African Rainbow Minerals Limited
Incorporated in the Republic of South Africa
Registration number 1933/004580/06
ISIN code: ZAE000054045

PROVISIONAL RESULTS
For the year ended 30 June 2014

Shareholder information

Issued share capital at 30 June 2014	216 747 811 shares
Market capitalisation at 30 June 2014	ZAR40.5 billion
Market capitalisation at 30 June 2014	USD3.8 billion
Closing share price at 30 June 2014	R187.03
12-month high (1 July 2013 – 30 June 2014)	R239.90
12-month low (1 July 2013 – 30 June 2014)	R143.00
Average daily volume traded for the 12 months	447 224 shares
Primary listing	JSE Limited
JSE Share Code	ARI
ADR ticker symbol	AFRBY

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Salient features

- Headline earnings increased by 10% to R4.11 billion.
  Headline earnings per share increased from 1 735 cents to 1 900 cents per share.
- Increased dividend declared of 600 cents per share (F2013: 510 cents).
- Basic earnings were negatively impacted by exceptional items of R819 million, the largest of which related to a R510 million unrealised mark-to-market loss after tax on the Harmony investment.
- ARM Platinum's contribution to headline earnings increased 68% to R883 million. The ARM Ferrous contribution increased from R3.19 billion in F2013 to R3.74 billion in F2014.
- Costs were well controlled at the Nkomati, Dwarsrivier and Two Rivers mines.
- The Lubambe Mine continued with its production ramp-up and produced 23 791 tonnes copper (F2013: 14 871 tonnes).
- The Sakura Ferroalloys Project commenced construction; R790 million has been spent to date. Full production of 170 000 tonnes ferromanganese is expected in F2017.

Headline earnings and dividends (cents per share)
Please refer to website www.arm.co.za

EBITDA margins (%)
Please refer to website www.arm.co.za

ARM operational review
The ARM Board of Directors (the Board) is pleased to report a 10% increase in ARM's headline earnings for the financial year ended 30 June 2014 (F2014) to R4.11 billion. The increase was primarily due to a significant improvement in ARM Platinum's headline earnings and a 17% increase in the ARM Ferrous headline earnings.

ARM Platinum headline earnings increased by 68% due to an excellent performance from the Nkomati and Two Rivers mines. A combination of improved sales volumes, a weaker Rand versus the US Dollar and a strong operational performance saw the Nkomati and Two Rivers mines increase headline earnings by 91% and 88% respectively. Modikwa Mine experienced a challenging year with lower production volumes and contributed R64 million to headline earnings (F2013: R96 million).

ARM Ferrous headline earnings of R3.74 billion were positively impacted by higher US Dollar prices realised for lumpy iron ore and high-grade manganese ore. These higher prices were achieved despite difficult conditions in the global iron ore and manganese ore markets in the second half of the financial year. The Rand, which weakened 17% against the US Dollar contributed significantly to ARM Ferrous' profitability. The positive impact of higher Rand prices was however partially offset by lower iron ore and manganese ore sales volumes.

ARM Copper reported a headline loss of R309 million as the Lubambe Mine continued its ramp-up to full production. Commissioning challenges in the vertical shaft have delayed ramp-up. These challenges have been addressed and the mine is now targeting full production in the 2016 financial year (F2016).

Despite the GGV Mine contributing positively to headline earnings, ARM Coal reported a headline loss of R120 million due to lower export prices and operational challenges at the Participating Coal Business (PCB).

The provisional results for the year ended 30 June 2014 have been prepared in accordance with International Financial Reporting Standards (IFRS) and the disclosures are in accordance with IAS 34: Interim Financial Reporting.

Rounding of figures may result in minor computational discrepancies on the tabulations.

Contribution to headline earnings

Commodity group	12 months ended 30 June		
	Reviewed	Reviewed and restated	
R million	2014	2013	% change
Platinum Group Metals (PGMs)	439	295	49
Nkomati nickel and chrome	444	232	91
ARM Platinum	883	527	68
Ferrous metals	3 736	3 194	17
Coal	(120)	148	–
Copper	(309)	(135)	–
Exploration	(81)	(88)	8
Gold	–	64	–
Corporate and other	(1)	27	–
ARM headline earnings	4 108	3 737	10

These results have been achieved in conjunction with ARM's partners at the various operations; Anglo American Platinum Limited (Anglo Platinum), Assore Limited (Assore), Impala Platinum Holdings Limited (Implats), Norilsk Nickel Africa (Pty) Ltd (Norilsk), Glencore Operations South Africa (Glencore), Vale S.A. (Vale) and Zambian Consolidated Copper Mines Investment Holdings (ZCCM-IH).

Quality growth continues
In the year under review sales volumes increases were as follows:
- 236% increase in copper sales from 9.9 thousand tonnes to 33.3 thousand tonnes;
- 52% increase in Nkomati Mine chrome concentrate from 225 thousand tonnes to 342 thousand tonnes;
- 16% increase in GGV export coal from 3.40 million tonnes to 3.93 million tonnes;
- 15% increase in PCB Eskom coal sales from 1.65 million tonnes to 1.90 million tonnes;
- 7% increase in PGMs from 786 thousand ounces to 842 thousand ounces;
- 7% increase in manganese alloy sales from 260 thousand tonnes to 279 thousand tonnes; and
- 1% increase in nickel sales from 21 580 tonnes to 21 718 tonnes.

In addition, Two Rivers Mine started producing chrome concentrate as a by-product in October 2013 and sold 161 thousand tonnes in the year under review.

Post commissioning of the vertical shaft at the Lubambe Copper Mine in November 2013, a number of challenges were experienced with throughput in the ore passes and the main tips in the East Decline. These have since been addressed. As a result tonnes milled at the Lubambe Mine increased by 49% and copper produced was up 60% compared to the corresponding period. Recoveries in the concentrator plant also continued to improve increasing by 9% to an average of 77.6% for the year. The mine remains on track to achieve steady state production of 45 000 tonnes per annum in F2016.

