IMPLATS
Distinctly Platinum

Summarised consolidated annual results for the period ended 30 June **2016**

Our values

WE RESPECT

- all our stakeholders, including:
  - shareholders
  - employees and their representative bodies
  - communities in which we operate
  - regulatory bodies
  - suppliers and customers
  - directors and management
  - all other interested and affected parties
- the principles of the UN Global Compact
- the laws of the countries within which we operate
- company policies and procedures
- our place and way of work
- open and honest communication
- diversity of all our stakeholders
- risk management and continuous improvement philosophies

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

Our mission is to safely mine, process, refine and market our products at the best possible cost, ensuring sustainable value creation for all our stakeholders

WE CARE

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

WE STRIVE TO DELIVER

- positive returns to our stakeholders through an operational excellence model
- a safe, productive and conducive working environment
- on our capital projects
- a fair working environment through equitable and competitive human capital practices
- on the development of our employees
- on our commitments to all our stakeholders
- quality products that meet or exceed our customers' expectations

> "The quality and diversity of the Group's assets and people are becoming a clear value differentiator with strong operational execution across the Group. Zimplats, Marula Two Rivers and Mimosa delivered remarkable operational performances in an extremely challenging operating environment, all setting new production records. Impala Rustenburg restored operational performance in the first half of the year in line with our strategy to reposition the Lease Area, but regrettably two major safety incidents in the second half of the financial year impaired its overall result."

SAFETY

- Record 8.0 million fatality-free shifts at South African operations
- Safety incidents at Mimosa and Impala's 14 and 1 Shafts impact safe production aspirations

MARKET

- Platinum and palladium markets will remain in fundamental deficit during 2016
- Demand growth combined with faltering supply will drive higher PGM basket prices in the medium term

OPERATIONAL

- Gross refined platinum 13% higher at 1.44 million ounces
- Safety incidents and related stoppages impact performance at Impala

EARNINGS

- Headline earnings per share decreased by 67% to 12 cents

DIVIDEND

- No dividend declared for the year

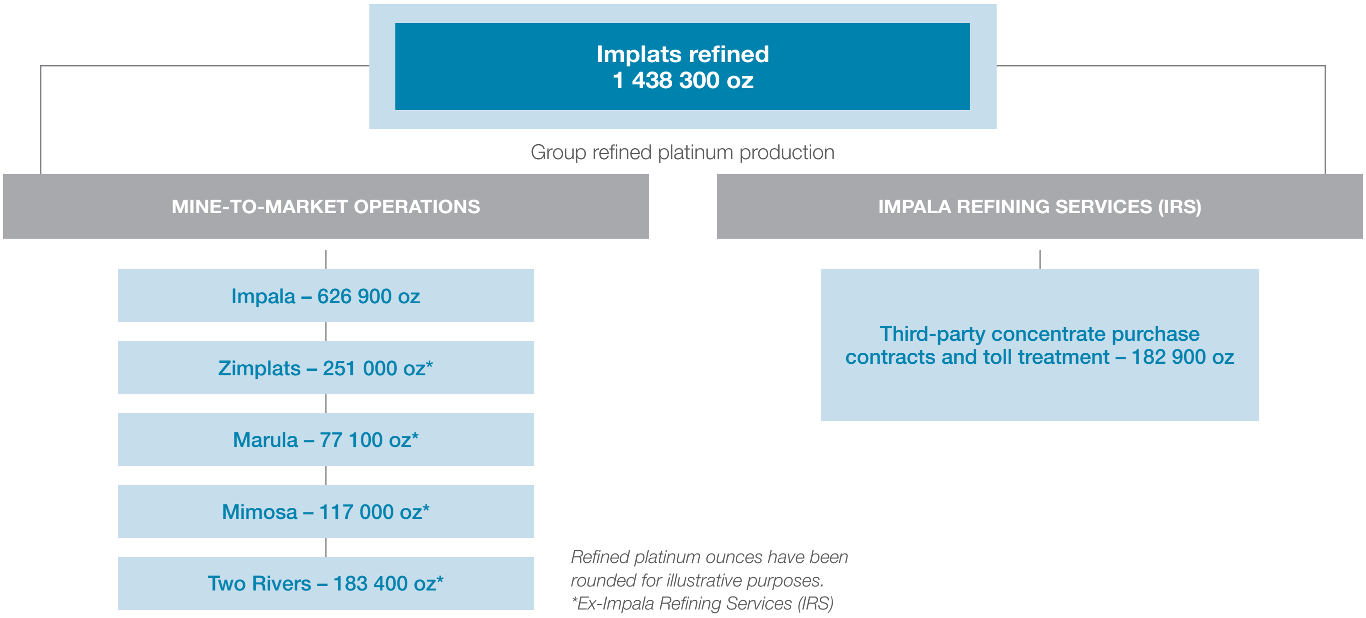
RESPONSE PLAN

- The Group continues to prioritise shorter-term cash preservation and profitability enhancement measures to mitigate lower-for-longer PGM prices

BALANCE SHEET

- Group equity raise of R4 billion successfully executed in October 2015 to sustain capital commitments and long-term value creation
- Quantum and tenure of debt facilities extended to further strengthen balance sheet

Operating statistics



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

		30 June 2016	30 June 2015
Gross refined production			
Platinum	('000oz)	**1 438**	1 276
Palladium	('000oz)	**885**	792
Rhodium	('000oz)	**185**	172
Nickel	(t)	**17 001**	15 918
IRS metal returned (toll refined)			
Platinum	('000oz)	**–**	–
Palladium	('000oz)	**2**	1
Rhodium	('000oz)	**–**	–
Nickel	(t)	**3 508**	3 344
Sales volumes			
Platinum	('000oz)	**1 512**	1 273
Palladium	('000oz)	**906**	789
Rhodium	('000oz)	**197**	165
Nickel	(t)	**14 184**	11 634
Prices achieved			
Platinum	(US$/oz)	**961**	1 241
Palladium	(US$/oz)	**586**	804
Rhodium	(US$/oz)	**735**	1 187
Nickel	(US$/t)	**9 483**	15 458
Consolidated statistics			
Average exchange rate achieved	(R/US$)	**14.39**	11.41
Closing exchange rate for the period	(R/US$)	**14.69**	12.17
Revenue per platinum ounce sold	(US$/oz)	**1 627**	2 199
	(R/oz)	**23 413**	25 091
Tonnes milled ex-mine	('000t)	**18 413**	16 024
Total development (Impala)	(Metres)	**84 704**	88 000
Gross PGM refined production	('000oz)	**2 908**	2 618
Capital expenditure	(Rm)	**3 560**	4 287
Group unit cost per platinum ounce	(US$/oz)	**1 507**	1 947
	(R/oz)	**21 731**	22 222

Commentary

Introduction

The platinum sector continues to be challenged by low US dollar metal prices. Implats' strategic response to the lower-for-longer PGM price environment, introduced in February 2015, has shown positive results during the year with specific focus on measures which enhance profitability and short-term cash preservation. In addition, the Group successfully executed a R4.0 billion equity placement in October 2015 through an accelerated book build process to secure the required capital for two advanced and strategic shaft replacement projects (16 and 20 Shaft) at the Impala Lease Area.

