

Consolidated annual results for the year ended 30 June 2006 (Audited)



Balance Sheet		
(All amounts in Rand millions unless otherwise stated)	As at 30 June 2006	As at 30 June 2005
ASSETS		
Non-current assets		
Property, plant and equipment	12,270.1	10,035.0
Investments in associates	1,167.9	901.2
Available-for-sale financial investments	761.1	276.4
Held-to-maturity-investments	108.2	99.3
Other receivables	611.3	609.2
	14,918.6	11,921.1
Current assets		
Inventories	2,936.0	1,721.1
Trade and other receivables	3,585.6	3,189.9
Cash and cash equivalents	1,864.4	3,984.3
	8,386.0	8,895.3
Total assets	23,304.6	20,816.4
EQUITY		
Capital and reserves attributable to the equity holders of the holding company		
Share capital	362.6	120.4
Other reserves	114.0	(506.1)
Retained earnings	13,373.5	14,496.0
Ordinary shareholders interest	13,850.1	14,110.3
Minority interest	214.8	159.8
Total equity	14,064.9	14,270.1
LIABILITIES		
Non-current liabilities		
Borrowings	11.3	-
Deferred income tax liabilities	2,922.8	2,381.1
Provision for employee benefit obligations	187.5	64.6
Provision for future rehabilitation	335.4	234.9
Derivative financial instruments	38.2	-
	3,495.2	2,680.6
Current liabilities		
Trade and other payables	4,741.1	3,582.4
Current income tax liabilities	926.9	280.0
Borrowings	11.3	3.3
Derivative financial instruments	65.2	-
	5,744.5	3,865.7
Total liabilities	9,239.7	6,546.3
Total equity and liabilities	23,304.6	20,816.4

Income Statement			
(All amounts in Rand millions unless otherwise stated)	Year ended 30 June 2006	Change %	Year ended 30 June 2005
Sales	17,500.2	39.5	12,540.8
On-mine operations	(4,722.7)		(4,109.5)
Concentrating and smelting operations	(1,129.6)		(1,043.3)
Refining operations	(545.2)		(502.1)
Amortisation of mining assets	(622.5)		(628.8)
Metals purchased	(4,326.2)		(2,488.9)
Increase in metal inventories	1,161.0		454.8
Cost of sales	(10,185.2)	(22.5)	(8,317.8)
Gross profit	7,315.0		4,223.0
Net foreign exchange transaction gains	177.8		32.5
Other operating expenses	(340.0)		(318.9)
Other (expenses)/income	(147.6)		292.2
Other gains – net	303.8		249.8
Finance costs	(58.5)		(54.3)
Share of profit of associates	114.8		203.7
Royalty expense	(851.8)		(414.9)
Profit from sale of investment in Lonplats	-		3,155.0
BEE compensation charge	(95.3)		-
Reversal of impairment/(impairment) of assets	583.1		(1,033.8)
Profit before tax	7,001.3	10.5	6,334.3
Income tax expense	(2,616.2)		(1,080.4)
Profit for the year	4,385.1	(16.5)	5,253.9
Profit attributable to:			
Equity holders of the company	4,345.4		5,237.6
Minority interest	39.7		16.3
	4,385.1		5,253.9
Earnings per share (expressed in cents per share)			
- basic	6,607	(16.6)	7,920
- diluted	6,589	(16.7)	7,914
Dividends to group shareholders (expressed in cents per share)			
- final dividend June 2006/5 proposed	2,200	22.2	1,800
- interim dividend December 2005/4 paid	1,000	100.0	500
- special dividend paid	5,500		-
	8,700		2,300

