Harmony™

HARMONY REVIEW for the quarter and financial year ended 30 June 2003

Shareholder information

Issued share capital as at 30 June 2003	184 854 115

Market capitalisation

At 30 June 2003 (R million)	18 155
At 30 June 2003 (US$ million)	2 499
US$ per production ounce per annum	833.33
US$ per reserve ounce	40.00
US$ per resource ounce	6.04

Share price

12 month high (July 2002 – June 2003)	$28.50
12 month high (July 2002 – June 2003)	R181,50
12 month low (July 2002 – June 2003)	$10.14
12 month low (July 2002 – June 2003)	R71,00

Free float	100%
ADR ratio	1:1

JSE Securities Exchange South Africa	HAR
Range – Quarter	R73,44 – R115,20
Average volume/Quarter	1 710 900 shares/day

New York Stock Exchange	HMY
Range – Quarter	US$10,14 – US$14,90
Average volume/Quarter	1 403 700 shares/day

This review includes certain information that is based on management's reasonable expectations and assumptions. These "forward-looking statements" include, but are not limited to, statements regarding estimates, intentions and beliefs, as well as anticipated future production, mine life, market conditions and costs. While management has prepared this information using the best of their experience and judgment, and in all good faith, there are risks and uncertainties involved which could cause results to differ from projections.

Cautionary Note to US Investors – The United States Securities and Exchange Commission (the "SEC") permits mining companies, in their filings with the SEC, to disclose only those mineral deposits that a company can economically and legally extract or produce. We may use certain terms in this quarterly review, such as "resources", that the SEC guidelines strictly prohibit us from including in our filings with the SEC.

FCB JONSSONS

Key indicators

Highlights for the quarter

- **Final dividend of 150 SA cents per share**
- **Strong Rand impacts on results**
- **Good operational performance on all operations except Elandsrand**
- **Two year wage agreement with NUM**
- **Merger on track**
- **26% exposure to Avgold, and**
- **Excellent exploration results at Wafi**

… and for the financial year

- **Record production of 3.0 million ounces (12% increase)**
- **Cash operating profit decreases by 8% to R2 374 million, mainly due to inflationary cost pressures**
- **Earnings per share before impairment of 695 SA cents**
- **Total dividend of 275 SA cents for financial year**

Quarterly financial highlights

	30 June 2003	31 March 2003
Cash operating profit		
– Rand	**183 million**	478 million
– US$	**24 million**	57 million
Earnings		
– Rand	**(478 million)**	235 million
– US$	**(62 million)**	28 million
Earnings before impairment		
– Rand	**120 million**	235 million
– US$	**16 million**	28 million
Earnings per share		
– SA cents per share	**(259)**	130
– US cents per share	**(34)**	16
Earnings per share before impairment		
– SA cents per share	**65**	130
– US cents per share	**8**	16
Gold produced		
– kg	**21 992**	22 211
– oz	**707 053**	714 096
Cash costs		
– R/kg	**75 433**	73 150
– $/oz	**303**	272

Chief executive's review

"The proposed merger between ARMgold and Harmony and the subsequent acquisition of 34,5% of Avmin which was announced earlier in the quarter, is in line with our strategy of delivering a leveraged, unhedged pure gold play with operating assets mainly in South Africa."

Safety report

The past quarter saw continued focus on empowering our working teams to understand and implement continuous risk assessment in the stopes and development areas on a daily basis. This ensures that awareness levels to all dangers are sustained, subsequently assisting in building a safety culture.

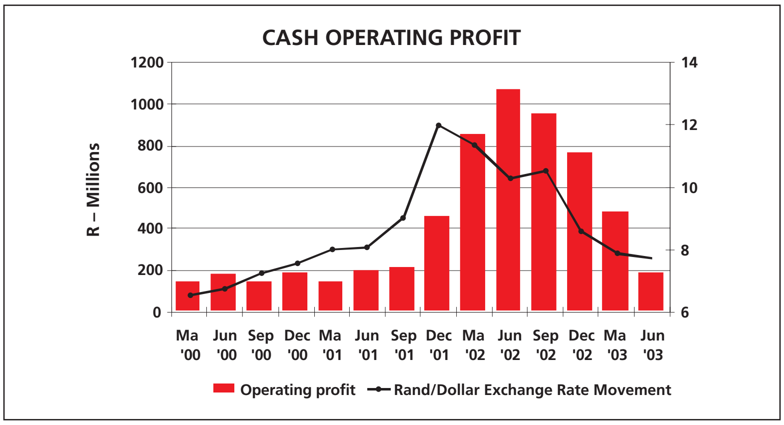
During the last quarter, six of our employees lost their lives in mining related accidents. We offer our condolences to the grieving families.

Year on year, there was a 23% improvement in the company's fatality rate.

- Merriespruit 3 Shaft ended the quarter on 1,3 million fatality-free shifts. It has been 5 years since the last fatality at this mine.
- Masimong Mine achieved 500 000 fatality free shifts on 5 June 2003.
- Brand 3 achieved 500 000 fatality free shifts on 28 June 2003.
- St Helena and Evander 8 Shaft both achieved a million fatality-free shifts status after quarter end.

The past quarter in review – adjusting to a stronger Rand

As expected, the company reported lower operational profits of R183 million, a decrease of 62%, compared to the R478 million reported previously. Kilograms recovered were 1% lower or 219 kg less at 21 992 kg. Due to the current low R/kg gold price environment, our focus has been on scaling down tonnages from marginal surface operations. Should the gold price continue at these levels, further incremental cutbacks from marginal mining operations are expected. Being unhedged, the company has always focused on ounces which can be mined at total costs below the spot price of gold.



The impact of the stronger Rand on the cash generating potential of the company is evident from the graph above.

A QUARTER ON QUARTER VARIANCE ANALYSIS

Cash operating profit – March 2003		R478 million
Volume increase (tonnes)	+2%	R83 million
Working costs increase (%)	(2%)	(R34 million)
Recovery grade reduction (g/t)	(3%)	(R103 million)
Rand gold price reduction (R/kg)	(12%)	(R241 million)
Net variance		(R295 million)
Cash operating profit – June 2003		R183 million

The main contributing feature of the quarter was undeniably the lower R/kg and A$/kg gold price received, which explains 82% of the total negative variance. An 12% quarter on quarter decrease in gold price resulted in a R241 million adverse variance on cash operating profits.

Working costs increased marginally by 2% from R1 625 million to R1 659 million, mainly due to higher tonnes from underground and provision for annual wage increases for mine officials. Costs related to the 10% annual increases for members of the National Union of Mineworkers (NUM) will be reflected in the September 2003 quarter.

Headline earnings per share before the adjustment for profit on sale of assets total 65 SA cents, a decrease of 48% compared to the 126 SA cents of the March 2003 quarter. Quarterly earnings were adversely affected by non-cash items, i.e. impairment charges (R598 million) and foreign exchange losses on offshore cash holdings (R133 million), which was however offset by a year end re-evaluation of financial instruments (R220 million) resulting in a net loss of 259 SA cents per share.

Net earnings per share before impairment for the year total 695 SA cents. After net impairment of R598 million on assets in Australia, net earnings total 359 SA cents per share. A final dividend of 150 SA cents per share has been declared, bringing the total for the year to 275 SA cents. The Board feels that the 275 SA cent dividend which is 40% of the 695 SA cents before impairment, rewards our current and future shareholders appropriately, whilst it leaves the company with a strong balance sheet going into a period which may still prove to be the most challenging of our recent history.

Our orebodies remain extremely leveraged to a changing gold price:-

JUNE QUARTERS RESULTS AT DIFFERENT GOLD PRICES

Gold price (R/kg)	Cash operating profit (R'million)	% Gold price variance	% profit variance
80 000	100	(5)	(45)
84 000	183	Actual results for June 2003 quarter	
88 000	276	5	51
94 000	408	12	123
100 000	540	19	195

From an operational perspective, the next quarter will be steady although further operational improvements, especially at Elandsrand, will be forthcoming. Negotiations with the various unions on wage increases were concluded at the end of July 2003. Our focus on absorbing these additional costs through productivity and efficiency improvements continue in earnest. The parties agreed to a two-year wage agreement with a 10% increase in the 2003/04 financial year, and an inflation linked increase (Consumer Price Index + 2% with a guaranteed minimum of 7%) in the following year. The implementation of continuous operations at Free

Gold, and potentially at the rest of our South African operations, could assist us in achieving our productivity improvement objectives.

