaid by June 2015. Zimplats secured additional funding of R200 million from Standard Bank of South Africa Limited in July 2009, which increased the total term loan facility to R500 million. The loans are secured by sessions over cash, debtors and revenues of Zimplats Mines (Pvt) Limited.

16 Borrowings (continued)

The effective interest rates for the year were as follows:

	2009 %	2008 %
Bank loans rand	10	11
Bank loans US dollar	10	13

	2009			2008		
R millions	Minimum lease payments	Interest	Principal	Minimum lease payments	Interest	Principal
Lease liabilities						
Less than one year	50	32	18	50	34	16
Between 1 and 5 years	218	125	93	236	137	99
More than five years	261	95	166	295	116	179
	529	252	277	581	287	294

The interest rates applicable are 12.2% (2008: 10.5%) for Zimbabwean US dollar denominated liabilities and 11.5% (2008: 11.5%) for South African rand-denominated liabilities.

Borrowing powers

In terms of the articles of association of the companies in the group, the borrowing powers of the group are determined by the directors but are limited to equity attributable to owners of the parent.

R millions	2009	2008
Equity attributable to owners of the parent	40 939	43 418
Currently utilised	1 985	1 510

17 Deferred tax liability

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The offset amounts are as follows:

	2009	2008
Deferred tax assets		
Deferred tax assets to be recovered within 12 months	(34)	(662)
Deferred tax assets to be recovered after 12 months	(359)	(339)
Deferred tax liabilities		
Deferred tax liabilities to be settled within 12 months	85	146
Deferred tax liabilities to be settled after 12 months	7 217	6 102
Deferred tax liabilities – net	6 909	5 247

Notes to the consolidated financial statements (continued)

For the year ended 30 June

R millions	2009	2008

17 Deferred tax liability (continued)

There are unrecognised temporary differences of R499 million (2008: R396 million) in the group.

Deferred income taxes are calculated at the prevailing tax rates of the different fiscal authorities where the asset or liability originates.

R millions	2009	2008
The movement on the deferred income tax account is as follows:		
Beginning of the year	5 247	5 048
Income statement charge (note 31)	1 664	399
Prior year adjustment (note 31)	(8)	–
Rate change (note 31)	–	(174)
Transfer from current tax payable (note 20)	13	–
Taxation charge to equity	5	(60)
Exchange adjustment	(12)	34
End of the year	6 909	5 247
Deferred tax assets and liabilities are attributable to the following items:		
Deferred tax liabilities		
Recognised directly in income statement:		
Property plant and equipment	5 242	4 220
Royalty prepayment	170	135
Other	49	11
Recognised directly in equity:		
Translation differences of foreign subsidiaries	83	114
Revalued assets	1 759	1 768
	7 303	6 248
Deferred tax assets		
Recognised directly in income statement:		
Rehabilitation and post-retirement medical provisions	(46)	(66)
Lease liabilities	(11)	(8)
Share-based payments	(80)	(163)
Leave pay	(104)	(88)
Unrealised profit in metal inventories	(10)	(288)
Uncertain revenue	(120)	–
Secondary tax on companies credit*	(23)	(351)
Other	–	(37)
	(394)	(1 001)
Net deferred tax liability	6 909	5 247

* Represents the future tax benefit on dividends receivable that will be realised when future dividends are declared.

For the year ended 30 June

R millions	2009	2008

17 Deferred tax liability (continued)

The aggregate amount for deferred tax liabilities relating to subsidiaries, associates and interest in a joint venture is R6 909 million (2008: R5 604 million).

18 Long-term provisions

i) Pension and provident plans

Independent funds provide pension and other benefits to all permanent employees and their dependants.

At the end of the financial year the following funds were in existence
Impala Provident Fund
Impala Platinum Refineries Provident Fund
Impala Workers Provident Fund
Impala Supplementary Pension Fund
Sentinel Pension Fund (industry fund)
Mine Employees Pension Fund (industry fund)
Mining Industry Pension Fund Zimbabwe (industry fund)
National Social Security Scheme Zimbabwe (industry fund)[1]
Novel Platinum Pension Fund
Old Mutual – Zimasco Pension Fund

[1] This is the only defined benefit plan. Information for the Zimbabwean multi employer defined benefit plan is not readily available or cannot be obtained and therefore the assets or liabilities of the funds are not accounted for in the statement of financial position. The number of employees that contribute to these funds represents approximately 6% (2008: 8%) of employees in the group. The group accounts in substance for this multi-employer benefit plan as a defined contribution plan (note 1.17).

ii) Post-employment medical benefits

The amounts recognised in the income statement were as follows:

	2009	2008
Movement in the liability recognised in the statement of financial position:		
Beginning of the year	55	56
Raised (note 21)	4	3
Redeemed	(6)	(4)
End of the year	53	55
Comprises:		
Current	5	–
Non-current	48	55
	53	55

Notes to the consolidated financial statements (continued)

For the year ended 30 June

R millions	2009	2008

18 Long-term provisions (continued)

Post-employment medical benefits are an unfunded liability

iii) Cash-settled share appreciation rights liability		
Beginning of the year	1 457	598
(Write back)/charged to income statement (note 21)	(717)	1 055
Paid to employees during the year	(40)	(198)
Exchange adjustment	(1)	2
End of the year	699	1 457
Comprises:		
Current	197	387
Non-current	502	1 070
	699	1 457

Share appreciation rights, net of options forfeited, were granted to employees during the year at an average exercise price of R147.22 per share (2008: R240.14) and expire during 2019 (2008: 2018).

Movement in the number of share appreciation rights outstanding was as follows:	'000	'000
Beginning of the year	21 433	22 307
Granted	5 530	1 295
Lapsed during the year	(869)	(499)
Paid to employees during the year	(530)	(1 670)
End of the year	25 564	21 433
Exercisable	1 505	697
Not yet exercisable	24 059	20 736
	25 564	21 433

18 Long-term provisions (continued)

Cash-settled share-based payment rights outstanding (number in thousands) at the end of the year have the following terms:

Price per share	Calendar vesting years 2006	2007	2008	2009	2010	2011	2012	2013	2014	2016	Total number
57.7				13.2	13.2						26.4
62.4		6.6	6.6	6.6	6.6						26.4
63.4					19.4						19.4
63.7			279.6	386.5	553.0						1 219.1
75.4					2.7	2.7					5.4
88.8				2.9	5.2	5.2					13.3
110.1			20.0	59.1	92.4	92.4					263.9
102.2					1.6	1.6					3.2
110.1					2.6	2.6					5.2
119.2				4.2	4.2	4.2					12.6
128.6			0.7	0.7	0.7	0.7					2.8
130.8				1.3	1.3	1.3					3.9
149.4			93.9	135.0	176.0	176.0					580.9
140.1			81.4	106.4	134.4	134.4					456.6
159.9				1.4	1.4	1.4	1.4				5.6
160.1				17.0	17.0	17.0	17.0				68.0
160.2				4.7	4.7	4.7	4.7				18.8
167.2				90.8	90.8	90.8	90.8				363.2
172.1				4.2	4.2	4.2	4.2				16.8
174.5				5.8	5.8	5.8	5.8				23.2
177.4				0.8	0.8	0.8	0.8				3.2
186.5				5.9	5.9	5.9	5.9				23.6
195.2				1.5	1.5	1.5	1.5				6.0
205.9				22.3	22.3	22.3	22.3				89.2
205.4				2.5	2.5	2.5	2.5				10.0
233.7				183.6	183.6	183.6	183.6				734.4
208.3				3.5	3.5	3.5	3.5				14.0
229.0				0.8	0.8	0.8	0.8				3.2
229.2				8.0	8.0	8.0	8.0				32.0
325.1				0.8	0.8	0.8	0.8				3.2
228.3				0.7	0.7	0.7	0.7				2.8
226.6				0.6	0.6	0.6	0.6				2.4
224.2				1.3	1.3	1.3	1.3				5.2
226.2					6.2	6.2	6.2	6.2			24.8
227.5					0.7	0.7	0.7	0.7			2.8
223.2					12.0	12.0	12.0	12.0			48.0
199.4					1.4	1.4	1.4	1.4			5.6
199.0					9.9	9.9	9.9	9.9			39.6
197.2					1.5	1.5	1.5	1.5			6.0
199.8					0.7	0.7	0.7	0.7			2.8
203.5					0.7	0.7	0.7	0.7			2.8
213.3					1.6	1.6	1.6	1.6			6.4
214.6					2.4	2.4	2.4	2.4			9.6
242.2					64.0	64.0	64.0	64.0			256.0
243.4					4.4	4.4	4.4	4.4			17.6
236.0					6.2	6.2	6.2	6.2			24.8
232.6					4.6	4.6	4.6	4.7			18.5
246.4					9.3	9.3	9.3	9.3			37.2
282.1					8.9	8.9	8.9	8.9			35.6
320.8					8.6	8.6	8.6	8.6			34.4
317.8					8.6	8.6	8.6	8.6			34.4
333.9					98.8	98.8	98.8	98.8			395.2
333.7					0.5	0.5	0.5	0.5			2.0
258.1						9.1	9.1	9.1	9.1		36.4
222.1						7.9	7.9	7.9	7.9		31.6
191.2						13.4	13.4	13.4	13.4		53.6
116.8						444.9	444.9	444.9	444.9		1 779.6
109.1						23.9	23.9	23.9	23.9		95.6
116.9						26.2	26.2	26.2	26.2		104.8
131.9						13.4	13.4	13.4	13.4		53.6
127.0						11.5	11.5	11.5	11.5		46.0
127.0						4.2	4.2	4.2	4.2		16.8
162.9						718.0	718.0	718.0	718.0		2 872.0
161.2						3.0	3.0	3.0	3.0		12.0
159.2†						6 157.3				9 236.7	15 394.0
Total 2009		6.6	482.2	1 072.1	1 620.5	8 461.1	1 882.7	1 526.6	1 275.5	9 236.7	25 564.0
Total 2008		6.6	689.2	1 391.9	1 684.8	7 334.4	669.7	292.9		9 363.6	21 433.1
Actual remaining contractual life (years):											
2009		6	6-7	6-8	6-9	7-10	7-10	9-10	10	7	
2008		7	7-8	7-9	7-9	8-9	9-10	10	–	8	

† The Employee Share Ownership Programme (ESOP) for broad-based economic empowerment was introduced in 2007.

For the year ended 30 June

R millions	2009	2008

18 Long-term provisions (continued)

The total intrinsic value was R1 996 million (2008: R2 338 million) as determined by the year-end share price of R170 (2008: R309).

The input parameters were the same as for the calculation of the share option scheme (note 3).

iv) Provision for future commitments		
Beginning of the year	116	120
Amortisation of fair value through income statement (note 26)	14	10
Payments for the year (note 34)	(5)	(14)
End of the year	125	116
Comprises:		
Current	13	17
Non-current	112	99
	125	116

Future commitments consist of:

- Fees payable to the Bakwena Bamagopa as a result of an agreement with the acquisition of Afplats.
- Future payments to the Impala Bafokeng local economic development trust as a result of the Impala-Bafokeng empowerment transaction.

v) Provision for future rehabilitation		
Beginning of the year	324	330
Change in estimate	132	17
Charge to income statement (note 26)	29	20
Fair value adjustment on rehabilitation provision (note 27)	(8)	–
Utilised during the year (note 34)	(29)	(51)
Exchange adjustment	(12)	8
End of the year	436	324

Current cost rehabilitation estimate is R741 million (2008: R745 million).