Summary of Business Segments							
(All amounts in Rand millions, unless otherwise stated)							
Mining segment				Total Mining segment	Refining Services segment	Investment and Other segment	Inter segment adjustment
Impala	Marula	Zimplats	Mimosa				
for the year ended 30 June 2006							
Total sales	16,864.9	511.1	1,037.9	436.0	18,849.9	6,221.6	(7,571.3)
Cost of sales	10,926.3	416.2	606.2	207.0	12,155.7	5,336.5	(7,307.0)
Gross profit	5,938.6	94.9	431.7	229.0	6,694.2	885.1	(264.3)
Profit for the year	3,350.3	402.6	305.1	174.8	4,232.8	715.0	(355.0)
for the year ended 30 June 2005							
Total sales	12,040.6	237.0	696.1	304.8	13,278.5	4,072.3	(4,810.0)
Cost of sales	8,507.8	360.4	557.3	214.1	9,639.6	3,460.5	(4,782.3)
Gross profit	3,532.8	(123.4)	138.8	90.7	3,638.9	611.8	(27.7)
Profit for the year	2,077.0	(955.4)	131.4	94.7	1,347.7	538.2	(27.7)



➤ Safety levels at record lows

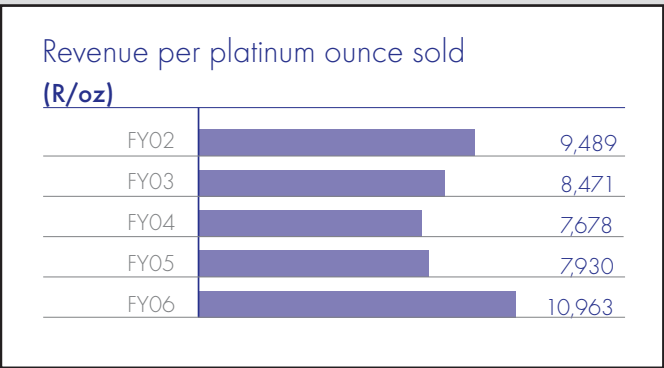
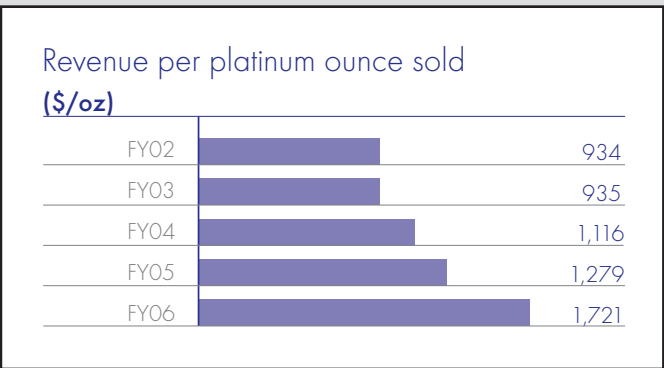
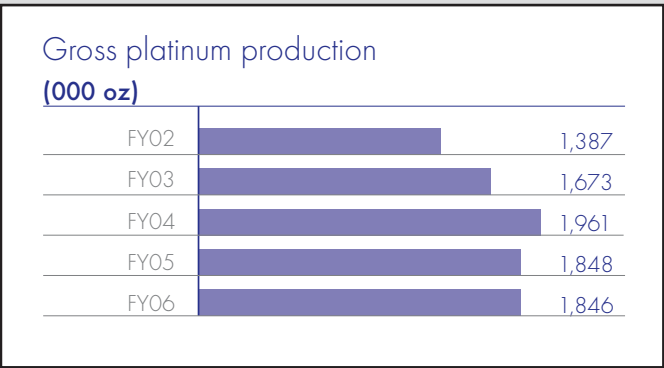
➤ Gross platinum production steady at 1.846 million ounces