With the exception of Impala Rustenburg, all other operations delivered remarkable performance in an extremely challenging operating environment, with many setting new safety and production records. At Impala Rustenburg full year performance was impaired by two major safety incidents in the second half of the financial year. A conveyor belt fire at the 14 Shaft complex caused extensive damage to the bottom decline section infrastructure, with resultant loss of productive capacity from the shaft complex, while a fall-of-ground incident at 1 Shaft and subsequent search and rescue operation for two missing employees resulted in extended safety interruptions at the mine.

Implats remains cash generative, ending the period under review with R6.8 billion in cash despite persistently low US dollar metal prices and extensive safety interruptions at the Lease Area. This performance was materially assisted by significant financial contributions from Impala Refining Services (IRS).

Response plan update

The response plan was first communicated in February 2015 and targeted savings of R930 million in the 2016 financial year. Key strategic objectives included cost optimisation, reprioritising and rescheduling capital expenditure, implementing the Impala Lease Area strategy and strengthening the Group balance sheet.

Various initiatives to improve mining efficiencies and reduce operating costs (cost optimisation) realised a saving of approximately R1.4 billion for the year, of which R930 million was realised at Impala. Key components included: R286 million from reduced staffing; R306 million from contract renegotiations and improved consumption; R97 million from reduced overtime; and R241 million from higher efficiencies, deferred development and renewals.

The capital budget was reduced by R1.3 billion to R4.2 billion for 2016, following further curtailments at 17 Shaft and targeted reductions at Impala Rustenburg, Marula and Zimplats. During the year, R1.3 billion was spent on 16 and 20 Shafts and R981 million at Zimplats. In total, R3.56 billion in capital was invested across the Group, resulting in a R1.9 billion deferment of capital expenditure.

The Impala Lease Area strategy aims to transform the operation into a more concentrated mining operation with access to new, modern shaft complexes making better use of the invested fixed-cost base, with higher mining efficiencies and lower unit costs. Aligned to this strategy, both 8 Shaft and the 12 Shaft mechanised section were closed as planned in December 2015. Consequently, the overall labour complement at Impala Rustenburg was reduced by approximately 3 360 people through the planned closures of these operations, and further initiatives targeting contractor efficiencies and labour optimisation through natural attrition. Contractor employment reduced from 11 302 in the prior year to 9 531 at year-end and own employees from 43 838 to 40 477. Further job losses were mitigated through transfers to 16 and 20 Shafts which are in build-up and the reclassification of some employees to other occupations.

Implats continued to prioritise strategic capital investment through the cycle while maintaining balance sheet strength and flexibility as far as possible. To this end, the Group successfully executed a R4.0 billion equity placement in October 2015 through an accelerated book build process, the proceeds of which are being used to complete Impala Rustenburg's 16 and 20 Shafts. Subsequent to year-end, the quantum and tenure of existing debt facilities from strategic relationship banking institutions were also extended. Implats amended R3.25 billion of existing debt facilities, which were previously available until December 2017, to a revised R4.0 billion available until 2021. The enhanced liquidity provides security and flexibility to address upcoming debt maturities as well as to service the ongoing needs of the business.

Safety review

During the first half of the financial year, the Group achieved its lowest ever 12-month moving average fatal-injury frequency rate of 0.024 per million man-hours worked. Between 13 April 2015 and 24 November 2015, the South African operations reported zero fatal incidents resulting in 210 fatality-free calendar days, which equates to over eight million fatality-free shifts – a remarkable performance.

Other noteworthy achievements during the year include Springs Refinery which has worked more than 19 years (10.5 million shifts) without a fatal accident; 7a Shaft achieved 16 years (5.3 million shifts); Rustenburg Services achieved 15 years (11.1 million shifts); Two Rivers, 7 Shaft and 4 Shaft all achieved four years; 6 Shaft, 9 Shaft and 20 Shaft achieved more than three years; while Zimplats and Mineral Processes both worked more than two years without a fatal accident. Other safety millionaires and/or operations who have worked for more than a year without a fatal accident include the Marula Operation and Impala Rustenburg's E&F, 10, 11, 12, and 16 shaft complexes.

Commentary

Despite the remarkable safety achievements and sustained investment in safe production initiatives, our journey to zero harm was tragically overshadowed by the loss of 11 lives during the year – two at Mimosa, three at 1 Shaft and six at 14 Shaft. The loss of life was a devastating blow that reverberated across the Group and touched everyone profoundly – the board of directors has extended their sincere condolences to the family, friends and colleagues of our departed employees.

The fatal incidents at Mimosa and Impala Rustenburg this year were unprecedented and unusual – and has brought into stark focus the risk around critical safe behaviours – and the need to inculcate an independent safety culture at every level in the organisation. Expert third-party analysis consistently find human failure to be the most significant factor in our safety related incidents. The Group is therefore enhancing its safety programmes to boost safe production compliance in a dependent safety culture, but also driving change to an interdependent culture where every employee looks after their own safe behaviour and the safety of others. Implats remains resolute in our pursuit to achieve zero harm across all our operations and will continue to work closely with all stakeholders including our own employees, organised labour and the DMR.

Operational review

Mine-to-market output was 9.8% higher at 1.26 million platinum ounces following strong operational performance from Zimplats and operational recovery at Impala Rustenburg post the strike impacted start-up in the prior year. Third-party platinum production increased by 37% to 182 900 ounces as a result of improved deliveries from third-party customers. Consequently, gross refined platinum production increased by 12.7% to 1.44 million ounces. Improved production volumes coupled with stringent cost control benefited Group unit costs, which improved by 2.2% to R21 731 per platinum ounce (R22 222 – FY2015).

IMPALA RUSTENBURG

Production during the period under review was materially affected by unprecedented safety events, specifically the underground fire at 14 Shaft and fall-of-ground incident at 1 Shaft. The fire at 14 Shaft caused extensive damage to conveyor infrastructure in the decline shaft system. While stoping and development activities could resume in the upper sections from February 2016, the lower mechanised and conventional mining sections remain closed. Mining activity from the decline section is planned to recommence from November 2016 when the first conveyor segment and some associated ancillary services will be restored. Full mining capacity in the decline section should be restored from March 2017 when all rehabilitation activities are expected to be completed. Platinum production from 14 Shaft was impacted by approximately 39 000 ounces during the financial year, with a further impact of approximately 45 000 platinum ounces expected in the 2017 financial year. To date, a total of R415 million has been received from our insurance providers, of which R120 million was for property damage and the balance (R295 million) for business interruption.