Cash flows relating to rehabilitation costs will mostly occur at the end of the life of the mine.

For the year ended 30 June

R millions	2009	2008

18 Long-term provisions (continued)

The movement of the investment in the Impala Pollution, Rehabilitation and Closure Trust Fund is as follows:		
Beginning of year	130	121
Interest accrued (note 25)	13	9
End of the year	143	130

Guarantees have been provided to the various Minerals and Energy Departments (DME) to satisfy the requirements of the Mineral and Petroleum Resources Development Act with respect to environmental rehabilitation (note 35). Refer to note 3 for assumptions used in calculating the provision.

Summary		
Post-employment medical benefits	53	55
Cash settled share appreciation rights liability	699	1 457
Future commitments	125	116
Provision for future rehabilitation	436	324
	1 313	1 952
Current	215	404
Non-current	1 098	1 548
	1 313	1 952

19 Trade and other payables

Trade payables	3 268	5 221
Leave liability (1)	408	314
Forward commitments (2)	38	318
Royalties payable	303	314
Payables related parties (note 36)	390	581
Derivative financial instrument (3)	63	–
South African Revenue Services (Value added tax)	126	123
Other payables	38	43
	4 634	6 914

Notes to the consolidated financial statements (continued)

For the year ended 30 June

R millions	2009	2008

19 Trade and other payables (continued)

The uncovered foreign currency denominated balances as at 30 June were as follows:		
Trade and other payables (US$ million)	180	100
Forward commitments [2] (US$ million)	5	40
	185	140

[1] Leave liability
Employee entitlements to annual leave are recognised on an ongoing basis. The liability for annual leave as a result of services rendered by employees is accrued up to the reporting date.

[2] Forward commitments
From time to time, in order to finance third party refining, Impala Refining Services Limited sells refined metal, held on behalf of third parties, into the market with a commitment to repurchase at a later date.

[3] At 30 June 2009, the group had forward purchase and sale contracts of 39 000oz of platinum. These contracts were entered into back-to-back for a period of five months to hedge commodity price movements (refer note 13).

20 Current tax payable

R millions	2009	2008
Beginning of the year	1 183	1 373
Charge from the income statement (note 31)	1 733	4 887
Transfer to deferred tax liabilities (note 17)	(13)	–
Payments made during the year	(2 867)	(5 080)
Exchange adjustment	0	3
End of the year	36	1 183

21 Employee benefit expense

R millions	2009	2008
Employment costs		
Wages and salaries	4 827	3 762
Post-employment medical benefits (note 18)	4	3
Pension costs defined contribution plans	312	312
Share-based compensation	(717)	1 060
Equity-settled (note 15)	0	5
Cash-settled (note 18)	(717)	1 055
	4 426	5 137

For the year ended 30 June

R millions	2009	2008

22 Cost of sales

Included in cost of sales:		
On mine operations	7 214	7 303
Labour	4 234	3 459
Cash-settled share appreciation rights (note 21)	(604)	850
Materials and other mining costs	3 260	2 757
Utilities	324	237
Concentrating and smelting operations	1 962	1 478
Labour	401	310
Materials and other costs	1 148	858
Utilities	413	310
Refining operations	592	670
Labour	292	286
Cash-settled share appreciation rights (note 21)	(53)	84
Materials and other costs	298	253
Utilities	55	47
Amortisation of operating assets (note 5)	979	1 013
Metals purchased	3 867	11 012
Decrease/(increase) in inventories	1 745	(1 588)
	16 359	19 888

23 Other operating expenses

Other costs comprise the following principal categories:		
Corporate costs	306	429
Cash-settled share appreciation rights (note 21)	(60)	108
Other	366	321
Selling and promotional expenses	191	104
	497	533

Notes to the consolidated financial statements (continued)

For the year ended 30 June

R millions	2009	2008

24 Royalty expense

R millions	2009	2008
Royalties	126	319
Amortisation of royalty prepayment (note 11)	316	329
	442	648

25 Finance income

R millions	2009	2008
Short-term bank deposits	627	321
Associate loan (note 36)	70	74
Amortisation of fair value adjustment (note 11)	17	16
Rehabilitation and closure trust fund (note 18)	13	9
Employee loans	15	12
Dividends received	–	42
South African Revenue Services	7	32
Loans and advances	172	120
Other	15	15
	936	641
Metal lease fees	27	41
Fair value profit on forward metal sales	–	7
	963	689

26 Finance cost

R millions	2009	2008
Bank borrowings	183	183
Interest paid finance leases	27	37
Future commitments unwinding of discount (note 18 (iv))	14	10
Rehabilitation obligation unwinding of the discount (note 18 (v))	29	20
Finance costs	253	250
Less: borrowing cost capitalised (note 5) [1]	(84)	(95)
	169	155

[1] Borrowing cost was capitalised during the year. The average rate calculated for the capitalisation was 10% (2008: 12%).

For the year ended 30 June

R millions	2009	2008

27 Other net expenses

Exploration expenditure (note 34)	83	91
Impairment of property, plant and equipment (note 5) [1]	–	84
Profit on disposal of property, plant and equipment (note 34)	(7)	(6)
Fair value adjustment on rehabilitation provision (note 18 (v))	(8)	–
Other	(14)	46
	54	215

[1] This impairment charge relates to the BMR at Zimplats. Based on the current expansion plan, it has become evident that the current BMR does not have the capacity to accommodate the smelting off-take.

28 Profit on sale of investments

Sale of investment in Aquarius Platinum Limited		
Proceeds from disposal of available-for-sale financial assets	–	2 193
Transaction costs	–	(10)
Carrying value of available-for-sale financial asset (note 9)	–	(2 193)
Net gains transferred from equity	–	2 164
Profit on sale of available-for-sale investments	–	2 154
Sale of investment in Aquarius Platinum (South Africa) (Proprietary) Limited		
Proceeds from disposal of investment in associate	–	3 509
Carrying value of investment (note 8 (ii))	–	(833)
Profit on sale of investment in associate	–	2 676
Sale of property		
Proceeds from disposal of property	–	3
Carrying value of property	–	(2)
Profit on sale of property	–	1
Total profit on sale	–	4 831

Notes to the consolidated financial statements (continued)

For the year ended 30 June

R millions	2009	2008

29 Share of profit of associates

Two Rivers Platinum (Proprietary) Limited (note 8 i)	41	250
Aquarius Platinum (South Africa) (Proprietary) Limited (note 8 ii)	–	428
	41	678

30 Profit before tax

The following disclosure items have been charged in arriving at profit before tax:		
Auditor remuneration	12	8
Fees for audit	10	7
Fees for other services	2	1
Amortisation of property, plant and equipment (note 5)	979	1 013
Repairs and maintenance expenditure on property, plant and equipment	720	525
Operating lease rentals	77	70
Professional fees	90	101
Employee benefit expense (note 21)	4 426	5 137

31 Income tax expense

Current tax		
South Africa company tax		
Mining	587	3 258
Non-mining	842	927
Prior year over provision	(178)	(6)
	1 251	4 179
Other countries company tax		
Foreign tax	30	2
	1 281	4 181
Secondary tax on companies (STC)	452	706
	1 733	4 887
Deferred tax (note 17)		
Income statement charge	1 664	399
Prior year adjustment	(8)	–
Rate change	–	(174)
Tax for the year	3 389	5 112

For the year ended 30 June

31 Income tax expense (continued)

	2009 %	2008 %
The tax of the group's profit differs as follows from the theoretical charge that would arise using the basic tax rate for South African companies:		
Normal tax rate for companies	28.0	28.0
Adjusted for:		
Disallowable expenditure	1.4	0.8
Profit on disposal of assets	–	(5.9)
Change in tax rate	–	(0.5)
Capital gains tax	–	0.1
Prior year (under)/overprovision	(1.5)	0.1
Effect of after tax share of profit from associates	(0.1)	(0.8)
Effect of different tax rates of foreign subsidiaries	–	(1.1)
Secondary tax on companies	4.8	3.1
Secondary tax on companies credits	3.5	(1.5)
Effective tax rate	36.1	22.3

32 Earnings per share

	2009	2008
Basic earnings per share is calculated by dividing the profit for the year by the weighted average number of ordinary shares in issue during the year		
Profit attributable to the owners of the parent (R millions)	6 020	17 596
Weighted average number of ordinary shares in issue (millions) (note 15)	601.12	604.65
Basic earnings per share (cents)	1 001	2 910

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares as a result of share options granted and the Employee Share Ownership Programme (ESOP). A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market price of the company's shares) based on the monetary value of the subscription rights attached to outstanding share options and ESOP. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options and the issue price of the ESOP.

Notes to the consolidated financial statements (continued)

For the year ended 30 June

R millions	2009	2008
32 Earnings per share (continued)		
Profit attributable to owners of the parent	6 020	17 596
Weighted average number of ordinary shares in issue (millions) (note 15)	601.12	604.65
Adjustments for equity compensation plans (millions) (note 15)	0.67	0.59
Weighted average number of ordinary shares for diluted earnings per share (millions) (note 15)	601.79	605.24
Diluted earnings per share (cents)	1 000	2 907
Headline earnings per share is disclosed as required by the JSE Limited.		
The calculation for headline earnings per share is based on the earnings per share calculation adjusted for the following items:		
Profit attributable to owners of the parent	6 020	17 596
Adjustments net of tax:		
Profit on disposal of property, plant and equipment	(5)	(4)
Impairment of Zimplats BMR	–	74
Profit on sale of investments	–	(5 181)
Headline earnings	6 015	12 485
Headline earnings per share (cents)		
Basic	1 001	2 065
Diluted	1 000	2 062

For the year ended 30 June

R millions	2009	2008

33 Dividends per share

On 27 August 2009, a sub-committee of the board declared a final dividend in respect of 2009 of 200 cents per share amounting to R1.2 billion. Secondary Tax on Companies (STC) on the dividend will amount to R120 million.

These financial statements do not reflect this dividend and related STC payable. The dividend will be accounted for in shareholders equity as an appropriation of retained earnings in the year ending 30 June 2010.

R millions	2009	2008
Dividends paid		
Final dividend No. 81 for 2008 of 1 175 (2007: 700) cents per share	7 110	4 237
Interim dividend No 82 for 2009 of 120 (2008: 300) cents per share	712	1 818
	7 822	6 055

34 Cash generated from operations

R millions	2009	2008
Adjustment to profit before tax:		
Exploration costs (note 27)	83	91
Amortisation (notes 5, 30)	979	1 013
Finance income (note 25)	(936)	(641)
Finance cost (note 26)	169	155
Share of results of associates (note 29)	(41)	(678)
Retirement benefit obligations (note 18 (ii))	4	3
Payments made for employee benefit obligations (note 18 (ii), (iii))	(46)	(202)
Payments made for rehabilitation (note 18 (v))	(29)	(51)
Share-based compensation (note 18 (iii))	(717)	1 055
Payments made for future commitments (note 18 (iv))	(5)	(14)
Equity compensation (note 15)	–	5
Amortisation of prepaid royalty (note 11)	316	329
Profit on disposal of investment (note 28)	–	(4 831)
Derivative financial instruments	–	(54)
Unrealised profit in inventories	(1 075)	582
Foreign currency adjustment	53	(96)
Acquisition-date fair value adjustment (note 8)	–	24
Impairment of fixed assets (note 27)	–	84
Exploration expenditure written off (note 6)	–	24
Profit on disposal of property, plant and equipment (note 27)	(7)	(6)
Rehabilitation provision (note 18 (v))	(8)	–
Operating cash flow	(1 260)	(3 208)

Notes to the consolidated financial statements (continued)

For the year ended 30 June

R millions	2009	2008
34 Cash generated from operations (continued)		
Changes in working capital (excluding the effects of acquisition and disposal of subsidiaries):		
Trade and other receivables	1 002	(578)
Per the statement of financial position	2 314	(682)
Movement in short-term portion of receivables and pre-payments	492	(79)
Transfer to receivables and pre-payments	(1 840)	–
Exchange adjustment	36	183
Inventories	2 677	(2 437)
Per the statement of financial position	1 645	(1 895)
Unrealised profit in inventories	1 075	(582)
Exchange adjustment	(43)	40
Trade and other payables	(2 233)	(90)
Per the statement of financial position	(2 280)	(56)
Forward commitments (note 25)	–	7
Exchange adjustment	47	(41)
Cash from changes in working capital	1 446	(3 105)

35 Contingent liabilities and guarantees

Guarantees

At year end the group had contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business from which it is anticipated that no material liabilities will arise.