Annual financial review – US Dollar gold price improves

The company achieved an increase of 12% in production, increasing from 2,7 million to a record 3,0 million ounces, over a period in which no significant acquisitions were made and continued operational improvements were achieved.

Further economic and political uncertainty over the past year has resulted in a steady rise in the US Dollar price of gold. Our decision to remain unhedged, even when the gold price was at the US$250/oz level, was the correct one and our shareholders have, over the past 5 years, experienced the benefits thereof. These benefits were however somewhat eroded during the last six months by the strength of the South African Rand and the Australian Dollar against the US Dollar.

On average the company realised a price of US$ 329/oz for the financial year, a 15% improvement over the US$287/oz reported previously.

A year on year analysis of the performance of the company indicates the following:–

Year ending	30 June 2003	30 June 2002	Actual variance	% variance
Production – kg	93 054	82 971	10 083	12
Production – oz	2 991 734	2 667 572	324 162	12
Revenue – R/kg	96 663	94 080	2 583	3
Revenue – US$/oz	329	287	42	15
Working costs – R/kg	71 146	62 848	(8 298)	(13)
Working costs – US$/oz	242	192	(50)	(26)
Cash operating profit – R/million	2 374	2 591	(217)	(8)
Cash operating profit – US$/million	260	254	6	2
Earnings per share before impairment (SA cents)	695	1 330	(635)	(48)
Earnings per share after impairment (SA cents)	359	1 094	(735)	(67)
Exchange rate –R/US$	R9,13	R10,20	(R1,07)	(10)

Whilst revenues increased by only 3% in R/kg terms, inflationary cost pressures, lower cut-offs applied, as well as the full incorporation of higher cost acquisitions in Australia, eroded our margins. The company continued to generate improved cash operating profits of US$260 million compared to US$254 million for the previous year. Increased charges related mainly to interest paid, reversal in the mark to market of listed investments and higher amortisation charges, resulted in lower earnings before impairment at US$136 million, compared to US$199 million for the previous reporting period. The company is well positioned to generate solid cash operating profits and earnings in the forthcoming financial year, subject to the relative strength of the South African Rand.

When measured over a period of five years, the company continues to deliver shareholder value:–

	June 2003	**June 2002**	**June 2001**	**June 2000**	**June 1999**
Gold produced – kg	93 054	82 971	66 563	50 572	39 997
Gold produced – oz	2 991 734	2 667 572	2 140 043	1 625 925	1 285 931
Underground recovery grade g/t	5,33	5,37	4,88	5,08	5,27
Cash operating profit SA Rand – R'm	2 374	2591	673	461	386
US$ – million	260	254	88	73	64
Cash operating cost R/kg	71 146	62 848	57 416	50 121	46 759
Cash operating cost R/tonne	234	227	224	213	240
Cash operating cost US$/oz	242	192	234	246	240

Harmony's growth story – taking stock one year later

The past financial year has been an unpredictable period in which the company's performance was influenced by a number of factors. Negative factors include the strengthening of the South African Rand as well as the effect of, and the uncertainty surrounding, the Mining Charter and the unresolved Royalty Bill.

On the bright side, the company is well poised for further expansion through the proposed merger with ARMgold, the purchase of a 34,5% stake in Avmin and the acquisition of Abelle Limited in Australia. These three transactions are expected to have a tangible and positive effect on the future operational performance of the company.

During the last few quarters we announced the organic growth projects at Randfontein (Doornkop South Reef Project) and Free Gold (Tshepong North Decline Project and the development of the Phakisa Shaft). This resulted in investors questioning us as to whether Harmony's growth strategy, which has built the company to the fifth largest in the world today, has changed? Have we stopped acquiring turnaround assets and are we now focusing only on building projects?

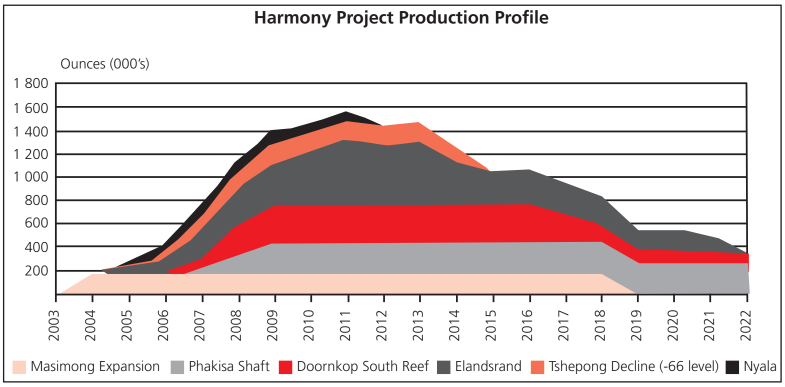
The answer is that our strategy has never been an "either/or" approach. We believe that there will be further turnaround opportunities to acquire in South Africa in the near future, which will deliver similar value upliftment as to what we have experienced in the past with such acquisitions. This is our core competency!

The progress of the company, from survival in 1995, the subsequent growth through acquisitions and the focus on long life quality, low cost production ounces in 2002/03 can be summarised as follows:–

Marginal ounces	Quality ounces	Long life quality ounces	Project growth ounces	Potential projects
Harmony	Evander	Masimong	Tshepong North	Morobe/ Wafi
Joel	Kalgold	Elandskraal	Phakisa	Poplar
Rest of Free Gold	Randfontein	Tshepong	Doornkop	Rolspruit
St Helena	Highland Gold?	Bambanani	Target (26%)	Kalplats
Australian Operations	Bendigo?			
Orkney Shafs	9,8% of Aurion (onsold)			

Included with the acquisition of Randfontein in January 2000, Elandskraal in April 2001 and Free Gold in April 2002, came a number of highly prospective project areas at zero cost. On acquisition of such turnaround assets, our initial focus is to achieve an operational turnaround as quickly as possible. During the low gold price scenario which applied at the time, the project areas, although initially financially evaluated, provided insuficient returns for the investment required.

After the restructuring of the acquired operations for profitability and under the higher current gold price scenario, the projects were revisited. When compared to other potential acquisitions or growth projects in the company, the abovementioned projects promise greater returns to all stakeholders and in each case an investment decision was taken to proceed.



The long term future of Harmony in South Africa has been secured through the development of these long life, quality production ounces. The underground recovery grade is planned to incrementally increase from the 5,33 g/t for the 2002/03 financial year to in excess of 6,0 g/t by 2009. Whilst there will be more acquisition opportunities in South Africa, especially if the Rand remains strong, we will have served the interests of our shareholders well by securing the long term future of the company.

The proposed merger between ARMgold and Harmony and the subsequent acquisition of 34,5% of Avmin, which was announced earlier in the quarter, is in line with our strategy of delivering a leveraged, unhedged pure gold play with operating assets mainly in South Africa. Although the strategic positioning of Harmony to consolidate and grow its production base in Australasia and Russia, remains intact, we will continue to regularly re-evaluate these investments.

Merging ARMgold and Harmony to create South Africa's largest gold producer

On 2 May 2003, the two companies announced details on a proposal to create a world class, unhedged gold producer, with the bulk of its production from South Africa.

The merger creates the fifth largest gold producer in the world, producing approximately 4,0 million ounces per annum. The transaction will be effected by the issue of two Harmony shares for every three ARMgold shares held after ARMgold has paid a special dividend of R5 per share. It is anticipated that approximately 63,67 million Harmony shares will be issued, increasing the companies' outstanding shares to 257,8 million. At a price of R90,00 per share, the new company will have a market capitalisation of R23,2 billion (US$3,1 billion at R7,50 to the US Dollar).

Post merger, the aggregate number of Harmony shares issued to ARMgold shareholders will represent 25% of the enlarged issued share capital of the merged company. Our largest shareholder, holding approximately 14% of the new company will be African Rainbow Minerals and Exploration Investments (Pty.) Ltd (ARMI), represented by Patrice Motsepe, who will become Harmony's new non-executive chairman.

