ANGLO AMERICAN PLATINUM LIMITED

INTERIM RESULTS 2018

JOURNEY TO DELIVER NEXT PHASE OF VALUE

AngloAmerican

Real Mining. Real People. Real Difference.

CONTENTS

KEY FEATURES

PGM production
(2017: 2.48)
2.6 Moz

Net cash
(2017: R1.8bn net debt)
R0.5bn

EBITDA margin
(2017: 15%)
21%

Free cash from operations
(2017: -R1.0bn)
R1.3bn

Dividend
(2017: Nil)
R1.0bn or R3.74 per share

PERFORMANCE HIGHLIGHTS

		Six months ended 30 June 2018	Six months ended 30 June 2017	% change	Audited Year ended 31 December 2017
OPERATIONAL PERFORMANCE					
Tonnes milled	000 tonnes	**14,383**	14,573	(1)	29,698
Built-up head grade	4E g/tonne	**3.52**	3.44	2	3.46
M&C platinum production[1]	000 oz	**1,233.4**	1,189.1	4	2,397.5
Total PGM production[2]	000 oz	**2,583.8**	2,484.3	4	5,007.7
PGM ounces produced per employee	per annum	**110**	92	20	94
REFINED PRODUCTION					
Total PGMs	000 oz	**2,177.2**	2,294.1	(5)	5,116.2
Platinum (Pt)	000 oz	**1,075.3**	1,105.6	(3)	2,511.9
Palladium (Pd)	000 oz	**686.5**	726.5	(6)	1,668.4
Rhodium (Rh)	000 oz	**136.3**	156.5	(13)	323.2
Other PGMs	000 oz	**228.8**	251.6	(9)	497.3
Gold (Au)	000 oz	**50.3**	53.9	(7)	115.4
Nickel (Ni)	000 tonnes	**10.8**	11.1	(2)	26.1
Copper (Cu)	000 tonnes	**7.2**	6.7	9	15.8
FINANCIAL PERFORMANCE					
Net sales revenue (excluding trading)	R million sold	**32,071**	27,305	17	65,670
Net sales revenue (excluding trading)	R/Pt oz sold	**28,695**	24,400	18	26,213
Net sales revenue trading	R million	**1,420**	—	—	—
Net sales revenue total	R million	**33,491**	27,305	23	65,670
Cost of sales	R million	**28,581**	24,489	17	56,578
Cost of sales (excluding trading)	R/Pt oz	**24,314**	21,879	11	22,589
Cash on-mine cost per tonne milled	R/tonne	**770**	781	(1)	742
Cash operating cost per platinum ounce produced (mined volume)*	R/Pt oz	**19,571**	20,105	(3)	19,203
Cash operating cost per PGM oz produced (mined volume)*	R/PGM oz	**8,954**	9,265	(3)	8,871
EBITDA (excluding trading)	R million	**6,788**	3,995	70	11,985
EBITDA margin (excluding trading)	%	**21.2**	14.6	7	18.3
Headline earnings	R million	**3,363**	747	350	3,886
Headline earnings per share	cents	**1,282**	285	350	1,482
Net cash/(debt)	R million	**477**	(5,912)	108	(1,833)
Gearing ratio	%	**(1.1)**	13.5	(15)	4.3
Capital expenditure (including capitalised interest)	R million	**2,882**	1,779	62	4,969
Return on average capital employed (ROCE)	%	**22.4**	8.8	14	17.6
ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)					
Fatalities	Number	**1**	2	(50)	6
Total recordable case frequency rate (TRCFR)	Rate/200,000 hrs	**2.93**	5.08	(42)	4.53
Employees[3]	Number (at period)	**23,146**	28,411	(19)	28,692
HDSAs in management[4]	%	**77.0**	73.6	3	76.0
GHG emissions, CO_2 equivalents[5]	1,000 tonnes	**1,669**	1,847	(10)	4,612
Water withdrawals or abstractions[6]	Megalitres	**9,546**	10,453	(9)	26,533
Energy use	Terajoules	**7,974**	8,607	(7)	21,497
Number of Level 3, 4 and 5 environmental incidents	Number	**—**	—	—	—
Corporate social investment	R million	**86**	130	(34)	295

* *2017 unit cost restated to include third-party tolling cost.*
[1] *Platinum in concentrate produced and purchased.*
[2] *Sum total of platinum, palladium, rhodium, iridium, ruthenium and gold.*
[3] *Amplats' total own and contractor employees, excluding joint venture and associate employees and contractors.*
[4] *Includes all levels of management.*
[5] *Excludes Scope 3 emissions.*
[6] *Total water withdrawals or abstractions (total inflows excluding estimated surface water run-off and precipitation harvested).*

2018 INTERIM RESULTS

KEY MESSAGES

- Focus on **elimination of fatalities** – seeing improvements in overall safety performance and a 42% reduction in total recordable case frequency rate (TRCFR)
- Commitment to **industry leading returns** to shareholders
  - Cash from operations of R5.9 billion, resulting in an 87% cash conversion ratio
  - EBITDA growth of 70% to R6.8 billion
  - Return on capital employed (ROCE) increased from 9% to 22% (annualised)
  - Interim dividend declared of R1.0 billion or R3.74 per share for H1 2018
- **Strong operational performance** – metal in concentrate PGM production up 4%
  - Record performance from Mogalakwena and Unki
  - Turnaround plan in action at Amandelbult
  - Supported by strong production across all joint venture operations
- Scheduled rebuild of Mortimer smelter and other maintenance resulted in a **temporary build-up of work-in-progress inventory**, resulting in lower refined production
- **Strong cost control continues** – unit costs down 3% to R19,571 per platinum ounce
- Balance sheet re-built to net cash of R0.5 billion from R1.8 billion net debt as at 31 December 2017
- **Simplification of the portfolio**
  - Commercial terms agreed with Royal Bafokeng Platinum to sell AAP's 33% interest in BRPM
  - Sold down equity ownership of Royal Bafokeng Platinum from 11.4% to 2.6% with view to exit
  - Conclusion of disposal of Union to Siyanda Resources
- **Strategy to deliver next phase of value**
  - Growing demand for PGMs – $200 million committed to launch of the AP Ventures funds together with the PIC
  - Work underway to extract the next phase of value at existing operations through best operating practices and modernisation, through people and innovation
  - Project studies to determine best value growth options at Mogalakwena continues
  - Commercial terms agreed with Glencore for the acquisition of Glencore's 39% interest in Mototolo JV
  - Project studies underway assessing value-enhancing growth optionality between Mototolo and adjacent 100% wholly-owned Der Brochen

Chris Griffith, CEO of Anglo American Platinum commented:

"Anglo American Platinum has produced another strong set of operational and financial results. Our commitment to ensuring safe production has delivered value and the Company continues to improve more profitable own-mine production, with total PGM production up 4%. We did however lose one of our colleagues to multiple bee stings and again have sent our condolences to the friends, family and colleagues of Mr Maimela. Our focus will remain on the elimination of fatalities.

We've seen strong production from our operations, with the world-class Mogalakwena operation increasing production 19% in H1 2018. The turnaround plan at Amandelbult is progressing and the joint venture portfolio had a strong performance, with record production from Mototolo and Kroondal. This strong production performance, combined with strict cost control led to a further 3% decrease in unit costs.

Despite the temporary build up in work in progress inventory, due to maintenance and the scheduled Mortimer smelter rebuild in Q2, the Company generated operating free cash flow of R1.3 billion, reducing net debt by R2.3 billion and moving to a net cash position of R0.5 billion.

We have been busy and in the last six months, announced a number of transactions. As part of the simplification of the portfolio, we have sold 8.8% of our equity holding in Royal Bafokeng Platinum, and agreed the sale of our 33% interest in BRPM to them. In support of our strategic objective of growing demand for PGM's, we have supported the launch of AP Venture funds, with the PIC, together committing $200 million to stimulate demand for PGMs. Finally, to own and operate the best assets, we have signed an SPA to acquire Glencore's 39% stake in the Mototolo JV, which will unlock significant synergies with Der Brochen.

Work is underway to extract value at existing operations through world best operating practices and modernisation, through people and innovation; and finally, project studies continue to assess how to unlock the most value from Mogalakwena.

Anglo American Platinum remains committed to delivering PGM industry leading returns, and has increased EBITDA by 70% to R6.8 billion, resulting in an increase in EBITDA margin to 21%; an increase in ROCE to 22% and the Board has declared an interim dividend of R1.0 billion. This is very much a stronger business today as a result of the actions we have taken in recent years and I'm pleased to say that we see even more value that we can unlock ahead of us."

STRATEGY

Anglo American Platinum's strategy over the past five years has focused on restructuring and repositioning the portfolio in response to structural changes in the platinum group metals (PGM) industry. The execution of this strategy is essentially complete and has simplified and improved the business by reducing its operating mines from eighteen to seven, decreased overheads by 50% and headcount by 60%, whilst maintaining PGM production. The portfolio is now positioned with 70% of production in H1 of the primary industry cost curve (excluding BRPM), with PGM industry leading cost control outperforming input cost inflation, improved operating free cash flows and delivering a return on capital employed of 22%. The balance sheet has been de-levered with net debt reducing from R14.8 billion in 2014, to a net cash position of R0.5 billion in H1 2018, and a base dividend was reintroduced in 2017.

The next chapter of the strategy has been formulated with the view to maximise margins, returns and cash flows within a changing market and competitor landscape. We continue to see material upside value in the Company, with work underway to quantify the potential from existing operations, and growth options of our world class resources.

Value proposition

Anglo American Platinum has a differentiated value proposition through:

- The quality of our long-life assets from which we continually strive to extract full value;
- Demonstrated capital discipline that has resulted in balance sheet strength which enables flexibility to be responsive to opportunities through the cycle and withstand potential downward pressure; and
- Ensuring the long-term sustainability of the business by leading market development to grow demand for PGMs, progressing select prioritised project studies to ensure optionality is maintained, and by modernising our organisation.

The Company's focus is on driving the value and earnings of the business, by taking the operational performance of the operations to world best practice, investing in growth optionality across the portfolio, and developing the market for PGMs.

Anglo American Platinum seeks to deliver these strategic priorities in a safe, values driven and socially responsible way.

Simplified mining portfolio

The quality and long life of our mineral assets are the foundation of our leadership position in the industry. We focus on operating and investing in the assets that offer the most attractive long-term value creation potential, that are positioned in the lower half of the cash cost curve and that are, or have potential to be mechanised.

We have further simplified the ownership structure of our mining portfolio, with greater direct influence over the asset operational performance as well as being able to focus capital allocation to these assets. This will be achieved as the sales and purchase agreement was signed to acquire Glencore's interest in Mototolo, enabling a seamless transition into Der Brochen. In addition, Anglo American Platinum has signed an SPA to dispose of the 33% stake in the BRPM JV to our joint venture partners Royal Bafokeng Platinum. The non-strategic minority interest in the remaining 2.6% of the listed shares of Royal Bafokeng Platinum Limited will be sold following the sale of 8.8% in April 2018, which generated gross proceeds of R390 million.

Disciplined capital allocation

Our value-focused approach to capital allocation underpins our preferred portfolio by prioritising the following:

- Maintaining asset integrity, ensuring a strong balance sheet and paying base dividends to our shareholders;
- Discretionary capital allocation to the best value outcome, by investing in fast pay-back projects and profitable growth;
- Thereafter, capital will be allocated between further increasing balance sheet strength or additional returns to shareholders; and
- Disciplined value-added growth projects to enhance margins and additional returns

Anglo American Platinum has rebuilt its balance sheet to a net cash position, supported by strong underlying cash generation, despite the current pricing and global economic environment. In line with the capital allocation framework, Anglo American Platinum continues to progress project studies to assess the expansion potential at our key operations, Mogalakwena and Der Brochen and determine how we extract the most value from these assets, considering market and capital constraints.

Mogalakwena expansion

Mogalakwena remains the world's most significant PGM operation and the only major open-pit operation globally. The mine is in the lowest quartile of the primary PGM producer cash cost curve, and as a palladium-rich resource, will benefit given the current and medium term structural deficits in the palladium market.

The project opportunity studies have identified that a third concentrator expansion at Mogalakwena will significantly improve the NPV of the asset, has value-enhancing returns, with optimal value being achieved with a concentrator size of between 9-12 million tonnes per annum. This would lead to an incremental c.270,000 palladium ounces and c.250,000 platinum ounces. The concept and prefeasibility studies have commenced and the capital expenditure will be quantified once the project studies have advanced further.

Mototolo/Der Brochen

As announced on SENS, Anglo American Platinum has signed an SPA with Glencore to purchase its 39% interest in the Mototolo joint venture.

The acquisition enables significant synergies between Mototolo and the adjacent Der Brochen resource, with project studies underway to assess the most valuable options which could include both replacement and growth options, creating a major PGM hub for the Company. By combining the Mototolo JV area with the downdip and adjacent Der Brochen resource, the life-of-mine is also significantly extended from the current c.five-year life of mine, to beyond a 30-year life of mine.

Extracting full value from our assets

We are working to reset operational performance benchmarks across our business, recognising the further latent potential that exists in our operations, notwithstanding the material improvements we have made over the last few years. Whether it's the hours one gets out of a truck or shortening the lost time between shift changes or failures, or to completely re-think long established practices, Anglo American Platinum believes there is substantial additional value to be gained by focussing on best practice benchmarks and further improvements through modernisation and technical innovation.

Developing the market for PGMs

Market development is a key priority where latent demand across jewellery, investment and industrial segments remains a large and growing opportunity.

The Company's Platinum Group Metals Development Fund has enjoyed great success and built a strong track record. We have now taken the decision to separate the fund's activities into an independent structure, AP Ventures, which will attract additional outside investment allowing it to increase the scale of its activities.

The launch of AP Ventures is an exciting development which will support the growth of PGM technologies and is expected to increase PGM demand from the industrial segment. Through this transaction, we are hoping to facilitate the application of cutting-edge technological advances and broad innovative thinking to address the major global challenges. It is a clear example of the use of collaborative partnerships to connect people for the betterment of the industry and we are grateful to have had the support of the Public Investment Corporation in bringing the Funds to fruition.

In addition, we continue to also drive PGM demand through:

- Engaging and collaborating in the shaping of the strategy and activities of the Platinum Guild International (PGI), focusing on jewellery demand creation, and the World Platinum Investment Council (WPIC), focusing on investment demand creation;
- Spearheading new initiatives which fall outside the mandates of the industry funded entities, by expanding and formalising an approach to primary R&D with the intention of developing PGM based solutions to global issues; identifying bottlenecks and barriers to increased use/ sales of PGMs and developing solutions in partnership with AP Ventures funds, the PGI and WPIC; and
- Focus on fuel cell development and the hydrogen economy through advocacy, investment in refuelling infrastructure and anti-diesel lobbying.

SAFETY, HEALTH, ENVIRONMENT AND SOCIAL INVESTMENT

Safety

Tragically there was one work related loss of life in H1 2018. Mr Johannes Maimela died of multiple bee stings at Dishaba Mine in March 2018, and our deepest condolences go to Mr Maimela's family, friends and colleagues.

Management has committed to maintaining safe operations and the benefits of safe production are producing results. Safety indicators highlight the significant improvements that have been made, with total recordable injury frequency rate (TRCFR) the lowest on record, down 42% to 2.93 per one million hours worked (H1 2017: 5.08). This can be attributed to the implementation of the revised safety, health and environment strategy and the focus on reporting and learning from high potential incidents.

Health

Anglo American Platinum remains committed to the fight against HIV, tuberculosis (TB) and the wellness of employees. The Company aspires to the UN targets of 90:90:90 with respect to HIV. These targets aim at diagnosing 90% of all HIV-positive persons, provide antiretroviral therapy (ART) for 90% of those diagnosed, and achieve viral suppression for 90% of those treated. AAP achieved 80% "know-your status" and 86% on ART in 2017. The Company remains confident that by intensifying efforts and encouraging the participation of employees at all levels of the organisation, these levels can further improve. Our HIV interventions, together with parallel proactive TB interventions are contributing to a consistent reduction in TB incidence rates – reducing 53% to 271 per 100,000 and well below the national average of 781 per 100,000. These efforts highlight the significant reduction in TB related deaths – reducing from over 60 in 2013 to 3 so far in 2018.

Environment

Anglo American Platinum has again had no major or material environmental incidents (categorised as Level 4 to 5), and has had no Level 3 incidents since 2013. Through applying an operational risk management process and identifying critical controls to manage priority unwanted environmental events, the Company ensures that environmental risk is appropriately managed. Minor environmental incidents are analysed and investigated to learn from, and implement remedial actions to prevent repeats.

Rustenburg Base Metals Refinery (RBMR) and Precious Metals Refinery (PMR) are the key operations to remain ISO14001 certified as they are responsible for product delivery and complying with external requirements. As a result, PMR was certified against the new ISO 14001:2015 standard in October 2017 and RBMR was certified in June 2018. All other operations will focus on implementing the new ISO14001:2015 standards and best practice.

The Company continues to focus on reducing demand for fresh water and energy. Improving energy efficiency also drives reduced carbon emissions. The focus on water efficiency depends on two key measures: technology to reduce total water demand; and reduced dependency on potable water to ensure water availability for surrounding stakeholders. To minimise water usage at operations, non-potable or effluent water is the priority source.

Anglo American Platinum continues to make considerable progress in the management of hazardous and non-hazardous waste sent to landfill as a result of several reduce, re-use and recycling activities. For the five months to end-May there was a 64% reduction in the total tonnes of waste to landfill compared to the same period last year.

Social and community investment

We continue to engage with stakeholders as part of our mandate to enhance the social license to operate and endeavour to make a lasting positive contribution to communities in which we operate. Several projects have been implemented as part of our commitment to social labour plans, including the signature of a service level agreement with Hall Core Mapela to supply water to 42 villages of Mapela, which will deliver potable water to over 70,000 people. We are constructing administration blocks and additional classrooms in four schools, completed water and sanitation facilities in eight schools, with another three schools under construction.

Food production remains a focus, and the communities in which we are delivering water projects are also encouraged to start food gardens. The Amandelbult, St George and Kalkfontein farming projects are thriving and over 30 jobs are sustained on these farms. All our initiatives are contributing towards the achievement of the National Development Plan of our Country and the Integrated Development Plans of the host Municipalities and are done in partnership with our stakeholders.

The Company has spent R86 million so far in H1 2018 on Social Labour Plan projects, equating to 2% of NOPAT, and in line with plan. This spend will more than double by the year end.

Environmental, social and governance (ESG) awards

The Company continues to operate as a sustainable and socially responsible business. The metals that are mined are utilised to enable solutions to some global problems such as air quality, growing resource scarcity and improving wellness through medication and technology. As a result, the Company is gaining global recognition for its ESG practices:

1. Second mining company globally in the ISS oekom Corporate Responsibility Review 2018;
2. Top 30 in the JSE Responsible Investment Index since inception;
3. Inclusion in the FTSE4Good index since June 2015; and
4. Third in the Institutional Investor EMEA Executive Team 2018 awards for best ESG SRI metrics

JOURNEY TO OPERATIONAL EXCELLENCE

Operational performance

As a result of improved operational efficiencies across the own-managed mine portfolio, and strong performances from the joint venture portfolio, PGM production for H1 2018 increased, despite the closure of unprofitable production from Bokoni and Maseve in H2 2017, which does not form part of H1 2018 production.

Total PGM production (expressed as platinum, palladium, rhodium, gold, iridium and ruthenium metal in concentrate) was up 4% to 2,583,800 ounces in H1 2018 (H1 2017: 2,484,300 ounces). Platinum production was up 4% to 1,233,400 ounces (H1 2017: 1,189,100 ounces), while palladium increased 5% to 813,200 ounces (H1 2017: 774,900 ounces).

The 4E built-up head grade of 3.52g/tonne was 2% higher due to higher grade from Mogalakwena, which targeted a particularly high grade area at Zwartfontein pit, as well as higher underground grades at Amandelbult.

Own managed mines

Own managed mines (Mogalakwena, Amandelbult and Unki) increased total PGM production by 14% to 1,166,700 ounces (H1 2017: 1,021,100 ounces). Platinum production by own-managed mines increased 14% to 534,500 ounces (H1 2017: 467,900 ounces) and palladium increased by 15% to 434,600 ounces (H1 2017: 377,800 ounces).

Mogalakwena

Mogalakwena produced a record 641,400 PGM ounces up 19% (H1 2017: 538,600 PGM ounces), with platinum production up 21% to 272,900 ounces (H1 2017: 225,800 ounces) and palladium up 18% to 295,500 ounces (H1 2017: 251,200 ounces). Total production included production from the Baobab concentrator plant of 48,700 PGM ounces (H1 2017: 39,100 PGM ounces).

Mogalakwena increased production through mining a higher-grade area within the current mining cut as per the mine plan, as well as optimisation of the North concentrator plant which led to improved concentrator throughput and recoveries. Material was mined from the Zwartfontein pit which also contributed to higher grade, but at a lower recovery. Total tonnes mined remained constant year-on-year, but tonnes milled increased 6% and the 4E built-up head grade increased 10% to 3.39g/t from 3.07g/t in H1 2017.

Mogalakwena contributed R2.1 billion in economic free cash flow, up from R812 million in H1 2017. The mine delivered EBITDA of R3.9 billion at a 45% margin, up from 37% in H1 2017. Return on Capital Employed increased to 29% from 16% (on an annualised basis).

Cash operating costs (costs after allowing for off-mine smelting and refining activities) increased 9% to R4.7 billion. Cash operating costs including capitalised waste stripping increased by 14% to R5.4 billion from R4.7 billion.

Cash operating costs per platinum ounce decreased 10% to R17,224 from R19,122 in H1 2017 owing to increased mining volume. Cash operating costs per PGM ounce (metal in concentrate) was R7,328 against R8,018 per ounce in H1 2017.

All-in sustaining costs (AISC) (includes operating costs as defined above, all sustaining capital expenditure, capitalised waste stripping and allocated marketing and market development costs net of by product revenue) per platinum ounce sold was $253 per platinum ounce, down from $687 per platinum ounce in the previous period.

During 2018, improvements in mining efficiencies and concentrator performance resulted in mine plan changes, causing differences between the sequencing of ore and waste mining. Improvements in shovel and truck performances resulted in an increase in waste tonnes mined, the bulk of which was capitalised waste. This led to a decrease in ore mined over the period and coupled with higher milled volumes, resulted in the drawdown from ore stockpiles (which were previously guided to increase). The net impact from these changes for H1 2018 was a 6% increase in unit costs for Mogalakwena.

The current mining profiles are expected to continue in H2 of 2018 which will result in an overall higher unit cost for the mine for 2018 compared to 2017, which was lower due to the benefit of measuring R1.6billion of ore stockpiles. The revised medium term mine plan will enable greater minng of ore and will reduce overall unit costs in future years.

Mogalakwena targeted a high-grade area in the Zwartfontein pit, which led to an increase in grade in H1 2018. This will normalise in H2 2018 which will result in an annual average of grade 3.18g/t. High grade production was planned for H1 2018, to get early ounces prior to the planned smelter rebuilds in Q2 and Q3 2018. Total production from Mogalakwena in 2018 is expected to be approximately 1.15 million PGM ounces (around 480,000 platinum ounces).

Amandelbult

Total PGM production at Amandelbult increased by 9% to 432,700 PGM ounces (H1 2017: 397,500 PGM ounces). Platinum production increased 8% 220,200 ounces (H1 2017: 203,700 ounces) and palladium production increased 10% to 102,900 (H1 2017: 93,600 ounces).

Production increased due to the implementation of the operational turnaround of the asset. The immediately stopeable ore reserves (IMS) at Dishaba have increased and productivity improvements have been implemented.

As development at Dishaba continues, surface tonnes supplement underground production, and led to a 5% increase in tonnes milled. Despite the increased surface sources in the ore mix, the 4E built-up head grade increased 3% to 3.91 g/t (H1 2017: 3.81 g/t) due to increases in both underground reef ore sources (UG2 and Merensky) and as a result of reduced dilution.

Production from the chrome plant increased by 46%, yielding 403,000 tonnes of chrome concentrate on a 100% basis (H1 2017: 276,000 chrome tonnes). This is in part due to 8% increase in plant feed as well as the chrome interstage implementation, increasing the plant yield to 16%. (H1 2017: 12%). Amandelbult is moving towards a primarily UG2 mine. The chrome recovery capacity is being extended to the Merensky Concentrator by construction of two further modules at a capex cost of R530 million, which will be commissioned in July 2019, and will result in an incremental 360,000 tonnes of chrome production per annum.

Despite a fall in the chrome price during H1 2018 to an average of $200/tonne, from an average of $242/tonne in the comparative period, the increased volume and low production cost enabled the Amandelbult chrome operation to generate attributable economic free cash flow of R409 million (H1 2017: R261 million).

Amandelbult delivered R159 million in economic free cash flow from its mining and chrome activities, up from negative R541 million in H1 2017. The mine delivered EBITDA of R1.0 billion at a 17% margin, up from 3% in H1 2017. Return on Capital Employed increased to 16% from negative 5%.

Cash operating costs increased by 10% to R4.8 billion (H1 2017: R4.4 billion), mainly due to mining inflation, chrome plant operational costs and costs relating to the future replacement of production from Tumela Upper to Dishaba Lower UG2. Cash operating costs per platinum ounce was flat year-on-year at R21,701 (H1 2017 R21,596) owing to higher volume. The measurement of run-of-mine ore stockpiles at Amandelbult as at 30 June 2018, resulted in a 2% reduction in unit cost for the mine.

Cash operating costs per PGM ounce (metal in concentrate) was R11,041 against R11,070 per ounce in H1 2017. AISC per platinum ounce sold was $891 per ounce, down from $1,183 in the previous year.

Total production from Amandelbult in 2018 is expected to increase to between 900,000 to 920,000 PGM ounces (c.460,000 – 470,000 platinum ounces).

Unki

Unki Mine in Zimbabwe produced a record 92,600 PGM ounces, an increase of 9% (H1 2017: 85,100 ounces). Platinum production increased 8% to 41,400 ounces (H1 2017: 38,400 ounces) and palladium production increased 10% to 36,200 ounces (H1 2017: 33,000 ounces).

Production increased due to an increase in tonnes milled, up 6% due to improved throughput and recovery. The 4E built-up head grade stayed relatively flat at 3.47g/t (H1 2017: 3.48g/t).

Unki increased economic free cash flow to R311 million from R85 million due to improved performance and the sale of treasury bills of R100 million.

The mine delivered EBITDA of R424 million at a 33% margin, up from 21% in H1 2017. Return on Capital Employed increased to 11% from 2% in H1 2017.

Cash operating costs were up 6% to R0.9 billion. The mine, being a dollar denominated operation, benefitted from the strengthening of the rand which increased 6% to R12.38 from R13.24. Cash operating costs increased by R35 million as ore stock ahead of the concentrator, which was built-up during maintenance at the concentrator in H2 2017, was depleted in full in H1 2018. Cash operating cost per platinum ounce rose 2% to R23,477 from R22,967 in H1 2017.

Cash operating costs per PGM ounce (metal in concentrate) was R10,511 against R10,360 per ounce in H1 2017. AISC (excluding the receipts of treasury bills) per platinum ounce sold was $272 per ounce, down from $808 in H1 2017.

The Unki smelter, a project in execution, is expected to be completed in Q3 2018 at a total cost of R650 million, with R162 million of the project capital incurred in H1 2018.

Total PGM production from Unki in 2018 is expected to increase slightly to 180,000 PGM ounces (previously 170,000 PGM ounces) including c.80,000 platinum ounces (previously 75,000 ounces).

Joint ventures (own-mined and purchase of concentrate)

Total PGM production from joint ventures (Mototolo, Modikwa and Kroondal inclusive of both own-mined and purchase of concentrate production) increased 10% to 607,200 PGM ounces (H1 2017: 550,100 PGM ounces). Platinum production increased 11% to 274,300 ounces (H1 2017: 246,600 ounces) and palladium production increased 10% to 177,000 ounces (H1 2017: 161,500 ounces).

Mototolo PGM production increased 26% to 157,200 PGM ounces (H1 2017: 124,800) due to higher built-up head grade and additional production rolled over from H2 2017 which was toll-treated at Bokoni due to the tailings dam rehabilitation. Platinum production increased 25% to 72,600 ounces (H1 2017: 57,800 ounces) and palladium production increased 30% to 45,500 ounces (H1 2017: 35,100 ounces).

Modikwa PGM production increased 6% to 158,000 PGM ounces (H1 2017: 149,700 ounces) due to additional ore purchased from Mototolo. Platinum production increased 9% to 62,800 ounces (H1 2017: 57,800 ounces) and palladium production increased 2% to 58,100 ounces (H1 2017: 56,700 ounces).

Kroondal PGM production increased 6% to 292,000 PGM ounces (H1 2017: 275,700 ounces), due to an increase in underground production efficiencies as well as improved concentrator throughput. Platinum production increased 6% to 138,900 ounces (H1 2017: 131,000 ounces) and palladium production increased 5% to 73,500 ounces (H1 2017: 69,700 ounces).

Purchase of concentrate from associates

PGM production from associates decreased by 28% to 183,100 PGM ounces (H1 2017: 254,800 ounces), largely due to the removal of unprofitable production from Bokoni which was placed on care and maintenance in Q3 2017. Platinum production from associates decreased by 22% to 106,500 ounces (H1 2017: 137,200 ounces) and palladium production decreased 37% to 43,800 ounces (H1 2017: 69,400 ounces).

BRPM PGM production increased 6% to 183,100 PGM ounces (H1 2017: 173,000) following improved underground mining efficiencies and the ongoing ramp up of the Styldrift project. Platinum production increased 7% to 106,500 ounces (H1 2017: 99,300 ounces), and palladium production increased 5% to 43,800 ounces (H1 2017: 41,500 ounces).

On 5 July 2018, Anglo American Platinum announced it had entered into an agreement to sell its 33% interest in the BRPM JV to RB Plat. When conditions precedent are complete, material from BRPM will be treated as third party purchase of concentrate and not as a purchase of concentrate from associates.

Purchase of concentrate from third parties

Union Mine was sold to Siyanda Resources (Siyanda) on 1 February 2018, from which date Union production was treated as third party purchase of concentrate. As a result, PGM production decreased 85% to 23,100 PGM ounces, and platinum and palladium decreased by 85% to 11,600 ounces and 5,200 ounces respectively.

Purchase of PGM concentrate from third parties increased by 20% to 603,800 PGM ounces (H1 2017: 503,300 PGM ounces) due to an increase in purchased production from Union Mine. This is despite a reduction in production from Sibanye Stillwater down 5% to 445,100 PGM ounces and a reduction in production from Maseve which was placed on care and maintenance in Q4 2017. Platinum purchase of concentrate increased 18% to 306,500 ounces (H1 2017: 259,800 ounces) and palladium purchase of concentrate increased 17% to 152,600 ounces (H1 2017: 130,300 ounces).

Refined production and sales volume

Refined PGM production decreased by 5% to 2,177,200 PGM ounces (H1 2017: 2,294,100 PGM ounces). Platinum refined production decreased 3% to 1,075,300 ounces (H1 2017: 1,105,600 ounces), and palladium refined production decreased 6% to 686,500 ounces (H1 2017: 726,500 ounces).