	2009	2008
Two Rivers Platinum (Proprietary) Limited (related party) (note 8, 36)	64	70
Collateral security for employee housing and loans	4	42
Department of Minerals and Energy (note 18)	397	391
Eskom	38	34
Registrar of medical aids	5	5
Total guarantees	508	542

Contingencies

The Zimbabwe Revenue Authority (ZIMRA) has issued an amended assessment to the value of R217 million (US$28 million) for additional profits tax on Zimbabwe Platinum Mines (Pvt) Ltd. An objection has been lodged on the basis that additional profits tax is not payable in terms of an agreement entered into with the Zimbabwean government.

For the year ended 30 June

R millions	2009	2008

36 Related party transactions

The following transactions were carried out with related parties:

Equity accounted entities		
Refining fees	13	9
Interest received (note 25)	70	74
Dividends received	–	33
Capital repayments received	96	42
Purchases of goods from equity accounted entities		
Purchases of mineral concentrates	337	6 331

Key management compensation

Key management compensation and options granted have been disclosed in the Directors' Report, as directors and senior management remuneration.

Year-end balances arising from sales/purchases of goods/services		
Payables to associates (note 19)	390	581
Loans to related parties		
Advances to associates:		
Beginning of the year	7	177
Loans advanced during year	–	2 357
Loan repayments received	(7)	(2 531)
Interest charged	–	36
Interest received	–	(32)
End of the year (note 13)	–	7
Shareholders' loans to associates:		
Beginning of the year	635	785
Payments received	(166)	(224)
Interest charges (note 25)	70	74
End of the year	539	635
Contingencies		
Guarantees provided (note 35)	64	70

Notes to the consolidated financial statements (continued)

For the year ended 30 June

R millions	2009	2008

37 Principal subsidiaries

The principal subsidiaries of the group are set out in page 219.

38 Interest in joint venture

The group has a 50% interest in a joint venture, Mimosa Investments Limited, which is involved in the business of mining PGMs. The following amounts represent the groups 50% share of the assets, liabilities, sales and results of the joint venture and are included in the consolidated statement of financial position and income statement:

	2009	2008
Property, plant and equipment	836	644
Receivables and prepayments	222	–
Available-for-sale financial investments	12	35
Current assets	373	608
	1 443	1 287
Provisions for liabilities and charges	(101)	(45)
Current liabilities	(192)	(59)
	(293)	(104)
Net assets	1 150	1 183
Sales	631	958
Profit before tax	(77)	534
Income tax expense	(89)	(17)
Profit after tax	(166)	517

Inter-group sales and profit are eliminated on consolidation.

	2009	2008
Capital commitments – approved expenditure not yet contracted	34	257
Capital commitments – commitments contracted for	51	162
	85	419

There are no contingent liabilities relating to the group's interest in the joint venture.

39 Financial instruments by category

For the year ended 2009

R million	Carrying value	Fair value	Finance income/ expense	Fair value adjustment	Settlement discount
Financial assets					
Loans and receivables					
Loans BEE companies	176	176	56	17	
Non-current advances	1 354	1 354	116		
Trade and other receivables	3 020	3 020	15		
Cash and cash equivalents	3 348	3 348	624		
Financial instruments at fair value through profit and loss (held for trading)					
Trade and other receivables [2]	63	63		63	
Held-to-maturity financial assets	51	51	3		
Available-for-sale financial assets [1]	18	18		(47)	
Total	8 030	8 030	814	33	–
Financial liabilities					
Financial liabilities at amortised cost					
Borrowings	1 708	1 708	(183)		
Trade and other payables	4 445	4 445			15
Financial instruments at fair value through profit and loss (held for trading)					
Trade and other payables [2]	63	63		(63)	
Total	6 216	6 216	(183)	(63)	15

[1] Available for sale financial instruments carried at fair value are in Level 1 of the fair value hierarchy.
[2] Derivative financial instruments carried at fair value are in Level 2 of the fair value hierarchy.

Fair value hierarchy:
Level 1 – Quoted prices in active markets for the same instrument.
Level 2 – Valuation techniques for which significant inputs are based on observable market data.
Level 3 – Valuation techniques for which any significant input is not based on observable market data.

Notes to the consolidated financial statements (continued)

39 Financial instruments by category (continued)

For the year ended 30 June 2008

R million	Carrying value	Fair value	Finance income/ expense	Fair value adjustment	Settlement discount
Financial assets					
Loans and receivables					
Loans BEE companies	672	645	46	16	
Trade and other receivables	5 329	5 329	86		
Cash and cash equivalents	10 393	10 393	319		
Held-to-maturity financial assets	47	47	3		
Available-for-sale financial assets [1]	56	56		11	
Total	16 497	16 470	454	27	–
Financial liabilities					
Financial liabilities at amortised cost					
Borrowings	1 216	1 216	(183)		
Trade and other payables	6 473	6 473			15
Financial instruments at fair value through profit and loss (held for trading)					
Forward commitments [2]	318	318		7	
Total	8 007	8 007	(183)	7	15

[1] Available for sale financial instruments carried at fair value are in Level 1 of the fair value hierarchy.
[2] Derivative financial instruments carried at fair value are in Level 2 of the fair value hierarchy.

Fair value hierarchy:
Level 1 – Quoted prices in active markets for the same instrument.
Level 2 – Valuation techniques for which significant inputs are based on observable market data.
Level 3 – Valuation techniques for which any significant input is not based on observable market data.

40 Segment information

Segment reporting

Operating segments – June 2009

R millions	Impala	Marula	Zimplats	Mimosa	Afplats	Total mining segment
Segment profit						
Revenue from:						
Platinum	9 875	543	749	354		11 521
Palladium	930	112	118	51		1 211
Rhodium	3 067	(69)	(18)	34		3 014
Nickel	640	16	135	112		903
Other metal sales	738	29	115	80		962
Revenue	15 250	631	1 099	631		17 611
On-mine operations	(5 428)	(700)	(795)	(291)		(7 214)
Processing operations	(1 349)	(132)	(224)	(107)		(1 812)
Refining operations	(363)					(363)
Treatment charge		(2)		(60)		(62)
Amortisation	(630)	(98)	(210)	(40)	(1)	(979)
Increase/(decrease) in inventories	106		121	(6)		221
Cost of sales	(7 664)	(932)	(1 108)	(504)	(1)	(10 209)
Gross profit	7 586	(301)	(9)	127	(1)	7 402
Other operational expenses	(325)		(108)	(34)		(467)
Royalty expense	(373)	(27)	(20)	(22)		(442)
Profit from operations	6 888	(328)	(137)	71	(1)	6 493
Other income/(expense)	181	(71)	(101)	(122)	(67)	(180)
Profit from metals purchased	18					18
Profit before tax	7 087	(399)	(238)	(51)	(68)	6 331
Income tax expense	(1 741)	66	9	(89)	(25)	(1 780)
Profit for the year	5 346	(333)	(229)	(140)	(93)	4 551
External revenue*	25 310	–	–	144	–	25 454
Capital expenditure	4 782	398	1 358	277	108	6 923

* External revenue excludes intergroup sales and is calculated as actual sales outside the group.

Notes to the consolidated financial statements (continued)

40 Segment information (continued)

Segment reporting (continued)

Operating segments – June 2008

R millions	Impala	Marula	Zimplats	Mimosa	Afplats	Total mining segment
Segment profit						
Revenue from:						
Platinum	12 087	774	1 107	424		14 392
Palladium	1 173	185	204	80		1 642
Rhodium	5 179	795	444	140		6 558
Nickel	1 506	28	238	234		2 006
Other metal sales	944	45	139	80		1 208
Revenue	20 889	1 827	2 132	958		25 806
On-mine operations	(5 860)	(591)	(669)	(183)		(7 303)
Processing operations	(1 057)	(101)	(152)	(52)		(1 362)
Refining operations	(476)	–	–	–		(476)
Treatment charge	–	(2)	–	(43)		(45)
Amortisation	(691)	(83)	(208)	(31)		(1 013)
Increase/(decrease) in inventories	739	–	19	12		770
Cost of sales	(7 345)	(777)	(1 010)	(297)		(9 429)
Gross profit	13 544	1 050	1 122	661		16 377
Other operating expenses	(426)	–	(48)	(33)		(507)
Royalty expense	(548)	(36)	(41)	(23)		(648)
Profit from operations	12 570	1 014	1 033	605		15 222
Other income/(expense)	173	6	(61)	(71)	136	183
Profit from metals purchased	54	–	–	–		54
Profit before tax	12 797	1 020	972	534	136	15 459
Income tax expense	(4 275)	(265)	(153)	(17)	25	(4 685)
Profit for the year	8 522	755	819	517	161	10 774
External revenue*	36 526	–	–	280	–	36 806
Capital expenditure	3 415	345	1 319	144	145	5 368

* External revenue excludes intergroup sales and is calculated as actual sales outside the group.

Company statement of financial position

As at 30 June

R millions	Notes	2009	2008
Assets			
Non-current assets			
Investment in associates	2	584	680
Investment in subsidiaries and joint venture		6 767	6 185
Loans to subsidiaries		11 246	19 609
Available-for-sale financial assets	3	–	–
Receivables and prepayments	4	40	40
Deferred tax assets	5	–	357
		18 637	26 871
Current assets			
Trade and other receivables		29	80
Total assets		18 666	26 951
Equity and liabilities			
Equity attributable to owners of the parent			
Share capital	6	18 023	18 024
Retained earnings		583	8 879
Total equity		18 606	26 903
Liabilities			
Non-current liabilities			
Long-term provisions	7	31	–
Current liabilities			
Trade and other payables		21	9
Current tax payable		5	39
Current portion of long-term provisions		3	–
		29	48
Total liabilities		60	48
Total equity and liabilities		18 666	26 951

Company income statement

For the year ended 30 June

(All amounts in rand millions unless otherwise stated)	Notes	2009	2008
Profit on sale of investments	8	–	5 845
Finance income	9	729	6 485
Other income/(expense)	10	(14)	(159)
Profit before tax		715	12 171
Income tax (expense)/credit	11	(842)	306
(Loss)/profit for the year from continuing operations		(127)	12 477

The notes on pages 212 to 218 are an integral part of these consolidated financial statements.