We have made good progress in concluding the proposed merger, i.e. approval for the scheme has been received from the Competition Commission and Tribunal on 2 July and 16 July respectively. The scheme will be presented to the shareholders of both companies during the next few weeks for approval and it is anticipated that the merger will be concluded in the latter half of September 2003.

We are excited with the assets which will be incorporated into the new Harmony. This transaction has as its focus not only BEE compliance or short-term operational synergies, but is rather a long-term value proposition to our shareholders. Operational synergies, and more specifically at the Free State operations will add some R10,0 million per month to the bottom line. In addition the growth projects at Free Gold, i.e. Tshepong North Decline and Phakisa Shaft will enhance the future cash generating potential of these orebodies.

The growth projects, of which we previously owned only 50% will, post merger, be wholly owned by Harmony. They are:–

- **Phakisa Shaft**

  The project involves the deepening of the current shaft by only 178 m, to 2 510 m, at a capital cost of R550 million (US$73,3 million).

  The project will, at full production in 2010, achieve production rates of 275 000 ounces per annum. A total of 4,2 million ounces of gold will be recovered over the project life of 17 years. Based on a long-term gold price of R93 000/kg and a real discount rate of 8%, the project returns a NPV of R900 million (US$120 million) and an IRR of 32%. The effect of the proposed 3% royalty will decrease the IRR to 30% (@ R7,50/US Dollar).

- **Tshepong North Decline Project**

  This project, which was approved and announced during the December 2002 quarter, involves the sinking of a decline at a cost of R280 million (US$35 million). The area which contains approximately 1,3 million ounces will be mined at a rate of 49 000 tonnes per month, and at a grade of 8,7 g/t will add 167 000 ounces per annum to the Free Gold production profile.

  Work on the project, which commenced during March 2003, is progressing well and access development to the sinking of the declines has been completed. The project is expected to reach full production by July 2007.

- **Nyala Shaft**

  The project, at a cost of R67,4 million, involves the extraction of a shaft pillar and mining of previously abandoned areas. Work recently commenced and is on track and within budget. The project is planned to deliver approximately 500 000 ounces over a seven year period. At full production the shaft will be producing 90 000 ounces per annum @R340/tonne.

Acquiring a 34,5% stake in Avmin

On 2 May 2003, Harmony and ARMgold announced details of their 50/50 joint acquisition of a 34,5% stake in Avmin. Based on a value of R43,50 per share, the transaction is valued at R1 687 million and was paid for in cash.

Avmin, which has a market capitalisation of approximately R4,9 billion (at a share price of R43,50), holds shares and interests in the following companies:–

• Avgold Limited	42,7%
• Assore	9,3%
• Assmang Limited	50,3%
• Nkomati Nickel Mine	75,0%
• Two Rivers Platinum Project	55%

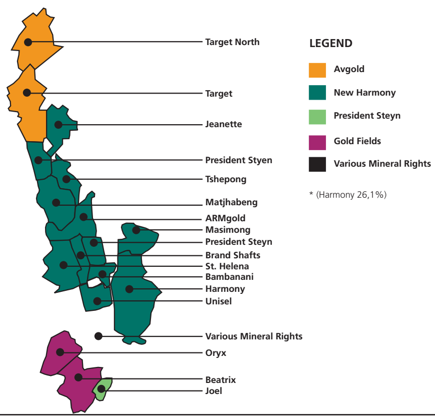
The rationale for the acquisition is that the newly merged Harmony will own an effective strategic investment of 14,6% in Avgold which operates the new Target gold mine. Target holds 3,9 million ounces of reserves and an extensive unexploited gold resource totalling some 67 million ounces in the Northern Free State.

It is our company's view that the acquisition of the stake in Avgold through Avmin was the preferred option in securing access to the asset and participating in the unlocking of value in both Avmin and Avgold.

On 15 July 2003, Harmony announced that it had acquired an 11,5% stake in Avgold (@7,91 per share) from Anglo South Africa Capital (Pty.) Ltd, thereby raising our effective exposure to 26,1%. The company issued 6 960 964 new ordinary shares comprising 3,8% of the issued share capital of Harmony, as consideration.

Target is different to typical labour-intensive mining companies in South Africa in the sense that it makes use of a high degree of mechanisation and multi-tasked employees in the exploitation of the massive orebody. At full production, the mine will produce approximately 350 000 ounces of gold per annum at a cash cost of below US$180 per ounce. The Target mine has a life in excess of 18 years.

Harmony Post Merger



Immediately adjacent to Target, Avgold has been busy with an extensive exploration programme on an area known as Target North. This project is in pre-feasibility stage and current estimates show measured and indicated resources of 24,5 million ounces and additional inferred resources of 35,1 million ounces. The area has one of the world's largest un-mined deposit. It contains a series of gold-enriched depositional fans at an average depth of 2 500m below surface and roughly 2 to 3 km apart.

Between Harmony, ARMI and Avmin there could be further opportunities to unlock value, especially with regards to all three companies' platinum assets.

Harmony ore reserves increase by 26%

Despite using a marginally lower gold price of R93 000/kg, the company will see growth of 26% in its ore reserves following the merger. Total resources will increase by 39% to 410,2 million ounces. A year on year comparison of reserves and resources follows:–

Ore reserves as at	30 June 2003	30 June 2002	% vaiance
Gold price per kg	R93 000	R95 000	(2)
Total resources including project ounces (Moz)	410,2	295,9	39
Reserve base (Moz)	61,9	49,1	26

The main difference is the inclusion of the other 50% of the Free Gold reserves and the remainder of ARMgold's reserves. Excluding ARMgold, our reserves have increased by 1 million ounces or 2%, indicating that we more than replaced the 3 million ounces mined. This is despite using a lower gold price in R/kg terms in the calculation thereof. Although the company's resource base in Australia remains at 11 million ounces, reserves have decreased from 2,34 million ounces to 1,5 million ounces, resulting in the necessity to write down the carry value of the assets by A$155 million to A$623 million.

The merged Harmony will own the largest gold resource base in the world, allowing it flexibility and optionality to the US Dollar gold price

Inclusion in MSCI Emerging Markets Index

On 30 May 2003, the MSCI announced the first annual review of its indices. The Emerging Market Index includes 160 companies from 27 countries.

Only 17 companies from South Africa are included, of which Harmony is the only gold mining company, comprising 0,4% of the index. We have been included in the fund on the basis of our market capitalisation and in recognition of our offshore liquidity thereby making the stock attractive to tracker fund investors.

Harmony makes top ten (and again and again)

Harmony was rated in 7th position in the Financial Mail's Top Companies Awards 2003. We were the only company in South Africa ranked amongst the Top Ten Companies over a 1 year, 5 year and 10 year period in the annual Sunday Times Top Companies ranking.

Abelle Limited

Our offer announced on 26 February 2003, in which we agreed to subscribe for new shares and intended to make a public offer for ordinary shares and options in Abelle, closed on 26 March 2003. Harmony now owns 87% of the shares and 65% of the listed options in Abelle. The total consideration payable was A$151 million or US$98 million. On 30 June 2003, at a share price of A$1,10 per share, our investment was valued at US$127 million.

The revision of the previous feasibility study on the Morobe Project is yielding positive results and a report on this work will be presented to the Board before the end of the December 2003 quarter. This project is now 100% owned by Abelle.

The drilling programme on Wafi which commenced on 26 February 2003 is focused on infill drilling (from 100m grid down to 50m grid) and extending the higher grade Link Zone orebody. It is progressing well. For the first phase of the drilling programme 12 holes for approximately 5 000m of drilling has been planned. Four holes have been completed. The holes from which assay results have been received include the following intersections:–

Borehole No.	
WR177	159m @ 6,53 g/t from 275m
WR178	71m @ 8,42 g/t from 316m
	17m @ 5,25 g/t from 410m
	15m @ 9,34 g/t from 454m
WR179	174m @ 4,03 g/t from 192m

These results confirm the strength of high-grade Link Zone mineralization and have to date increased the inferred resources at the Wafi project to in excess of 4,2 million ounces.

A pre-feasibility on the Golpu porphyry copper-gold project (inferred resources 2,3 million ounces gold; 1,27 million tonnes copper) has commenced.