Refined production in H1 2018 was lower due to the removal of unprofitable production from Bokoni and Maseve, which were both placed on care and maintenance in H2 2017 (H1 2017: 84,600 PGM ounces and 41,000 platinum ounces).

In addition, refined PGM production for H1 2018 was lower than M&C production (including c.140,000 platinum ounces) as work-in-progress inventory was built up. This was due to the planned rebuild of Mortimer smelter which was completed during H1 and scheduled maintenance on the processing assets. It is expected that the backlog of work-in-progress inventory will largely be processed by the year end despite the planned partial rebuild of Polokwane Smelter in Q3 2018, the commissioning of the Unki Smelter in Q3 2018, which will marginally increase pipeline inventory, and commissioning of the Convertor Plant Phase A module (ACP).

As per normal practices, the annual stock count was completed in H1 2018 which resulted in the first net stock loss since 2010, impacting mainly palladium and rhodium. As a result, PGM refined production for 2018 will be lower than metal in concentrate production.

PGM sales volumes from mining increased by 3% to 2,508,800 PGM ounces (H1 2017: 2,432,600 PGM ounces). Platinum sales volumes (excluding trading activities) were constant at 1,117,100 ounces (H1 2017: 1,119,300 ounces) and palladium sales volumes increased by 15% to 733,500 ounces (H1 2017: 636,200 ounces).

Total sales volumes were made up of refined production, supplemented by drawing down on refined inventory levels of c.41,000 platinum and 47,000 palladium ounces. In addition to sales from mining activities, trading activities of c.66,000 platinum ounces and 53,000 palladium ounces took place during the period. Refined inventory is expected to be built up in H2 2018 and return to normalised levels which will impact sales volumes.

FINANCIAL PERFORMANCE

H1 2018 overview

The Company has had a strong financial performance in H1 2018 with a 70% increase in EBITDA to R6.8 billion with group EBITDA margin increasing to 21% (H1 2017: 15%). Headline earnings increased to R3.4 billion from R0.7 billion reported in H1 2017 and headline earnings per share (HEPS) of 1,282 cents increased 350% compared to H1 2017 (285 cents) due to the Company's improved operational performance and improvement in the rand basket price for the period.

The balance sheet position has strengthened substantially, with a net cash position of R0.5 billion at 30 June 2018, a R2.3 billion improvement from a net debt position of R1.8 billion at 31 December 2017. The improvement was after a cash dividend to shareholders of R0.9 billion and was driven by free cash flow from operations of R1.3 billion, as well as R0.9 billion of net proceeds on asset sales (including R0.4 billion from the disposal of Union mine and R0.4 billion from the sale of shares in RB Plat). The customer prepayment increased by R1.1 billion due to the impact of a weaker rand at the end of H1 2018 compared to 31 December 2017 as well as higher palladium and rhodium prices, bringing the total customer prepayment to R5.7 billion.

Disposals and acquisitions

On 1 February 2018, the sale of the Company's 85% interest in Union Mine to Siyanda Resources became effective. The Group realised an attributable, after tax loss on disposal of R0.8 billion, which together with prior impairments recognised brings the total attributable, after tax loss on divesting from this operation to R1.8 billion. The loss on disposal is excluded from headline earnings.

Anglo American Platinum continues to fund Bokoni Mine's care and maintenance expenditure. R52 million in impairment losses were recognised in respect of funding Atlatsa's 51% share and is thus not an impairment of assets but a loan write off, which is included in basic and headline earnings.

On 24 April 2018, the Company disposed of 17.3 million shares in RB Plats for R0.4 billion. There was no earnings impact as the investment was classified at fair value through other comprehensive income.

On 6 July 2018, Anglo American Platinum entered into a binding sale and purchase agreement with RB Plat for the sale of the Company's 33% interest in the BRPM JV. The sale is inter alia subject to RB Plat shareholder and lender approval, and the investment was accordingly not classified as held-for-sale at 30 June 2018. Approximately R0.2 billion of the transaction price will be settled in cash, upfront, with the remainder to be settled in three equal tranches, attracting interest, and commencing 18 months after the effective date. The deferred amount may be settled in cash or in the equivalent value of RB Plat shares. Owing to the signing of the binding sale and purchase agreement, the Group impaired its equity-accounted investment in BRPM by R0.6 billion (post-tax) to bring it in line with the transaction price. This impairment is excluded from headline earnings.

Sales revenue

Net sales revenue rose 23% to R33.5 billion from R27.3 billion in the first half of 2017 on the back of higher palladium, rhodium and chrome sales volumes due to the ramp-up of the new chrome plant at Amandelbult. The US dollar basket price was 26% higher at USD2,318 per platinum ounce sold compared to USD1,843 in H1 2017. The sales price achieved on all metals improved, except for platinum at USD932 per ounce (H1 2017: USD957). Palladium was up 29%, rhodium up 113%, nickel up 41% and copper up 16%. The rand strengthened to an average of R12.38 (H1 2017: R13.24), eroding some of the price benefit, which resulted in a 18% higher rand basket price of R28,695 per platinum ounce sold (H1 2017: R24,400).

Cost of sales

Cost of sales increased by 17%, from R24.5 billion in H1 2017 to R28.6 billion mainly due to higher purchase of concentrate costs, driven by higher prices as well as the purchase of metals for trading activities, while the planned rebuild and maintenance of processing assets takes place. Following the sale of Union operations in February 2018, the Company has higher purchase of concentrate costs and lower on-mine costs due to the purchase of concentrate from Siyanda.

Cash on-mine costs (mines and concentrators) decreased by R0.3 billion mainly due to the Union exit, partly offset by input cost inflation and higher tonnes milled at Mogalakwena. Processing costs rose R0.4 billion to R3.4 billion, a 12% increase due to inflationary increases, higher insurance costs and coal price increases.

Costs for the purchase of concentrate increased to R12.9 billion from R9.6 billion, principally due higher metal prices and additional volumes purchased from Siyanda following the sale of Union, offset by no volumes from Bokoni since being placed on care and maintenance.

Other costs increased 25% to R1.6 billion (H1 2017: R1.3 billion), primarily due to higher costs of transporting metal (R0.1 billion) given the increased volume of chrome concentrate produced and increased royalties as a result of higher revenue (R0.2 billion).

Owing to a change in mining approach, run-of-mine ore stockpile material to the value of R1.8 billion was measured at 31 December 2017. The ore stockpile material has increased marginally at 30 June 2018, impacting cost of sales by R0.1 billion.

Through higher production, especially from Mogalakwena, unit costs are down 3% at R19,571 per produced platinum ounce (H1 2017: R20,105). Unit cost of PGM production was R8,954 per ounce, 3% lower than the prior year (H1 2017: R9,265 per ounce). AISC of US$829 per ounce (H1 2017: US$1,036 per ounce) against an achieved platinum price of US$932 per ounce reflects stringent cost management, higher by-product revenue and operational efficiencies.

Earnings before interest, taxation, depreciation and amortisation (EBITDA)

Reported EBITDA increased 70% to R6.8 billion from R4.0 billion in the first half of 2017. The movements in EBITDA were due to:

- Uncontrollable items, including inflation, US dollar metal prices and the rand/US dollar exchange rate, improving earnings by R2.0 billion, with stronger metal prices of R3.6 billion, partially offset by inflation contributing R0.6 billion and a stronger rand R1.0 billion.
- Controllable items – volume and costs – contributed R0.6 billion. Costs reduced mainly due to the disposal of Union, partially offset by the impact of a R0.5 billion stock-count loss compared to a R0.9 billion stock count gain in H1 2017. EBITDA further benefitted from Bokoni being placed on care and maintenance and the disposal of Pandora both in Q4 2017 resulting in lower cost incurred for associates (R0.2 billion).

The Company EBITDA margin was 21%, up from 15% in H1 2017. The EBITDA margin for own mining operations was 34% (H1 2017: 22%), on mined portion of joint ventures 23%, normalised for the Helena tailings dam flow through from 2017 (27% actual) (H1 2017: 23%), while the margin on purchased concentrate was 11% (H1 2017: 11%).

Capital expenditure

Disciplined capital allocation remains a priority, aimed at maintaining asset integrity and adding value, not additional volume.

Capital expenditure for the first half of 2018, excluding capitalised interest and waste stripping, rose by R0.5 billion to R1.8 billion (after adjusting for the ACP insurance proceeds of R0.3 billion) from R1.3 billion in the first half of 2017. Stay-in-business capital expenditure increased by R0.2 billion to R1.4 billion, focused on safety-critical and business continuity projects, including heavy mining equipment replacement and the planned maintenance of processing assets, including the Mortimer Smelter rebuild. Our focus is to invest in low capex, fast-payback, value-accretive projects. Project capital was R0.2 billion higher at R0.4 billion, relating to the Unki smelter, Amandelbult chrome plants and Mogalakwena concentrator optimisation project.

Waste tonnes mined decreased from 34 Mt in H1 2017 to 33 Mt in H1 2018 and the cost of mining 15 Mt was capitalised (H1 2017: capitalisation of 10Mt). As a result, capitalised waste stripping increased from R0.4 billion in H1 2017 to R0.6 billion in H1 2018.

Project and stay-in-business capex is forecast to be within 2018 guidance of between R4.7 billion and R5.2 billion. The increase reflects a once-off stay-in-business project for SO2 abatement at the Polokwane and Mortimer smelters to be incurred between 2018 and 2023 (R2.5 billion) to achieve global benchmark emissions standards and South African legal requirements. Capitalised waste stripping is expected to be around R1.4 billion, above previous guidance of R1.1 billion as a result of increased waste tonnes mined due to improved truck and shovel efficiencies.

Working capital

We continue to focus on optimising our working capital levels. Trade working capital has been actively managed down from R13.3 billion (75 days) at the beginning of 2016 to R6.2 billion at the end of 2017, representing a 26-day working capital cycle. Trade working capital at 30 June 2018 was R5.4 billion (33 days), a R0.8 billion decrease due to improved debtors collection (R0.3 billion) and higher trade creditors (R1.9 billion) due to purchases of concentrate from Siyanda and the impact of higher prices on purchases of concentrate cost and an increase in customer prepayment of R1.1 billion. This was partially offset by a build-up in work-in-progress material as planned maintenance takes place at processing assets, partially offset by a reduction in refined metal.

Platinum and palladium work-in-progress inventory has increased from around 467,000 ounces and 379,000 ounces at end of 2017 to levels of 628,000 ounces and 467,000 ounces respectively at the end of the first half of 2018. In H1 2018, we had a stock count loss of R0.5 billion (H1 2017: stock count gain of R0.9 billion), with the benefit of a 26,000-ounce platinum stock count gain valued at R0.2 billion, being offset by stock count losses of 16,000 palladium ounces, 19,000 rhodium ounces and 3,000 tonnes of nickel valued at R0.7 billion.

Net debt and liquidity

During the first half of the year, we made further progress in strengthening the balance sheet. The Company ended with a net cash position of R0.5 billion compared to R1.8 billion net debt at the end of 2017, after the payment of a R0.9 billion dividend and despite the work-in progress build-up. The reduction was supported by free cash flow from operations of R1.3 billion, R1.1 billion from the customer prepayment and R0.9 billion net proceeds on asset sales, including R0.4 billion from the disposal of Union operations and R0.4 billion from the sale of the Company's 8.8% shareholding in RB Plat.

Excluding the customer prepayment of R5.7 billion (which is settled in metal), net debt is R5.2 billion and net debt to EBITDA is 0.4. Liquidity headroom is at R22.5 billion, comprising both undrawn committed facilities of R13.3 billion and cash of R9.2 billion, and the Company is very comfortably within its debt covenants.

Dividend

In accordance with the Company's capital allocation framework to distribute a base dividend of 30% of headline earnings for each reporting period, the Board has declared an interim cash dividend of R3.74 per share, which is equivalent to a 30% headline earnings pay-out ratio or 3.3x dividend cover. The dividend is applicable to shareholders on the register on 10 August 2018 and payable on 13 August 2018.

PGM MARKET REVIEW

Prices

The USD-based market platinum price ended H1 2018 at $849 per ounce, down 8% year-on-year (H1 2017: $921). The market palladium price was up 11% to $953 per ounce (H1 2017: $858) and the market rhodium price up 117% to $2,250 per ounce (H1 2017: $1,035).

Platinum

The average achieved platinum price in H1 2018 declined by 3% compared to H1 2017 in US Dollar terms. Platinum underperformed the other platinum group metals due to a modest surplus and weak sentiment driven by a soft Chinese jewellery market and a decrease in the share of the diesel engine in Europe's light duty vehicle market.

Total platinum supply is expected to remain largely unchanged year-on-year in 2018. Primary production of platinum is forecast to decline marginally in 2018 to 6.05 million ounces, partly driven by the impact of mine closures in South Africa during 2017. Secondary supply of platinum is forecast to increase by 80,000 ounces due to growth in autocatalyst recycling volumes, although this will be partially offset by lower volumes of platinum jewellery recycling in China.

Platinum demand is expected to fall slightly in 2018. Investment demand is predicted to fall by about 100,000 ounces to more normal levels of 250,000 ounces in 2018 and autocatalyst demand is forecast to weaken by the same amount. This will be driven by lower platinum demand from the European diesel light-duty vehicle sector, where the diesel engine's share in new vehicle sales is declining markedly. However, this will be partially offset by higher demand from the global heavy duty diesel vehicle sector. Platinum demand from the glass, petroleum and chemical sectors should increase year-on-year in 2018. This combination of slightly lower demand, modestly lower primary production and a marginal increase in secondary supply should see a small surplus of 315,000 ounces.

Palladium

The average palladium market price in H1 2018 of $1,005 per ounce was over $200 higher than the average price in H1 2017. Growing demand for palladium from the automotive sector has tightened the market over the past couple of years and known inventories of palladium have fallen. The market deficit was estimated at 800,000 ounces in 2017 and palladium is expected to remain in a deficit of around 250,000 ounces in 2018.

Palladium supply from the largest producer of the metal, Russia, is expected to increase year-on-year in 2018 as sales more closely match overall mine production. Global primary palladium supply may be augmented by additional Russian material and could increase 500,000 ounces to 6.9 million ounces in 2018. Secondary supply from autocatalyst recycling is anticipated to increase by about 200,000 ounces year-on-year.

Palladium demand is strong with particularly firm growth from the autocatalyst sector, which accounts for approximately 80% of global palladium demand. Demand from this sector is expected to increase 175,000 ounces year-on-year to 8.6 million ounces in 2018, largely offsetting the increased recycling volumes. However, ETF and other investment flows were negative in 2017 and are forecast to be negative again in 2018.

The tight market, with deficits of supply versus demand, should continue to support higher palladium prices. The impact of US and China trade tariffs and sentiment may result in some volatility in the price.

Rhodium

Rhodium has performed very strongly in H1 2018, with the average market price rising by 103% to a seven-year high of $1,938 per ounce (H1 2017: $911). Both primary and secondary production of the metal are expected to increase slightly in 2018. Speculative investment demand for rhodium has driven a higher price in 2018 and stronger automotive demand is likely to support a higher price going forward.

Minor metals

Ruthenium and iridium prices increased to multi-year highs in H1 2018. Ruthenium climbed to an average of $221 per ounce (H1 2017: $48) and iridium rose to an average of $1,054 per ounce (H1 2017: $804), with the prices of each metal driven higher by strong industrial demand in Asia.

Automotive

Global light duty vehicle (LDV) sales are forecast to grow by 2.3% year-on-year to 98 million units in 2018 (source: LMC Automotive Global Light Vehicle Sales Update). Modest year-on-year growth is forecast in Europe and China, and a small decline is expected in North America. Palladium and rhodium are used in the catalytic converters of gasoline vehicles and will benefit from global vehicle growth, while platinum is the dominant PGM in exhaust after treatment for diesel vehicles.

The diesel engine's share of LDV sales in Europe has fallen from an average of nearly 45% in H1 2017 to under 40% in H1 2018, driven primarily by concerns over potential banning of older diesel vehicles in European cities. However, platinum demand from the automotive sector worldwide is only expected to fall by 100,000 ounces between 2017 and 2018. Offsetting the decline in light vehicles in Europe, diesel LDV sales outside of Europe are expected to increase by 200,000 units; strong demand is also expected from the heavy-duty vehicle sector (HDV). Globally, the share of HDVs fitted with PGM containing catalyst systems is expected to rise above 60% and grow rapidly over the medium term as increased emissions legislation in China and India encourages the fitment of more PGM containing catalysts.

The outlook for palladium and rhodium demand is quite positive for the next few years, despite only moderately strong vehicle sales growth. Tighter emissions standards and higher light duty vehicle production are forecast to support palladium and rhodium demand from 2019 onwards. With the palladium price having traded above that of platinum since September 2017, the question of substituting platinum for palladium in gasoline or three-way catalytic converters comes into play. While research suggests that substitution in some of these catalysts is possible, automotive companies have yet to respond to the changing price environment in this way. It is unlikely that there will be any meaningful progress in replacing palladium with platinum in gasoline autocatalytic converters before 2020, although it is likely this will occur at some point.

Battery electric vehicles make up less than 2% of light vehicle sales in most countries and have made only nominal inroads on PGM demand. However, while still small, the electric vehicle sector continues to grow and increasing numbers of automotive producers are looking at introducing electric options for vehicles they sell. It is estimated that demand for platinum from the fuel cell electric vehicle sector was less than 20,000 ounces in 2017 but this will continue to grow. As with battery electric vehicles, China is leading the way in developing the fuel cell electric vehicle sector and is aiming to have 50,000 fuel cell vehicles on the road by 2025 and one million vehicles by 2030.

Hybrid electric vehicle sales are growing more rapidly than battery electric or fuel cell electric vehicle sales. PGM loadings on hybrid vehicles are currently about the same as their internal combustion engine equivalents and so a shift to hybrid powertrains does not represent a negative impact on PGM demand.

Industrial

Gross industrial demand for platinum is expected to increase by about 60,000 ounces in 2018. This will be driven by stronger demand from the chemical and electrical sectors.

In contrast, gross industrial demand for palladium is expected to fall back by about 2%, or 50,000 ounces this year. This will be led by weaker demand from the chemical industry as well as further thrifting of palladium in the dental and electronic sectors. Industrial demand for rhodium is also expected to fall this year due to lower purchases of the metal by the glass and chemical sectors.

Jewellery

Global gross demand for platinum from the jewellery sector fell slightly in 2017. This decline was driven by weak demand from China, where platinum jewellery manufacturing fell approximately 10% in 2017, the fourth consecutive year of falling demand. Platinum jewellery demand in China has come under pressure from slower economic growth and a move to higher margins at a retail level. Nevertheless, platinum gem-set and bridal jewellery sales are still strong in the country. Demand for platinum from the Chinese jewellery sector is forecast to fall again in 2018 but there is scope for it to stabilise from 2019 onwards, driven by growth in Tier 3 and 4 cities and continuing work on improving retail margins.

There were more positive performances elsewhere, for instance from a strengthening Indian market. In contrast to China, Indian platinum jewellery demand underwent robust growth in 2017, with demand 15% higher year-on-year and further growth should be seen this year. Elsewhere, modest growth is expected in the European and US platinum jewellery sectors.

Investment

Net investment demand for platinum is expected to be 250,000 ounces in 2018, about 100,000 ounces lower than in 2017. There were net inflows of metal into ETFs in 2017, encouraged by periods of relative price weakness in US Dollar terms. So far this year, ETF flows have been close to neutral but the US Mint has sold 23,000 ounces of platinum Eagles, suggesting that underlying demand for platinum as an investment continues. Work by the WPIC continues to improve availability and demand for physical products. Partnerships with the likes of Bullion Vault and the Royal Mint have helped to stimulate additional physical demand in a number of countries.

Net disinvestment of palladium occurred in 2017 and this is expected to occur again in 2018 despite the metal's healthy fundamentals as investors continue to sell into price strength. At the start of 2018, profit taking resulted in some heavy selling by ETFs as the palladium price moved above $1,000 per ounce. Palladium ETF holdings have fallen by roughly 300,000 ounces year-to-date to only 950,000 ounces.

Market outlook

The platinum market is likely to remain in a small surplus in the next few years, with supply outweighing demand. In contrast, the palladium market will probably remain in a deficit, primarily as a result of strong demand from the automotive sector, potentially supporting a strong palladium price.

Automotive platinum demand looks set to remain weak, and this is not expected to be completely offset by rising industrial demand for the metal. Investment demand is dependent on price movements and on price volatility but should be positive, aided by market development. Primary supply of platinum is expected to decline modestly and there is only limited potential for growth in recycling of platinum from the autocatalyst, electrical and jewellery sectors.

The number of gasoline vehicles produced is expected to grow and, in conjunction with tighter emissions legislation, this means that palladium demand from the automotive industry is likely to rise again year-on-year in 2018 and in the following few years. It is unlikely that there will be any meaningful progress in replacing palladium with platinum in gasoline catalytic converters in the next 24 months, although it is likely this will occur at some point. As with platinum, mine production of palladium should stay relatively unchanged year-on-year in 2018 and in the next few years, although some previously-mined material may come to market this year. There will be about 8% growth in secondary supply of palladium from greater volumes of catalytic converter recycling, but nevertheless, palladium should remain in a deficit even if disinvestment of physical palladium continues.

Growing demand from the automotive sector will support higher demand for rhodium going forward in a relatively illiquid market. Ruthenium and iridium demand is also likely to remain healthy.

GOVERNMENT AND INDUSTRY POLICY

The Reviewed Mining Charter (MCIII)

Anglo American Platinum notes the publication of the draft 2018 Mining Charter by the Minister of Mineral Resources on 15 June 2018. All parties have until the end of August to respond to the draft, following the decision by the Minister of Mineral Resources to extend the public consultation period. Anglo American is preparing its submission in respect of the draft 2018 Mining Charter.

Anglo American Platinum shares the acknowledgement made by the Minerals Council that the draft 2018 Mining Charter is an improvement on the draft 2017 Mining Charter. However, Anglo American Platinum has concerns surrounding several significant issues in the draft charter that it believes may affect the sustainability of the mining industry in South Africa, should they not be reconsidered.

Anglo American Platinum has consistently affirmed its support for the Government's national transformation objectives in relation to the mining industry and acknowledges its role in promoting transformation in South Africa. Correspondingly, Anglo American Platinum has a longstanding track record of driving and supporting transformation in the mining industry and beyond, while contributing significantly to South Africa's economic growth and development.

Anglo American Platinum believes that more work needs to be done, in consultation with all stakeholders, to create a Mining Charter that promotes both investment for the long term and transformation. We look forward to the ongoing discussions with the Minister, the Department of Mineral Resources and other industry stakeholders to work towards this.

MINERAL RESERVES AND RESOURCES STATEMENT

During this period, the sale of the Company's 85% attributable interest in Union was finalised, and as a result there will be a decrease in the Inclusive Mineral Resource estimates as disclosed in the 2017 integrated report.

MANAGEMENT CHANGES

Indresen Pillay has resigned as Executive Head of Projects and Safety, Health and Environment as of August 2018. A process is underway to find his successor.

Vishnu Pillay will retire as Executive Head of Joint Ventures and Exit Operations as of 31 December 2018.

OUTLOOK

Operational outlook

Due to a strong operational performance in H1 2018, Anglo American Platinum revises up its production outlook for the full year. PGM production guidance (metal in concentrate) will be 4.85 – 5.10 million PGM ounces (from 4.75 to 5.00 million ounces), including platinum ounces of 2.40 - 2.45 million ounces (from 2.35 – 2.40 million ounces).

Mogalakwena production increased in part due to the high-grade area mined in H1 2018. This will normalise to an annual average of 3.18g/t, resulting in a forecast production for 2018 of 1.15 million PGM ounces (around 480,000 platinum ounces).

Platinum refined production and sales volumes will be in line with production as the backlog of work-in-progress inventory built up will be refined by year end. PGM refined production and sales volumes will however be lower than production overall, as the 2018 stock count identified a loss of work-in-progress inventory, particularly impacting palladium and rhodium.

Financial outlook

The global economic outlook remains uncertain, with volatility in metal prices and exchange rates expected to continue. Management's efforts to reposition the portfolio, taking out loss-making ounces, implementing strict cost control and focussing on operational efficiencies should enhance margins and generate sustainable cash flow. Unit cost is expected to be inline with previous market guidance of R19,600–R20,200 per platinum ounce produced. Capital discipline will continue, with capital expenditure guidance remaining between R4.7 billion to R5.2 billion, of which R3.9 billion to R4.2 billion will be on sustaining capex to maintain asset integrity and meet compliance requirements.

Johannesburg, South Africa
19 July 2018

For further information, please contact:

Investors:
Emma Chapman
Head of Investor Relations
+27 (0)11 373 6239
emma.chapman@angloamerican.com

Media:
Mpumi Sithole
Media Relations
+27 (0)11 373 6246
mpumi.sithole@angloamerican.com

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the six months ended 30 June 2018

	Notes	Reviewed six months ended 30 June 2018 Rm	Reviewed six months ended 30 June 2017 Rm	% change	Audited Year ended 31 December 2017 Rm
Gross sales revenue	5	**33,491**	27,313		65,688
Commissions paid		**–**	(8)		(18)
Net sales revenue		**33,491**	27,305	23	65,670
Cost of sales	6	**(28,581)**	(24,489)	17	(56,578)
Gross profit on metal sales	6	**4,910**	2,816	74	9,092
Other net income/(expenditure)	9	**524**	(263)		(6)
Loss on impairment and scrapping of property, plant and equipment		**(16)**	(1,520)		(1,699)
Market development and promotional expenditure		**(306)**	(349)		(813)
Operating profit		**5,112**	684	647	6,574
Impairment of investments in associates	27	**(1,098)**	(997)		(2,145)
Impairment of non-current financial assets	27	**(52)**	(283)		(777)
Profit on disposal of associates		**–**	–		135
Loss on disposal of Union Mine and Masa Chrome	26	**(850)**	–		–
Profit on disposal of long-dated resources		**–**	–		1,066
Interest expensed	10	**(364)**	(564)		(1,219)
Interest received		**431**	148		222
Remeasurement of loans and receivables		**3**	31		46
Gains/(losses) from associates (net of taxation)		**21**	(179)		(362)
Profit/(loss) before taxation		**3,203**	(1,160)	376	3,540
Taxation	11	**(923)**	(150)		(1,616)
Profit/(loss) for the period		**2,280**	(1,310)	274	1,924
Other comprehensive income/(loss)		**370**	(308)		(416)
Items that will be reclassified subsequently to profit or loss					
Deferred foreign exchange translation gains/(losses)		**643**	(230)		(553)
Items that will not be reclassified subsequently to profit or loss					
Net (losses)/gains on equity instruments at FVTOCI		**(273)**	(78)		137
Total comprehensive income/(loss) for the period		**2,650**	(1,618)		1,508
Profit/(loss) attributable to:					
Owners of the Company		**2,179**	(1,187)	284	1,944
Non-controlling interest		**101**	(123)		(20)
		2,280	(1,310)		1,924
Total comprehensive income/(loss) attributable to:					
Owners of the Company		**2,549**	(1,495)	271	1,528
Non-controlling interest		**101**	(123)		(20)
		2,650	(1,618)		1,508
Earnings per share					
Earnings/(loss) per ordinary share (cents)					
– Basic	12	**831**	(453)	284	741
– Diluted	12	**828**	(452)	284	739
Headline earnings	12	**3,363**	747	350	3,886

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2018

	Notes	Reviewed six months as at 30 June 2018 Rm	Reviewed six months as at 30 June 2017 Rm	Audited as at 31 December 2017 Rm
ASSETS				
Non-current assets		**49,509**	48,993	48,938
Property, plant and equipment		**37,041**	36,478	36,597
Capital work-in-progress		**6,390**	4,995	5,361
Investments in associates	13	**1,952**	3,210	2,464
Investments held by environmental trusts		**1,117**	1,063	970
Other non-current assets		**27**	–	39
Other financial assets	14	**2,982**	3,247	3,507
Current assets		**33,849**	29,065	31,318
Inventories	15	**20,968**	19,314	18,489
Trade and other receivables		**1,907**	1,474	2,097
Other assets		**978**	936	1,075
Other current financial assets		**88**	49	73
Taxation		**741**	220	469
Cash and cash equivalents	16	**9,167**	7,072	9,115
Non-current assets held for sale		**–**	–	558
Total assets		**83,358**	78,058	80,814
EQUITY AND LIABILITIES				
Share capital and reserves				
Share capital		**27**	27	27
Share premium		**22,743**	22,667	22,673
Foreign currency translation reserve		**2,407**	2,087	1,764
Equity investments irrevocably designated at fair value		**228**	256	429
Retained earnings		**17,709**	13,410	16,634
Non-controlling interest		**259**	(481)	(526)
Shareholders' equity		**43,373**	37,966	41,001
Non-current liabilities		**17,757**	18,728	18,864
Non-current interest-bearing borrowings	17	**8,356**	9,380	9,362
Obligations due under finance leases	18	**99**	97	98
Environmental obligations		**1,724**	1,993	1,693
Employees' service benefit obligations		**17**	17	17
Other financial liabilities	19	**–**	229	239
Deferred taxation		**7,561**	7,012	7,455
Current liabilities		**22,228**	21,364	20,374
Current interest-bearing borrowings	17	**218**	3,491	1,713
Obligations due under finance leases within one year	18	**17**	16	17
Trade and other payables		**14,497**	10,824	11,316
Other liabilities	20	**6,732**	6,417	6,691
Other financial liabilities	19	**752**	603	616
Share-based payment provision		**12**	13	21
Liabilities associated with non-current assets held for sale		**–**	–	575
Total equity and liabilities		**83,358**	78,058	80,814

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the six months ended 30 June 2018

	Reviewed six months ended		Audited Year ended
	30 June 2018 Rm	30 June 2017 Rm	31 December 2017 Rm
Cash flows from operating activities			
Cash receipts from customers	**33,735**	27,763	65,993
Cash paid to suppliers and employees	**(25,710)**	(21,196)	(50,126)
Cash from operations	**8,025**	6,567	15,867
Interest paid (net of interest capitalised)	**(355)**	(510)	(1,004)
Taxation paid	**(1,069)**	(383)	(1,742)
Net cash from operating activities	**6,601**	5,674	13,121
Cash used in investing activities			
Purchase of property, plant and equipment (includes interest capitalised)	**(2,792)**	(1,779)	(4,969)
Proceeds from sale of plant and equipment	**21**	9	17
Purchase of financial asset investments	**(54)**	(21)	(72)
Net proceeds on disposal of Union Mine and Masa Chrome	**414**	–	–
Purchase of concentrate pipeline	**(974)**	(1,529)	(1,529)
Receipt of deferred consideration	**64**	–	–
Proceeds on the sale of long-dated resources	**–**	–	1,066
Net proceeds on sale of Royal Bafokeng Platinum shares (RB Plat)	**387**	–	–
Net proceeds on the disposal of associates	**–**	–	131
Insurance proceeds for damage to assets	**333**	–	–
Shareholder funding capitalised to investment in associates	**(552)**	(424)	(1,156)
Redemption of preference shares in Baphalane Siyanda Chrome Company	**–**	39	86
Advances made to Plateau Resources Proprietary Limited	**(63)**	(214)	(708)
Interest received	**93**	59	143
Growth in environmental trusts	**–**	–	8
Other advances	**(3)**	(122)	(135)
Net cash used in investing activities	**(3,126)**	(3,982)	(7,118)
Cash used in financing activities			
Purchase of treasury shares for the Bonus Share Plan (BSP)	**(140)**	(150)	(155)
(Repayment of)/proceeds from interest-bearing borrowings	**(2,493)**	205	(1,659)
Repayment of finance lease obligation	**(9)**	(8)	(17)
Dividends paid	**(928)**	–	–
Cash distributions to minorities	**(95)**	(124)	(272)
Net cash used in financing activities	**(3,665)**	(77)	(2,103)
Net (decrease)/increase in cash and cash equivalents	**(190)**	1,615	3,900
Cash and cash equivalents at beginning of period	**9,357**	5,457	5,457
Cash and cash equivalents at end of period	**9,167**	7,072	9,357
Movement in net cash/(debt)			
Net debt at beginning of period	**(1,833)**	(7,319)	(7,319)
Net cash from operating activities	**6,601**	5,674	13,121
Net cash used in investing activities	**(3,126)**	(3,982)	(7,118)
Other	**(1,165)**	(285)	(517)
Net cash/(debt) at end of period	**477**	(5,912)	(1,833)
Made up as follows:			
Cash and cash equivalents	**9,167**	7,072	9,115
Cash and cash equivalents classified as held-for-sale	**–**	–	242
Non-current interest-bearing borrowings	**(8,356)**	(9,380)	(9,362)
Obligations due under finance lease	**(99)**	(97)	(98)
Current interest-bearing borrowings	**(218)**	(3,491)	(1,713)
Obligations due under finance lease within one year	**(17)**	(16)	(17)
	477	(5,912)	(1,833)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2018

	Share capital Rm	Share premium Rm	Foreign currency translation reserve Rm	Equity investments irrevocably designated at fair value Rm	Retained earnings Rm	Non-controlling interests Rm	Total Rm
Balance as at 31 December 2016 (audited)	27	22,498	2,317	334	14,840	(234)	39,782
Total comprehensive loss for the period			(230)	(78)	(1,187)	(123)	(1,618)
Deferred tax charged directly to equity					(–)*		–
Cash distributions to minorities						(124)	(124)
Shares acquired in terms of BSP – treated as treasury shares	(–)*	(150)					(150)
Shares vested in terms of the BSP	– *	319			(319)		–
Equity-settled share-based compensation					80		80
Shares purchased for employees					(4)		(4)
Balance as at 30 June 2017 (reviewed)	27	22,667	2,087	256	13,410	(481)	37,966
Total comprehensive (loss)/income for the period			(323)	215	3,131	103	3,126
Deferred tax charged directly to equity				(42)	2		(40)
Cash distribution to minorities						(148)	(148)
Shares acquired in terms of BSP – treated as treasury shares	(–)*	(5)					(5)
Shares vested in terms of the BSP	– *	11			(11)		–
Equity-settled share-based compensation					109		109
Shares purchased for employees					(7)		(7)
Balance as at 31 December 2017 (audited)	27	22,673	1,764	429	16,634	(526)	41,001
Total comprehensive income/(loss) for the period			**643**	**(273)**	**2,179**	**101**	**2,650**
Deferred tax charged directly to equity				**20**	**(2)**		**18**
Transfer of reserve upon disposal of shares in RB Plat				**52**	**(52)**		**–**
Cash distributions to minorities						**(95)**	**(95)**
Shares acquired in terms of BSP – treated as treasury shares	**(–)***	**(140)**					**(140)**
Shares vested in terms of the BSP	**– ***	**210**			**(210)**		**–**
Equity-settled share-based compensation					**99**		**99**
Disposal of business						**779**	**779**
Shares forfeited to cover tax expense on vesting					**(11)**		**(11)**
Dividends paid					**(928)**		**(928)**
Balance as at 30 June 2018 (reviewed)	**27**	**22,743**	**2,407**	**228**	**17,709**	**259**	**43,373**

** Less than R500 000.*

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 June 2018

1. The condensed consolidated interim financial statements are prepared in accordance with and contain the information required by IAS 34 *Interim Financial Reporting*, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council and the requirements of the Companies Act of South Africa.