At 1 Shaft, two employees were initially reported missing after a fall-of-ground incident. Tragically they were later found fatally injured after a two day and two week respectively search and rescue operation. All mining activities at the shaft were suspended during the search and rescue operation – and subsequently remained suspended for a further prolonged period to re-establish and secure all related safety protocols.

Both 8 Shaft and the 12 Shaft mechanised section, which were identified as loss-making in the low metal price environment, were closed as planned at the end of December 2015 – collectively these areas contributed 22 600 platinum ounces in the first half of the financial year.

Despite these production impacts, good progress was made during the year with the commissioning and ramp-up of two large new underground mining operations (16 Shaft and 20 Shaft). Together, these new shafts produced 82 900 platinum ounces in 2016, with planned output of 310 000 platinum ounces per annum from 2020. Productivity improvements continue to receive focus, specifically reducing under-performing mining teams and increasing available mining face length and flexibility through ore reserve development and construction. Mineable face length for conventional mining crews has been a key focus over a number of years and has been maintained at 22km, despite the closure of 8 Shaft in December 2015 and further depletion at the old shafts which will all be closed in the next few years.

Milled throughput improved by 12.1% to 10.32 million tonnes (9.21 million tonnes) and refined platinum production increased by 9.0% to 626 900 ounces (575 200 ounces).

Measures to contain the operating cost base at Impala Rustenburg realised a combined saving of approximately R930 million in 2016, principally through procurement and other cost saving initiatives. Despite this good performance, unit costs were severely impacted by the lower production volumes in the second half and improved by only 7.3% or R22 139 per platinum ounce refined (2015: R23 884).

Commentary

Value-enhancing capital investment to sustain longer-term value creation continue to be prioritised despite the current price environments. The principal focus in this regard remains the completion of 16 and 20 Shafts in line with our strategy to transform the Impala Lease Area. In 2016, R1.3 billion was invested into these two projects, with a further R2.6 billion to be invested over the next three years to complete both shaft complexes. The ramp-up of production at 16 Shaft is ahead of plan. Corrective action at 20 Shaft to address less than planned stoping targets has shown positive results.

Project development work at 17 Shaft was stopped in February 2016 and placed on low cost care and maintenance, given persistently low PGM metal prices. To maintain the profile of the Lease once 16 and 20 Shafts are at steady state (830 000 platinum ounces per annum), dewatering of 17 Shaft needs to commence in 2020.

The key focus at Impala Rustenburg is to meet its build-up target on stoping teams and deliver the planned team efficiencies. Critical in all of this will be full delivery of our safe production strategy, ensuring that the exceptional safety performance and zero harm standards already embedded at many of our operations, is replicated across all operations to minimise avoidable work stoppages. Ongoing cost saving measures are being targeted though various identified projects, such as procurement initiatives. An optimisation project has been initiated with external support to specifically interrogate the mining cycle at Impala Rustenburg, with the goal of securing and/or enhancing production from the shafts.

IMPALA REFINING SERVICES (IRS)

During the year under review, IRS, which uses Impala's excess processing and refining capacity to smelt and refine the concentrate and matte produced by the Group's other mine-to-market operations and third parties, generated R1.35 billion post tax, which is a significant contribution to the Group. This world-class refining business remains a strategic competitive advantage for Implats.

Platinum production from mine-to-market operations increased by 10.7% from the previous year to 628 600 ounces (567 500 ounces) as all operations delivered higher volumes to IRS. Refined platinum production from third-party purchases and toll volumes increased from 133 200 ounces to 182 900 ounces, largely due to improved deliveries from third-party customers.

ZIMPLATS

Zimplats achieved five million fatality-free shifts in the year under review and the operation recorded only eight (2015: 13) lost-time injuries in the year.

Measures to recover production losses as a result of the temporary safety closure of the Bimha Mine in August 2014, including further open-pit mining and the redeployment of mining teams, together with increasing output from the new Mupfuti Mine as it ramped-up production, fully compensated for lost tonnage at Bimha Mine in 2016.

Tonnes milled increased by 24.1% to 6.41 million (5.16 million). The remaining stockpiled material – 21 000 platinum ounces – which resulted from the outage of Zimplats' smelter in May 2015, was sold as concentrate during the 2016 financial year. Platinum in matte production increased by 52.5% from the previous year to 290 400 ounces (190 000 ounces) – a record level of production.

A new pillar layout introduced at the Mupfuti Mine following the ground collapse at Bimha is nearing completion. The redevelopment of Bimha Mine remains on schedule to reach full production in April 2018. To ensure that the Phase 2 production levels are sustained beyond 2021, a bankable feasibility study on Portal 6 is near completion and this project will be considered by the board in November 2016. It is expected that US$148 million will be spent over the next five years on this project.

Due to cash constraints, the refurbishment of the Selous-based base metal refinery has been put on hold. Studies into various smelter options to mitigate the operational risk of a single furnace operation and to potentially treat other concentrates in the country continue.

Platinum unit costs benefited significantly from increased production volumes as well as stringent cost containment initiatives and declined by 32.9% to US$1 130 (2015: US$1 683) per platinum ounce in matte. In rand terms, unit costs only improved by 15.2% to R16 291 (2015: R19 211) per platinum ounce in matte as the exchange rate weakened further.

Capital expenditure reduced to US$68 million (2015: US$85 million) due to the cash preservation initiative in response to low metal prices.

Capital expenditure over the next few years will remain constrained by the low dollar price environment and is prioritised for projects critical to sustaining production levels, improving safety and maintaining Zimplats' licence to operate.

Commentary

MARULA

Marula's lost-time injury frequency rate improved from 18.20 to 9.56 per million man-hours worked. The mine had no fatalities during the year and has currently reached the exemplary milestone of two million fatality-free shifts.

Marula has focused on improving operational performance and profitability and, during the first half of the year, the operational performance improved by 13%. Production during the second half was disrupted by sporadic community unrest, which had a direct negative impact of 55 500 tonnes or some 2 500 ounces. The last two months of the financial year were uninterrupted and Marula achieved efficiencies that, on an annualised basis, would result in over 90 000 ounces of platinum.

Overall, milled tonnage increased by 2.5% to 1.70 million tonnes (2015: 1.66 million tonnes) and platinum in concentrate production rose by 5.6% to 77 700 ounces (2015: 73 600 ounces).

Unit costs per platinum ounce in concentrate increased by 6.9% to R24 149 (2015: R22 582) in line with mining inflation. Costs were well controlled and on budget, but the unit cost was negatively affected by the loss of production due to community unrest.

Capital expenditure was contained to R89 million (2015: R145 million) due to cash preservation initiatives.