Company statement of total comprehensive income

For the year ended 30 June

R millions	Other reserves	Retained earnings	Total
30 June 2008			
Profit for the year	–	12 477	12 477
Fair value adjustment (note 3)	650	–	650
Deferred tax (note 5)	(84)	–	(84)
Disposal of available for sale financial asset (note 8)	(2 164)	–	(2 164)
Deferred tax (note 5)	274	–	274
Total comprehensive income for the year	(1 324)	12 477	11 153
30 June 2009			
(Loss) for the year	–	(127)	(127)
Total comprehensive loss for the year	–	(127)	(127)

Company statement of changes in equity

As at 30 June

R millions	Share capital and share premium	Retained earnings	Fair value adjustments to investments	Total equity
Balance at 30 June 2007	17 978	2 457	1 324	21 759
Employee share option scheme:				
– Proceeds from shares issued	41			41
– Fair value of employee service	5			5
Total comprehensive income for the year		12 477	(1 324)	11 153
Dividends (note 13)		(6 055)		(6 055)
Balance at 30 June 2008	18 024	8 879	–	26 903
Employee share option scheme:				
– Share issue expenses	(1)			(1)
– Fair value of employee service	0			0
Total comprehensive loss for the year		(127)		(127)
Dividends (note 13)		(8 169)		(8 169)
Balance at 30 June 2009	18 023	583	–	18 606

The notes on pages 212 to 218 are an integral part of these consolidated financial statements.

Company cash flow statement

For the year ended 30 June

R millions	Notes	2009	2008
Cash flows from operating activities			
Profit before tax		715	12 171
Adjustment to profit before tax	15	(768)	(5 961)
Changes in working capital	15	54	(13)
Tax paid		(520)	(22)
Net cash (used in)/from operating activities		(519)	6 175
Cash flows from investing activities			
Proceeds from investments disposed	8	–	5 913
Purchase of associates	2	–	(9)
Proceeds from repayment by associate	2	96	202
Interest income		73	65
Dividends received	9	509	64
Loans to subsidiaries		8 011	(6 396)
Net cash from/(used in) investing activities		8 689	(161)
Cash flows from financing activities			
Issue of ordinary shares, net of cost	6	(1)	41
Dividends paid to group shareholders	13	(8 169)	(6 055)
Net cash (used in)/from financing activities		(8 170)	(6 014)
Cash and cash equivalents at beginning and end of year		–	–

The notes on pages 212 to 218 are an integral part of these consolidated financial statements.

Notes to the company annual financial statements

1 Basis of preparation and accounting policies

The basis of preparation and principal accounting policies are disclosed on page 132 to 151.

Subsidiaries, associated undertakings and joint ventures are accounted for at cost less any impairment provision in the company financial statements.

For the year ended 30 June

R millions	2009	2008
2 Investment in associates		
Associates		
Two Rivers Platinum (Proprietary) Limited (group note 8(i))		
Beginning of the year	680	669
(Repayment)/advance to shareholder's loan	(96)	11
End of the year	584	680
Aquarius Platinum (South Africa) (Proprietary) Limited (group note 8(ii))		
Beginning of the year	–	204
Repayment of shareholders loan	–	(160)
Repayment of capital	–	(42)
Disposal of investment	–	(2)
End of the year	–	–
During the 2008 financial year, the group disposed of its entire interest in Aquarius Platinum (South Africa) (Proprietary) Limited.		
Silplat (Proprietary) Limited		
Transferred from available-for-sale financial assets (note 3)	–	15
Acquisition of additional shareholding	–	9
Fair value write off	–	(24)
End of the year	–	–
Total investments in associates	584	680
3 Available-for-sale financial assets		
Investment in listed shares		
Comprises shares in the following listed company		
Aquarius Platinum Limited		
Beginning of the year	–	1 543
Fair value gains transferred to equity	–	650
Disposal of investment (note 8)	–	(2 193)
End of the year	–	–
During the 2008 financial year, the group disposed of its entire interest of 7 141 966 shares in Aquarius Platinum Limited.		
Investment in unlisted shares		
Silplat (Proprietary) Limited		
Beginning of year	–	15
Transferred to investment in associates (note 2)	–	(15)
	–	–

For the year ended 30 June

R millions	2009	2008

4 Receivables and prepayments

Loans to BEE companies		
Non-current	40	40

Loans granted to Tubatse Platinum (Pty) Limited, Marula Community Trust and Mmakau Platinum Mining (Pty) Limited in terms of a BEE transaction. The loan is repayable on approval and adoption by the board of directors of Marula Platinum (Pty) Limited of a feasibility study on any aspect and/or portion of the non-cash producing portion of the Marula mine.

5 Deferred tax assets

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

Deferred tax assets are attributable to the following items:		
Deferred tax assets to be recovered within 12 months	–	357

There are no unrecognised temporary differences in the company (2008: nil)

Deferred income taxes are calculated at the prevailing tax rates of the different fiscal authorities where the asset of liability originates.

The movement on the deferred income tax account is as follows:		
Beginning of the year	357	(190)
Charge to the income statement (note 11)	(357)	357
Charge to equity	–	190
End of the year	–	357

Deferred tax assets are attributable to the following items:		
Secondary tax on companies credit	–	351
Unrealised foreign currency losses	–	6
	–	357

Notes to the company annual financial statements (continued)

For the year ended 30 June

R millions	2009	2008

6 Share capital

The authorised share capital of the holding company is as follows: 844 008 000 (2008: 844 008 000) ordinary shares with a par value of 2.5 cents each	21	21

The issued share capital of the holding company is as follows:

	Number of shares issued	Ordinary shares	Share premium	Share-based payment reserve	Total
Balance at 30 June 2007	631	16	16 072	1 890	17 978
Issued by the share option scheme	0	–	41	–	41
Cost of equity compensation plan	–	–	–	5	5
Balance at 30 June 2008	631	16	16 113	1 895	18 024
Share issue expenses	–		(1)		(1)
Cost of equity compensation plan				0	0
Balance at 30 June 2009	631	16	16 112	1 895	18 023

7 Fees payable to Bakwena Ba Mogopa

R millions	2009	2008
Raised in the current year	34	–
Transferred to current	(3)	–
Non-current	31	–

Future payments (eight annual payments of R7.5 million) were fair valued using a discount rate of 13%. The discount will be unwound at the same rate.

For the year ended 30 June

R millions	2009	2008

8 Profit on sale of investments

	2009	2008
Sale of investment in Aquarius Platinum (South Africa) (Proprietary) Limited		
Proceeds from disposal of investment in associate	–	3 509
Disposal of investment in associates (note 2)	–	(2)
Profit on sale of investment in associate	–	3 507
Sale of investment in Aquarius Platinum (Proprietary) Limited		
Proceeds from disposal of available-for-sale financial asset	–	2 193
Transaction costs	–	(10)
Carrying value of available-for-sale financial asset (note 3)	–	(2 193)
Net gains transferred from equity	–	2 164
Profit on sale of investment	–	2 154
Sale of an additional 4.5% of Marula Platinum (Proprietary) Limited		
Proceeds from disposal of investment in subsidiary	–	221
Cost of shares	–	(37)
Profit on sale of investment in subsidiary	–	184
Profit on sale of investment	–	5 845

9 Finance income

	2009	2008
Interest income (note 15)	75	74
South African Revenue Services	0	2
	75	76
Dividend received – investments	0	64
Dividend received – subsidiaries	654	6 345
	729	6 485

10 Other income/(expense)

	2009	2008
Net foreign exchange transaction gains (losses)	39	(69)
Guarantee fees	39	–
Corporate costs	(17)	(37)
Other expenses	(19)	(11)
Exploration expenditure	(56)	(42)
	(14)	(159)

Notes to the company annual financial statements (continued)

For the year ended 30 June

R millions	2009	2008
11 Income tax expense		
Current tax		
South African company tax		
Non-mining	35	51
Prior year over provision	(2)	–
	33	51
STC	452	–
Deferred tax[1]		
Income statement charge	357	(357)
Tax for the year	842	(306)

[1] The secondary tax on companies credit represents the future tax benefit on dividends received that realised when dividends were declared.

The tax on the group's profit differs as follows from the theoretical charge that would arise using the basic tax rate for South African companies:

	%	%
Normal tax rate for companies	28.0	28.0
Adjusted for:		
Exempt income	(20.0)	(14.6)
Non-taxable income	(5.8)	(13.4)
Capital gains tax	–	0.3
STC(credits)/STC credits utilised	49.1	–
STC paid	63.3	–
Other	3.2	(2.8)
Average effective tax rate	117.8	(2.5)

R millions	2009	2008
12 Profit before tax		
The following disclosure items have been charged in arriving at profit before tax:		
Auditors' remuneration		
Fees for audit	1	1
Professional fees	18	10
Foreign exchange gain/(loss)	39	(69)

For the year ended 30 June

R millions	2009	2008

13 Dividends per share

On 27 August 2009, a sub-committee of the board declared a final dividend in respect of 2009 of 200 cents per share amounting to R1.2 billion. Secondary Tax on Companies (STC) on the dividend will amount to R120 million.

These financial statements do not reflect this dividend and related STC payable. The dividend will be accounted for in shareholders' equity as an appropriation of retained earnings in the year ending 30 June 2010.

R millions	2009	2008
Dividends paid		
Final dividend No. 81 for 2008 of 1175 (2007: 700) cents per share	7 412	4 237
Interim dividend No 82 for 2009 of 120 (2008: 300) cents per share	757	1 818
	8 169	6 055

14 Contingent liabilities and guarantees

Guarantees

At year-end the group had contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business from which it is anticipated that no material liabilities will arise.

R millions	2009	2008
Related party contingencies		
Two Rivers Platinum (Proprietary) Limited	64	70
Marula BEE parties	817	813
Zimbabwe Platinum Mines (Pvt) Limited	849	404
Department of Minerals and Energy	397	391
Total guarantees	2 127	1 678

Notes to the company annual financial statements (continued)

For the year ended 30 June

R millions	2009	2008

15 Cash generated from operations

Reconciliation of net profit to cash generated from operations:

Adjustment to profit before tax:

Foreign exchange gain	(39)	–
Fair value write off (note 2)	–	24
Interest income (note 9)	(75)	(76)
Dividend income (note 9)	(654)	(64)
Profit on sale of financial assets (note 8)	–	(5 845)
	(768)	(5 961)

Changes in working capital (excluding the effects of acquisition and disposal of subsidiaries):

Trade and other receivables	52	4
Trade and other payables	2	(17)
Cash from changes in working capital	54	(13)

16 Related party transactions

The following transactions were carried out with related parties:

Loans to related parties
Advances to associates (refer note 2)

Guarantees provided (note 14)

Subsidiaries (refer to page 219)
No interest were levied or paid to subsidiaries.

Share options granted to directors
The aggregate number of share options granted to key management (directors and key management) is disclosed in the Directors' Report.

17 Financial risk management

The company manages its risk on a group-wide basis. Refer to note 2 in the consolidated financial statements.

Credit risk
No debtors are past due. Credit risk mostly relates to group companies and is therefore limited.

Liquidity risk
The company does not have any significant creditors.