The preparation of the Group's reviewed consolidated interim results for the six months ended 30 June 2018 was supervised by the Finance Director, Mr I Botha CA(SA).

2. The accounting policies applied in the preparation of these condensed consolidated interim financial statements are in terms of International Financial Reporting Standards and are consistent with those applied in the financial statements for the year ended 31 December 2017, except as set out in note 3 below.

3. ACCOUNTING POLICIES

Impact of new standards issued and amendments to existing standards not yet effective

At 30 June 2018, the following new accounting standards and amendments to existing standards were in issue but not yet effective:

New standards and amendments	Effective for annual periods commencing on or after:
IFRS 16 *Leases* – removes the classification of leases as operating or finance leases and requires all leases to be brought onto companies' balance sheets.	1 January 2019 (early application permitted if IFRS 15 is also applied)
IFRIC 23 *Uncertainty over Income Tax Treatments* – addresses the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12 *Income Taxes*. It specifically considers: • Whether tax treatments should be considered collectively. • Assumptions for taxation authorities' examinations. • The determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. • The effect of changes in facts and circumstances.	1 January 2019
Annual improvements to IFRS 2015 – 2017 cycle makes the following amendments: IFRS 3 *Business Combinations* – requiring the remeasurements of a previously held interest in a joint operation where control is obtained; IFRS 11 *Joint Arrangements* – clarifying that there is no remeasurement of previous interests upon obtaining joint control of a business that is a joint operation; IAS 12 *Income Taxes*– clarifying that all income tax consequences of dividends should be recognised in profit or loss regardless of how the tax arises; and IAS 23 *Borrowing Costs*– clarifying that a specific borrowing that remains outstanding after the related asset is ready for use, becomes part of general borrowings for purposes of interest capitalisation.	1 January 2019
IFRS 17 *Insurance Contracts* – requires insurance liabilities to be measured at a current fulfilment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of consistent, principle-based accounting for insurance contracts. IFRS 17 supersedes IFRS 4 *Insurance Contracts* as of 1 January 2021.	1 January 2021
Amendments to IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* deal with situations where there is a sale or contribution of assets between an investor and its associates or joint ventures.	To be determined

The above standards and amendments are not expected to have a material impact for the Group, except IFRS 16 which is addressed below.

Impact of standards issued, effective and adopted by the Group

The Group adopted IFRS 9 *Financial Instruments* and IFRS 15 *Revenue from Contracts with Customers* on 1 January 2018. As reported previously, the adoption of these standards has an immaterial impact for the Group. The IFRS 9 impact was the reclassification of one financial asset, with a value of R30 million on 1 January 2018, from loans and receivables, along with all available-for-sale investments, to equity instruments irrevocably designated as at fair value though other comprehensive income (FVTOCI) per note 14. There is no reclassification of fair value changes on available-for-sale investments as these are already in equity. The IFRS 15 impact was only on reclassifying the deferred income liability to contract liability per note 20. Prior years were also reclassified, albeit with an immaterial impact.

3. ACCOUNTING POLICIES

Impact of new standard issued and neither effective nor adopted by the Group

IFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The standard will affect primarily the accounting for the Group's operating leases and embedded leases in service contracts. The Group has decided to adopt the modified retrospective transition approach such that the cumulative effect of transition to IFRS 16 will be recognised in retained earnings and the comparative period will not be restated.

As at the reporting date, 30 June 2018, the Group has non-cancellable operating leases with a net present value of approximately R0.2 billion and embedded leases with an estimated net present value of approximately R0.2 billion, which will be capitalised together with any new leases entered into post the reporting period. Capitalisation will result in an increase in net debt and property, plant and equipment on 1 January 2019.

The standard is mandatory for first interim periods within annual reporting periods beginning on or after 1 January 2019. The Group does not intend to adopt the standard before its effective date.

4. SEGMENTAL INFORMATION

	Net sales revenue			Operating contribution		
	Reviewed Six months ended		Audited Year ended	Reviewed Six months ended		Audited Year ended
	30 June 2018 Rm	30 June 2017 Rm	31 December 2017 Rm	**30 June 2018 Rm**	30 June 2017 Rm	31 December 2017 Rm
Operations						
Mogalakwena Mine	**8,624**	6,450	16,118	**3,288**	2,022	7,029
Amandelbult Mine	**5,936**	4,760	11,423	**1,142**	394	1,699
Unki Mine	**1,270**	1,038	2,489	**185**	84	369
Twickenham Project	**–**	15	21	**(164)**	(169)	(376)
Modikwa Mine[1]	**922**	672	1,817	**91**	48	246
Mototolo Mine[1]	**738**	590	1,218	**277**	127	200
Kroondal Platinum Mine[1]	**1,637**	1,329	3,233	**346**	110	213
Union Mine[2]	**275**	1,814	4,280	**65**	416	974
Other	**–**	20	14	**(1)**	(12)	10
	19,402	16,688	40,612	**5,229**	3,020	10,363
Inter-segmental transactions	**(49)**	–	(24)	**–**	–	–
Purchased metals	**12,718**	10,617	25,082	**1,260**	1,064	2,104
Trading	**1,420**	–	–	**1**	–	–
	33,491	27,305	65,670	**6,490**	4,084	12,467
Other costs				**(1,580)**	(1,268)	(3,375)
Gross profit on metal sales				**4,910**	2,816	9,092

[1] *Anglo American Platinum Limited's share (excluding purchase of concentrate).*
[2] *Effective 1 February 2018, Union Mine was disposed of.*

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 change to the segmental reporting was made following changes to internal reporting to the Executive Committee:

Following the move to more detailed reporting on purchase of concentrate activities, Amandelbult has been changed to exclude metal purchased from third parties. Also the results for toll refining activity have been moved from purchased metal to other. These changes led to a corresponding change in the results for purchased metal.

This resulted in the following changes to the comparative figures:

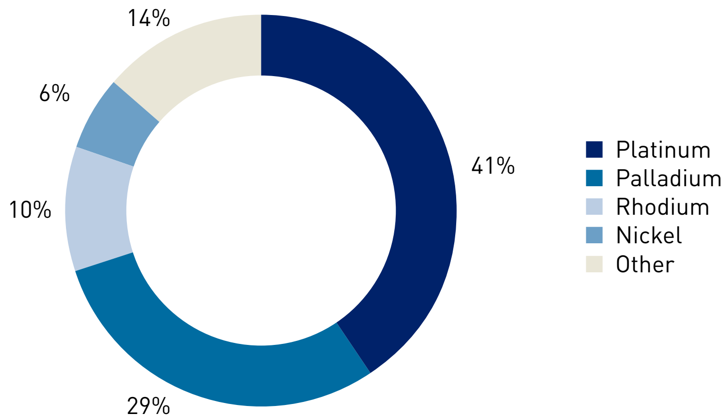
	30 June 2017 Net sales revenue		30 June 2017 Operating contribution	
	As reported Rm	Reclassified Rm	As reported Rm	Reclassified Rm
Amandelbult Mine	4,846	4,760	422	394
Other	–	20	–	(12)
Purchased metals	10,551	10,617	1,024	1,064
	15,397	15,397	1,446	1,446

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS continued

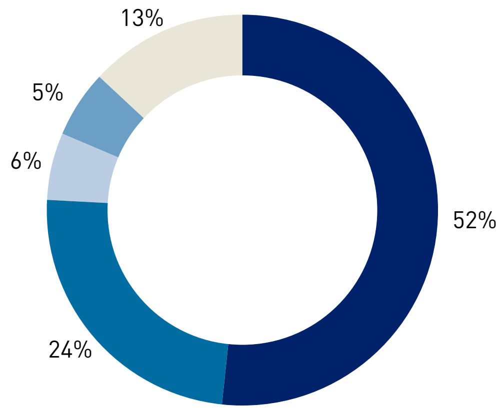
for the six months ended 30 June 2018

	Reviewed six months ended 30 June 2018 Rm	Reviewed six months ended 30 June 2017 Rm	Audited Year ended 31 December 2017 Rm
5. GROSS SALES REVENUE			
Sales revenue emanated from the following principal regions:			
Precious metals	**29,675**	24,303	58,400
Asia	**10,703**	9,287	20,950
Europe	**14,994**	10,975	27,494
South Africa	**2,836**	2,215	4,970
North America	**1,142**	1,826	4,986
Base metals	**2,757**	2,018	5,010
South Africa	**426**	345	784
Rest of the world	**2,331**	1,673	4,226
Other	**1,059**	992	2,278
South Africa	**53**	91	107
Rest of the world	**1,006**	901	2,171
	33,491	27,313	65,688
Gross sales revenue by metal:			
Platinum	**13,659**	14,181	31,590
Palladium	**9,807**	6,584	18,421
Rhodium	**3,468**	1,530	4,242
Nickel	**2,020**	1,493	3,566
Other	**4,537**	3,525	7,869
Gross sales revenue	**33,491**	27,313	65,688

Gross sales revenue by metal – June 2018



Gross sales revenue by metal – June 2017



	Reviewed six months ended 30 June 2018 Rm	30 June 2017 Rm	Audited Year ended 31 December 2017 Rm
6. GROSS PROFIT ON METAL SALES			
Net sales revenue	**33,491**	27,305	65,670
Cost of sales	**(28,581)**	(24,489)	(56,578)
Cash operating costs	**(14,662)**	(14,573)	(30,642)
On-mine	**(11,252)**	(11,529)	(24,109)
Smelting	**(1,710)**	(1,526)	(3,363)
Treatment and refining	**(1,700)**	(1,518)	(3,170)
Purchase of metals and trading activities	**(12,917)**	(9,640)	(20,763)
Depreciation (note 7)	**(1,964)**	(1,975)	(4,074)
On-mine	**(1,348)**	(1,397)	(2,823)
Smelting	**(269)**	(209)	(551)
Treatment and refining	**(347)**	(369)	(700)
Increase in metal inventories	**2,470**	2,967	515
Increase in ore stockpiles	**72**	—	1,761
Other costs (note 8)	**(1,580)**	(1,268)	(3,375)
Gross profit on metal sales	**4,910**	2,816	9,092
Gross profit margin (%)	**14.7**	10.3	13.8
7. DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT			
Depreciation comprises the following categories:			
Operating assets	**1,964**	1,975	4,074
Mining	**1,348**	1,397	2,823
Smelting	**269**	209	551
Treatment and refining	**347**	369	700
Depreciation included in other costs	**21**	9	19
	1,985	1,984	4,093
8. OTHER COSTS			
Other costs comprise the following principal categories:			
Overheads			
Corporate costs	**243**	223	531
Research	**78**	71	230
Exploration	**32**	27	105
Other	**190**	163	423
	543	484	1,289
Direct overhead costs			
Royalties	**393**	209	653
Share-based payments	**97**	88	205
Contributions to education and community development	**106**	143	372
Transport of materials	**441**	344	856
	1,037	784	2,086
	1,580	1,268	3,375

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS continued

for the six months ended 30 June 2018

	Reviewed six months ended 30 June 2018 Rm	Reviewed six months ended 30 June 2017 Rm	Audited Year ended 31 December 2017 Rm
9. OTHER NET INCOME/(EXPENDITURE)			
Other net income/(expenditure) comprises the following principal categories:			
Net realised and unrealised foreign exchange gains/(losses)	**70**	(258)	(398)
Project maintenance costs[1]	**(70)**	(70)	(106)
Restructuring and other related costs	**(15)**	(8)	(11)
Profit/(loss) on disposal of property, plant and equipment and conversion rights	**33**	(4)	(16)
Insurance proceeds received[2]	**356**	–	197
Proceeds realised on treasury bills	**100**	34	228
Other – net	**50**	43	100
	524	(263)	(6)

[1] *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.*

[2] *For the period ended 30 June 2018, includes R333 million in respect of damage to property (31 December 2017: R48 million).*

	30 June 2018 Rm	30 June 2017 Rm	31 December 2017 Rm
10. INTEREST EXPENSED			
Interest expensed	**(363)**	(519)	(1,004)
Interest paid on financial liabilities classified as liabilities at amortised cost[1]	**(479)**	(620)	(1,229)
Less: capitalised	**116**	101	225
Time value of money adjustment to environmental obligations	**(1)**	(45)	(215)
Decommissioning	**–**	(33)	(129)
Restoration	**(1)**	(12)	(86)
	(364)	(564)	(1,219)

[1] *Includes interest paid to Anglo American SA Finance Limited of R423 million at 30 June 2018 (30 June 2017: R545 million; 31 December 2017: R1,068 million).*

	30 June 2018 %	30 June 2017 %	31 December 2017 %
11. TAXATION			
A reconciliation of the standard rate of South African normal taxation to that charged in the statement of comprehensive income is as follows:			
South African normal tax rate	**28.0**	(28.0)	28.0
Disallowable items that are individually immaterial	**(0.5)**	1.6	2.3
Employee housing expenditure disallowed	**–**	–	1.1
Impairment of investments in associates	**(5.1)**	24.1	17.0
Impairment of non-current financial assets	**0.5**	6.8	6.1
Loss on disposal/impairment of Union Mine and Masa Chrome	**6.4**	5.4	1.9
Prior year underprovision/(overprovision)	**–**	(1.5)	(1.7)
Effect of after-tax share of (income)/losses from associates	**(0.2)**	4.3	2.9
Interim effective tax rate adjustment	**(0.6)**	(1.2)	–
Difference in tax rates of subsidiaries	**1.0**	1.9	(1.6)
Zimbabwean AIDS levy	**(0.1)**	–	–
Profit on disposal of long-dated resources	**–**	–	(8.4)
Other	**(0.6)**	(0.5)	(2.0)
Effective tax rate	**28.8**	12.9	45.6

	Reviewed six months ended 30 June 2018 Rm	Reviewed six months ended 30 June 2017 Rm	Audited Year ended 31 December 2017 Rm
12. RECONCILIATION BETWEEN PROFIT/(LOSS) AND HEADLINE EARNINGS			
Profit/(loss) attributable to owners of the Company	**2,179**	(1,187)	1,944
Adjustments		–	–
Net (profit)/loss on disposal of property, plant and equipment	**(36)**	5	7
Tax effect thereon	**6**	(1)	(2)
Asset scrappings	**16**	30	44
Non-controlling interest share	**(1)**	–	–
Tax effect thereon	**(4)**	(8)	(12)
Profit on sale of long-dated resources	**–**	–	(1,066)
Tax effect thereon	**–**	–	–
Impairment of investment in associates (Note 27)	**1,098**	997	2,145
Tax effect thereon	**(470)**	–	–
Loss on disposal/impairment of Union Mine and Masa Chrome (Note 26)	**850**	1,490	1,655
Tax effect thereon	**(32)**	(355)	(397)
Non-controlling interest share	**(3)**	(224)	(263)
Insurance proceeds for damage to assets	**(333)**	–	(48)
Tax effect thereon	**93**	–	14
Profit on sale of associates	**–**	–	(135)
Tax effect thereon	**–**	–	–
Headline earnings	**3,363**	747	3,886
Shares			
Number of ordinary shares in issue (millions)	**268.7**	268.5	268.5
Weighted average number of ordinary shares in issue (millions)	**262.3**	262.2	262.2
Weighted average number of diluted ordinary shares in issue (millions)	**263.0**	262.9	263.2
Earnings/(loss) per ordinary share (cents)			
– Basic	**831**	(453)	741
– Diluted	**828**	(452)	739
Attributable headline earnings per ordinary share (cents)			
– Basic	**1,282**	285	1,482
– Diluted	**1,279**	284	1,476
13. INVESTMENTS IN ASSOCIATES			
Unlisted	**1,952**	3,210	2,464
Bafokeng-Rasimone Platinum Mine (BRPM)[1]	**1,762**	2,929	2,333
Richtrau No 123 Proprietary Limited	**5**	5	5
Peglerae Hospital Proprietary Limited	**57**	56	57
Primus Power	**29**	–	26
Hydrogenious Technologies GmbH	**99**	41	43
Unincorporated associate – Pandora	**–**	179	–
	1,952	3,210	2,464

[1] *The equity investment in BRPM was partially impaired during the six months ended 30 June 2018. Refer note 27.*

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS continued

for the six months ended 30 June 2018

	Reviewed six months ended 30 June 2018 Rm	Reviewed six months ended 30 June 2017 Rm	Audited Year ended 31 December 2017 Rm
14. OTHER FINANCIAL ASSETS			
Loans carried at amortised cost			
Loans to Plateau Resources Proprietary Limited (Plateau)[1]	**211**	201	201
Loan to ARM Mining Consortium Limited	**52**	65	52
Advance to Bakgatla-Ba-Kgafela traditional community	**149**	140	149
Preference share investment in Baphalane Siyanda Chrome Company	**–**	47	–
Other	**100**	100	100
	512	553	502
Equity instruments at fair value through other comprehensive income[2]			
Investment in Royal Bafokeng Platinum Limited (RB Plat)	**101**	766	627
Investment in Wesizwe Platinum Limited	**93**	116	114
Investment in Altergy Systems Inc.	**21**	–	31
Investment in Ballard Power Systems Inc.	**186**	–	258
Investment in Greyrock Energy Inc. (Greyrock)	**104**	53	93
Investment in Hyet Holdings B.V.	**36**	–	–
Investment in Food Freshness Technology Holdings	**86**	50	77
Convertible notes in United Hydrogen Group Inc.[3]	**51**	35	30
Convertible notes in Primus Power Corporation	**6**	–	–
	684	1,020	1,230
Investments carried at fair value through profit or loss			
Deferred consideration on the sale of Rustenburg Mine	**1,653**	1,674	1,660
Deferred consideration on the sale of Pandora Joint Venture	**133**	–	115
Total other financial assets	**2,982**	3,247	3,507

[1] *Loans to Plateau were partially impaired during the six months ended 30 June 2018. Refer note 27.*
[2] *Change in category from available-for-sale investments to equity instruments at fair value through other comprehensive income (OCI) on adoption of IFRS 9 Financial Instruments on 1 January 2018. These are irrevocably designated at fair value and there is no recycling of the reserve to profit or loss but within equity.*
[3] *Change in classification from loans and receivables to equity instruments fair value through other comprehensive income (FVTOCI) on adoption of IFRS 9 Financial Instruments on 1 January 2018.*

	30 June 2018 Rm	30 June 2017 Rm	31 December 2017 Rm
15. INVENTORIES			
Refined metals	**3,244**	3,401	3,906
At cost	**2,539**	2,062	2,548
At net realisable value	**705**	1,339	1,358
Work-in-process	**13,490**	13,326	10,354
At cost	**9,537**	5,939	5,547
At net realisable value	**3,953**	7,387	4,807
Ore stockpiles	**1,832**	–	1,761
Total metal inventories	**18,566**	16,727	16,021
Stores and materials at cost less obsolescence provision	**2,402**	2,587	2,468
	20,968	19,314	18,489
16. CASH AND CASH EQUIVALENTS			
Cash on deposits and on hand	**9,167**	7,072	9,357
Reclassified as held-for-sale	**–**	–	(242)
	9,167	7,072	9,115

	Reviewed six months ended		Audited Year ended
	30 June 2018 Rm	30 June 2017 Rm	31 December 2017 Rm

17. INTEREST-BEARING BORROWINGS

The Group has the following borrowing facilities:			
Committed facilities	**22,597**	22,271	22,254
Uncommitted facilities	**6,373**	5,785	6,230
Total facilities	**28,970**	28,056	28,484
Less: Facilities utilised[1]	**(8,454)**	(12,871)	(11,075)
Non-current interest-bearing borrowings	**(8,356)**	(9,380)	(9,362)
Current interest-bearing borrowings	**(98)**	(3,491)	(1,713)
Available facilities	**20,516**	15,185	17,409
Non-current interest-bearing borrowings	**8,356**	9,380	9,362
Current borrowings	**218**	3,491	1,713
Interest-bearing borrowings	**98**	3,491	1,713
Contract liability top-up	**120**	–	–
Total interest-bearing borrowings	**8,574**	12,871	11,075
Weighted average borrowing rate (%)	**8.44**	8.74	8.59

[1] *Includes R7,928 million (30 June 2017: R9,100 million; 31 December 2017: R9,100 million) and Nil (30 June 2017: R3,491 million; 31 December 2017: R1,713 million) owing to Anglo American SA Finance Limited on the committed and uncommitted facilities respectively as at 30 June 2018.*

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.

An amount of R18,517 million (30 June 2017: R20,157 million; 31 December 2017: R18,657 million) of the facilities is committed for one to five years; R280 million (30 June 2017: R314 million; 31 December 2017: R297 million) is committed for more than five years; R2 300 million (30 June 2017: Nil; 31 December 2017: R2,300 million) is committed for a rolling period of 18 months; R1,000 million (30 June 2017: R1,300 million; 31 December 2017: R1,000) 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.

18. OBLIGATIONS DUE UNDER FINANCE LEASES

The Group holds, under finance lease, an energy recovery plant at the Waterval Smelter site in terms of an agreement assessed to be a lease in terms of IFRIC 4 *Determining whether an Arrangement contains a Lease*. The lease term is for a period of 15 years, whereafter the Group has the option to purchase the plant at fair value. The interest rate implicit in the lease amounts to 17.74%.

Finance lease obligations	**116**	113	115
Less: Short-term portion included in current liabilities	**(17)**	(16)	(17)
Long-term portion included in non-current liabilities	**99**	97	98

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS continued

for the six months ended 30 June 2018

	Reviewed six months ended 30 June 2018 Rm	30 June 2017 Rm	Audited Year ended 31 December 2017 Rm
19. OTHER FINANCIAL LIABILITIES			
Financial liabilities carried at fair value			
Deferred consideration payable on sale of Rustenburg Mine (Note 25)	–	229	239
Non-current	–	229	239
Financial liabilities carried at amortised cost			
Platinum Producers' Environmental Trust payable to Sibanye and Siyanda[1]	450	295	308
Financial liabilities carried at fair value			
Fair value of forward foreign exchange contracts	6	2	4
Fair value of commodity contracts	2	13	–
Deferred consideration payable on sale of Rustenburg Mine	294	293	304
Current	752	603	616
Total other financial liabilities	752	832	855

[1] *Investments held in the Platinum Producers' Environmental Trust attributable to Rustenburg Mine, and Union Mine awaiting transfer to Sibanye and Siyanda as a result of their respective purchases of the indicated mines.*

	30 June 2018 Rm	30 June 2017 Rm	31 December 2017 Rm
20. OTHER LIABILITIES			
Accrual for leave pay	841	905	965
Liabilities for the return of metal[1]	145	233	134
Contract liabilities[2]	5,727	4,336	4,623
Other	19	943	1,155
Reclassified as held for sale	–	–	(186)
	6,732	6,417	6,691

[1] *Liabilities for the return of metal comprise provisions arising from metal leasing transactions, the best estimate of which is determined with reference to the spot metal price at the end of the reporting period applied to the ounces of metal obtained under such leasing arrangements.*

[2] *The contract liability represents a payment in advance for metal to be delivered in six months time. An amount is received monthly on a rolling six-month basis over five years of the contract ending in March 2023. Cash and cash equivalents are held as a hedging instrument in respect of the foreign exchange risk of this liability. This was previously a deferred income liability and has now been reclassified as a contract liability on adoption of IFRS 15 on 1 January 2018.*

	30 June 2018 Rm	30 June 2017 Rm	31 December 2017 Rm
21. COMMITMENTS			
Mining and process property, plant and equipment			
Contracted for	1,899	1,770	1,919
Not yet contracted for	3,562	5,987	4,302
Authorised by the directors	5,461	7,757	6,221
Allocated for:			
Project capital	1,909	2,687	2,040
– within one year	1,223	498	799
– thereafter	686	2,189	1,241
Stay-in-business capital	3,551	5,070	4,180
– within one year	3,339	2,005	2,997
– thereafter	212	3,065	1,183
Capital commitments relating to the Group's share in associates			
Contracted for	508	733	337
Not yet contracted for	1,962	1,529	1,569
Authorised by the directors	2,470	2,262	1,906

These commitments will be funded from existing cash resources, future operating cash flows, borrowings and any other funding strategies embarked on by the Group.

22. RELATED PARTY TRANSACTIONS

The Company and its subsidiaries, in the ordinary course of business, enter into various sale, purchase, service and lease transactions with the ultimate holding company, Anglo American plc, its subsidiaries, joint arrangements and associates, as well as transactions with the Group's associates. Certain deposits and borrowings are also placed with subsidiaries of the holding company. The Group participates in the Anglo American plc insurance programme. These transactions are priced on an arm's-length basis. Material related-party transactions with subsidiaries and associates of Anglo American plc and the Group's associates (as set out in note 13) and not disclosed elsewhere in the notes to the financial statements are as follows:

	Reviewed six months ended		Audited Year ended
Description	30 June 2018 Rm	30 June 2017 Rm	31 December 2017 Rm
Compensation paid to key management personnel (including share-based payments)	**99**	83	108
Interest paid	**423**	545	1,068
Interest received	**66**	21	58
Insurance paid	**223**	174	447
Insurance received	**356**	–	197
Purchase of goods and services	**2,533**	2,922	5,936
Associates	**2,160**	2,608	5,310
Anglo American plc and other subsidiaries	**373**	314	626
Deposits	**8,060**	5,167	7,246
Interest-bearing borrowings (including interest accrued)	**7,989**	12,647	10,777
Amounts owed to related parties	**1,656**	1,385	1,434
Associates	**1,633**	1,360	1,423
Anglo American plc and other subsidiaries	**23**	25	11

23. FAIR VALUE DISCLOSURES

The following is an analysis of the assets and liabilities 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.

	Reviewed 30 June	Fair value measurement at 30 June 2018		
Description	2018 Rm	Level 1 Rm	Level 2 Rm	Level 3 Rm
Financial assets at fair value through profit and loss				
Investments held by environmental trusts	1,117	1,117	–	–
Other financial assets	1,874	–	7	1,867
Equity instruments at fair value through other comprehensive income				
Other financial assets	684	194	–	490
Total	3,675	1,311	7	2,357
Financial liabilities through profit and loss				
Trade and other payables[1]	(8,538)	–	(8,538)	
Other financial liabilities	(302)	–	(8)	(294)
Non-financial liabilities at fair value through profit and loss				
Liabilities for the return of metal	(145)	–	(145)	–
Total	(8,985)	–	(8,691)	(294)

[1] *Represents payables under purchase of concentrate agreements.*

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS continued

for the six months ended 30 June 2018

23. FAIR VALUE DISCLOSURES continued

Description	Reviewed 30 June 2017 Rm	Fair value measurement at 30 June 2017 Level 1 Rm	Level 2 Rm	Level 3 Rm
Financial assets at fair value through profit and loss				
Investments held by environmental trusts	1,063	1,063	–	–
Other financial assets	1,723	–		1,723
Equity instruments at fair value through other comprehensive income				
Other financial assets	1,020	882	–	138
Total	3,806	1,945	–	1,861
Financial liabilities through profit and loss				
Trade and other payables[1]	(6,460)	–	(6,460)	–
Other financial liabilities	(537)	–	(15)	(522)
Non-financial liabilities at fair value through profit and loss				
Liabilities for the return of metal	(233)	–	(233)	–
Total	(7,230)	–	(6,708)	(522)

Description	Audited 31 December 2017 Rm	Fair value measurement at 31 December 2017 Level 1 Rm	Level 2 Rm	Level 3 Rm
Financial assets at fair value through profit and loss				
Investments held by environmental trusts	1,109	1,109	–	–
Other financial assets	1,848	–	7	1,841
Equity instruments at fair value through other comprehensive income				
Other financial assets	1,230	741	–	489
Total	4,187	1,850	7	2,330
Financial liabilities through profit and loss				
Trade and other payables[1]	(6,753)	–	(6,753)	–
Other financial liabilities	(547)	–	(4)	(543)
Non-financial liabilities at fair value through profit and loss				
Liabilities for the return of metal	(134)	–	(134)	–
Total	(7,434)	–	(6,891)	(543)

[1] *Represents payables under purchase of concentrate agreements.*

There were no transfers between the levels during the period.