The optimisation programme focusing on Marula's existing infrastructure over the past few years will provide the necessary foundation for the mine to reach its targeted output of 90 000 ounces of platinum in 2017. It has adequate mineable face length having doubled from 1.5km in 2013 to 3.2km currently. Moreover, the successful completion of the raisebore ventilation hole at Clapham will enable increased development to further enhance mining flexibility. The Driekop chairlift installation is progressing and is scheduled to be completed by December 2016. This will assist in generating increased available face time and improved team productivity.

MIMOSA

Two separate fatalities occurred at the Mimosa operations during the period under review and were a devastating blow to an excellent safety record. These unprecedented incidents followed the operation's achievement of five million fatality-free shifts and a fatal injury frequency rate of 0.13 per million man-hours worked.

Operationally, Mimosa achieved record production. Tonnes milled increased marginally to 2.64 million (2015: 2.59 million) and platinum in concentrate production to 119 700 ounces (2015: 117 400 ounces). Unit costs per platinum ounce in concentrate decreased by 4.1% to US$1 463 (2015: US$1 525) driven largely by cost saving initiatives. Capital expenditure of US$32 million was mainly spent on maintenance capital.

Mimosa plans to stringently manage costs in order to mitigate ongoing inflationary pressures. Steady-state platinum in concentrate production will be maintained at 115 000 ounces per annum. A feasibility study on a possible 30% expansion of production has been completed subject to improved metal prices and the availability of capital. The government of Zimbabwe deferred until 1 January 2017 the imposition of a 15% export levy on unbeneficiated platinum concentrates. Mimosa continues to consult with the government on the export levy and has recently completed a bankable feasibility study for the construction of a smelter at the operation.

TWO RIVERS

Two Rivers achieved three million fatality-free shifts during the year under review and has now operated for 53 months without a fatality.

Tonnes milled increased from 3.36 million to 3.51 million due to additional toll milling through another facility. Consequently, platinum in concentrate production increased by 7.1% to 185 900 ounces (2015: 173 500 ounces).

Unit costs per platinum ounce in concentrate were well contained and decreased by 1.4% to R11 775 (2015: R11 948) as a result of the increased production volumes. Despite the low metal price environment experienced during the year, Two Rivers generated R946 million in cash after tax. Capital expenditure at R282 million was at similar levels to the previous year.

Two Rivers is expected to sustain the production at more than 150 000 platinum ounces per annum for at least 10 years. This will entail the exploitation of the remaining extension and portions 4, 5 and 6 of Kalkfontein. Capital to extend the infrastructure into the adjacent Kalkfontein areas has been budgeted for. Two Rivers is investigating various strategic alternatives to increase output beyond 2018.

Commentary

Mineral Resources and Mineral Reserves

Implats' total attributable Mineral Resources of 194 million platinum ounces at 30 June 2016 is 1% lower than the 196 million platinum ounces reported previously in June 2015. This can mainly be ascribed to mining depletion. The grouping of platinum ounces per reef shows that some 50% of the attributable Mineral Resource is hosted by the Great Dyke and the Zimplats Mineral Resource makes up 49% of the total Implats inventory.

Total attributable Mineral Reserves decreased by 18% to 21.6 million platinum ounces as at 30 June 2016 compared to 26.4 million platinum ounces in the previous financial year. The main contributor to the decrease in Mineral Reserves is the exclusion of the 17 Shaft Mineral Reserves at Impala. Some 62% of the total attributable Mineral Reserves are located at Impala.

Financial performance

Revenue for the year increased by R3.5 billion rand from the previous year to R35.9 billion as a result of an increase in sales volumes (R5.7 billion) and a positive exchange rate variance (R7.2 billion) but offset by lower dollar metal prices (R9.4 billion).

Cash costs comprising on-mine, processing, refining and selling and administration benefited from stringent cost control measures and increased by only 6.1% compared to a normalised 2015 cost after adjusting for once off ramp-up costs and savings after the strike in the 2014 financial year.

Production was negatively affected during the second half by the fire at 14 Shaft and the fall of ground at 1 Shaft. Notwithstanding this, gross group platinum production increased by 12.7% to 1 438.3 million ounces.

Other once-off items include an impairment/scrapping charge of R413 million – mainly due to the impairment of the 12 Shaft mechanised section, which was closed in December 2015 and the scrapping of the 14 Shaft conveyor belt after the fire. Insurance proceeds of R474 million is included in other operating income, which related mainly to the business interruption and asset insurance on 14 Shaft.

Overall, headline earnings per share decreased from 36 cents per share to 12 cents per share mainly due to the lower rand metal prices, which were offset to some extent by increased volumes and stringent cost control.

The Group's cash position at end of the financial year improved from R2.6 billion to R6.8 billion mainly as a result of the equity raise during the financial year of R3.9 billion (net of expenses) and net cash generated, after funding all capital expenditure, of R291 million. At year-end, the Group had committed facilities of R4 billion until 2017. Subsequent to year-end, R3.25 billion of these committed facilities were extended to 2021 and an additional R0.75 billion facility was obtained also expiring in 2021 bringing the total committed facilities to R4.75 billion.

Capital expenditure for the year amounted to R3.6 (2015: R4.3) billion.

Capital expenditure of approximately R4.4 billion is planned for the 2017 financial year, of which R1.2 billion relates to 20 and 16 Shafts at Impala. 17 Shaft has been placed on low-cost maintenance at some R6 million per annum. Of the capital expenditure of R4.4 billion, R2.4 billion is planned at Impala and US$122 million is planned at Zimplats. Capital expenditure will principally be funded from the opening cash balance, operating cash flows and borrowings if necessary.

Market review

Despite global macroeconomic uncertainty, overall demand for PGMs from major sectors remained healthy during 2015 and continued to hold its ground during the first half of 2016. Secondary PGM supply was affected by the low PGM and steel price environment, which led to some hoarding by collectors. Primary PGM supply continues to be at risk due to the continued lack of capital investment and the challenging mining environment in southern Africa. The platinum and palladium markets remained in a fundamental deficit during 2015, while the rhodium market showed a small surplus.

At the start of the financial year, the platinum price was US$1 085 per ounce, but declined to a low of US$814 per ounce in January 2016 driven by pervasive negative sentiment towards industrial metals, rather than their fundamentals. Prices bounced back after January 2016 to reach US$1 084 per ounce during May 2016 on the back of positive investor sentiment, healthy demand and tight supply conditions from South Africa during the first quarter of calendar year 2016. Palladium prices started the financial year at US$687 per ounce reaching a high of US$723 per ounce in September 2015 – a level not reached again during the period under review. Palladium closed the financial year at US$589 after reaching a low of US$465 per ounce in January 2016 and largely tracked macroeconomic factors throughout the year.