Principal subsidiaries and joint venture

R millions	Issued share capital	Effective group interest % 2009	Effective group interest % 2008	Book value in holding company Shares 2009	Shares 2008	Loans 2009	Loans 2008
Company and description							
Impala Holdings Limited	*	100	100			10 255	18 019
Investment holding company							
Impala Platinum Limited	*	100	100				
Mines, refines and markets PGMs							
Impala Platinum Investments (Pty) Ltd	*	100	100				
Impala Platinum Properties (Rustenburg) (Pty) Ltd	*	100	100				
Impala Platinum Properties (Johannesburg) (Pty) Ltd	*	100	100				
Own properties							
Biz Africa 1866 (Pty) Ltd	*	74	100				
Inline Trading 83 (Pty) Ltd	*	100	100				
Exploration							
African Platinum Ltd [1]							
Investment holding company	£46.6m	–	100	–	4 155	–	755
African Platinum (Pty) Ltd							
Owns mineral rights		74	74	4 805			
Imbasa Platinum (Pty) Ltd	*	60	60			27	
Owns mineral rights							
Inkosi Platinum (Pty) Ltd	*	49	49			27	
Owns mineral rights							
Barplats Holdings (Pty) Ltd	*	–	100	–	68	–	(358)
Investment holding company							
Gazelle Platinum Limited	*	100	100			235	235
Investment holding company							
Impala Refining Services Limited	*	100	100				
Provides toll refining services							
Impala Platinum Japan Limited [2]	¥10m	100	100	2	2		
Marketing representative							
Impala Platinum Zimbabwe (Pty) Ltd	*	100	100	73	73	352	351
Investment holding company							
Impala Platinum BV [4]	0.02	100	100	900	900		
Investment holding company							
Zimplats Holdings Limited** [3]	US$10.8m	87	87				
Investment holding company							
Zimbabwe Platinum Mines (Pvt) Limited [6]	US$30.1m	87	87				
Owns mineral rights and mines PGMs							
Mimosa Investments Limited [5]	US$48.0m	50	50	376	376		
Investment holding company							
Mimosa Holdings (Pvt) Ltd [6]	US$28.8m	50	50				
Investment holding company							
Mimosa Platinum (Pvt) Ltd [6]	US$28.8m	50	50				
Owns mineral rights and mines PGMs							
Marula Platinum (Pty) Ltd	*	73	73	607	607	350	607
Owns mineral rights and mines PGMs							
Sundry and dormant companies	*	100	100	4	4	–	–
Total				6 767	6 185	11 246	19 609
Total investment at cost						18 013	25 794

* Share capital less than R50 000
** Listed on the Australian Stock Exchange

[1] Incorporated in United Kingdom
[2] Incorporated in Japan
[3] Incorporated in Guernsey
[4] Incorporated in Netherlands
[5] Incorporated in Mauritius and is a joint venture
[6] Incorporated in Zimbabwe

Non-GAAP disclosure

The group utilises certain Non-GAAP performance measures and ratios in managing the business and may provide users of this financial information with additional meaningful comparisons between current results and results in prior operating periods. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the reported operating results or cash flow from operations or any other measure of performance prepared in accordance with IFRS. In addition, the presentation of these measures may not be comparable to similarly titled measures other companies use.

For the year ended 30 June

R millions	Group note	Unaudited 2009	Unaudited 2008
1 Revenue per platinum ounce sold			
US dollar sales		3 026	5 140
US dollar toll refining income		(28)	(25)
		2 998	5 115
Sales volumes platinum (refer to operational statistics)		1 503	1 739
Dollar sales revenue per platinum ounce sold		1 995	2 941
Average rand exchange rate achieved		8.63	7.32
Rand sales revenue per platinum ounce sold		17 217	21 528
2 Cost per platinum ounce refined			
On-mine operations	22	7 214	7 303
Concentrating and smelting operations	22	1 962	1 478
Concentrating operations		1 382	1 035
Smelting operations		580	443
Refining operations	22	592	670
Other operating expenses	23	497	533
		10 265	9 984
(1) Mine-to-market platinum ounces		1 160	1 238
(2) Gross platinum ounces		1 704	1 907
On-mine operations (1)		6 220	5 899
Concentrating operations (1)		1 191	836
Smelting operations (2)		340	232
Refining operations (2)		347	352
Other operating expenses (1)		428	431
Group unit cost per platinum ounce		8 526	7 750

For the year ended 30 June

R millions	Group note	2009	2008

2 Cost per platinum ounce refined (continued)

Share-based payments			
On-mine operations [1]		(604)	850
Refining operations [2]		(53)	84
Other operating expenses [1]		(60)	121
		(717)	1 055
Cost per platinum ounce excluding share-based payments			
On-mine operations [1]		6 740	5 212
Concentrating operations [1]		1 191	836
Smelting operations [2]		340	232
Refining operations [2]		378	307
Other operating expenses [1]		480	343
		9 129	6 930

3 Gross profit margin

Gross profit		9 762	17 731
Gross revenue		26 121	37 619
Gross margin profit – %		37	47

4 Headline earnings margin

Headline earnings		6 015	12 485
Gross revenue		26 121	37 619
Headline earnings margin – %		23	33

Non-GAAP disclosure (continued)

For the year ended 30 June

R millions	Group note	2009	2008
5 EBITDA			
Profit before taxation		9 393	22 817
Finance income	25	(963)	(689)
Finance cost	26	169	155
Depreciation and amortisation	22	979	1 013
EBITDA (Earnings before interest tax and depreciation)		9 578	23 296
Depreciation and amortisation	22	(979)	(1 013)
EBIT (Earnings before interest and tax)		8 599	22 283
Non-recurring/unusual transactions			
Adjustment to headline earnings	32	(5)	(5 111)
		8 594	17 172
6 Interest cover			
EBIT – adjusted for non-recurring transactions	Non-GAAP note 5	8 594	17 172
Finance costs	26	169	155
Rehabilitation obligation – unwinding of the discount	26	(29)	(20)
Future commitments – unwinding of the discount	26	(14)	(10)
		126	125
Interest cover – times		68	137
7 Dividend cover			
Headline earnings per share	32	1 001	2 065
Dividends per share	33	320	1 475
Dividend cover – times		n/a*	1.4

* The interim dividend of 120 cents per share and the final dividend of 200 cents per share were not in line with the stated dividend policy but were based on a cash quantum basis in view of the prevailing uncertain economic circumstances.

For the year ended 30 June

R millions	Group note	2009	2008
8 Return on equity			
Headline earnings	32	6 015	12 485
Shareholders' equity per statement of financial position – at the beginning of the year		43 418	32 968
Return on equity – %		14	38
9 Return on capital employed (normalised)			
Headline earnings	32	6 015	12 485
Finance cost	26	169	155
		6 184	12 640
Capital employed	Non-GAAP note 11	52 588	53 562
Return on net capital – %		12	24
10 Return on assets			
Headline earnings	32	6 015	12 485
Total assets		57 680	62 109
Return on non-current assets – %		10	20
11 Capital employed			
Total assets per statement of financial position		57 680	62 109
Current liabilities statement of financial position		(5 092)	(8 547)
		52 588	53 562
12 Total capital			
Total equity		42 803	45 303
Total borrowings	16	1 985	1 510
		44 788	46 813

Non-GAAP disclosure (continued)

For the year ended 30 June

R millions	Group note	2009	2008

13 Cash net of debt

Long-term borrowings	16	(1 778)	(1 464)
Short-term borrowings	16	(207)	(46)
Total borrowings		(1 985)	(1 510)
Cash and cash equivalents	14	3 348	10 393
Cash net of debt		1 363	8 883

14 Gearing ratio

Total borrowings	16	1 985	1 510
Total capital	Non-GAAP note 12	44 788	46 813
Total gearing – %		4.4	3.2

15 Debt to equity

Total borrowings	16	1 985	1 510
Shareholders equity per statement of financial position at the end of the year		42 803	45 303
Total debt to ordinary shareholders equity – %		4.6	3.3

16 Current ratio

Current assets		11 500	22 504
Current liabilities		5 092	8 547
Ratio of current assets to current liabilities		2.3:1	2.6:1

17 Acid ratio

Current assets		11 500	22 504
Inventories	12	(4 248)	(5 893)
		7 252	16 611
Current liabilities		5 092	8 547
Ratio of current assets excluding inventories to current liabilities		1.4:1	1.9:1

For the year ended 30 June

R millions	Group note	2009	2008

18 Current liquidity

R millions	Group note	2009	2008
Current assets		11 500	22 504
Current liabilities		(5 092)	(8 547)
Net current assets		6 408	13 957
Inventory	12	(4 248)	(5 893)
		2 160	8 064

19 Free cash flow

R millions	Group note	2009	2008
Net cash (outflow)/inflow from operating activities per cash flow		6 507	11 241
Total capital expenditure		(6 791)	(5 291)
		(284)	5 950

20 Net asset value – cents per share

R millions	Group note	2009	2008
Net asset value per statement of financial position		40 939	43 418
Number of shares (millions) issued outside the group	15	599.8	605.0
Net asset value – cents per share		6 825	7 177

Total number of ordinary shares in issue consists of:
631 578 772 (2008: 631 578 772) ordinary shares

21 Net tangible asset value – cents per share

R millions	Group note	2009	2008
Net asset value per statement of financial position		40 939	43 418
Intangible assets	7	(1 018)	(1 018)
		39 921	42 400
Number of shares (million)		599.8	605.0
Net tangible asset value – cents per share		6 656	7 008

22 Market capitalisation

R millions	Group note	2009	2008
Number of ordinary shares in issue at year-end (millions)		631.6	631.6
Closing share price as quoted on the JSE (Rand)		170.45	309.00
Market capitalisation		107 656	195 164

Ten-year statistics

Income statement

For the year ended 30 June

(R million)	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Sales	26 121	37 619	31 482	17 500	12 541	11 809	11 807	11 902	11 969	7 003
Platinum	15 995	20 388	15 577	9 991	8 132	7 941	7 391	6 137	5 253	3 017
Palladium	1 779	2 518	2 089	1 469	1 067	1 119	1 683	2 581	3 129	1 689
Rhodium	5 241	10 041	7 626	3 700	1 336	677	1 159	1 788	2 199	1 218
Nickel	1 499	2 733	4 062	1 431	1 323	1 284	938	682	700	600
Other	1 607	1 939	2 128	909	683	788	636	714	688	479
Cost of sales	(16 359)	(19 888)	(17 010)	(10 170)	(8 303)	(7 544)	(6 523)	(5 561)	(5 003)	(3 804)
On-mine operations	(7 214)	(7 303)	(5 901)	(4 709)	(4 100)	(3 668)	(3 251)	(2 567)	(2 330)	(1 997)
Concentrating and smelting operations	(1 962)	(1 478)	(1 316)	(1 130)	(1 043)	(967)	(801)	(643)	(493)	(441)
Refining operations	(592)	(670)	(594)	(523)	(480)	(468)	(412)	(355)	(333)	(308)
Amortisation of mining assets	(979)	(1 013)	(865)	(643)	(646)	(576)	(452)	(249)	(212)	(140)
Metals purchased	(3 867)	(11 012)	(9 369)	(4 326)	(2 489)	(2 259)	(1 474)	(1 883)	(1 969)	(699)
(Decrease)/increase in inventory	(1 745)	1 588	1 035	1 161	455	394	(133)	136	334	(219)
Gross profit	9 762	17 731	14 472	7 330	4 238	4 265	5 284	6 341	6 966	3 199
Other operating expenses	(497)	(533)	(478)	(340)	(319)	(255)	(264)	(204)	(117)	(97)
Royalty expense	(442)	(648)	(1 703)	(852)	(415)	(414)	(598)	(805)	(890)	(406)
Profit from operations	8 823	16 550	12 291	6 138	3 504	3 596	4 422	5 332	5 959	2 696
Finance income – net	794	534	560	225	174	56	286	266	383	229
Net foreign exchange transaction (losses)/gains	(211)	439	(15)	178	33	(216)	(329)	131	158	20
Other (expense)/income	(54)	(131)	(214)	(148)	292	12	(55)	(98)	(63)	42
Profit from sale of subsidiaries/ investments	–	4 831	–	–	3 155	322	–	–	–	–
Share of profit of associates	41	678	388	115	204	328	725	697	647	220
BEE compensation charge	–	–	(1 790)	(95)	–	–	–	–	–	–
Reversal of impairment/ (Impairment) of assets	–	(84)	–	583	(1 034)	–	–	–	–	–
Profit before tax	9 393	22 817	11 220	6 996	6 328	4 098	5 049	6 328	7 084	3 207
Income tax expense	(3 389)	(5 112)	(3 895)	(2 614)	(1 079)	(1 141)	(1 622)	(1 737)	(2 431)	(949)
Profit for the year	6 004	17 705	7 325	4 382	5 249	2 957	3 427	4 591	4 653	2 258
Attributable to minority interest	16	(109)	(93)	(40)	(16)	(17)	(23)	(10)	(5)	(3)
Profit attributable to equity holders	6 020	17 596	7 232	4 342	5 233	2 940	3 404	4 581	4 648	2 255
Earnings per share (cents)										
– Basic	1 001	2 910	1 312	825	989	552	639	863	878	428
– Headline (basic)	1 001	2 065	1 312	750	540	491	643	860	879	424
Dividend per share (cents)										
– interim + proposed	320	1 475	975	400	288	263	331	463	475	220
– special				688					375	