Valuation techniques used to derive Level 2 fair values

Level 2 fair values for other financial liabilities relate specifically to forward foreign exchange contracts and fixed price commodity contracts. 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. Fixed price commodity contracts are valued with reference to relevant quoted commodity prices at period end.

Level 2 fair values for trade and other payables relate specifically to the purchase of concentrate trade creditors which are priced in US Dollars. The settlement of these purchases of concentrate trade creditors takes place on average three to four months after the purchase has taken place. The fair value is a function of the expected ZAR:USD exchange rate and the metal prices at the time of settlement. The Level 2 fair value of liabilities for the return of metal is determined by multiplying the quantities of metal under open leases by the relevant commodity prices.

23. FAIR VALUE DISCLOSURES continued

Level 3 fair value measurement of financial assets and financial liabilities

The Level 3 fair value of other financial assets comprises investments in unlisted companies which consist of Food Freshness Technology Holdings, Hyet Holdings B.V., United Hydrogen Group Inc, Primus Power, Ballard Power Systems, Altergy Systems and Greyrock Energy Inc. All these investments are classified as at fair value through other comprehensive income per IFRS 9. Also included are the deferred consideration on the disposal of the Rustenburg Mine and Pandora Joint Venture which are classified as financial assets at fair value through profit or loss. The fair values are based on unobservable market data, and estimated with reference to recent third-party transactions in the instruments of the Company, or based on the underlying discounted cash flows expected.

The Level 3 fair value of other financial liabilities comprises the components of the deferred consideration on the disposal of the Rustenburg Mine, payable to Sibanye, which is classified as a financial liability at fair value through profit and loss. The fair value is based on the underlying discounted cash flows expected.

	Reviewed six months ended		Audited Year ended
Description	30 June 2018 Rm	30 June 2017 Rm	31 December 2017 Rm
Reconciliation of level 3 fair value financial assets			
Opening balance	**2,330**	1,725	1,725
Acquisition of investment and disposal of Pandora	**—**	17	115
Acquisition of investment in Hyet Holding B.V.	**33**	—	—
Acquisition of investment in United Hydrogen Group Inc	**15**	—	—
Reclassification of United Hydrogen Group Inc (Note 14)	**—**	35	30
Investment in Primus Power convertible notes	**6**	—	—
Payment of deferred consideration received	**(64)**	—	(31)
Remeasurement of deferred consideration through profit or loss	**89**	81	115
Fair value (losses)/gains included in OCI	**(115)**	5	393
Foreign exchange gains/(losses)	**63**	(2)	(17)
Closing balance	**2,357**	1,861	2,330
Reconciliation of level 3 fair value financial liabilities			
Opening balance	**(543)**	(501)	(501)
Remeasurement of deferred consideration through profit or loss	**249**	(21)	(42)
Closing balance	**(294)**	(522)	(543)

Sensitivity analysis of level 3 fair value measurements

Assumed expected cash flows, discount rates and market prices of peer groups have a significant impact on the amounts recognised in the statement of comprehensive income. A 10% change in expected cash flows, a 0.5% change in discount rates and a 0.5% change in market prices of peer groups would have the following impact:

	30 June 2018 Rm	30 June 2017 Rm	31 December 2017 Rm
Financial assets			
10% change in expected cash flows (deferred consideration)			
Reduction to profit or loss	**17**	30	23
Increase to profit or loss	**17**	30	23
0.5% change in discount rate (deferred consideration)			
Reduction to profit or loss	**52**	52	54
Increase to profit or loss	**53**	50	56
10% change in market price of peer groups (equity instruments)			
Reduction to profit or loss	**49**	5	46
Increase to profit or loss	**49**	5	46
Financial liabilities			
10% change in expected cash flows (deferred consideration)			
Reduction to profit or loss[1]	**4**	—	54
Increase to profit or loss	**29**	—	54
0.5% change in discount rate (deferred consideration)			
Reduction to profit or loss	**1**	3	2
Increase to profit or loss	**1**	3	2

[1] *Asymmetrical sensitivity due to cap on payment amount.*

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS continued

for the six months ended 30 June 2018

24. CONTINGENT LIABILITIES

Letters of comfort have been issued to financial institutions to cover certain banking facilities. There are no encumbrances over Group assets.

The Group is the subject of various claims, which are individually immaterial and are not expected in aggregate, to result in material losses.

The Group has provided guarantees to certain financial institutions to cover various metal borrowing facilities. At 30 June 2018 these guarantees amounted to R1,235 million (30 June 2017: R1,177 million; 31 December 2017: R1,108 million).

The Group has, in the case of some of its mines, provided the Department of Minerals Resources with guarantees that cover the difference between the closure costs and amounts held in the environmental trusts. At 30 June 2018, these guarantees amounted to R2,450 million (30 June 2017: R2,619 million; 31 December 2017: R2,398 million).

25. CHANGES IN ACCOUNTING ESTIMATE

Inventory

During the current period, the Group changed its estimate of the quantities of inventory based on the outcome of a physical count of in-process metals. The Group runs a theoretical metal inventory system based on inputs, the results of previous counts and outputs. Due to the nature of in-process inventories being contained in weirs, pipes and other vessels, physical counts only take place once per annum, except in the Precious Metals Refinery where the physical count is usually conducted every three years. The Precious Metals Refinery physical count was conducted by exception in 2016 and is due to be performed again in 2019.

This change in estimate has had the effect of decreasing the value of inventory disclosed in the financial statements by R485 million (30 June 2017: increase of R942 million; 31 December 2017: increase of R942 million). This results in the recognition of an after tax loss of R349 million (30 June 2017: after-tax gain of R678 million; 31 December 2017: after-tax gain of R678 million).

Rustenburg deferred consideration

The Group's sale of the Rustenburg Mine completed on 1 November 2016. The present value of the deferred consideration was recognised as a level 3 financial asset at fair value through profit or loss. Remeasurements arising from changes in estimates of cash flows and discount rate as well as the unwinding of the discount are included in interest income and expense. The estimated cash flows were revised in June 2018 after the finalisation of relevant financial information by the purchaser. This has given rise to an increase of R268 million (post-tax) in the present value of the deferred consideration, and the recognition of a gain in profit or loss which is included in headline earnings.

26. DISPOSAL TRANSACTIONS

Union Mine and Masa Chrome

The Group concluded a binding sale agreement for its 85% ownership interest in Union Mine and its 50.1% ownership interest in Masa Chrome Proprietary Limited to Siyanda Resources. The agreement was signed on 14 February 2017 and most of the critical conditions precedent were met on 1 December 2017. As of this date, it was highly probable that the sale would be concluded within 12 months, such that the criteria for reclassification as held for sale, in terms of IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*, were met. An attributable post-tax impairment loss of R996 million was recognised for the year ended 31 December 2017. A further attributable post-tax impairment loss of R12 million was recognised in January 2018, presented partly in scrapping of assets and partly in the loss on disposal in the statement of comprehensive income.

The sale was effective as of 1 February 2018. A post-tax loss on disposal of R811 million was recognised, and is excluded from headline earnings. This brings the total loss, including previously recognised impairments to R1.8 million.

Royal Bafokeng Platinum Limited

On 24 April 2018 the Group conducted an accelerated book build in respect of its shares in Royal Bafokeng Platinum Limited (RB Plat). 17 million shares were sold at a price of R22.50 per share, which was at a discount to market price. The investment was irrevocably designated as at fair value through other comprehensive income in terms of IFRS 9 *Financial Instruments* such that all gains and losses are recognised directly in equity and never recycled. This transaction consequently had no earnings impact.

27. IMPAIRMENT OF ASSETS AND INVESTMENTS

Bokoni Holdco and associated loan

The Group has c.23% shareholding in Atlatsa as well as a 49% shareholding in Bokoni Holdco. Both investments are equity accounted, with the investment in Atlatsa previously fully impaired and subsequently reporting losses which have not been equity accounted.

In light of the difficult market conditions and negative cash flows incurred by Bokoni Platinum Mine. The Group's equity interest continues to be fully impaired to the extent that the balance is not otherwise reduced through equity accounted losses. During the first half of 2018, 49% of the funding provided to Bokoni mine for care and maintenance (R50 million) was capitalised to the investment and reduced by equity accounted losses of an equal amount.

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. The Group has impaired all but R211 million in funding provided to Atlatsa. This resulted in an impairment loss for the period of R52 million, which is included in headline earnings.

Bafokeng Rasimone Platinum Mine (BRPM)

Due to a binding sale agreement that was signed on 4 July 2018 for the disposal of the Group's 33% interest in BRPM, see note 28, the equity-accounted BRPM investment was impaired to the fair value of the transaction price (level 1 fair value) per the binding sale agreement. A post-tax impairment of R628 million has accordingly been recognised, and excluded from headline earnings.

28. POST-BALANCE SHEET EVENTS

Disposal of 33% equity-accounted interest in the Bafokeng Rasimone Platinum Mine

On 4 July 2018, the Group entered into a binding sale and purchase agreement (SPA) with a subsidiary of RB Plat for the sale of the Group's 33% interest in the unincorporated BRPM joint venture. Owing to the signature of the SPA after the balance sheet date and the fact that certain approvals remain outstanding, the investment was not classified as held for sale in terms of IFRS 5 *Non-Current Assets Held for Sale and Discontinued Operations*. The salient transaction terms are as follows:

- Initial purchase price to be settled in cash arising from a 5% capital raise by RB Plat, plus any capital contributions made by the Group to BRPM between the SPA signature date and completion date.
- Deferred consideration for the remainder of the agreed R1.863 billion transaction price to be settled in three equal tranches 1.5; 2.5 and 2.5 years after the effective date, with early settlement permitted.
- The deferred consideration will escalate at the RB Plat cost of borrowing plus a premium of 2%. RB Plat has the option of settling the deferred consideration either in cash or by the issue of additional RB Plat shares to the Group at each payment date.

Anglo Platinum ventures with Public Investment Corporation

On 17 July 2018, AP Ventures (APV) was launched as an independent venture capital fund to invest in Platinum Group metals (PGMs). AP Ventures is backed by Anglo American Platinum Limited and South Africa's Public Investment Corporation (PIC) who have committed a total of US$200 million, US$100 million each, as joint partners. AAPL will sell its current Platinum Group Metals investments, valued at US$60 million, to APV as part of its contribution. APV is a joint venture, as the parties require 75% of the voting power for decision making, and will be equity-accounted when the agreement becomes effective with AAPL's share of profit or loss of APV recognised in profit or loss.

Dividend

The Board approved a dividend of R3.74 per share on 19 July 2018.

29. AUDITOR'S REVIEW

These condensed consolidated interim financial statements have been reviewed by the Group's auditors, Deloitte & Touche. The review of the condensed consolidated interim financial statements was performed in accordance with ISRE 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. The auditor's review report does not necessarily report on all the information contained in these interim results. Shareholders are advised that in order to obtain a full understanding of the nature of the auditor's engagement they should read the auditor's review report and obtain the accompanying financial information from the registered office.

Any reference to future financial performance, included in these interim results, has not been reviewed or reported on by the Group's auditors.

Deloitte & Touche
Registered Auditors
Audit & Assurance -
Gauteng

www.deloitte.com

Buildings 1 and 2
Deloitte Place
The Woodlands
Woodlands Drive
Woodmead Sandton
Private Bag X6
Gallo Manor 2052
South Africa
Docex 10 Johannesburg

Tel: +27 (0)11 806 5000
Fax: +27 (0)11 806 5111

Riverwalk Office Park,
Block B
41 Matroosberg Road
Ashlea Gardens X6
Pretoria, 0081
PO Box 11007
Hatfield 0028
South Africa
Docex 6 Pretoria

Tel: +27 (0)12 482 0000
Fax: +27 (0)12 460 3633

TO THE SHAREHOLDERS OF ANGLO AMERICAN PLATINUM LIMITED

We have reviewed the condensed consolidated financial statements of Anglo American Platinum Limited, contained in the accompanying interim report set out on pages 12 to 29, which comprise the condensed consolidated statement of financial position as at 30 June 2018 and the condensed consolidated statement of comprehensive income, changes in equity and cash flows for the six months then ended, and selected explanatory notes.

Directors' responsibility for the Interim Financial Statements

The directors are responsible for the preparation and presentation of these interim financial statements in accordance with International Financial Reporting Standard (IAS) 34, Interim Financial Reporting, the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on these interim financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of interim financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less than and differ in nature from those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated financial statements of Anglo American Platinum Limited for the six months ended 30 June 2018 are not prepared, in all material respects, in accordance with IAS 34, Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa.

Deloitte & Touche

Deloitte & Touche
Registered Auditor
Per: Graeme Berry
Partner

20 July 2018

SUSTAINABILITY COMMITMENTS

Objective areas	2018 target	2018 performance – half year	
Safety and health	Zero fatalities	One fatality YTD	☒
	TRCFR (per million hours) lower than 3.01 (15% BU improvement target)	2.93 YTD TRCFR per million hours worked Includes Union Mining Complex (divested 31 January 2018)	☑
	HIV management: 90% of at risk population knowing their status	YTD, 60% of employees know their HIV status	⦸
	HIV management: 90% of HIV-positive undergoing treatment (on ART)	YTD, 85% of known HIV-positive employees are on ART	⦸
	TB incidence rate of below 600 per 100,000	Average annualised TB incidence rate of 276 per 100,000 employees	⦸
	Medical surveillance: 100% annual medical surveillance of persons potentially at risk of exposure to airborne pollutants (Cat A)	YTD, 99% (excludes Unki where baseline for persons exposed to inhalable hazards is being refined)	⦸
Mineral policy and legislative compliance	26% ownership of Reserves and Resources by historically disadvantaged South Africans (HDSAs)	43% of the business transferred to HDSAs (as at 2017 on a pro-forma basis taking into account the disposal of Union in 2018) 8% held by HDSAs through mandated investments	☑
	HDSAs procurement expenditure: Capital Goods (40%) Services (70%) Consumables (50%)	 71% 78% 71%	☑
	HDSAs in: Top management: 40% Senior management: 40% Middle management: 40% Junior management: 40% Core skills: 40% Women in mining: Not defined HDSAs in management: 40%	 42% 51% 68% 81% 84% 17% 77%	☑
	Maintain ISO 14001 certification: 100% renewal of certificates for RBMR and PMR	In progress – RBMR certified in June 2018 against ISO 14001:2015; PMR planned for August 2018	⦸
	Zero environmental legal non-compliance directives	On target – no directives received	☑
Labour relations and our performance	Target of 106 PGM ounces produced per employee	Achieved – 110 PGM ounces produced per employee	☑
	Labour unavailability to be below 15.5% benchmark	Not achieved – 20.01% labour unavailability	☒
Community development	Implementation of second-generation SLP	In progress – the approval of SLP 2 is for Amandelbult and Der Brochen still pending	⦸
	1% pre-tax profit to be spent on community development	In progress – total CSI spend is currently R86 million	⦸
Access to and allocation of natural resources	3% reduction target for energy consumption to be achieved for the period 2016 – 2020, driving a 1% reduction per annum • 2018 absolute consumption target of 19.3 million GJ • 2018 energy intensity target of 0.83 GJ per tonne milled	• On target (YTD energy consumption of 7.97 million GJ recorded against the YTD target of 8.04 million GJ) • On target YTD energy intensity of 0.77 GJ per tonne milled.	☑ ☑
	9.5% reduction in water consumption (2.7 Mm^3) against the 2020 BAU projected demand (28.5 Mm^3). • 2018 total new water abstraction or withdrawal target of 27.8 Mm^3 • 2018 potable water abstraction target of 9.5 Mm^3 • 2018 total new water withdrawal intensity target of 1.08 m^3 per tonne milled	• On target (YTD new water withdrawal of 9.55 Mm^3 recorded against the YTD target of 11.4 Mm^3) • On target (YTD potable water withdrawal of 2.42 Mm^3 recorded against the YTD target of 2.6 Mm^3) • On target YTD total new water withdrawal intensity of 0.92 m^3 per tonne milled	☑ ☑ ☑

☑ Achieved ☒ Not achieved/below target ⦸ In progress

GROUP PERFORMANCE DATA

for the six months ended 30 June 2018

Glossary of terms	Description/Definition
PGMs	Sum total of platinum, palladium, rhodium, iridium, ruthenium and gold
Other PGMs + Gold	Sum total of rhodium, iridium, ruthenium and gold
Produced ounces M&C	Metal in concentrate delivered to the smelters for onward processing
POC	Purchase of concentrate
Rand Basket Price per PGM oz sold – average	Net sales revenue from all metals (PGMs, base metals and other metals) over PGM ounces sold – excluding trading
Rand Basket Price per Pt oz sold – average	Net sales revenue from all metals (PGMs, base metals and other metals) over Pt ounces sold – excluding trading
Rand Basket Price per PGM oz sold – mined	Net sales revenue from all metals (PGMs, base metals and other metals) over PGM ounces sold for mined volume from own mines and attributable mined volumes from JVs – excluding trading
Rand Basket Price per Pt oz sold – mined	Net sales revenue from all metals (PGMs, base metals and other metals) over Pt ounces sold for mined volume from own mines and attributable mined volumes from JVs – excluding trading
Rand Basket Price per PGM oz sold – POC	Net sales revenue from all metals (PGMs, base metals and other metals) over PGM ounces sold for total POC volume – excluding trading
Rand Basket Price per Pt oz sold – POC	Net sales revenue from all metals (PGMs, base metals and other metals) over Pt ounces sold for total POC volume – excluding trading
EBITDA	Earnings before interest, tax, depreciation and amortisation adjusted to exclude scrapping of property, plant and equipment. Prior years recalculated for comparability
EBIT	Earnings before interest and tax adjusted to exclude scrapping of property, plant and equipment. Prior years recalculated for comparability
ROCE	Return on capital employed calculated as EBIT over average capital employed
Attributable economic free cash flow	Cash flow after all cash expenses (mining, overhead, marketing and market development), sustaining (SIB) and capitalised waste, less/add economic interest in the asset
Attributable net cash flow	Cash flow after all cash expenses (mining, overhead, marketing and market development), sustaining (SIB), capitalised waste and project capital expenses
Cash-on mine costs	Includes all direct mining, concentrating and on-mine and allocated centralised services costs
Cash operating costs	Includes all direct mining, concentrating, on-mine and allocated centralised services, allocated smelting, treatment and refining costs
Cash on-mine cost per tonne milled	Cash-on mine costs over tonnes milled. Mined volume metric only
Cash operating cost per PGM oz produced	Cash operating costs for mined volume over PGM ounces produced from mined volume. Excludes POC and project costs for Twickenham
Cash operating cost per platinum ounce produced	Cash operating costs for mined volume over Pt ounces produced from mined volume. Excludes POC and project costs for Twickenham
All-in sustaining costs	Includes cash operating costs, other indirect costs, other direct and allocated net expenses, direct and allocated sustaining capex, capitalised waste stripping and allocated marketing and market development costs net of revenue from all metals other than Platinum. Presented before project and restructuring costs and abnormal activities
Headcount (as at period ended)	Includes AAP own and contractors excluding JV employees and contractors as at 31 December costed to working costs and stay-in business capital
Average in service employees	The average number of employees costed on both working cost and SIB, in service over the full financial year
PGM ounces produced per employee	PGM ounces produced from mined volume (both own and JV mines) expressed as output per average employee for both own mines and attributable JV employees
Stay-in-business (SIB)	SIB capital reported on asset analysis includes on-mine sustaining capital as well as allocated off-mine smelting, treatment and refining sustaining capital expenditure

SALIENT FEATURES

		Six months ended			Year ended
		30 June 2018	30 June 2017	% change	31 December 2017
Average market prices achieved					
Platinum	US$/oz	932	957	(3)	947
Palladium	US$/oz	1,005	780	29	876
Rhodium	US$/oz	1,938	911	113	1,094
Iridium	US$/oz	1,054	804	31	864
Ruthenium	US$/oz	221	48	360	72
Gold	US$/oz	1,312	1,235	6	1,253
Nickel	US$/tonne	13,633	9,660	41	10,314
Copper	US$/tonne	6,776	5,859	16	6,221
Chrome	US$/tonne	196	198	(1)	177
% contribution of net revenue					
PGMs	%	88.6	88.9	–	88.9
Platinum	%	40.8	51.9	(11)	48.1
Palladium	%	29.3	24.1	5	28.0
Rhodium	%	10.4	5.6	5	6.5
Iridium	%	2.2	2.9	(1)	2.1
Ruthenium	%	3.4	1.0	2	1.2
Gold	%	2.5	3.4	(1)	3.0
Nickel	%	6.0	5.5	1	5.4
Copper	%	2.0	1.6	–	2.0
Chrome	%	3.0	3.5	–	3.3
Other metals	%	0.4	0.5	–	0.4
Exchange rates					
Average achieved on sales	ZAR/US$	12.38	13.24	(6)	13.33
Closing exchange rate at end of period	ZAR/US$	13.73	13.08	5	12.31
Basket prices achieved – excluding trading					
Platinum – Dollar basket price	US$/Pt oz	2,318	1,843	26	1,966
PGM – Dollar basket price – Average	US$/PGM oz	1,032	848	22	915
PGM – Dollar basket price – Mined volume	US$/PGM oz	1,111	905	23	972
PGM – Dollar basket price – Purchased volume	US$/PGM oz	932	771	21	835
Platinum – Rand basket price	Rand/Pt oz	28,695	24,400	18	26,213
PGM – Rand basket price – Average	Rand/PGM oz	12,777	11,227	14	12,198
PGM – Rand basket price – Mined volume	Rand/PGM oz	13,753	11,981	15	12,965
PGM – Rand basket price – Purchased volume	Rand/PGM oz	11,543	10,211	13	11,139
Total PGM ounces sold – excluding trading		2,508.8	2,432.6	3	5,382.2
Platinum	000 ounces	1,117.1	1,119.3	–	2,504.6
Palladium	000 ounces	733.5	636.2	15	1,571.7
Other PGMs+Gold	000 ounces	658.2	677.1	(3)	1,305.9
Total PGM ounces sold – trading		120.1	–	–	–
Platinum	000 ounces	65.6	–	–	–
Palladium	000 ounces	53.0	–	–	–
Gold	000 ounces	1.5	–	–	–

GROUP PERFORMANCE DATA continued

for the six months ended 30 June 2018

SALIENT FEATURES

		Six months ended			Year ended
		30 June 2018	30 June 2017	% change	31 December 2017
Financials – excluding trading					
Net sales revenue	R million	**32,071**	27,305	17	65,670
from platinum	R million	**12,901**	14,181	(9)	31,590
from palladium	R million	**9,168**	6,584	39	18,421
from rhodium	R million	**3,468**	1,530	127	4,242
from other PGMs and gold	R million	**2,685**	1,980	36	4,089
from base and other metals	R million	**2,851**	2,079	37	5,171
from chrome	R million	**998**	951	5	2,157
Total operating costs		**(25,283)**	(23,310)	8	(53,685)
EBITDA	R million	**6,788**	3,995	70	11,985
EBITDA margin	%	**21.2**	14.6	7	18.3
EBIT	R million	**4,802**	2,011	139	7,892
ROCE	%	**22.4**	8.8	14	17.6
Costs and unit costs					
Cash operating costs	R million	**13,371**	13,446	(1)	26,427
Cash on-mine cost per tonne milled	R/tonne	**770**	781	(1)	742
Cash operating cost per PGM oz produced (mined volume)	R/PGM oz	**8,954**	9,265	(3)	8,871
Cash operating cost per PGM oz produced (mined volume)	$/PGM oz	**728**	701	4	666
Stay-in-business capital	R million	**1,772**	1,106	60	3,336
Capitalised waste stripping	R million	**635**	376	68	784
All-in sustaining costs net of metal revenue credits other than Pt	$ million	**901**	1,133	(21)	2,000
All-in sustaining costs per platinum ounce sold	$/Pt oz	**829**	1,036	(19)	826
Cash operating cost per platinum ounce produced (mined volume)*	R/Pt oz	**19,571**	20,105	(3)	19,203
Cash operating cost per platinum ounce produced (mined volume)*	$/Pt oz	**1,591**	1,522	5	1,443
Reconciling items for AISC and free cash flow					
Allocated marketing and market development costs	$/Pt oz sold	**21**	24	(13)	24
Abnormal income/(expense) included in operating and net cash flow					
– Disposal of treasury bills	R million	**100**	34	194	228

* *2017 unit cost restated to include third-party tolling cost.*

		Six months ended			Year ended
		30 June 2018	30 June 2017	% change	31 December 2017
Financial statistics					
Gross profit margin	%	**14.7**	10.3	4	13.8
Operating profit as a % of average operating assets	%	**15.9**	7.5	8	14.0
EBITDA excluding trading[1]	R million	**6,788**	3,995	70	11,985
Return on average capital employed[1] (ROCE)	%	**22.4**	8.8	14	17.6
Return on average attributable capital employed[2]	%	**24.9**	41.9	(17)	19.0
Current ratio		**1.5:1**	1.4:1	7	1.5:1
Interest cover – EBITDA	times	**14.2**	6.4	120	9.8
Debt cover ratio	times	**0.9**	0.5	80	1.4
Dividend cover	times	**3.3**	–	100	–
Gearing ratio (net debt to total capital)	%	**(1.1)**	13.5	(15)	4.3
Interest-bearing debt to shareholders' equity	%	**20.0**	34.2	(14)	27.3
Net asset value as a % of market capitalisation	%	**45.0**	47.2	(2)	43.2
Effective cash tax paid rate	%	**33.4**	(33.0)	66	49.2
Market information and share statistics					
Total shares in issue	millions	**268.7**	268.5	–	268.5
Weighted average number of shares in issue	millions	**262.3**	262.2	–	262.2
Treasury shares held	millions	**1.0**	1.2	(20)	1.2
Market capitalisation	R billion	**96.5**	80.5	20	94.9
Closing share price	cents	**35,900**	29,975	20	35,346
Headcount (as at period ended)					
Total employees (AAP own and contractors, excluding JVs)		**23,146**	28,411	(19)	28,692
Own enrolled		**21,613**	25,986	(17)	26,453
Contractors		**1,533**	2,425	(37)	2,239
Productivity					
PGM ounces produced per employee	per annum	**110**	92	20	94

[1] *Earnings adjusted for asset scrapping, Union impairment and insurance receipt for damage to assets.*

[2] *Basis of calculation amended for current and prior period to fully exclude capital and earnings attributable to non controlling interest.*

GROUP PERFORMANCE DATA continued

for the six months ended 30 June 2018

GROSS PROFIT ON METAL SALES AND EBITDA

	Mined	POC	Trading	Total
Six months ended 30 June 2018				
Net sales revenue	19,353	12,718	1,420	33,491
Cost of sales	(15,614)	(11,548)	(1,419)	(28,581)
Cash operating costs	(13,594)	(1,068)	–	(14,662)
– Mining	(11,252)	–	–	(11,252)
– Smelting	(1,150)	(560)	–	(1,710)
– Treatment and refining	(1,192)	(508)	–	(1,700)
Depreciation	(1,790)	(195)	–	(1,985)
– Mining	(1,348)	–	–	(1,348)
– Smelting	(181)	(88)	–	(269)
– Treatment and refining	(249)	(98)	–	(347)
– Other costs	(12)	(9)	–	(21)
Purchase of concentrate and trading activity	26	(11,524)	(1,419)	(12,917)
Increase in metal inventories	1,150	1,320	–	2,470
Increase in ore stockpiles	72	–	–	72
Other costs	(1,478)	(81)	–	(1,559)
Gross profit on metal sales	3,739	1,170	1	4,910
Gross profit margin %	19	9	–	15
Add back depreciation	1,790	195	–	1,985
Other income and expenses	183	11	–	194
Profit and loss on associates	21	–	–	21
Operating EBITDA	5,733	1,376	1	7,110
Operating EBITDA margin %	30	11	–	21
Market development and promotional expenditure	(184)	(122)	–	(306)
Restructuring	(15)	–	–	(15)
EBITDA	5,534	1,254	1	6,789
EBITDA margin %	29	10	–	20
Six months ended 30 June 2017				
Net sales revenue	16,688	10,617		27,305
Cost of sales	(14,856)	(9,633)		(24,489)
Cash operating costs	(13,609)	(964)		(14,573)
– Mining	(11,529)	–		(11,529)
– Smelting	(1,021)	(505)		(1,526)
– Treatment and refining	(1,059)	(459)		(1,518)
Depreciation	(1,810)	(174)		(1,984)
– Mining	(1,397)	–		(1,397)
– Smelting	(142)	(67)		(209)
– Treatment and refining	(265)	(104)		(369)
– Other costs	(6)	(3)		(9)
Purchase of concentrate and trading activity	72	(9,712)		(9,640)
Increase in metal inventories	1,674	1,293		2,967
Other costs	(1,183)	(76)		(1,259)
Gross profit on metal sales	1,832	984		2,816
Gross profit margin (%)	11	9		10
Add back depreciation	1,810	174		1,984
Other income and expenses	(266)	10		(256)
Profit and loss on associates	(192)	–		(192)
Operating EBITDA	3,184	1,168		4,352
Operating EBITDA margin (%)	19	11		16
Market development and promotional expenditure	(213)	(136)		(349)
Restructuring	(8)	–		(8)
EBITDA	2,963	1,032		3,995
EBITDA margin (%)	18	10		15

	Mined	POC	Total
Year ended 31 December 2017			
Net sales revenue	40,588	25,082	65,670
Cost of sales	(33,407)	(23,171)	(56,578)
Cash operating costs	(28,612)	(2,030)	(30,642)
– Mining	(24,109)	–	(24,109)
– Smelting	(2,287)	(1,076)	(3,363)
– Treatment and refining	(2,216)	(954)	(3,170)
Depreciation	(3,709)	(383)	(4,092)
– Mining	(2,823)	–	(2,823)
– Smelting	(375)	(176)	(551)
– Treatment and refining	(501)	(199)	(700)
– Other costs	(10)	(8)	(18)
Purchase of concentrate and trading activity	(29)	(20,734)	(20,763)
Increase in metal inventories	354	161	515
Increase in ore stockpiles	1,761	–	1,761
Other costs	(3,172)	(185)	(3,357)
Gross profit on metal sales	7,181	1,911	9,092
Gross profit margin %	18	8	14
Add back depreciation	3,709	383	4,092
Other income and expenses	(10)	15	5
Profit and loss on associates	(380)	–	(380)
Operating EBITDA	10,500	2,309	12,809
Operating EBITDA margin %	26	9	20
Market development and promotional expenditure	(503)	(310)	(813)
Restructuring	(11)	–	(11)
EBITDA	9,986	1,999	11,985
EBITDA margin %	25	8	18