➤ Record production at Impala Platinum of 1.125 million ounces

➤ Sales up by 40% to record R17.5 billion

➤ Headline earnings per share up 39%

➤ Final dividend of R22.00 per share



Statement of Changes in Shareholders' Equity					
(All amounts in Rand millions unless otherwise stated)	Attributable to equity holders of the Company			Minority interest	Total equity
	Share capital	Other reserves	Retained earnings		
Balance at 30 June 2004	657.9	(626.3)	10,653.2	10,684.8	128.1
Fair value gains, net of tax:					
- Available-for-sale financial investments		76.6		76.6	76.6
Currency translation differences, net of tax		72.6		72.6	8.6
Net income recognised directly in equity	149.2		149.2	8.6	157.8
Profit for the year		5,237.6	5,237.6	16.3	5,253.9
Total recognised income for 2005	149.2	5,237.6	5,386.8	24.9	5,411.7
Employee share option scheme:					
- Proceeds from shares issued	53.3		53.3		53.3
- Fair value of employee service	22.3		22.3		22.3
Purchase of treasury shares by subsidiary	(613.1)		(613.1)		(613.1)
Final dividend relating to 2004		(1,062.6)	(1,062.6)		(1,062.6)
Interim dividend relating to 2005		(332.2)	(332.2)		(332.2)
Transactions with minorities:					
- Purchase of additional share in Zimplats Holdings Limited		(29.0)	(29.0)	6.8	(22.2)
	(537.5)	(29.0)	(1,394.8)	(1,961.3)	6.8
Balance at 30 June 2005	120.4	(506.1)	14,496.0	14,110.3	159.8
Fair value gains, net of tax:					
- Available-for-sale financial investments		414.4		414.4	414.4
Currency translation differences, net of tax		110.7		110.7	16.3
Net income recognised directly in equity	525.1		525.1	16.3	541.4
Profit for the year		4,345.4	4,345.4	39.7	4,385.1
Total recognised income for 2006	525.1	4,345.4	4,870.5	56.0	4,926.5
Employee share option scheme:					
- Proceeds from shares issued	213.9		213.9		213.9
- Fair value of employee service	28.3		28.3		28.3
Final dividend relating to 2005		(1,181.9)	(1,181.9)		(1,181.9)
Interim dividend relating to 2006		(661.9)	(661.9)		(661.9)
Special dividend		(3,624.1)	(3,624.1)		(3,624.1)
Share of revaluation reserve in associate		0.2	0.2		0.2
BEE compensation charge from sale of shares in Marula Platinum Limited		95.3	95.3		95.3
Transactions with minorities:					
- Purchase of additional share in Zimplats Holdings Limited		(0.5)	(0.5)	(1.0)	(1.5)
	242.2	95.0	(5,467.9)	(5,130.7)	(1.0)
Balance at 30 June 2006	362.6	114.0	13,373.5	13,850.1	214.8

Cash Flow Statement			
(All amounts in Rand millions unless otherwise stated)	Year ended 30 June 2006		Year ended 30 June 2005
Cash flows from operating activities	6,497.0		3,755.5
Cash generated from operations	(40.4)		(37.4)
Interest paid	(1,553.9)		(931.1)
Income tax paid			
Net cash from operating activities	4,902.7		2,787.0
Cash flows from investing activities	(1.5)		(22.2)
Increase in shareholding in subsidiary	(2,176.7)		(1,995.5)
Purchase of property, plant and equipment	101.7		31.9
Proceeds from sale of property, plant and equipment	(151.7)		(82.3)
Increase in investments in associates	-		22.1
Payment received from associate on shareholders loan	-		4,919.8
Disposal of investment in associate	-		(617.5)
Loans granted	36.5		41.7
Loan repayments received	356.3		200.1
Interest received	10.9		1.0
Dividends received			
Net cash (used in)/generated from investing activities	(1,824.5)		2,499.1
Cash flows from financing activities	213.9		53.3
Issue of ordinary shares	-		(613.1)
Purchase of treasury shares by subsidiary	6.9		(548.1)
Proceeds from/(repayments of) short-term borrowings	10.2		
Proceeds from long-term borrowings	(5,467.9)		(1,394.8)
Dividends paid to company's shareholders			
Net cash used in financing activities	(5,236.9)		(2,502.7)
Net (decrease)/increase in cash and cash equivalents	(2,158.7)		2,783.4
Cash and cash equivalents at beginning of year	3,984.3		1,187.0
Effects of exchange rate changes on monetary assets	38.8		13.9
Cash and cash equivalents at end of year	1,864.4		3,984.3