The Lubambe Extension Area Project situated 6km from the current mining area may provide for expansion of the Lubambe Mine. Additional surface drilling completed in the Extension Area in 1H F2014 has indicated that the ore body extends even further east than originally expected. An updated AMEC E&C Services Inc (AMEC) statement released on 27 February 2014 increased the Extension Area indicated and inferred resources from 105 million to 134 million tonnes at an in-situ grade of 4.07%.

The ARM and Assore Boards of Directors have approved the Black Rock Mine Expansion Project which is expected to increase manganese ore production from 3.2 million to 4.6 million tonnes per annum. The project involves the exploitation of the Seam 2 resource within the Nchwaning lease area to improve cost-effective extraction of high-grade manganese. The project is divided into two phases namely the upgrade/modernisation of the current mine and the expansion phase. Ramp-up of the expansion phase will be synchronised with expansion of the manganese ore export channel through the Port of Ngqura. To date R900 million of the first phase project capital expenditure has been spent and a further R1.7 billion has been committed.

The Sakura Ferroalloys Project in Malaysia is also progressing well and remains on track to achieve the steady state of 170 000 tonnes per annum in F2017. Capital expenditure to 30 June 2014 was R790 million.

Operational efficiencies
ARM remains focused on ensuring that all operations are below the 50th percentile of each commodity's global cost curve. ARM maintains its focus on cost control across all the operations.

In the period under review the Nkomati and Dwarsrivier mines achieved a reduction in their unit production costs by 3% and 2% respectively, while Two Rivers Mine managed to keep unit production costs flat relative to the corresponding period. Cost increases of 10% at the iron ore operations were marginally above inflation.

Unit production costs increased by more than inflation at the manganese alloy, manganese ore, Modikwa, GGV and PCB operations. Cost containment plans are continually being evaluated.

Higher than inflation increases in electricity tariffs were the main drivers behind cost escalation at the manganese alloy operations. ARM and Assore are currently reviewing the strategy for the smelters.

Above inflation wage increases together with longer distances being travelled from the shaft infrastructure to working areas (due to the age of the mine) contributed to the 14% increase to unit costs at the manganese ore operations.

Industrial action, safety related stoppages (due to Section 54s and a fatality) together with lower grades at Modikwa Mine resulted in lower PGM production which was the main reason for the 20% increase in unit production costs at Modikwa.

Lower saleable production at the GGV and PCB operations was the main reason for the marked increase in unit production costs. GGV Mine production decreased due to lower Run of Mine (ROM) and in-pit inventory being available in F2014 relative to the corresponding period. PCB has built up a stockpile of approximately 2 million tonnes mainly for the commissioning of the new Tweefontein Optimisation Project (TOP) Coal Handling Processing Plant which is expected to be commissioned in September 2014. The three old plants at Tweefontein are being wound down which has led to decreased saleable production at PCB. Unit production costs are expected to reduce substantially in the next financial year when the TOP plant has been commissioned.

Exploration in Africa
In the year under review ARM continued to fund exploration in Mozambique as part of its agreement with Rovuma Resources Limited (Rovuma). Rovuma has so far identified numerous occurrences of copper/zinc, nickel/copper/PGE, chromite/nickel and graphite mineralisation in Northern Mozambique. As part of the agreement, ARM will have exclusive rights to exercise options to purchase prospecting and/or mining rights to the resources.

Changes to resources and reserves
There has been no material change to ARM's mineral resources and reserves as disclosed in the Integrated Annual Report for the financial year ended 30 June 2013, other than depletion due to continued mining activities and increased resources at the Lubambe Extension Area.

The Lubambe Extension target area has increased the indicated and inferred resources to 134 million tonnes at an in-situ grade of 4.07% total copper based on an updated report released by AMEC on 27 February 2014. Drilling in this area is continuing.

Financial commentary
Headline earnings for the year to 30 June 2014 at R4 108 million were 10% or R371 million higher than the prior year headline earnings (F2013: R3 737 million). This equates to headline earnings per share of R19.00/share (F2013: R17.35/share).

The Board declared an increased annual dividend of R6.00 per share (F2013: R5.10 per share) after the year-end.

ARM's basic earnings for F2014 were R3 289 million (F2013: R1 634 million) and were negatively impacted by exceptional items of R819 million after tax (F2013: R2 103 million loss after tax). The largest exceptional item relates to the unrealised mark-to-market loss of R510 million after tax on the Harmony investment made through the income statement. Other exceptional items mainly comprise smelter and pelletising plant impairments in ARM Ferrous as well as impairments of plant and equipment in ARM Coal. The reconciliation of basic earnings to headline earnings is provided in note 5 of the financial statements.

As disclosed in the 2013 Integrated Annual Report and the 31 December 2013 Interim Results report, the new accounting standard, IFRS 11: Joint Arrangements, became effective 1 July 2013. The adoption of the new standard requires a change in the manner in which joint arrangements should be accounted for and prior period comparative IFRS results must be restated to reflect a consistent application of the new accounting policy. This change has primarily impacted the manner in which ARM accounts for its investment in Assmang, which ARM jointly manages and controls with its partner, Assore. Assmang is no longer proportionately consolidated because IFRS 11 requires arrangements classified as joint ventures to be accounted for using the equity method. ARM's share of its joint ventures is now disclosed as single line items in the consolidated Income Statement as “income from joint ventures” and as “investment in joint ventures” on the consolidated Statement of Financial Position. The consolidated Cash Flow Statement now only includes a single line for dividends received from joint ventures.

A full reconciliation of the effect of the changes resulting from the adoption of IFRS 11 is provided in note 14 to the financial statements. The derivation of the statement of financial position value for the investment in joint venture is reflected in note 6 to the financial statements.

While the change in accounting policy has a significant impact on the presentation of the consolidated financial statements, there is no impact on headline earnings, basic earnings or net assets. The segment reporting has been expanded to include more detail on the ARM Ferrous (Assmang) results.

Sales for the year increased by 36.3% to R10.00 billion (F2013 restated: R7.34 billion).

The average gross profit margin of 25% (F2013 restated: 20%) is higher than the prior corresponding period largely due to improved profit margins at Nkomati and Two Rivers. The margins achieved at each operation may be ascertained from the detailed segment reports provided in note 3 to the financial statements as well as in the write-ups for each operation.

