

ANNUAL RESULTS BOOKLET 2015

# DRIVING CHANGE, DEFINING OUR FUTURE



ANGLO AMERICAN PLATINUM LIMITED

# DRIVING CHANGE, DEFINING OUR FUTURE

At a time when the mining sector continues to face considerable external challenges, we are demonstrating our ability to deliver on our clearly defined strategy.

By focusing on that which is within our control and establishing the foundations for long-term continuous improvement, we are beginning to see the positive outcomes of our strategy. We are focused on shaping our business for a sustainable future – driving the necessary change to become more robust, responsive and competitive.

As we continue to focus our strategy on value and not volume, we are repositioning our portfolio of assets and exiting non-core assets, continuing to focus on market growth opportunities while our operations aim to deliver on their full potential.

## LIVING OUR VALUES

### SAFETY

We take personal accountability to ensure that we work and live safely

### CARE AND RESPECT

We treat each other with respect and dignity in words and actions

### INTEGRITY

We walk the talk – our actions are consistent with our words

### ACCOUNTABILITY

Individual accountability drives team and business accountability

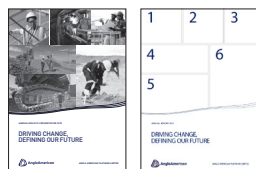
### COLLABORATION

We align and collaborate across functions to ensure collective high performance

### INNOVATION

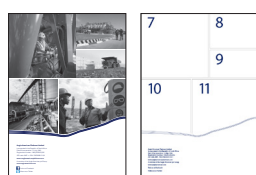
Innovation is key to our future and is a central part of our drive for sustainability

## Annual Results Presentation 2015



### Front cover images

- 1 Dr Judy Dlamini – Anglo American plc director, at Mogalakwena Mine.
- 2 Underground – new technology in locomotives improves safety performance at Tumela 1 shaft.
- 3 Area 455 – water filtration – Mogalakwena North concentrator.
- 4 Mogalakwena North concentrator – new ore sorting plant.
- 5 Rope shovel risk assessment – Mogalakwena North pit – Cut 8 – left to right – Christo Botha (supervisor), Carlos Guni (boilermaker) and Gerald Bosch (pit supervisor).
- 6 Priming charged blast holes in Cut 8 in preparation for blasting – Ernest Nkoana (junior mining engineer for AEL).



### Back cover images

- 7 Willie van Loggerenberg at the Phoenix slurry pump, Amandelbult concentrator.
- 8 View of Unki Mine concentrator float cell section – left is Wilfred Zikhali (general hand) and right is Eswell Gandiwa (milling team leader).
- 9 300-tonne haul trucks at Mogalakwena North pit.
- 10 Bathopele Mine – surface infrastructure – conveyors taking reef from Bathopele's silo to concentrators.
- 11 Doing a pre-work assessment before operating a Pit Viper 351 drill rig are Elmond Lekota (mining engineering graduate) and Elias Bambo (drill rig operator).

# KEY FEATURES

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**Lost-time injury-frequency rate (LTIFR)  
per 200,000 hours worked**  
(2014: 0.69)

**0.98**

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**Refined platinum production**  
(2014: 1.89 Moz)

**2.46 Moz**

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**Produced platinum production**  
(2014: 1.87 Moz)

**2.34 Moz**

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**Headline earnings**  
(2014: R786m)

**R107m**

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**Net debt**  
(2014: R14,618m)

**R12,769m**

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# RESULTS COMMENTARY

## MANAGING THE BUSINESS FOR THE CURRENT LOW PGM PRICE ENVIRONMENT

- Focus on cash generation, cost rationalisation and capital discipline
- Positive cash generation across the portfolio from operational improvements
- R4.0 billion in free cash flow
- Focused capital investment, with growth project decisions postponed until at least 2017
- Net debt reduced to R12.8 billion from R14.6 billion in 2014
- Continuing the repositioning of the portfolio, and advancing disposals of non-core assets

## OPERATIONS

### Safety, Health and Welfare

Tragically we had two losses of life due to work related incidents during the first half of 2015. Mr Michael Malesa was fatally injured when he was struck by a utility vehicle underground at Twickenham mine on 26 January and Mr Joseph Khesa sustained fatal injuries in a fall of ground at Thembelani mine on 12 May. Our deepest condolences go to the families, friends and colleagues of Mr Malesa and Mr Khesa.

Amplats' lost-time-injury-frequency-rate (LTIFR) for the full year was 0.98, marginally higher than the normalised strike impacted LTIFR for 2014. There has been an improvement in safety performance in the second half of 2015 due to focused interventions at operations that showed any slight deterioration in safety performance, addressing specific risks at those operations. The Company had no fatalities in the second half of the year which is the longest fatality-free period in the Company's history - at year-end 232 days fatality free. Amplats continues to make safety the priority and has an ultimate ambition of zero-harm.

During 2015, the Company continued its initiative of proactive campaigns to highlight the importance of HIV and TB management. These disease management plans included engaging HIV positive employees not currently on the programmes, and encouraged their participation. There was a significant improvement in the health and welfare of our employees, with a notable decline in disease related deaths.

### OPERATIONAL PERFORMANCE

Amplats had a strong recovery in platinum production in 2015, with the previous period being materially impacted by the five-month industrial action and subsequent ramp up. Strong operational performances were achieved by Mogalakwena, Amandelbult and Unki, with improved performances at Rustenburg and Union as they benefited from an increased focus on operational efficiency.

Total platinum production (metal in concentrate) from the mines managed directly by the Company and joint venture operations for the twelve months to 31 December 2015 ("the period") was 2,337 koz, a 25% increase versus the twelve months to 31 December 2014 ("the comparative period"). On a strike-adjusted basis, and accounting for the closure of the Union mine declines in 2014, platinum production year-on-year benefited from operational improvements.

Mogalakwena mine continued its strong production performance trajectory, with a further improvement in production to 392 koz, a 6% increase from 370 koz. Production includes 24 koz processed at the Baobab concentrator. Improved mining performance, higher grade and increased concentrator recovery performance resulted in higher

production, despite community unrest around the mine, which led to an 8.6 koz impact in Q3 2015.

As a result of increased production and reduced costs, cash costs per platinum ounce at Mogalakwena improved year-on-year, decreasing by 7% to R17,502 from R18,900. The basket price per platinum ounce at Mogalakwena for the period was R32,850 resulting in the mine achieving a cash operating margin of 50%.

Amandelbult mine's platinum production increased by 219 koz to 437 koz against the strike affected comparative period. The first quarter performance was affected by section 54 safety stoppages impacting 36 days of production, as well as regional water supply disruptions which impacted on the concentrator. Production stability and output increased significantly thereafter as a result of improved panel-to-crew ratios due to the establishment of increased mineable ore reserves - a result of forward planning during the five-month industrial action.

Unki mine produced 66 koz platinum ounces a 7% increase due to improved mining efficiencies and higher grade. In the first half of the year, 12,300 tonnes of concentrate were stockpiled in Zimbabwe as negotiations with the Government of Zimbabwe over export taxes were undertaken. Upon resolution, this material was exported to Polokwane smelter, and processed during the second half of 2015.

Rustenburg mine, including Western Limb Tailings Retreatment, had an improved production performance in the period, up 202 koz to 485 koz, due to the comparative period being impacted by the strike. Rustenburg has been further consolidated into two mines; East and West mine, and is in the process of implementing its optimised mine plan. Progress on the plan has led to increased immediately available ore reserves, improved productivity and increased profitability.

Union mine produced 141 koz, up 53 koz year-on-year owing to the comparative period being impacted by the strike, and after accounting for the closure of the south declines which had an annual production run-rate of 61 koz. The mine was impacted by Section 54 safety stoppages and the regional water shortage during the year, but operational improvements are seen through the implementation of the optimised mine plan.

Platinum production from joint ventures and associates, inclusive of both mined and purchased production, decreased by 2% to 768 koz. Lower production was largely as a result of safety stoppages following fatal incidents at Bafokeng-Rasimone Platinum Mine (BRPM), lower grade at Mototolo and closure of two shafts at Bokoni. This was partly offset by higher production from Kroondal.

Platinum ounces purchased from third parties decreased by 40% from 55 koz to 33 koz.



Section 54 safety stoppages have impacted production in the period across almost all operations. The Department of Mineral Resources has been engaged by the Company to ensure the impact of these notices can be limited and that Section 54s are used as a last resort.

Total refined platinum production of 2,459 koz in 2015 increased by 30% as production returned to normal following the 2014 strike and operational improvements. In addition, a physical count of in-process metals was conducted in the first half of the year, which led to an increase in inventory of 130 koz of platinum and 75 koz of palladium. The increased inventory was processed which led to an increase of refined production of 2,459 koz over produced ounces of 2,337 koz.

Refined platinum sales volumes increased by 17% to 2,471 koz versus the previously strike impacted performance in 2014 of 2,115 koz.

"Equivalent refined production" which was the previous operational production performance metric for Amplats, was calculated as mines' production and purchases of metal in concentrate converted to equivalent refined production using internal standard smelting and refining recoveries. This has been discontinued following the interim reporting period and has now been replaced by "platinum ounces produced" (i.e. mines' production and purchases of metal in concentrate) in line with market benchmarks.

## FINANCIAL PERFORMANCE

### Overview

The financial performance of the Company was materially impacted by the steep decline in the dollar price for all metals, as well as one-off costs and impairments in the period. However, the performance of the Company improved year-on-year on a normalised basis.

EBIT, after adjusting for the impairment and scrapping of assets, increased to R3.6 billion from R1.2 billion due to improvement in operational performance following the protected industrial action in the comparative period, an increase in sales volumes and weakening of the South African Rand versus the US dollar.

Headline earnings decreased to R107 million from R786 million in 2015, due to the sharp dollar PGM price declines as well as one-off restructuring costs of R848 million (post tax) and the once-off write-off of loans to Atlatsa of R1.8 billion (post-tax). Excluding these one-off items, headline earnings increased to R2.7 billion or 452 cents per share.

Profit attributable to ordinary shareholders reduced to a loss of R12.1 billion, largely due to one-off impairments. On a normalised basis, excluding the one-off impairment and restructuring costs, profit attributable to ordinary shareholders increased to R2.7 billion from R624 million in the previous period.

Attributable loss for the period was 4,638 cents per share compared to earnings of 239 cents per share in the comparative period while headline earnings were 41 cents per share compared to 301 cents per share in the comparative period.

### Impairments

The Company has recorded impairments totalling R14.0 billion (post-tax) with R1.8 billion impacting headline earnings.

Post-tax impairments which impacted basic earnings, included Rustenburg operations (R4.5 billion), Twickenham (R2.5 billion), Tumela 5 (R0.3 billion), MIG plants (R0.1 billion), equity interests in RB Plats (R0.8 billion) and BRPM (R2.7 billion) and equity interests in Atlatsa and Bokoni Platinum Holdings (Bokoni Holdco) (R1.4 billion).

In addition, the Company wrote off senior loans and working capital facilities loaned to Atlatsa and Atlatsa Holdings leading to an impairment of R1.8 billion (post-tax) which has impacted headline earnings.

### Sales and working capital

Net sales revenue increased by 8% to R59.8 billion from R55.6 billion in 2014, due primarily to increased sales volume of platinum, palladium and rhodium, as well as the weakening of the rand/US dollar exchange rate. This was partly offset by lower sales volume of nickel, iridium and ruthenium, and exacerbated by lower dollar metal prices.

Refined platinum sales for the year increased to 2,471 koz, an increase of 17%. Sales of refined palladium and rhodium increased by 27% and 33% respectively. Nickel sales declined by 10% as the tolling of nickel copper matte finished at the end of 2014.

The average US dollar basket price per platinum ounce sold decreased by 21% in 2015 to US\$1,905 versus US\$2,413 achieved in 2014. The decline was driven by the decrease in prices for all metals. The average US dollar sales price achieved on all metals declined with platinum down by 24% to US\$1,051 per ounce; palladium down by 12%, rhodium down by 16%, nickel down by 31% and copper down by 25%.

The average rand/US dollar exchange rate weakened by 17% to R12.71: US\$1.00 from the R10.87 average during the comparative period. After taking into account the effect of the weakening of the Rand against the US dollar, the average realised Rand basket price per platinum ounce was 8% weaker at R24,203.

Working capital decreased by R1.0 billion to R13.6 billion as at 31 December 2015. This is a further decrease following the R1.4 billion decrease in 2014. Working capital days decreased to 77 days compared with 108 in 2014. The decrease was mainly due to a reduction in metal inventory to enhance cash inflows and lower trade debtors, partly offset by lower trade creditors. The decrease in trade creditors was mainly due to lower expenditure, particularly purchase of concentrate and capital expenditure, as creditors' days remained unchanged at 26.

The stock count completed in the first half of 2015 indicated an additional 130 koz of platinum and 75 koz of palladium, in the processing facilities. These ounces, together with minor changes in rhodium and nickel, were valued at R2.2 billion (pre-tax) and are included in the movement in metal inventories in earnings.

### Costs

Cost of sales increased by 3%, from R53.0 billion to R54.5 billion mainly as a result of cash operating production costs (cash mining, smelting, treatment and refining costs) increasing by 17% to R35.5 billion from R30.2 billion in 2014. The higher costs are primarily as a result of increased mining, milling and refined volumes compared to the previous period which was affected by the five month industrial action.

Costs for purchases of metal reduced to R10.2 billion down 17% from R12.4 billion in 2014. The lower costs are ascribed to the lower dollar metal prices used in determining the cost of purchased metals and marginally lower volume purchased, somewhat offset by the weaker ZAR/USD exchange rate.

### Reorganisation

The support and service functions have been reorganised and overhead structure rightsized to support a more focused and less complex business with a reduction of 420 positions mainly in managerial and supervisory roles. This reorganisation will deliver annual labour cost savings of R200 million from 2016. In addition, non-personnel overhead savings of R800 million will be delivered by 2017, an increase of R200 million from previous guidance of R600 million.

Optimisation plans focusing on the need to be cash positive have identified opportunities to further increase efficiencies at the operations. The revised development and project timeline and plan for Twickenham led to 547 contractors exiting the Company. During the Section 189 process involving support and services functions, voluntary severance packages (VSPs) were offered to all employees at the Company's own mines. This resulted in a further reduction in headcount of 1,000 at Rustenburg, 450 at Union and 400 at the Company's retained portfolio. In addition, restructuring plans at the Bokoni mine, managed by our joint venture partner Atlatsa Resources Corporation ("Atlatsa"), to stop loss making production, led to some 1,079 employees and contractors exiting the Bokoni mine by 31 December 2015.

The cash outflow to the Company arising from the severance packages plus headcount reductions at Bokoni mine, is R1.1 billion (pre-tax), and has been fully charged in the period to 31 December 2015, and impacts basic and headline earnings.

### Capital expenditure

Disciplined capital is a key priority for Amplats. Given the particularly weak PGM price environment since mid-2015, the Company has postponed investment in all growth and replacement projects. While these projects are high quality and high margin, with the ability to be at the lower end of the cost curve, current market conditions dictate that these capital decisions be delayed until at least 2017.

Stay in Business (SIB) Capital allocation was re-engineered with the introduction of a specialised capital excellence team (CET), an SIB investment committee and a revised project execution strategy. Capital was allocated to sustaining the operational performance without introducing risk. The primary mission of the CET was to review SIB projects to find the optimal solution. The SIB Investment committee comprising representation from Technical, Operations, Finance and subject matter experts, scrutinised and recommended SIB projects for execution. The Project execution strategy provided for embedded professional project execution of SIB projects at the operation at a lower cost, with more focus. These SIB tactics have resulted in a thoughtful, risk based approach, allocating SIB capital appropriately to sustain operations.

Total capital expenditure excluding Mogalakwena mine waste stripping was R3.7 billion, down 36% against the R5.8 billion spent in the comparative period. SIB capital expenditure was R2.5 billion, down R1.4 billion, whilst growth capital was R1.2 billion, down

R648 million as major capital project decisions have been delayed until 2017. Capitalised waste stripping at Mogalakwena amounted to R999 million, up from R561 million capitalised in 2014.

### Earnings before interest and tax (EBIT)

EBIT was severely impacted by the one-off items however after adjusting for impairments and scrapping of assets, EBIT increased by R2.4 billion to R3.6 billion compared to R1.2 billion in the comparative period. Positive contributions to EBIT for the year included the weakening of the Rand against the US dollar contributing R7.8 billion; additional margin from higher sales volumes amounting to R0.9 billion; the strike impact on 2014 adding R2.9 billion and lower cash costs of R0.7 billion. Earnings were further supported by R2.2 billion arising from the positive adjustment to inventory from the annual stock count (compared to a minor negative adjustment in 2014). These increases were partly offset by the decline in metal prices of R9.2 billion, CPI inflation of R1.7 billion and higher restructuring costs of R1.1 billion compared to R0.2 billion in 2014. Restructuring costs comprise mainly expenses arising from voluntary separation packages paid to employees.

### Cash flow

Despite the decline in PGM prices in 2015, the Company generated free cash flow from operations of R4.0 billion (before the R1.1 billion final settlement with the South African Revenue Service and restructuring costs of R1.1 billion (pre-tax)). This was after paying all capital expenditure of R4.7 billion; taxes of R0.7 billion; interest of R1.3 billion; funding to associates of R0.8 billion and other expenditures of R0.3 billion.

### Net debt and dividend

The balance sheet position of the Company remains strong as a result of focusing on ensuring operations are cash positive, disciplined capital allocation and ensuring overheads are right-sized. Consequently, the net debt position has improved from R14.6 billion at 31 December 2014 to R12.8 billion.

The Company has legally binding committed facilities of R22.3 billion and is comfortably within its debt covenants. The committed facilities that were due to mature in 2015 were rolled over and only R1.5 billion of facilities are due to mature in 2016.

Owing to the net debt position of the Company, and considering future funding requirements in a weak macroeconomic environment, the Board has decided not to declare a dividend in 2015.

Amplats will continue to monitor its capital requirements, ability to manage debt levels adequately and will consider future dividend payments when the financial situation of the Company allows.

### Post balance sheet events

Amplats' strategy is to continue to reposition its assets into a value optimising portfolio, with its assets positioned in the first half of the primary PGM production cost curve. Given the industry headwinds, the Amplats Board on 4 February 2016 considered the progress made with respect to the strategic repositioning of the portfolio and approved the following refinements to the portfolio:

- Commence the process of placing Twickenham Mine on care and maintenance; and

- Consider exiting Amplats' 50% interest in the Kroondal PSA at the right time for value, while ensuring the value generated from the purchase of concentrate agreement is maintained.

The carrying value of Twickenham Mine assets is R2.3 billion (post the write-off of assets of R3.2 billion). As Twickenham remains a key part of the Amplats portfolio and development will resume once the market demands the additional PGMs and the Group's balance sheet allows, the remaining assets that will be used in developing a mechanised mine, have not been written off.

Furthermore, the Group will continue to account for the Kroondal Mine as a joint operation until the Group has entered into a binding contract to exit from its interests in the mine.

## MARKETS

While platinum and palladium demand exceeded supply from mining and recycling for the fourth consecutive year, PGM prices declined in a challenging year for the commodities. This in turn reflected lower global growth, while the prospect of monetary tightening in the USA weighed on non-interest bearing asset classes. In addition, growth concerns in China, uncertainty surrounding Greece's possible exit from the euro, and the vehicle emissions scandal all dampened sentiment towards PGMs.

### Platinum

Gross global platinum demand increased by 2% or 147 koz. A decline in jewellery demand was offset by strength in the automotive, investment and industrial sectors. After a strike affected 2014, primary production in South Africa recovered to levels above 2013. However this recovery in South African production was partially offset by modest reductions in Russia and North America. Levels of recycling declined, mainly due to reduced jewellery recycling volumes in China and lower automotive scrappage incentives owing to falling scrap steel and copper prices. The annual platinum market remained in deficit, amounting to 703 koz.

### Palladium

Gross global palladium demand decreased by 14% or 1,524 koz. The change in investor sentiment, in comparison to 2014, resulted in the liquidation of holdings in Exchange Traded Funds after an exceptional year for investment in 2014. Growing demand from the auto sector and steady industrial demand was offset by lower investment demand and jewellery use. Palladium supply in South Africa recovered in 2015 by 420 koz, but decreased in North America and Russia. With lower recycling volumes, overall supply was only marginally higher than 2014. The annual palladium market remained in deficit by 228 koz.

### Rhodium

In 2015, gross rhodium demand decreased by 1% or 11 koz, due to slowing growth in China and weaker-than-expected conditions in Japan and emerging markets. Due to concentration of rhodium supply in South Africa, the recovery in primary supply was only partially offset by a decline in recycling, which moved the rhodium market into a surplus of 10koz.

## Autocatalysts

Global light-vehicle sales grew by 2% in 2015 to 89.1 million units, driven by sustained growth in North America and Western Europe. However, challenging economic conditions in markets such as Brazil, Eastern Europe and Japan weighed on local car sales. Vehicle sales in China slowed in mid-2015 as a result of the turmoil in the equity markets, before regaining momentum from stimulus measures (sales tax cut on 1.6 litre engines), to finish the year up 5.3%.

Gross demand for platinum in autocatalysis increased by 167 koz or 5.3%, primarily due to sustained growth in demand for vehicles in the Western European light-duty market. The phased implementation of Euro 6b, which applied to all new vehicles from September 2015, resulted in a continued increase in loadings versus 2014. This trend is expected to continue in 2016. Palladium used in autocatalysis increased by 56 koz in 2015. Increased palladium purchases in North America were partially offset by weakness in Japan and emerging markets. Gross rhodium use in autocatalysis was similarly impacted by weaker-than-anticipated auto sales in gasoline-dominant markets and by thriving in three-way catalysts.

The vehicle emissions scandal was a key feature in the automotive industry in 2015. While this is expected to affect diesel penetration in the North American market, diesel share in Europe has remained relatively steady. Regulators are expected to review the implementation of emissions legislation and more stringent legislation is expected in an effort to align emissions standards to real world driving conditions. The new European standard, Euro 6d, will be phased in over several years and will introduce real driving emissions testing.