GROUP PERFORMANCE DATA continued

for the six months ended 30 June 2018

REFINED PRODUCTION

		Six months ended			Year ended
		30 June 2018	30 June 2017	% change	31 December 2017
Total operations					
Refined production from mining operations					
Total PGMs	000 oz	**1,251.0**	1,304.6	(4)	2,975.5
Platinum	000 oz	**589.9**	615.6	(4)	1,419.5
Palladium	000 oz	**441.7**	436.6	1	1,035.3
Rhodium	000 oz	**71.5**	86.0	(17)	179.8
Other PGMs	000 oz	**111.7**	130.0	(14)	261.9
Gold	000 oz	**36.2**	36.4	(1)	79.0
Nickel	000 tonnes	**8.0**	8.2	(2)	18.9
Copper	000 tonnes	**5.8**	5.2	12	12.1
Chrome tonnes (100%)	000 tonnes	**430.0**	430.0	–	978.8
Refined production from purchases					
Total PGMs	000 oz	**926.2**	989.5	(6)	2,140.7
Platinum	000 oz	**485.4**	490.0	(1)	1,092.4
Palladium	000 oz	**244.8**	289.9	(16)	633.1
Rhodium	000 oz	**64.8**	70.5	(8)	143.4
Other PGMs	000 oz	**117.1**	121.6	(4)	235.4
Gold	000 oz	**14.1**	17.5	(19)	36.4
Nickel	000 tonnes	**2.8**	2.9	(3)	7.2
Copper	000 tonnes	**1.4**	1.5	(7)	3.7
Chrome tonnes (100%)	000 tonnes	**–**	–	–	–
Total refined production (including toll refined metal)					
Total PGMs	000 oz	**2,177.2**	2,294.1	(5)	5,116.2
Platinum	000 oz	**1,075.3**	1,105.6	(3)	2,511.9
Palladium	000 oz	**686.5**	726.5	(6)	1,668.4
Rhodium	000 oz	**136.3**	156.5	(13)	323.2
Other PGMs	000 oz	**228.8**	251.6	(9)	497.3
Gold	000 oz	**50.3**	53.9	(7)	115.4
Nickel – Refined	000 tonnes	**10.8**	11.1	(3)	26.1
Copper – Refined	000 tonnes	**7.2**	6.7	7	15.8
Chrome tonnes (100%)	000 tonnes	**430.0**	430.0	–	978.8
SPLIT OF TOTAL REFINED PRODUCTION					
Platinum		**49**	48	1	49
Palladium	%	**32**	32	–	33
Rhodium	%	**6**	7	(1)	6
Other PGMs	%	**11**	11	–	10
Gold	%	**2**	2	–	2
Base Metals					
Nickel	%	**59**	61	(2)	61
Copper	%	**40**	37	3	37
Other Base Metals	%	**1**	2	(1)	2
PLATINUM PIPELINE CALCULATION					
Own mined volume	000 oz	**546.0**	545.5	–	1,130.9
JV mined volume	000 oz	**137.2**	123.3	11	245.3
Purchase of concentrate	000 oz	**550.2**	520.3	6	1,021.2
M&C platinum production	000 oz	**1,233.4**	1,189.1	4	2,397.5
Pipeline stock adjustment	000 oz	**26.3**	77.2	(66)	77.2
Pipeline movement	000 oz	**(184.4)**	(172.3)	7	20.4
Refined platinum production (excluding toll refined metal)	000 oz	**1,075.3**	1,094.0	(2)	2,495.0

TOTAL MINED VOLUME

(All statistics represent attributable contribution for mined production i.e. excluding POC and trading)

		Six months ended			Year ended
		30 June 2018	30 June 2017	% change	31 December 2017
Production					
Total development	km	**25.6**	34.4	(26)	67.7
Immediately available ore reserves	months	**37.7**	33.9	11	34.3
Square metres	000 m^2	**981**	1,088	(10)	2,222
Tonnes milled	000 tonnes	**14,383**	14,573	(1)	29,698
Surface tonnes	000 tonnes	**8,004**	7,557	6	15,548
Underground tonnes	000 tonnes	**6,379**	7,016	(9)	14,150
Built-up head grade	4E g/tonne	**3.52**	3.44	2	3.46
Surface tonnes	4E g/tonne	**3.23**	2.94	10	2.92
Merensky underground tonnes	4E g/tonne	**5.75**	4.29	34	4.81
UG2 underground tonnes	4E g/tonne	**3.87**	4.01	(3)	4.05
Total production (M&C)					
PGMs	000 ounces	**1,493.3**	1,451.2	3	2,979.1
Platinum	000 ounces	**683.2**	668.8	2	1,376.2
Palladium	000 ounces	**528.3**	494.4	7	1,008.7
Rhodium	000 ounces	**89.6**	91.8	(2)	190.0
Iridium	000 ounces	**29.7**	31.3	(5)	64.6
Ruthenium	000 ounces	**121.3**	126.9	(4)	262.6
Gold	000 ounces	**41.2**	38.0	8	77.0
Nickel	000 tonnes	**10.6**	10.8	(2)	20.6
Copper	000 tonnes	**6.9**	7.1	(3)	13.5
Chrome	000 tonnes	**430.0**	430.0	–	978.8
Total PGM ounces refined		**1,251.0**	1,304.6	(4)	2,975.5
Platinum	000 ounces	**589.9**	615.6	(4)	1,419.5
Palladium	000 ounces	**441.7**	436.6	1	1,035.3
Other PGMs+Gold	000 ounces	**219.4**	252.4	(13)	520.7
Total PGM ounces sold – excluding trading		**1,407.0**	1,392.8	1	3,130.6
Platinum	000 ounces	**610.8**	629.8	(3)	1,422.3
Palladium	000 ounces	**470.3**	398.4	18	998.3
Other PGMs+Gold	000 ounces	**325.9**	364.6	(11)	710.0
Employees and efficiencies					
Own employees	average	**23,893**	27,513	(13)	27,757
Contractor employees	average	**3,235**	4,178	(23)	3,976
PGM ounces produced per employee	per annum	**110**	92	20	94

GROUP PERFORMANCE DATA continued

for the six months ended 30 June 2018

TOTAL MINED VOLUME

(All statistics represent attributable contribution for mined production i.e. excluding POC and trading)

		Six months ended			Year ended
		30 June 2018	30 June 2017	% change	31 December 2017
Financials – excluding trading					
Rand basket price per PGM oz sold	R/PGM oz	**13,753**	11,981	15	12,965
Dollar basket price per PGM oz sold	$/PGM oz	**1,111**	905	23	972
Rand basket price per Pt oz sold	R/Pt oz	**31,686**	26,496	20	28,537
Dollar basket price per Pt oz sold	$/Pt oz	**2,559**	2,002	28	2,140
Net sales revenue	R million	**19,353**	16,688	16	40,588
from platinum	R million	**7,061**	7,980	(12)	17,938
from palladium	R million	**5,888**	4,123	43	11,721
from rhodium	R million	**1,809**	857	111	2,394
from other PGMs and gold	R million	**1,469**	1,195	23	2,494
from base and other metals	R million	**2,128**	1,543	38	3,792
from chrome	R million	**998**	990	1	2,249
Total operating costs	R million	**(13,621)**	(13,504)	1	(30,088)
EBITDA	R million	**5,733**	3,184	80	10,500
EBITDA margin	%	**29.6**	19.1	11	25.9
EBIT	R million	**3,942**	1,376	186	6,791
ROCE	%	**20.6**	7.1	13	17.5
Attributable economic free cash flow	R million	**2,156**	24	8,883	4,431
Attributable net cash flow	R million	**1,816**	(172)	(1,155)	3,807
Costs and unit costs					
Cash operating costs	R million	**13,371**	13,446	(1)	26,427
Cash on-mine cost per tonne milled	R/tonne	**770**	781	(1)	742
Cash operating cost per PGM oz produced (mined volume)	R/PGM oz	**8,954**	9,265	(3)	8,871
Cash operating cost per PGM oz produced (mined volume)	$/PGM oz	**728**	701	4	666
Stay-in-business capital	R million	**1,515**	990	53	3,004
Capitalised waste stripping	R million	**635**	376	69	784
All-in sustaining costs net of metal revenue credits other than Pt	$ million	**418**	620	(33)	1,068
All-in sustaining costs per platinum ounce sold	$/Pt oz	**684**	984	(30)	752
Cash operating cost per platinum ounce produced (mined volume)	R/Pt oz	**19,571**	20,105	(3)	19,203
Cash operating cost per platinum ounce produced (mined volume)	$/Pt oz	**1,591**	1,522	5	1,443
Reconciling items for AISC and free cash flow					
Allocated marketing and market development costs	$/Pt oz sold	**23**	26	(12)	27
Abnormal income/(expense) included in operating and net cash flow					
– Disposal of treasury bills	R million	**100**	34	194	228

TOTAL PURCHASED VOLUME

(All statistics represent attributable contribution for purchased production)

		Six months ended			Year ended
		30 June 2018	30 June 2017	% change	31 December 2017
Total production (M&C)					
PGMs		**1,090.5**	1,033.1	6	2,028.6
Platinum	000 ounces	**550.2**	520.3	6	1,021.2
Palladium	000 ounces	**284.9**	280.5	2	548.6
Rhodium	000 ounces	**80.7**	71.9	12	142.4
Iridium	000 ounces	**28.8**	25.8	12	50.7
Ruthenium	000 ounces	**129.6**	116.2	12	229.9
Gold	000 ounces	**16.3**	18.4	(11)	35.7
Nickel	000 tonnes	**3.5**	4.1	(15)	8.3
Copper	000 tonnes	**1.8**	2.1	(14)	4.1
Chrome	000 tonnes	**–**	–	–	–
Total PGM ounces refined		**924.0**	936.9	(1)	2,061.9
Platinum	000 ounces	**485.4**	478.3	1	1,075.5
Palladium	000 ounces	**244.8**	257.4	(5)	587.7
Other PGMs+Gold	000 ounces	**193.8**	201.2	(4)	398.7
Total PGM ounces sold – excluding trading		**1,101.8**	1,039.8	6	2,251.7
Platinum	000 ounces	**506.4**	489.5	3	1,082.3
Palladium	000 ounces	**263.2**	237.9	11	573.4
Other PGMs+Gold	000 ounces	**332.2**	312.4	6	596.0
Financials – excluding trading					
Rand basket price per PGM oz sold	R/PGM oz	**11,543**	10,211	13	11,139
Dollar basket price per PGM oz sold	$/PGM oz	**932**	771	21	835
Rand basket price per Pt oz sold	R/Pt oz	**25,115**	21,692	16	23,174
Dollar basket price per Pt oz sold	$/Pt oz	**2,028**	1,639	24	1,738
Net sales revenue	R million	**12,718**	10,617	20	25,082
from platinum	R million	**5,840**	6,201	(6)	13,653
from palladium	R million	**3,280**	2,461	33	6,699
from rhodium	R million	**1,659**	672	147	1,848
from other PGMs and gold	R million	**1,215**	785	55	1,595
from base and other metals	R million	**724**	498	45	1,287
Total operating costs	R million	**(11,342)**	(9,449)	20	(22,773)
EBITDA	R million	**1,376**	1,168	18	2,309
EBITDA margin	%	**10.8**	11.0	–	9.2
EBIT	R million	**1,182**	993	19	1,926
ROCE	%	**51.7**	31.7	20	30.6
Attributable economic free cash flow	R million	**(14)**	(456)	(97)	1,530
Attributable net cash flow	R million	**(14)**	(456)	(97)	1,530
Costs and unit costs					
Cash operating costs	R million	**12,573**	10,768	17	22,798
Cash operating cost per PGM oz produced	R/PGM oz	**11,529**	10,423	11	11,239
Cash operating cost per PGM oz produced	$/PGM oz	**937**	789	19	844
Stay-in-business capital	R million	**257**	116	122	332
All-in sustaining costs net of metal revenue credits other than Pt	$ million	**482**	513	(6)	932
All-in sustaining costs per platinum ounce sold	$/Pt oz	**953**	1,049	(9)	863
Cash operating cost per platinum ounce produced	R/Pt oz	**22,850**	20,696	10	22,324
Cash operating cost per platinum ounce produced	$/Pt oz	**1,858**	1,567	19	1,677
Reconciling items for AISC and free cash flow					
Allocated marketing and market development costs	$/Pt oz sold	**19**	21	(10)	22

GROUP PERFORMANCE DATA continued

for the six months ended 30 June 2018

MOGALAKWENA PLATINUM MINE

(100% owned)

		Six months ended			Year ended
		30 June 2018	30 June 2017	% change	31 December 2017
Production					
Metres drilled	000 m	**746**	676	10	1,416
In-pit ore reserves	months	**28.7**	32.7	(12)	31.0
Total tonnes mined	000 tonnes	**42,435**	43,950	(3)	88,328
Waste tonnes mined	000 tonnes	**32,533**	34,262	(5)	68,639
Stripping ratio		**3.3**	3.5	(6)	3.5
Tonnes milled	000 tonnes	**7,110**	6,686	6	13,622
Built-up head grade	4E g/tonne	**3.39**	3.07	10	3.09
Total mined production (M&C)					
PGMs		**641.4**	538.6	19	1,098.5
Platinum	000 ounces	**272.9**	225.8	21	463.8
Palladium	000 ounces	**295.5**	251.2	18	508.9
Rhodium	000 ounces	**19.6**	15.9	23	32.4
Iridium	000 ounces	**4.2**	3.4	24	6.8
Ruthenium	000 ounces	**17.7**	14.2	25	29.1
Gold	000 ounces	**31.5**	28.1	12	57.5
Nickel	000 tonnes	**8.3**	8.4	(1)	16.0
Copper	000 tonnes	**5.3**	5.4	(2)	10.4
Total PGM ounces refined		**537.0**	473.9	13	1,102.3
Platinum	000 ounces	**233.7**	201.4	16	468.4
Palladium	000 ounces	**244.5**	216.5	13	515.7
Other PGMs+Gold	000 ounces	**58.8**	56.0	5	118.2
Total PGM ounces sold – excluding trading		**571.5**	464.1	23	1,094.3
Platinum	000 ounces	**241.2**	204.2	18	466.8
Palladium	000 ounces	**258.8**	195.5	32	494.8
Other PGMs+Gold	000 ounces	**71.5**	64.4	11	132.7
Employees and efficiencies					
Own employees	average	**1,878**	1,843	2	1,854
Contractor employees	average	**259**	420	(38)	412
PGM ounces produced per employee	per annum	**600.3**	476.2	26	484.8

		Six months ended			Year ended
		30 June 2018	30 June 2017	% change	31 December 2017
Financials – excluding trading					
Rand basket price per PGM oz sold	R/PGM oz	**15,089**	13,897	9	14,730
Dollar basket price per PGM oz sold	$/PGM oz	**1,218**	1,050	16	1,105
Rand basket price per Pt oz sold	R/Pt oz	**35,758**	31,592	13	34,528
Dollar basket price per Pt oz sold	$/Pt oz	**2,887**	2,387	21	2,590
Net sales revenue	R million	**8,624**	6,450	34	16,118
from platinum	R million	**2,798**	2,586	8	5,886
from palladium	R million	**3,250**	2,024	61	5,817
from rhodium	R million	**375**	141	166	398
from other PGMs and gold	R million	**567**	523	8	1,125
from base and other metals	R million	**1,634**	1,176	39	2,892
Total operating costs	R million	**(4,741)**	(4,089)	16	(8,418)
EBITDA	R million	**3,883**	2,361	64	7,700
EBITDA margin	%	**45.0**	36.6	8	47.8
EBIT	R million	**2,948**	1,519	94	5,969
ROCE	%	**29.3**	16.2	13	31.8
Attributable economic free cash flow	R million	**2,108**	812	160	3,977
Attributable net cash flow	R million	**2,040**	727	181	3,756
Costs and unit costs					
Cash operating costs	R million	**4,700**	4,318	9	7,280
Cash on-mine cost per tonne milled	R/tonne	**461**	471	(2)	351
Cash operating cost per PGM oz produced	R/PGM oz	**7,328**	8,018	(9)	6,628
Cash operating cost per PGM oz produced	$/PGM oz	**596**	607	(2)	498
Stay-in-business capital	R million	**814**	440	85	1,409
Capitalised waste stripping	R million	**635**	376	69	784
All-in sustaining costs net of metal revenue credits other than Pt	$ million	**62**	140	(56)	158
All-in sustaining costs per platinum ounce sold	$/Pt oz	**253**	687	(63)	340
Cash operating cost per platinum ounce produced	R/Pt oz	**17,224**	19,122	(10)	15,696
Cash operating cost per platinum ounce produced	$/Pt oz	**1,400**	1,448	(3)	1,179
Reconciling items for AISC and free cash flow					
Allocated marketing and market development costs	$/Pt oz sold	**26**	30	(13)	32

GROUP PERFORMANCE DATA continued

for the six months ended 30 June 2018

AMANDELBULT PLATINUM MINE

(100% owned)

		Six months ended			Year ended
		30 June 2018	30 June 2017	% change	31 December 2017
Production					
Total development	km	17.1	18.4	(7)	36.9
Immediately available ore reserves	months	24.0	23.4	3	27.2
Square metres	000 m^2	392	387	1	781
Tonnes milled	000 tonnes	3,513	3,341	5	7,049
Surface tonnes	000 tonnes	859	681	26	1,490
Underground tonnes	000 tonnes	2,654	2,660	–	5,559
Built-up head grade	4E g/tonne	3.91	3.81	3	3.86
Surface tonnes	4E g/tonne	2.02	1.93	5	1.73
Merensky underground tonnes	4E g/tonne	5.75	4.29	34	4.81
UG2 underground tonnes	4E g/tonne	4.33	4.21	3	4.24
Total mined production (M&C)					
PGMs		432.7	397.5	9	858.0
Platinum	000 ounces	220.2	203.7	8	438.0
Palladium	000 ounces	102.9	93.6	10	202.5
Rhodium	000 ounces	38.2	34.5	11	74.9
Iridium	000 ounces	13.6	12.5	9	27.3
Ruthenium	000 ounces	55.1	50.5	9	109.8
Gold	000 ounces	2.7	2.7	–	5.5
Nickel	000 tonnes	0.6	0.7	(14)	1.4
Copper	000 tonnes	0.3	0.3	–	0.6
Chrome (100%)	000 tonnes	402.9	276.3	46	654.4
Total PGM ounces refined		369.6	369.7	–	852.4
Platinum	000 ounces	195.4	194.9	–	456.3
Palladium	000 ounces	90.1	87.2	3	210.1
Other PGMs+Gold	000 ounces	84.1	87.6	(4)	186.0
Total PGM ounces sold – excluding trading		440.3	415.6	6	919.5
Platinum	000 ounces	204.4	201.6	1	458.5
Palladium	000 ounces	97.7	81.4	20	203.6
Other PGMs+Gold	000 ounces	138.2	132.6	4	257.4
Employees and efficiencies					
Own employees	average	14,543	13,926	4	14,108
Contractor employees	average	1,334	1,801	(26)	1,714
PGM ounces produced per employee	per annum	54.5	50.5	8	54.2

Following the move to more detailed reporting on purchase of concentrate activities, Amandelbult has been changed to exclude metal purchased from third parties. This change led to a corresponding change in the results for purchased metal.

		Six months ended			Year ended
		30 June 2018	30 June 2017	% change	31 December 2017
Financials – excluding trading					
Rand basket price per PGM oz sold	R/PGM oz	**13,479**	11,454	18	12,423
Dollar basket price per PGM oz sold	$/PGM oz	**1,088**	865	26	932
Rand basket price per Pt oz sold	R/Pt oz	**29,042**	23,605	23	24,913
Dollar basket price per Pt oz sold	$/Pt oz	**2,345**	1,783	32	1,868
Net sales revenue	R million	**5,936**	4,760	25	11,423
from platinum	R million	**2,354**	2,556	(8)	5,784
from palladium	R million	**1,216**	841	45	2,392
from rhodium	R million	**806**	338	138	946
from other PGMs and gold	R million	**459**	275	67	569
from base and other metals	R million	**149**	107	39	262
from chrome	R million	**952**	643	48	1,470
Total operating costs	R million	**(4,928)**	(4,594)	7	(10,250)
EBITDA	R million	**1,008**	167	504	1,173
EBITDA margin	%	**17.0**	3.5	14	10.3
EBIT	R million	**626**	(182)	(444)	450
ROCE	%	**16.4**	(4.6)	21	5.7
Attributable economic free cash flow	R million	**159**	(541)	(129)	91
Attributable net cash flow	R million	**93**	(541)	(117)	73
Costs and unit costs					
Cash operating costs	R million	**4,778**	4,400	9	9,306
Cash on-mine cost per tonne milled	R/tonne	**1,223**	1,198	2	1,197
Cash operating cost per PGM oz produced	R/PGM oz	**11,041**	11,070	–	10,846
Cash operating cost per PGM oz produced	$/PGM oz	**898**	838	7	815
Stay-in business capital	R million	**271**	233	16	563
All-in sustaining costs net of metal revenue credits other than Pt	$ million	**182**	239	(24)	438
All-in sustaining costs per platinum ounce sold	$/Pt oz	**891**	1,183	(25)	955
Cash operating cost per platinum ounce produced	R/Pt oz	**21,701**	21,596	–	21,246
Cash operating cost per platinum ounce produced	$/Pt oz	**1,764**	1,635	8	1,596
Reconciling items for AISC and free cash flow					
Allocated marketing and market development costs	$/Pt oz sold	**21**	23	(9)	23

Following the move to more detailed reporting on purchase of concentrate activities, Amandelbult has been changed to exclude metal purchased from third parties. This change led to a corresponding change in the results for purchased metal.

GROUP PERFORMANCE DATA continued

for the six months ended 30 June 2018

UNKI PLATINUM MINE (ZIMBABWE)

(100% owned)

		Six months ended			Year ended
		30 June 2018	30 June 2017	% change	31 December 2017
Production					
Total development	km	**0.9**	0.9	–	1.7
Immediately available ore reserves	months	**253.2**	202.7	25	215.7
Square metres	000 m^2	**155**	141	10	288
Tonnes milled	000 tonnes	**938**	883	6	1,752
Built-up head grade	4E g/tonne	**3.47**	3.48	–	3.47
Total mined production (M&C)					
PGMs		**92.6**	85.1	9	165.9
Platinum	000 ounces	**41.4**	38.4	8	74.6
Palladium	000 ounces	**36.2**	33.0	10	64.4
Rhodium	000 ounces	**4.2**	3.8	11	7.4
Iridium	000 ounces	**1.7**	1.6	6	3.1
Ruthenium	000 ounces	**4.1**	3.6	14	7.2
Gold	000 ounces	**5.0**	4.7	6	9.2
Nickel	000 tonnes	**1.2**	1.1	9	2.2
Copper	000 tonnes	**1.1**	1.1	–	2.0
Total PGM ounces refined		**77.2**	77.5	–	171.6
Platinum	000 ounces	**35.4**	35.6	(1)	79.0
Palladium	000 ounces	**29.8**	29.4	1	67.6
Other PGMs+Gold	000 ounces	**12.0**	12.5	(4)	25.0
Total PGM ounces sold – excluding trading		**86.5**	77.2	12	173.1
Platinum	000 ounces	**36.6**	36.3	1	79.5
Palladium	000 ounces	**31.7**	26.7	19	65.4
Other PGMs+Gold	000 ounces	**18.2**	14.2	28	28.2
Employees and efficiencies					
Own employees	average	**1,096**	1,072	2	1,088
Contractor employees	average	**–**	–	–	–
PGM ounces produced per employee	per annum	**168.9**	158.7	6	152.5

		Six months ended			Year ended
		30 June 2018	30 June 2017	% change	31 December 2017
Financials – excluding trading					
Rand basket price per PGM oz sold	R/PGM oz	**15,094**	13,444	12	14,375
Dollar basket price per PGM oz sold	$/PGM oz	**1,219**	1,016	20	1,078
Rand basket price per Pt oz sold	R/Pt oz	**34,677**	28,607	21	31,299
Dollar basket price per Pt oz sold	$/Pt oz	**2,800**	2,161	30	2,347
Net sales revenue	R million	**1,270**	1,038	22	2,489
from platinum	R million	**424**	460	(8)	1,003
from palladium	R million	**398**	277	44	766
from rhodium	R million	**83**	34	144	94
from other PGMs and gold	R million	**110**	102	8	206
from base and other metals	R million	**255**	165	54	420
Total operating costs	R million	**(846)**	(819)	3	(1,666)
EBITDA	R million	**424**	219	94	823
EBITDA margin	%	**33.4**	21.0	12	33.1
EBIT	R million	**258**	46	462	466
ROCE	%	**10.5**	1.9	9	9.5
Attributable economic free cash flow	R million	**311**	85	266	614
Attributable net cash flow	R million	**120**	2	5,900	296
Costs and unit costs					
Cash operating costs	R million	**973**	881	10	1,745
Cash on-mine cost per tonne milled	R/tonne	**839**	818	3	811
Cash operating cost per PGM oz produced	R/PGM oz	**10,511**	10,360	1	10,519
Cash operating cost per PGM oz produced	$/PGM oz	**855**	784	9	790
Stay-in-business capital	R million	**93**	33	181	181
All-in sustaining costs net of metal revenue credits other than Pt	$ million	**18**	32	(43)	49
All-in sustaining costs per platinum ounce sold	$/Pt oz	**491**	878	(44)	612
Cash operating cost per platinum ounce produced	R/Pt oz	**23,477**	22,967	2	23,387
Cash operating cost per platinum ounce produced	$/Pt oz	**1,909**	1,739	10	1,757
Reconciling items for AISC and free cash flow					
Allocated marketing and market development costs	$/Pt oz sold	**26**	28	(7)	29
Abnormal income/(expense) included in operating and net cash flow					
– Disposal of treasury bills	R million	**100**	34	194	228

GROUP PERFORMANCE DATA continued

for the six months ended 30 June 2018

UNION PLATINUM MINE

(85% owned)

		Six months ended			Year ended
		30 June 2018	30 June 2017	% change	31 December 2017
Production					
Total development	km	**0.9**	5.6	(84)	11.3
Immediately available ore reserves	months	**–**	16.6	(100)	15.4
Square metres	000 m^2	**28**	158	(82)	320
Tonnes milled	000 tonnes	**205**	1,310	(84)	2,688
Surface tonnes	000 tonnes	**36**	190	(81)	435
Underground tonnes	000 tonnes	**169**	1,120	(85)	2,253
Built-up head grade	4E g/tonne	**3.90**	3.94	(1)	3.86
Surface tonnes	4E g/tonne	**3.00**	1.93	55	1.63
Merensky underground tonnes	4E g/tonne	**–**	–	–	–
UG2 underground tonnes	4E g/tonne	**4.09**	4.28	(4)	4.29
Total mined production (M&C)					
PGMs		**23.1**	155.0	(85)	308.6
Platinum	000 ounces	**11.6**	77.5	(85)	154.5
Palladium	000 ounces	**5.2**	35.9	(85)	71.4
Rhodium	000 ounces	**2.1**	14.3	(85)	28.6
Iridium	000 ounces	**0.8**	5.3	(85)	10.3
Ruthenium	000 ounces	**3.3**	21.4	(85)	42.5
Gold	000 ounces	**0.1**	0.6	(83)	1.3
Nickel	000 tonnes	**0.02**	0.2	(90)	0.3
Copper	000 tonnes	**0.01**	0.1	(90)	0.1
Chrome (100%)	000 tonnes	**27.1**	153.7	(82)	324.4
Total PGM ounces refined		**18.8**	138.0	(86)	305.4
Platinum	000 ounces	**8.8**	70.8	(88)	160.7
Palladium	000 ounces	**4.0**	31.9	(87)	74.2
Other PGMs+Gold	000 ounces	**6.0**	35.3	(83)	70.5
Total PGM ounces sold – excluding trading		**20.7**	160.2	(87)	344.6
Platinum	000 ounces	**8.2**	72.2	(89)	161.2
Palladium	000 ounces	**4.4**	29.1	(85)	71.7
Other PGMs+Gold	000 ounces	**8.1**	58.9	(86)	111.7
Employees and efficiencies					
Own employees	average	**4,989**	5,118	(3)	5,086
Contractor employees	average	**172**	232	(26)	211
PGM ounces produced per employee	per annum	**53.6**	57.9	(7)	58.3

		Six months ended			Year ended
		30 June 2018	30 June 2017	% change	31 December 2017
Financials – excluding trading					
Rand basket price per PGM oz sold	R/PGM oz	**13,283**	11,327	17	12,419
Dollar basket price per PGM oz sold	$/PGM oz	**1,073**	856	25	931
Rand basket price per Pt oz sold	R/Pt oz	**33,475**	25,130	33	26,550
Dollar basket price per Pt oz sold	$/Pt oz	**2,703**	1,898	42	1,991
Net sales revenue	R million	**275**	1,814	(85)	4,280
from platinum	R million	**97**	914	(89)	2,033
from palladium	R million	**57**	301	(81)	841
from rhodium	R million	**48**	129	(63)	359
from other PGMs and gold	R million	**22**	107	(79)	217
from base and other metals	R million	**6**	24	(75)	59
from chrome	R million	**45**	339	(87)	771
Total operating costs	R million	**(232)**	(1,557)	(85)	(3,668)
EBITDA	R million	**43**	257	(83)	612
EBITDA margin	%	**15.8**	14.1	2	14.3
EBIT	R million	**39**	207	(81)	531
ROCE	%	**21.7**	29.7	(8)	38.1
Attributable economic free cash flow	R million	**(17)**	(92)	(82)	211
Attributable net cash flow	R million	**(17)**	(92)	(82)	211
Costs and unit costs					
Cash operating costs	R million	**250**	1,582	(84)	3,261
Cash on-mine cost per tonne milled	R/tonne	**1,109**	1,048	6	1,044
Cash operating cost per PGM oz produced	R/PGM oz	**10,844**	10,204	6	10,567
Cash operating cost per PGM oz produced	$/PGM oz	**882**	772	14	794
Stay-in-business capital	R million	**11**	58	(81)	161
All-in sustaining costs net of metal revenue credits other than Pt	$ million	**9**	78	(88)	141
All-in sustaining costs per platinum ounce sold	$/Pt oz	**1,120**	1,077	4	873
Cash operating cost per platinum ounce produced	R/Pt oz	**21,628**	20,401	6	21,109
Cash operating cost per platinum ounce produced	$/Pt oz	**1,758**	1,544	14	1,586
Reconciling items for AISC and free cash flow					
Allocated marketing and market development costs	$/Pt oz sold	**25**	24	4	25

GROUP PERFORMANCE DATA continued

for the six months ended 30 June 2018

MODIKWA PLATINUM MINE

(50:50 joint venture with ARM Mining Consortium Limited)
(All statistics represent attributable contribution for mined production i.e. excl POC)