Earnings were positively impacted by the weakening of the Rand against the US Dollar. The F2014 average Rand/US Dollar of R10.36/USD was 17% weaker than the average of R8.83/USD for F2013. For reporting purposes the closing exchange rate was R10.63/USD.

Realised US Dollar commodity prices for platinum, rhodium, copper, nickel, chrome concentrate, ferromanganese and export coal, were lower than in F2013; export iron ore and manganese ore prices remained constant and palladium prices were higher than in F2013.

ARM's earnings before interest, tax, depreciation and amortisation (EBITDA) excluding exceptional items and income from associates and joint ventures amounted to R2 620 million, which is 32% higher than that achieved in F2013 as restated.

The detailed segmental contribution analysis is provided in note 3 to the financial statements.

- The ARM Ferrous contribution to ARM's headline earnings amounted to R3 736 million (F2013 restated: R3 194 million). This is an increase of 17% over the F2013 result and is largely due to the increased contributions from all its divisions.
- The ARM Platinum contribution, which includes the results of Nkomati Mine, was R883 million and represents a significant 68% improvement to the R527 million contribution for F2013. Improved results were achieved at Two Rivers and Nkomati driven by strong operational performances and good cost control.
- The ARM Coal result reduced by R268 million to a headline loss of R120 million (F2013: R148 million profit) as a result of reduced earnings from the PCB coal operations.
- The ARM Copper result was a headline loss of R309 million (F2013: R135 million headline loss). In the comparative period, costs at the new Lubambe Copper Mine were capitalised to the end of April 2013. This result includes interest on shareholders' loans of R131 million. The mine is in the process of ramping up to full production.
- The ARM Exploration costs amounted to R81 million (F2013: R88 million) and were largely expended on exploration at Rovuma in Mozambique as well as on staff costs.
- The ARM Corporate, other companies and consolidation segment shows a negative contribution to headline earnings of R1 million for the year as compared to a positive contribution of R27 million for F2013.
- ARM did not receive any dividends from its investment in Harmony during the year (F2013: R64 million).

The net cash/(debt) position at 30 June 2014 amounts to net debt of R1 352 million as compared to the net restated debt position of R2 027 million at 30 June 2013. This positive change mainly occurred within the net cash position at ARM Corporate.

- Cash generated from operations increased by R508 million from a restated R1 565 million to R2 073 million despite working capital requirements of R959 million resulting from the increased activity levels at operations.
- Capital expenditure reduced to R1 165 million for the year (F2013 restated: R1 538 million) and was mainly expended within ARM Platinum and ARM Copper. Capital expenditure in ARM Ferrous was R1 753 million (F2013 restated: R1 951 million).
- Net cash at 30 June 2014 excluding partner loans (Anglo American Platinum: R114 million, Vale/ARM Joint Venture: R452 million and Glencore: R1 426 million) amounted to R640 million as compared to R13 million at 30 June 2013 restated.

The consolidated ARM total assets of R36.5 billion (F2013 restated: R33.8 billion) include the marked-to-market valuation of ARM's investment in Harmony of R1.98 billion (F2013: R2.27 billion) at a share price of R31.15 per share (F2013: R35.75 per share). Changes in the value of the investment in Harmony, to the extent that they represent a significant or prolonged decline below the cost of the investment, are adjusted through the Income Statement, net of tax. Gains above the cost are accounted for, net of deferred capital gains tax, through the Statement of Comprehensive Income.

Safety

The safety and health of our people remains a key imperative for ARM. Despite ongoing efforts to ensure that the highest safety standards are maintained at all our operations, regrettably a surveyor was fatally injured in an accident at the Modikwa Mine on 3 June 2014.

The ARM Board of Directors and management extend their deepest condolences to the family, friends and colleagues of Mr Hendricks.

In the period under review ARM's number of Lost Time Injuries (LTIs) decreased 29% from 149 in F2013 to 106 in F2014. The Lost Time Injury Frequency Rate (LTIFR) therefore reduced from 0.48 (per 200 000 man hours) in F2013 to 0.37 (per 200 000 man hours) in F2014.

Safety achievements

- In the period under review ARM's number of Lost Time Injuries (LTIs) decreased 29% from 149 in F2013 to 106 in F2014. The Lost Time Injury Frequency Rate (LTIFR) therefore reduced from 0.48 (per 200 000 man hours) in F2013 to 0.37 (per 200 000 man hours) in F2014.
- Khumani Mine completed four million fatality-free shifts during March 2014.
- Black Rock Mine completed three million fatality-free shifts during June 2014.
- Dwarsrivier Mine completed two million fatality-free shifts during November 2013.
- Beeshoek Mine completed eighteen consecutive months without a lost time injury. This mine has been fatality-free since March 2003.
- On 21 May 2014, Nkomati Mine completed 365 consecutive days without a lost time injury.

Safety figures and statistics in this report are presented on a 100% basis and currently exclude the ARM Coal operations.

ARM Ferrous

ARM Ferrous headline earnings increased 17% from R3 194 million in F2013 to R3 736 million in F2014.

ARM Ferrous headline earnings (on 100% basis)

	12 months ended 30 June		
R million	Reviewed 2014	Reviewed and restated 2013	% change
Iron ore division	6 356	5 531	15
Manganese division	1 058	940	13
Chrome division	128	1	>100
Total	7 542	6 472	17
ARM share	3 771	3 237	16
Consolidation adjustments	(35)	(43)	19
Total per IFRS financial statements	3 736	3 194	17

The improved headline earnings were mainly as a result of increased sales. ARM Ferrous sales (on 100% basis) increased 11% driven by higher US Dollar prices realised for lumpy iron ore and high-grade manganese ore together with a 17% weakening of the Rand. US Dollar prices for iron ore fines and low-grade manganese ore were lower as oversupply of both products in the market put prices under pressure.

Iron ore export sales volumes were 3% lower mainly due to interrupted water supply experienced at the Khumani Mine in the first half of the financial year. The mine is currently working with the Gamagara Water Board to ensure a long-term solution to the water supply issues in the area. Local iron ore sales from the Beeshoek Mine remained constant at 2 million tonnes.

Manganese ore sales volumes decreased 5% to 2.7 million tonnes due to reduced local sales.