## Jewellery

The gross global jewellery market declined by 246 koz or 8.5%. The economic slowdown in China, combined with the government's anti-corruption measures, particularly on jewellery gifting, and the negative wealth effect of falling equity markets saw China's share of the global platinum jewellery market fall from 67% to 62% over the year. This was partially offset by a decline in jewellery recycling, with net jewellery demand decreasing by 5% in 2015.

However, bridal sales expanded in lower-tier Chinese cities due to continued uptake of the Platinum pair ring concept. Similarly, the mature North America platinum jewellery market provided steady demand, rising by 5 koz over the year. India reaffirmed its status as the leading growth market for platinum jewellery as demand increased by 28.5% or 50 koz which follows growth in excess of 20% in 2014. The Evava brand launched by Platinum Guild International (PGI) boosted sales, particularly in the second half of the year.

## Industrial

Industrial platinum demand increased by 83 koz or 4.3%. This was due to expansion in the glass sector and steady growth in chemical and fuel cell applications, offsetting the fall in platinum use in the petroleum sector. Fuel-cell demand continues to grow, particularly in the telecommunications and off-grid sectors. Progress was made in the road-transport sector, as efforts towards the adoption of fuel cell technology into the powertrain portfolio were extended by Toyota, Honda, Daimler and Hyundai. In addition the Chinese government has invested in the technology with the largest fleet, to date, of fuel-cell buses expected to be rolled out in 2016.

Palladium industrial use increased marginally in 2015 by 49 koz or 2.3%, mainly due to a strong performance in the European chemical sector. Rhodium demand from industrial applications increased by 1 koz to 158 koz.

### Investment

Investment demand includes exchange-traded fund (ETF) holdings and over-the-counter metal holdings in vaults. The liquidation of both platinum and palladium holdings in ETFs was symptomatic of market sentiment, with holdings of gold and silver also down. Liquidation took place in European, North American and South African funds as platinum and palladium ETF holdings declined by 231 koz or 8% and 663 koz or 22% respectively.

Physical investment in platinum bars in Japan offset these losses as low prices and a strengthening yen in the third quarter were perceived as a buying opportunity. This buying amounted to 629 koz of platinum for the year.

Rhodium investment amounted to 5 koz during the year due to the launch of the Standard Bank fund, down from additional investment demand of 11 koz in 2014.

### Marketing strategy

Amplats' global PGM market development initiatives continue to focus on de-risking demand across the industrial, jewellery and investment segments. South African beneficiation objectives are supported as part of broader market development activities.

The company invests in market development and beneficiation across four broad demand segments:

- Global and local development of platinum jewellery markets;
- Product development, commercialisation and marketing activities for platinum-containing fuel cells;
- Equity investments in early-stage industrial applications or technologies that use or enable the use of PGMs and
- Stimulating platinum investment demand through the World Platinum Investment Council (WPIC).

Together with Lonmin and Impala, Amplats invests in the Platinum Guild International (PGI), which has provided market development, sales support and training to all levels of the global jewellery trade for more than 30 years. Key targets are the growth markets of China and India. In South Africa, we support skills development and capacity building in the design and manufacturing of platinum jewellery through the annual PlatAfrica design and manufacture competition. Together with Rand Refinery, we provide a metal financing scheme to local jewellery manufacturers to finance their working capital requirements.

The Company continues to focus on accelerating the global adoption of platinum-based proton exchange membrane (PEM) fuel cells. There is an opportunity to position South Africa both as a market and as a manufacturing location for fuel-cell products. The creation of a fuel-cell industry, along with manufacturing, installation and maintenance jobs, is aligned with the national development plan and government's industrial development priorities. The Company and selected partners continue to operate the world's first methanol-based fuel-cell mini-grid system at the Naledi Trust community in the Free State. Fuel-cell systems are cost-effective replacements for

conventional batteries or diesel generators in rural schools, clinics and communities far from existing power grids.

In 2015, the Company sponsored three hydrogen-based fuel cells at three schools in the Cofimvaba district as part of the Department of Science & Technology's TECH4RED programme. Both Amplats and the government believe that the development of new PGM products can be enabled only by strengthening research capacity and building skills in the fields of science and engineering. Accordingly, the Company supported two fuel cell-related research programmes at North-West University and University of Cape Town, both in partnership with the Department of Science & Technology's HySA programme.

The PGM investment programme was created to invest in new technologies that use or enable the use of PGMs in their products or processes. The programme provides start-up and growth capital to innovators and entrepreneurs in early-stage development and commercialisation of PGM technology. In 2015, the Company continued to contribute via board participation in companies in which it invests and to originate and screen over 60 opportunities. Amplats also sponsored research into PGM base medical devices in partnership with the Medical Research Council and the Department of Science & Technology, as well as PGM-related research at the University of Loughborough and Columbia University.

In 2015, the World Platinum Investment Council (WPIC) established itself as a credible source of industry supply and demand data. WPIC has progressed with a number of market-development opportunities, including work on establishing new ETFs and platinum-accumulation programmes in Asian markets.

### STRATEGY

Amplats continues with its strategic repositioning to create a high quality asset portfolio with low cost, high margin production, low safety risk and high productivity through mechanisation. The Company continues to focus on its value driven strategy, resulting in a portfolio which has been repositioned to generate attractive returns through the cycle. The restructuring of the portfolio has ensured that all operations are cash flow positive in the current weak commodity price environment. The focus of this strategy is centred on:

- Disciplined capital allocation – in the current tight market environment the decision has been taken to delay growth projects until at least 2017. The operating free cash flow of own operations has been improved by reducing the capital intensity of stay in business capital, without increasing the operational risk in the future
- Operational improvements have been delivered across the portfolio of assets and aligning overhead to production resulting in significant overhead cost savings
- The Company has reacted with a supply response through mine closures and rationalisation which commenced in 2013 with the consolidation of the Rustenburg and Union mines and further actions taken to close unprofitable ounces in 2014 and 2015. Decisive action has been taken at our operations where improvement and cost savings plans cannot yield improved financial performance
- Amplats plans to exit the non-core assets of Rustenburg, Union, Bokoni and Pandora.



- The Company has commenced with the process to place Twickenham on care and maintenance;
- Amplats will consider an exit of Kroondal for value.

This continued restructuring and repositioning will create a high quality asset portfolio with low cost, high margin production to be profitable through the cycle.

### Update on the disposal of Rustenburg Operations

The announcement of the disposal of the Rustenburg Operations ("the Transaction") on 9 September 2015 to a subsidiary of Sibanye Gold Limited ("Sibanye") was a significant step in transitioning the portfolio, allowing the Company to focus its management and capital allocation on priority projects in a more focused portfolio. Progress continues to be made towards fulfilling the conditions precedent of the Transaction, and key steps have been made including:

- The South African Competition Commission filing being submitted on 13 November 2015;
- Amplats concluding a Services Agreement and a Rail Transportation Services Agreement with Aquarius Platinum South Africa on 16 November 2015, in which Aquarius Platinum South Africa consented to the agreements being ceded to Sibanye;
- Sibanye obtaining consent from its lenders to implement the Transaction in November 2015;
- Sibanye obtaining shareholder approval on 18 January 2016, as per JSE Listing Requirements; and
- The application in terms of section 11 of the MPRDA for the sale of the Mining Right and the Prospecting Right to Sibanye was submitted to the DMR on 4 February 2016.

It is envisaged that the Transaction will become unconditional during the latter part of 2016.

### Union

The Company continues with its process to dispose of Union mine. Significant restructuring has taken place, including consolidating the mines from two to one and resulted in a substantial reduction in production in 2015 from a baseline level of 220koz to 140koz to return the mine to profitability. Further production was closed at the marginal decline areas as they were uneconomic, enabling the closure of surplus concentrators and a reduction in overhead to match the reduced production profile. The Company remains focused on ensuring the mine is cash positive and is progressing with the sale. If Union does not generate cash and a sale cannot be progressed in the first half of 2016, then, the Company will consider alternative options including plans to place Union on care and maintenance.

### Atlatsa and Bokoni Platinum Holdings ("Bokoni Holdco")

Amplats has a 23% shareholding in Atlatsa as well as a 49% shareholding in Bokoni Holdco with Atlatsa owning the other 51%. Atlatsa is optimising Bokoni Platinum Mine's operations, to focus on the development of its Brakfontein and Middelpunt Hill shafts after the closure of the Vertical and UM2 Merensky shafts.

In light of the difficult market conditions Amplats has written off its equity interests in Atlatsa and Bokoni Holdco and the various loans it has extended to Atlatsa and Atlatsa Holdings (Atlatsa's Black Economic Empowerment shareholder), with a total carrying value of R3.4 billion.

This total was included in basic earnings, of which R1.8 billion relating to the loans was included in headline earnings.

The Company continues to proceed with the exit of its interests in Atlatsa and Bokoni Holdco and discussions with our partners are ongoing.

### Pandora

The Company continues to assess options to exit its stake in Pandora.

## GOVERNMENT AND INDUSTRY POLICY

The Company engaged Government extensively during the course of 2015 on key policy matters, regulatory and others issues affecting the mining sector and the Company specifically.

### Mining Charter review

The Mining Charter provided guidelines on the key milestones of mining industry transformation that had to be achieved between 2004 and 2014. This included a range of transformation pillars on ownership, human resources development, employment equity, procurement and enterprise development, housing and living conditions, mine community development, and sustainable development and growth. The beneficiation pillar was suspended pending finalisation of policy and legislation on beneficiation.

Amplats submitted its Mining Charter compliance report ahead of the 14 March 2015 deadline to the Department of Mineral Resources (DMR) using the prescribed template. It is the Company's view that we have complied with the requirements of the Mining Charter; in particular we have exceeded the ownership requirements of 26% BEE ownership. Since this deadline, the Minister of Mineral Resources publicly announced that in the DMR's view, the mining industry had not achieved the targets set by the Charter and would commence with engagements with individual mining right holders who have failed to comply with the laws. Amplats has not received any notification or report from the DMR outlining its status of compliance or notice of failure to comply, and remains of the view that it has met the requirements of the Mining Charter.

One area where the DMR and the industry appear to have a difference of opinion is the understanding of the ownership element. The DMR and the Chamber have jointly agreed that the court be approached to seek clarity on this matter. This is being done by seeking a declaratory order as to the interpretation and legal status of provisions of the Mineral and Petroleum Resources Development Act (MPRDA) Amendment Bill and of the Mining Charter(s). Answering affidavits were received from the DMR and the Chamber has submitted its replying affidavits. A court date for hearing of the application has been set for 15-16 March 2016.

### MPRDA review

The Company, through the Chamber of Mines and Anglo American plc, provided extensive input into the drafting of the Mineral and Petroleum Resources Development Act (MPRDA) Amendment Bill during 2014 and the Bill was passed by both houses of Parliament in 2014. On 26 January 2015 President Jacob Zuma referred the Bill back to Parliament citing a number of concerns around its constitutionality.

## Mining Phakisa

Operation Phakisa was announced by President Jacob Zuma in his State of the Nation Address in 2014. This Government, multi-stakeholder led initiative is designed to fast-track the implementation of solutions to critical development issues. It is based on Malaysia's Big Fast Results Methodology. The mining specific leg of Operation Phakisa is aimed at identifying key constraints to investment in, and growth of, the industry as well as develops a shared vision and growth strategy for the long-term development and transformation of the sector. Work on Mining Phakisa commenced in August. Government convened all key stakeholders in the industry in a workshop colloquially known as the LAB process, which was conducted during November 2015. The main objective of the Phakisa is to develop implementable results that will transform the industry and increase investment, in line with the goals of the National Development Plan. The Phakisa Mining LAB process was a concentrated five-week process within the context of Government's long term Phakisa program. The LAB has created a good platform for meaningful engagement by the industry with other key stakeholders, including other Government departments beyond just the DMR. Currently all the Phakisa LAB reports, that will list all the key initiatives, are being finalised by the Phakisa Secretariat before they are presented to the Phakisa participants for input and comment in the first quarter of 2016.

## Unki Indigenisation

Following approval of its indigenisation plan by the Government of Zimbabwe, Amplats signed a Heads of Agreement with the Government of Zimbabwe in November 2012. That agreement set out the key terms of the approved indigenisation plan for the Company's Unki mine investment. The plan envisaged the sale of 51% of the investment through a notional vendor funded 10 year transaction. The plan has not been implemented due to a decision by the Government of Zimbabwe to reconsider the proposed indigenisation transaction.

On the 8 January 2016, the Minister of Youth, Indigenisation and Economic Empowerment in Zimbabwe published a General Notice which sought to simplify and clarify the framework, procedures and guidelines for complying with the Indigenisation and Economic Empowerment Act. A concerning provision within the General Notice is a requirement that, for the resource sector, the 51% shareholding will be acquired in exchange for the mineral resource being exploited and at no monetary cost to the Government. The company is still studying the full implication on its indigenisation compliance plan should the provision contained in the General Notice become law. Engagements with the Zimbabwean government are on-going, and the Company is not yet certain of the impact of the General Notice on the proposed Unki indigenisation transaction.

## SOCIAL GOVERNANCE

Amplats engages on a regular basis with a wide spectrum of stakeholders and seeks to ensure each stakeholder group is fully

informed, fairly treated, and their concerns are understood and responded to through our management programmes. The Company's overall social governance programme, with its associated management plan, is guided by the Anglo American 'social-way' set of standards. The programme is reviewed annually to monitor progress, check effectiveness and to take any corrective action that may be deemed necessary.

## Community aspects

In South Africa, every mining operation has a Social and Labour Plan ("SLPs") that is developed through a consultative process with the DMR, local municipalities and through regular interaction with host communities via each operation's community engagement forum. Good progress was made in 2015 on the delivery of the community projects listed in the SLPs. Of the 114 community projects identified in the operations' 2010-2015 SLPs, 98 have been completed and 16 projects will continue to be implemented in 2016, following project delays owing to community disputes. The 2016-2020 SLP's were submitted to the DMR for approval in mid-2015 and the Company is continuing to engage the DMR accordingly with respect to implementation.

In September 2015, Mogalakwena mine's operations were disrupted by local community protests as communities were dissatisfied with the limited employment, procurement and other opportunities in the area and a perceived lack of action by the mine to respond to their issues. The resulting disruptions to production led to 8.6 koz lost in Q3 2015, damage to property and increased tensions. In order to resolve the conflict in the communities, a task team was established by the Minister of Mineral Resources, and facilitated by the South African Human Rights Commission, with representation from the mine and the 32 host villages located within Mapela Traditional Authority. The task team is working together to address community concerns and ensure progress on the agreed actions.

## MINERAL RESERVES AND RESOURCES STATEMENT

The combined South African and Zimbabwean Ore Reserves inclusive of the Rustenburg operations have decreased from 205.3 4E Moz to 184.6 4E Moz in the year under review. This was primarily due to the mined volumes and the result of the decrease in the PGM prices causing the reallocation of Ore Reserves back to Mineral Resources in the Mogalakwena, Dishaba and Twickenham mining areas.

The South African and Zimbabwean Mineral Resource including the Rustenburg operations (inclusive of Ore Reserves) increased from 913.6 4E Moz to 916.4E Moz in the year under review. This was mainly the result of new geological information in the Mogalakwena Mining Rights area.

Amplats will maintain an industry leading Mineral Resource and Ore Reserve status, even after the sale of the Rustenburg operations is complete, and after revisions made to future economic assumptions.

## OUTLOOK

In view of the current market conditions and expectations that key macro-economic issues will likely create a tough economic environment, Amplats is proactively managing the business during this period of low PGM prices. Positive cash flow generation at every operation is the on-going focus, and cash conservation along with stringent cost controls has been enforced. Disciplined capital allocation and right-sizing overheads will deliver additional cost savings. Decisions on major capital projects have been delayed to at least 2017. As a result of these initiatives, the Company believes the financial position remains strong to manage through the current weak PGM price environment.

### Market outlook

Amplats expects the challenging global market conditions to persist with prices in the PGM markets remaining depressed. The platinum market is expected to move closer to balance in the short term before primary supply is constrained in future years by closures and reduced capital expenditure. Steady growth in demand fundamentals should then result in a move back to deficits. Targeted market development initiatives are likely to continue to increase platinum demand in fuel cell applications, investment and in key jewellery markets.

Autocatalyst demand is forecast to grow as Euro 6 emissions legislation requires higher PGMs loadings. Positive sales momentum, particularly in Western European markets, is expected to continue. Despite the increased focus on particulate emissions in 2015, diesel share in the European market appears resilient, although this should continue to normalise. Automotive demand and steady growth in industrial consumption is expected to underpin platinum demand. The fall in secondary supply from autocatalyst scrap evident in 2015 is expected to continue in the short term due to low copper and steel prices. A modest increase in primary supply is expected in 2016.

Amplats expects the palladium market to remain in deficit in the short and medium term due to growth in global automotive production and ex-African supply constraints. The rhodium market is forecast to remain in balance; however any platinum supply shortfall, especially from the UG2 Reef, could result in a return to a deficit market.

### Operational outlook

It is anticipated that platinum production (metal in concentrate) for 2016 will remain between 2.3 and 2.4 million ounces, with improvements in operational performance in line with optimised mine plans offsetting a reduction in third party ounces.

### Financial outlook

Cost inflation continues to be a challenge, with labour, electricity and foreign currency denominated input costs under inflationary pressure. The Company has implemented a number of business initiatives which aim to curb the effects of inflationary cost pressure, resulting in an estimate on 2016 cash unit costs per platinum ounce of between R19,250 and R19,750. Amplats believes the focus on

cost rationalisation will enable the Company to meet its goal of keeping costs at below mining inflation.

The Company's project portfolio has been aligned to the market environment. As such, capital expenditure is set to be minimal with all major capital project decisions delayed until at least 2017. Therefore, capital expenditure for the year will be between R3.7 billion and R4.2 billion for project and stay-in-business capital. Capitalised waste stripping at Mogalakwena will be around R1.2 billion for the year.

The Rand remained weak against the US dollar, with further weakening post 31 December 2015, and our earnings remain highly geared to the Rand/USD exchange rate.

## MANAGEMENT CHANGES

Mr Pieter Louw retired as Executive Head of Mining and left his position on 31 December 2015. Dean Pelser has taken over responsibility for Mining and has a broader role as the Executive Head of Mining and Safety, Health & Environment.

Johannesburg, South Africa  
4 February 2016

Any forecast information included in this announcement has not been reviewed and reported on by the company's external auditors.

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# SUMMARISED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 Rm	Audited 2014 Rm
<b>Gross sales revenue</b>		<b>59,829</b>	55,626
Commissions paid		(14)	(14)
<b>Net sales revenue</b>	3	<b>59,815</b>	55,612
<b>Cost of sales</b>	3	<b>(54,544)</b>	(52,968)
<b>Gross profit on metal sales</b>	3	<b>5,271</b>	2,644
Other net expenditure	5	(279)	(494)
Loss on impairment and scrapping of property, plant and equipment		(10,242)	(480)
Market development and promotional expenditure		(800)	(827)
<b>Operating (loss)/profit</b>		<b>(6,050)</b>	843
Net gain on the final phase of the Atlatza Resources Corporation (Atlatza) refinancing transaction		–	243
Impairment of investments in associates		(4,082)	(168)
Impairment of non-current financial assets		(1,792)	–
Impairment of available-for-sale investment in Royal Bafokeng Platinum (RB Plat)		(775)	–
Interest expensed		(1,049)	(698)
Interest received		98	161
Remeasurements of loans and receivables		40	201
Losses from associates (net of taxation)		(529)	(128)
<b>(Loss)/profit before taxation</b>	6	<b>(14,139)</b>	454
Taxation	7	1,934	(82)
<b>(Loss)/profit for the year</b>		<b>(12,205)</b>	372
<b>Other comprehensive income, net of income tax</b>			
<b>Items that will be reclassified subsequently to profit or loss</b>		<b>1,590</b>	173
Deferred foreign exchange translation gains		1,441	338
Share of other comprehensive gains/(losses) from associates		49	(33)
Actuarial loss on employees' service benefit obligation		(4)	(5)
Net losses on available-for-sale investments		(671)	(127)
Recycling of cumulative losses on impairment of available-for-sale investment		775	–
<b>Total comprehensive (loss)/income for the year</b>		<b>(10,615)</b>	545
<b>(Loss)/profit attributable to:</b>			
Owners of the Company		(12,125)	624
Non-controlling interests		(80)	(252)
		<b>(12,205)</b>	372
<b>Total comprehensive (loss)/income attributable to:</b>			
Owners of the Company		(10,535)	797
Non-controlling interests		(80)	(252)
		<b>(10,615)</b>	545
<b>Headline earnings</b>	8	<b>107</b>	786
Number of ordinary shares in issue (millions)*		<b>268.0</b>	267.5
Weighted average number of ordinary shares in issue (millions)		<b>261.4</b>	261.1
(Loss)/earnings per ordinary share (cents)			
– Basic		<b>(4,638)</b>	239
– Diluted		<b>(4,625)</b>	238

\* Includes the shares issued as part of the community economic empowerment transaction, but excludes the shares held by the Group ESOP and the shares held in terms of the Group's various share schemes.



# SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

	Notes	2015 Rm	Audited 2014 Rm
<b>ASSETS</b>			
<b>Non-current assets</b>		<b>52,205</b>	66,686
Property, plant and equipment		<b>39,869</b>	44,297
Capital work in progress		<b>6,548</b>	10,736
Investment in associates	9	<b>3,883</b>	7,637
Investments held by environmental trusts		<b>882</b>	842
Other financial assets	10	<b>1,023</b>	3,120
Other non-current assets		<b>–</b>	54
<b>Current assets</b>		<b>21,755</b>	23,313
Inventories	11	<b>16,571</b>	17,451
Trade and other receivables		<b>2,585</b>	3,220
Other assets		<b>927</b>	1,440
Cash and cash equivalents		<b>1,672</b>	1,202
<b>Total assets</b>		<b>73,960</b>	89,999
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Share capital		<b>27</b>	27
Share premium		<b>22,395</b>	21,846
Foreign currency translation reserve		<b>2,786</b>	1,345
Available-for-sale reserve		<b>24</b>	(80)
Retained earnings		<b>15,202</b>	27,598
Non-controlling interests		<b>(411)</b>	(210)
<b>Shareholders' equity</b>		<b>40,023</b>	50,526
<b>Non-current liabilities</b>		<b>22,776</b>	22,093
Non-current interest-bearing borrowings	12	<b>12,124</b>	9,459
Obligations due under finance leases		<b>94</b>	–
Environmental obligations		<b>2,404</b>	2,110
Employees' service benefit obligations		<b>14</b>	8
Deferred taxation		<b>8,140</b>	10,516
<b>Current liabilities</b>		<b>11,161</b>	17,380
Current interest-bearing borrowings	12	<b>2,209</b>	6,361
Obligations due under finance leases within one year		<b>14</b>	–
Trade and other payables		<b>6,818</b>	7,660
Other liabilities		<b>2,075</b>	2,044
Other current financial liabilities		<b>2</b>	–
Share-based payments provision		<b>11</b>	19
Taxation		<b>32</b>	1,296
<b>Total equity and liabilities</b>		<b>73,960</b>	89,999

# SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015 Rm	Audited 2014 Rm
<b>Cash flows from operating activities</b>			
Cash receipts from customers		60,563	55,010
Cash paid to suppliers and employees		(49,621)	(47,134)
Cash generated from operations		10,942	7,876
Interest paid (net of interest capitalised)		(857)	(497)
Taxation paid		(1,821)	(2,734)
<b>Net cash from operating activities</b>		<b>8,264</b>	<b>4,645</b>
<b>Cash flows used in investing activities</b>			
Purchase of property, plant and equipment (includes interest capitalised)		(5,152)	(6,863)
Proceeds from sale of plant and equipment		41	34
Proceeds on sale of mineral rights and other investments		3	2
Funding to associates		(739)	(392)
Acquisition of investment in associate		(23)	–
Advances made to Plateau Resources Proprietary Limited		(260)	(61)
Advances made to Atlatsa Holdings Proprietary Limited		–	(25)
Subscription for RB Plat rights offer shares		–	(93)
Net increase in investments held by environmental trusts		(1)	(36)
Interest received		76	68
Growth in environmental trusts		6	4
Other advances		(15)	(36)
<b>Net cash used in investing activities</b>		<b>(6,064)</b>	<b>(7,398)</b>
<b>Cash flows (used in)/from financing activities</b>			
Purchase of treasury shares for the Bonus Share Plan (BSP)		(120)	(327)
(Repayment of)/proceeds from interest-bearing borrowings		(1,487)	3,204
Repayment of finance lease obligation		(21)	–
Unpaid dividends written back		19	–
Cash distributions to minorities		(121)	(84)
<b>Net cash (used in)/from financing activities</b>		<b>(1,730)</b>	<b>2,793</b>
<b>Net increase in cash and cash equivalents</b>		<b>470</b>	<b>40</b>
Cash and cash equivalents at beginning of year		1,202	1,162
<b>Cash and cash equivalents at end of year</b>		<b>1,672</b>	<b>1,202</b>
<b>Movement in net debt</b>			
<b>Net debt at beginning of year</b>		<b>(14,618)</b>	<b>(11,456)</b>
Net cash from operating activities		8,264	4,645
Net cash used in investing activities		(6,064)	(7,398)
Other		(351)	(409)
<b>Net debt at end of year</b>		<b>(12,769)</b>	<b>(14,618)</b>
<b>Made up as follows:</b>			
Cash and cash equivalents		1,672	1,202
Non-current interest-bearing borrowings	12	(12,124)	(9,459)
Obligations due under finance leases		(94)	–
Current interest-bearing borrowings	12	(2,209)	(6,361)
Obligations due under finance leases within one year		(14)	–
		<b>(12,769)</b>	<b>(14,618)</b>

# SUMMARISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2015

	Share capital Rm	Share premium Rm	Foreign currency translation reserve Rm	Available- for-sale reserve Rm	Retained earnings Rm	Non- controlling interests Rm	Total Rm
<b>Balance at 31 December 2013 (audited)</b>	27	21,439	1,007	47	27,362	126	50,008
Total comprehensive income/(loss) for the year			338	(127)	586	(252)	545
Deferred taxation charged directly to equity					(1)		(1)
Share of associates' movements directly to equity					28		28
Cash distributions to minorities						(84)	(84)
Shares acquired in terms of the BSP – treated as treasury shares	(–)*	(327)					(327)
Shares vested in terms of the BSP	– *	307			(307)		–
Shares vested in terms of the Group Employee Share Option Scheme (Kotula)	– *	427			(427)		–
Equity-settled share-based compensation					382		382
Shares purchased for employees					(25)		(25)
<b>Balance at 31 December 2014 (audited)</b>	27	21,846	1,345	(80)	27,598	(210)	50,526
Total comprehensive (loss)/income for the year			1,441	104	(12,080)	(80)	(10,615)
Cash distributions to minorities						(121)	(121)
Shares acquired in terms of the BSP – treated as treasury shares	(–)*	(255)			135		(120)
Shares vested in terms of the BSP	– *	353			(353)		–
Shares vested in terms of the Group Employee Share Option Scheme (Kotula)	– *	451			(451)		–
Equity-settled share-based compensation					338		338
Shares purchased for employees					(4)		(4)
Unpaid dividends written back					19		19
<b>Balance at 31 December 2015 (audited)</b>	27	22,395	2,786	24	15,202	(411)	40,023

\* Less than R500,000.

# NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

1. The summarised consolidated financial statements are presented 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, Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council, as well as the requirements of the Companies Act of South Africa and the JSE Limited's Listings Requirements. The summarised consolidated financial statements also contain, at a minimum, the information required by International Accounting Standard 34 *Interim Financial Reporting*. The accounting policies applied in the preparation of the consolidated annual financial statements from which the summarised consolidated financial statements were derived are in terms of IFRS and consistent with those applied in the financial statements for the year ended 31 December 2014, except for the adoption of various amendments to accounting standards in the year ended 31 December 2015. These changes did not have a material impact on the financial results of the Group.

The directors take full responsibility for the preparation of the preliminary report and that the summarised financial information has been correctly extracted from the underlying audited consolidated financial statements. The preparation of the Group's audited results and the summarised consolidated financial statements for the year ended 31 December 2015 were supervised by the Finance director, Mr I Botha.

The consolidated annual financial statements from which the summarised consolidated financial statements have been extracted have been audited by the Company's auditors, Deloitte & Touche. The consolidated annual financial statements and the auditor's unmodified report on the consolidated annual financial statements are available for inspection at the Company's registered office.

	Audited Net sales revenue		Audited Operating contribution		Audited Depreciation	
	2015 Rm	2014 Rm	2015 Rm	2014 Rm	2015 Rm	2014 Rm
<b>2. SEGMENTAL INFORMATION</b>						
<b>Segment revenue and results</b>						
<b>Operations</b>						
Mogalakwena Mine	13,864	13,779	5,159	5,075	1,600	1,441
Amandelbult Mine	9,032	6,429	826	(712)	755	638
Unki Platinum Mine	2,024	2,107	75	368	313	293
Twickenham Platinum Mine	329	367	(743)	(522)	268	87
Modikwa Platinum Mine <sup>1</sup>	1,469	1,517	73	170	173	142
Mototolo Platinum Mine <sup>1</sup>	1,411	1,570	370	510	105	106
Kroondal Platinum Mine <sup>1</sup>	3,010	2,990	472	583	306	250
Rustenburg Mine	11,117	8,940	38	(753)	1,098	1 261
Union Mine	3,695	3,159	88	(734)	244	381
<b>Total – mined</b>	<b>45,951</b>	40,858	<b>6,358</b>	3,985	<b>4,862</b>	4,599
Process tailings retreatment <sup>2</sup>	61	–	(22)	–	3	–
Purchased metals	13,803	14,754	1,562	1,464	209	239
	<b>59,815</b>	55,612	<b>7,898</b>	5,449	<b>5,074</b>	4,838
Other costs (note 4)			(2,627)	(2,805)		
<b>Gross profit on metal sales</b>			<b>5,271</b>	2,644		

<sup>1</sup> Amplats' share (excluding purchase of concentrate)

<sup>2</sup> Includes slag tailings retreatment at Mortimer Smelter (closed in Q3 2015).

Information reported to the Executive Committee of the Group for purposes of resource allocation and assessment of segment performance is done on a mine-by-mine basis.

## Changes to the segmental information

The following changes to the segmental reporting were made following changes to internal reporting to the Executive Committee:

- During the current year, the Group restructured its business around large mining complexes, consolidating adjacent mines with the concentrating operations. As a result, the following segments were consolidated into single reporting segments:
  - Tumela Mine and Dishaba Mine were consolidated into Amandelbult Mine; and
  - Bathopele Mine, Thembelani Mine, Siphumelele Mine and Western Limb Tailings Retreatment were consolidated into Rustenburg Mine.
 Accordingly, the comparative figures have been aggregated to reflect this change.
- During the current year, purchased metal excludes tailings from Amplats mines treated by a third party with the concentrate being purchased by Amplats. The results for this have been included in the operation from which the tailings arose. Consequently, the results for the year ended 31 December 2014 were restated in a similar manner.



## 2. SEGMENTAL INFORMATION *continued*

This resulted in the following changes to the comparative figures:

	Audited		Audited		Audited	
	As reported	Restated	As reported	Restated	As reported	Restated
	Rm	Rm	Rm	Rm	Rm	Rm
Amandelbult Mine	6,264*	6,429	(776)*	(712)	636*	638
Rustenburg Mine	8,861*	8,940	(777)*	(753)	1,260*	1,261
Purchased metals	14,998	14,754	1,552	1,464	242	239
	30,123	30,123	(1)	(1)	2,138	2,138

\* Aggregated as noted above.

	Audited	
	2015	2014
	Rm	Rm
<b>3. GROSS PROFIT ON METAL SALES</b>		
<b>Gross sales revenue</b>	<b>59,829</b>	55,626
Commissions paid	(14)	(14)
<b>Net sales revenue</b>	<b>59,815</b>	55,612
<b>Cost of sales</b>	<b>(54,544)</b>	(52,968)
<b>On-mine</b>	<b>(33,772)</b>	(29,029)
Cash operating costs	(29,918)	(25,391)
Depreciation	(3,854)	(3,638)
<b>Purchase of metals and leasing activities*</b>	<b>(10,247)</b>	(12,411)
<b>Smelting</b>	<b>(3,403)</b>	(3,051)
Cash operating costs	(2,886)	(2,518)
Depreciation	(517)	(533)
<b>Treatment and refining</b>	<b>(3,381)</b>	(2,969)
Cash operating costs	(2,678)	(2,302)
Depreciation	(703)	(667)
<b>Decrease in metal inventories</b>	<b>(1,114)</b>	(2,703)
<b>Other costs (note 4)</b>	<b>(2,627)</b>	(2,805)
<b>Gross profit on metal sales</b>	<b>5,271</b>	2,644
* Consists of purchased metals in concentrate, secondary metals and other metals.		
<b>4. OTHER COSTS</b>		
Other costs consist of the following principal categories:		
Share-based payments - other share schemes	310	254
Share-based payments - the Kotula Trust	31	128
Corporate costs	483	556
Royalties	321	374
Contributions to education and community development	490	508
Research	330	329
Transport of metals	318	278
Exploration	144	129
Total exploration costs	215	241
Less: Capitalised	(71)	(112)
Other	200	249
	<b>2,627</b>	2,805

# NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 31 DECEMBER 2015

	Audited	
	2015 Rm	2014 Rm
<b>5. OTHER NET EXPENDITURE</b>		
Other net expenditure consists of the following principal categories:		
Realised and unrealised foreign exchange loss – non-financial items	(2)	(1)
Foreign exchange gains on loans and receivables	1,028	303
Foreign exchange losses on other financial liabilities	(235)	(84)
Project maintenance costs*	(124)	(9)
Restructuring and other related costs	(996)	(755)
(Loss)/profit on disposal of plant, equipment and conversion rights	(42)	59
Royalties received	29	13
Other – net	63	(20)
	(279)	(494)
* Project maintenance costs comprise costs incurred to maintain land held for future projects and costs to keep projects on care and maintenance. It also includes the costs of the operations put onto care and maintenance once the decision was made.		
<b>6. (LOSS)/PROFIT BEFORE TAXATION</b>		
(Loss)/profit before taxation is arrived at after taking account of:		
Impairment of investments in associates	4,082	–
Atlatsa Resources Corporation	623	–
Bokoni Platinum Holdings Proprietary Limited	782	–
Bafokeng-Rasimone Platinum Mine	2,676	–
Impairment of non-current financial assets	1,792	–
Loan to Atlatsa Holdings Proprietary Limited	326	–
Loans to Plateau Resources Proprietary Limited	1,466	–
Net loss on impairment, disposal and scrapping of property, plant and equipment	10,267	403
Loss/(profit) on disposal of property, plant and equipment	25	(77)
Loss on impairment and scrapping of property, plant and equipment	10,242	480
Rustenburg Mine	6,216	–
Twickenham Mine	3,435	–
Union South Declines	–	480
Mainstream inert grinding mills	170	–
Various smaller assets scrapped	421	–
<b>7. TAXATION</b>	%	%
A reconciliation of the standard rate of South African normal taxation compared with that charged in the statement of comprehensive income is set out in the following table:		
South African normal taxation	(28.0)	28.0
Disallowable items	1.4	10.8
Capital profits	–	(15.0)
Impairment of investments and loans and receivables	13.2	10.4
Prior year (overprovision)/underprovision	(0.3)	20.9
Effect of after-tax share of losses from associates	1.0	7.9
Difference in tax rates of subsidiaries	(0.6)	(60.0)
Other	(0.4)	15.1
Effective taxation rate	(13.7)	18.1

	2015 Rm	Audited 2014 Rm
<b>8. RECONCILIATION BETWEEN (LOSS)/PROFIT AND HEADLINE EARNINGS</b>		
<b>(Loss)/profit attributable to shareholders</b>	<b>(12,125)</b>	624
Adjustments		
Net loss/(profit) on disposal of property, plant and equipment	25	(77)
Tax effect thereon	(7)	22
Loss on impairment and scrapping of property, plant and equipment	10 242	480
Tax effect thereon	(2,862)	(134)
Non-controlling interests' share	(20)	(52)
Net gain on the final phase of the Atlatsa refinancing transaction	–	(243)
Impairment of investments in associates	4,082	168
Tax effect thereon	–	–
Impairment of available-for-sale investment in RB Plat	775	–
Tax effect thereon	–	–
Profit on sale of other mineral rights and investments	(3)	(2)
Tax effect thereon	–	–
<b>Headline earnings</b>	<b>107</b>	786
Attributable headline earnings per ordinary share (cents)		
Headline	41	301
Diluted	41	300
<b>9. INVESTMENT IN ASSOCIATES</b>		
<b>Listed (Market value: R61 million (2014: R288 million))</b>		
Investment in Atlatsa Resources Corporation*	–	689
<b>Unlisted</b>	<b>3,883</b>	6,948
Bokoni Platinum Holdings Proprietary Limited (Bokoni Holdco)*		
Carrying value of investment	–	880
Bafokeng-Rasimone Platinum Mine (BRPM)†		
Carrying value of investment	3,434	5,637
Richtrau No. 123 Proprietary Limited		
Carrying value of investment	5	5
Peglerae Hospital Proprietary Limited		
Carrying value of investment	52	64
Unincorporated associate – Pandora		
Carrying value of investment	366	362
Hydrogenious Technologies GmbH		
Carrying value of investment	26	–
	<b>3,883</b>	7,637

\* Equity investments in Atlatsa and Bokoni Holdco were impaired during the year. Refer to note 16.

† The investment in BRPM was partially impaired during the year. Refer to note 16.

# NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 31 DECEMBER 2015

			Audited	
			2015 Rm	2014 Rm
<b>10. OTHER FINANCIAL ASSETS</b>				
<b>Loans carried at amortised cost</b>				
Loans to Plateau Resources Proprietary Limited			–	1,135
Loans to Atlatsa Holdings Proprietary Limited (Atlatsa Holdings)			–	326
Loan to ARM Mining Consortium Limited			66	66
Advance to Bakgatla-Ba-Kgafela traditional community			179	163
Other			75	75
			320	1,765
<b>Available-for-sale investments carried at fair value</b>				
Investment in Royal Bafokeng Platinum Limited			597	1,181
Investment in Wesizwe Platinum Limited			87	174
Food Freshness Technology Holdings			19	–
Total financial assets			1,023	3,120
<b>11. INVENTORIES</b>				
Refined metals			4,161	4,598
At cost			2,619	2,432
At net realisable values			1,542	2,166
Work-in-progress			9,679	10,356
At cost			6,529	7,067
At net realisable values			3,150	3,289
Total metal inventories			13,840	14,954
Stores and materials at cost less obsolescence provision			2,731	2,497
			16,571	17,451
			Facility amount 2015 Rm	Utilised amount 2015 Rm
			Facility amount 2014 Rm	Utilised amount 2014 Rm
<b>12. INTEREST-BEARING BORROWINGS</b>				
<b>Unsecured financial liabilities measured at amortised cost</b>				
Committed			22,316	12,490
Uncommitted			8,928	1,843
			31,244	14,333
			31,067	15,820
<b>Disclosed as follows:</b>				
Current interest-bearing borrowings			2,209	6,361
Non-current interest-bearing borrowings			12,124	9,459
			14,333	15,820
Weighted average borrowing rate (%)			7.91	7.32
Committed facilities are defined as the bank's obligation to provide funding until maturity of the facility, by which time the renewal of the facility is negotiated. R18,515 million (2014: R18,544 million) of the facilities is committed for one to five years, R2,300 million (2014: R2,300 million) is committed for a rolling period of 364 days, while the rest is committed for less than 364 days. The Company has adequate committed facilities to meet its future funding requirements.				
Uncommitted facilities are callable on demand.				
<b>Borrowing powers</b>				
The borrowing powers in terms of the memorandum of incorporation of the holding company and its subsidiaries are unlimited.				



### 13. FAIR VALUE DISCLOSURES

The following is an analysis of the financial instruments that are measured subsequent to initial recognition at fair value. They are grouped into levels 1 to 3 based on the extent to which the fair value is observable.

The levels are classified as follows:

- Level 1 – fair value is based on quoted prices in active markets for identical financial assets or liabilities.
- Level 2 – fair value is determined using directly observable inputs other than Level 1 inputs.
- Level 3 – fair value is determined on inputs not based on observable market data.

Description	31 December 2015 Rm	Level 1 Rm	Fair value measurement at 31 December 2015	
			Level 2 Rm	Level 3 Rm
<b>Financial assets through profit and loss</b>				
Investments held by environmental trusts	882	882	–	–
<b>Available-for-sale assets at fair value</b>				
Other financial assets	703	684	–	19
<b>Total</b>	<b>1,585</b>	<b>1,566</b>	<b>–</b>	<b>19</b>
<b>Financial liabilities through profit and loss</b>				
Trade and other payables	(2,972)	–	(2,972)	–
Other current financial liabilities	(2)	–	(2)	–
<b>Total</b>	<b>(2,974)</b>	<b>–</b>	<b>(2,974)</b>	<b>–</b>

Description	31 December 2014 Rm	Level 1 Rm	Fair value measurement at 31 December 2014	
			Level 2 Rm	Level 3 Rm
<b>Financial assets through profit and loss</b>				
Investments held by environmental trusts	842	842	–	–
<b>Available-for-sale assets at fair value</b>				
Other financial assets	1,355	1,355	–	–
<b>Total</b>	<b>2,197</b>	<b>2,197</b>	<b>–</b>	<b>–</b>
<b>Financial liabilities through profit and loss</b>				
Trade and other payables	(2,980)	–	(2,980)	–

There were no transfers between the levels during the year.

#### Valuation techniques used to derive Level 2 fair values

The valuation of forward foreign exchange contracts is a function of the ZAR:USD exchange rate at balance sheet date and the forward exchange rate that was fixed as per the forward foreign exchange rate contract.

The fair values for trade and other payables relate specifically to purchase of concentrate trade creditors which are priced in US dollar. The settlement of the purchase of concentrate trade creditors takes place on average three to four months after the sale has taken place. The fair value is a function of the expected ZAR:USD exchange rate and metal prices at the time of settlement.

#### Reconciliation of Level 3 fair value measurements of financial liabilities

	2015 Other financial assets Rm	2014 Other financial assets Rm
Opening balance	–	–
Acquisition of investment	19	–
Total gains included in other comprehensive income	–	–
Closing balance	19	–

The other financial asset comprises an investment in unlisted company Food Freshness Technology Holdings, which is classified as available-for-sale in terms of IAS 39 *Financial Instruments: Recognition and Measurement*. The fair value is based on unobservable market data, and estimated with reference to recent third-party transactions in the instruments of the company.

# NOTES TO THE SUMMARISED CONSOLIDATED FINANCIAL STATEMENTS continued

FOR THE YEAR ENDED 31 DECEMBER 2015

## 14. UNKI PLATINUM MINE INDIGENISATION PLAN

Following approval of its indigenisation plan by the Government of Zimbabwe, Amplats signed a Heads of Agreement with the Government of Zimbabwe in November 2012. That agreement set out the key terms of the approved indigenisation plan for the Group's Unki Mine investment. The plans envisaged the sale of 51% of the investment through a notional vendor funded 10-year transaction. The plan has not been implemented.

On 8 January 2016, the Minister of Youth, Indigenisation and Economic Empowerment in Zimbabwe published a General Notice which sought to simplify and clarify the framework, procedure and guidelines for complying with the Indigenisation and Economic Empowerment Act. A concerning provision within the General Notice is a requirement that, for the resource sector, the 51% shareholding will be acquired in exchange for the mineral resource being exploited and at no monetary cost to the Government. The Group is still studying the full implication on its indigenisation compliance plan should the provision contained in the General Notice become law. Engagements with the Zimbabwean Government are ongoing, and the Group is not yet certain of the impact of the General Notice on the proposed Unki indigenisation transaction.

## 15. ANNOUNCEMENT OF TRANSACTION TO DISPOSE OF RUSTENBURG MINE

On 9 September 2015, Amplats entered into a sale and purchase agreement (SPA) with Sibanye Rustenburg Platinum Mines Proprietary Limited (a subsidiary of Sibanye Gold Limited) (Sibanye) for the disposal of Rustenburg Mine.