		Six months ended			Year ended
		30 June 2018	30 June 2017	% change	31 December 2017
Production					
Total development	km	**3.1**	3.0	3	6.0
Immediately available ore reserves	months	**19.1**	28.0	(32)	24.8
Square metres	000 m^2	**95**	100	(5)	216
Tonnes milled	000 tonnes	**596**	498	20	1,116
Built-up head grade	4E g/tonne	**4.07**	4.57	(11)	4.46
Total mined production (M&C)					
PGMs		**79.0**	74.8	6	162.7
Platinum	000 ounces	**31.4**	28.9	9	63.3
Palladium	000 ounces	**29.0**	28.4	2	61.3
Rhodium	000 ounces	**6.3**	6.0	5	13.0
Iridium	000 ounces	**2.2**	2.0	10	4.5
Ruthenium	000 ounces	**9.3**	8.8	6	19.0
Gold	000 ounces	**0.8**	0.7	14	1.6
Nickel	000 tonnes	**0.1**	0.1	–	0.3
Copper	000 tonnes	**0.1**	0.1	–	0.2
Total PGM ounces refined		**67.3**	63.8	5	157.1
Platinum	000 ounces	**28.0**	25.1	12	63.3
Palladium	000 ounces	**25.2**	24.0	5	61.8
Other PGMs+Gold	000 ounces	**14.1**	14.7	(4)	32.0
Total PGM ounces sold – excluding trading		**79.4**	69.3	15	166.0
Platinum	000 ounces	**29.2**	25.6	14	63.1
Palladium	000 ounces	**27.3**	22.0	24	59.5
Other PGMs+Gold	000 ounces	**22.9**	21.7	6	43.4
Employees and efficiencies					
Own employees	average	**2,014**	1,942	4	2,000
Contractor employees	average	**319**	442	(28)	410
PGM ounces produced per employee	per annum	**67.7**	62.8	8	67.6

		Six months ended			Year ended
		30 June 2018	30 June 2017	% change	31 December 2017
Financials – excluding trading					
Rand basket price per PGM oz sold	R/PGM oz	**11,614**	9,691	20	10,942
Dollar basket price per PGM oz sold	$/PGM oz	**938**	732	28	821
Rand basket price per Pt oz sold	R/Pt oz	**31,561**	26,264	20	28,809
Dollar basket price per Pt oz sold	$/Pt oz	**2,549**	1,984	28	2,161
Net sales revenue	R million	**922**	672	37	1,817
from platinum	R million	**337**	324	4	795
from palladium	R million	**340**	227	50	703
from rhodium	R million	**134**	52	158	158
from other PGMs and gold	R million	**79**	47	68	104
from base and other metals	R million	**32**	22	45	57
Total operating costs	R million	**(767)**	(567)	35	(1,456)
EBITDA	R million	**155**	105	48	361
EBITDA margin	%	**16.8**	15.6	1	19.9
EBIT	R million	**67**	34	97	203
ROCE	%	**8.0**	4.1	4	12.1
Attributable economic free cash flow	R million	**50**	(48)	(204)	166
Attributable net cash flow	R million	**35**	(85)	(141)	89
Costs and unit costs					
Cash operating costs	R million	**813**	689	18	1,507
Cash on-mine cost per tonne milled	R/tonne	**1,263**	1,286	(2)	1,252
Cash operating cost per PGM oz produced	R/PGM oz	**10,296**	9,204	12	9,259
Cash operating cost per PGM oz produced	$/PGM oz	**837**	697	20	696
Stay-in-business capital	R million	**27**	18	50	99
All-in sustaining costs net of metal revenue credits other than Pt	$ million	**24**	29	(17)	49
All-in sustaining costs per platinum ounce sold	$/Pt oz	**817**	1,125	(27)	777
Cash operating cost per platinum ounce produced	R/Pt oz	**25,893**	23,835	9	23,792
Cash operating cost per platinum ounce produced	$/Pt oz	**2,105**	1,804	17	1,787
Reconciling items for AISC and free cash flow					
Allocated marketing and market development costs	$/Pt oz sold	**23**	25	(8)	27

GROUP PERFORMANCE DATA continued

for the six months ended 30 June 2018

MOTOTOLO PLATINUM MINE

(50:50 joint venture with Glencore Kagiso Tiso Platinum Partners)
(All statistics represent attributable contribution for mined production i.e. excl POC)

		Six months ended			Year ended
		30 June 2018	30 June 2017	% change	31 December 2017
Production					
Total development	km	**0.02**	0.23	(91)	0.3
Immediately available ore reserves	months	**29.8**	35.7	(17)	31.2
Square metres	000 m^2	**79**	77	3	131
Tonnes milled	000 tonnes	**754**	650	16	954
Built-up head grade	4E g/tonne	**3.33**	2.98	12	3.04
Total mined production (M&C)					
PGMs		**78.6**	62.4	26	92.4
Platinum	000 ounces	**36.3**	28.9	26	42.7
Palladium	000 ounces	**22.7**	17.5	30	26.3
Rhodium	000 ounces	**6.2**	5.0	24	7.3
Iridium	000 ounces	**2.3**	1.9	21	2.8
Ruthenium	000 ounces	**10.5**	8.6	22	12.6
Gold	000 ounces	**0.6**	0.5	20	0.7
Nickel	000 tonnes	**0.1**	0.1	–	0.2
Copper	000 tonnes	**0.1**	–	–	0.1
Total PGM ounces refined		**57.2**	55.4	3	99.3
Platinum	000 ounces	**27.0**	26.3	3	48.7
Palladium	000 ounces	**16.3**	15.4	6	29.7
Other PGMs+Gold	000 ounces	**13.9**	13.7	1	20.9
Total PGM ounces sold – excluding trading		**62.0**	61.8	–	117.0
Platinum	000 ounces	**26.8**	26.8	–	50.0
Palladium	000 ounces	**16.2**	14.1	15	29.6
Other PGMs+Gold	000 ounces	**19.0**	20.9	(9)	37.4
Employees and efficiencies					
Own employees	average	**739**	755	(2)	748
Contractor employees	average	**151**	213	(29)	198
PGM ounces produced per employee	per annum	**176.6**	129.1	37	97.8

		Six months ended			Year ended
		30 June 2018	30 June 2017	% change	31 December 2017
Financials – excluding trading					
Rand basket price per PGM oz sold	R/PGM oz	**11,912**	9,549	25	10,410
Dollar basket price per PGM oz sold	$/PGM oz	**962**	721	33	781
Rand basket price per Pt oz sold	R/Pt oz	**27,574**	22,029	25	24,375
Dollar basket price per Pt oz sold	$/Pt oz	**2,227**	1,664	34	1,828
Net sales revenue	R million	**738**	590	25	1,218
from platinum	R million	**309**	339	(9)	630
from palladium	R million	**201**	146	38	339
from rhodium	R million	**88**	45	96	108
from other PGMs and gold	R million	**70**	44	59	75
from base and other metals	R million	**70**	16	338	66
Total operating costs	R million	**(420)**	(425)	(1)	(951)
EBITDA	R million	**318**	165	93	267
EBITDA margin	%	**43.0**	27.9	15	21.9
EBIT	R million	**254**	113	124	167
ROCE	%	**98.5**	56.3	42	41.4
Attributable economic free cash flow	R million	**(42)**	26	(264)	(42)
Attributable net cash flow	R million	**(42)**	26	(264)	(42)
Costs and unit costs					
Cash operating costs	R million	**628**	504	25	849
Cash on-mine cost per tonne milled	R/tonne	**727**	681	7	786
Cash operating cost per PGM oz produced	R/PGM oz	**7,989**	8,073	(1)	9,195
Cash operating cost per PGM oz produced	$/PGM oz	**649**	611	6	691
Stay-in-business capital	R million	**182**	47	287	234
All-in sustaining costs net of metal revenue credits other than Pt	$ million	**29**	24	21	52
All-in sustaining costs per platinum ounce sold	$/Pt oz	**1,081**	906	19	1,033
Cash operating cost per platinum ounce produced	R/Pt oz	**17,308**	17,417	(1)	19,916
Cash operating cost per platinum ounce produced	$/Pt oz	**1,407**	1,318	7	1,496
Reconciling items for AISC and free cash flow					
Allocated marketing and market development costs	$/Pt oz sold	**20**	21	(5)	23

GROUP PERFORMANCE DATA continued

for the six months ended 30 June 2018

KROONDAL PLATINUM MINE

(50:50 pooling and sharing agreement with Sibanye Platinum Limited)
(All statistics represent attributable contribution for mined production i.e. excl POC)

		Six months ended			Year ended
		30 June 2018	30 June 2017	% change	31 December 2017
Production					
Total development	km	**2.9**	5.4	(46)	9.4
Square metres	000 m^2	**227**	224	1	484
Tonnes milled	000 tonnes	**1,268**	1,205	5	2,517
Built-up head grade	4E g/tonne	**3.67**	3.67	–	3.64
Total mined production (M&C)					
PGMs		**146.0**	137.8	6	292.9
Platinum	000 ounces	**69.5**	65.5	6	139.3
Palladium	000 ounces	**36.7**	34.8	5	73.9
Rhodium	000 ounces	**13.1**	12.4	6	26.4
Iridium	000 ounces	**4.9**	4.6	7	9.8
Ruthenium	000 ounces	**21.2**	19.9	7	42.3
Gold	000 ounces	**0.6**	0.6	–	1.2
Nickel	000 tonnes	**0.1**	0.1	–	0.3
Copper	000 tonnes	**0.1**	0.1	–	0.1
Total PGM ounces refined		**123.8**	125.4	(1)	286.3
Platinum	000 ounces	**61.7**	61.2	1	142.7
Palladium	000 ounces	**31.8**	31.7	–	75.8
Other PGMs+Gold	000 ounces	**30.3**	32.5	(7)	67.8
Total PGM ounces sold – excluding trading		**149.1**	142.0	5	312.2
Platinum	000 ounces	**64.4**	62.7	3	142.8
Palladium	000 ounces	**34.3**	29.2	17	73.0
Other PGMs+Gold	000 ounces	**50.4**	50.1	1	96.4
Employees and efficiencies					
Own employees	average	**2,705**	2,789	(3)	2,800
Contractor employees	average	**1,145**	1,070	7	1,032
PGM ounces produced per employee	per annum	**75.9**	71.4	6	76.5

		Six months ended			Year ended
		30 June 2018	30 June 2017	% change	31 December 2017
Financials – excluding trading					
Rand basket price per PGM oz sold	R/PGM oz	**10,980**	9,360	17	10,356
Dollar basket price per PGM oz sold	$/PGM oz	**887**	707	25	777
Rand basket price per Pt oz sold	R/Pt oz	**25,415**	21,189	20	22,651
Dollar basket price per Pt oz sold	$/Pt oz	**2,052**	1,601	28	1,699
Net sales revenue	R million	**1,637**	1,329	23	3,233
from platinum	R million	**741**	795	(7)	1,800
from palladium	R million	**426**	302	41	858
from rhodium	R million	**275**	117	135	328
from other PGMs and gold	R million	**165**	95	74	196
from base and other metals	R million	**29**	20	45	51
Total operating costs	R million	**(1,205)**	(994)	21	(2,587)
EBITDA	R million	**432**	335	29	646
EBITDA margin	%	**26.4**	25.2	1	20.0
EBIT	R million	**296**	84	252	128
ROCE	%	**42.7**	11.5	31	8.3
Attributable economic free cash flow	R million	**172**	77	123	284
Attributable net cash flow	R million	**172**	77	123	284
Costs and unit costs					
Cash operating costs	R million	**1,276**	1,126	13	2,630
Cash on-mine cost per tonne milled	R/tonne	**934**	869	7	977
Cash operating cost per PGM oz produced	R/PGM oz	**8,737**	8,170	7	8,979
Cash operating cost per PGM oz produced	$/PGM oz	**710**	618	15	675
Stay-in-business capital	R million	**84**	100	(16)	225
All-in sustaining costs net of metal revenue credits other than Pt	$ million	**47**	56	(16)	117
All-in sustaining costs per platinum ounce sold	$/Pt oz	**736**	885	(17)	819
Cash operating cost per platinum ounce produced	R/Pt oz	**18,368**	17,198	7	18,881
Cash operating cost per platinum ounce produced	$/Pt oz	**1,493**	1,302	15	1,419
Reconciling items for AISC and free cash flow					
Allocated marketing and market development costs	$/Pt oz sold	**19**	20	(5)	21

GROUP PERFORMANCE DATA continued

for the six months ended 30 June 2018

ANALYSIS OF GROUP CAPITAL EXPENDITURE

R millions	Six months ended 30 June 2018 Stay-in-business	Projects	Total	Six months ended 30 June 2017 Stay-in-business	Projects	Total	Year ended 31 December 2017 Stay-in-business	Projects	Total
Mogalakwena Mine	**1,133**	**68**	**1,201**	679	85	764	1,791	221	2,012
Amandebult Mine	**167**	**84**	**251**	193	–	193	438	18	456
Unki Mine	**56**	**–**	**56**	15	9	24	131	11	142
Twickenham Project	**–**	**–**	**–**	16	(9)	7	17	(10)	7
Modikwa Mine	**12**	**15**	**27**	11	37	48	81	77	158
Mototolo Mine	**160**	**–**	**160**	39	–	39	217	–	217
Kroondal Mine	**65**	**–**	**65**	92	–	92	200	–	200
Rustenburg Mine	**–**	**–**	**–**	–	–	–	–	–	–
Union Mine	**5**	**–**	**5**	42	–	42	113	–	113
Mining and retreatment	**1,598**	**167**	**1,765**	1,087	122	1,209	2,988	317	3,305
Polokwane Smelter	**126**	**–**	**126**	22	–	22	83	–	83
Waterval Smelter	**29**	**–**	**29**	168	–	168	447	–	447
Mortimer Smelter	**172**	**–**	**172**	36	–	36	168	–	168
Unki Smelter	**–**	**192**	**192**	–	74	74	–	306	306
Rustenburg Base Metals Refiners	**94**	**–**	**94**	81	–	81	201	–	201
Precious Metals Refiners	**59**	**–**	**59**	43	–	43	118	–	118
Total smelting and refining	**480**	**192**	**672**	350	74	424	1,017	306	1,323
Other	**329**	**–**	**329**	45	–	45	116	–	116
Total capital expenditure	**2,407**	**359**	**2,766**	1,482	196	1,678	4,121	623	4,744
Capitalised interest	**–**	**–**	**116**	–	–	101	–	–	225
Total capitalised costs	**2,407**	**359**	**2,882**	1,482	196	1,779	4,121	623	4,969

Stay-in-business capital for Mogalakwena includes R635 million for waste stripping for the six months to June 2018 (R376 million for the six months to June 2017 and R784 million for the year ended 31 December 2017).

2018 INTERIM RESULTS PRESENTATION

for the six months ended 30 June 2018

AngloAmerican

ANGLO AMERICAN PLATINUM

2018 INTERIM RESULTS PRESENTATION

23 July 2018

Real Mining. Real People. Real Difference.

CAUTIONARY STATEMENT

Disclaimer: This presentation has been prepared by Anglo American Platinum Limited ("Anglo American Platinum") and comprises the written materials/slides for a presentation concerning Anglo American Platinum. By attending this presentation and/or reviewing the slides you agree to be bound by the following conditions.

This presentation is for information purposes only and does not constitute an offer to sell or the solicitation of an offer to buy shares in Anglo American Platinum. Further, it does not constitute a recommendation by Anglo American Platinum or any other party to sell or buy shares in Anglo American Platinum or any other securities. All written or oral forward-looking statements attributable to Anglo American Platinum or persons acting on their behalf are qualified in their entirety by these cautionary statements.

Forward-Looking Statements

This presentation includes forward-looking statements. All statements, other than statements of historical facts included in this presentation, including, without limitation, those regarding Anglo American Platinum's financial position, business, acquisition and divestment strategy, plans and objectives of management for future operations (including development plans and objectives relating to Anglo American Platinum's products, production forecasts and reserve and resource positions), are forward-looking statements. By their nature, such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Anglo American Platinum, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Such forward-looking statements are based on numerous assumptions regarding Anglo American Platinum's present and future business strategies and the environment in which Anglo American Platinum will operate in the future. Important factors that could cause Anglo American Platinum's actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, levels of actual production during any period, levels of global demand and commodity market prices, mineral resource exploration and development capabilities, recovery rates and other operational capabilities, the availability of mining and processing equipment, the ability to produce and transport products profitably, the impact of foreign currency exchange rates on market prices and operating costs, the availability of sufficient credit, the effects of inflation, political uncertainty and economic conditions in relevant areas of the world, the actions of competitors, activities by governmental authorities such as changes in taxation or safety, health, environmental or other types of regulation in the countries where Anglo American Platinum operates, conflicts over land and resource ownership rights and such other risk factors identified in Anglo American Platinum's most recent Annual Report. Forward-looking statements should, therefore, be construed in light of such risk factors and undue reliance should not be placed on forward-looking statements. These forward-looking statements speak only as of the date of this presentation. Anglo American Platinum expressly disclaims any obligation or undertaking (except as required by applicable law, the Listings Requirements of the securities exchange of the JSE Limited in South Africa and any other applicable regulations) to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in Anglo American Platinum's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Nothing in this presentation should be interpreted to mean that future earnings per share of Anglo American Platinum will necessarily match or exceed its historical published earnings per share.

Certain statistical and other information about Anglo American Platinum included in this presentation is sourced from publicly available third party sources. As such it presents the views of those third parties, but may not necessarily correspond to the views held by Anglo American Platinum.

No Investment Advice

This presentation has been prepared without reference to your particular investment objectives, financial situation, taxation position and particular needs. It is important that you view this presentation in its entirety. If you are in any doubt in relation to these matters, you should consult your stockbroker, bank manager, solicitor, accountant, taxation adviser or other independent financial adviser (where applicable, as authorised in South Africa, under the Financial Advisory and Intermediary Services Act 37 of 2002).

Alternative performance measures

Throughout this presentation a range of financial and non-financial measures are used to assess our performance, including a number of the financial measures that are not defined under IFRS, which are termed 'alternative performance measures' (APMs). Management uses these measures to monitor Anglo American Platinum's financial performance alongside IFRS measures because they help illustrate the underlying financial performance and position of the Anglo American Platinum. These APMs should be considered in addition to, and not as a substitute for, or as superior to, measures of financial performance, financial position or cash flows reported in accordance with IFRS. APMs are not uniformly defined by all companies, including those in Anglo American Platinum's industry. Accordingly, it may not be comparable with similarly titled measures and disclosures by other companies.

Front cover image: Mogalakwena North concentrator

2

2018 INTERIM RESULTS AGENDA

Safety & sustainability performance	*Chris Griffith*
Operational performance	*Chris Griffith*
Financial results	*Ian Botha*
PGM market review	*Chris Griffith*
Positioning for the future	*Chris Griffith*

3

SAFE PRODUCTION DELIVERING VALUE

Strong operational performance ✓

PGM production increase

4%

for H1 2018

Increasing margin ✓

EBITDA margin

21%

up from 15% in H1 2017

Improving return on capital ✓

ROCE

22%

up from 9%

Generating cash ✓

Free cash flow from operations[1]

R1.3bn

up from R(1.0)bn in H1 2017, despite temporary inventory build-up of R2.5bn

Strong balance sheet ✓

Moved to net cash

+R0.5bn

from net debt of R1.8bn at 31 December 2017

Industry leading returns ✓

Cash dividend declared

R1.0bn

for H1 2018. R0.9bn for H2 2017

4

STRONG OPERATING & FINANCIAL RESULTS…& WE'VE BEEN BUSY

Sale of RBP shares

R390m

gross proceeds from placement

Acquisition of Glencore's interest in Mototolo

R0.8bn

upfront consideration and estimated nominal deferred consideration at R1bn, (total NPV R1.5bn) (25)

Disposal of BRPM interest

R1.9bn

total purchase consideration, with upfront c.R200m

Launch of AP Ventures Fund

$200m

total commitment to the fund equating c.R2.7bn

…and we'll talk about what's next for AAP…

5

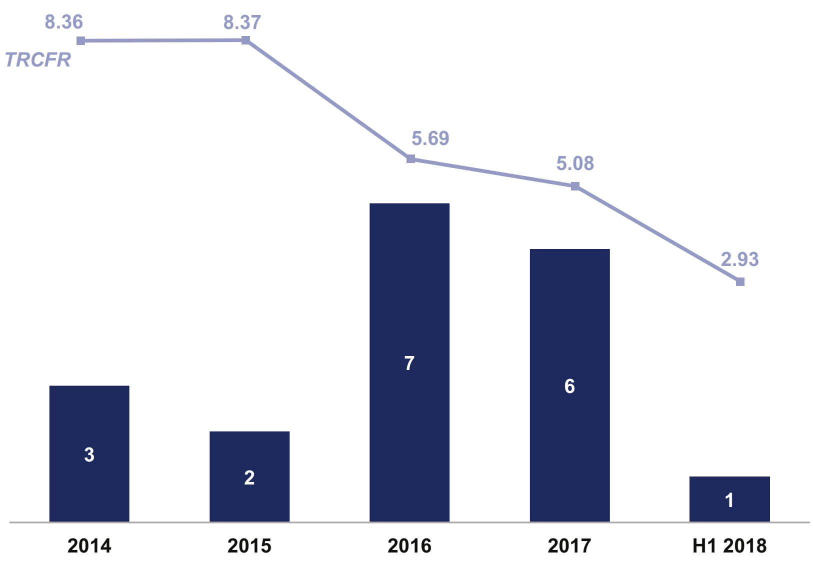
AngloAmerican

Monitoring readings on the copper coolers on the Polokwane smelter furnace

Real Mining. Real People. Real Difference.

SAFETY INDICATORS MATERIALLY IMPROVED

Fatalities & total recordable case injury frequency rate (TRCFR)[2]



TRCFR improvement

42%

per 1 million hours worked, but sadly one loss of life through bee stings

Safety turnaround in place:

- Management commitment to safety and elimination of fatalities
- Benefits from implementing a revised safety, health and environmental strategy
- Significant effort and investment in cultural transformation

7

RE-IMAGINING MINING TO IMPROVE PEOPLE'S LIVES

PGMs allow solutions to global problems

Air quality

- Autocatalysis
- Heat and energy decarbonisation through renewable hydrogen production
- Carbon capture and usage

Integrating the hydrogen economy with renewable energy

- Hydrogen infrastructure
- Fuel cell electric vehicles
- Distributed power generation
- Energy storage

Improving people's lives

- Water treatment
- Food preservation
- Advanced electronics

Improving wellness

- Biomedical applications
- Dental alloys & applications
- Healthcare sensors & electronics
- Cancer treatments

How we're doing: ESG[(3)] performance

Top 2 mining company globally in ISS Oekom Corporate Responsibility Review 2018

Top 30 in JSE Responsible Investment Index

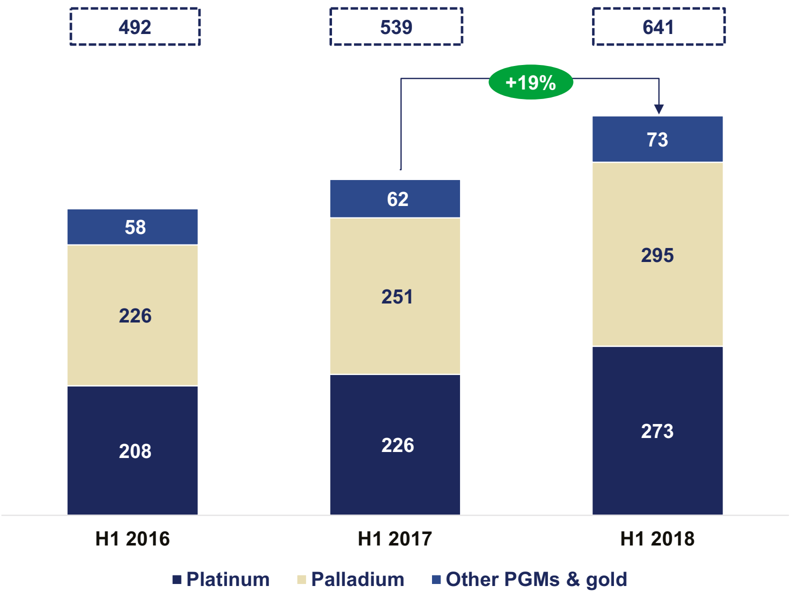
Inclusion in FTSE4Good index since June 2015

8


AngloAmerican
2018 INTERIM RESULTS
OPERATIONAL PERFORMANCE
Chris Griffith
300 tonne haul truck at Mogalakwena
Real Mining. Real People. Real Difference.

RECORD PRODUCTION FROM MOGALAKWENA

Total PGM Production ('000 ounces)



PGM production increase

19%

EBITDA margin

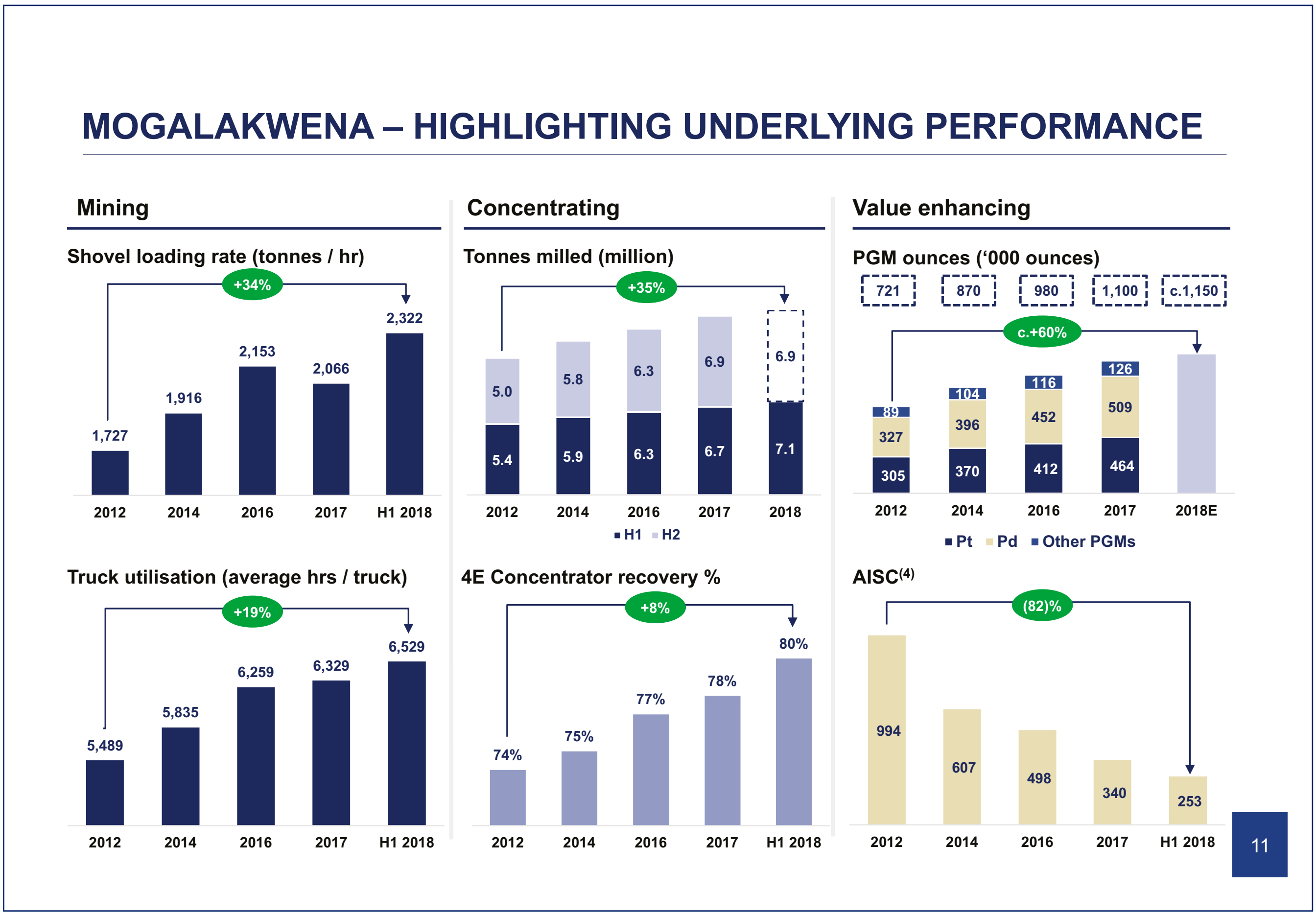
45%

Economic free cash flow[5]

R2.1bn

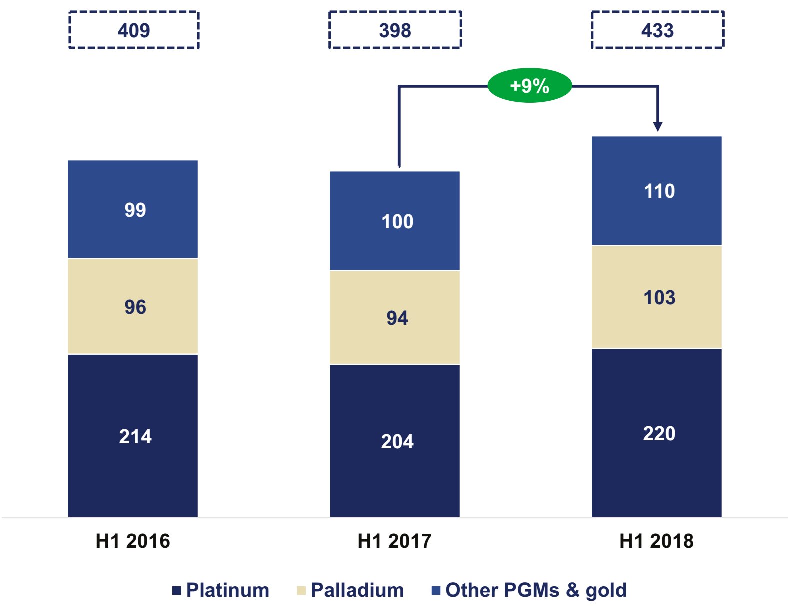
at AISC[4] of $253/ platinum ounce sold, despite build up of WIP inventory

10


MOGALAKWENA – HIGHLIGHTING UNDERLYING PERFORMANCE
Mining
Shovel loading rate (tonnes / hr)
+34%
1,727
1,916
2,153
2,066
2,322
2012
2014
2016
2017
H1 2018
Truck utilisation (average hrs / truck)
+19%
5,489
5,835
6,259
6,329
6,529
2012
2014
2016
2017
H1 2018
Concentrating
Tonnes milled (million)
+35%
5.0
5.8
6.3
6.9
6.9
5.4
5.9
6.3
6.7
7.1
2012
2014
2016
2017
2018
H1
H2
4E Concentrator recovery %
+8%
74%
75%
77%
78%
80%
2012
2014
2016
2017
H1 2018
Value enhancing
PGM ounces ('000 ounces)
721
870
980
1,100
c.1,150
c.+60%
89
327
305
104
396
370
116
452
412
126
509
464
2012
2014
2016
2017
2018E
Pt
Pd
Other PGMs
AISC(4)
(82)%
994
607
498
340
253
2012
2014
2016
2017
H1 2018
11