Messrs Grobicki, Abbott and myself have been nominated to the Board with myself taking over the chairmanship.

Bendigo

The development, drilling and evaluation programme to access the 17 previously identified orebodies in the Sheepshead and Deborah reefs progressed well during the June 2003 quarter.

The study to determine costs to construct the mine, mill and associated infrastructure is well advanced. The combination of sampling and mining studies have to date provided a resource of 130 000 ounces and have a target to prove in excess of 200 000 ounces of reserves by the December 2003 quarter. It is envisaged that the Bendigo Board will soon consider the feasibility study and the resource and reserve position in order to determine the way forward to the construction of a commercial mine. Once the Bendigo Board has chosen their preferred option, we as Harmony will consider our options for further participation.

Our 32% stake which was acquired on 14 December 2001, at a cash cost of A$50 million, was valued at A$55 million on 30 June 2003.

High River Gold – Berezitovoye Project update

In December 2002, High River Gold Mining Limited finalised an agreement to acquire 100% in the Berezitovoye Gold Project, located in the Amur region of Southern Siberia, Russia. The Berezitovoye deposit is amenable to low cost, open pit mining and has reported mineral reserves of 1,3 million ounces of gold and 6,5 million ounces of silver.

The current due diligence process involves the drilling of 25 core holes to confirm the previous reserve and resource estimates. The Russian database includes results from the development of three adits and approximately 40 000m of drilling. The three adits, developed 80m apart, were used to channel sample the mineralization and provide bulk samples.

Our investment of US$14,5 million (or 17%) in High River Gold was valued at approximately US$22 million on 30 June 2003. As Harmony we need to re-assess the relevance of an investment where we are not able to exercise significant strategic or operational control.

Highland Gold Limited

During the past quarter there has been a spate of press reports and associated speculation on differences between Highland Gold and the Khabarovsk Administration in the region.

Highland Gold has been in discussions with the Khabarovsk Administration for some time to acquire certain mining assets including the metallurgical plant at the MNV (Mnogvershinnoye) mine, which is leased for a period of 15 years. The renewal of the agreement which was concluded in 1998 is under discussion with the Administration. The Russian administration intends to sell the assets by public auction with a minimum price of US$25 million.

As with all our other strategic investments our continued involvement with Highland Gold will depend on our assessment of whether we can add additional value to such an investment.

On 30 June 2003, our total investment of US$26,6 million (or 31,7%) in Highland Gold was valued at approximately US$128 million.

Kalplats Platinum Project

Drilling continued during the quarter with the completion of 19 RC boreholes (2 047m of drilling) and 9 core boreholes (990m of drilling).

Recoveries of 73% – 75% and concentrate grade above 100 g/t PGM were achieved with a two stage float concentrator. Laboratory scale testwork at Mintek on the recovered core samples continues.

Using a US$450/oz basket for PGM's and R8,00 to the US Dollar and using a two stage mill with float concentrator, the following results are anticipated:–

Tonnes milled	150 000 tonnes
CAPEX	R260 million
Plant costs	R45/tonne
Recovery	75%
Recovered value	R215/tonne

The current phase of activity, at a cost of R4,3 million is focussed on the completion of the current drilling programme to update ore resource calculations and orebody models on the Crater and Orion deposits. Work on metallurgical testwork, preliminary mine designs and on pit optimisation continues. We anticipate the work to be completed in three months' time. Phase 2, at a cost of R11,7 million, which will culminate in the completion of a full feasibility study, is expected to be completed six months thereafter.

QUARTERLY OPERATIONAL REVIEW

A quarter on quarter cash operating profit analysis of the various operations is as follows:

TOTAL CASH OPERATING PROFIT (R'MILLION)

Operations	June 2003	March 2003	Variance (R' million)
Free State	4	53	(49)
Evander	39	45	(6)
Randfontein	40	105	(65)
Elandskraal	(33)	44	(77)
Kalgold	11	21	(10)
Australian Operations	23	69	(46)
Sub-total	84	337	(253)
Free Gold (50%)	99	141	(42)
Total	183	478	(295)

Free State Operations – marginality returns at these gold price levels

The Free State Operations reported a marked decrease in cash operating profits from R53 million to R4 million despite significant operational improvements. Underground tonnage was 7% higher at 1 098 000 tonnes than the 1 025 000 tonnes reported for the March 2003 quarter. At a similar recovery grade of 4,16 g/t underground production was 6% higher at 4 570 kg.

Working cost expenditure of R377,4 million was R23,8 million or 6% higher which was in line with increased production. Costs decreased marginally to R344/tonne.

To deal with the lower gold price scenario and counter the marginality of the Unisel orebody, these operations and that of Brand 5 Shaft have been combined. The orebody and production levels have been revisited and the larger orebody will be mined through one shaft system. Benefits realised are lower overhead costs, shorter underground travelling times and smarter utilisation of work teams.

The Masimong Expansion Project is well on track. Tonnage milled increased by 19% quarter on quarter from 268 000 tonnes to 318 000 tonnes. At the planned grades, kilograms recovered increased by 12% to 1 650 kg.

Although negligible, production at the Free State Operations was also affected by an underground fire at Harmony 2 Shaft on 29 May 2003. No employees were injured and production was interrupted for only five days.

Evander Operations – grade recovery continues

Cash operating profits at these operations decreased by only 14% from R44,8 million to R38,5 million.

Similar tonnages of 471 000 at a higher underground recovery grade of 6,3 g/t, resulted in gold recovery being 14% higher at 2 943 kg compared to 2 589 kg for the March 2003 quarter.

Working costs were R6,6 million higher at R205,6 million. Due to the higher grades, unit costs in R/kg terms decreased by 9% from R76 878/kg to R69 873/kg.

Evander 2 Shaft experienced a better quarter with a 9% increase in tonnage and recovery grade by 15% to 6,0 g/t, resulting in a 24% increase in gold recovered of 660 kg. Operationally this shaft has performed well and showed a 19% increase in square metres mined and a 12% increase in development metres.

Randfontein Operations – adjusted for stronger Rand

The Randfontein Operations reported cash operating profits of R40 million, a 62% or R65,3 million decrease. This was mainly due to a combination of lower tonnages from underground and similar recovery grades. Underground tonnage decreased by 6% or 41 000 tonnes to 649 000 tonnes. Underground recovery grades were similar at 4,66 g/t compared to the 4,68 g/t reported previously. The stronger Rand resulted in a cut back in marginal tonnages from underground and although it has resulted in the required higher mining grade, this has not as yet worked through to higher recovery grades.

Due to the marginality of surface operations, a drop of 59% in grade resulted in gold recovery being lower at 145 kg.

Total working costs of R221,3 million was R7,9 million lower than the R229,2 million for the March 2003 quarter. Due to decreased tonnages from underground, working cost per tonne increased by 7% to R326,00 per tonne, and working costs in R/kg terms increased by 8% from R65 112/kg to R70 037/kg.

Operations at Randfontein were affected by seismicity following the removal of the shaft pillar at Cooke 1 Shaft. Plans to mine out the abutments over the haulages, thereby eliminating the stress associated with the removal of the shaft pillar, are underway and are expected to be completed in the next three months.

At Doornkop, mining of the South Reef was temporarily suspended to accommodate activities related to the Doornkop South Reef Project. This affected the overall gold recovery at Randfontein. Improvements in mining flexibility at the remaining Cooke Shafts will be used to make up for the loss of tonnages and grades until mining resumes at Doornkop by the end of August 2003.

Elandskraal Operations – a very bad quarter

These operations experienced a R77 million decrease in cash operating profits, from R44 million to a loss of R33 million. Although underground tonnage milled increased by 5% from 457 000 tonnes to 480 000 tonnes, gold recovery was influenced by dilution from waste tonnages unavoidably being tipped into reef ore passes. At a recovery grade of 4,63 g/t compared to the 5,92 g/t of the March 2003 quarter, gold recovery was 18% lower at 2 221 kg. The numbers are not indicative of the actual mining volumes or grades.

Work on the refurbishment of the reef ore pass is still underway and until completion in August 2003, dilution in recovery grades is anticipated. An improvement of at least 1,0 g/t in the recovery grade is expected thereafter.