Manganese alloy sales volumes however increased marginally to 279 thousand tonnes. The manganese alloy market remains under pressure and as a result the ARM Ferrous smelters continued to produce at below capacity. ARM and Assore are currently reviewing the strategy for the smelters and have since implemented a number of cost saving changes at the smelters to ensure that they preserve cash.

Chrome ore sales volumes decreased by 6% to 988 thousand tonnes, while chrome alloy sales volumes decreased by 58% to 32 thousand tonnes as Cato Ridge sold the remaining chrome alloy stockpiles.

ARM Ferrous sales volumes (on 100% basis)

100% basis	12 months ended 30 June		
Thousand tonnes	2014	2013	% change
Iron ore	15 640	16 070	(3)
Manganese ore*	2 708	2 856	(5)
Manganese alloys	279	260	7
Charge chrome	32	77	(58)
Chrome ore*	988	1 054	(6)

* Excluding intra-group sales.

ARM Ferrous production volumes (on 100% basis)

	12 months ended 30 June		
Thousand tonnes	2014	2013	% change
Iron ore	16 054	16 103	–
Manganese ore	3 358	3 199	5
Manganese alloys	346	332	4
Charge chrome	22	23	(4)
Chrome ore	1 014	1 033	(2)

Despite lower sales volumes the unit cost of sales increases for the iron ore division were marginally above inflation. Khumani Mine's production unit costs increased 10.6% driven by higher than inflation wage increases and higher maintenance costs consistent with an ageing fleet. Beeshoek Mine production unit cost increases were in line with inflation.

Unit production cost increases at the manganese ore operations continued to be above inflation mainly due to higher than inflation wage increases and increased distances travelled between shaft infrastructure and underground work areas. Capital expenditure to upgrade the mine and reduce distances to and from work areas has already been approved as part of the Manganese Ore Expansion Project.

Manganese alloys unit production costs at Cato Ridge Works increased by 1%. Machadodorp Works unit production costs increased by 55% due to lower production volumes as the smelter reduced to a one-furnace operation.

Unit production costs increased by only 2% for chrome ore due to benefits realised from an operational efficiency programme. Unit costs at the Chrome Metal Recovery Plant (MRP), which recovers the final chrome metal entrapped in the historically produced ferrochrome slag, decreased by 7%.

ARM Ferrous cost and EBITDA margin performance

Commodity group	Cost of sales unit cost change %	On-mine production cost unit cost change %	EBITDA margin %
Iron ore*	8	10	54
Manganese ore	13	14	34
Manganese alloys	20	12	5
Chrome ore	(4)	(2)	14

* Excluding the Khumani Mine housing element.

ARM Ferrous capital expenditure was 10% lower at R3.64 billion (F2013: R4.06 billion). The main capital expenditure items in iron ore included equipment procured for the Beeshoek Mine's planned Village Pit and the East Pit waste removal. In addition, final completion and commissioning of the Wet High Intensity Magnetic Separation (WHIMS) plant, the railway line deviation around the King Pit and the off-grade 2 plant design work contributed to the majority of Khumani Mine's capital expenditure. At Black Rock Mine, the major capital expenditure related to underground mining equipment, waste development, the Gloria vent shaft pre-sink and other preparation and early works for the Black Rock Expansion Project. At Dwarsrivier Mine capital was spent on the mine optimisation project, north underground shaft and plant equipment.

ARM Ferrous capital expenditure (on 100% basis)

	12 months ended 30 June	
R million	Reviewed 2014	Reviewed and restated 2013
Iron ore	2 058	2 709
Manganese	1 340	1 216
Chrome	244	132
Total	3 642	4 057

Logistics

ARM Ferrous exported 13.6 million tonnes of iron ore in F2014. During the period Assmang assisted a new iron ore producer to export iron ore through the Khumani Iron Ore mine facilities in close co-operation with Transnet Freight Rail.

Manganese ore export sales were approximately 2.6 million tonnes. The manganese ore rail export channel to Port Elizabeth continued to operate under difficult conditions. ARM Ferrous exported manganese ore via Durban, using a combination of rail and road transport. Some test consignments were also done through the Multi-Purpose Terminal in Saldanha by making use of opportunistic rail capacity on the iron ore export line.

Assmang and Transnet continue to engage regarding future export capacity and growth for both iron ore and manganese ore. To this effect, Transnet concluded its feasibility study to expand the manganese ore export capacity to 12 million tonnes per annum through the Port of Ngqura by February 2019 and to 16 million tonnes per annum by October 2020.

Projects

Beeshoek Iron Ore Mine

The Beeshoek Village Pit Project, which will enable Beeshoek Mine to sustain production of approximately 3 million tonnes per annum for at least 12 years, has been identified as the future ore resource for the Beeshoek Mine. The project is estimated to cost approximately R3 billion over five years. To date R510 million of this has been spent purchasing the required mining fleet. The fleet has been delivered to site. Commissioning and training will commence to enable the mine to start with the removal of the overburden from November 2014. The removal of the required overburden is expected to take place over a five-year period with the first ore being accessed from January 2016.

The project also involved the relocation of the Beeshoek Mine personnel from the mine village to Postmasburg. To this extent 300 houses are in the process of being built and approximately 80% of the workforce has already been successfully relocated.

Manganese Ore Expansion Project

The review of the initial scope for the Black Rock Expansion Project was successfully completed in October 2013. The project was then approved by the ARM and Assore Boards of Directors. The project which enables the successful extraction of ore from the Nchwaning Seam 2 ore body, thus expanding the product mix that can be offered to the market will see Black Rock Mine expanding production output from 3.2 million to 4.6 million tonnes per annum. This will enable Black Rock Mine to participate in future increases in export rail capacity.

The project value approved is R6.7 billion of which R0.9 billion has been spent to date and a further R1.7 billion has been committed. The project is currently on schedule and within budget.

Sakura Ferroalloys Project

The ground breaking ceremony for the Sakura Project took place during February 2014. The site clearing has been completed and civil works have commenced. Steel erection is underway and all major contracts have been put in place. A turnkey contract had been signed with Metix to construct the furnaces. The project remains on track to commence production in the latter part of 2015, and achieve steady state production of 170 000 tonnes per annum in F2017.