AMANDELBULT TURN AROUND PROGRESSING

Total PGM Production (‘000 ounces)



PGM production increase

9%

as ramp-up of Dishaba UG2 continues

EBITDA margin

17%

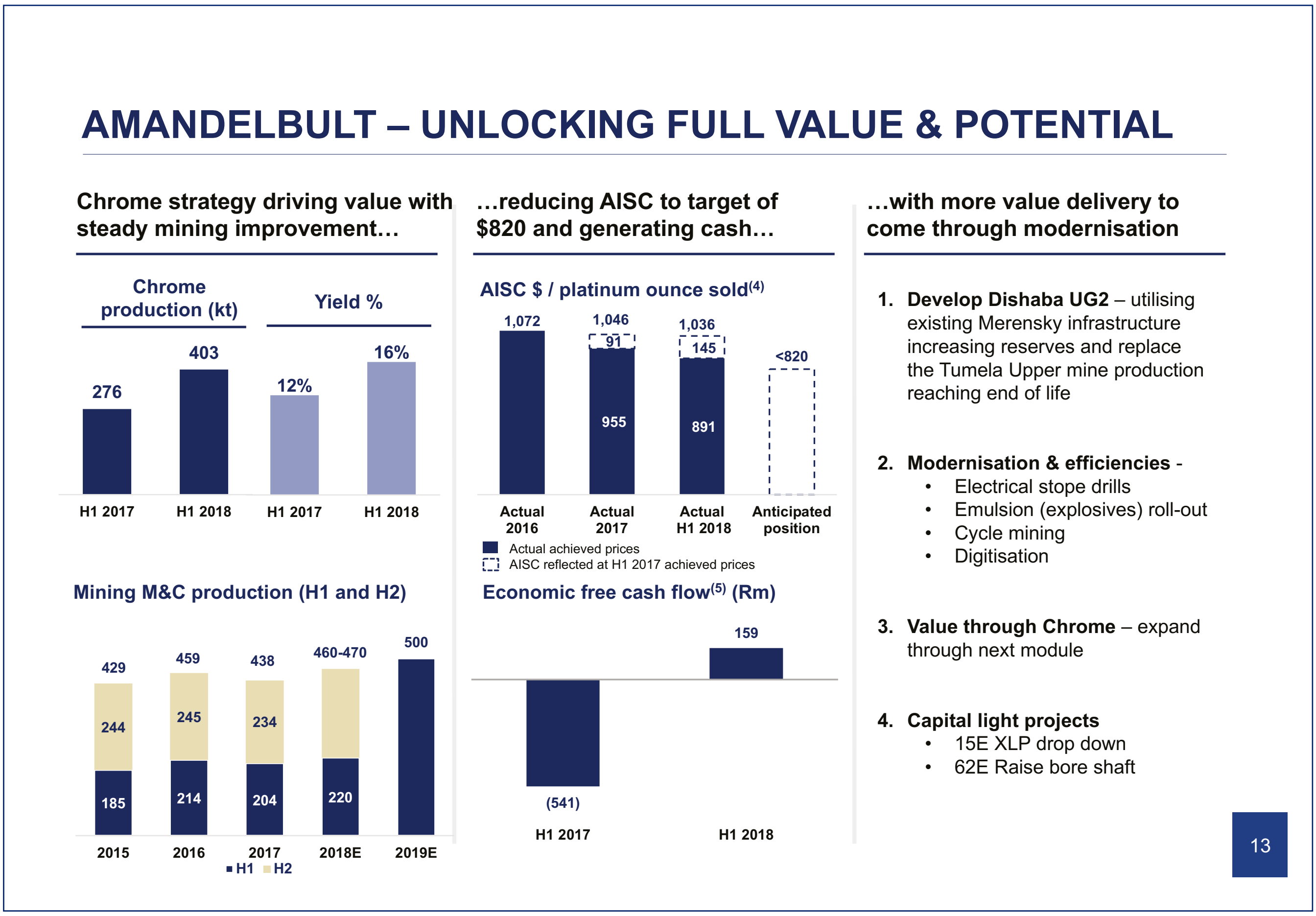
up from 3%

Economic free cash flow[5]

R159m

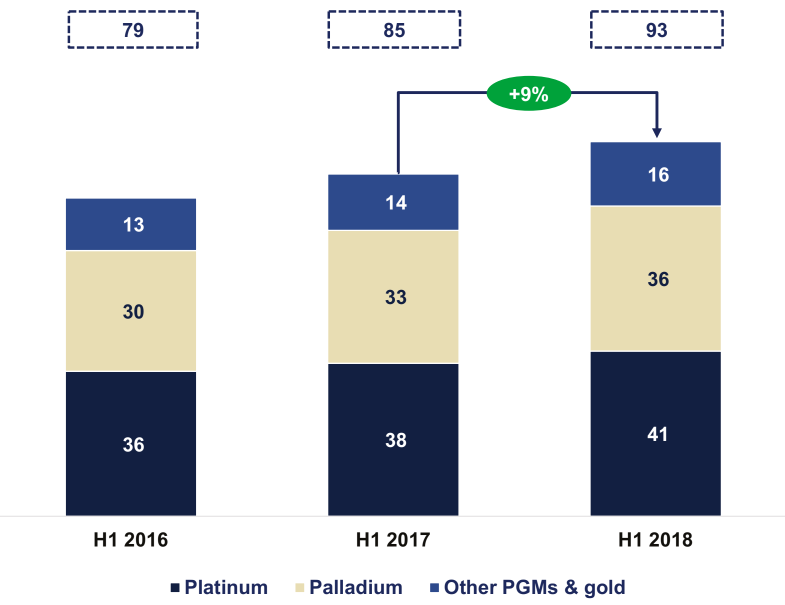
at AISC[4] of $891/ platinum ounce sold, despite build up of WIP inventory

12


AMANDELBULT – UNLOCKING FULL VALUE & POTENTIAL
Chrome strategy driving value with steady mining improvement…
Chrome production (kt)
Yield %
276
403
12%
16%
H1 2017
H1 2018
H1 2017
H1 2018
Mining M&C production (H1 and H2)
429
459
438
460-470
500
244
245
234
185
214
204
220
2015
2016
2017
2018E
2019E
H1
H2
…reducing AISC to target of $820 and generating cash…
AISC $ / platinum ounce sold(4)
1,072
1,046
1,036
91
145
<820
955
891
Actual 2016
Actual 2017
Actual H1 2018
Anticipated position
Actual achieved prices
AISC reflected at H1 2017 achieved prices
Economic free cash flow(5) (Rm)
159
(541)
H1 2017
H1 2018
…with more value delivery to come through modernisation
1. Develop Dishaba UG2 – utilising existing Merensky infrastructure increasing reserves and replace the Tumela Upper mine production reaching end of life
2. Modernisation & efficiencies -
• Electrical stope drills
• Emulsion (explosives) roll-out
• Cycle mining
• Digitisation
3. Value through Chrome – expand through next module
4. Capital light projects
• 15E XLP drop down
• 62E Raise bore shaft
13

UNKI – STRONG PRODUCTION FROM STRATEGIC ASSET

Total PGM Production ('000 ounces)



Total PGM production increase

9%

EBITDA margin

33%

26% normalised for sale of treasury bills[6]

Economic free cash flow[5]

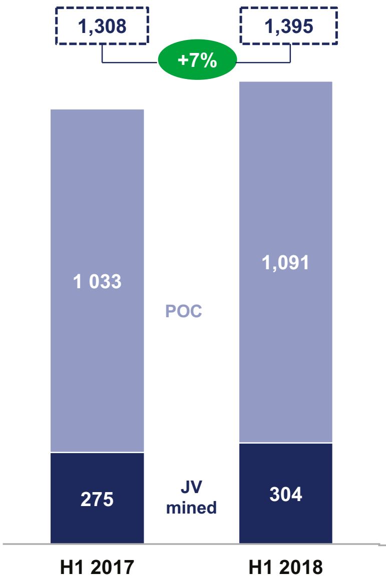
R311m

at AISC[4] of $491/ platinum ounce sold, despite build up of WIP inventory

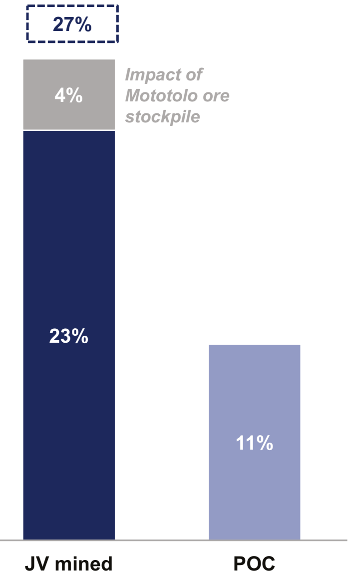
14

JOINT VENTURES & POC INCREASE MARGINS

Total PGM ounces produced



H1 2018 EBITDA margin



PGM production increase

14%

from JVs and POC (excl. Bokoni)

Joint venture and associates

- Mototolo up 26%
- Modikwa up 6%
- Kroondal up 6%
- BRPM up 6% - in sale process

Economic free cash[7] (JVs & POC)

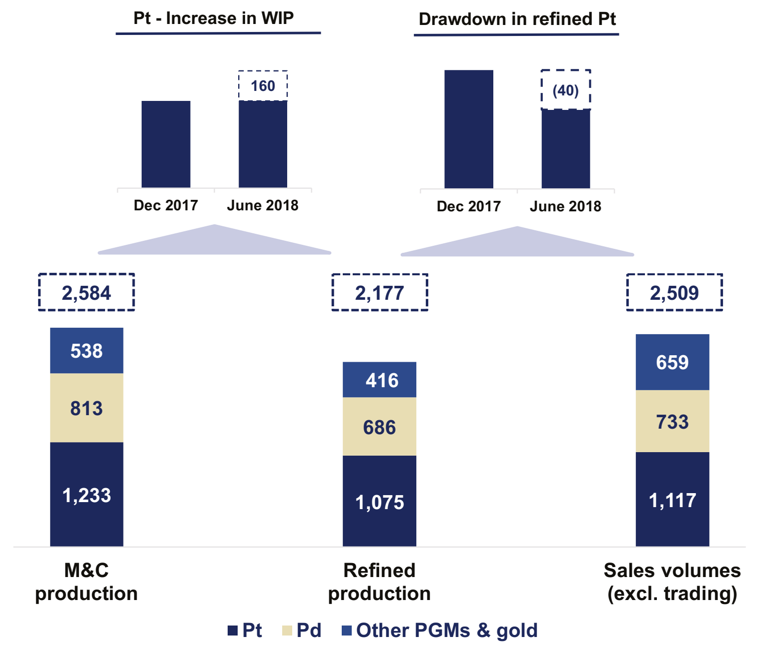
R216m

at AISC[4] of $924/ platinum ounce sold, despite build up of WIP inventory

15

REFINED PRODUCTION AND SALES WILL BE HIGHER IN H2

PGM - M&C production, refined production, sales volumes & inventory



Refined PGM production down

5%

Sales volumes up (excl. trading)

3%

supported by draw down of refined inventory

Lower refined production due to:

H1 2018

- Mortimer smelter rebuild in Q2 2018

H2 2018

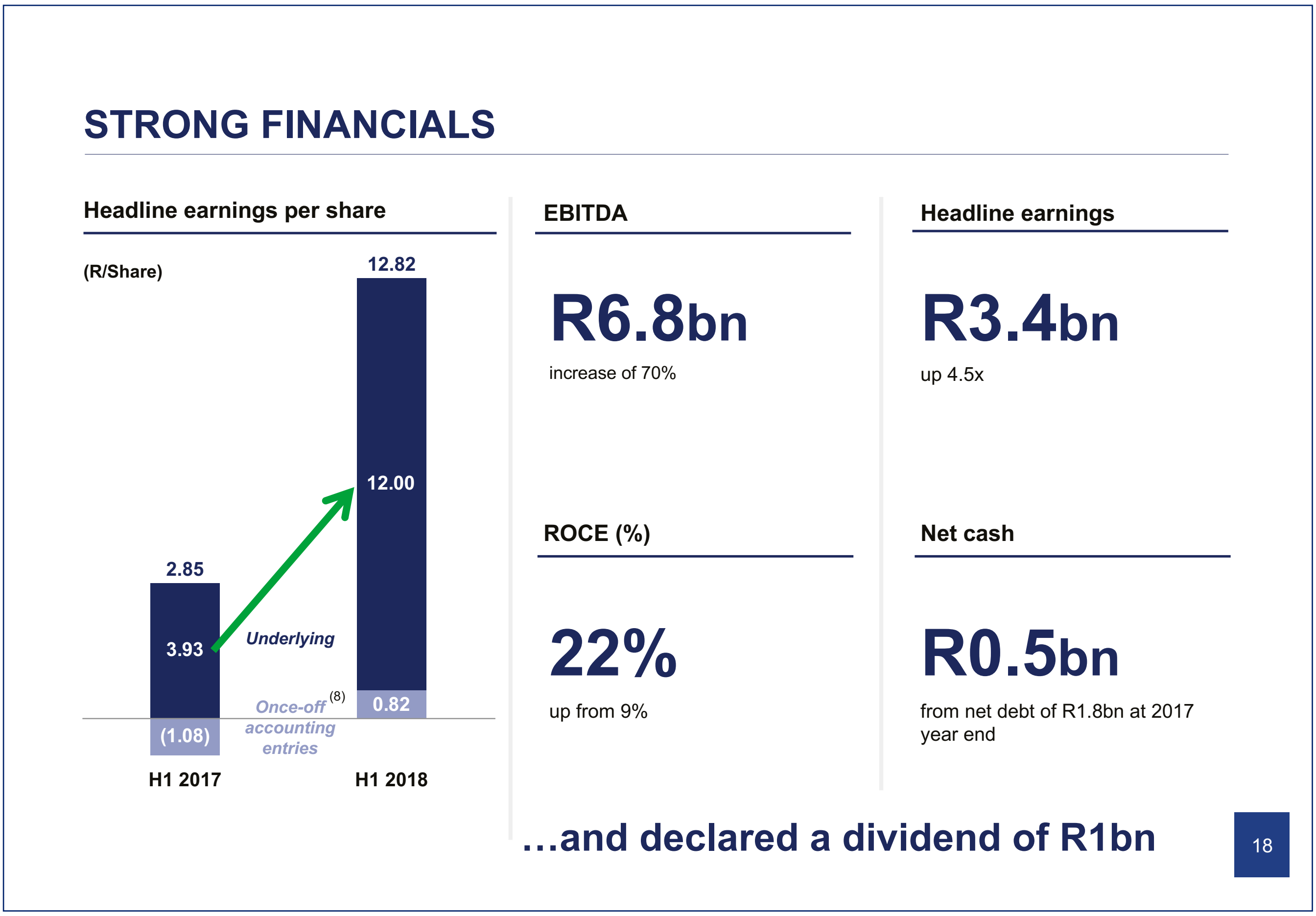
- Polokwane smelter partial rebuild in Q3 2018
- Commissioning of Unki smelter and ACP Phase A in Q3 2018

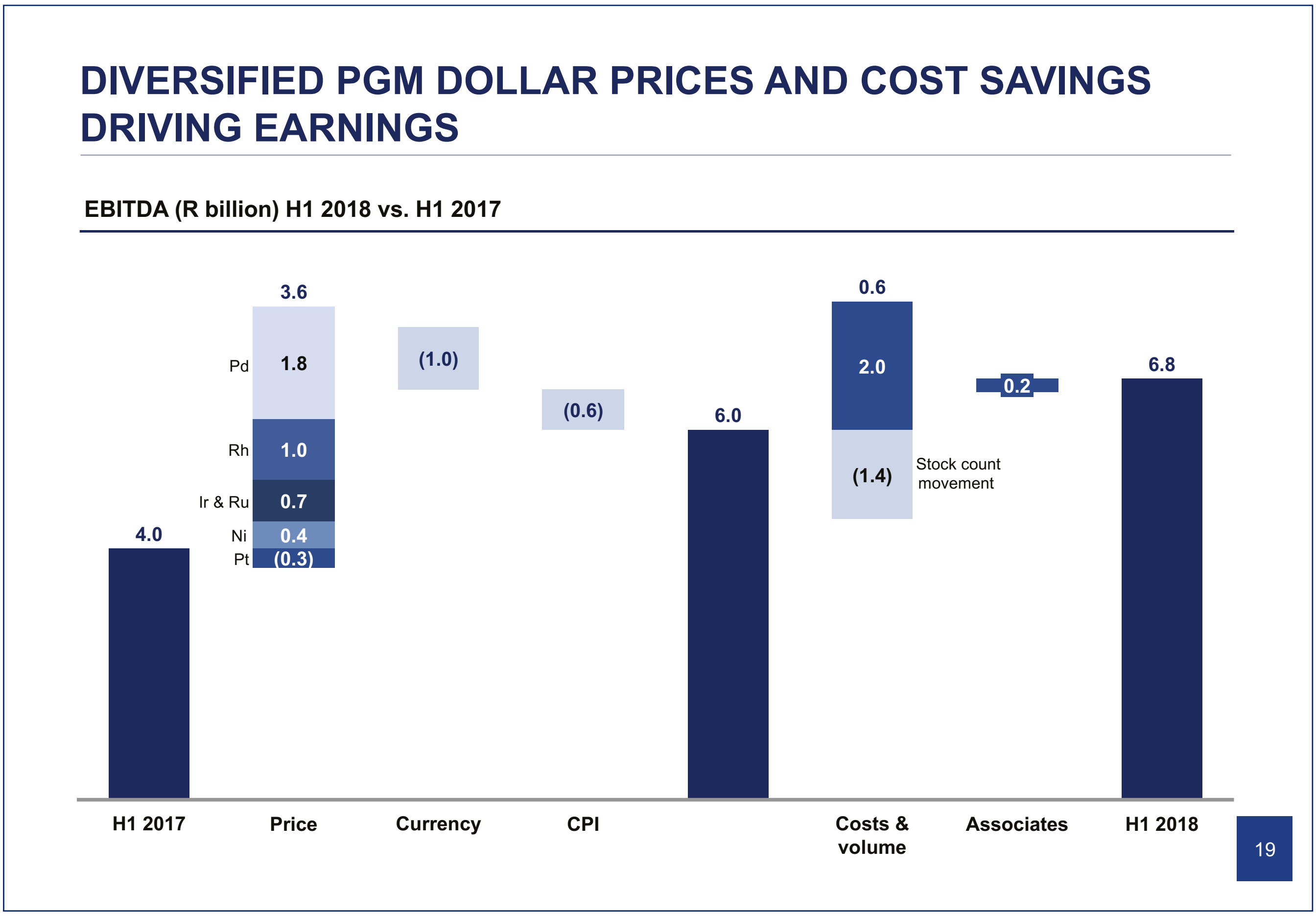
Expect to largely refine all metals produced in 2018

16

AngloAmerican

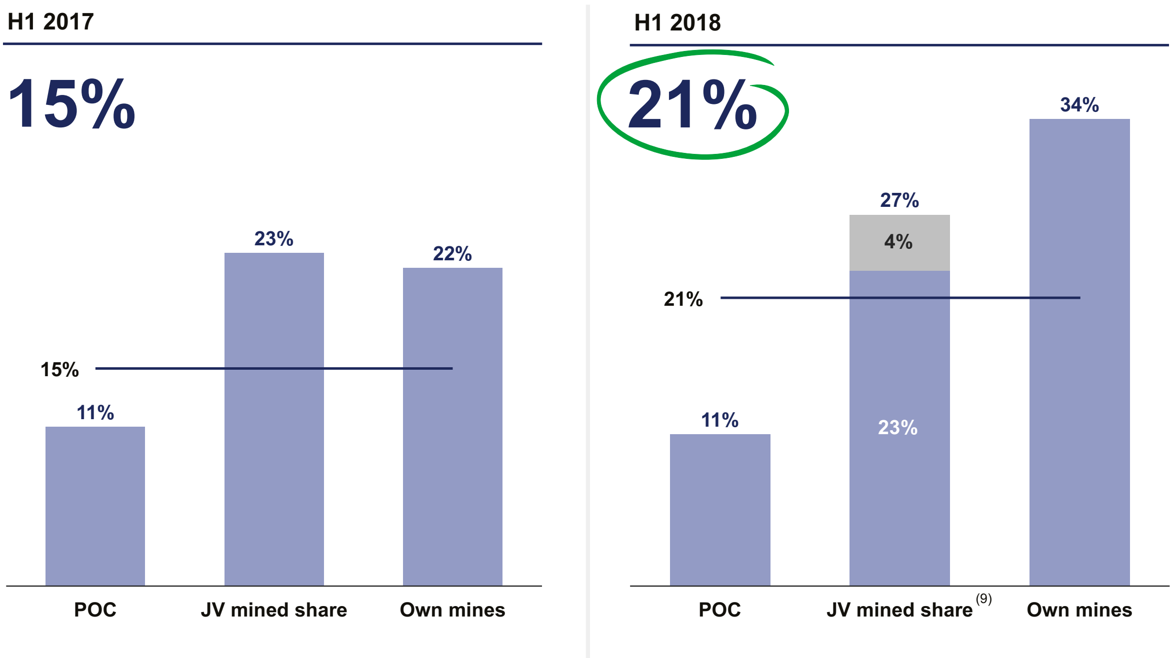
Real Mining. Real People. Real Difference.


STRONG FINANCIALS
Headline earnings per share
(R/Share)
12.82
12.00
2.85
3.93
Underlying
Once-off accounting entries(8)
0.82
(1.08)
H1 2017
H1 2018
EBITDA
R6.8bn
increase of 70%
Headline earnings
R3.4bn
up 4.5x
ROCE (%)
22%
up from 9%
Net cash
R0.5bn
from net debt of R1.8bn at 2017 year end
…and declared a dividend of R1bn
18



DIVERSIFIED PGM DOLLAR PRICES AND COST SAVINGS DRIVING EARNINGS
EBITDA (R billion) H1 2018 vs. H1 2017
4.0
3.6
Pd
1.8
Rh
1.0
Ir & Ru
0.7
Ni
0.4
Pt
(0.3)
(1.0)
(0.6)
6.0
0.6
2.0
(1.4)
Stock count movement
0.2
6.8
H1 2017
Price
Currency
CPI
Costs & volume
Associates
H1 2018
19

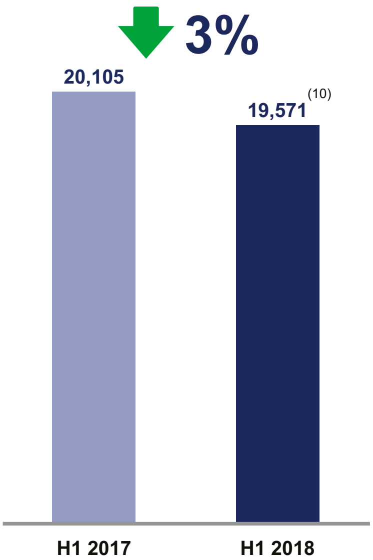
INCREASING MINING AND EBITDA MARGINS



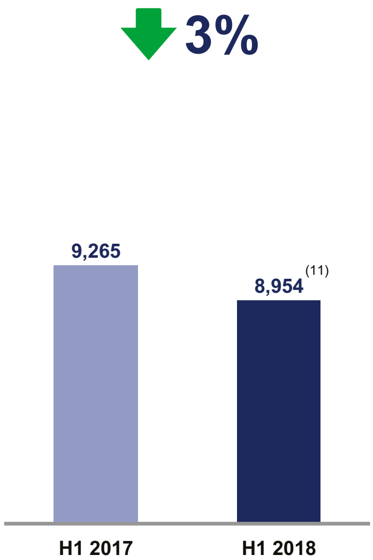
20

CONTINUED STRONG COST PERFORMANCE

R /Pt oz produced



R /PGM oz produced



Input cost inflation

4.8%

H1 2017 4.6%

2018 Guidance

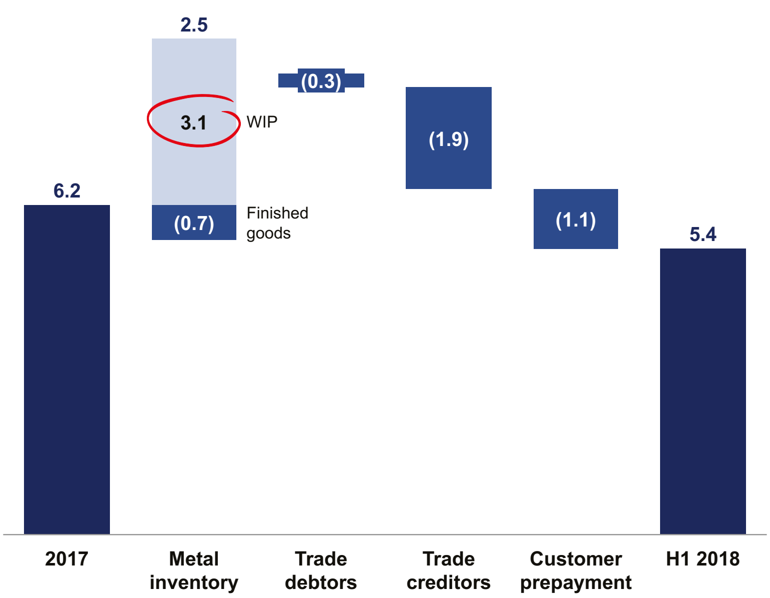
R19,600 – R20,200

per platinum ounce produced

21

CONTINUED WORKING CAPITAL REDUCTION, DESPITE TEMPORARY WIP BUILD-UP

Working capital reduction (R billion)



Working capital days

33 Days

2017 year end 26 Days

Measured ore stockpile

R1.8bn

2017 year end R1.8bn

Customer prepayment

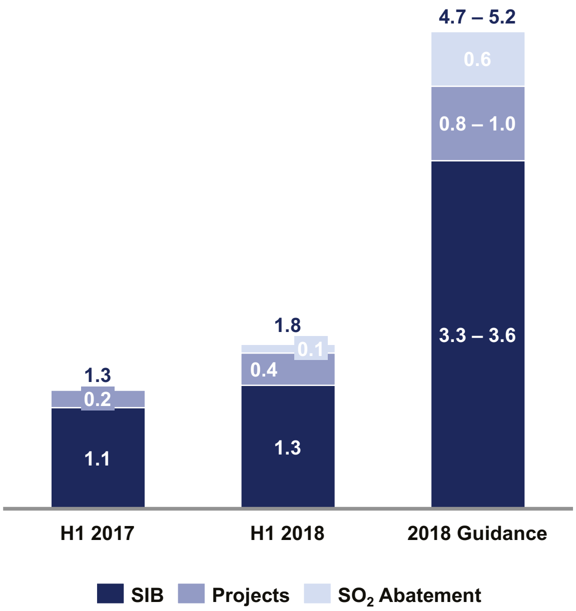
R5.7bn

2017 year end R4.6bn

22

CAPITAL HIGHER IN H1 2018 IN LINE WITH GUIDANCE

Capital expenditure (Rbn)



H1 2018 capital expenditure[12]

R1.8bn

SO_2 abatement project

R2.5bn

for 2018 to 2023 to achieve global best practice

Capitalised waste stripping

R0.6bn

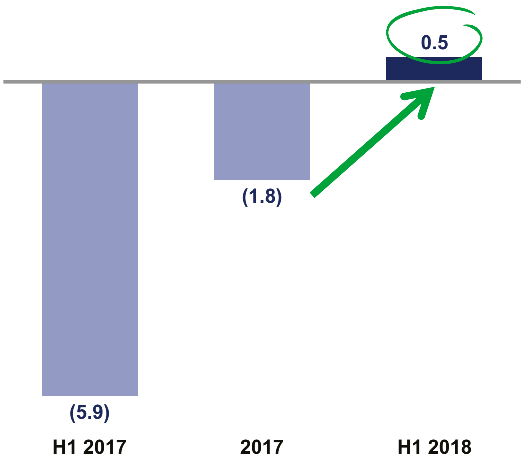
2018 guidance increased from R1.1bn to R1.4bn

23

STRONG BALANCE SHEET, DRIVEN BY IMPROVING CASH GENERATION

Net (debt) / cash (Rbn)

R2.3bn improvement

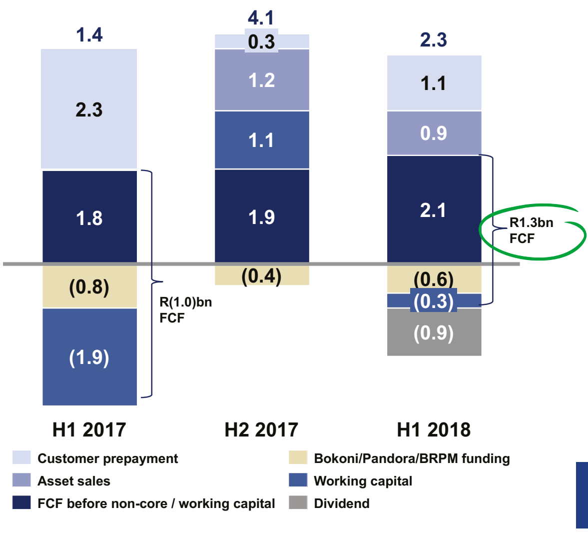


Net debt excluding customer prepayment R5.2bn
(0.4x net debt / EBITDA)

Stronger free cash flow (Rbn)

R1.3bn

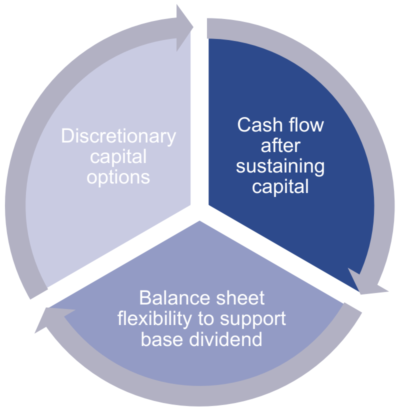
up from R(1.0)bn in H1 2017



24

DISCIPLINED CAPITAL ALLOCATION

Capital allocation framework



Discretionary capital options		
Low cost, fast payback project spend	Future project options	Additional shareholder returns

Balanced capital allocation

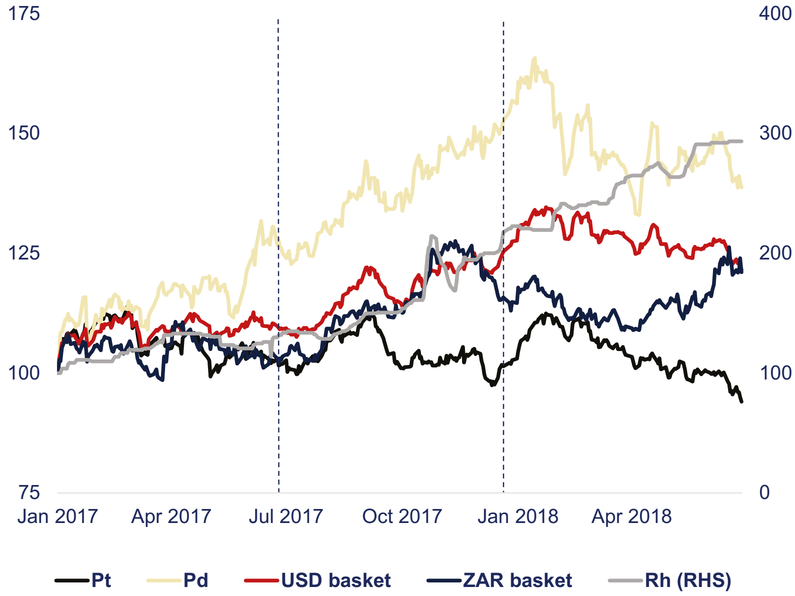
R5.6bn	• Free cash flow
(R2.0bn)	• Sustaining capex • Capitalised waste stripping
(R0.9bn)	• Dividend for H2 2017 paid [13] • *Dividend for H1 2018 declared of R1bn*
(R2.3bn)	• Decrease in net debt
(R0.4bn)	• Discretionary capital

25


AngloAmerican
2018 INTERIM RESULTS
PGM MARKET REVIEW
Chris Griffith
Palladium grain
Real Mining. Real People. Real Difference.