Statement of financial position

For the year ended 30 June

(R million)		2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
ASSETS											
Non-current assets		**46 180**	39 605	37 202	15 084	12 108	12 523	11 391	9 324	6 834	4 321
Property, plant and equipment		**30 518**	24 895	20 347	12 435	10 222	9 801	8 809	6 218	5 231	3 357
Investments and other		**15 662**	14 710	16 855	2 649	1 886	2 722	2 582	3 106	1 603	964
Current assets		**11 500**	22 504	12 758	8 386	8 895	4 680	4 878	5 448	5 162	4 504
Total assets		**57 680**	62 109	49 960	23 470	21 003	17 203	16 269	14 772	11 996	8 825
EQUITY AND LIABILITIES											
Capital and reserves		**40 939**	43 418	32 968	13 840	14 104	10 683	9 877	9 284	6 716	5 716
Minority interest		**1 864**	1 885	1 730	215	160	128	419	62	19	14
Non-current liabilities		**9 785**	8 259	6 734	3 654	2 873	2 708	2 213	1 683	1 465	1 195
Borrowings		**1 778**	1 464	685	174	195	167	63	86	113	137
Deferred tax liabilities		**6 909**	5 247	5 048	2 919	2 378	2 271	1 887	1 390	1 156	890
Provision for long-term responsibilities		**1 098**	1 548	1 001	561	300	270	263	207	196	168
Current liabilities		**5 092**	8 547	8 528	5 761	3 866	3 684	3 760	3 743	3 796	1 900
Total equity and liabilities		**57 680**	62 109	49 960	23 470	21 003	17 203	16 269	14 772	11 996	8 825
Cash, net of short-term borrowings		**3 141**	10 347	3 189	1 837	3 981	636	2 120	3 124	3 013	3 081
Cash, net of all borrowings		**1 363**	8 883	2 504	1 663	3 786	636	2 057	3 037	2 900	2 944
Current liquidity (net current assets excluding inventories)		**2 160**	8 064	232	(311)	3 309	(233)	271	785	587	2 165
IMPLATS SHARE STATISTICS											
No. of shares in issue at year end	(m)	**599.8**	605.0	604.1	527.6	524.3	533.0	532.8	532.4	530.8	528.5
Average number of issued shares		**601.1**	604.7	551.4	526.1	529.0	532.6	532.5	531.0	529.3	527.1
Number of shares traded		**804.2**	575.1	442.8	528.8	530.4	524.2	570.6	400.0	290.8	253.3
Highest price traded	(cps)	**31 400**	36 800	25 500	17 938	7 688	8 013	8 125	9 000	5 913	3 700
Lowest price traded		**8 655**	17 202	14 438	7 200	5 312	5 206	4 325	3 588	2 998	1 925
Year end closing price		**17 045**	30 900	21 600	16 498	7 463	5 888	5 575	7 148	5 045	3 153

Ten-year statistics (continued)

US$ Information (unaudited)

For the year ended 30 June

(US$ million)	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Sales	3 026	5 140	4 375	2 745	2 023	1 716	1 303	1 184	1 573	1 108
Platinum	1 833	2 780	2 166	1 563	1 312	1 156	819	606	690	471
Palladium	205	345	291	231	172	163	182	258	411	264
Rhodium	633	1 372	1 059	582	216	98	125	182	289	190
Nickel	176	378	564	227	213	187	107	67	92	94
Other	179	265	295	142	110	112	70	71	91	89
Cost of sales	(1 801)	(2 738)	(2 365)	(1 592)	(1 342)	(1 099)	(723)	(549)	(658)	(602)
On-mine operations	(794)	(1 006)	(820)	(737)	(663)	(535)	(360)	(253)	(306)	(316)
Concentrating and smelting operations	(216)	(204)	(183)	(177)	(169)	(141)	(89)	(63)	(65)	(70)
Refining operations	(65)	(92)	(83)	(82)	(78)	(68)	(46)	(35)	(44)	(49)
Amortisation	(108)	(139)	(120)	(101)	(104)	(84)	(50)	(25)	(28)	(22)
Metals purchased	(426)	(1 516)	(1 303)	(677)	(402)	(329)	(163)	(186)	(259)	(111)
(Decrease)/increase in inventory	(192)	219	144	182	74	58	(15)	13	44	(34)
Gross profit	1 225	2 402	2 010	1 153	681	617	580	635	915	506
Other operating expenses	(55)	(73)	(66)	(53)	(52)	(37)	(29)	(20)	(15)	(15)
Royalty expense	(49)	(89)	(237)	(133)	(67)	(60)	(66)	(79)	(117)	(64)
Profit from operations	1 121	2 240	1 707	967	562	520	485	536	783	427
Finance income – net	87	74	78	35	28	8	32	26	50	36
Net foreign exchange transaction (losses)/gains	(23)	60	(2)	28	5	(32)	(37)	13	21	3
Other (expenses)/income	(6)	(18)	(30)	(23)	47	2	(6)	(10)	(8)	7
Impairment of assets	–	(12)	–	91	(166)	–	–	–	–	–
Share of profit of associates	5	93	54	18	33	48	80	69	85	35
BEE compensation charge	–	–	(249)	(15)	–	–	–	–	–	–
Profit from sale of subsidiaries/investments	–	665	–	–	510	47	–	–	–	–
Profit before tax	1 184	3 102	1 558	1 101	1 019	593	554	634	931	508
Income tax expense	(373)	(704)	(541)	(409)	(174)	(166)	(180)	(171)	(320)	(150)
Profit for the year	811	2 398	1 017	692	845	427	374	463	611	358
Attributable to minority interest	2	(15)	(13)	(6)	(3)	(3)	(3)	(1)	(1)	(0)
Profit attributable to equity holders	813	2 383	1 004	686	842	424	371	462	610	358
Earnings per share (cents)										
– Basic	135	394	182	130	159	80	70	87	115	68
– Headline (basic)	135	278	182	119	87	71	70	87	115	67
Dividend per share (cents)										
– interim + proposed	35	203	136	63	46	38	37	46	62	35
– special				108					49	

* Note: These numbers are provided for convenience and have not been audited. The income and expenditure items have been calculated using the average exchange rate for the year. Sales are the actual dollar receipts.

Operating statistics

For the year ended 30 June

		2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Gross refined production											
Platinum	(000oz)	**1 704**	1 907	2 026	1 846	1 848	1 961	1 673	1 387	1 291	1 199
Palladium	(000oz)	**1 008**	1 044	1 114	989	1 029	1 046	893	732	681	636
Rhodium	(000oz)	**248**	261	247	242	234	251	215	177	164	155
Nickel	(000t)	**14.5**	14.8	16.2	15.6	16.0	16.4	14.7	13.0	14.0	13.8
Impala refined production											
Platinum	(000oz)	**950**	1 044	1 055	1 125	1 115	1 090	1 040	1 025	1 002	1 020
Palladium	(000oz)	**426**	437	472	492	515	501	478	489	481	493
Rhodium	(000oz)	**124**	125	103	129	130	116	134	123	128	131
Nickel	(000t)	**6.2**	6.9	7.0	7.9	7.9	6.9	8.0	7.7	7.0	7.2
IRS refined production											
Platinum	(000oz)	**754**	863	971	721	733	871	633	362	289	179
Palladium	(000oz)	**582**	607	642	497	514	545	415	243	200	143
Rhodium	(000oz)	**124**	136	144	113	104	135	81	54	36	24
Nickel	(000t)	**8.3**	7.9	9.2	7.7	8.1	9.5	6.7	5.3	7.0	6.6
IRS returned metal											
Platinum	(000oz)	**194**	208	262	246	246	501	252	152	164	102
Palladium	(000oz)	**181**	199	191	190	160	314	174	102	116	93
Rhodium	(000oz)	**38**	42	47	42	54	97	18	16	21	17
Nickel	(000t)	**2.5**	2.1	0.9	2.2	1.9	1.5	0.9	0.7	0.5	
Group consolidated statistics											
Exchange rate:	(R/US$)										
Closing rate on 30 June		**7.76**	7.93	7.06	7.16	6.66	6.17	7.52	10.32	8.06	6.92
Average spot rate		**9.08**	7.26	7.19	6.39	6.19	6.86	9.02	10.13	7.61	6.32
Average rate achieved		**8.63**	7.32	7.20	6.37	6.20	6.88	9.06	10.16	7.68	6.40
Free market revenue per platinum ounce sold	($/oz)	**1 826**	3 053	2 445	1 791	1 304	1 140	939	934	1 376	1 005
Revenue per platinum ounce sold	($/oz)	**1 995**	2 941	2 369	1 721	1 279	1 116	935	934	1 321	904
	(R/oz)	**17 217**	21 528	17 057	10 963	7 930	7 678	8 471	9 489	10 145	5 786
Prices achieved											
Platinum	($/oz)	**1 219**	1 598	1 185	988	840	773	597	485	586	428
Palladium	($/oz)	**263**	390	334	258	208	223	264	389	773	465
Rhodium	($/oz)	**3 517**	6 963	5 152	3 015	1 217	548	646	1 098	2 001	1 223
Nickel	($/t)	**12 995**	30 253	34 486	15 343	14 592	11 843	7 664	5 594	6 951	7 500
Sales volumes											
Platinum	(000oz)	**1 503**	1 739	1 827	1 582	1 562	1 495	1 373	1 251	1 177	1 209
Palladium	(000oz)	**781**	885	870	896	826	733	688	663	543	656
Rhodium	(000oz)	**180**	197	206	193	177	179	193	165	145	171
Nickel	(000t)	**13.5**	12.5	16.3	14.8	14.6	15.8	13.9	12.0	14.1	14.0
Gross profit margin	(%)	**37**	47	46	42	34	36	45	53	58	46
Return on equity	(%)	**14**	38	52	28	27	27	37	68	81	55
Return on total assets	(%)	**10**	20	15	17	14	15	21	31	39	25
Debt to equity	(%)	**5**	3	2	1	1	7	3	1	2	3
Current ratio		**2.3:1**	2.6:1	1.5:1	1.5:1	2.3:1	1.3:1	1.3:1	1.5:1	1.4:1	2.4:1
Tonnes milled ex mine	(000t)	**20 083**	20 380	20 732	20 197	19 315	19 065	17 483	15 607	15 184	14 662
PGM refined production	(000oz)	**3 428**	3 644	3 858	3 490	3 549	3 725	3 162	2 639	2 464	2 308
Capital expenditure	(Rm)	**6 923**	5 368	2 887	2 248	1 992	1 822	1 787	1 250	2 090	783
	(US$m)	**756**	739	401	352	322	265	198	123	275	124
Group unit cost per platinum ounce	(R/oz)	**8 526**	7 750	6 370	5 009	4 522	4 140	3 978	3 426	3 134	2 724
	($/oz)	**939**	1 067	886	784	731	603	441	338	412	431
Group unit cost per											
platinum ounce excluding	(R/oz)	**9 129**	6 930	5 921	4 890	4 501	4 122	3 968	3 426	3 134	2 724
share based payments	($/oz)	**1 005**	954	823	765	727	601	440	338	412	431