Assmang owns 54% of Sakura and to date has contributed approximately 75% of its share of the project capital of USD328 million. Capital expenditure to date has been R790 million.

This project is treated, for accounting purposes, as a joint venture in Assmang and as a result its capital expenditure is not included in the consolidated results.

The ARM Ferrous operations, held through its 50% investment in Assmang, consist of three divisions: iron ore, manganese and chrome. Assore Limited, ARM's partner in Assmang, owns the remaining 50%.

ARM Platinum

ARM Platinum's attributable headline earnings increased by R356 million (68%) to R883 million driven by improved performance at Nkomati and Two Rivers, coupled with an increase in Rand metal prices.

The Nkomati and Two Rivers mines achieved a substantial increase in earnings, while Modikwa's poor performance stemmed from the cessation of mining at the Hill shaft, a week long industrial action stoppage during March 2014, Section 54 stoppages in the last six months and a fatality in June 2014.

PGM production (on 100% basis including Nkomati) increased to 841 581 6E ounces (F2013: 786 254 6E ounces). Nkomati's nickel production decreased by 1% to 22 874 tonnes (F2013: 23 220 tonnes). Two Rivers delivered a 7% increase in PGM production.

US Dollar prices were lower than the corresponding period but a 17% weakening of the Rand against the US Dollar compensated for the depressed PGM prices, resulting in the Rand basket prices for Modikwa and Two Rivers increasing by more than 10% to R322 789/kg (F2013: R287 424/kg) and R330 214/kg (F2013: R298 384/kg) respectively. The Rand nickel spot price increased 49% over the last 12 months.

The tables below set out the relevant price comparison:

Average US Dollar metal prices

		Average for the 12 months ended 30 June		
		2014	2013	% change
Platinum	USD/oz	1 431	1 550	(8)
Palladium	USD/oz	752	680	11
Rhodium	USD/oz	986	1 090	(10)
Nickel	USD/t	15 488	16 245	(5)
Copper	USD/t	7 029	7 632	(8)
Chrome concentrate (CIF)	USD/t	141	147	(4)

Average Rand metal prices

		Average for the 12 months ended 30 June		
		2014	2013	% change
Platinum	R/oz	14 823	13 684	8
Palladium	R/oz	7 787	6 001	30
Rhodium	R/oz	10 219	9 621	6
Nickel	R/t	160 452	143 447	12
Copper	R/t	72 818	67 390	8
Chrome concentrate (CIF)	R/t	1 458	1 294	13

Nkomati's unit cash cost increased by 5% to R308 per tonne (F2013: R292 per tonne) while the C1 unit cash cost net of by-products, reduced by 3% to USD4.81/lb (F2013: USD4.98/lb) of nickel produced. Two Rivers managed to keep its unit cash cost constant at R5 266/6E PGM ounce (F2013: R5 244/6E PGM ounce). Modikwa's unit cash cost increased by 20% to R7 545/6E PGM ounce (F2013: R6 275/6E PGM ounce) due to the 13% decrease in production at the mine.

Capital expenditure at ARM Platinum operations (on 100% basis) was R1.1 billion (R731 million attributable). Modikwa's major capital items include construction of the Mainstream Inert Grinding (MIG) plant, deepening of North shaft, the sinking of South 2 shaft, and the replacement of mining equipment. Of the capital spent at Two Rivers, 28% is associated with fleet replacement. The balance was incurred in the deepening of the Main and North declines. Nkomati's capital expenditure relates to increased waste stripping activities and to sustain operations.

ARM Platinum capital expenditure (on 100% basis)

	12 months ended 30 June	
	Reviewed	Reviewed
R million	2014	2013
Modikwa	570	286
Two Rivers	317	498
Nkomati	258	189
Total	1 145	973

Modikwa Mine

Modikwa Mine's attributable headline earnings decreased by 33%. Lower output resulting from safety stoppages, industrial action and a decrease in the head grade resulted in a reduction in earnings and an increase in unit costs.

An increased stoping width due to geological features, and the processing of Merensky ore purchased from Two Rivers, resulted in a 5% decline in the plant feed grade. PGM production declined by 13% to 281 706 6E ounces (F2013: 324 626 6E ounces). As a result, unit costs increased by 15% to R1 010 per tonne milled (F2013: R876 per tonne milled) and by 20% to R7 545 per 6E PGM ounce (F2013: R6 275 per 6E PGM ounce).

Modikwa Mine operational statistics (on 100% basis)

		12 months ended 30 June		
		2014	2013	% change
Cash operating profit	R million	332	428	(22)
Tonnes milled	Mt	2.10	2.33	(10)
Head grade	g/t, 6E	5.06	5.35	(5)
PGMs in concentrate	Ounces, 6E	281 706	324 626	(13)
Average basket price	R/kg, 6E	322 789	287 424	12
Average basket price	USD/oz, 6E	969	1 012	(4)
Cash operating margin	%	14	17	
Cash cost	R/kg, 6E	242 577	201 752	20
Cash cost	R/tonne	1 010	876	15
Cash cost	R/Pt oz	19 095	15 897	20
Cash cost	R/oz, 6E	7 545	6 275	20
Cash cost	USD/oz, 6E	728	711	2
Headline earnings attributable to ARM (41.5%)	R million	64	96	(33)

Two Rivers Mine

Headline earnings at Two Rivers increased by 88%. PGM ounces produced increased by 7% driven by an increase in tonnes milled of 3% and improved plant recoveries and efficiencies. This combined with enhanced Rand basket prices and chrome sales, resulted in a 47% increase in cash operating profit.

Unit cash costs remained constant at R5 266 per 6E ounce (F2013: R5 244 per 6E ounce). The entire Merensky stockpile was sold to Modikwa Mine during the year. There was a 132 632 tonne increase in the UG2 ROM stockpile to a total of 437 960 tonnes of ore (F2014: 305 328 tonnes).

Two Rivers commenced chrome concentrate sales in October 2013, with a total of 160 951 tonnes being sold during the period under review.