STRONGER BASKET PRICE, SUPPORTED BY PALLADIUM AND RHODIUM

Indexed price (3 Jan 2017 = 100)(14)



USD platinum price decrease

3%

achieved prices year-on-year

USD basket price increase

26%

achieved prices year-on-year

Rand basket price increase

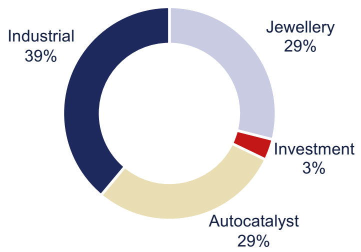
18%

achieved prices year-on-year

27

OVERALL OUTLOOK FOR 3E DEMAND POSITIVE

Platinum (net demand)(15)

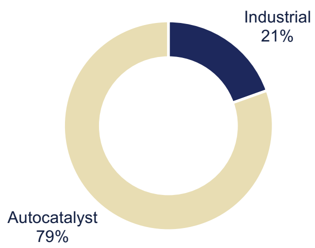


- Industrial demand strong
- Jewellery demand steadying
- Automotive demand under pressure from diesel headwinds

Medium-term demand outlook

stable

Palladium (net demand)(15)

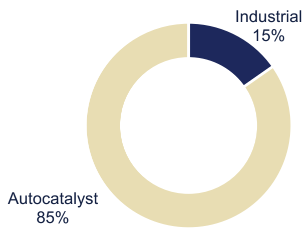


- Automotive consumption very strong
- Industrial demand set to weaken

Medium-term demand outlook

positive

Rhodium (net demand)(15)



- Automotive purchasing growing
- Industrial demand softer in 2018

Medium-term demand outlook

stable

28

AngloAmerican

Head of the slot borer machine at Twickenham mine

Real Mining. Real People. Real Difference.

SIMPLIFYING THE PORTFOLIO TO DELIVER STRONG RETURNS

Mogalakwena

Amandelbult

Mototolo & Der Brochen

Unki

Modikwa JV Kroondal JV

Processing

EBITDA margin

21%
up from 15% in H1 2017

ROCE

22%
annualised, up from 9% in H1 2017

Production in H1 of cash cost-curve

70%
including the exit of BRPM

30

OUR DIFFERENTIATED VALUE PROPOSITION

Quality assets & operational excellence	Capital discipline & shareholder returns	Long term sustainability
70% production in H1 of the cost curve	Strong balance sheet and earnings	Project studies on value-add growth optionality
Only open-pit PGM mine of scale in the world	Focused capital allocation	Grow demand for PGMs
Optimising assets & extracting full value	Sustainable cash dividend	Modernising mining through innovation
Long-life mineral resource	Industry leading cost control	Invest in people and communities

31

HOW WE CREATE VALUE – WHAT'S NEXT FOR AAP

Our Strategy

Develop the market for PGMs

Operational Excellence through people & innovation

Investing in our core portfolio

Launch of the AP Ventures fund in conjunction with the PIC

- Built a strong track record as part of Anglo American Platinum's PGM Investment Programme
- Decision to separate the fund's activities into an independent VC fund that will attract additional outside investment and allow AP Ventures to increase the scale of its activities
- $200 million (c.R2.7 billion) committed by cornerstone investors AAP and the PIC
- The launch of AP Ventures is expected to support the growth of PGM technologies and increase PGM demand

APVentures
ADVANCE & PIONEER

altergy Leading the Fuel Cell Revolution
PRIMUS POWER
GREYROCK TRANSFORMING NATURAL GAS
hydrogenious TECHNOLOGIES
United Hydrogen FUELING THE FUTURE
HyET Hydrogen Efficiency Technologies
FOOD FRESHNESS TECHNOLOGY

32

HOW WE CREATE VALUE – WHAT'S NEXT FOR AAP

Our Strategy

Develop the market for PGMs

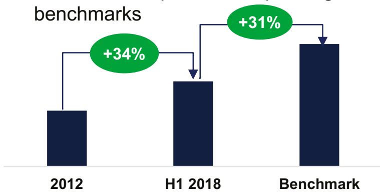
Operational Excellence through people & innovation

Investing in our core portfolio

Focus on achieving greater operational excellence

1 Achieving world benchmark performance

- Continuous improvement, pushing to, and beyond, world best benchmarks



Tonnes loaded (mt) Mogalakwena rope shovel opportunity - to improve 31% to get to 'world benchmark'. Thereafter objective is to set benchmark

2 Innovation & Technology

- Mechanisation
  - Autonomous truck and drill rigs, ultra-low profile mechanised mining fleet, rock cutting and continuous haulage systems
- Modernisation of safe conventional stopes
  - Electro/ hydraulic drills, emulsion explosives, cable supports, stronger netting

3 Digitalisation

- Real time equipment monitoring
- Digital twinning (simulation to optimise performance)
- Enhanced data analytics

33

HOW WE CREATE VALUE – WHAT'S NEXT FOR AAP

Our Strategy

Develop the market for PGMs

Operational Excellence through people & innovation

Investing in our core portfolio

Mogalakwena expansion through a third concentrator

- Conceptual project studies showing third concentrator most value accretive expansion option, in conjunction with continued operational excellence
- Optimal value achieved with a concentrator size of between 9 -12 million tonnes per annum which will not trigger any major downstream processing capital
- Incremental increase in palladium production by c.270,000 ounces and an increase in platinum production by c.250,000 ounces

Mogalakwena North concentrator

34

HOW WE CREATE VALUE – WHAT'S NEXT FOR AAP

Our Strategy

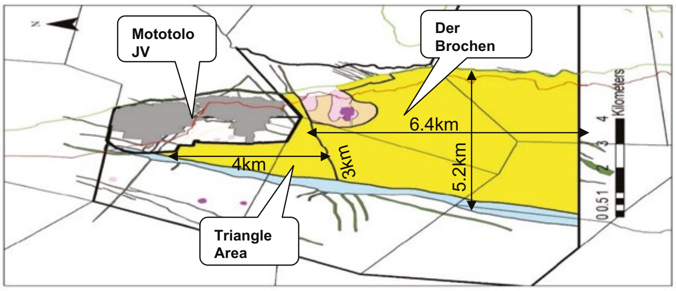
Develop the market for PGMs

Operational Excellence through people & innovation

Investing in our core portfolio

Acquisition of Mototolo and integration with Der Brochen

- AAP to purchase Glencore's 39% interest in Mototolo JV
- A high quality, fully mechanised operation
- Secures significant infrastructure, allowing synergies between Mototolo and adjacent Der Brochen
- Creates a major PGM hub with both replacement and growth optionality, to beyond a 30-year life of mine



35

REVISED 2018 GUIDANCE

- **Strong production performance in H1 results in an increase in guidance**
  - PGM production of 4.85 to 5.10 million ounces (from 4.75 to 5.00 million ounces)
  - Platinum production of 2.40 to 2.45 million ounces (from 2.35 – 2.40 million ounces)
  - Palladium production remains between 1.5 to 1.6 million ounces
- **Refined platinum production and sales volumes in line with production**
- **Refined PGM production and sales lower than production due to stock count loss – impacted largely palladium and rhodium**

- **Unit cost guidance remains – R19,600 to R20,200 per produced platinum ounce**
- **Capital expenditure guidance – within guided range of R4.7 to R5.2 billion**
- **Capitalised waste stripping guidance increased to R1.4 billion for 2018**
- **Base dividend pay-out-ratio of 30% of headline earnings**

36

TO CONCLUDE…

- ✓ Overall safety performance improved
- ✓ Strong operational performance
- ✓ Industry leading returns to shareholders
- ✓ Simplification and enhancement of the portfolio for best value
- ✓ On a pathway to deliver next phase of value

37

AngloAmerican

Run-of-mine stockpile area at Mogalakwena North concentrator

Real Mining. Real People. Real Difference.

AngloAmerican

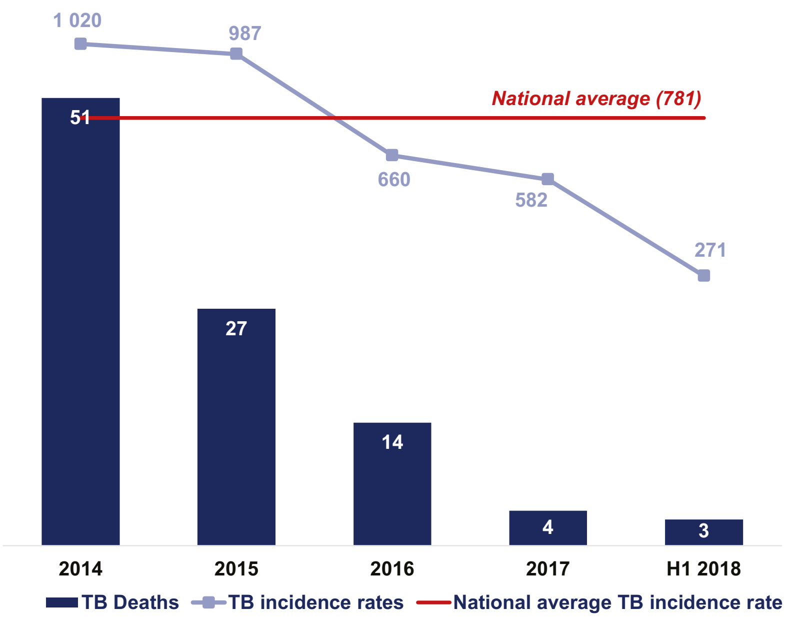
APPENDIX

Lab processor at PMR

Real Mining. Real People. Real Difference.

FOCUS REMAINS ON HEALTH, ENVIRONMENT & SOCIAL INVESTMENT

Tuberculosis (TB) deaths and TB incidence rates (per 100,000)



TB incidence rate reduction

53%

to 271 per 100,000 as at end of May 2018

Level 3-5 environmental incidents(16)

zero

since 2013

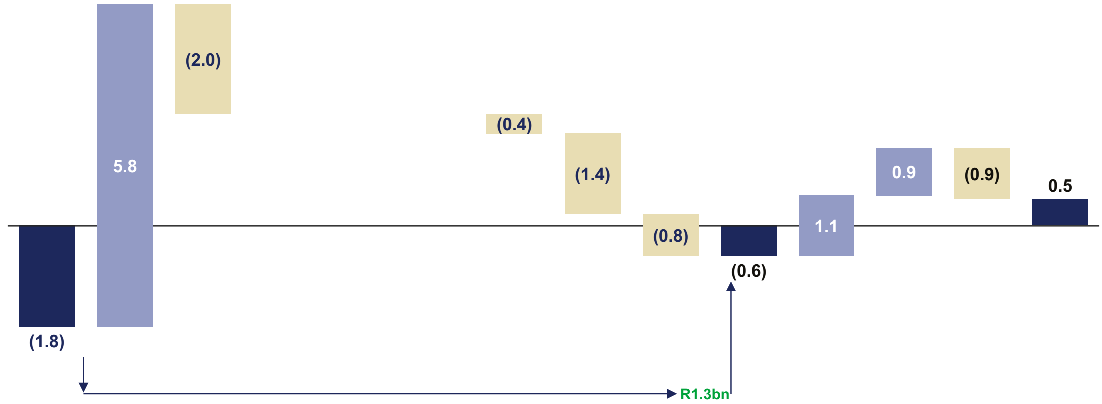
Social investment in H1 2018

R86m

2% of NOPAT

40

NET DEBT AND CASH FLOW BY MINE (BASED ON SOLD VOLUMES)



Operation	Net debt December 2017	Cash from operations	SIB and waste capital	100% Operating free cashflow	Economic interest adjustment	Economic free cashflow[5]	Project capital	Cash tax and net interest paid	Investment in associates, funding & other[17]	Free cash flow	Customer prepayment	Net proceeds on asset sales	Dividend	Net cash June 2018
Mogalakwena		3,557	(1,449)	2,108	-	2,108	(68)			2,040				
Amandelbult		573	(271)	302	(144)	159	(84)		(95)	123				
Unki		405	(93)	311	-	311	(192)			120				
Joint Ventures[7]		506	(346)	160	-	160	(15)			145				
BRPM[7]		(145)	(44)	(189)	227	38	-		(454)	(643)		387		
3rd Parties[7]		177	(159)	18	-	18	-			18				
Union		(1)	(11)	(12)	(5)	(17)	-			(12)		381		
Bokoni C&M		(0)	0	(0)	(50)	(50)	-		(113)	(113)				
Twickenham C&M		(56)	-	(56)	-	(56)	-			(56)				
NMT		(149)	-	(149)	-	(149)	-			(149)				
Other[18]		980	382	1,362		1,362	(0)	(1,447)	(106)	(191)	1,104	85	(928)	
	(1,832)	5,846	(1,991)	3,854	29	3,884	(359)	(1,447)	(767)	1,281	1,104	853	(928)	477

41

COST BREAKDOWN

Costs reflective of AAP Own mined and Joint Venture share of production and costs at operations. Excludes all purchase of concentrate costs and volume, overhead and marketing expenses.

2015	Cost base (Rbn)	Volume %	PGM volume (koz)	Labour	Contractors	Materials	Utilities	Sundries
Opencast Mining	2.4	25%	885	25%	9%	67%	3%	-4%
Conventional Mining	14.8	51%	1,781	60%	3%	18%	8%	12%
Mechanised Mining	5.1	24%	830	42%	17%	26%	6%	9%
Concentrating	6.4			15%	4%	34%	22%	25%
Processing	5.3			24%	2%	26%	30%	19%
Total	**34.0**	**100%**	**3,497**	**41%**	**6%**	**27%**	**13%**	**14%**

2015 used as a comparison, reflecting the old portfolio before the disposal of Rustenburg and Union Mines.

H1 2018	Cost base (Rbn)	Volume %	PGM volume (koz)	Labour	Contractors	Materials	Utilities	Sundries
Opencast Mining	1.7	42%	610	23%	9%	61%	2%	5%
Conventional Mining	4.4	35%	508	55%	7%	18%	7%	14%
Mechanised Mining	2.3	23%	334	41%	11%	29%	6%	13%
Concentrating	2.8			14%	0%	39%	20%	27%
Processing	3.3			24%	1%	27%	27%	21%
Total	**14.4**	**100%**	**1,452**	**34%**	**5%**	**31%**	**13%**	**17%**

Non ZAR – 10% of total costs
- 100% at Unki
- Circa 25% at Mogalakwena

Diesel – 3% of total costs

Diesel as % of Materials
Mogalakwena – 20%
Unki – 12%
Total – 11%

42

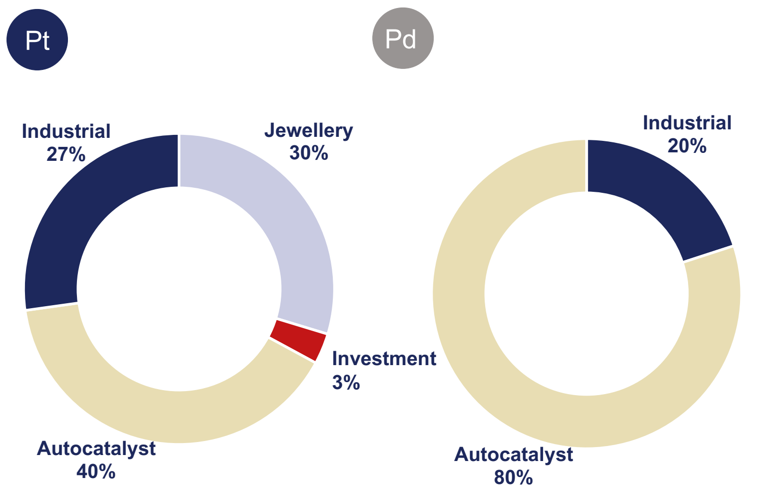
MOMENTUM BUILDING FOR FUEL CELLS AND HYDROGEN

OEMs continue investing	• **Hyundai teams with Audi on fuel cells** - Automakers will share patent licensing and parts to streamline costs • **GM to develop fuel cells for aircraft** - Part of their strategy to rapidly reduce fuel cell costs for deployment in the automotive space
Supply chain scaling	• **Toyota announced plans for two major new facilities** - Expanded fuel cell stack and high-pressure hydrogen tank production facilities. • **TANAKA expands FC catalyst production capacity seven fold** to meet rising demand for fuel cell vehicles and industrial equipment.
Multinationals placing significant orders	• **Anheuser-Busch** orders 800 fuel cell trucks from Nikola Motors • **Wal-Mart** Stores committing to double, to 58, the number of its warehouses that use fuel cell forklifts
Governments increasing support	• **China** plans 300 H_2 refueling stations by 2025 and 1,000 by 2030 to support 1 million FCEVs by 2030. • **France** unveils €100m plan to deploy hydrogen (H2) technologies • **South Korea** plans to replace all 26,000 of its natural gas-powered buses with fuel cell buses by 2030

43

Pt DEMAND BALANCED ACROSS 3 KEY DEMAND SEGMENTS

Gross demand 2018 (000 ounces)[19]



Gross platinum demand down

3.2%

year-on-year

Gross palladium demand up

2.2%

year-on-year

Gross rhodium demand down

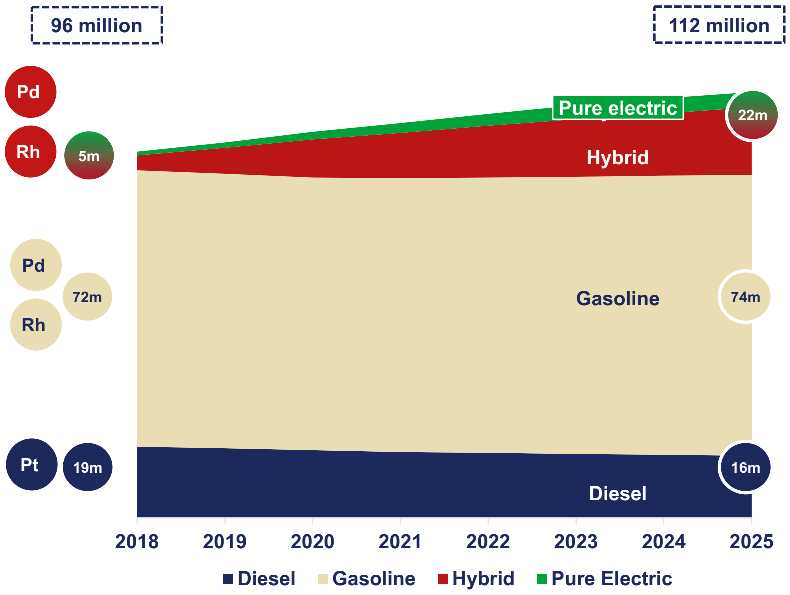
3.4%

year-on-year

44

AUTOMOTIVE PGM DEMAND TO CONTINUE TO GROW

Global light duty automotive sales outlook (million units)[20]



Diesel car sales decline

1.9%

CAGR over 2018-2025

Gasoline/hybrid sales increase

3.0%

CAGR over 2018-2025

Total light duty 3E outlook

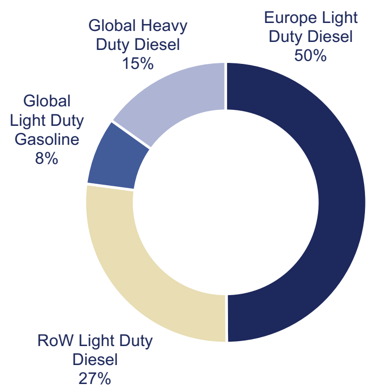
strong positive

as internal combustion engine remains the dominant drive train technology

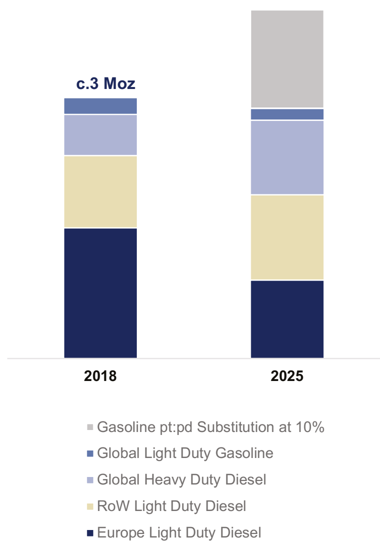
45

Pt DEMAND FROM AUTOMOTIVE SECTOR RESILIENT

Platinum auto demand split[20]



Forecast platinum auto demand[21]



Total platinum demand decrease

0.5%

CAGR over 2018-2025, excluding impact of substitution

Heavy duty diesel outlook

strong positive

due to tighter emissions regulation and increased demand

Increase in palladium and rhodium prices could lead to

substitution

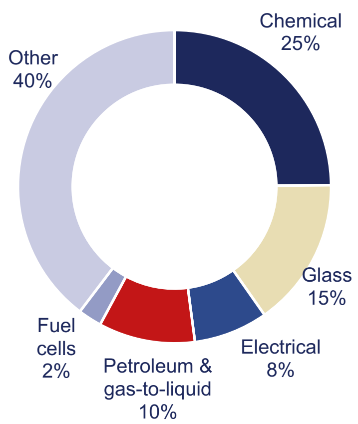
of platinum into gasoline autocatalysts

46

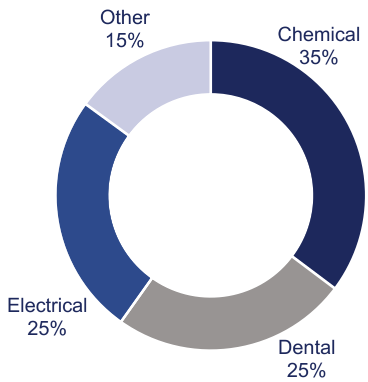
INDUSTRIAL DEMAND REMAINS STRONG

Net demand 2018 (000 ounces)[19]

Pt



Pd



Platinum outlook

positive

following 12% growth in 2017

Palladium outlook

neutral

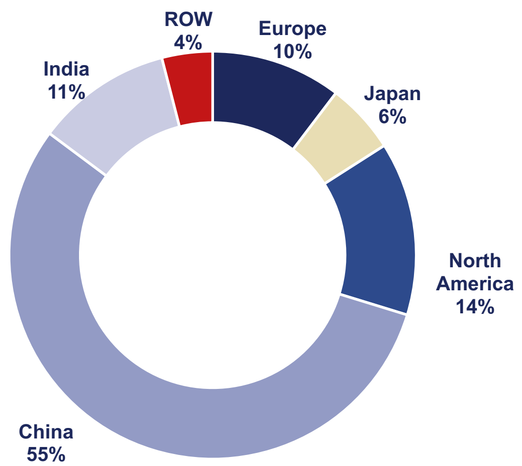
Rhodium outlook

slightly negative

47

JEWELLERY: 2018 MIXED, OUTLOOK MORE POSITIVE

Net demand 2018 (000 ounces)[22]



China remains challenging

short term negative

Europe, Japan, North America

neutral

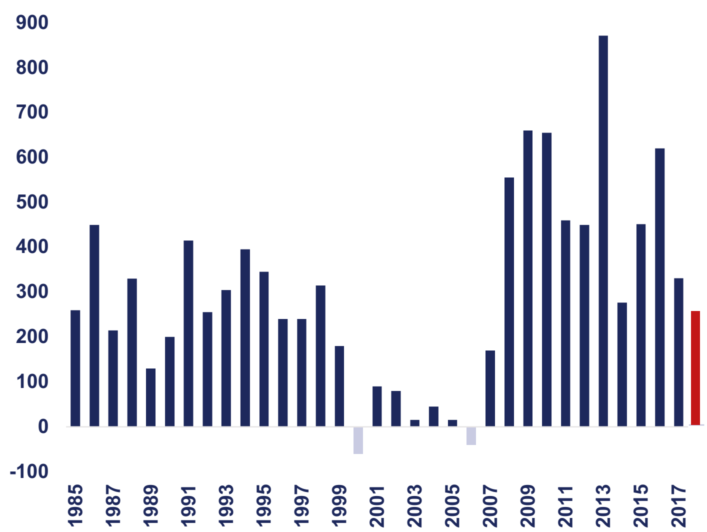
Strong growth from India

strong positive

48

CONSISTENT INVESTMENT DEMAND FOR THREE DECADES

Net platinum investment demand (000 ounces)[23]



Total platinum investment

+350 koz

in 2017

Total palladium disinvestment

-365 koz

in 2017

Growth outlook

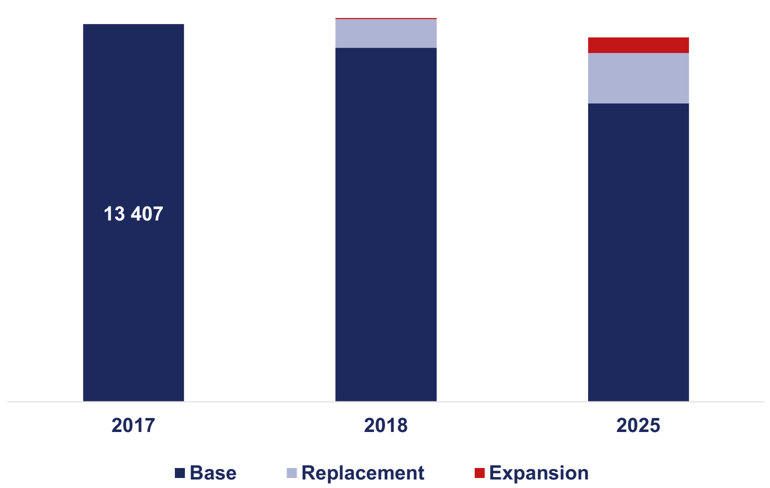
positive

due to market development

49

3E PRIMARY SUPPLY TO REMAIN STABLE

3E Primary supply (000 ounces)(24)



Current production outlook

negative

2018-2025

Replacement capex

unlikely to compensate

for declines in current production profile

Processing capacity, water and mine economics to act as

constraints on expansion

50

FOOT NOTES

(1) Free cash flow is defied as cash flow from operations, less SIB and waste capital, less project capital, less cash tax and net interest paid, less investment in associates, funding and other.
(2) TRCFR is a measure of the rate of all injuries requiring treatment above first aid per 1,000,000 hours worked
(3) ESG stands for environmental, social and governance
(4) AISC stands for all-in sustaining costs: defined as cash operating costs, overhead costs, other income and expenses, all sustaining capital expenditure, capitalised waste stripping and allocated marketing and market development costs net of revenue from all metals other than platinum
(5) Economic free cash flow is operating free cash flow from consolidated activities less/add economic interest in the asset
(6) Treasury bills: Monetising of treasury bills issued by the Zimbabwean Reserve Bank (ZRB) for government debt
(7) Economic free cash flow of JVs and POC includes cash flows from JVs mined, JVs POC, BRPM and third parties
(8) Excludes funding of Bokoni of R0.8 billion
(9) JV Mined share EBITDA margin including the impact of Mototolo tailings dam of 26%
(10) R19,677 before ore recognition, ore capitalisation impact of R106 / Pt ounce in H1
(11) R9,002 before ore recognition
(12) Capital expenditure offset by the insurance proceed for the ACP rebuild
(13) Dividend policy: Pay-out of 30%, based on headline earnings for each reporting period
(14) Source: Johnson Matthey, LBMA, Bloomberg, Company analysis
(15) Source: Johnson Matthey, Company analysis
(16) Level 3-5 environmental incidents is defined as any large incident at least restricted to site, through to a level 5 incident which has a regional impact, or threatens a sensitive environment or species
(17) Funding from associates and other: BRPM funding will not be recurring from completion of sale of interest in BRPM.
(18) Other: includes market and market development costs, restructuring, working capital movements not allocated to each individual asset
(19) Source: Johnson Matthey
(20) Source: LMC Automotive
(21) Source: Johnson Matthey, LMC Automotive, Company analysis
(22) Source: Johnson Matthey, Platinum Guild International
(23) Source: Johnson Matthey, Bloomberg, Company analysis
(24) Source: Johnson Matthey, Company analysis
(25) While the additional deferred consideration is not yet determinable, the estimates provided are based on current spot 4E metal prices and the ZAR:USD exchange rate

51

ADMINISTRATION

DIRECTORS

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)
S Pearce (Australian)
AM O'Neill (British)
AH Sangqu

Alternate directors
PG Whitcutt (Alternate to S Pearce)

COMPANY SECRETARY
Elizna Viljoen
elizna.viljoen@angloamerican.com

Telephone +27 (0) 11 638 3425
Facsimile +27 (0) 11 373 5111

FINANCIAL, ADMINISTRATIVE, TECHNICAL ADVISERS
Anglo Operations Proprietary Limited

CORPORATE AND DIVISIONAL OFFICE, REGISTERED OFFICE AND BUSINESS AND POSTAL ADDRESSES OF THE COMPANY SECRETARY AND ADMINISTRATIVE ADVISERS
55 Marshall Street, Johannesburg 2001
PO Box 62179, Marshalltown 2107

Telephone +27 (0) 11 373 6111
Facsimile +27 (0) 11 373 5111
+27 (0) 11 834 2379

SPONSOR
Merrill Lynch South Africa (Pty) Ltd
The Place, 1 Sandton Drive, Sandton 2196

REGISTRARS
Computershare Investor Services Proprietary Limited
Rosebank Towers, 15 Bierman Avenue
Rosebank, 2196
PO Box 61051
Marshalltown 2107

Telephone +27 (0) 11 370 5000
Facsimile +27 (0) 11 688 5200

AUDITORS
Deloitte & Touche
Buildings 1 and 2, Deloitte Place
The Woodlands, Woodlands Drive
Woodmead
Sandton 2196

INVESTOR RELATIONS
Emma Chapman
emma.chapman@angloamerican.com

Telephone +27 (0) 11 373 6239

LEAD COMPETENT PERSON
Gordon Smith
gordon.smith@angloamerican.com

Telephone +27 (0) 11 373 6334

FRAUD LINE – SPEAKUP
Anonymous whistleblower facility
0800 230 570 (South Africa)
angloplat@anglospeakup.com

HR-RELATED QUERIES
Job opportunities: www.angloamericanplatinum.com/careers/job-opportunities

Bursaries, email: bursaries@angloplat.com

Career information: www.angloamericanplatinum.com/careers/working-at-anglo-american-platinum

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

www.angloamericanplatinum.com

A member of the Anglo American plc group

www.angloamerican.com

Find us on Facebook
Follow us on Twitter