Commentary

The 23% depreciation of the rand dollar exchange rate over the financial year and some restricted appreciation of prices post January 2016 did support rand prices for PGMs, giving partial relief to cash-constrained South African platinum miners.

Overall, 2015 was a relatively positive year for the global automotive industry, which achieved 1.8% growth for light-duty vehicle sales, reaching 90 million units. While this was the slowest growth rate since 2009 – due to declines in units sold in Japan, South America and Russia – these were offset by record sales in North America, Western Europe and China. Concerns over the sustainability of diesel demand in Western Europe have proven to be largely unfounded and sales remain robust. Despite the ongoing substitution of platinum with palladium in gasoline and some diesel autocatalysts, platinum demand continued to benefit from growing use in light- and heavy-duty diesel vehicles, which exceeded 3.2 million ounces in 2015. The growth in vehicle sales and the substitution of platinum by palladium resulted in palladium demand from the automotive sector reaching 7.7 million ounces in 2015.

The 2015 PGI retail barometer showed the economic slow-down in China affecting the jewellery industry, resulting in Chinese platinum jewellery demand declining by 4% during 2015. This was partially offset by growth regions, such as India, which benefited from a promotional programme and better market penetration. The 10% growth in the US was largely driven by low platinum prices.

Industrial demand remained healthy in 2015 and into the first half of 2016, driven largely by chemical, electrical and fuel cell applications. The selloff of platinum and palladium ETFs in the second half of 2015 continued during the first half of 2016. Net liquidations of platinum amounted to 40 000 ounces as South African funds liquidating 160 000 ounces during the first half of 2016 on the back of rand weakness, which prompted profit-taking. Net palladium ETF liquidations of 130 000 ounces during the first half of 2016 were more pronounced than platinum due to concerns about the Chinese economy and its effect on palladium demand. Changes in NYMEX/TOCOM positioning were divergent during the first half of the year.

Growing demand for platinum and palladium from the automotive and industrial sectors is unlikely to be met by primary and secondary supply. In the low price environment, recycling should remain sluggish. Primary South African producers now have less flexibility to supplement supplies with metal from stocks as these have been depleted to supplement cash flows. Diminishing above-ground stocks are expected to continue to satisfy fundamental deficits during 2016.

Prospects

Implats remains resolute in achieving zero harm goals to ensure the safety and well-being of every employee and will continue to work closely with all stakeholders including employees, organised labour and the Department of Mineral Resources (DMR) in pursuit of achieving safe production across all operations.

In the short term, PGM prices are expected to remain subdued. Implats will continue its cash preservation initiatives as well as the drive to enhance productivity and profitability. The Group continues to invest in its operations and will mechanise and optimise through the downturn to ensure it is well positioned for the future. All operations are performing extremely well and efforts are apace to restore Impala Rustenburg to its full potential.

Given the impact of the 14 Shaft fire, the production estimate for Impala is between 700 000 and 710 000 platinum ounces for 2017, after which the previous guidance of building up to 830 000 platinum ounces by 2020 remains. Production guidance for the other operations remains unchanged for the coming year – Zimplats 260 000 platinum ounces in matte and Marula, Two Rivers and Mimosa 90 000, 175 000 and 115 000 platinum ounces in concentrate, respectively.

Unit costs are expected to be approximately R21 300 per platinum ounces and capital should be contained to R4.4 billion in 2017.

The financial information on which this prospects statement is based has not been reviewed and reported on by Implats' external auditors.

Approval of the financial statements

This abridged report is extracted from audited information, but is not itself audited. The directors of the Company take full responsibility for the preparation of the summary consolidated annual results for the period ended 30 June 2016 and that the financial information has been correctly extracted from the underlying annual financial statements.

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

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

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

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

The financial statements have been approved by the board of directors and are signed on their behalf by:

MSV Gantsho
Chairman

TP Goodlace
Chief executive officer

Johannesburg
1 September 2016

Consolidated statement of financial position

as at 30 June 2016

	Notes	2016 Rm	2015 Rm
Assets			
Non-current assets			
Property, plant and equipment	6	**49 722**	47 248
Exploration and evaluation assets		**385**	385
Investment property		**173**	—
Investment in equity accounted entities		**3 342**	3 172
Deferred tax		**37**	—
Other financial assets		**312**	146
Derivative financial instruments	7	**1 137**	630
Prepayments		**10 180**	10 378
		65 288	61 959
Current assets			
Inventories	8	**8 202**	8 125
Trade and other receivables		**3 605**	3 751
Other financial assets		**12**	35
Prepayments		**1 121**	748
Cash and cash equivalents		**6 788**	2 597
		19 728	15 256
Total assets		**85 016**	77 215
Equity and liabilities			
Equity			
Share capital	9	**19 547**	15 733
Retained earnings		**31 200**	31 271
Other components of equity		**5 161**	3 100
Equity attributable to owners of the Company		**55 908**	50 104
Non-controlling interest		**2 548**	2 258
Total equity		**58 456**	52 362
Liabilities			
Non-current liabilities			
Deferred tax		**8 574**	8 695
Borrowings	10	**8 715**	7 366
Other financial liabilities		**—**	57
Sundry liabilities		**443**	377
Provisions		**1 082**	848
		18 814	17 343
Current liabilities			
Trade and other payables		**6 382**	6 057
Current tax payable		**645**	636
Borrowings	10	**564**	710
Other financial liabilities		**66**	17
Sundry liabilities		**89**	90
		7 746	7 510
Total liabilities		**26 560**	24 853
Total equity and liabilities		**85 016**	77 215

The notes on pages 14 to 21 are an integral part of these summarised financial statements.

Consolidated statement of comprehensive income
for the period ended 30 June 2016

	Notes	2016 Rm	2015 Rm
Revenue		**35 932**	32 477
Cost of sales	11	**(35 928)**	(30 849)
Gross profit		**4**	1 628
Other operating income		**647**	953
Other operating expenses		**(198)**	(1 338)
Impairment		**(307)**	(5 847)
Royalty (expense)/income		**(516)**	575
Loss from operations		**(370)**	(4 029)
Finance income		**369**	135
Finance cost		**(705)**	(419)
Net foreign exchange transaction losses		**(549)**	(287)
Other income		**547**	266
Other expenses		**(154)**	(399)
Share of profit of equity accounted entities		**262**	377
Loss before tax		**(600)**	(4 356)
Income tax income		**557**	217
Loss for the year		**(43)**	(4 139)
Other comprehensive income/(loss), comprising items that may subsequently be reclassified to profit or loss:			
Available-for-sale financial assets		**(7)**	(27)
Deferred tax thereon		**—**	(2)
Share of other comprehensive income of equity accounted entities		**342**	239
Deferred tax thereon		**(34)**	(23)
Exchange differences on translating foreign operations		**2 380**	1 495
Deferred tax thereon		**(311)**	(195)
Other comprehensive income/(loss), comprising items that will not be subsequently reclassified to profit or loss:			
Actuarial loss on post-employment medical benefit		**(1)**	(2)
Deferred tax thereon		**—**	—
Total comprehensive income/(loss)		**2 326**	(2 654)
Profit/(loss) attributable to:			
Owners of the Company		**(70)**	(3 663)
Non-controlling interest		**27**	(476)
		(43)	(4 139)
Total comprehensive income/(loss) attributable to:			
Owners of the Company		**1 990**	(2 372)
Non-controlling interest		**336**	(282)
		2 326	(2 654)
Earnings per share (cents per share):			
Basic		**(10)**	(603)
Diluted		**(10)**	(603)

The notes on pages 14 to 21 are an integral part of these summarised financial statements.