Two Rivers Mine operational statistics
100% basis

		12 months ended 30 June		
		2014	2013	% change
Cash operating profit	R million	1 486	1 011	47
– PGMs	R million	1 424	1 011	41
– Chrome	R million	62	–	–
Tonnes milled	Mt	3.28	3.17	3
Head grade	g/t, 6E	4.01	4.02	–
PGMs in concentrate	Ounces, 6E	374 681	350 443	7
Chrome concentrate sold	Tonnes	160 951	–	–
Average basket price	R/kg, 6E	330 214	298 384	11
Average basket price	USD/oz, 6E	991	1 051	(6)
Cash operating margin	%	40	35	
Cash cost	R/kg, 6E	169 314	168 594	–
Cash cost	R/tonne	602	579	4
Cash cost	R/Pt oz	11 271	11 331	(1)
Cash cost	R/oz, 6E	5 266	5 244	–
Cash cost	USD/oz, 6E	508	594	(14)
Headline earnings attributable to ARM (55%)	R million	375	199	88

Nkomati Mine

Nkomati Mine continued its excellent performance generating a 91% increase in headline earnings. Nickel production decreased by 1% to 22 874 tonnes. Chrome concentrate sales increased by 52% to 341 809 tonnes (F2013: 224 754 tonnes).

The Rand nickel spot price increased by 49% from 1 July 2013 to 30 June 2014 contributing significantly to Nkomati Mine's cash operating profit of R1.8 billion, a 54% increase from the corresponding period.

The large increase of 67% in PGM's produced was as a result of a positive historical adjustment to the PGMs produced. This adjustment relates to a correction of a backlog in shipment settlements which have now been finalised. This is a once-off adjustment and does not affect Nkomati Mine's earnings. Going forward PGM produced from Nkomati Mine is expected to be approximately 135 000 PGM ounces produced per annum.

Nkomati Mine achieved a 3% reduction in C1 unit cost to USD4.81/lb net of by-products (F2013: USD4.98/lb).

Nkomati Mine operational statistics (on 100% basis)

		12 months ended 30 June		
		2014	2013	% change
Cash operating profit	R million	1 813	1 178	54
– Nickel Mine	R million	1 656	1 054	57
– Chrome Mine	R million	157	124	27
Cash operating margin	%	30	26	–
Tonnes milled	Thousand	7.93	7.59	4
Head grade	% nickel	0.39	0.41	(5)
Nickel on-mine cash cost per tonne milled	R/tonne	308	292	5
Cash cost net of by-products*	USD/lb	4.81	4.98	(3)
Contained metal				
Nickel	Tonnes	22 874	23 220	1
PGMs	Ounces	185 194	111 185	67
Copper	Tonnes	10 116	9 877	2
Cobalt	Tonnes	1 133	1 101	3
Chrome concentrate sold	Tonnes	341 809	224 754	52
Headline earnings attributable to ARM (50%)	R million	444	232	91

* This reflects US Dollar cash costs net of by-products (PGMs, Copper, Cobalt and Chrome) per pound of nickel produced.

Projects

Modikwa Mine

The North shaft deepening project is slightly behind project schedule. It is anticipated that the backlog will be caught up during the next two quarters. Construction activities are on schedule. Development and construction at the South 2 project has progressed well and is slightly ahead of project schedule.

The installation of a Mainstream Inert Grinding (MIG) mill, to enhance PGM recoveries, was commissioned on schedule. Ramp-up will continue during Q1 F2015.

Two Rivers Mine

The transfer of prospecting rights from Implats to Two Rivers Mine in respect of portions of the farms Kalkfontein, Tweefontein and Buffelshoek is awaiting approval from the Department of Mineral Resources.

On completion of a feasibility study on the extraction of UG2 ore from the deeper southern strike extent of the Main Decline, further optimisation of the ore extraction method will be evaluated.

The ARM Platinum division comprises:
- Three operating mines:
  - Modikwa Mine – ARM Mining Consortium has an effective 41.5% interest in Modikwa Mine where local communities hold an 8.5% effective interest. The remaining 50% is held by Anglo American Platinum.
  - Two Rivers Mine – an incorporated joint venture with Implats, with ARM holding 55% and Implats 45%.
  - Nkomati Mine – a 50:50 partnership between ARM and Norilsk Nickel Africa.
- Two projects:
  - the "Kalplats Platinum Project" in which ARM Platinum holds 46% and Platinum Australia (PLA) holds 44%, with Anglo American holding 10%.
  - the "Kalplats Extended Area Project" in which ARM Platinum and PLA each have a 50% interest.

ARM Coal

ARM Coal's attributable cash operating profit decreased by 39% from R822 million to R505 million in F2014. Headline earnings decreased from R148 million in F2013 to a headline loss of R120 million in F2014.

The decline in ARM Coal headline earnings was mainly due to lower US Dollar coal prices, a 3% decrease in export sales volumes, together with significant increases in costs at both the GGV and PCB operations. The negative impact of this was however partially offset by the weaker Rand.

ARM Coal attributable profit analysis

	12 months ended 30 June		
	Reviewed	Reviewed	
R million	2014	2013	% change
Cash operating profit	505	822	(39)
Less: Interest paid	(276)	(211)	(31)
Amortisation	(368)	(364)	(1)
Fair value adjustments	(27)	(40)	33
(Loss)/profit before tax	(166)	207	–
Less: Tax	46	(59)	–
Headline (loss)/earnings attributable to ARM	(120)	148	–

Goedgevonden Coal Mine

Run of Mine (ROM) and saleable production at the GGV Mine were respectively 2% and 11% lower mainly due to a mining shovel catching fire and being out of operation for two months, an increase in the mine strip ratio and the impact of an industrial action stoppage.

An improvement in performance by Transnet Freight Rail (TFR) resulted in a 16% increase in export sales volumes from GGV Mine. Eskom however curtailed buying of additional coal, resulting in a reduction of 30% in Eskom sales volumes.

GGV attributable cash operating profit decreased by 11% from R417 million to R373 million. Attributable export revenue was R76 million higher than F2013 as a combined result of increased sales volumes, and a weaker Rand Dollar exchange rate but was negatively impacted by R181 million due to lower US Dollar export coal prices. Attributable Eskom revenue was R56 million lower than in F2013 following the reduction in coal purchases by Eskom.