Further improvements are expected at Deelkraal and the lack of mining flexibility will be alleviated by the holing of two raise lines late in the quarter. Four new mining areas will become available for stoping in the forthcoming quarter.

Total working costs were lower for a second quarter in succession, decreasing by 1% or R1,5 million to R223,2 million. These operations reported a reduction of 6% in underground R/tonne cost terms, decreasing from R469/tonne to R443/ton. In R/kg terms total costs increased by 23% from R78 324/kg to R96 237/kg, due to the lower recovery grade.

The next quarter will see tonnage from 102 level of the "new Elandsrand" mine delivered to the mill. This stope is the first in a series of stopes in the higher grade payshoot at Elandsrand which will come into production over the next 12 months.

Kalgold Operations – ready for higher production

The decision to install a third mill at our Kalgold Operations resulted in a 26% increase in tonnage milled, increasing from 250 000 tonnes to 315 00 tonnes. Lower grade tonnage feed used during the commissioning of the third mill in order to minimise lock-up, contributed to lower recovery grades. At an expected temporary lower recovery grade of 1,76 g/t, gold recovery was 2% lower at 554 kg.

Working costs increased in line with the increased throughput, by 15% or R4,7 million to R37 million. In R/tonne terms, working costs decreased by 10% from R129/tonne to R117/tonne. In line with the lower recovery grades, R/kg costs increased from R56 722/kg to R66 711/kg.

Using the current cash cost in R/kg terms and at a gold price of R84 000/kg, Kalgold currently operates at a cash operating profit margin of 20%. During the September quarter we expect further increases in tonnages and a significant increase in grade.

Free Gold Joint Venture – another good quarter

The Free Gold Joint Venture operations reported a 29% or R41,1 million reduction in cash operating profit, on a 50% attributable basis, down from R141,1 million to R100 million for the June 2003 quarter.

Underground tonnage increased by 5% or 30 000 tonnes to 611 000 tonnes. Underground recovery grade was lower at 6,70 g/t compared to the 6,97 g/t reported previously. Net underground gold recovery was higher at 4 092 kg.

Lower surface tonnage, due to a higher cut-off being applied, 594 000 tonnes milled at a higher recovery grade of 0,64 g/t resulted in a gold recovery of 381 kg, which was 39 kg less than the 420 kg reported for the March 2003 quarter.

Whilst underground working costs in R/kg terms increased by 3% to R64 343/kg, working costs in R/tonne terms were lower at R431/tonne. At cash costs of US$259/oz the Free Gold operations have a cash operating profit margin of 30% at the average gold price achieved of US$336/oz.

Free Gold recorded a fatality free quarter. This is a first since the takeover by the Joint Venture on 1 January 2002. At Harmony we have always believed that by empowering our people we can achieve improved production results as well as better safety.

In line with our long term strategy to optimise the potential of the Free Gold orebody, the grade from underground operations dropped from 6,97 g/t to 6,70 g/t. The most significant drop in grade was at Eland Mine, with the completion of the mining of the high grade shaft pillar. Production was increased from the lower grade section of the mine. This resulted in a 19,35% drop in grade at Eland Mine to its longer term sustainable grade of 5,8 g/t.

The flagship of the quarter remained Tshepong Mine with a steady 3 252 kg at a R/tonne cost of R395 per tonne. Work on the Tshepong North Decline Project is progressing well. The sinking of the decline has commenced and is on track for completion by March 2004. Orders have been placed for the delivery of the conveyor system, sinking fan and monotrain. An amount of R106,8 million has been committed with actual expenditure of R22,2 million incurred to date.

Bambanani had a much improved quarter producing 2 739 kg, an improvement of 10%. Tonnage increased to 372 000 tons milled, resulting in a drop in R/tonne cost to R456 per tonne.

Joel performed better than expected due to improvement in both tons milled up 17%, and grade recovered up 4%. This resulted in a record 540 kg produced for the quarter and a cost of R334 per tonne. Using this as a benchmark cost it is clear that significant further cost reduction opportunities exist at both Tshepong and Bambanani.

Although St Helena's performance improved during the quarter with tonnes milled improving by 21% and gold produced up 18%, more work needs to be done to ensure the profitability of the mine. The mine achieved a million fatality free shifts subsequent to quarter end.

Australian Operations

Cash operating profit decreased from R69,1 million to R22,7 million quarter on quarter. The decrease was mainly due to gold produced sold at the spot price received during the quarter. The strengthening of the Australian Dollar significantly affected these revenues. As indicated previously, the hedge book for the 2003 year had been closed out, and these operations are now focused on mining profitably at the spot price of gold.

The Australian Operations reported higher tonnages, an increase of 10% from 1 729 000 tonnes to 1 907 000 tonnes. Due to less underground tonnage, recovery grades decreased from 2,11 g/t to 2,0 g/t.

Mount Magnet

As a result of the rock stability issues at the Hill 50 mine reported in the March quarter and the consequential effect on the future integrity of the ventilation infrastructure at Hill 50, a decision has been taken to move the ventilation raises in the lower part of the mine to a position where they will be unaffected by the rock stresses. In addition to the cost of the consequential production shortfalls at the Hill 50 mine, the direct cost of the work has to date been in excess of A$0.8 million (R4 million) and the future cost will be A$2.8 million (R14 million). These issues are planned to be resolved fully in November 2003.

Unfortunately the Star mine could not continue to provide the replacement tonnage to offset the production delays at Hill 50.

In aggregate the underground mines at Mt Magnet produced only 9% more tonnes than in the March quarter, but at a lower grade and higher costs per tonne and costs per ounce.

The open pit operations underperformed on tonnage due to delays in the moving of the town water tanks and other infrastructure which is situated on top of the recently discovered high grade orebody. Open pit ore was sourced from a variety of other pits during the quarter. Moving of the relevant infrastructure has progressed well and it is expected that mining will be able to commence on the new orebodies during the September quarter.

Milled tonnage at the plant was made up from low grade stockpiles and historical tailings. In aggregate Mt Magnet produced 37 038 ounces at an average working cost of A$469 per ounce.

South Kal Mines

Financially South Kal Mines had a quarter very similar that of March – producing 45 590 ounces at an average operating cost of A$492 per ounce. Good production efficiency gains at Mt Marion of approximately 15% were unfortunately negated by the decrease in recovery grade. Negotiations are far advanced for a contract to toll process ore through the New Celebration plant for at least the next six months.

Big Bell

Big Bell produced 28 196 ounces at average cash costs of A$558 per ounce. As previously reported, underground and open pit mining are winding down towards the planned suspension of mining operations in July 2003 and an anticipated completion of milling and plant clean up by the end of August 2003.

CAPITAL EXPENDITURE

Operational capex	Actual June 2003	Forecast September 2003
Free State	29	18
Evander	21	27
Randfontein	2	18
Elandskraal	12	10
Kalgold	8	1
Free Gold (50%)	11	10
Australian Operations	64	67
Sub total	**147**	**151**

Project capex	Actual June 2003	Forecast September 2003
Doornkop South Reef	13	34
Elandsrand Shaft Deepening	22	29
Tshepong Decline (50%)	9	15
Phakisa Shaft (50%)	–	14
Nyala Shaft (50%)	6	7
Sub total	**50**	**135**

Total capex	Actual June 2003	Forecast September 2003
Free State	29	18
Evander	21	27
Randfontein	15	52
Elandskraal	34	39
Kalgold	8	1
Free Gold (50%)	26	46
Australian Operations	64	67
Total capex	**197**	**250**
Capex after merger		**296**

Notice of final dividend

A dividend No. 77 of 150 cents per ordinary share, being the final dividend for the financial year ended 30 June 2003 has been declared payable on 8 September 2003 to those shareholders registered as such in the books of the company at the close of business on 5 September 2003.

The dividend is declared in the currency of the Republic of South Africa.

Dividend cheques will be posted and electronic funds transferred on 8 September 2003.

Any change in address or dividend instruction to apply to this dividend must be received by the company's transfer secretaries or registrar not later than 29 August 2003.

This announcement will be mailed to all shareholders recorded in the register on 15 August 2003.

Last day to trade ordinary shares cum dividend	29 August 2003
Ordinary shares trade ex dividend	1 September 2003
Record date	5 September 2003
Payment date	8 September 2003

Share certificates may not be dematerialised or rematerialised between Monday, 1 September 2003 and Friday 5 September 2003, both days inclusive.