Rustenburg Mine will be sold as a going concern, for an upfront consideration of R1,500 million and deferred consideration amounting to 35% of the business's distributable free cash flow for six to eight years subject to a minimum of R3,000 million. These proceeds will be offset by funding to be provided by Amplats in the event of the business having a negative free cash flow between the closing of the transaction and 31 December 2018. This funding is limited to R267 million per annum and is pro-rated. Taking into account the most recent cash flow estimates for the business, the estimated fair value of the total consideration amounts to R2,798 million. This excludes any economic value generated from the future purchase of concentrate and toll treatment arrangements which will be recognised for accounting purposes at the time when the benefit is received. The transaction requires various regulatory approvals, including approval by the South African competition authorities and the Department of Mineral Resources. Since the transaction remains subject to these significant approvals, Rustenburg Mine cannot be reclassified as held for sale at this stage. It is expected that it will take approximately six to 12 months to implement and complete the transaction.

## 16. IMPAIRMENT OF ASSETS AND INVESTMENTS

### Rustenburg Mine

Amplats considers its mining, smelting and refining operations as a single cash-generating unit. Following the announcement of the signing of the SPA with Sibanye, the assets attributable to Rustenburg Mine were assessed separately within the cash-generating unit for impairment. As such, the recoverable value of Rustenburg Mine is calculated as the fair value of the estimated proceeds less transaction costs, and amounts to R2,798 million. It excludes any economic value generated from the future purchase of concentrate and toll treatment arrangements which will be recognised for accounting purposes at the time when the benefit is received. The recoverable amount comprises a Level 3 fair value in terms of the fair value hierarchy (as defined in note 13). The fair value of the deferred consideration payable by Sibanye, and negative free cash flow funding payable by Amplats were determined based on the projected cash flows for Rustenburg Mine. The relevant amounts were discounted at the cost of borrowing of Sibanye and Amplats respectively.

The net carrying value of Rustenburg Mine at 1 September 2015 was R7,274 million. The excess of the carrying value above the recoverable amount gives rise to an impairment of R6,216 million (R4,476 million net of tax). The entire impairment is attributable to property, plant and equipment. A resulting impairment loss has been recognised in the statement of comprehensive income and is separately presented. This impairment loss is included in basic earnings but excluded from headline earnings.

### Equity investments in Atlatsa and Bokoni Holdco and associated loans

Amplats has a 22.76% shareholding in Atlatsa as well as a 49% shareholding in Bokoni Holdco. The Group, together with Atlatsa, has completed a technical review of the Bokoni Platinum Mine to develop a new optimised mine plan. On 16 September 2015, Atlatsa announced the implementation of its restructuring plan of Bokoni Platinum Mine. Bokoni Platinum Mine is likely to remain cash negative for some time as it funds development at Brakfontein and Middelpunt Hill.

In light of the difficult market conditions and negative cash flows incurred by Bokoni Platinum Mine, Amplats has fully impaired its equity interests in Atlatsa and Bokoni Holdco with a carrying value of R1,406 million. These write-offs are included in basic earnings but excluded from headline earnings.

Atlatsa's ability to service its debt obligations in the context of the current market conditions, where Bokoni Platinum Mine is its main source of funding, is doubtful at current PGM price levels. Amplats has, therefore, for accounting purposes fully impaired the various loans it has extended to Atlatsa and Atlatsa Holdings, with an accounting carrying value of R1,792 million in aggregate. The impairment losses arising from these loan write-offs are included in basic and headline earnings.

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## 16. IMPAIRMENT OF ASSETS AND INVESTMENTS *continued*

### Equity investment in BRPM and available-for-sale investment in RBPlat

Amplats has an 11.68% shareholding in RB Plat and a 33% direct interest in BRPM. In November 2010, when RB Plat listed, the investments in both RB Plat and BRPM were required to be revalued for accounting purposes to the fair value at that date, which resulted in fair value gains of R690 million (after tax) and R2,938 million (after tax) respectively. Subsequent to this, the Group continued to equity account 33% of the earnings of BRPM. This resulted in the carrying value of the investment in BRPM increasing from R4,394 million to R6,125 million. In addition, the 11.68% holding in RB Plat was marked to market with the gains and losses being reflected in other comprehensive income.

Given the decrease in PGM prices and the reduction in the market value of RB Plat shares, the Group has assessed the carrying value of both investments for impairment. The recoverable amount of the investment in RB Plat was the quoted market price at the date of impairment, which comprises a Level 1 fair value in terms of the fair value hierarchy (as defined in note 13). The recoverable amount of the investment in BRPM was its value in use and amounted to R3,449 million at the date of impairment. This comprises a Level 3 fair value in terms of the fair value hierarchy. The value in use was determined based on the in-situ value for 4E ounces outside the life of mine plan and the net present value of the current life of mine plan using the following assumptions, which were based on analyst consensus prices in August 2015:

- Platinum US\$1,269 per ounce (real long-term)
- Palladium US\$809 per ounce (real long-term)
- A long-term real rand/US dollar exchange rate of R11.57:US\$1
- A real discount rate of 7.5%
- A life of mine of 30 years.

Consequently, the investment in RB Plat has been written down by R775 million (after tax) by recycling previously recognised losses in other comprehensive income through profit or loss for the period, and the investment in BRPM has been written down by R2,676 million (after tax). These impairments are included in basic earnings but excluded from headline earnings.

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## 17. SCRAPPING OF ASSETS

Development on the Twickenham project has been suspended and the operation restructured to reduce cash losses, including placing the Twickenham shaft on care and maintenance. Production continues at the Hackney shaft. The mine is being redeveloped from a conventional mine to become a largely mechanised operation, which seeks to increase productivity and the profitability of the mine. Previous development on a conventional mine and some of the related infrastructure and assets will not be utilised in the new mechanised mine layout. These assets of R3,435 million including capitalised interest and study costs have been written off. The resulting loss of R2,473 million (after tax) is excluded from headline earnings.

Furthermore, the Group reviewed alternative business cases for the life extension at Tumela and concluded that a lower capital, higher returning option than the Tumela 5 shaft is the preferred replacement project. Accordingly, development of the Tumela 5 shaft has been stopped and the feasibility study and early development expenditure amounting to R388 million (R279 million after tax) has been written off. This write-off is included in basic earnings but excluded from headline earnings.

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## 18. POST-BALANCE SHEET EVENTS

Amplats' strategy is to continue to reposition its assets into a value optimising portfolio, with its assets positioned in the first half of the primary PGM production cost curve. Given the industry headwinds, the Amplats Board on 4 February 2016 considered the progress made with respect to the strategic repositioning of the portfolio and approved the following refinements to the portfolio:

- Commence the process of placing Twickenham Mine on care and maintenance; and
- Consider exiting Amplats' 50% interest in the Kroondal PSA at the right time for value, while ensuring the value generated from the purchase of concentrate agreement is maintained.

The carrying value of Twickenham Mine assets is R2.3 billion (post the write-off of assets of R3.2 billion). As Twickenham remains a key part of the Amplats portfolio and development will resume once the market demands the additional PGMs and the Group's balance sheet allows, the remaining assets that will be used in developing a mechanised mine, have not been written off.

Furthermore, the Group will continue to account for the Kroondal Mine as a joint operation until the Group has entered into a binding contract to exit from its interests in the mine.

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## INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED SUMMARISED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF ANGLO AMERICAN PLATINUM LIMITED

The summarised consolidated financial statements of Anglo American Platinum Limited, contained in the accompanying preliminary report as set out on pages 10 to 21, which comprise the summarised consolidated statement of financial position as at 31 December 2015, the summarised consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Anglo American Platinum Limited for the year ended 31 December 2015. We expressed an unmodified audit opinion on those consolidated financial statements in our report dated 4 February 2016. Our auditor's report on the audited consolidated financial statements contained an Other Matter paragraph "Other reports required by the Companies Act".

The summarised consolidated financial statements do not contain all the disclosures required by the International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summarised consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of Anglo American Platinum Limited.

### Directors' Responsibility for the Summarised Consolidated Financial Statements

The directors are responsible for the preparation of the summarised consolidated financial statements in accordance with the requirements of the JSE Limited Listings Requirements for preliminary reports, set out in note 1 to the summarised consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summarised financial statements, and for such internal control as the directors determine is necessary to enable the preparation of the summarised consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The Listings Requirements require preliminary reports 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 Pronouncements as issued by the Financial Reporting Standards Council, and to also, as a minimum, contain the information required by IAS 34, Interim Financial Reporting.

### Auditor's Responsibility

Our responsibility is to express an opinion on the summarised consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, Engagements to Report on Summary Financial Statements.

### Opinion

In our opinion, the summarised consolidated financial statements derived from the audited consolidated financial statements of Anglo American Platinum Limited for the year ended 31 December 2015 are consistent, in all material respects, with those consolidated financial statements, in accordance with the requirements of the JSE Limited Listings Requirements for preliminary reports, set out in note 1 to the summarised consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summarised financial statements.

### Other Reports required by the Companies Act

The "other reports required by the Companies Act" paragraph in our audit report dated 4 February 2016 states that as part of our audit of the consolidated financial statements for the year ended 31 December 2015, we have read the Directors' Report, the Audit and Risk Committee's Report and the Company Secretary's Certificate for the purpose of identifying whether there are material inconsistencies between these reports and the audited consolidated financial statements. These reports are the responsibility of the respective preparers. The paragraph also states that, based on reading these reports, we have not identified material inconsistencies between these reports and the audited annual consolidated financial statements. The paragraph furthermore states that we have not audited these reports and accordingly do not express an opinion on these reports. The paragraph does not have an effect on the summarised consolidated financial statements or our opinion thereon.

### Other Matter

We have not audited future financial performance and expectations by management included in the accompanying summarised consolidated financial statements and accordingly do not express any opinion thereon.



Deloitte & Touche  
Registered Auditors  
Per JAR Welch  
Partner  
4 February 2016

National Executive: \*LL Bam Chief Executive \*AE Swiegers Chief Operating Officer \*GM Pinnock Audit  
\*N Sing Risk Advisory \*NB Kader Tax TP Pillay Consulting S Gwala BPaaS \*K Black Clients & Industries  
\*JK Mazzocco Talent & Transformation \*MJ Jarvis Finance \*M Jordan Strategy \*MJ Comber Reputation & Risk  
\*TJ Brown Chairman of the Board

A full list of partners and directors is available on request

\* Partner and Registered Auditor

B-BBEE rating: Level 2 contributor in terms of the Chartered Accountancy Profession Sector Code

Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

# GROUP PERFORMANCE DATA (UNAUDITED)

FOR THE YEAR ENDED 31 DECEMBER 2015

## SALIENT FEATURES

		2015	2014	2013	2012	2011
<b>Average market prices achieved</b>						
Platinum	US\$/oz	<b>1,051</b>	1,386	1,485	1,532	1,707
Palladium	US\$/oz	<b>703</b>	803	722	640	735
Rhodium	US\$/oz	<b>958</b>	1,147	1,053	1,264	2,015
Gold	US\$/oz	<b>1,156</b>	1,259	1,384	1,669	1,556
Nickel	US\$/lb	<b>5.32</b>	7.73	6.58	7.76	10.50
Copper	US\$/lb	<b>2.35</b>	3.14	3.22	3.58	4.04
<b>US\$ basket price – Pt</b>						
(net sales revenue per Pt oz sold)	US\$/oz Pt sold	<b>1,905</b>	2,413	2,326	2,406	2,698
<b>US\$ basket price – PGM</b>						
(net sales revenue per PGM oz sold)	US\$/oz PGM sold	<b>939</b>	1,164	1,123	1,316	1,510
<b>R basket price – Pt</b>						
(net sales revenue per Pt oz sold)	R/oz Pt sold	<b>24,203</b>	26,219	22,586	19,764	19,595
<b>R basket price – PGM</b>						
(net sales revenue per PGM oz sold)	R/oz PGM sold	<b>11,930</b>	12,656	10,906	10,811	10,968
<b>Exchange rates</b>						
Average exchange rate achieved on sales	ZAR/US\$	<b>12.71</b>	10.87	9.71	8.22	7.26
Exchange rate at end of year	ZAR/US\$	<b>15.47</b>	11.57	10.51	8.47	8.11
<b>Unit cost performance</b>						
Cash on-mine cost/tonne milled	R/tonne	<b>751</b>	770	675	625	529
Cash operating cost per refined Pt ounce <sup>1</sup>	R	<b>18,790</b>	22,082	17,036	15,660	12,869
Cost of sales per total Pt ounce sold <sup>2</sup>	R	<b>22,070</b>	24,983	19,916	19,354	16,306
<b>Productivity</b>						
m <sup>2</sup> per total operating employee per month <sup>3</sup>		<b>6.71</b>	6.46	6.57	6.05	6.32
Refined platinum ounces per employee <sup>4</sup>		<b>33.2</b>	23.3	30.0	29.3	32.5

<sup>1</sup> Cash operating cost per refined platinum ounce excludes ounces from purchased concentrate and associated costs.

<sup>2</sup> Total platinum ounces sold: refined platinum ounces sold plus platinum ounces sold in concentrate.

<sup>3</sup> Square metres mined per operating employee including processing, but excluding projects, opencast and tailings retreatment employees.

<sup>4</sup> Refined platinum ounces per employee: mined refined platinum ounces divided by own and attributable Amplats joint venture operational employees.



# GROUP PERFORMANCE DATA

FOR THE YEAR ENDED 31 DECEMBER 2015

## REFINED PRODUCTION

		2015	2014	2013	2012	2011
<b>Total operations</b>						
<b>Refined production from mining operations</b>						
Platinum	000 oz	<b>1,836.9</b>	1,323.8	1,772.7	1,773.3	1,943.4
Palladium	000 oz	<b>1,238.2</b>	921.1	1,055.9	1,080.5	1,122.1
Rhodium	000 oz	<b>225.8</b>	154.1	217.1	240.3	257.9
Gold	000 oz	<b>91.5</b>	74.0	81.1	86.4	85.6
PGMs	000 oz	<b>3,674.7</b>	2,641.9	3,413.2	3,513.9	3,764.5
Nickel	000 tonnes	<b>21.9</b>	23.9	18.8	14.9	17.0
Copper	000 tonnes	<b>14.9</b>	15.6	12.0	9.9	11.0
Chrome	000 tonnes	<b>566.5</b>	289.2	399.5	352.4	352.0
<b>Refined production from purchases inclusive of returns</b>						
Platinum	000 oz	<b>621.9</b>	565.7	606.8	605.3	586.7
Palladium	000 oz	<b>356.7</b>	304.3	324.9	315.4	308.6
Rhodium	000 oz	<b>79.4</b>	75.3	77.6	70.4	79.7
Gold	000 oz	<b>21.5</b>	21.6	18.9	18.8	19.5
PGMs	000 oz	<b>1,193.7</b>	1,092.9	1,151.7	1,126.7	1,122.9
Nickel	000 tonnes	<b>3.9</b>	4.3	3.8	2.8	3.3
Copper	000 tonnes	<b>2.2</b>	3.1	2.1	1.5	1.8
Chrome	000 tonnes	<b>–</b>	–	–	–	–
<b>Total refined production</b>						
Platinum	000 oz	<b>2,458.8</b>	1,889.5	2,379.5	2,378.6	2,530.1
Palladium	000 oz	<b>1,594.9</b>	1,225.4	1,380.8	1,395.9	1,430.7
Rhodium	000 oz	<b>305.2</b>	229.4	294.7	310.7	337.6
Gold	000 oz	<b>113.0</b>	95.6	100.0	105.2	105.1
PGMs	000 oz	<b>4,868.4</b>	3,734.8	4,564.9	4,640.6	4,887.4
Nickel – Refined	000 tonnes	<b>25.4</b>	20.5	16.8	17.7	20.3
Nickel – Matte	000 tonnes	<b>0.4</b>	7.7	5.8	–	–
Copper – Refined	000 tonnes	<b>16.8</b>	12.5	8.3	11.4	12.8
Copper – Matte	000 tonnes	<b>0.3</b>	6.2	5.8	–	–
Chrome	000 tonnes	<b>566.5</b>	289.2	399.5	352.4	352.0

## PLATINUM PRODUCED (M&C)<sup>1</sup>

		2015	2014	2013	2012	2011
<b>Total operations</b>	000 oz					
Mogalakwena Mine		392.5	370.0	340.9	304.7	311.0
Amandelbult Mine		437.5	218.6	372.6	380.6	438.1
Unki Platinum Mine		66.5	62.3	64.1	63.1	52.4
Twickenham Mine		13.0	11.6	9.5	–	1.0
Joint ventures <sup>2</sup>		482.7	482.4	489.0	485.3	497.2
Rustenburg Mine		485.4	283.7	577.8	552.1	595.2
Union Mine <sup>3</sup>		141.1	88.2	181.1	198.6	258.1
Purchases from third parties and associates		318.6	353.1	320.7	268.5	293.9
<b>M&amp;C platinum production</b>		<b>2,337.3</b>	1,869.9	2,355.7	2,252.9	2,446.9
<b>Pipeline stock adjustment</b>		<b>133.3</b>	26.9	50.2	140.0	36.0
		<b>2,470.6</b>	1,896.8	2,405.9	2,392.9	2,482.9
<b>Refined platinum production (excl. toll refined metal)</b>		<b>2,458.7</b>	1,887.2	2,376.4	2,329.1	2,530.1

<sup>1</sup> Platinum in concentrate produced and purchased.

<sup>2</sup> Production attributable to Amplats after accounting for metal concentrate sold to Impala Platinum in terms of an off take agreement that was in place when the Marikana Platinum Mine pooling-and-sharing agreement commenced. Metal concentrate surplus to the volumes stipulated in the off take agreement was refined by Amplats.

<sup>3</sup> Includes slag tailings at Mortimer Smelter (closed Q3 2015).

## HEADCOUNT

as at 31 December 2015

		2015	2014	2013	2012	2011
<b>Total employees<sup>1</sup></b>	number	<b>45 520</b>	49 295	50 800	59 420	58 541
Own enrolled	number	<b>42 773</b>	46 048	46 319	53 251	52 290
Contractors	number	<b>2 747</b>	3 247	4 481	6 169	6 251

<sup>1</sup> Amplats total own and contractor employees excluding joint venture and associate employees and contractors.

# GROUP PERFORMANCE DATA

FOR THE YEAR ENDED 31 DECEMBER 2015

## GROSS PROFIT ON METAL SALES FROM MINING AND PURCHASING ACTIVITIES

	Mined including chrome sales Rm	Purchased metals <sup>1</sup> Rm	Total Rm
<b>2015</b>			
<b>Gross sales revenue</b>	<b>45,685</b>	<b>14,144</b>	<b>59,829</b>
Commissions paid	(14)	-	(14)
<b>Net sales revenue</b>	<b>45,671</b>	<b>14,144</b>	<b>59,815</b>
<b>Cost of sales</b>	<b>(41,906)</b>	<b>(12,638)</b>	<b>(54,544)</b>
<b>On-mine</b>	<b>(33,772)</b>	<b>-</b>	<b>(33,772)</b>
Cash operating costs	(29,918)	-	(29,918)
Depreciation	(3,854)	-	(3,854)
<b>Purchase of metals and leasing activities<sup>1</sup></b>	<b>-</b>	<b>(10,247)</b>	<b>(10,247)</b>
<b>Smelting</b>	<b>(2,823)</b>	<b>(580)</b>	<b>(3,403)</b>
Cash operating costs	(2,394)	(492)	(2,886)
Depreciation	(429)	(88)	(517)
<b>Treatment and refining</b>	<b>(2,783)</b>	<b>(598)</b>	<b>(3,381)</b>
Cash operating costs	(2,203)	(475)	(2,678)
Depreciation	(580)	(123)	(703)
<b>Decrease in metal inventories</b>	<b>(78)</b>	<b>(1,036)</b>	<b>(1,114)</b>
<b>Other costs</b>	<b>(2,450)</b>	<b>(177)</b>	<b>(2,627)</b>
<b>Gross profit on metal sales</b>	<b>3,765</b>	<b>1,506</b>	<b>5,271</b>
Gross profit margin (%)	8.2	10.6	8.8
Cost of sales per total Pt ounce sold (R)	22,796	19,963	22,070
<b>2014</b>			
<b>Gross sales revenue</b>	<b>40,628</b>	<b>14,998</b>	<b>55,626</b>
Commissions paid	(14)	-	(14)
<b>Net sales revenue</b>	<b>40,614</b>	<b>14,998</b>	<b>55,612</b>
<b>Cost of sales</b>	<b>(39,320)</b>	<b>(13,648)</b>	<b>(52,968)</b>
<b>On-mine</b>	<b>(29,029)</b>	<b>-</b>	<b>(29,029)</b>
Cash operating costs	(25,391)	-	(25,391)
Depreciation	(3,638)	-	(3,638)
<b>Purchase of metals and leasing activities<sup>1</sup></b>	<b>-</b>	<b>(12,411)</b>	<b>(12,411)</b>
<b>Smelting</b>	<b>(2,444)</b>	<b>(607)</b>	<b>(3,051)</b>
Cash operating costs	(2,017)	(501)	(2,518)
Depreciation	(427)	(106)	(533)
<b>Treatment and refining</b>	<b>(2,355)</b>	<b>(614)</b>	<b>(2,969)</b>
Cash operating costs	(1,824)	(478)	(2,302)
Depreciation	(531)	(136)	(667)
<b>(Decrease)/increase in metal inventories</b>	<b>(2,889)</b>	<b>186</b>	<b>(2,703)</b>
<b>Other costs</b>	<b>(2,603)</b>	<b>(202)</b>	<b>(2,805)</b>
<b>Gross profit on metal sales</b>	<b>1,294</b>	<b>1,350</b>	<b>2,644</b>
Gross profit margin (%)	3.2	9.0	4.8
Cost of sales per total Pt ounce sold (R)	26,526	21,396	24,983

<sup>1</sup> Consists of purchased metals in concentrate, secondary metals and other metals.