On-mine saleable unit costs increased 22% to a normalised steady state level of R208 per tonne. In F2013, GGV processed significant ROM and in-pit inventory which was on stockpile from the previous year. The unit production costs in F2013 were therefore lower as they benefited from processing this stockpile.

GGV headline earnings decreased by 25% to R122 million in line with the decrease in cash operating profit.

Goedgevonden Mine operational statistics (on 100% basis)

		12 months ended 30 June 2014	2013	% change
Total production and sales				
Saleable production	Mt	7.29	8.16	(11)
Export thermal coal sales	Mt	3.93	3.40	16
Eskom thermal coal sales	Mt	3.17	4.52	(30)
Attributable production and sales				
Saleable production	Mt	1.90	2.12	(10)
Export thermal coal sales	Mt	1.02	0.90	13
Eskom thermal coal sales	Mt	0.82	1.18	(31)
Average received coal price				
Export (FOB)	USD/tonne	79.98	91.00	(12)
Eskom (FOT)	R/tonne	198.92	187.57	6
On-mine saleable cost	R/tonne	208.10	171.20	22
Cash operating profit				
Total	R million	1 450	1 603	(10)
Attributable (26%)	R million	373	417	(11)
Headline earnings attributable to ARM	R million	122	162	(25)

Goedgevonden Mine attributable profit analysis

R million	12 months ended 30 June Reviewed 2014	Reviewed 2013	% change
Cash operating profit	373	417	(11)
Less: Interest paid	(87)	(86)	(1)
Amortisation	(103)	(94)	(10)
Fair value adjustments	(14)	(11)	(27)
Profit before tax	169	226	(25)
Less: Tax	(47)	(64)	27
Headline earnings attributable to ARM	122	162	(25)

Participating Coal Business (PCB)
PCB attributable cash operating profit decreased from R405 million to R132 million and the attributable headline loss increased from R14 million in F2013 to R242 million in F2014.

F2014 attributable revenue was R290 million lower due to a 9% decrease in export sales volumes and a 27% decrease in export coal prices. Lower export prices were as a result of an overall decline in market prices together with lower quality coal being supplied in response to changes in market demand dynamics. A weaker Rand versus US Dollar and an increase in Eskom and domestic sales volumes partially offset the negative impact of these decreases.

Saleable production volumes were 5% lower following a strategic decision to downsize high-cost underground sections and shut down a high-cost Coal Handling Processing Plant (CHPP). In addition, the average yield reduced by 7% due to a change in the mix of the qualities of the coal being fed into the plant.

The decrease in saleable production impacted on on-mine costs which increased 21% to R396 per tonne. PCB has stockpiled approximately 2.1 million tonnes of ROM coal for commissioning of the new TOP CHPP which will commence in September 2014. This stockpile will benefit PCB unit costs in the next financial year. The transformation from underground mining to opencast mining is on schedule and is expected to result in an improvement in saleable production and unit costs.

Participating Coal Business operational statistics (on 100% basis)

		12 months ended 30 June 2014	2013	% change
Total production sales				
Saleable production	Mt	12.07	12.71	(5)
Export thermal coal sales	Mt	8.90	9.81	(9)
Eskom thermal coal sales	Mt	1.90	1.65	15
Local thermal coal sales	Mt	0.69	0.45	53
Attributable production and sales				
Saleable production	Mt	2.44	2.57	(5)
Export thermal coal sales	Mt	1.80	1.98	(9)
Eskom thermal coal sales	Mt	0.38	0.33	15
Local thermal coal sales	Mt	0.14	0.09	56
Average received coal price				
Export (FOB)	USD/tonne	67.78	83.88	(19)
Eskom (FOT)	R/tonne	202.81	157.70	29
Local (FOR)	R/tonne	347.04	262.24	32
On-mine saleable cost	R/tonne	395.64	326.29	21
Cash operating profit				
Total	R million	654	2 005	(67)
Attributable (20.2%)	R million	132	405	(67)
Headline loss attributable to ARM	R million	(242)	(14)	-

Participating Coal Business attributable profit analysis

R million	12 months ended 30 June Reviewed 2014	Reviewed 2013	% change
Cash operating profit	132	405	(67)
Less: Interest paid	(189)	(125)	(51)
Amortisation	(265)	(270)	2
Fair value adjustments	(13)	(29)	55
(Loss) before tax	(335)	(19)	-
Less: Tax	93	5	>100
Headline loss attributable to ARM	(242)	(14)	-

Projects
Tweefontein Optimisation Project
Construction at the project is progressing according to schedule and within budget with 83% of the cost of R8.2 billion having been committed as at the end of June 2014. The truck and shovel opencast equipment have been commissioned and mining has commenced while commissioning of the coal handling and processing plant will commence in H1 F2015 reaching full production by the end of F2015.

ARM's economic interest in PCB is 20.2%. PCB consists of two large mining complexes situated in Mpumalanga. ARM has a 26% effective interest in the GGV Mine situated near Ogies in Mpumalanga.

Attributable refers to 20.2% of PCB and 26% of GGV Mine whilst total refers to 100%.

ARM Copper
Lubambe Copper Mine is continuing with its ramp-up to full production to produce 45 000 tonnes of copper in concentrate in F2016. The main vertical shaft was commissioned in November 2013. After commissioning, throughput constraints were experienced in the refurbished shaft rock pass systems as well as through the main tips at the East Decline. The rock pass systems were corrected to facilitate better flows at the vertical shaft and a mineral sizer was installed at the main ore tip of the East Decline to cater for the slabbing nature of the ore encountered in stoping operations. By 30 June 2014, 1 558 390 tonnes of copper bearing ore had been milled which was 49% higher than the previous year and yielded 23 791 tonnes of copper which was 60% more than F2013. Copper recovery from the concentrator plant was 6% better than the previous reporting period and was 77.6% for the year on average.