By order of the Board.

M P van der Walt
Company Secretary

Virginia
1 August 2003

Operating and financial results (Rand/metric)

		Underground production						Surface production									
		Free State	Evander	Rand-fontein	Elands-kraal	Free Gold (50%)	Sub Total	Free State	Evander	Rand-fontein	Elands-kraal	Free Gold (50%)	Sub Total	Kalgold open-cast	South Africa Total	Australia Total	Harmony Total
Ore milled – t'000	**Jun-03**	**1,098**	**471**	**649**	**480**	**611**	**3,309**	**215**	**54**	**535**	**299**	**594**	**1,697**	**315**	**5,321**	**1,907**	**7,228**
	Mar-03	1,025	471	690	457	581	3,224	290	52	514	337	674	1,867	250	5,341	1,729	7,070
Gold produced – kg	**Jun-03**	**4,570**	**2,943**	**3,024**	**2,221**	**4,092**	**16,850**	**123**	**35**	**145**	**98**	**381**	**782**	**554**	**18,186**	**3,806**	**21,992**
	Mar-03	4,306	2,589	3,229	2,707	4,052	16,883	165	34	340	161	420	1,120	568	18,571	3,640	22,211
Yield – g/tonne	**Jun-03**	**4.16**	**6.25**	**4.66**	**4.63**	**6.70**	**5.09**	**0.57**	**0.65**	**0.27**	**0.33**	**0.64**	**0.46**	**1.76**	**3.42**	**2.00**	**3.04**
	Mar-03	4.20	5.50	4.68	5.92	6.97	5.24	0.57	0.65	0.66	0.48	0.62	0.60	2.27	3.48	2.11	3.14
Cash operating costs – R/kg	**Jun-03**	**82,587**	**69,873**	**70,037**	**95,752**	**64,343**	**75,419**	**76,959**	**59,771**	**65,679**	**107,224**	**62,094**	**70,649**	**66,711**	**74,949**	**77,747**	**75,433**
	Mar-03	82,117	76,878	65,112	79,152	62,670	72,918	83,164	46,265	55,676	64,404	61,338	62,818	56,722	71,814	79,967	73,150
Cash operating costs – R/tonne	**Jun-03**	**344**	**437**	**326**	**443**	**431**	**384**	**44**	**39**	**18**	**35**	**40**	**33**	**117**	**256**	**155**	**230**
	Mar-03	345	423	305	469	437	382	47	30	37	31	38	38	129	250	168	230
Working revenue (R'000)	**Jun-03**	**380,584**	**243,341**	**249,194**	**182,144**	**353,883**	**1,409,146**	**10,254**	**2,905**	**12,118**	**8,409**	**33,148**	**66,834**	**47,685**	**1,523,665**	**318,605**	**1,842,270**
	Mar-03	404,873	242,726	302,448	253,332	381,314	1,584,693	15,485	2,713	32,031	15,364	39,481	105,074	53,098	1,742,865	360,223	2,103,088
Cash operating costs (R'000)	**Jun-03**	**377,424**	**205,637**	**211,792**	**212,665**	**263,290**	**1,270,808**	**9,466**	**2,092**	**9,524**	**10,508**	**23,658**	**55,248**	**36,958**	**1,363,014**	**295,906**	**1,658,920**
	Mar-03	353,597	199,036	210,246	214,264	253,940	1,231,083	13,722	1,573	18,930	10,369	25,762	70,356	32,218	1,333,657	291,079	1,624,736
Cash operating profit (R'000)	**Jun-03**	**3,160**	**37,704**	**37,402**	**(30,521)**	**90,593**	**138,338**	**788**	**813**	**2,595**	**(2,099)**	**9,490**	**11,587**	**10,727**	**160,652**	**22,699**	**183,351**
	Mar-03	51,276	43,690	92,202	39,068	127,374	353,610	1,763	1,140	13,101	4,995	13,719	34,718	20,880	409,208	69,144	478,352

Total Operations – annual financial results (Rand/metric)

	Year ended 30 June 2003	Year ended 30 June 2002
Ore milled – t'000	**28,238**	22,934
Gold produced – kg	**93,054**	82,971
Gold price received – R/kg	**96,663**	94,080
Cash operating costs – R/kg	**71,146**	62,848
	R million (reviewed)	**R million (audited)**
Gold sales	**8,994**	7,806
Cash operating costs	**6,620**	5,215
Cash operating profit	**2,374**	2,591
Income from associates	**57**	–
Amortisation	**(542)**	(308)
Mark to market of financial instruments	**381**	46
Rehabilitation cost provision	**(5)**	(20)
Employment termination and restructuring costs	**(45)**	(83)
Net impairment of assets	**(598)**	(362)
CAWMS provision	**(5)**	(2)
Other income – net	**204**	165
Foreign exchange (loss)/profit	**(131)**	99
Interest paid	**(279)**	(230)
Corporate, marketing and new business expenditure	**(148)**	(167)
Exploration expenditure	**(82)**	(61)
Mark to market of listed investments	**(55)**	595
Profit before taxation	**1,126**	2,263
South African normal taxation		
– Current tax	**(294)**	(266)
– Deferred tax	**(193)**	(317)
Net earnings	**639**	1,680
Adjustments:		
– Profit on sale of assets	**(61)**	(21)
– Net impairment of assets	**598**	362
Headline earnings	**1,176**	2,021
Earnings per share – cents *		
– Basic earnings	**359**	1,094
– Headline earnings	**661**	1,316
– Fully diluted earnings **	**359**	1,017
Dividends per share – (cents)		
– Declared	**125**	75
– Proposed final	**150**	425

* *Calculated on weighted number of shares in issue: June 2003: 178,0 million (June 2002: 153,5 million)*

* *Calculated on weighted average number of diluted shares in issue: June 2003: 178,3 million (June 2002: 165.2 million)*

Total Operations – quarterly financial results

(Rand/metric) (unaudited)

	Quarter ended 30 June 2003	Quarter ended 31 March 2003	Quarter ended 30 June 2002
Ore milled – t'000	**7,228**	7,070	6,905
Gold produced – kg	**21,992**	22,211	24,390
Gold price received – R/kg	**83,770**	94,687	103,349
Cash operating costs – R/kg	**75,433**	73,150	59,574
	R million	**R million**	**R million**
Gold sales	**1,842**	2,103	2,521
Cash operating costs	**1,659**	1,625	1,453
Cash operating profit	**183**	478	1,068
Income from associates	**33**	24	–
Amortisation	**(140)**	(132)	(129)
Impairment of mining assets	**(598)**	–	(355)
Mark to market of financial instruments	**220**	133	192
Rehabilitation cost reversal/(provision)	**30**	(13)	(18)
Employment termination costs	**(11)**	(8)	(20)
Other income – net	**61**	40	53
Interest paid	**(86)**	(63)	(71)
Corporate, marketing and new business expenditure	**(38)**	(32)	(25)
Exploration expenditure	**(24)**	(23)	(14)
Foreign exchange losses	**(133)**	(49)	–
Mark to Market of listed investments	**–**	(17)	200
Profit before taxation	**(503)**	338	881
South African normal taxation			
– Current tax	**(28)**	(30)	(22)
– Deferred tax	**53**	(73)	(195)
Net earnings	**(478)**	235	664
Adjustments:			
– Profit on sale assets	**(38)**	(7)	(5)
– Impairment of mining assets	**598**	–	355
Headline earnings	**82**	228	1,014
Earnings per share – cents *			
– Basic earnings	**(259)**	130	402
– Basic earnings before impairment	**65**	130	617
– Headline earnings	**44**	126	614
– Fully diluted earnings **	**(259)**	129	377
Dividends per share – (cents)			
– Proposed final	**150**	–	425

* *Calculated on weighted number of shares in issue at quarter end June 2003: 184.3 million (March 2003: 180.6 million)/(June 2002: 165.1 million)*

** *Calculated on weighted average number of diluted shares in issue at quarter end June 2003: 184.3 million (March 2003: 182.5 million)/(June 2002: 170.1 million)*

Abridged balance sheet (Rand)

	At 30 June 2003 R million (reviewed)	At 31 March 2003 R million (unaudited)	At 30 June 2002 R million (audited)
Employment of capital			
Mining assets after amortisation	**9,969**	8,986	9,433
Investments	**868**	869	1,778
Investments in associates	**1,398**	506	291
Net current liabilities (excluding cash)	**(309)**	(514)	(748)
Cash	**1,687**	3,128	1,441
Total assets	**13,613**	12,975	12,195
Capital employed			
Shareholders' equity	**8,628**	8,932	7,963
Loans*	**2,415**	2,015	1,771
Long-term provisions	**632**	686	720
Minority interest	**120**	–	–
Unrealised hedging loss	**284**	491	971
Deferred tax**	**1,534**	851	770
Total equity and liabilities	**13,613**	12,975	12,195

Basis of accounting

The unaudited results for the quarter and the year have been prepared on the International Financial Reporting Standards (IFRS) basis. These consolidated quarterly statements are prepared in accordance with IFRS 34, Interim Financial Reporting. The accounting policies are consistent with those applied in the previous financial year.