Notes

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), the South African Companies Act and the regulations of the JSE Limited and are prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial investments, and financial assets and financial liabilities (including derivative instruments) at fair value through the income statement or the statement of changes in equity. The principal accounting policies used by the group are consistent with those of the previous year, unless otherwise stated.

CHANGES IN ACCOUNTING POLICIES

The group has adopted the following accounting standards and interpretations of standards (IFRIC) as at 1 July 2005:

- IAS 16 Property, plant and equipment (revised) - impact described below
- IAS 21 The effects of changes in foreign exchange rates (revised) - no impact
- IAS 39 Financial Instruments: Recognition and Measurements (revised) - no impact
- IFRS 4 Insurance contracts - no impact
- IFRS 5 Non-current Assets Held for Sale and Discontinued Operations - no impact
- IFRIC 6 Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment - no impact
- IFRIC 7 Applying the Restatement Approach under IAS 29 (Financial Reporting in Hyperinflationary Economies) - no impact
- IFRIC 8 Scope of IFRS 2 (Share Based Payments) and AC 503 Accounting for BEE Transactions - impact described below
- IFRIC 9 Reassessment of Embedded Derivatives - no impact

IAS 16 Property, plant and equipment

The adoption of IAS16 (revised) requires the group to identify significant components of property, plant and equipment and to annually reassess the remaining useful lives and residual values of tangible assets at each financial year end. Any reassessment performed is applied prospectively and requires the

continued

“Headline earnings per share up 39%.”

KEITH RUMBLE – CHIEF EXECUTIVE OFFICER

A copy of the annual report is available on the Internet website:

<http://www.implats.co.za>

Alternatively please contact the Company Secretary, via e-mail at alan.snashall@implats.co.za or by post at P.O. Box 61386, Marshalltown 2107, South Africa. Telephone: (011) 481 3900

Extracts from the Annual Report

SAFETY

The group continued to make steady progress in reducing workplace injuries and achieved a lost time injury frequency rate (LTIFR) at 3.41 per million manhours and a fatal injury frequency rate (FIFR) at 0.063 per million manhours which are at all time lows.

Over the past five years, both the LTIFR and FIFR have improved by approximately 60%. In the past financial year, LTIFR improved at all Implats' operations with the exception of Zimplats, which nevertheless remains the best performer in the group with respect to safety.

It is however with regret that Implats reports that during the past year seven fatalities occurred at Impala Platinum of which three were caused by falls of ground. Behaviour-based safety initiatives and a continued focus on reducing injuries caused by falls of ground through improved understanding of rock engineering and support systems remain the cornerstones of safety initiatives within the Group, and particularly at deep-level mining operations. Renewed efforts will be required to drive Implats towards its long term goal of zero injuries.

PERFORMANCE

The strength of the market for platinum group metals (PGMs) continued unabated, particularly for platinum and rhodium. The price of platinum reached an all-time high of \$1,335 per ounce in May 2006, while rhodium exceeded \$6,000 per ounce in the same month. Dollar revenues per platinum ounce sold rose by 35%, while rand revenues were 38% higher owing to the depreciation of the local currency.