Consolidated statement of equity

for the period ended 30 June 2016

	Ordinary shares Rm	Share premium Rm	Share-based payment reserve Rm	Total share capital Rm	Retained earnings Rm	Foreign currency translation reserve Rm	Other components of equity Rm	Attributable to: Owners of the Company Rm	Attributable to: Non-controlling interest Rm	Total equity Rm
Balance at 30 June 2015	**16**	**13 369**	**2 348**	**15 733**	**31 271**	**3 024**	**76**	**50 104**	**2 258**	**52 362**
Shares issued										
– Ordinary share issue	**2**	**3 998**	**—**	**4 000**	**—**	**—**	**—**	**4 000**	**—**	**4 000**
– Implats Share Incentive Scheme	**—**	**2**	**—**	**2**	**—**	**—**	**—**	**2**	**—**	**2**
Shares purchased										
- Long-term Incentive Plan	**—**	**(17)**	**—**	**(17)**	**—**	**—**	**—**	**(17)**	**—**	**(17)**
Share-based compensation expense										
- Long-term Incentive Plan	**—**	**—**	**(71)**	**(71)**	**—**		**—**	**(71)**	**—**	**(71)**
Total comprehensive income/(loss)	**—**	**—**	**—**	**—**	**(71)**	**2 068**	**(7)**	**1 990**	**336**	**2 326**
- Profit/(loss) for the year	**—**	**—**	**—**	**—**	**(70)**	**—**	**—**	**(70)**	**27**	**(43)**
- Other comprehensive income/(loss)	**—**	**—**	**—**	**—**	**(1)**	**2 068**	**(7)**	**2 060**	**309**	**2 369**
Dividends	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**(46)**	**(46)**
Balance at 30 June 2016	18	17 252	2 277	19 547	31 200	5 092	69	55 908	2 548	58 456
Balance at 30 June 2014	16	13 371	2 237	15 624	34 936	1 702	105	52 367	2 550	54 917
Shares issued										
- Implats Share Incentive Scheme	—	1	—	1	—	—	—	1	—	1
Shares purchased										
– Long-term Incentive Plan	—	(3)	—	(3)	—	—	—	(3)	—	(3)
Share-based compensation expense										
- Long-term Incentive Plan	—	—	111	111	—	—	—	111	—	111
Total comprehensive income/(loss)	—	—	—	—	(3 665)	1 322	(29)	(2 372)	(282)	(2 654)
- Profit/(loss) for the year	—	—	—	—	(3 663)	—	—	(3 663)	(476)	(4 139)
- Other comprehensive income/(loss)	—	—	—	—	(2)	1 322	(29)	1 291	194	1 485
Dividends	—	—	—	—	—	—	—	—	(10)	(10)
Balance at 30 June 2015	16	13 369	2 348	15 733	31 271	3 024	76	50 104	2 258	52 362

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

The notes on pages 14 to 21 are an integral part of these summarised financial statements.

Consolidated statement of cash flows

for the period ended 30 June 2016

	2016 Rm	2015 Rm
Cash flows from operating activities		
Cash generated from operations	**4 216**	3 100
Exploration costs	**(13)**	(33)
Finance cost	**(589)**	(338)
Income tax paid	**(883)**	(401)
Net cash from operating activities	**2 731**	2 328
Cash flows from investing activities		
Purchase of property, plant and equipment	**(3 658)**	(4 508)
Proceeds from sale of property, plant and equipment	**42**	42
Purchase of available-for-sale financial assets	**(152)**	—
Purchase of held-to-maturity financial assets	**(70)**	—
Proceeds from available-for-sale financial assets	**23**	—
Proceeds from held-to-maturity financial assets	**40**	—
Loans granted	**(2)**	(61)
Loan repayments received	**24**	19
Finance income	**394**	141
Dividends received	**439**	522
Net cash used in investing activities	**(2 920)**	(3 845)
Cash flows from financing activities		
Issue of ordinary shares net of transaction cost	**3 902**	1
Shares purchased – Long-term Incentive Plan	**(17)**	(3)
Repayments of borrowings	**(13)**	(344)
Proceeds from borrowings	**389**	80
Dividends paid to non-controlling interest	**(46)**	(10)
Net cash from/(used in) financing activities	**4 215**	(276)
Net increase/(decrease) in cash and cash equivalents	**4 026**	(1 793)
Cash and cash equivalents at beginning of year	**2 597**	4 305
Effect of exchange rate changes on cash and cash equivalents held in foreign currencies	**165**	85
Cash and cash equivalents at end of year	**6 788**	2 597

The notes on pages 14 to 21 are an integral part of these summarised financial statements.

Notes to the financial information

for the period ended 30 June 2016

1. General information

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

The Company has its listing on the Johannesburg Stock Exchange.

The summarised consolidated financial information was approved for issue on 1 September 2016 by the board of directors.

2. Audit opinion

This summarised report is extracted from audited information, but is not itself audited. The annual financial statements were audited by PricewaterhouseCoopers Inc., who expressed an unmodified opinion thereon. The audited annual financial statements and the auditor's report thereon are available for inspection at the Company's registered office and on the Company's website.

The directors take full responsibility for the preparation of the summarised consolidated financial statements and that the financial information has been correctly extracted from the underlying annual financial statements.

3. Basis of preparation

The summarised consolidated financial statements for the year ended 30 June 2016 have been prepared in accordance with the JSE Limited Listings Requirements (Listings Requirements) and the requirements of the Companies Act, Act 71 of 2008 applicable to summarised financial statements. The Listings Requirements require financial statements to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, and contain the information required by IAS 34 Interim Financial Reporting.

The summarised consolidated financial information should be read in conjunction with the consolidated financial statements for the year ended 30 June 2016, which have been prepared in accordance with IFRS.

The summarised consolidated financial information has been prepared under the historical cost convention except for certain financial assets, financial liabilities and derivative financial instruments which are measured at fair value and liabilities for cash-settled share-based payment arrangements which are measured using a binomial option model.