Issued share capital: 184.9 million ordinary shares of 50 cents each.
(March 2003: 184.2 million shares) (June 2002: 169.2 million)

* *The increase in loans was due to the acquisition of Avmin shares.*

** *The increase in deferred tax liability was due to the accounting treatment of the acquisition of Abelle and the finalisation of the Free Gold purchase price.*

Audit review

The year-end results have been reviewed in terms of Rule 3.23 of the Listing Requirements of the JSE Securities Exchange South Africa by the company's auditors, PricewaterhouseCoopers Inc. This unqualified review opinion is available on request from the Company Secretary.

Operating and financial results (US$/imperial)

		Underground production						Surface production									
		Free State	Evander	Randfontein	Elandskraal	Free Gold (50%)	Sub Total	Free State	Evander	Randfontein	Elandskraal	Free Gold (50%)	Sub Total	Kalgold open-cast	South Africa Total	Australia Total	Harmony Total
Ore milled	**Jun-03**	**1,211**	**519**	**716**	**529**	**674**	**3,649**	**237**	**60**	**590**	**330**	**655**	**1,872**	**347**	**5,868**	**2,103**	**7,971**
– t'000	Mar-03	1,130	519	761	504	641	3,555	320	57	567	372	743	2,059	276	5,890	1,907	7,797
Gold produced	**Jun-03**	**146,928**	**94,619**	**97,221**	**71,406**	**131,560**	**541,734**	**3,955**	**1,125**	**4,663**	**3,151**	**12,249**	**25,143**	**17,811**	**584,688**	**122,365**	**707,053**
– oz	Mar-03	138,440	83,238	103,814	87,032	130,274	542,798	5,305	1,093	10,931	5,176	13,503	36,008	18,262	597,068	117,028	714,096
Yield	**Jun-03**	**0.121**	**0.182**	**0.136**	**0.135**	**0.195**	**0.148**	**0.017**	**0.019**	**0.008**	**0.010**	**0.019**	**0.013**	**0.051**	**0.100**	**0.058**	**0.089**
– oz/tonne	Mar-03	0.123	0.160	0.136	0.173	0.203	0.153	0.017	0.019	0.019	0.014	0.018	0.017	0.066	0.101	0.061	0.092
Cash operating	**Jun-03**	**335**	**283**	**282**	**385**	**259**	**304**	**195**	**102**	**264**	**431**	**250**	**260**	**268**	**301**	**313**	**303**
costs – $/oz	Mar-03	305	286	242	294	233	271	309	172	207	239	228	233	211	267	297	272
Cash operating	**Jun-03**	**41**	**52**	**38**	**52**	**51**	**45**	**3**	**2**	**2**	**4**	**5**	**3**	**14**	**30**	**18**	**27**
costs – $/tonne	Mar-03	37	46	33	51	47	41	5	3	4	3	4	4	14	27	18	25
Working revenue	**Jun-03**	**49,211**	**31,465**	**32,222**	**23,552**	**45,759**	**182,209**	**1,326**	**376**	**1,567**	**1,087**	**4,286**	**8,642**	**6,166**	**197,017**	**41,197**	**238,214**
($'000)	Mar-03	48,372	29,000	36,135	30,267	45,557	189,331	1,850	324	3,827	1,836	4,717	12,554	6,344	208,229	43,037	251,266
Cash operating	**Jun-03**	**49,255**	**26,745**	**27,386**	**27,498**	**34,045**	**164,929**	**771**	**115**	**1,231**	**1,359**	**3,059**	**6,535**	**4,779**	**176,243**	**38,262**	**214,505**
costs ($'000)	Mar-03	42,246	23,780	25,119	25,599	30,339	147,083	1,639	188	2,262	1,239	3,078	8,406	3,849	159,338	34,776	194,114
Cash operating	**Jun-03**	**(44)**	**4,720**	**4,836**	**(3,946)**	**11,714**	**17,280**	**555**	**261**	**336**	**(272)**	**1,227**	**2,107**	**1,387**	**20,774**	**2,935**	**23,709**
profit ($'000)	Mar-03	6,126	5,220	11,016	4,668	15,218	42,248	211	136	1,565	597	1,639	4,148	2,495	48,891	8,261	57,152

Total Operations – annual financial results (US$/imperial)

	Year ended 30 June 2003	Year ended 30 June 2002
Ore milled – t'000	**31,138**	25,290
Gold produced – oz	**2,991,734**	2,667,572
Gold price received – $/oz	**329**	287
Cash operating costs – $/oz	**242**	192
	$ million (reviewed)	**$ million (audited)**
Gold sales	**985**	765
Cash operating costs	**725**	511
Cash operating profit	**260**	254
Income from associates	**7**	–
Amortisation	**(59)**	(30)
Mark to market of financial instruments	**42**	4
Rehabilitation cost provision	**(1)**	(2)
Employment termination costs	**(5)**	(8)
Net impairment of assets	**(65)**	(35)
CAWMS provision	**(1)**	–
Other income – net	**21**	16
Foreign exchange (loss)/profit	**(14)**	8
Interest paid	**(31)**	(23)
Corporate, marketing and new business expenditure	**(16)**	(16)
Exploration expenditure	**(9)**	(5)
Mark to market of listed investments	**(6)**	58
Profit before taxation	**123**	221
South African normal taxation		
– Current tax	**(32)**	(26)
– Deferred tax	**(21)**	(31)
Net earnings	**70**	164
Adjustments:		
– Profit on sale of assets	**(7)**	(2)
– Net impairment of assets	**65**	35
Headline earnings	**128**	197
Earnings per share – cents *		
– Earnings	**39**	107
– Headline earnings	**73**	129
– Fully diluted earnings **	**39**	100
Dividends per share – (cents)		
– Declared	**14**	7
– Proposed final	**16**	42

Prepared in accordance with International Financial Reporting Standards
(Currency conversion rates: June 2003: US$1 = R9,1303
(June 2001: US$1 = R10,20)

* *Calculated on weighted number of shares in issue: June 2003: 178,0 million (June 2002: 153,5 million)*

** *Calculated on weigthed average number of diluted shares in issue: June 2003: 178,3 million (June 2002: 165,2 million)*

Total Operations – quarterly financial results

(US$/imperial) (unaudited)

	Quarter ended 30 June 2003	Quarter ended 31 March 2003	Quarter ended 30 June 2002
Ore milled – t'000	**7,971**	7,797	7,613
Gold produced – oz	**707,053**	714,096	784,155
Gold price received – $/oz	**337**	352	308
Cash operating costs – $/oz	**303**	272	178
	$ million	**$ million**	**$ million**
Gold sales	**239**	251	241
Cash operating costs	**215**	194	139
Cash operating profit	**24**	57	102
Income from associates	**4**	3	–
Amortisation	**(18)**	(16)	(12)
Impairment of mining assets	**(77)**	–	(34)
Mark to market of financial instruments	**28**	16	18
Rehabilitation cost reversal/(provision)	**4**	(2)	(2)
Employment termination costs	**(1)**	(1)	(2)
Other income – net	**8**	5	5
Interest paid	**(11)**	(8)	(7)
Corporate, marketing and new business expenditure	**(5)**	(3)	(2)
Exploration expenditure	**(3)**	(3)	(1)
Foreign exchange losses	**(18)**	(6)	–
Mark to market of listed investments	**–**	(2)	19
Profit before taxation	**(65)**	40	84
South African normal taxation			
– Current tax	**(4)**	(3)	(2)
– Deferred tax	**7**	(9)	(18)
Net earnings	**(62)**	28	64
Adjustments:			
– Profit on sale of assets	**(5)**	(1)	(1)
– Impairment of mining assets	**77**	–	34
Headline earnings	**10**	27	97
Earnings per share – cents *			
– Basic earnings	**(34)**	16	39
– Basic earnings before impairment	**8**	16	59
– Headline earnings	**6**	15	59
– Fully diluted earnings **	**(34)**	15	36
Dividends per share – (cents)			
– Proposed final	**19**	–	41