Shareholder information

Shareholders' diary

Annual general meeting	Thursday, 22 October 2009
Final dividend declared August 2009 (Paid)	21 September 2009
Interim report release	February 2010
Interim dividend declared February 2010 (Paid)	April 2010
Financial year end	30 June 2010
Annual report release	August 2010

The following dates are applicable to dividend payments for the 2009 financial year:

	Interim dividend	Final dividend
Declared	Thursday, 19 February 2009	Thursday, 27 August 2009
Last date to trade	Friday, 6 March 2009	Friday, 11 September 2009
Trade ex dividend	Monday, 9 March 2009	Monday, 14 September 2009
Record date	Friday, 12 March 2009	Friday, 18 September 2009
Paid	Monday, 16 March	Monday, 21 September 2009
Amount	120 cents per share	200 cents per share

Analysis of shareholdings

	Number of shareholders	%	Number of shares (000)	%
1 – 1 000	24 987	77.4	8 062	1.3
1 001 – 10 000	6 015	18.6	17 337	2.7
10 001 – 100 000	1 001	3.1	33 500	5.3
100 001 – 1 000 000	227	0.7	65 692	10.4
Over 1 000 000	56	0.2	506 988	80.3
	32 286	100.0	631 579	100.0

	Number of shareholders	%	Number of shares (000)	%
Other companies	1 273	4.0	131 399	20.8
Trust funds and investment companies	7 521	23.3	95 109	15.1
Insurance companies	88	0.3	26 031	4.1
Pension funds	490	1.5	72 245	11.4
Individuals	22 464	69.6	16 259	2.6
Banks	450	1.3	290 536	46
	32 286	100.0	631 579	100.0

Glossary of terms

General

$: US Dollars

Afplats: African Platinum Limited

Aquarius: Aquarius Platinum Limited

ARM: African Rainbow Minerals Limited of which ARM Platinum is a subsidiary.

BEE: Black economic empowerment.

Bord and pillar: Underground mining method where ore is extracted from rectangular shaped rooms, leaving parts of the ore as pillars to support the roof. Pillars are usually rectangular and arranged in a regular pattern.

BMR: Base Metals Refinery.

Concentrating: A process of splitting the ground ore in two fractions, one containing the valuable minerals, the other waste.

Cost per tonne/refined platinum ounce/refined PGM ounce: The cash cost of mining, concentrating, smelting, refining, marketing and corporate office expressed per unit of measure.

Decline: A shallow dipping mining excavation used to access the orebody.

Development: Underground excavation for the purpose of accessing Mineral Reserves.

DME: Department of Minerals and Energy.

DMR: Department of Minerals Resources, previously known as the Department of Minerals and Energy (DME).

FIFR: A rate expressed per million man hours of any Impala employee, Contractor or Contractor employee or visitor who is involved in an incident whilst performing his duties at work and who sustains terminal injuries shall constitute a FATAL. Any road related fatal where the company is in full control of the vehicle, the driver and conditions related to the road injury of an employee shall constitute a fatal. A fatal injury may occur such that an employee is incapacitated for a period of time prior to expiration, thus requiring a revision of injury status from 'LTI' to 'Fatality'.

GJ: Gigajoule, a unit of energy consumption. 1GJ = one thousand million (109) joules.

g/t: grammes per tonne. The unit of measurement of grade, equivalent to parts per million.

Group unit cost per refined platinum ounce/refined PGM ounce: The cash cost of mining, concentrating and other operating expenses (marketing, corporate office) expressed per unit of mine-to-market measure, as well as the cost of smelting and refining expressed per gross unit of measure.

GSSA: Geological Society of South Africa

Glossary of terms (continued)

HDSA: Historically disadvantaged South Africans, being South African nationals who were, prior to 1994, disadvantaged whether by legislation or convention.

Head grade: The value, usually expressed in parts per million or gram per tonne, of the contained mineralisation of economic interest in material delivered to the mill.

***In situ*:** In its natural position or place.

IRS: Impala Refining Services Limited.

JIBAR: Johannesburg Interbank Acceptance Rate.

JORC: The Australasian Code for Reporting of Mineral Resources and Ore Reserves.

JSE: JSE Limited, the South African securities exchange based in Johannesburg. Formerly, the JSE Securities Exchange and prior to that the Johannesburg Stock Exchange.

LIBOR: London Interbank Offering Rate.

LSE: London Stock Exchange.

LME: London Metals Exchange.

LHD: Load-haul dumper vehicle.

LTIFR: A rate expressed per million man hours of a work-related injury resulting in the employee being unable to attend work, at his/her place of work, performing his/her assigned duties, on the next calendar day (whether a scheduled work day or not) after the day of the injury. If the appointed medical professional advises that the injured person is unable to attend work on the next calendar day after the injury, regardless of the injured person's next rostered shift, a lost-time injury is deemed to have occurred. Lost-time injuries (LTI) include reportable and fatal injuries.

Merensky Reef: A horizon in the Critical Zone of the Bushveld Complex often containing economic grades of PGM. The term "Merensky Reef" as it is generally used refers to that part of the Merensky unit that is economically exploitable, regardless of the rock type.

Milling: Grinding of ore into the fine particles to expose the valuable minerals.

MPRDA: The Mineral and Petroleum Resources Development Act of 2002.

NYSE: New York Stock Exchange.

OECD: Organisation for Economic Co-operation and Development.

3PGE+Au: Refers to the sum of platinum, palladium, rhodium and gold as determined by a fire assay method (typically by a lead collection procedure); notably there are various methods in use at different laboratories and companies; these are not directly comparable. These fire assay methods typically under-measure the actual content of total platinum, palladium, rhodium and gold content.

5PGE+Au: Refers to the sum of platinum, palladium, rhodium, ruthenium, iridium and gold as determined by a NiS fire assay procedure; this is the most accurate assay procedure, the results of which can be compared between laboratories. It is however time consuming and expensive.

PGE: Platinum group elements comprising six elemental metals of the platinum group. The metals are platinum, palladium, rhodium, ruthenium, iridium and osmium.

PGM: Platinum group metals being the metals derived from PGE.

PMR: Precious Metals Refinery.

Reef: A local term for a metalliferous mineral deposit.

SAIMM: South African Institute of Mining and Metallurgy.

SAMREC: South African Mineral Resource Committee.

SAMREC code: The South African code for the reporting of exploration results, Mineral Resources and Mineral Reserves.

SENS: Stock Exchange News Service of the JSE.

Seismic surveys: A geophysical exploration method whereby rock layers can be mapped based on the time taken for energy reflected from these layers to return to surface.

Smelting: A smelting process to upgrade further the fraction containing the valuable minerals.

Stoping: Underground excavations to effect the removal of ore.

UG2 Reef: A distinct chromitite horizon in the Critical Zone of the Bushveld Complex often containing economic grades of PGM.

Resource and Reserve definitions

SAMREC Code – The South African Code for Reporting of Mineral Resources and Mineral Reserves sets out minimum standards, recommendations and guidelines for Public Reporting of Exploration Results, Mineral Resources and Mineral Reserves in South Africa. SAMREC was established in 1998 and is modelled on the Australasian Code for Reporting of Mineral Resources and Ore Reserves (JORC Code). An updated version of SAMREC was published in 2007.

In terms of SAMREC, a Competent Person is one who is registered with the South African Council for National Scientific Professions (SACNASP), the Engineering Council of South Africa (ECSA) or the South African Council for Professional Land Surveyors and Technical Surveyors (PLATO), or is a member of or Fellow of the SAIMM, the GSSA or a recognised overseas professional organisation (ROPO). A complete list of such recognised organisations is promulgated by the SSC from time to time. The Competent Person must comply with the provisions of the relevant promulgated Acts. A Competent Person must have a minimum of five years' experience relevant to the style of mineralisation and type of deposit or class of deposit under consideration and to the activity they undertake. If the competent person is estimating or supervising the estimation of Mineral Resources, the relevant experience must be in the estimation, assessment and evaluation of Mineral Resources. If the competent person is estimating or supervising the estimation of Mineral Reserves, the relevant experience must be in the estimation, assessment and evaluation of Mineral Reserves. Persons called upon to sign as a Competent Person must be clearly satisfied in their own minds that they are able to face their peers and demonstrate competence in the commodity, type of deposit and situation under consideration.

A **Mineral Resource** is a concentration (or occurrence) of material of economic interest in or on the

Earth's crust in such form, quality and quantity that there are reasonable and realistic prospects for eventual economic extraction. The location, quantity, grade, continuity and other geological characteristics of a Mineral Resource are known, estimated from specific geological evidence and knowledge, or interpreted from a well constrained and portrayed geological model. Mineral Resources are subdivided, in order of increasing confidence in respect of geoscientific evidence, into Inferred, Indicated and Measured categories.

An **Inferred Mineral Resource** is that part of a Mineral Resources for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that may be limited or of uncertain quality and reliability.

An **Indicated Mineral Resource** is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed.

A **Measured Mineral Resource** is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a high level of confidence. It is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are spaced closely enough to confirm geological and grade continuity.

A **Mineral Reserve** is the economically mineable material derived from a Measured and/or Indicated Mineral Resource. It is inclusive of diluting materials and allows for losses that may occur when the material is mined. Appropriate assessments, which may include feasibility studies, have been carried out, including consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and government factors. These assessments demonstrate at the time of reporting that extraction is reasonably justified. Mineral Reserves are sub-divided in order of increasing confidence into Probable Mineral Reserves and Proved Mineral Reserves.

A **Probable Mineral Reserve** is the economically mineable material derived from a Measured and/or Indicated Mineral Resource. It is estimated with a lower level of confidence than a Proved Mineral Reserve. It is inclusive of diluting materials and allows for losses that may occur when the material is mined. Appropriate assessments, which may include feasibility studies, have been carried out, including consideration of, and modification by, realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction is reasonably justified.

A **Proved Mineral Reserve** is the economically mineable material derived from a Measured Mineral Resource. It is estimated with a high level of confidence. It is inclusive of diluting materials and allows for losses that may occur when the material is mined. Appropriate assessments, which may include feasibility studies, have been carried out, including consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction is reasonably justified.

Notice to shareholders

The fifty-third annual general meeting of members will be held in the Boardroom, 2nd Floor, 2 Fricker Road, Illovo, Johannesburg on 22 October 2009 at 11:00 for the following purposes:

Annual financial statements

1. To receive and consider the financial statements for the year ended 30 June 2009.

Directorate

2. To elect directors in place of those retiring in terms of the articles of association. The following directors are eligible and offer themselves for re-election:

   Ms D Earp, Dr K Mokhele and Ms NDB Orleyn.

   Mr S Bessit retires at this meeting and does not offer himself for re-election.

   Curriculum vitae of the retiring directors who offer themselves for re-election are set out on page 107.