## MINING AND RETREATMENT

		2015	2014	2013	2012	2011
<b>Production performance</b>						
Total development	km	106.4	71.5	121.1	127.5	138.4
Immediately available ore reserves (managed mines)	months	38.6	20.0	22.2	22.2	21.5
Square metres	000	3,613	2,290	3,576	3,497	3,858
Tonnes mined from opencast mines	000	92,406	95,594	74,943	66,568	73,754
Tonnes from surface sources including WLTR	000	5,774	6,716	6,901	6,707	7,597
Tonnes – Underground mining	000	23,311	15,661	22,721	22,537	24,063
<b>Tonnes milled</b>	000	39,849	32,995	39,516	38,677	41,507
Opencast mines	000	11,896	11,731	11,054	10,598	11,026
Surface sources including WLTR	000	5,842	6,618	6,905	6,574	7,411
Underground mines	000	22,111	14,646	21,557	21,505	23,070
UG2 tonnes milled to total Merensky and UG2	%	84.2	87.8	81.9	81.5	80.2
<b>Built-up head grade (gram/tonne milled)</b>	4E	3.23	3.00	3.26	3.20	3.24
Surface sources including WLTR	4E	1.24	1.31	1.37	1.20	1.21
Merensky Reef	4E	4.83	4.72	4.95	4.95	5.11
UG2 Reef	4E	3.69	3.71	3.88	3.81	3.80
Platreef (Mogalakwena Mine)	4E	3.09	3.03	2.90	2.81	2.91
MSZ Reef (Unki Platinum Mine)	4E	3.22	3.10	3.40	3.43	3.64
<b>M&amp;C platinum production<sup>1</sup></b>	000 oz	2,337.3	1,869.9	2,355.7	2,252.9	2,446.9
Mined	000 oz	1,762.0	1,268.0	1,771.2	1,722.7	1,874.7
Purchased	000 oz	575.3	601.9	584.5	530.2	572.2
<b>Refined platinum ounces (excluding toll refined metal)</b>	000 oz	2,458.7	1,887.2	2,376.4	2,329.1	2,530.1
<b>Employees for efficiency and productivity<sup>2</sup></b>						
<b>Own-enrolled employees (average in service)<sup>2</sup></b>	number	45,241	45,485	50,011	48,235	46,385
Own mines	number	39,688	39,906	44,668	44,609	43,803
Joint ventures	number	5,553	5,579	5,343	3,626	2,582
<b>Contractors (average in service)<sup>2</sup></b>	number	4,153	4,109	4,548	6,875	8,035
Own mines	number	2,138	2,145	2,980	2,694	2,803
Joint ventures	number	2,015	1,964	1,568	4,181	5,232
m <sup>2</sup> per total operating employee – overall average <sup>3</sup>	per month	6.71	6.46	6.57	6.05	6.32
m <sup>2</sup> per total operating employee – own mines <sup>3</sup>	per month	6.34	6.03	5.88	5.28	5.87
m <sup>2</sup> per total operating employee – JVs <sup>3</sup>	per month	9.31	9.76	10.54	9.75	8.85
<b>Unit cost performance</b>						
Cash on-mine cost/tonne milled	R/tonne	751	770	675	625	529
Cash operating cost per Pt oz M&C <sup>4</sup>	R/oz	19,266	22,574	16,797	16,119	13,353

<sup>1</sup> Platinum in concentrate produced and purchased.

<sup>2</sup> Employee numbers represent 100% of managed operations and Amplats' attributable employees for all joint-venture operations. Bokoni and BRPM employees are excluded from all periods. Joint-venture employees are included at Amplats' attributable share. Excludes overhead and process employees.

<sup>3</sup> Square metres mined per operating employee including processing but excluding projects, opencast and tailings retreatment employees.

<sup>4</sup> Cash operating cost per Pt oz M&C excludes Twickenham.

# GROUP PERFORMANCE DATA

FOR THE YEAR ENDED 31 DECEMBER 2015

**MOGALAKWENA MINE**

(100% owned)

		2015	2014	2013	2012	2011
<b>Refined production</b>						
Platinum	000 oz	417.6	357.0	342.8	304.8	312.8
Palladium	000 oz	466.9	378.1	347.6	327.3	320.6
Rhodium	000 oz	28.1	22.8	21.8	19.9	20.7
Gold	000 oz	53.0	47.1	41.9	44.5	41.4
PGMs	000 oz	941.3	785.0	734.9	676.0	676.4
Nickel	000 tonnes	14.8	15.4	11.4	9.0	10.1
Copper	000 tonnes	9.7	10.7	7.2	5.8	6.6
<b>Production statistics</b>						
Tonnes mined	000 tonnes	92,406	95,594	74,943	64,384	71,719
Tonnes milled	000 tonnes	11,725	11,731	11,031	10,480	10,835
Stripping ratio		5.0	5.1	3.0	3.4	3.0
In-pit ore reserves	months	52.1	52.3	87.0	71.0	39.7
<b>Built-up head grade (gram/tonne milled)</b>	4E	3.09	3.03	2.90	2.81	2.91
<b>Platinum ounces M&amp;C<sup>1</sup></b>	000 oz	392.5	370.0	340.9	304.7	311.0
Mine	000 oz	392.5	375.4	340.9	304.7	311.0
Sale of concentrate	000 oz	–	(5.4)	–	–	–
<b>Employees for efficiency and productivity</b>						
Own-enrolled employees (average in service)	number	1,760	1,756	1,800	1,783	1,824
Contractor employees (average in service)	number	425	426	326	336	286
Tonnes moved per total employee	per month	3,924	4,038	3,258	2,809	3,271
Refined 4E oz per total operating employee	per annum	441.9	368.9	354.7	328.7	329.6
<b>Unit cost performance</b>						
Cash on-mine cost/tonne milled	R/tonne	409	437	360	315	254
Cash operating cost per Pt oz M&C <sup>2</sup>	R/oz	17,502	18,900	15,906	15,231	12,472
Cash operating cost per PGM (6E)	R/oz	7,340	8,052	6,770	6,436	5,307
<b>Operating income statement</b>						
Net sales revenue	Rm	13,864	13,779	10,086	7,649	8,403
Operating cost of sales <sup>3</sup>	Rm	(8,705)	(8,704)	(6,418)	(5,448)	(4,990)
EBITDA	Rm	6,210	5,505	4,397	3,130	4,293
EBIT	Rm	4,595	4,050	2,954	1,511	2,879
EBIT margin	%	33.1	29.4	29.3	19.8	34.3
Operating free cash flow <sup>4</sup>	Rm	4,373	3,444	1,952	1,310	2,708
Net cash flow <sup>5</sup>	Rm	4,320	3,273	1,649	921	2,331

<sup>1</sup> Platinum in concentrate produced and purchased.<sup>2</sup> Cash operating cost per produced ounce (metal in concentrate) comprises operating mines and excludes projects.<sup>3</sup> Operating costs of sales excludes other costs.<sup>4</sup> Operating free cash flow is cash after cash operating costs, overheads, stay-in-business capital, waste stripping capital and minorities. Presented before project capital and restructuring costs.<sup>5</sup> Net cash flow equals operating free cash flow less on-mine project capital and allocated off-mine project capital.



## AMANDELBULT MINE

(100% owned)

		2015	2014	2013	2012	2011
<b>Refined production</b>						
Platinum	000 oz	440.1	245.2	375.2	383.2	463.3
Palladium	000 oz	209.4	124.7	165.9	179.6	210.6
Rhodium	000 oz	63.7	33.7	53.3	62.3	69.9
Gold	000 oz	7.1	3.7	6.6	7.9	9.7
PGMs	000 oz	827.7	453.4	686.9	730.0	865.8
Nickel	000 tonnes	1.5	1.7	1.4	1.2	1.6
Copper	000 tonnes	0.8	0.5	0.7	0.7	0.9
<b>Production statistics</b>						
Total development	km	36.2	18.3	30.9	31.7	36.0
Immediately available ore reserves	months	24.6	23.5	19.6	22.5	24.6
Square metres	000 m <sup>2</sup>	845	371	694	750	859
Tonnes – Surface sources to concentrators	000 tonnes	586	748	60	183	470
Tonnes – Underground mining	000 tonnes	5,939	2,684	4,676	4,943	5,577
<b>Tonnes milled</b>						
	000 tonnes	6,501	3,471	4,761	5,149	6,057
Surface sources	000 tonnes	584	691	59	174	471
Underground sources	000 tonnes	5,917	2,780	4,702	4,975	5,586
UG2 tonnes milled to total Merensky and UG2	%	81.9	83.5	82.4	80.0	76.5
<b>Built-up head grade (gram/tonne milled)</b>						
	4E	4.12	3.83	4.68	4.45	4.18
Surface sources	4E	2.01	1.24	0.85	0.83	1.14
Merensky	4E	4.63	4.72	5.07	5.20	5.10
UG2	4E	4.26	4.43	4.66	4.43	4.24
<b>Platinum ounces M&amp;C<sup>1</sup></b>						
	000 oz	437.5	218.6	372.6	380.6	438.1
Mining	000 oz	429.5	214.1	360.8	367.8	420.6
Purchased metal	000 oz	8.0	4.5	11.8	12.8	17.6
<b>Employees for efficiency and productivity</b>						
Own-enrolled employees (average in service)	number	14,017	13,595	13,673	13,623	13,525
Contractor employees (average in service)	number	582	541	297	393	662
m <sup>2</sup> per total operating employee <sup>2</sup>	per month	5.2	4.3	4.9	4.8	5.1
Refined 4E oz per total operating employee	per annum	48.4	28.2	41.5	43.5	51.1
<b>Unit cost performance</b>						
Cash on-mine cost/tonne milled	R/tonne	1,069	1,484	1,175	988	788
Cash operating cost per Pt oz M&C <sup>3</sup>	R/oz	17,672	25,870	16,685	15,079	12,415
Cash operating cost per PGM (6E)	R/oz	9,042	13,312	8,614	7,826	6,426
<b>Operating income statement</b>						
Net sales revenue	Rm	9,032	6,429	7,470	6,485	8,577
Mining	Rm	8,853	6,264	7,191	6,249	8,280
Purchased metal	Rm	179	165	279	236	297
Operating costs of sales <sup>4</sup>	Rm	(8,206)	(7,141)	(6,212)	(5,827)	(6,267)
EBITDA	Rm	1,219	(404)	1,424	898	2,519
EBIT	Rm	453	(1,048)	736	157	1,724
EBIT margin	%	5.0	(16.3)	9.9	2.4	20.1
Operating free cash flow <sup>5</sup>	Rm	616	23	206	(119)	2,140
Net cash flow <sup>6</sup>	Rm	239	(367)	131	(248)	1,996

<sup>1</sup> Platinum in concentrate produced and purchased.

<sup>2</sup> Calculation based on a standard 23-shift month.

<sup>3</sup> Cash operating cost per produced ounce (metal in concentrate) comprises operating mines and excludes projects.

<sup>4</sup> Operating costs of sales excludes other costs.

<sup>5</sup> Operating free cash flow is cash after cash operating costs, overheads, stay-in-business capital, waste stripping capital and minorities. Presented before project capital and restructuring costs.

<sup>6</sup> Net cash flow equals operating free cash flow less on-mine project capital and allocated off-mine project capital.

# GROUP PERFORMANCE DATA

FOR THE YEAR ENDED 31 DECEMBER 2015

## UNKI PLATINUM MINE

(100% owned) (Zimbabwe)

		2015	2014	2013	2012	2011
<b>Refined production</b>						
Platinum	000 oz	69.4	60.3	67.0	64.6	50.8
Palladium	000 oz	56.4	45.9	45.7	44.5	33.9
Rhodium	000 oz	6.0	5.6	5.3	5.2	2.9
Gold	000 oz	7.8	6.9	7.1	7.3	4.9
PGMs	000 oz	139.2	119.3	124.7	121.1	90.1
Nickel	000 tonnes	1.7	1.7	1.3	1.0	0.8
Copper	000 tonnes	2.1	2.5	1.6	1.3	0.9
<b>Production statistics</b>						
Total development	km	0.6	0.6	0.6	1.2	0.4
Immediately available ore reserves	months	144.4	3.8	11.9	14.2	14.2
Square metres	000 m <sup>2</sup>	266	231	217	207	147
Tonnes – Surface sources to concentrators	000 tonnes	–	–	–	–	–
Tonnes – Underground mining	000 tonnes	1,652	1,600	1,572	1,468	1,075
<b>Tonnes milled</b>	000 tonnes	1,656	1,598	1,570	1,535	1,284
Surface sources	000 tonnes	–	–	–	–	–
Underground sources	000 tonnes	1,656	1,598	1,570	1,535	1,284
<b>Built-up head grade (gram/tonne milled)</b>	4E	3.22	3.10	3.40	3.43	3.64
Surface sources	4E	–	–	–	–	–
MSZ	4E	3.22	3.10	3.40	3.43	3.64
<b>Platinum ounces M&amp;C<sup>1</sup></b>	000 oz	66.5	62.3	64.1	63.1	52.4
<b>Employees for efficiency and productivity</b>						
Own-enrolled employees (average in service)	number	1,055	1,083	1,061	980	803
Contractor employees (average in service)	number	187	163	171	170	149
m <sup>2</sup> per total operating employee <sup>2</sup>	per month	16.1	13.6	13.1	12.6	10.8
Refined 4E oz per total operating employee	per annum	112.4	95.3	101.5	105.7	97.2
<b>Unit cost performance</b>						
Cash on-mine cost/tonne milled	R/tonne	835	722	606	622	509
Cash operating cost per Pt oz M&C <sup>3</sup>	R/oz	25,078	22,844	18,208	18,536	14,861
Cash operating cost per PGM (6E)	R/oz	11,778	10,832	8,887	9,200	7,443
<b>Operating income statement</b>						
Net sales revenue	Rm	2,024	2,107	1,639	1,345	946
Operating cost of sales <sup>4</sup>	Rm	(1,949)	(1,739)	(1,324)	(1,169)	(659)
EBITDA	Rm	324	486	108	313	323
EBIT	Rm	9	192	(148)	71	219
EBIT margin	%	0.4	9.1	(9.0)	5.3	23.2
Operating free cash flow <sup>5</sup>	Rm	158	301	(211)	(140)	33
Net cash flow <sup>6</sup>	Rm	20	55	(517)	(438)	(344)

<sup>1</sup> Platinum in concentrate produced and purchased.<sup>2</sup> Calculation based on a standard 23-shift month.<sup>3</sup> Cash operating cost per produced ounce (metal in concentrate) comprises operating mines and excludes projects<sup>4</sup> Operating cost of sales excludes other costs.<sup>5</sup> Operating free cash flow is cash after cash operating costs, overheads, stay-in-business capital, waste stripping capital and minorities. Presented before project capital and restructuring costs.<sup>6</sup> Net cash flow equals operating free cash flow less on-mine project capital and allocated off-mine project capital.

## TWICKENHAM PLATINUM MINE

(100% owned) (Project)

		2015	2014	2013	2012	2011
<b>Refined production</b>						
Platinum	000 oz	12.6	10.9	10.0	–	0.9
Palladium	000 oz	13.3	10.5	9.7	–	0.7
Rhodium	000 oz	2.3	2.4	0.8	–	0.3
Gold	000 oz	0.3	0.4	0.3	–	–
PGMs	000 oz	32.4	27.3	20.9	–	2.6
Nickel	000 tonnes	0.0	0.1	–	–	–
Copper	000 tonnes	0.0	–	–	–	–
<b>Production statistics</b>						
Total development	km	3.8	7.5	6.3	–	1.2
Immediately available ore reserves	months	23.4	–	–	–	–
Square metres	000 m <sup>2</sup>	49	36	35	–	3
Tonnes – Surface sources to concentrators	000 tonnes	–	28	11	–	–
Tonnes – Underground mining	000 tonnes	306	202	190	–	–
<b>Tonnes milled</b>	000 tonnes	279	240	198	–	25
Surface sources	000 tonnes	–	43	35	–	–
Underground sources	000 tonnes	279	197	163	–	25
UG2 tonnes milled to total Merensky and UG2	%	100	100	100	–	100
<b>Built-up head grade (gram/tonne milled)</b>	4E	3.87	4.01	4.02	–	3.47
Surface sources	4E	–	–	–	–	–
UG2	4E	3.87	4.01	4.02	–	3.47
<b>Platinum ounces M&amp;C<sup>1</sup></b>	000 oz	13.0	11.6	9.5	–	1.0
<b>Employees for efficiency and productivity</b>						
Own-enrolled employees (average in service)	number	1,271	1,157	797	–	–
Contractor employees (average in service)	number	12	86	499	–	–
m <sup>2</sup> per total operating employee <sup>2</sup>	per month	3.2	2.5	2.4	–	–
Refined 4E oz per total operating employee	per annum	22.3	19.4	16.0	–	–
<b>Unit cost performance</b>						
Cash on-mine cost/tonne milled	R/tonne	2,841	3,112	3,008	–	109
Cash operating cost per Pt oz M&C <sup>3</sup>	R/oz	63,586	66,760	64,035	–	4,439
Cash operating cost per PGM (6E)	R/oz	23,798	25,518	25,014	–	1,882
<b>Operating income statement</b>						
Net sales revenue	Rm	329	367	148	1	36
Operating costs of sales <sup>4</sup>	Rm	(1,072)	(889)	(551)	–	(20)
EBITDA	Rm	(488)	(457)	(339)	1	14
EBIT	Rm	(756)	(544)	(415)	1	13
EBIT margin	%	(229.4)	(148.2)	(279.4)	89.2	37.4
Operating free cash Flow <sup>5</sup>	Rm	(528)	(439)	(491)	0	18
Net cash flow <sup>6</sup>	Rm	(810)	(981)	(849)	(981)	(745)

<sup>1</sup> Platinum in concentrate produced and purchased.

<sup>2</sup> Calculation based on a standard 23-shift month.

<sup>3</sup> Cash operating cost per produced ounce (metal in concentrate) comprises operating mines and excludes projects

<sup>4</sup> Operating cost of sales excludes other costs.

<sup>5</sup> Operating free cash flow is cash after cash operating costs, overheads, stay-in-business capital, waste stripping capital and minorities. Presented before project capital and restructuring costs.

<sup>6</sup> Net cash flow equals operating free cash flow less on-mine project capital and allocated off-mine project capital.

# GROUP PERFORMANCE DATA

FOR THE YEAR ENDED 31 DECEMBER 2015

## MODIKWA PLATINUM MINE

(50:50 joint venture with ARM Mining Consortium Limited)

		2015	2014	2013	2012	2011
<b>Refined production (mined and purchased)</b>						
Platinum	000 oz	108.4	97.3	127.8	130.1	129.8
Palladium	000 oz	109.8	90.0	118.2	120.3	117.5
Rhodium	000 oz	20.4	19.1	25.1	20.8	25.0
Gold	000 oz	3.0	3.0	3.3	3.6	3.5
PGMs	000 oz	270.8	237.8	312.0	306.7	311.8
Nickel	000 tonnes	0.5	0.6	0.6	0.4	0.5
Copper	000 tonnes	0.3	0.5	0.3	0.3	0.4
<b>Production statistics</b>						
Total development	km	8.1	8.4	10.3	9.4	7.8
Immediately available ore reserves	months	20.6	25.0	25.3	23.6	29.1
Square metres	000 m <sup>2</sup>	181	172	216	205	200
Tonnes – surface sources to concentrators	000 tonnes	–	–	23	118	164
Tonnes – Underground mining	000 tonnes	966	983	1,066	995	983
<b>Tonnes milled</b>	000 tonnes	956	986	1,083	1,112	1,142
Surface sources including opencast	000 tonnes	–	–	23	118	164
Underground sources	000 tonnes	956	986	1,060	994	978
UG2 tonnes milled to total Merensky and UG2	%	100.0	93.1	100.0	98.1	100.0
<b>Built-up head grade (gram/tonne milled)</b>	4E	4.42	4.28	4.48	4.51	4.56
Surface sources excluding opencast	4E	–	–	–	–	–
Merensky	4E	–	2.46	–	2.15	–
UG2	4E	4.42	4.42	4.48	4.56	4.56
<b>Platinum ounces M&amp;C<sup>1</sup></b>	000 oz	104.8	104.6	118.2	121.3	126.7
Mined	000 oz	52.4	52.3	59.1	60.7	63.3
Purchased metal	000 oz	52.4	52.3	59.1	60.7	63.3
<b>Employees for efficiency and productivity</b>						
Own-enrolled employees (average in service)	number	1,932	1,972	1,878	1,896	1,864
Contractor employees (average in service)	number	523	567	536	684	553
m <sup>2</sup> per total operating employee <sup>2</sup>	per month	6.4	6.3	7.5	7.2	6.7
Refined 4E oz per total operating employee	per annum	90.2	84.3	93.3	84.8	83.4
<b>Unit cost performance</b>						
Cash on-mine cost/tonne milled	R/tonne	1,189	1,121	938	878	737
Cash operating cost per Pt oz M&C <sup>3</sup>	R/oz	23,762	23,286	19,095	17,868	14,618
Cash operating cost per PGM (6E)	R/oz	8,913	9,533	8,023	7,434	6,688
<b>Operating income statement</b>						
Net sales revenue	Rm	1,469	1,517	1,620	1,185	1,415
Operating cost of sales <sup>4</sup>	Rm	(1,396)	(1,347)	(1,354)	(1,044)	(1,103)
EBITDA	Rm	230	277	381	206	384
EBIT	Rm	56	134	215	48	213
EBIT margin	%	3.8	8.8	13.3	4.1	15.0
Operating free cash flow <sup>5</sup>	Rm	158	163	380	(105)	287
Net cash flow <sup>6</sup>	Rm	(13)	(87)	200	(203)	186

<sup>1</sup> Platinum in concentrate produced and purchased.<sup>2</sup> Calculation based on a standard 23-shift month.<sup>3</sup> Cash operating cost per produced ounce (metal in concentrate) comprises operating mines and excludes projects.<sup>4</sup> Operating costs of sales excludes other costs.<sup>5</sup> Operating free cash flow is cash after cash operating costs, overheads, stay-in-business capital, waste stripping capital and minorities. Presented before project capital and restructuring costs.<sup>6</sup> Net cash flow equals operating free cash flow less on-mine project capital and allocated off-mine project capital.