Prepared in accordance with International Financial Reporting Standards

Currency conversion rates average for the quarter: June 2003: US$1=R7.7337 (March 2003: US$1=R8.37)/(June 2002: US$=R10.43)

**Calculated on weighted number of shares in issue at quarter end June 2003: 184.3 million (March 2003: 180.6 million)/(June 2002: 165.1 million)*

***Calculated on weighted average number of diluted shares in issue at quarter end June 2003: 184.3 million (March 2003: 182.5 million)/(June 2002: 170.1 million)*

Abridged balance sheet (US$)

	*At 30 June 2003 US$ million (reviewed)	At 31 March 2003 US$ million (unaudited)	At 30 June 2002 US$ million (audited)
Employment of capital			
Mining assets after amortisation	**1,327**	1,119	908
Investments	**116**	108	171
Loans to share trusts	**186**	63	28
Net current liabilities (excluding cash)	**(41)**	(65)	(73)
Cash	**225**	391	139
Total assets	**1,813**	1,616	1,173
Capital employed			
Shareholders' equity	**1,149**	1,112	766
Loans*	**322**	251	170
Long-term provisions	**84**	86	70
Minority interest	**16**	–	–
Unrealised hedging loss	**38**	61	93
Deferred tax**	**204**	106	74
Total equity and liabilities	**1,813**	**1,616**	**1,173**

Issued share capital: 184.9 million ordinary shares of 50 cents each .
(March 2003: 184.2 million shares) (June 2002: 169.2 million)

Balance sheet converted at conversion rate of US$ 1 = R7.51 (March 2003: R8.03)
(June 2002: R10.39)

* *The increase in loans was due to the acquisition of Avmin shares.*

** *The increase in deferred tax liability was due to the accounting treatment of the acquisition of Abelle and the finalisation of the Freegold purchase price.*

Condensed statement of changes in shareholders' equity

	At 30 June 2003 R million (reviewed)	At 30 June 2002 R million (audited)	At 30 June 2003 US$ million (reviewed)	At 30 June 2002 US$ million (audited)
Balance as at the beginning of the financial year	**7,963**	4,594	1,060	442
Currency translation adjustment and other	**(331)**	(35)	(44)	(4)
Issue of share capital	**1,328**	1,748	177	168
Net earnings	**639**	1,775	85	171
Dividends paid	**(971)**	(119)	(129)	(11)
Balance as at the end of June	**8,628**	7,963	1,149	766

Abridged cashflow statement

Year ended 30 June 2002 US$ million (audited)	Year ended 30 June 2003 US$ million (reviewed)		Year ended 30 June 2003 R million (reviewed)	Year ended 30 June 2002 R million (audited)
221	**136**	Cash flow from operating activites	**1 243**	2256
(360)	**(90)**	Cash utilised in investing activities	**(826)**	(3668)
166	**(19)**	Cash utilised in financing activities	**(171)**	1694
(32)	**59**	Translation adjustment	**–**	–
(5)	**86**	(Decrease)/increase in cash and equivalents	**246**	282
144	**139**	Opening cash and equivalents	**1441**	1159
139	**225**	Closing cash and equivalents	**1687**	1441

Operating activities translated at average rates of: June 2003: US$1 = R9.13 (June 2002: US$1 = R10.20)

Closing balance translated at closing rates of : June 2003: US$1 = R7.51 (June 2002: US$1 = R10.39)

Group commodity, currency, interest and lease rate contracts at 30 June 2003

Maturity schedule for the financial years

AUS Dollar (A$) Gold	2004	2005	2006	2007	2008	2009	Total
Forward sales agreements							
Ounces	100,000	175,000	108,000	147,000	100,000	100,000	730,000
A$/ounce	513	513	510	515	518	518	514
Calls Sold							
Ounces	95,000	130,000	40,000	–	–	–	265,000
A$/ounce	540	512	552	–	–	–	528
Total	195,000	305,000	148,000	147,000	100,000	100,000	995,000

These contracts are classified as speculative and the market-to-market movement is reflected in the income statement.

The mark-to-market of these contracts was a negative R255 million (US$34 million) as at 30 June 2003, based on the independent valuations. The value was based on a gold price of US$ 346 (A$ 514) per ounce, exchange rates of US$/R7.51 and A$/US$ 0.67.

Gold lease rates

The Group holds certain gold lease rate swaps, of which the mark-to-market of these contracts was a positive R1 million (US$ 120,000) as at 30 June 2003, based on independent valuations.

Interest rate swap

The Group has interest rate swap agreements to convert R600 million of its R1.2 billion fixed rate bond to variable rate debt. The interest rate swap runs over the term of the bond, interest is received at a fixed rate of 13% and the company pays a floating rate based on JIBAR plus a spread ranging from 1.8% to 2.2%.

The mark-to-market value of the transaction making up the positions was a negative R30 million (US$4 million) as at 30 June 2003, the value was based on an exchange rates of US$/R7.51 and the prevailing interest rates and volatilities at the time.

Z B Swanepoel
Chief Executive

Virginia
1 August 2003

Development results (metric)

	Reef meters	Sampled meters	Channel width (cm's)	Channel value (g/t)	Gold (cmg/t)
Randfontein					
VCR Reef	1,288	1,049	57	11.51	651
UE1A	2,060	1,537	102	7.62	778
E8 Reef	273.7	130.4	92	6.73	619
Kimberley Reef	353.5	253.5	137	6.92	950
South Reef	32.8	10.5	62	9.60	595
All Reefs	3,975	2,970	89	8.37	741
Free State					
Basal	3,098	1,022	97.1	9.61	933
Leader	1,092	252	214.8	5.45	1,171
A Reef	545	178	58.9	11.99	706
Middle	384	78	249.4	4.11	1,026
B Reef	519	206	70.7	9.99	706
All Reefs	5,639	1,736	114	8.08	922
Evander					
Kimberley Reef	2,764	2,733	74	13.97	1,034
Elandskraal					
VCR Reef	591	486	88	14.86	1,313
Free Gold JV					
Basal	2,150	1,970.3	56.5	76.88	4,344
Beatrix	539	451.5	140.3	6.69	939
All Reefs	2,689	2,421.8	72.1	73.25	5,283

Development results (imperial)

	Reef feet	Sampled feet	Channel width (inches)	Channel value (oz/t)	Gold (in.ozt)
Randfontein					
VCR Reef	4,226	3,442	22	0.340	7
UE1A	6,759	5,043	40	0.225	9
E8 Reef	898	428	36	0.194	7
Kimberley Reef	1,160	832	54	0.204	11
South Reef	108	34	24	0.292	7
All Reefs	13,042	9,744	35	0.257	9
Free State					
Basal	10,165	3,353	38	0.282	11
Leader	3,582	827	85	0.158	13
A Reef	1,789	584	23	0.353	8
Middle	1,260	256	98	0.120	12
B Reef	1,704	676	28	0.290	8
All Reefs	18,500	5,696	45	0.235	11
Evander					
Kimberley Reef	9,134	8,967	29	0.409	12
Elandskraal					
VCR Reef	1,940	1,594	35	0.431	15
Free Gold JV					
Basal	7,054	6,464	22	2.267	50
Beatrix	1,768	1,481	55	0.196	11
All Reefs	8,822	7,946	28	2.166	61

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New York Stock Exchange:	HMY
London Stock Exchange:	HRM
Euronext Paris:	HG
Euronext Brussels:	HMY
Berlin Stock Exchange:	HAM1

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