Implats' annual financial statements have historically been prepared based on an internal cut-off date for financial information on 21 June, in line with the metallurgical cut-off date each year. Implats has decided to align the internal cut-off and the date of the financial statements by moving the internal month end date of 21 June to 30 June.

The current year consolidated statement of profit and loss and other comprehensive income resultantly includes a period of one year and nine days. This had less than 0.1% impact on the gross margin of the Group.

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

4. Accounting policies

The principal accounting policies applied in the preparation of the consolidated financial statements, from which the summarised consolidated financial statements were derived, are in terms of IFRS. The following new standards and amendments to standards have become effective or have been early adopted by the Group as from 1 July 2015 without any significant impact:

- Amendments to IAS 7 – Statement of Cash Flows
- Amendments to IAS 12 – Income Taxes

Notes to the financial information
for the period ended 30 June 2016

5. Segment information

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

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

Capital expenditure comprises additions to property, plant and equipment (note 6), including additions resulting from acquisitions through business combinations.

Impala mining segment's two largest sales customers amounted to 10% each of total sales (June 2015: 13% and 10%).

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

	30 June 2016		30 June 2015	
	Revenue Rm	Gross profit Rm	Revenue Rm	Gross profit Rm
Mining				
- Impala	35 051	(1 694)	31 777	(1 337)
Mining	14 556	(1 950)	13 369	(1 455)
Metals purchased	20 495	256	18 408	118
- Zimplats	6 753	555	4 661	480
- Marula	1 678	(398)	1 636	(220)
- Afplats	—	—	—	—
Chrome processing	314	83	225	92
Inter-segment adjustment	(8 456)	(44)	(6 315)	1 324
External parties	35 340	(1 498)	31 984	339
Refining services	20 539	1 524	18 824	1 293
Inter-segment adjustment	(19 947)	(22)	(18 331)	(4)
External parties	592	1 502	493	1 289
Total external parties	35 932	4	32 477	1 628

	Capital expenditure Rm	Total assets Rm	Capital expenditure Rm	Total assets Rm
Mining				
- Impala	2 490	45 031	3 047	46 828
- Zimplats	981	17 560	968	15 548
- Marula	89	2 866	145	2 993
- Afplats	—	3 059	127	3 061
Total mining	3 560	68 516	4 287	68 430
Refining services	—	6 648	—	4 708
Chrome processing	—	182	—	180
Other	—	9 670	—	3 897
Total	3 560	85 016	4 287	77 215

Notes to the financial information
for the period ended 30 June 2016

6. Property, plant and equipment

	30 June 2016 Rm	30 June 2015 Rm
Opening net book amount	**47 248**	46 916
Capital expenditure	**3 560**	4 287
14 Shaft re-establishment	**69**	—
Interest capitalised	**29**	260
Disposals	**(13)**	(13)
Depreciation (note 11)	**(3 319)**	(2 593)
Impairment	**(257)**	(2 872)
Scrapping	**(106)**	(437)
Transfer to investment property	**(223)**	—
Rehabilitation adjustment	**143**	110
Exchange adjustment on translation	**2 591**	1 590
Closing net book amount	**49 722**	47 248

Impairment
12 Shaft mechanised section was impaired during the year. Due to the current PGM prices, the decision was taken to defer mining of this section. This will be mined in future if it becomes economically feasible. The asset was impaired in its totality. On the higher of fair value less cost to sell or value-in-use basis (being the method used), this asset is deemed to have a nil value for the time being resulting in the impairment of R257 million.

Capital commitment
Capital expenditure approved at 30 June 2016 amounted to R7.2 billion (June 2015: R15.5 billion), of which R1.3 billion (June 2015: R2.1 billion) is already committed. This expenditure will be funded internally and, if necessary, from borrowings.

7. Derivative financial instrument

Implats entered into a Cross Currency Interest Rate Swap (CCIRS) amounting to US$200 million to hedge certain aspects of the foreign exchange risk on the US$ convertible bonds (note 9), being: exchange rate risk on dollar interest payments and the risk of a future cash settlement of the bonds at a rand-dollar exchange rate weaker than R9.24/US$. (US$200 million was swapped for R1 848 million on which Implats pays a fixed interest rate to Standard Bank of 5.94%. Implats receives the 1% coupon on the US$200 million from Standard Bank on the same date which Implats pays bond holders. In February 2018 Implats will repay the R1 848 million in return of the US$200 million.)

The CCIRS with Standard Bank is carried at its fair value of R1 137 (June 2015: R630) million. No hedge accounting has been applied.

Notes to the financial information
for the period ended 30 June 2016

8. Inventories

	30 June 2016 Rm	30 June 2015 Rm
Mining metal		
Refined metal	**259**	1 233
In-process metal	**2 523**	2 423
Non-mining metal	**2 782**	3 656
Refined metal	**1 267**	1 282
In-process metal	**3 360**	2 436
	4 627	3 718
Stores and materials inventories	**793**	751
Total carrying amount	**8 202**	8 125

The write-down to net realisable value comprises R106 million (2014: R154 million) for refined mining metal and R558 million (2015: R364 million) for in-process mining metal.

Included in refined metal is metal on lease to third parties of 36 000 ounces (2015: 36 000 ounces) ruthenium.

Quantities of recoverable metal are reconciled by comparing the grades of ore to the quantities of metal actually recovered (metallurgical balancing). The nature of this 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. Changes in engineering estimates of metal contained in-process resulted in an increase of in-process metal of R384 million (2015: R325 million).

Non-mining metal consists mainly of inventory held by Impala Refining Services. No inventories are encumbered.

Notes to the financial information
for the period ended 30 June 2016

9. Share capital

	30 June 2016 Rm	30 June 2015 Rm
Ordinary shares	**18**	16
Share premium	**17 252**	13 369
Share-based payment reserve	**2 277**	2 348
Total share capital	**19 547**	15 733
The authorised share capital of the holding company is R21 (June 2015: R21) million consisting of 844.01 (June 2015: 844.01) million ordinary shares with a par value of 2.5 cents each.		
The number of ordinary shares in issue outside the Group are net of treasury shares held as follows (million):		
Number of ordinary shares issued	**734.78**	632.21
Treasury shares	**(16.23)**	(16.23)
Morokotso Trust	**(8.87)**	(8.87)
Share Incentive Trust	**—**	(0.03)
Number of ordinary shares issued outside the Group	**709.68**	607.08
The movement of ordinary shares during the year was as follows (million):		
Beginning of the period	**607.08**	607.05
Shares issued	**102.57**	—
Shares issued – Implats Share Incentive scheme	**0.03**	0.03
Shares issued – Long-term Incentive Plan	**0.50**	0.04
Shares purchased – Long-term Incentive Plan	**(0.50)**	(0.04)
End of the year	**709.68**	607.08

At a meeting of shareholders held on 6 October 2015, shareholders gave approval for, among other things, the directors to allot and issue up to 171 895 144 shares. On 7 October 2015, 102 564 102 shares were issued to qualifying investors at R39.00 per share to raise R4.0 billion to be used to fund the completion of Impala's 16 and 20 Shafts.