## MOTOTOLO PLATINUM MINE

(50:50 joint venture with XK Platinum Partnership)

		2015	2014	2013	2012	2011
<b>Refined production (mined and purchased)</b>						
Platinum	000 oz	122.6	119.6	128.5	123.8	115.1
Palladium	000 oz	77.3	72.4	73.9	74.5	66.8
Rhodium	000 oz	19.3	19.7	20.8	18.3	17.8
Gold	000 oz	2.1	2.2	2.1	2.1	1.8
PGMs	000 oz	254.6	250.4	262.3	252.6	234.9
Nickel	000 tonnes	0.4	0.5	0.4	0.3	0.3
Copper	000 tonnes	0.2	0.2	0.2	0.1	0.1
<b>Production statistics</b>						
Total development	km	0.3	0.9	1.1	0.7	1.0
Immediately available ore reserves	months	31.2	29.7	37.2	36.2	19.1
Square metres	000 m <sup>2</sup>	148	171	157	151	142
Tonnes – surface sources to concentrators	000 tonnes	–	–	–	–	–
Tonnes – Underground mining	000 tonnes	1,279	1,337	1,290	1,236	1,152
<b>Tonnes milled</b>	000 tonnes	1,286	1,316	1,284	1,233	1,151
Surface sources including opencast	000 tonnes	–	–	–	–	–
Underground sources	000 tonnes	1,286	1,316	1,284	1,233	1,151
UG2 tonnes milled to total Merensky and UG2	%	100.0	100.0	100.0	100.0	100.0
<b>Built-up head grade (gram/tonne milled)</b>	4E	3.07	3.17	3.30	3.33	3.27
Surface sources excluding opencast	4E	–	–	–	–	–
Merensky	4E	–	–	–	–	–
UG2	4E	3.07	3.17	3.30	3.33	3.27
<b>Platinum ounces M&amp;C<sup>1</sup></b>	000 oz	114.8	121.8	124.8	120.7	111.1
Mined	000 oz	57.4	60.9	62.4	60.3	55.5
Purchased metal	000 oz	57.4	60.9	62.4	60.3	55.5
<b>Employees for efficiency and productivity</b>						
Own-enrolled employees (average in service)	number	764	753	739	722	698
Contractor employees (average in service)	number	253	178	149	151	228
m <sup>2</sup> per total operating employee <sup>2</sup>	per month	13.7	17.1	16.3	16.3	14.2
Refined 4E oz per total operating employee	per annum	217.7	229.9	253.6	250.6	217.6
<b>Unit cost performance</b>						
Cash on-mine cost/tonne milled	R/tonne	625	612	556	533	494
Cash operating cost per Pt oz M&C <sup>3</sup>	R/oz	16,060	15,227	12,952	12,530	11,584
Cash operating cost per PGM (6E)	R/oz	8,190	8,612	7,474	6,918	6,604
<b>Operating income statement</b>						
Net sales revenue	Rm	1,411	1,570	1,362	1,006	1,066
Operating costs of sales <sup>4</sup>	Rm	(1,041)	(1,060)	(867)	(732)	(737)
EBITDA	Rm	447	580	555	311	356
EBIT	Rm	340	472	451	195	253
EBIT margin	%	24.1	30.1	33.1	19.4	23.8
Operating free cash flow <sup>5</sup>	Rm	354	473	423	83	238
Net cash flow <sup>6</sup>	Rm	351	470	417	76	203

<sup>1</sup> Platinum in concentrate produced and purchased.

<sup>2</sup> Calculation based on a standard 23-shift month.

<sup>3</sup> Cash operating cost per produced ounce (metal in concentrate) comprises operating mines and excludes projects.

<sup>4</sup> Operating costs of sales excludes other costs.

<sup>5</sup> Operating free cash flow is cash after cash operating costs, overheads, stay-in-business capital, waste stripping capital and minorities. Presented before project capital and restructuring costs.

<sup>6</sup> Net cash flow equals operating free cash flow less on-mine project capital and allocated off-mine project capital.



# GROUP PERFORMANCE DATA

FOR THE YEAR ENDED 31 DECEMBER 2015

## KROONDAL PLATINUM MINE

(50:50 pooling-and-sharing agreement with Aquarius Platinum (South Africa))

		2015	2014	2013	2012	2011
<b>Refined production (mined and purchased)</b>						
Platinum	000 oz	277.6	237.4	260.2	223.4	217.6
Palladium	000 oz	149.7	120.6	128.3	113.8	106.4
Rhodium	000 oz	47.1	43.1	43.2	34.8	41.2
Gold	000 oz	2.4	2.3	2.2	1.9	1.7
PGMs	000 oz	556.7	485.8	510.7	436.6	445.9
Nickel	000 tonnes	0.4	0.5	0.4	0.3	0.3
Copper	000 tonnes	0.2	0.3	0.2	0.1	0.1
<b>Production statistics</b>						
Total development	km	12.4	13.3	12.1	10.8	11.3
Immediately available ore reserves	months	–	–	–	14.3	–
Square metres	000 m <sup>2</sup>	467	475	488	388	374
Tonnes – Surface sources to concentrators	000 tonnes	–	–	–	–	–
Tonnes – Underground mining	000 tonnes	3,569	3,646	3,534	2,943	2,908
<b>Tonnes milled</b>	000 tonnes	2,344	2,415	2,312	1,872	1,891
Surface sources including opencast	000 tonnes	–	–	–	–	–
Underground sources	000 tonnes	2,344	2,415	2,312	1,872	1,891
UG2 tonnes milled to total Merensky and UG2	%	100.0	100.0	100.0	100.0	100.0
<b>Built-up head grade (gram/tonne milled)</b>	4E	3.69	3.53	3.55	3.63	3.75
Surface sources excluding opencast	4E	–	–	–	–	–
Merensky	4E	–	–	–	–	–
UG2	4E	3.69	3.53	3.55	3.63	3.75
<b>Platinum ounces M&amp;C<sup>1</sup></b>	000 oz	263.1	256.0	246.0	216.4	211.7
Mined	000 oz	131.5	128.0	123.0	108.2	105.9
Purchased metal	000 oz	131.5	128.0	123.0	108.2	105.9
<b>Employees for efficiency and productivity</b>						
Own-enrolled employees (average in service)	number	2,857	2,854	2,726	1,005	15
Contractor employees (average in service)	number	1,239	1,219	884	2,331	3,332
m <sup>2</sup> per total operating employee <sup>2</sup>	per month	10.0	10.0	10.9	10.0	9.1
Refined 4E oz per total operating employee	per annum	116.4	99.0	120.2	112.1	109.6
<b>Unit cost performance</b>						
Cash on-mine cost/tonne milled	R/tonne	883	836	788	877	726
Cash operating cost per Pt oz M&C <sup>3</sup>	R/oz	16,882	16,981	15,758	16,233	13,848
Cash operating cost per PGM (6E)	R/oz	8,338	8,977	8,215	7,924	7,319
<b>Operating income statement</b>						
Net sales revenue	Rm	3,010	2,990	2,608	1,717	2,095
Operating cost of sales <sup>4</sup>	Rm	(2,538)	(2,407)	(2,063)	(1,496)	(1,559)
EBITDA	Rm	817	765	657	154	462
EBIT	Rm	508	512	460	86	388
EBIT margin	%	16.9	17.1	17.6	5.0	18.5
Operating free cash flow <sup>5</sup>	Rm	592	470	401	(383)	313
Net cash flow <sup>6</sup>	Rm	591	439	329	(482)	214

<sup>1</sup> Platinum in concentrate produced and purchased.<sup>2</sup> Calculation based on a standard 23-shift month.<sup>3</sup> Cash operating cost per produced ounce (metal in concentrate) comprises operating mines and excludes projects.<sup>4</sup> Operating costs of sales excludes other costs.<sup>5</sup> Operating free cash flow is cash after cash operating costs, overheads, stay-in-business capital, waste stripping capital and minorities. Presented before project capital and restructuring costs.<sup>6</sup> Net cash flow equals operating free cash flow less on-mine project capital and allocated off-mine project capital.

**RUSTENBURG MINE** (Incorporating Western Limb Tailings)\*  
(100% owned)

		2015	2014	2013	2012	2011
<b>Refined production</b>						
Platinum	000 oz	506.6	324.2	568.9	573.8	616.7
Palladium	000 oz	261.2	171.6	264.2	284.3	297.6
Rhodium	000 oz	60.3	34.2	65.1	77.2	75.3
Gold	000 oz	18.8	11.4	21.0	21.8	23.6
PGMs	000 oz	938.6	588.8	1,020.1	1,080.0	1,128.5
Nickel	000 tonnes	3.0	4.0	3.9	3.0	3.5
Copper	000 tonnes	1.8	1.3	2.1	1.8	2.1
<b>Production statistics</b>						
Total development	km	32.1	14.2	41.4	45.5	50.0
Immediately available ore reserves	months	38.5	21.0	24.1	23.8	20.8
Square metres	000 m <sup>2</sup>	1,370	666	1,450	1,405	1,615
Tonnes – Surface sources to concentrators	000 tonnes	5,041	5,286	5,746	5,450	5,534
Tonnes – Underground mining	000 tonnes	7,494	3,953	7,736	7,682	8,185
<b>Tonnes milled</b>	000 tonnes	12,545	9,231	13,491	13,114	13,692
Surface sources	000 tonnes	5,041	5,286	5,750	5,441	5,500
Underground sources	000 tonnes	7,504	3,945	7,741	7,673	8,192
UG2 tonnes milled to total Merensky and UG2	%	72	74	65	66	65
<b>Built-up head grade (gram/tonne milled)</b>	4E	2.63	2.29	2.86	2.76	2.82
Surface sources	4E	1.24	1.33	1.49	1.30	1.16
Merensky	4E	4.85	4.81	4.92	4.84	5.04
UG2	4E	3.07	3.14	3.32	3.27	3.34
<b>Platinum ounces M&amp;C<sup>1</sup></b>	000 oz	485.4	283.7	577.8	552.1	595.2
Mining	000 oz	433.3	230.2	510.6	497.6	541.5
Tailings	000 oz	44.8	50.4	59.7	48.3	41.5
Purchased metal	000 oz	7.3	3.0	7.4	6.2	12.1
<b>Employees for efficiency and productivity</b>						
Own-enrolled employees (average in service)	number	15,318	15,093	20,033	20,828	20,238
Contractor employees (average in service)	number	640	694	1,447	1,510	1,338
m <sup>2</sup> per total operating employee <sup>2</sup>	per month	7.4	6.8	6.4	5.3	6.5
Refined 4E oz per total operating employee	per annum	52.3	34.0	44.0	42.4	46.9
<b>Unit cost performance</b>						
Cash on-mine cost/tonne milled	R/tonne	693	709	651	632	549
Cash operating cost per Pt oz M&C <sup>3</sup>	R/oz	20,717	25,768	16,901	16,826	14,126
Cash operating cost per PGM (6E)	R/oz	10,210	12,408	9,313	8,342	7,336
<b>Operating income statement</b>						
Net sales revenue	Rm	11,117	8,940	11,573	10,231	11,672
Mining	Rm	9,784	7,323	10,159	9,288	10,667
Purchased metal	Rm	160	79	171	115	252
Tailings	Rm	1,043	1,487	1,163	768	753
Chrome	Rm	130	51	80	60	–
Operating costs of sales <sup>4</sup>	Rm	(11,079)	(9,693)	(10,162)	(10,747)	(9,458)
EBITDA	Rm	586	(131)	1,903	44	2,735
EBIT	Rm	(525)	(1,401)	601	(1,328)	1,392
EBIT margin	%	(4.7)	(15.7)	5.2	(13.0)	11.9
Operating free cash flow <sup>5</sup>	Rm	228	653	318	(558)	1,599
Net cash flow <sup>6</sup>	Rm	64	445	13	(1,452)	585

\* Financials are shown post allocated costs and prior to cost reduction initiatives planned for a stand-alone entity.

<sup>1</sup> Platinum in concentrate produced and purchased.

<sup>2</sup> Calculation based on a standard 23-shift month.

<sup>3</sup> Cash operating cost per produced ounce (metal in concentrate) comprises operating mines and excludes projects.

<sup>4</sup> Operating costs of sales excludes other costs.

<sup>5</sup> Operating free cash flow is cash after cash operating costs, overheads, stay-in-business capital, waste stripping capital and minorities. Presented before project capital and restructuring costs.

<sup>6</sup> Net cash flow equals operating free cash flow less on-mine project capital and allocated off-mine project capital.

# GROUP PERFORMANCE DATA

FOR THE YEAR ENDED 31 DECEMBER 2015

**UNION MINE** (Incorporating Ivan Plant Tailings Treatment)\*  
(85% owned)†

		2015	2014	2013	2012	2011
<b>Refined production</b>						
Platinum	000 oz	151.6	107.1	170.8	213.1	273.1
Palladium	000 oz	70.6	53.2	73.4	94.7	116.7
Rhodium	000 oz	24.3	15.8	29.4	39.1	47.2
Gold	000 oz	1.4	1.0	1.3	1.8	3.4
PGMs	000 oz	285.9	197.3	323.8	417.2	515.4
Nickel	000 tonnes	0.3	0.4	0.3	0.3	0.6
Copper	000 tonnes	0.1	0.1	0.1	0.1	0.3
<b>Production statistics</b>						
Total development	km	12.9	8.2	18.4	22.1	22.5
Immediately available ore reserves	months	11.0	14.6	24.4	18.6	18.8
Square metres	000 m <sup>2</sup>	287	168	320	333	405
Tonnes – Surface sources to concentrators	000 tonnes	147	654	1,061	956	1,390
Tonnes – Underground mining	000 tonnes	2,106	1,256	2,657	2,866	3,323
<b>Tonnes milled</b>	000 tonnes	2,557	2,007	3,786	3,919	4,786
Surface sources	000 tonnes	394	654	1,062	959	1,436
Underground sources	000 tonnes	2,164	1,353	2,724	2,960	3,350
UG2 tonnes milled to total Merensky and UG2	%	96.1	96.9	98.1	97.7	94.0
<b>Built-up head grade (gram/tonne milled)</b>	4E	3.93	3.13	3.34	3.37	3.39
Surface sources	4E	1.55	1.23	1.30	1.21	1.41
Merensky	4E	6.95	6.15	5.09	6.55	6.29
UG2	4E	3.98	3.98	4.12	4.01	4.11
<b>Platinum ounces M&amp;C<sup>1</sup></b>	000 oz	141.1	88.2	181.1	198.6	258.1
Mining	000 oz	137.8	88.2	181.1	198.6	258.1
Tailings	000 oz	3.3	–	–	–	–
<b>Employees for efficiency and productivity</b>						
Own-enrolled employees (average in service)	number	6,266	7,222	7,304	7,392	7,413
Contractor employees (average in service)	number	292	235	239	285	368
m <sup>2</sup> per total operating employee <sup>2</sup>	per month	3.4	4.0	4.0	3.7	4.3
Refined 4E oz per total operating employee	per annum	37.8	23.7	36.4	45.4	56.6
<b>Unit cost performance</b>						
Cash on-mine cost/tonne milled	R/tonne	1,138	1,379	846	770	627
Cash operating cost per Pt oz M&C <sup>3</sup>	R/oz	23,152	33,521	19,139	16,945	13,140
Cash operating cost per PGM (6E)	R/oz	10,952	14,860	10,630	7,967	6,516
<b>Operating income statement</b>						
Net sales revenue	Rm	3,756	3,159	3,865	3,978	5,599
Mining	Rm	3,153	2,774	3,442	3,575	5,125
Tailings	Rm	61	–	–	–	–
Chrome	Rm	542	385	423	403	474
Operating cost of sales <sup>4</sup>	Rm	(3,690)	(3,893)	(3,405)	(3,810)	(4,085)
EBITDA	Rm	66	(600)	485	204	1,540
EBIT	Rm	(186)	(984)	84	(236)	1,041
EBIT margin	%	(4.9)	(31.2)	2.2	(5.9)	18.6
Operating free cash flow <sup>5</sup>	Rm	33	(292)	(275)	(110)	1,080
Net cash flow <sup>6</sup>	Rm	28	(296)	(309)	(301)	811

\* Financials are shown post allocated costs and prior to cost reduction initiatives planned for a stand-alone entity.

† The Bakgatla-Ba-Kgafela traditional community acquired 15% minority interest in Union Mine from 1 December 2006. The chrome resource is shared with Siyanda Chrome Resources who holds 49.9% in MASA Chrome. The above statistics represents 100% of Union Mine and MASA chrome.

<sup>1</sup> Platinum in concentrate produced and purchased.

<sup>2</sup> Calculation based on a standard 23-shift month.

<sup>3</sup> Cash operating cost per produced ounce (metal in concentrate) comprises operating mines and excludes projects.

<sup>4</sup> Operating costs of sales excludes other costs.

<sup>5</sup> Operating free cash flow is cash after cash operating costs, overheads, stay-in-business capital, waste stripping capital and minorites. Presented before project capital and restructuring costs.

<sup>6</sup> Net cash flow equals operating free cash flow less on-mine project capital and allocated off-mine project capital.

## ANALYSIS OF GROUP CAPITAL EXPENDITURE

R millions	2015				2014			
	Stay-in-business	Waste stripping	Projects	Total	Stay-in-business	Waste stripping	Projects	Total
Mogalakwena Mine	893	999	47	1,939	1,423	561	151	2,135
Amandebult Mine	308	–	375	683	357	–	386	743
Unki Platinum Mine	109	–	137	246	159	–	243	402
Twickenham Mine	15	–	289	304	8	–	537	545
Modikwa Mine	41	–	170	211	86	–	250	336
Mototolo Mine	98	–	2	100	115	–	1	116
Kroondal Mine	225	–	–	225	257	–	30	287
Rustenburg Mine	239	–	161	400	342	–	201	543
Union Mine	79	–	6	85	135	–	3	138
<b>Mining and retreatment</b>	<b>2,007</b>	<b>999</b>	<b>1,187</b>	<b>4,193</b>	<b>2,882</b>	<b>561</b>	<b>1,802</b>	<b>5,245</b>
Polokwane Smelter	20	–	–	20	132	–	–	132
Waterval Smelter	150	–	15	165	166	–	49	215
Mortimer Smelter	48	–	–	48	113	–	–	113
Rustenburg Base Metal Refiners	141	–	–	141	278	–	–	278
Precious Metals Refiners	32	–	–	32	41	–	–	41
<b>Total smelting and refining</b>	<b>391</b>	<b>–</b>	<b>15</b>	<b>406</b>	<b>730</b>	<b>–</b>	<b>49</b>	<b>779</b>
Other	138	–	9	147	284	–	8	292
<b>Total capital expenditure</b>	<b>2,536</b>	<b>999</b>	<b>1,211</b>	<b>4,746</b>	<b>3,896</b>	<b>561</b>	<b>1,859</b>	<b>6,316</b>
Capitalised interest	–	–	–	406	–	–	–	547
<b>Total capitalised costs</b>	<b>2,536</b>	<b>999</b>	<b>1,211</b>	<b>5,152</b>	<b>3,896</b>	<b>561</b>	<b>1,859</b>	<b>6,863</b>

# 2015 ANNUAL RESULTS PRESENTATION

FOR THE YEAR ENDED 31 DECEMBER 2015



PLATINUM

## ANGLO AMERICAN PLATINUM

### 2015 ANNUAL RESULTS PRESENTATION

8 FEBRUARY 2016



Real Mining. Real People. Real Difference.



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# 2015 ANNUAL RESULTS PRESENTATION

FOR THE YEAR ENDED 31 DECEMBER 2015



PLATINUM

## AGENDA

- Overview of 2015
- Safety, Health & Environment
- Operational Performance
- Financial Performance
- Market Review
- Strategy Update
- 2016 Outlook
- Key Messages from 2015

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# OVERVIEW OF 2015

CHRIS GRIFFITH, CHIEF EXECUTIVE OFFICER



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# 2015 ANNUAL RESULTS PRESENTATION

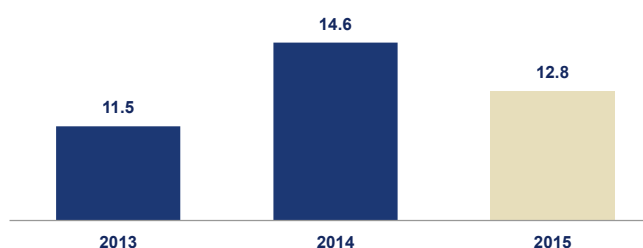
FOR THE YEAR ENDED 31 DECEMBER 2015

## OVERVIEW OF 2015

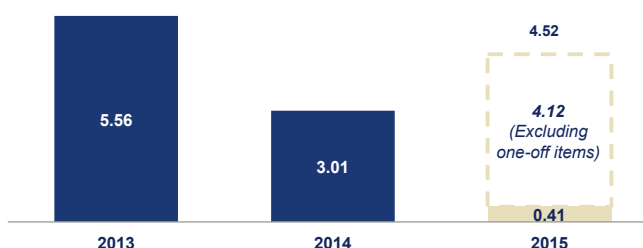
*Managing the business...*

- Zero Harm remains the priority
- PGM pricing remains challenging
- All operations cash positive
- R4 billion of free cash flow generated from operations
- Net debt reduced to R12.8 billion from R14.6 billion
- Rightsizing the business – with R1.0 billion overhead savings identified
- Continuing with the repositioning of the portfolio
- Earnings significantly impacted by one-off impairments and restructuring costs

Net Debt profile (R billion)



Headline Earnings per share (R/share)



*...for the low PGM price environment*

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# SAFETY, HEALTH & ENVIRONMENT

CHRIS GRIFFITH, CHIEF EXECUTIVE OFFICER



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# 2015 ANNUAL RESULTS PRESENTATION

FOR THE YEAR ENDED 31 DECEMBER 2015

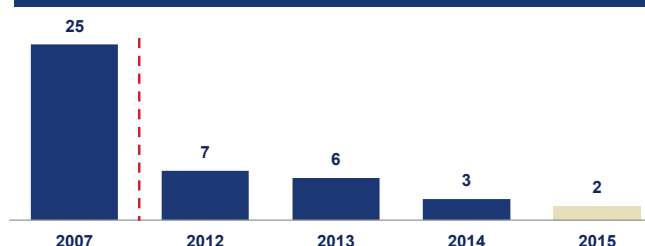
## SAFETY, HEALTH & ENVIRONMENT

*Zero Harm remains the priority...*

### SAFETY

- Record safety performance in H2 2015
- Tragically, 2 fatalities during H1 2015
- 232 fatality free days at the end of 2015
- LTIFR of 0.98, reduced in H2 2015
- Reduction in severity of s54 stoppages