3. To determine the remuneration of the directors for the forthcoming year (refer to page 121 of the Remuneration Report)

Ordinary Resolution

4. Morokotso Trust
   To pass, with or without modification, the following resolution as an ordinary resolution:

   "That the amended Trust Deed constituting the Morokotso Trust, a copy of which has been laid before this meeting and signed by the chairman for the purpose of identification, be and is hereby adopted by the company in substitution for the existing Trust Deed approved by shareholders on 4 July 2006."

A summary of the principal amendments to the Trust Deed appears on page 108.

Special business

5. Share buy-back
   To pass, with or without modification, the following resolution as a special resolution:

   ### Special Resolution

   "Resolved that in terms of the company's articles of association, the company's directors be hereby authorised, by way of a general authority, to repurchase issued shares in the company or to permit a subsidiary of the company to purchase shares in the company, as and when deemed appropriate, subject to the following requirements:

   (a) that this authority shall be valid until the company's next annual general meeting provided that it shall not extend beyond fifteen (15) months from the date of this annual general meeting;

Special business (continued)

5. Share buy-back (continued)

(b) that any such repurchase be effected through the order book operated by the JSE Limited ("the JSE") trading system and done without any priority understanding or agreement between the company and the counterparty;

(c) that authorisation thereto is given by the company's articles of association;

(d) that a paid announcement giving such details as may be required in terms of the Listings Requirements of the JSE ("Listings Requirements") be published when the company or its subsidiaries have repurchased in aggregate 3% of the initial number of shares in issue, as at the time that the general authority was granted, and for each 3% in aggregate of the initial number of shares which are acquired thereafter;

(e) that a general repurchase may not, in the aggregate in any one financial year, exceed 10% of the number of shares in the company's issued share capital at the time this authority is given, provided that a subsidiary of the company may not hold at any one time more than 10% of the number of issued shares of the company;

(f) that no repurchase will be effected during a prohibited period (as defined by the Listings Requirements) unless a repurchase programme is in place, where dates and quantities of shares to be traded during the prohibited period are fixed and full details of the programme have been disclosed in an announcement over SENS prior to the commencement of the prohibited period;

(g) that at any one point in time, the company may only appoint one agent to effect repurchases on the company's behalf;

(h) that the company may only undertake a repurchase of securities if, after such repurchase, the spread requirements of the company comply with Listings Requirements;

(i) that, in determining the price at which shares may be repurchased in terms of this authority, the maximum premium permitted is 10% above the weighted average traded price of the shares as determined over the five (5) days prior to the date of repurchase "the maximum price"; and

(j) that such repurchase shall be subject to the Companies Act 1973 (Act 61 of 1973) as amended, ("the Companies Act") and the applicable provisions of the JSE Listings Requirements."

Special business (continued)

5. Share buy-back (continued)

The board of directors of Implats ("the board"), as at the date of this notice, has stated its intention to examine methods of returning capital to shareholders in terms of the general authority granted at the last annual general meeting. The board believes it to be in the best interest of Implats that shareholders pass a special resolution granting the company and/or its subsidiaries a further general authority to acquire Implats shares. Such general authority will provide Implats and its subsidiaries with the flexibility, subject to the requirements of the Companies Act and the Listings Requirements, to purchase shares should it be in the interest of Implats and/or its subsidiaries at any time while the general authority subsists.

The board undertakes that it will not implement any repurchase during the period of this general authority unless:

- the company and the group will be able, in the ordinary course of business to pay their debts for a period of 12 months after the date of the annual general meeting;
- the assets of the company and the group will be in excess of the combined liabilities of the company and the group for a period of 12 months after the date of the notice of the annual general meeting. The assets and liabilities have been recognised and measured for this purpose in accordance with the accounting policies used in the latest audited annual group financial statements;
- the company's and the group's ordinary share capital and reserves will, after such payment, be sufficient to meet their needs for a period of 12 months following the date of the annual general meeting;
- the company and the group will, after such payment have sufficient working capital to meet their needs for a period of 12 months following the date of the annual general meeting; and
- a general repurchases of the company's shares shall only take place after the JSE has received written confirmation from the company's sponsor in respect of the directors' working capital statement.

Reasons for and effect of the Special Resolution

The reason for and the effect of the special resolution is to grant the company's directors a general authority, up to and including the date of the following annual general meeting of the company, to approve the company's purchase of shares in itself, or to permit a subsidiary of the company to purchase shares in the company.

For purposes of considering the special resolution and in compliance with rule 11.26 of the JSE Listings Requirements, the information listed below has been included in this annual report:

- Directors and management – refer page 118 of this report.
- Major shareholders – refer page 116 of this report.
- Directors' interest in securities – refer page 118 of this report.
- Share capital of the company – refer page 116 of this report.

Special business (continued)

5. Share buy-back (continued)

Reasons for and effect of the Special Resolution (continued)

- The directors, whose names are set out on page 90 of this report, collectively and individually accept full responsibility for the accuracy of the information contained in this special resolution and certify that to the best of their knowledge and belief there are no other facts, the omission of which would make any statement false or misleading, and that they have made all reasonable enquiries in this regard.

Litigation – there are no legal or arbitration proceedings (including any such proceedings that are pending or threatened of which the company is aware) which may have or have had a material effect on the group's financial position in the previous 12 months.

In terms of the JSE Listings Requirements, shares held by and registered in the name of any Implats Employee Share Trust will not be voted at the annual general meeting.

By order of the board

Registered Office
2 Fricker Road
Illovo
Johannesburg
2196

A Parboosing
Group company secretary

27 August 2009

Note

A member entitled to attend and vote is entitled to appoint one or more proxies to attend and speak and vote in his stead. A proxy need not be a member.

Form of proxy

(Incorporated in the Republic of South Africa)
(Registration number: 1957/001979/06)
(Share code:IMP) (ISIN:ZAE000083648)
("Implats" or "the Company")

FOR USE BY: CERTIFICATED REGISTERED MEMBERS on the South African and London register
Dematerialised "own name" registered holders

This form of proxy is not for use by members who have already dematerialised their Implats shares through a CSDP other than "own name" dematerialised shareholders.

For use at the annual general meeting of the company to be held on Thursday, 22 October 2009 at 11:00 (the annual general meeting)

I/We

of

appoint (See Note 1):

1. or, failing him,

2. or, failing him,

3. the chairman of the annual general meeting.

As my/our proxy to act for me/us at the annual general meeting of the company which will be held in the 2nd Floor Boardroom, 2 Fricker Road, Illovo, Johannesburg, at 11:00 on Thursday, 22 October 2009, and at each adjournment or postponement thereof, and to vote for and/or against the resolutions and/or abstain from voting in respect of the shares in the issued capital of the company registered in my/our name/s (see Note 2).

Resolutions	Number of ordinary shares		
	For	Against	Abstain
Ordinary resolutions			
Approval of Annual Financial Statements			
Re-appointment of directors –			
D Earp			
K Mokhele			
NDB Orleyn			
Directors' remuneration			
Special business			
Ordinary resolution – Morokotso Trust			
Special resolution – share buy-back			

Insert in the relevant space above the number of shares held.

Signed at on 2009

Signature

Assisted by (where applicable)

Each ordinary shareholder is entitled to appoint one or more proxies (who need not be a shareholder/s of the company) to attend, speak and vote in place of that shareholder at the annual general meeting.

Form of proxy (continued)

Notes

1. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided, with or without deleting "the chairman of the annual general meeting". Any such deletion must be initialled by the shareholder. The person present at the meeting whose name appears first on the form of proxy and has not been deleted will be entitled to act as proxy to the exclusion of those whose names follow.

2. A shareholder's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate space provided. Failure to comply with the above will be deemed to authorise the proxy to vote or to abstain from voting at the annual general meeting as he deems fit in respect of all the shareholder's votes exercisable thereat. A shareholder or his proxy is not obliged to use all the votes exercisable by the shareholder or by his proxy, but the total of the votes cast and in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the shareholder or his proxy.

3. Any alteration or correction to this form must be initialled by the signatory/ies.

4. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form unless previously recorded by the transfer secretaries of the company or waived by the chairman of the annual general meeting.

5. The completion and lodging of this form will not preclude the relevant shareholder from attending the annual general meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so.

6. Forms of proxy must be lodged with or posted to the company's transfer secretaries to be received not later than 24 hours (excluding Saturdays, Sundays and public holidays) before the time of the meeting.

7. This form of proxy expires after the conclusion of the meeting stated herein except at an adjournment of that meeting or at a poll demanded at such meeting.

Transfer secretaries

Computershare Investor Services (Pty) Limited
70 Marshall Street
Johannesburg
2001
(PO Box 62053
Marshalltown
2107)

United Kingdom transfer secretaries

Computershare Investor Services plc
The Pavilions
Bridgwater Road
Bristol
BS13 8AE

Contact details and administration

Registered office and Secretary

2 Fricker Road
Illovo, 2196
Private Bag X18
Northlands
2116
Telephone: +27(11) 731 9000
Telefax: +27(11) 731 9254
email: investor@implats.co.za

Registration No: 1957/001979/06
Share codes:
JSE:IMP/IMPO
LSE: IPLA
ADR's: IMPUY
ISIN: ZAE 000083648
Website: http://www.implats.co.za

Impala and Impala Refining Services

Head office
2 Fricker Road
Illovo, 2196
Private Bag X18
Northlands, 2116
Telephone: +27 (11) 731 9000
Telefax: +27 (11) 731 9254

Impala Platinum (Rustenburg)

P.O. Box 5683
Rustenburg, 0300
Telephone: +27 (14) 569 0000
Telefax: +27 (14) 569 6548

Impala Platinum Refineries

P.O. Box 222
Springs, 1560
Telephone: +27 (11) 360 3111
Telefax: +27 (11) 360 3680

Marula Platinum

2 Fricker Road
Illovo, 2196
Private Bag X18
Northlands, 2116
Telephone: +27 (11) 731 9000
Telefax: +27 (11) 731 9254

Zimplats

Block B
Emerald Park
30 The Chase (West)
Emerald Hill
Harare, Zimbabwe

PO Box 6380
Harare
Zimbabwe
Telephone: +26 (34) 332 590/3
Fax: +26 (34) 332 496/7
email: info@zimplats.co.zw

Impala Platinum Japan Limited

Uchisaiwaicho Daibiru, Room No. 702
3-3 Uchisaiwaicho
1-Chome, Chiyoda-ku
Tokyo
Japan
Telephone: +81 (3) 3504 0712
Telefax: +81 (3) 3508 9199

Group Company Secretary

Avanthi Parboosing
email: avanthi.parboosing@implats.co.za

United Kingdom Secretaries

St James's Corporate Services Limited
6 St James's Place
London
SW1A 1NP
United Kingdom
Telephone: +44 (020) 7499 3916
Telefax: +44 (020) 7491 1989
email: phil.dexter@corpserv.co.uk

Public Officer

François Naude
email: francois.naude@implats.co.za

Transfer Secretaries

South Africa

Computershare Investor Services (Pty) Limited
70 Marshall Street
Johannesburg 2000
P.O Box 61051
Marshalltown 2107
Telephone: +27(11) 370 5000
Fax: +27 (11) 688 5200

United Kingdom

Computershare Investor Services plc
The Pavilions
Bridgwater Road
Bristol
BS13 8AE

Auditors

PricewaterhouseCoopers Inc
2 Eglin Road
Sunninghill
Johannesburg
2157

Corporate Relations

Bob Gilmour
Investors queries may be directed to:
investor@implats.co.za

Russell and Associates 2595/09