Notes to the financial information

for the period ended 30 June 2016

10. Borrowings

	30 June 2016 Rm	30 June 2015 Rm
Standard Bank Limited - BEE partners Marula	**882**	881
Standard Bank Limited - Zimplats	**1 248**	913
Standard Bank Limited - Revolving credit facility	**353**	85
Convertible bonds - ZAR	**2 575**	2 499
Convertible bonds - US$	**2 848**	2 313
Finance leases	**1 373**	1 385
	9 279	8 076
Current	**564**	710
Non-current	**8 715**	7 366
Beginning of the year	**8 076**	7 787
Proceeds	**389**	80
Leases capitalised	**—**	5
Interest accrued	**625**	577
Interest repayments	**(492)**	(461)
Capital repayments	**(13)**	(344)
Exchange adjustment	**694**	432
End of the year	**9 279**	8 076

Other than the Zimplats term loan facility, all other loan terms were unchanged since June 2015.

Standard Bank Limited – Zimplats term loan

Zimplats renegotiated the loan terms to increase the facility to US$95 million, repayable in two equal payments at 31 December 2017 and 31 December 2018. At the end of the period the US dollar balance amounted to US$85 (June 2015: US$75) million. US$25 million was classified as current at June 2015, now classified as non-current.

Facilities

At 30 June 2016, the Group had signed committed facility agreements for a total of R4.0 (June 2015: R3.0) billion. Subsequent to year-end, R3.25 billion of these committed facilities were extended to 2021, and an additional R0.75 billion facility was obtained expiring end of 2021. This resulted in the total committed facility being R4.75 billion after year-end.

In addition, Zimplats has a US$24 million revolving credit facility of which US$24 (June 2015: US$7) million was drawn at 30 June 2016.

Notes to the financial information
for the period ended 30 June 2016

11. Cost of sales

	30 June 2016 Rm	30 June 2015 Rm
On-mine operations	**15 173**	13 656
Processing operations	**4 731**	3 517
Refining and marketing	**1 294**	1 032
Corporate cost	**493**	869
Share-based compensation	**21**	(190)
Chrome operation - cost of sales	**196**	113
Depreciation of operating assets	**3 319**	2 593
Metals purchased	**10 663**	10 068
Change in metal inventories	**38**	(809)
	35 928	30 849

12. Headline earnings

	30 June 2016 Rm	30 June 2015 Rm
Headline earnings attributable to equity holders of the Company arise from operations as follows:		
Loss attributable to owners of the Company	**(70)**	(3 663)
Adjustments (after adjusting for non-controlling interest):		
Profit on disposal of property, plant and equipment	**(29)**	(186)
Impairment	**307**	5 101
Scrapping of property, plant and equipment	**106**	380
Insurance compensation relating to scrapping of property, plant and equipment	**(172)**	—
Total tax effects of adjustments	**(59)**	(1 411)
Headline earnings	**83**	221
Weighted average number of ordinary shares in issue for basic earnings per share (millions)	**682.19**	607.07
Weighted average number of ordinary shares for diluted earnings per share (millions)	**683.75**	608.53
Headline earnings per share (cents)		
Basic	**12**	36
Diluted	**12**	36

Notes to the financial information
for the period ended 30 June 2016

13. Contingent liabilities and guarantees

As at the end of June 2016 the Group had bank and other guarantees of R1 267 million (June 2015: R1 217 million) from which it is anticipated that no material liabilities will arise.

14. Related party transactions

- The Group entered into PGM purchase transactions of R3 693 million (June 2015: R3 299 million) with Two Rivers Platinum, an associate company, resulting in an amount payable of R958 million (June 2015: R876 million) at year end. It also received refining fees to the value of R30 million (June 2015: R24 million).
- The Group previously entered into sale and leaseback transactions with Friedshelf, an associate company. At the end of the period, an amount of R1 232 million (June 2015: R1 231 million) was outstanding in terms of the lease liability. During the period, interest of R127 million (June 2015: R126 million) was charged and a R125 million (June 2016: R116 million) repayment was made. The finance leases have an effective interest rate of 10.2%.
- The Group entered into PGM purchase transactions of R3 015 million (June 2015: R2 862 million) with Mimosa Investments, a joint venture, resulting in an amount payable of R800 million (June 2015: R690 million) at year end. It also received refining fees and interest to the value of R291 million (June 2015: R245 million).

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

Key management compensation (fixed and variable):	**30 June 2016 R000**	30 June 2015 R000
Non-executive directors' remuneration	**8 069**	7 962
Executive directors' remuneration	**16 418**	16 077
Prescribed officers	**32 970**	31 682
Company secretary	**2 006**	1 912
Total	**59 463**	57 633

15. Financial instruments

	30 June 2016 Rm	30 June 2015 Rm
Financial assets - carrying amount		
Loans and receivables	**8 740**	4 898
Financial instruments at fair value through profit and loss[2]	**1 137**	630
Held-to-maturity financial assets	**70**	38
Available-for-sale financial assets[1]	**157**	27
	10 104	5 593
Financial liabilities - carrying amount		
Financial liabilities at amortised cost	**14 113**	12 905
Borrowings	**9 279**	8 076
Commitments	**66**	74
Trade payables	**4 759**	4 751
Other payables	**9**	4
	14 113	12 905

The carrying amount of financial assets and liabilities approximate their fair values except for the US$ convertible bond (carrying amount R2 848 million) that has a fair value of R2 460 million, and the ZAR convertible bond (carrying amount R2 575 million) that has a fair value of R2 355. These fair values are categorised within Level 3 of the fair value hierarchy. A discounted cash flow valuation technique was used using a 12% discount rate on the US$ convertible bond and 14% discount rate on the ZAR convertible bond.

[1] *Level 1 of the fair value hierarchy - Quoted prices in active markets for the same instrument.*
[2] *Level 2 of the fair value hierarchy - Significant inputs are based on observable market data.*

Corporate information

Impala Platinum Holdings Limited

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

Registered office

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Transfer secretaries

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Sponsor

Deutsche Securities (SA) Proprietary Limited

Directors

MSV Gantsho (chairman), TP Goodlace (chief executive officer), B Berlin (chief financial officer),
HC Cameron, PW Davey*, A Kekana, AS Macfarlane*, ND Moyo^, FS Mufamadi, B Ngonyama, MEK Nkeli, ZB Swanepoel

**British*
^ Zimbabwean

BASTION GRAPHICS

www.implats.co.za