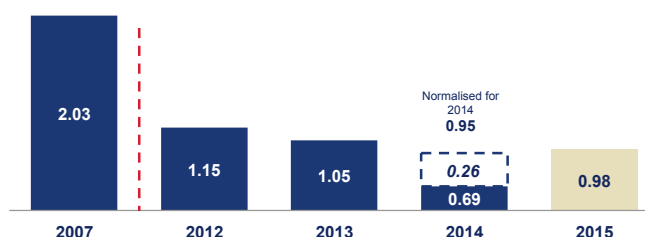
### Fatalities



### HEALTH & ENVIRONMENT

- Significant reduction in HIV and TB related deaths due to disease management programmes
- Continued energy and water consumption savings
- No significant environmental incidents
- Social and labour plans substantially delivered

### Lost Time Injury Frequency Rate <sup>(1)</sup>



*...and currently achieving longest fatality free period in Company's history*

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# OPERATIONAL PERFORMANCE

CHRIS GRIFFITH, CHIEF EXECUTIVE OFFICER



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# 2015 ANNUAL RESULTS PRESENTATION

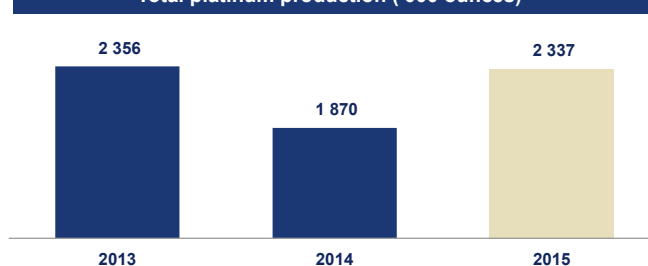
FOR THE YEAR ENDED 31 DECEMBER 2015

## OPERATIONAL PERFORMANCE IN 2015

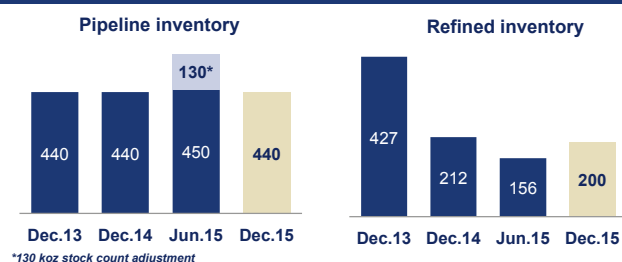
*Loss-making ounces cut...efficiencies improving at profitable operations...*

- Platinum production of 2,337 koz, up 25%
  - Mogalakwena production up 6% to 392 koz
  - Amandelbult production up 100% to 437 koz
  - Unki production up 7% to 66 koz
- Production cuts of c.350 koz made up by productivity improvements
- Non-core operations, Rustenburg and Union, continuing operational improvements through optimised mine plans
- Joint ventures total production of 768 koz
- Pipeline inventory back to normalised levels
- Refined inventory of 200 koz

Total platinum production ('000 ounces) <sup>(2)</sup>



Pipeline & Refined Platinum Inventory ('000 ounces)



*...enabling production performance to return to pre-strike production levels*

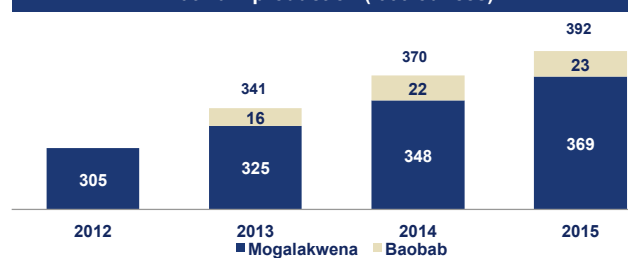
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## MOGALAKWENA

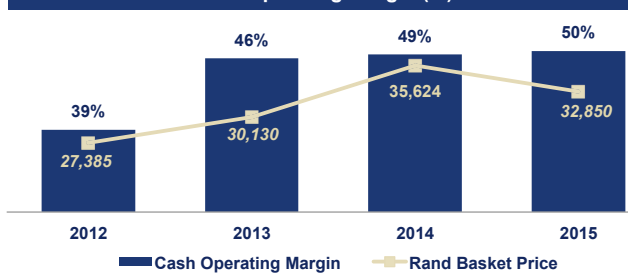
*Another record performance...*

- Strong safety performance – 3.5 years fatality free
- Record production performance
- Unit costs reduced 7% due to cost management and productivity initiatives
- R4.4bn of operating free cash flow
- Highest rand basket price in the portfolio at R32,850 per platinum ounce
- Cash operating margin maintained at 50% despite weaker prices

Platinum production ('000 ounces) <sup>(2)</sup>



Cash operating margin (%) <sup>(3)</sup>



*...through increased mining efficiencies, without the need for growth capital*

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# 2015 ANNUAL RESULTS PRESENTATION

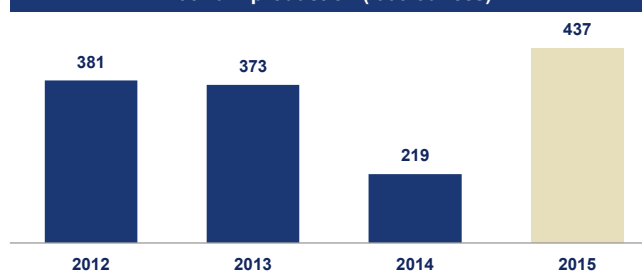
FOR THE YEAR ENDED 31 DECEMBER 2015

## AMANDELBULT

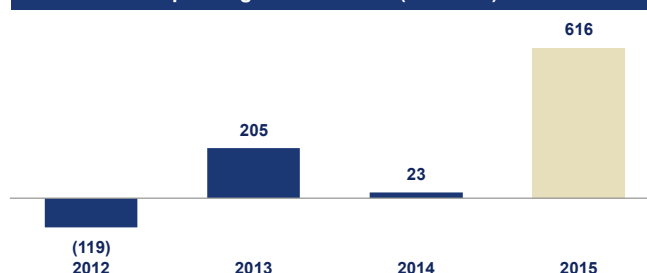
*Focusing on making Amandelbult investable again...*

- Fatality free year
- Tumela, Dishaba and concentrators consolidated into one Amandelbult complex
- Production performance improvement in H2 driven by operational stability
- 4E head grade up by 7%
- R616 million in operating free cash flow
- Chrome plant to be commissioned in Q2 2016, on budget and schedule
- Further improvement opportunities identified to manage for the low PGM price environment

Platinum production ('000 ounces) <sup>(2)</sup>



Operating free cash flow (R million) <sup>(4)</sup>



*...with early success visible in production performance*

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## JOINT VENTURE OPERATIONS

*Maintained solid performance...*

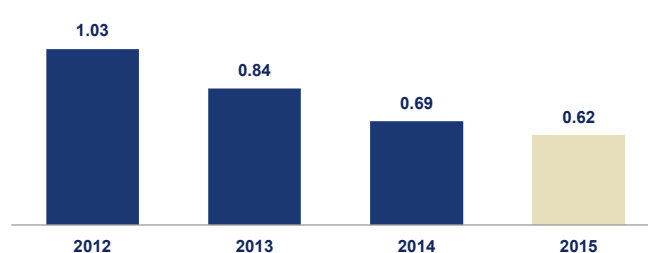
### SAFETY

- LTIFR at 0.62, a 10% improvement

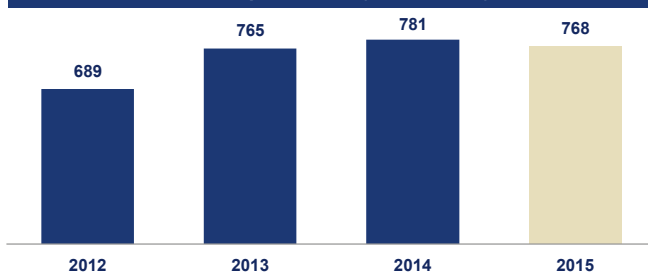
### PRODUCTION

- Solid production performance of 768koz:
  - Kroondal improved by 3% due to improved concentrator recoveries
  - Modikwa production in line
  - Bokoni down 2% due to closure of UM2 and Vertical shafts as part of the restructuring plans
  - BRPM down 5% due to safety stoppages. Styldrift project slowed down
  - Mototolo down 6% due to lower grade

### Lost Time Injury Frequency Rate <sup>(1)</sup>



### Platinum production ('000 ounces) <sup>(2)</sup>



*...from the joint venture portfolio*

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# 2015 ANNUAL RESULTS PRESENTATION

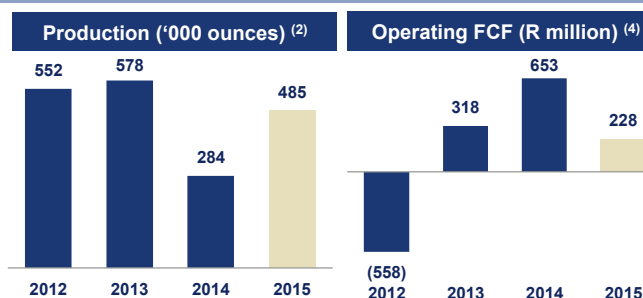
FOR THE YEAR ENDED 31 DECEMBER 2015

## NON-CORE OPERATIONS - RUSTENBURG & UNION

*Operational improvements lead to operating free cash flow ...*

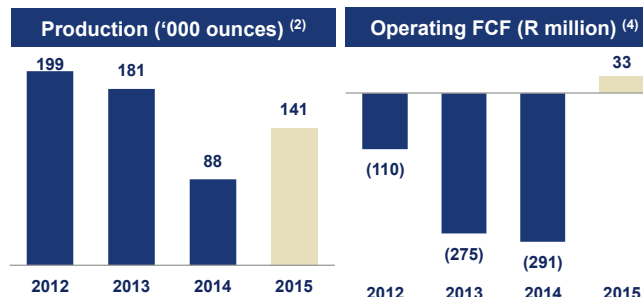
### RUSTENBURG

- Platinum production of 485 koz, up 71% from strike impacted 2014
- Further consolidation of Rustenburg from 3 mines to 2 mines – East and West mine
- R228m operating free cash flow



### UNION

- Platinum production of 141 koz, up 60% from strike impacted 2014
- R33m operating free cash flow



*...with further improvement opportunities identified to manage for the current environment*

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## REFINED PRODUCTION & SALES VOLUME IN 2015

*Refined production back to normal levels...*

### PLATINUM

- Platinum refined production up 30% to 2,459 koz
  - Platinum production of 2,337 koz
  - Drawdown in pipeline inventory to normalised levels
- Platinum sales up 17% to 2,471 koz

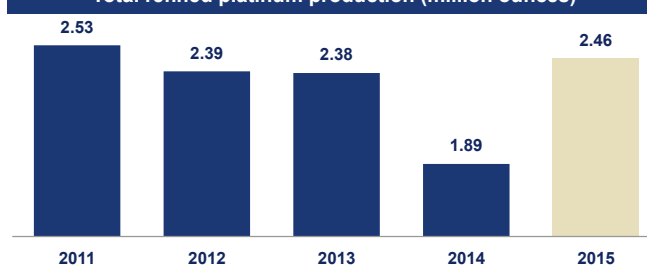
### PALLADIUM & RHODIUM

- Palladium refined production up 30%
- Rhodium refined production up 33%

### BASE METALS

- Base metal refinery tonnes up 26% as production normalised post 2014 strike
- No further tolling arrangement as stockpiles all treated

Total refined platinum production (million ounces)



Total platinum sales volume (million ounces)



*...supplemented by drawdown in inventory...leading to increased sales in 2015*

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**FOR THE YEAR ENDED 31 DECEMBER 2015**



## FINANCIAL PERFORMANCE

**IAN BOTHA, FINANCE DIRECTOR**

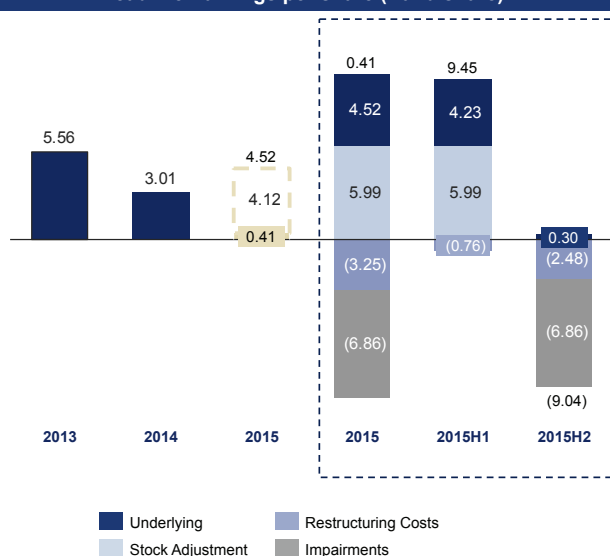


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## SUMMARY OF 2015 RESULTS

*Weaker Rand basket price has negatively impacted earnings...*

### Headline Earnings per share (Rand/share)



### Key financials

Rbn	2015	2014
Sales Revenue	59.8	55.6
EBITDA <sup>(5)</sup>	8.8	6.1
EBIT <sup>(6)</sup>	3.6	1.2
Headline Earnings	0.1	0.8
Project and SIB Capex	3.7	5.8
Net Debt	12.8	14.6
ROCE % <sup>(7)</sup>	6.2	2.0

*...however, improved operational performance has provided some support to margins*

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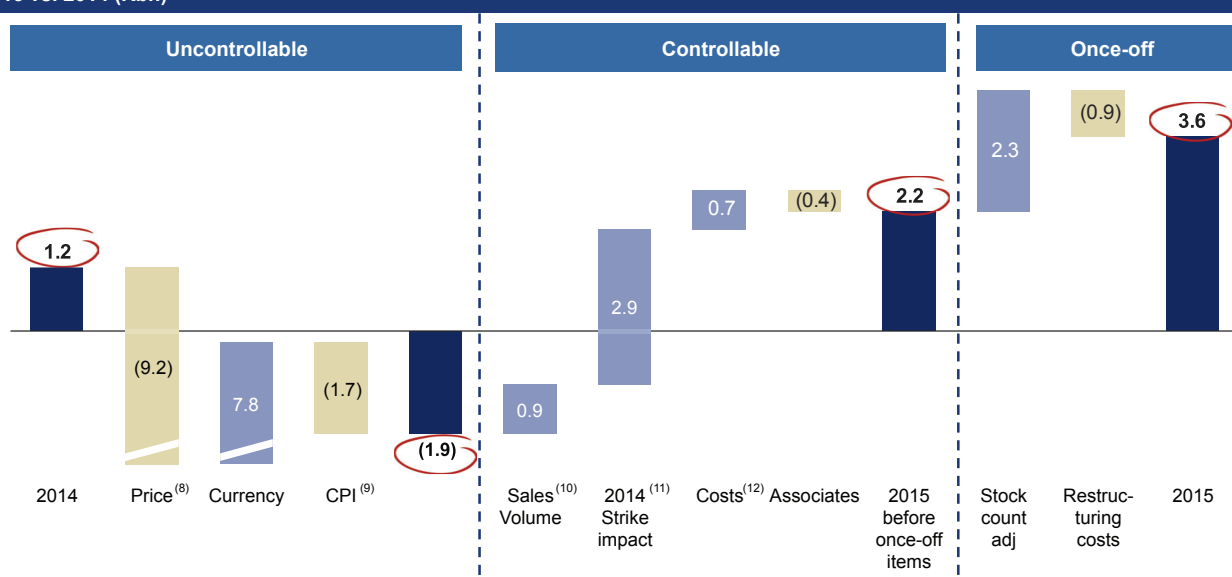
# 2015 ANNUAL RESULTS PRESENTATION

FOR THE YEAR ENDED 31 DECEMBER 2015

## 2015 EBIT VARIANCE

*Performance impacted by weak prices and restructuring costs...*

2015 vs. 2014 (Rbn)



*...offset by the weaker Rand, improved operational performance and stock adjustment*

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## IMPAIRMENTS

*Impairments to Rustenburg, Twickenham, BRPM, Bokoni and Atlatsa...*

### IMPAIRMENTS TAKEN DUE TO:

- Prolonged decrease in PGM prices
- Rustenburg – signing of SPA with Sibanye Gold
- Twickenham – the mine is being redeveloped as a mechanised mine
- BRPM & RB Plat and Bokoni & Atlatsa – write down of assets to fair value
- Other assets – no longer being used

Rbn	Impairment	Impact on earnings
Rustenburg	4.5	Basic
RBPlat & BRPM	3.5	Basic
Twickenham	2.5	Basic
Atlatsa and Atlatsa Holdings loans	1.8	Headline & Basic
Atlatsa & Bokoni Equity	1.4	Basic
Tumela 5 Shaft	0.3	Basic
Mainstream Inert Grinding Mills	0.1	Basic
<b>Total (Post tax)</b>	<b>14.0</b>	

*...reflects disposals and reduction in Rand PGM prices*

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# 2015 ANNUAL RESULTS PRESENTATION

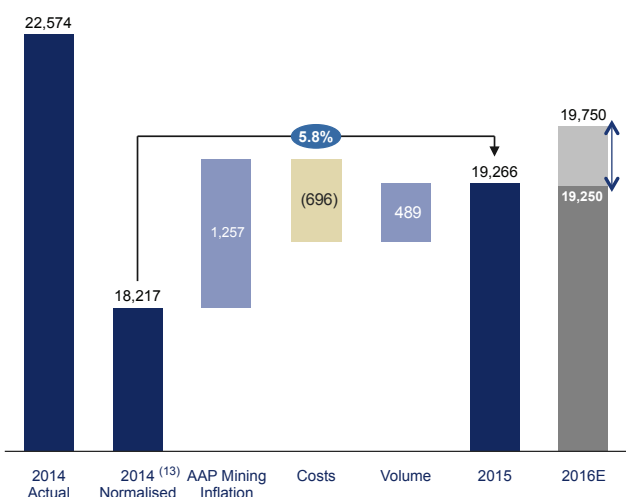
FOR THE YEAR ENDED 31 DECEMBER 2015

## UNIT COST

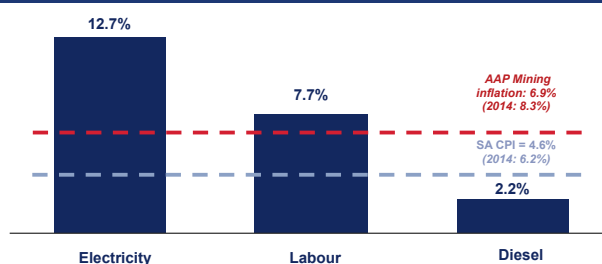
*Management intervention reducing unit cost escalation below mining inflation...*

### Unit cash cost escalation below mining inflation

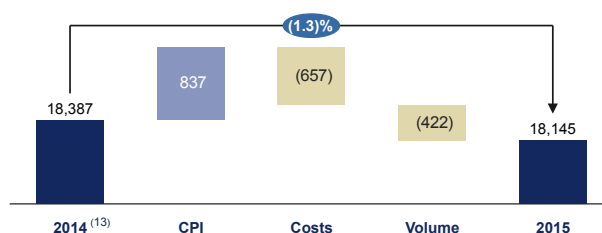
Rand / produced platinum ounce



### Sustained high mining inflation (%)



### Retained assets unit cash costs reducing (R/Pt oz)



*...with strong improvement from core assets*

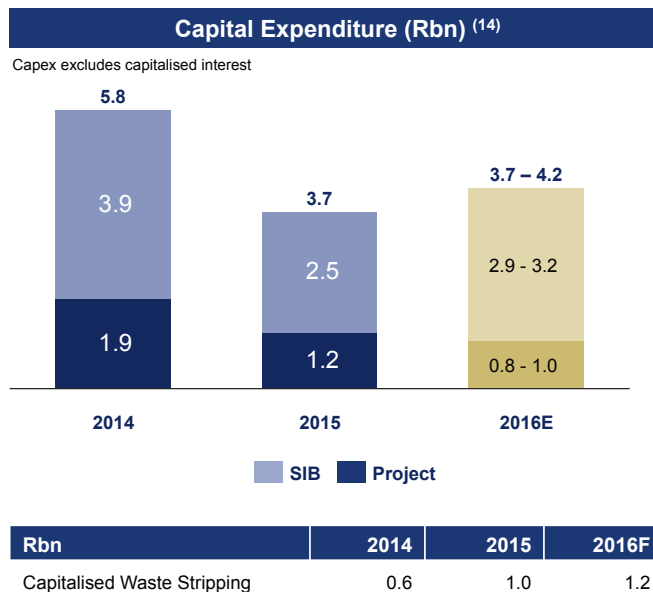
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## CAPITAL EXPENDITURE

*Disciplined capital allocation...*

- Delivering value in reducing capital intensity without introducing risk
- SIB and Project Capital incremental value accretive projects during 2015:
  - Amandelbult Chrome Plant
  - Smelter rebuilds - life extension
  - Modikwa UG2
  - Bathopele Phase 5



*...aimed at adding value...not additional volume*

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# 2015 ANNUAL RESULTS PRESENTATION

FOR THE YEAR ENDED 31 DECEMBER 2015

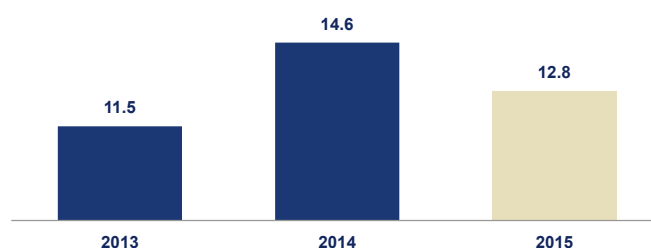
## NET DEBT PROFILE

*Despite weaker Rand basket price...*

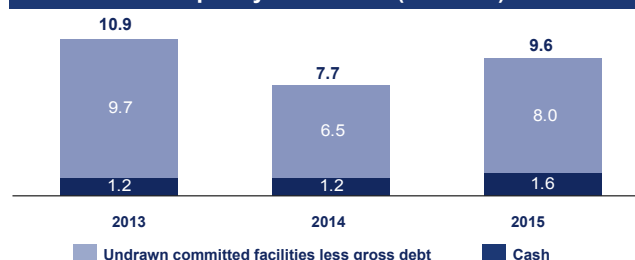
### Net Debt (R billion)