Key operating and financial performance indicators pertaining to the business for the period under review are:

- Gross platinum production was virtually unchanged at 1.846 million ounces, with 1.125 million ounces (61%) deriving from the Impala lease area.
- Sales were up 40% on FY2005, reaching a record R17.5 billion [\$2.7 billion]. This was as a result of strong dollar metal prices.
- The average rand/dollar exchange rate was R6.37/\$ for the year, with the closing rand:dollar exchange rate at R716/\$.
- Cost of sales rose by 22% mainly due to the higher costs of metals purchased.
- Group unit cost per platinum ounce refined excluding share based payments was up 8.7% over the period, in part as a result of a 6.5% wage and benefits increase granted at Impala Platinum during the period, and aggravated by lower than expected grade and extra costs associated with the 4.6% increase in tonnes milled.
- Profit decreased year-on-year to R4.4 billion [\$693 million] due to the impact of the extraordinary profit from the Lonplats sale in the previous year.
- Headline earnings per share rose by 39% to 6,006 cents per share (949 US cents per share, which is an increase of 37% in dollar terms).
- Gross margins for the Group improved to 42% from 34% in the previous year, while Impala Platinum improved to 53%.

BLACK ECONOMIC EMPOWERMENT

Black Economic Empowerment [BEE] has been a key focus for the Group during the year.

At the Impala Platinum level, the company has entered into three separate transactions to enable it to achieve BEE equity ownership of an estimated 26%. These are:

- The sale of our stake in Lonplats' Eastern and Western Platinum mines in September 2004 which led directly to the creation of Inwala Resources, a BEE-resources company.
- The transaction with Royal Bafokeng Resources [RBR], our long-term partner, in December 2005 whereby the RBR will ultimately hold approximately a 9% stake in Implats. A great deal of effort has gone into making this transaction stand out from other BEE deals, making it sustainable, providing the RBR with access to cash flows from the outset and ensuring that it is broad-based.
- The creation of an Employee Share Ownership Programme [ESOP] which ensures that some 28,000 lowest level employees will have a direct interest in the equity of Implats.

Once these transactions have all been completed, the BEE stake at the Impala Platinum level will exceed the 26% required by South African minerals legislation.

At Marula Platinum, agreements have been signed with three BEE-representative entities, namely Tubatse Platinum, the Marula Community Trust and Mmakau Mining, to acquire a combined 22.5% stake in the operation. This falls just short of the target of 26% BEE ownership by 2014. Once again, every effort has been made to ensure that this transaction is affordable, sustainable and broad-based.

OPERATIONS

Impala Platinum

Record production of 1.125 million platinum ounces was achieved which was about 30,000 platinum ounces less than expected owing to lower than expected grades, slower-than-expected improvements in mining efficiencies and the loss of three shifts in the second half of the year due to union confederation Cosatu's national stayaway.

Mill grades deteriorated by 4% from the previous year, due to failure to improve overall dilution required to offset the lower grade from the increased mechanised tonnage. Furthermore, the expected benefits from in-stope drill jigs have not yet fully materialised as the learning curve related to their implementation appears now to be longer than had been planned.

Good progress is being made with the 16 and 20 shaft projects to ensure continued annual production of between 1.1 to 1.2 million platinum ounces per annum. The last of the third generation shafts, 20 shaft, will reach full production of 185,000 tonnes per month in 2011 (166,000 ounces of platinum annually), while 16 shaft, the first of the fourth generation shafts will produce 225,000 tonnes per month (192,000 ounces of platinum annually) at full production in 2015. Implats' total capital investment in these two shafts will amount to R6.6 billion.

Conceptual investigations are currently underway at Impala Platinum's Mineral Processing and Refining operations that could ultimately increase smelter capacity to 2.8 million ounces of platinum per annum at an estimated cost of R750 million. In March 2006, the company announced that it would embark on a R150 million capital upgrade of the No 4 furnace, bringing total nameplate capacity of 2.3 million ounces per annum, and allowing for both planned and unplanned furnace maintenance periods.

Impala Platinum's Refineries continued to deliver an excellent performance, not only for Impala, but also for Impala Refining Services [IRS], which markets and sells the excess capacity not used by Impala. Expansion of the Precious Metals Refinery from 2.0 to 2.3 million ounce nameplate capacity at a cost of R50 million is currently underway, as is a feasibility study to increase the Base Metals Refinery's capacity from 2.0 to 2.3 million ounces of platinum per annum.

Marula

Steady progress is being made at Marula Platinum with production of platinum-in-concentrate up by 34% on last year although this was admittedly at a slower rate than had been anticipated. The implementation of the off-reef development plan is exceeding expectations and is four months ahead of schedule. Plans remain on schedule to achieve full production by the end of the 2009 financial year.

Two Rivers

The Two Rivers Platinum mine, which commenced mining this year, will reach full production in 2008 and will provide significant additional growth to Implats' portfolio over the next five years. Its rapid ramp up to full production has been a credit to our partners at African Rainbow Minerals Limited (ARM), and to the combined ARM/Implats team that has been involved in the project. This mine will produce about 120,000 ounces of platinum per annum, over a 20-year life-of-mine. The decision to undertake trial mining prior to startup has enabled management to determine the optimal mining method for the orebody.

Zimplats

Implats' conservative and consistent approach to its operations in Zimbabwe was rewarded in May 2006 when, following extensive negotiations with the Government of Zimbabwe, Implats' subsidiary Zimplats was able to reach agreement with the Government on the release by Zimplats of a portion of its mining claims (some 36% of the company's resource base on the Great Dyke, equivalent to 51 million ounces of platinum) in exchange for a combination of empowerment credits and cash. In return, the company expects to receive security of tenure in respect of Zimplats' long-term expansion programme in terms of a special mining lease regime which will allow for operations of at least 1 million ounces of platinum per annum over a 50-year life-of-mine.

The Zimplats and Implats boards announced the immediate approval of Phase 1 of the long-term expansion plan, and the replacement of the remaining opencast operation with underground operations. The simultaneous development of two new underground mines at Ngezi, the further transition of existing opencast operations to underground mines and the construction of a 1.5 million-tonne per annum concentrator at Ngezi will require the investment of US\$258 million. Platinum production is set to rise from the current level of 90,000 ounces per annum to 160,000 ounces per annum by FY2010. In addition, the mine will create 1,200 new direct jobs, plus an estimated 3,000 contractor jobs during the three-year construction phase.

Mimosa

Mimosa Platinum is a highly profitable operation and the decision by joint venture partners Implats and Aquarius to proceed with a US\$14 million expansion to increase production to 85,000 platinum ounces per annum has already been vindicated. Incremental expansion at this operation continues to be considered.

Impala Refining Services

Although production at Impala Refining Services [IRS] declined marginally, financially, its performance exceeded expectations, increasing by 53% and contributing 18% to group headline profit. IRS benefited from improved deliveries from Marula Platinum, and from Barplats' Crocodile River and Aquarius Platinum's Everest mines. The weaker rand for most of the year and higher prices achieved also boosted net profit for this entity. IRS signed offtake agreements with Aquarius' Everest mine and the Two Rivers mine during the period.

TRANSFORMATION

A high-level committee (including several board members) is responsible for ensuring that Implats meets not only the objectives of South African minerals legislation, but also fundamentally transforms the nature of the company's human capital base to reflect the broader South African society. This Transformation Advisory Committee drives Implats' own transformation initiative, Project Phambili, which has started to deliver meaningful change at both a management and operational level.

To ensure added impetus to the group's transformation strategy and the effective implementation thereof, a sub-committee of the board has been constituted comprising executive directors, selected executives and several non-executive directors.

STRATEGIC ISSUES

In November 2005, Implats advised the market that it would be withdrawing from the Ambatovy nickel project. Having been involved in the processing of nickel for the last 30 years, the project initially promised to deliver favourable returns and would have enabled the company to leverage its Base Metals Refinery competencies, expertise and infrastructure, thereby achieving significant economies of scale. Regrettably, the project did not meet our hurdle rates.