Opening net debt 1 January 2015	14.6
Cash flow from operations	(11.8)
Capex and waste stripping	4.7
Cash tax paid	0.7
Net interest	1.3
Other	1.1
<b>Free cash flow</b>	<b>(4.0)</b>
<b>Total</b>	<b>10.6</b>
Restructuring costs	1.1
Once-off tax payment	1.1
<b>Closing net debt 31 December 2015</b>	<b>12.8</b>

### Net Debt Profile (R billion)



### Liquidity Headroom (R billion)

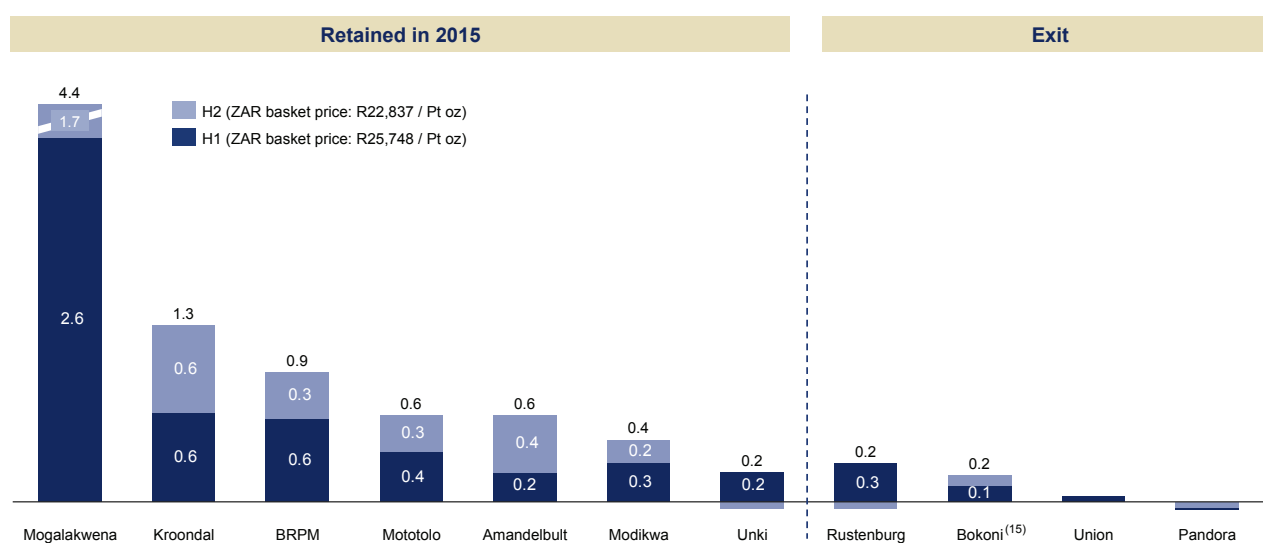
*...balance sheet strengthened and liquidity increased*

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## CASH FLOW BY OPERATION

*Despite weaker Rand basket price...*

Operating free cash flow per mining complex <sup>(4)</sup>



*...mines are cash positive*

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# 2015 ANNUAL RESULTS PRESENTATION

FOR THE YEAR ENDED 31 DECEMBER 2015

## ACTIONS TO MAINTAIN HEALTH OF BALANCE SHEET

*Our focus remains on delivering against management actions...*

	MANAGEMENT ACTIONS	ACTIONS	FOCUS AREAS
1	Cash Flow Improvement	✓	<ul style="list-style-type: none"> <li>Optimised mine plans, overhead downsizing</li> <li>All operations to be cash positive</li> </ul>
2	Maintain Liquidity	✓	<ul style="list-style-type: none"> <li>Liquidity maintained through cash and committed bank facilities</li> </ul>
3	Capex	✓	<ul style="list-style-type: none"> <li>All growth projects stopped</li> <li>Improved SIB Review, Governance and Optimisation – business continuity not placed at risk</li> </ul>
4	Disposals	✓	<ul style="list-style-type: none"> <li>Announced: Rustenburg</li> <li>Progressing: Union, Pandora and Bokoni</li> </ul>

*...ensuring all operations are cash generative*

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# MARKET REVIEW

CHRIS GRIFFITH, CHIEF EXECUTIVE OFFICER



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# 2015 ANNUAL RESULTS PRESENTATION

FOR THE YEAR ENDED 31 DECEMBER 2015

## MARKET PRICES

*Dollar platinum price fell 27% ...*

### LOWER US DOLLAR PRICE

- The US Dollar platinum price declined 27% in 2015, down 24% year-on-year
- US Dollar strength, the prospect of rising interest rates, China growth concerns and the emissions scandal were the dominant factors in the platinum price performance in 2015

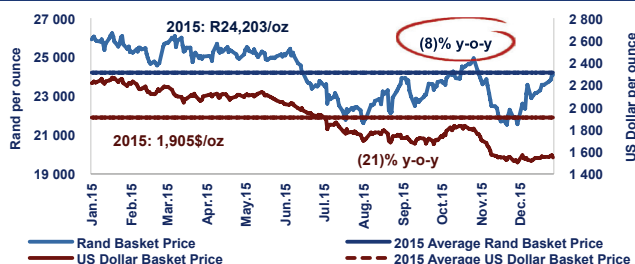
### REALISED BASKET PRICE

- 2015 basket prices were down 21% in US Dollar and 8% in ZAR year-on-year
- The major driver being price falls across the PGM and base metals complex

#### Decline in US\$ Platinum price in 2015 (US \$/oz)



#### Realised basket prices



*...on global growth concerns*

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## PLATINUM MARKET

*A return to normalised production levels...*

### DEMAND (+4%)

- Autocat demand increased 5% due increased auto-sales in Europe, increased loadings and resilient diesel share
- Net jewellery demand fell 5% owing to lower consumer demand in China offset by reduced levels of jewellery recycling
- Industrial demand remained firm, up 4%, with growth in the glass & chemical sectors
- ETF liquidation was offset by significant Japanese demand for investment bars as prices fell below JPY 4,000/gram

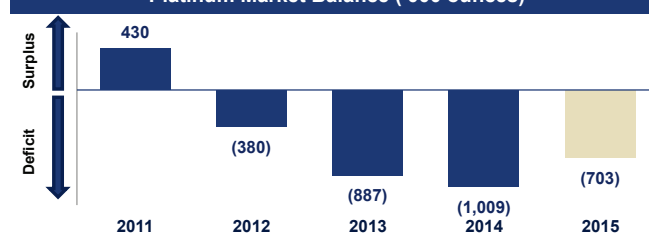
### SUPPLY (+9%)

- In the absence of industrial action primary production recovered to 2013 levels
- Recycling volumes slowed due to falling commodity prices, scrap steel and copper in particular

### BALANCE

- Platinum market remained in annual deficit

### Platinum Market Balance ('000 ounces)



### Platinum Supply & Demand, 2015 vs 2014

Thousand Ounces	2015	2014	Y-o-Y	Δ%
<b>Demand</b>				
• Autocat: Gross	3,289	3,122	167	5 %
• Jewellery: Net	2,025	2,132	(107)	(5)%
• Industrial	2,001	1,918	83	4 %
• Investment	415	272	143	53 %
	<b>7,730</b>	<b>7,444</b>	<b>286</b>	<b>4%</b>
<b>Supply</b>				
• Primary	5,841	5,126	715	14 %
• Recycling: Auto & Industrial	1,186	1,309	(123)	(9)%
	<b>7,027</b>	<b>6,435</b>	<b>592</b>	<b>9 %</b>
<b>Market Balance</b>	<b>(703)</b>	<b>(1,009)</b>		

*... sees market deficits narrow*

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# 2015 ANNUAL RESULTS PRESENTATION

FOR THE YEAR ENDED 31 DECEMBER 2015

## PALLADIUM MARKET

*Palladium market deficits reduced ...*

### DEMAND (-14%)

- Autocat demand grew by 1%
  - US demand up 5.8%
  - China demand up 5.3% - weak H1; recovering in H2 due to tax cuts
  - Offset by decrease in Japan and emerging markets
- ETF net outflows were 663koz due to concerns over slowing China growth

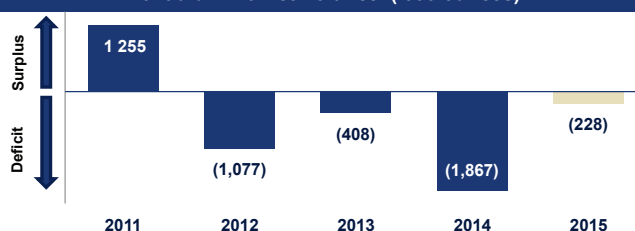
### SUPPLY (+2%)

- Normalised South Africa production was partially offset by a reduction in recycling volumes

### BALANCE

- Palladium market remained in annual deficit

### Palladium Market Balance ('000 ounces)



### Palladium Supply & Demand, 2015 vs 2014

Thousand Ounces	2015	2014	Y-o-Y	Δ%
<b>Demand</b>				
• Autocat: Gross	7,452	7,396	56	1 %
• Jewellery: Net	179	185	(6)	(3)%
• Industrial	2,179	2,130	49	2 %
• Investment	(663)	932	(1,595)	(171)%
	<b>9,147</b>	<b>10,643</b>	<b>(1,496)</b>	<b>(14)%</b>
<b>Supply</b>				
• Primary	6,463	6,112	351	6 %
• Recycling: Auto & Industrial	2,456	2,664	(208)	(8)%
	<b>8,919</b>	<b>8,776</b>	<b>143</b>	<b>2 %</b>
<b>Market Balance</b>	<b>(228)</b>	<b>(1,867)</b>		

*...following a significant liquidation of ETF holdings*

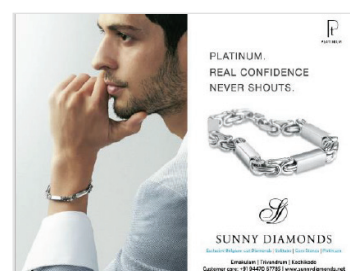
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## MARKET DEVELOPMENT

*Remains a priority in challenging market conditions...*

## JEWELLERY

- PGI focused on India and China - PGI head office relocated to Hong Kong
- Marketing campaigns in India continue to stimulate platinum jewellery demand - c.60% increase since 2013
- Indian business development model includes co-funding from retail partners



## AUTOMOTIVE & INDUSTRIAL

- \$10m in Corporate Venture Fund Investments committed during 2015
- Early investments now showing commercial success
- Increased support for Fuel Cell Electric Vehicles delivering tangible results

## INVESTMENT

- New agreement between World Platinum Investment Council and Rand Merchant Bank will extend global reach of a platinum bullion based product



...but investment reduced and refocused to optimize returns

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# 2015 ANNUAL RESULTS PRESENTATION

FOR THE YEAR ENDED 31 DECEMBER 2015



PLATINUM

## STRATEGY UPDATE

CHRIS GRIFFITH, CHIEF EXECUTIVE OFFICER



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# REPOSITIONING THE PORTFOLIO

*Focus remains on repositioning the portfolio...*

## Restructuring since 2013...

### 1. RESHAPE RUSTENBURG & EXIT

- Optimised and integrated 5 mines to 3 in 2013
- Further consolidation to 2 in 2015
- Volume reductions ~210koz Pt
- Sale agreement signed in 2015 with Sibanye Gold

### 2. RESHAPE UNION & EXIT

- Consolidated Union North and South Mines
- Closed the North and South declines
- Volume reductions of ~80koz Pt
- Prepare for exit through sale in 2016

### 3. SIMPLIFY JV PORTFOLIO AND MAXIMISE VALUE

- Consider exit options for Bokoni and Pandora
- Bokoni mine optimised. Restructuring and shaft closures in 2015
- 2016 decision to exit Kroondal for value

## ...now repositioning the portfolio...

### Retained Assets

Mogalakwena
Amandelbult
Unki
BRPM
Modikwa
Mototolo
Processing

### Care & Maintenance

Twickenham

### Exit Assets

Rustenburg
Union
Pandora
Bokoni
Kroondal

## ...to generate long term value

- 1 High quality assets
- 2 Low cost production
- 3 High margin ounces
- 4 Reduced safety risks

*...to generate long term value through the cycle*

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# 2015 ANNUAL RESULTS PRESENTATION

FOR THE YEAR ENDED 31 DECEMBER 2015

## MANAGING THE BUSINESS FOR THE CURRENT ENVIRONMENT

*Focus on cash generation, capital discipline...*

### CASH GENERATION

- Ensure all operations are cash flow positive – optimised mine plans
- Commencing the process towards placing Twickenham on care and maintenance

### REORGANISATION

- Consolidation of mines and concentrators with correct support structure
- Repositioned portfolio – smaller and less complex

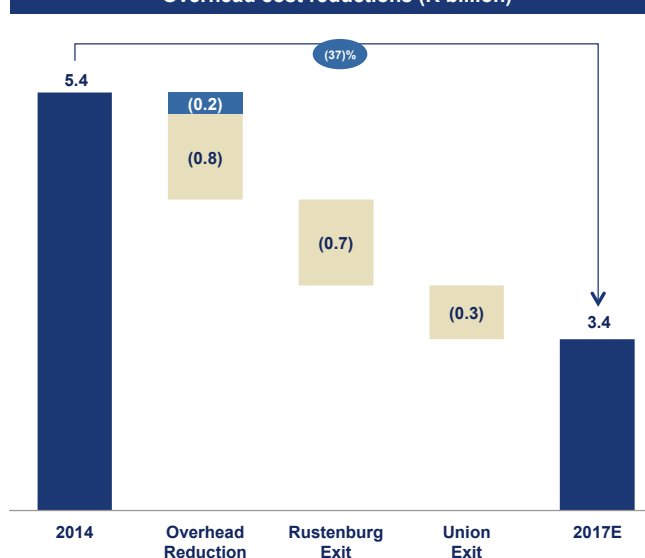
### COST REDUCTION

- Reduced c.400 indirect jobs saving R200m per annum
- Reducing indirect costs by R800m per annum

### CAPITAL DISCIPLINE

- All major capital project decisions delayed until at least 2017

### Overhead cost reductions (R billion)



*...and cost rationalisation*

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# 2016 OUTLOOK

CHRIS GRIFFITH, CHIEF EXECUTIVE OFFICER



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# 2015 ANNUAL RESULTS PRESENTATION

FOR THE YEAR ENDED 31 DECEMBER 2015

## 2016 OUTLOOK

### *Guidance and outlook...*

- Platinum production between 2.3 – 2.4 million ounces
- Unit cash cost guidance between R19,250 – R19,750 per platinum ounce (metal in concentrate)
- Direct overhead savings and indirect savings of R1.0 billion identified
- Capital expenditure guidance of between R3.7 billion – R4.2 billion
- Repositioning of the portfolio to continue – anticipate Rustenburg disposal completed by the end of 2016
- Progress the sale of Union, Bokoni, Pandora and assess value exit options for Kroondal
- Commencing the process towards placing Twickenham on care and maintenance
- All mining complexes are cash positive at current spot prices and FX rates

*...for the year ahead*

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# KEY MESSAGES FROM 2015

CHRIS GRIFFITH, CHIEF EXECUTIVE OFFICER



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# 2015 ANNUAL RESULTS PRESENTATION

FOR THE YEAR ENDED 31 DECEMBER 2015

## KEY MESSAGES FROM 2015

### *Managing the business...*

- Zero Harm across all operations remains a priority
- Challenging macroeconomic environment - managing the business for the current PGM price environment
- Operational improvements resulted in positive cash generation across the portfolio
- R4 billion of free cash flow generated from operations
- Focused capital investment with all growth project decisions postponed until at least 2017
- Net debt reduced to R12.8 billion from R14.6 billion
- Continuing the repositioning of the portfolio, and advancing disposals of non-core assets

*...for the current PGM price environment*

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# APPENDICES

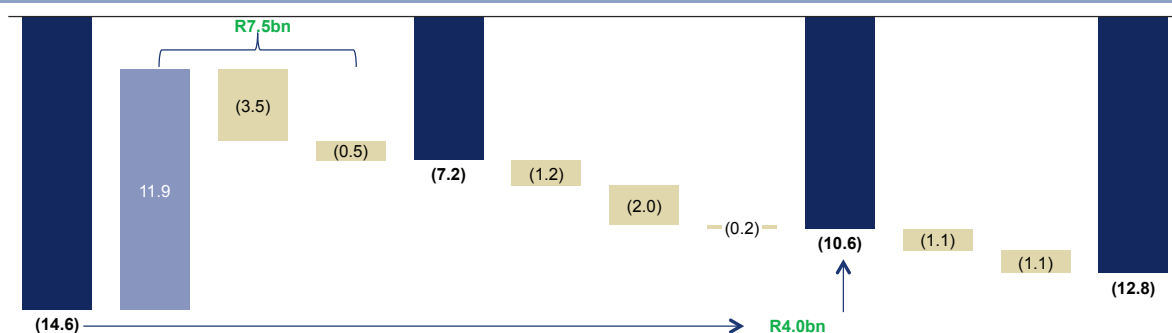
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# 2015 ANNUAL RESULTS PRESENTATION

FOR THE YEAR ENDED 31 DECEMBER 2015

## NET DEBT AND CASH FLOW BY MINE

*Despite weaker Rand basket price...*



Operation	Net Debt December 2014	Cash from Operations	SIB & Waste capital	Funding of Associates & Cash to Minorities	Operating Free cash flow	Project capital	Current Taxation & Interest	Other	Net Debt before one-off items	2013 Tax Settlement	Restructuring Costs	Net Debt December 2015
Mogalakwena		6,430	(2,058)		4,373	(53)					(26)	
Amandelbult		964	(348)		616	(377)					(103)	
Unki		290	(132)		158	(138)						
Twickenham		(511)	(17)		(528)	(282)					(62)	
Joint Ventures		2,749	(411)		2,338	(176)					(11)	
Associates		1,655	(38)	(836)	782	(1)					(104)	
3rd Parties		405	(1)		404	0						
Rustenburg		528	(300)		228	(164)					(288)	
Union		257	(92)	(132)	33	(7)					(146)	
Company (16)		(821)	(139)		(960)	(13)					(360)	
	(14,618)	11,947	(3,536)	(968)	7,443	(1,211)	(1,984)	(200)	(10,569)	(1,100)	(1,100)	(12,769)

*...mines cash positive*

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## COST BREAKDOWN

	Labour	Materials (Stores)	Utilities (Power and Water)	Contractors	Sundry expenses
Conventional	62%	17%	8%	3%	9%
Mechanised	38%	24%	3%	25%	10%
Open pit	19%	51%	12%	5%	14%
<b>Company</b>	<b>40%</b>	<b>26%</b>	<b>13%</b>	<b>6%</b>	<b>15%</b>

- Diesel – 3% of total cost and 17% at open pit
- Electricity – 11% of total cost
- Non ZAR – 10% of total costs

# 2015 ANNUAL RESULTS PRESENTATION

FOR THE YEAR ENDED 31 DECEMBER 2015

## FOOTNOTES

- (1) Lost time injury frequency rate per 200,000 hours worked
- (2) Platinum production is platinum in concentrate produced and purchased
- (3) Calculated as (revenue - cash operating costs) / revenue
- (4) Operating free cash flow is defined as free cash flow for operating mines after full overhead allocation, SIB Capex, Capitalised waste stripping and minorities. It is presented before project capex and one-off restructuring costs
- (5) EBITDA is earnings before interest, tax, depreciation and amortisation including profits and losses from associates normalised for impairments
- (6) EBIT is earnings before interest and tax including profits and losses from associates normalised for impairments calculated as Return on Capital employed normalised for impairments (Normalised EBIT / Capital employed)
- (7) Price variance calculated as increase/(decrease) in price multiplied by current period sales volume
- (8) Inflation variance calculated using CPI on prior period cash operating costs that have been impacted directly by inflation
- (9) Sales volume variance calculated as increase/(decrease) in sales volume multiplied by prior period strike adjusted cash margin
- (10) Cost impact from the 5-month strike
- (11) Cash operating costs including inventory movements
- (12) Adjusted to exclude impact of 2014 strike. Pre-adjusted R22,574/Pt oz and R20,458/Pt oz for core assets only
- (13) Capital expenditure excludes capitalised interest
- (14) In Interim Results presentation disclosure on free cash flow was presented including overhead restructuring costs of R0.3bn
- (15) Bokoni reflected as 100%, as AAP is funding Atlatsa's share of Bokoni losses (R0.5bn)
- (16) Company costs includes mainly marketing expenses of R799m and Corporate SIB expenditure



# ADMINISTRATION

## **EXECUTIVE DIRECTORS**

CI Griffith (Chief executive officer)  
I Botha (Finance director)

## **INDEPENDENT NON-EXECUTIVE DIRECTORS**

MV Moosa (Independent non-executive chairman)  
RMW Dunne (British)  
NP Mageza  
NT Moholi  
D Naidoo  
JM Vice

## **NON-EXECUTIVE DIRECTORS**

M Cutifani (Australian)  
R Médori (French)  
AM O'Neill (British)  
AH Sangqu

## **NON-EXECUTIVE DIRECTORS**

PG Whitcutt (Alternate to R Medori)

## **COMPANY SECRETARY**

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Anglo Operations Proprietary Limited

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a division of FirstRand Bank Limited

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## **FRAUD LINE – SPEAKUP**

Anonymous whistleblower facility  
0800 230 570 (South Africa)  
angloplat@anglospeakup.com

## **DISCLAIMER**

Certain elements made in this annual report constitute forward looking statements. Forward looking statements are typically identified by the use of forward looking terminology such as 'believes', 'expects', 'may', 'will', 'could', 'should', 'intends', 'estimates', 'plans', 'assumes', or 'anticipates' or the negative thereof or other variations thereon or comparable terminology, or by discussions of, e.g. future plans, present or future events, or strategy that involve risks and uncertainties. Such forward looking statements are subject to a number of risks and uncertainties, many of which are beyond the company's control and all of which are based on the company's current beliefs and expectations about future events. Such statements are based on current expectations and, by their current nature, are subject to a number of risks and uncertainties that could cause actual results and performance to differ materially from any expected future results or performance, expressed or implied, by the forward looking statement. No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing the company and its subsidiaries.



### **Anglo American Platinum Limited**

Incorporated in the Republic of South Africa

Date of incorporation: 13 July 1946

Registration number: 1946/022452/06

JSE code: AMS • ISIN: ZAE000013181

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