Nickel remains a core competency for the company and thus in April 2006, Implats signed an option agreement with Jubilee Platinum regarding its prospective Ambodilafa project in Madagascar, which has the potential to host significant nickel-copper and platinum group elements mineralisation.

Implats' philosophy has always been to pay out to shareholders cash generated by the company in excess of its own internal needs. In line with this, and given the company's cash generative ability, the group returned to shareholders R2.2 billion [\$344 million] in ordinary dividends and R3.6 billion [\$563 million] in a special dividend declared in February 2006. This contributed to a total return to shareholders for FY2006 of 136%. Over the past five years, total shareholder returns have averaged 30% annually. This was in large measure possible given the average growth of 8% per annum in sales revenue.

Shareholders will be aware that in July 2006 the board announced that Keith Rumble would be leaving the company at the end of 2006 and that David Brown, currently the CFO of Implats, would be assuming the role of CEO from 1 September 2006.

PROSPECTS

Prospects for PGMs remain sound. Tightening emission legislation world-wide and increased vehicle sales will continue to underpin the platinum, palladium and rhodium markets going forward. While the fundamentals for palladium continue to improve, Russian and Swiss stockpiles should cap any runaway in prices. Rising world-wide nickel production is likely to ease recent pressure on record prices.

Looking forward the group expects production to exceed 2 million ounces of platinum in FY2007 and remains confident of its ability to increase production to its stated target of 2.3 million ounces of platinum per annum by 2010. Given current market circumstances, margins are expected to be maintained. Capital expenditure is set to continue to rise to R2.9 billion in FY2007, due mainly to the 16 and 20 shaft projects, the smelter upgrade at Impala Platinum, and the Phase 1 expansion at Zimplats.

In line with current market conditions and an increase in production, headline earnings are expected to be higher in the 2007 financial year.

Fred Roux **Keith Rumble**
Chairman Chief Executive Officer

Johannesburg
25 August 2006

Declaration of Final Dividend

A final dividend of 2,200 cents per share has been declared in respect of the year ended 30 June 2006. The last day to trade ("cum" the dividend) in order to participate in the dividend will be Friday, 15 September 2006. The share will commence trading "ex" the dividend from the commencement of business on Monday, 18 September 2006 and the record date will be Friday, 22 September 2006.

The dividend is declared in the currency of the Republic of South Africa. Payments from the London transfer office will be made in United Kingdom currency at the rate of exchange ruling on 20 September 2006 or on the first day thereafter on which a rate of exchange is available.

The dividend will be paid on Tuesday, 26 September 2006. Share certificates may not be dematerialised or rematerialised during the period 18 September 2006 to 22 September 2006, both dates inclusive.

By order of the board

R Mahadevey
Group Secretary

Johannesburg
25 August 2006

Corporate Information

IMPALA PLATINUM HOLDINGS LIMITED

[Incorporated in the Republic of South Africa]
Registration No. 1957/001979/06
Share code: IMP/IMPO ISIN: ZAE 000003554
LSE: IPLA ADR's: IMPUY
["Implats" or "the company"]

Registered Office

3rd Floor, Old Trafford 4, Isle of Houghton, Boundary Road, Houghton 2198
[PO Box 61386, Marshalltown 2107]

Transfer Secretaries

South Africa: Computershare Investor Services 2004 (Pty) Limited
70 Marshall Street, Johannesburg 2001. [PO Box 61051, Marshalltown 2107]

United Kingdom: Computershare Investor Services PLC
The Pavilions, Bridgwater Road, Bristol, BS99 1AZ

Directors:

FJP Roux (Chairman), KC Rumble (Chief Executive Officer), S Bessit, DH Brown, CE Markus, JM McMahon*, MV Mennell, TV Mokgalitha, K Mokhele, NDB Orleyn, LJ Paton, JV Roberts, LC van Vught. *British