ARM Copper operational statistics (on 100% basis)

		12 months ended 30 June 2014	2013	% change
Waste development	Metres	9 415	11 434	(18)
Ore development	Metres	9 365	9 396	-
Ore development	Tonnes	484 280	596 783	(19)
Ore stoping	Tonnes	954 999	403 178	>100
Ore tonnes mined	Tonnes	1 439 279	999 961	44
Tonnes milled	Tonnes	1 558 390	1 046 559	49
Mill head grade	% copper	1.95	1.92	-
Concentrator recovery	%	77.6	71.4	-
Copper concentrate produced	Tonnes	57 009	40 331	41
Copper concentrate sold	Tonnes	82 458	27 502	>100
Contained metal				
Copper produced	Tonnes	23 791	14 871	60
Copper sold	Tonnes	33 323	9 943	>100
Headline loss attributable to ARM (40%)	R million	(309)	(135)	

The Lubambe Copper Mine
All copper concentrate held in stock from the previous financial year has been sold to smelters in Zambia and to the international export market. Lubambe Mine further agreed to buy back the off-specification concentrate delivered to Mopani Copper Mine in F2013. This concentrate was sold on the export market and Mopani Mine was refunded in full for payments received. Concentrate quality issues have been resolved during the year and new off-take agreements are in place to treat the full production from Lubambe at Konkola Copper Mines (KCM) and Chambishi Copper Smelter (CCS) both situated in Zambia.

Mechanised access development is progressing well with ore drive development on schedule. Longitudinal Room and Pillar (LRP) stoping methods continue to be utilised to extract the copper bearing ore from underground. Poor ground conditions are still being experienced in certain places and have delayed one of the main transfer tips in the East Limb. The stoping dilution is a concern and the mining layouts are being modified to improve the milling head grade.

Operational efficiency and equipment utilisation are receiving the required level of attention to improve output and reduce unit costs.

All other project capital work regarding outstanding underground and surface infrastructure work was completed on schedule and within budget. The relocation of informal settlements on the potential subsidence area of the mine is now completed. The first 80 families were moved in March 2014 and are settling in well.

Projects
The Lubambe Extension Project
Following the initial resource estimate done by the joint venture and the subsequent promising results from the initial feasibility study of the Lubambe Extension Area done in 2012, it was decided to re-evaluate the resource estimate. AMEC, an engineering project management and consultancy company specialising in ore reserve assessments, was again commissioned to do this for the JV and the results increased the total resource (Inferred and Indicated) from 75.7 million tonnes at a total copper grade of 2.81% to 134.0 million tonnes at a total copper grade of 4.07%.

In order to take the feasibility study to the next level, a full hydrogeological study is required. During the year the contract for large diameter hydrological drilling was concluded. Drilling commenced in August 2013 and progress was good until the tri-cone bit got stuck at a depth of 570 metres in November 2013. After numerous attempts to re-establish the hole it was decided by the contractor to drill a new hole which is expected to be completed by October 2014.

ARM owns 100% of ARM Copper. ARM Copper owns 50% of the Vale/ARM Joint Venture. The effective interest of ARM in the Lubambe Copper Mine is 40% and ZCCM-IH has a 20% shareholding.

ARM Strategic Services and Exploration
ARM actively pursues new mineral opportunities in Africa and elsewhere in the world based on commodities within ARM's current portfolio. These include iron and manganese ore, copper, PGMs, nickel and coal, including their various by-products. ARM will seek to partner with organisations that will complement its core competencies and strengths.

ARM's minimum requirement is that potential partners have successfully completed methodological target generation and concept-driven exploration, and have recorded discovery success. ARM will consider investing in such projects or companies and in partnership would undertake further exploration, studies and evaluation and investments further down the mining value chain.

On 29 April 2014 ARM announced that Assmang had entered into a conditional share subscription agreement with IronRidge Resources Limited (IronRidge). One of the conditions of the subscription agreement was the admission of IronRidge to the Alternative Investment Market (AIM) of the London Stock Exchange plc through a GBP25 million capital raising. IronRidge was not successful in securing the GBP25 million. Assmang is therefore in discussion with IronRidge to consider alternative proposals. Any new proposal will be reconsidered by ARM.

The agreement with Rovuma Resources Limited, a Mozambican exploration company, is ongoing. Rovuma explores in northern Mozambique and has identified numerous occurrences of copper/zinc, nickel/copper/PGE, chromite/nickel and graphite mineralisation.

ARM agreed to continue with the option for the fourth year and to fund exploration at a cost of about USD7 million. ARM will have exclusive rights to exercise options to purchase prospecting and/or mining rights to the resources.

ARM Exploration's headline loss for F2014 was R81 million (F2013: R88 million).

Harmony Gold Mining Company Limited (Harmony)
Harmony reported a 23% improvement to its operating loss from continuing operations, from R2 008 million (restated) in F2013 to an operating loss of R1 549 million in F2014. The improvement was achieved despite a 5% decrease in Harmony's realised gold price and was mainly due to a 4% increase in gold sold together with good cost control. In the year under review Harmony achieved below inflation increases to its all-in sustaining cost. Corporate and administration costs were reduced by 7% whilst exploration expenditure decreased by 32%.

Harmony's headline earnings from continuing operations therefore increased by R102 million to R114 million in F2014. Basic earnings however were negatively affected by a R1.4 billion impairment most of which related to the Phakisa Mine. The impairment of Phakisa Mine was due to the use of new revenue and cost estimates, an increase in discount rates together with the removal of the Phakisa Mine decline project from Harmony's business plan.

Harmony continues to improve its Papua New Guinea (PNG) assets and is progressing a concept study on a scalable mine at the Wafi Golpu Project in PNG. The modular approach to developing the Wafi Golpu is expected to require less capital and allows for a long-life mine that will be flexible and adaptable.

The ARM Statement of Financial Position at 30 June 2014 reflects a mark-to-market investment in Harmony of R1.98 billion (F2013: R2.27 billion) at a share price of R31.15 per share (F2013: R35.75 per share). Dividends are recognised in the ARM Income Statement on the last day of registration following dividend declaration.

Harmony's results for the 12 months ended 30 June 2014 can be viewed on Harmony's website at www.harmony.co.za.

ARM owns 14.6% of Harmony's issued share capital.

Outlook
Volatility in currencies and commodity prices continued in the financial year with most commodities facing supply related headwinds. There was a sharp decline in iron ore and manganese ore prices in the third quarter of the financial year.

ARM produces high quality iron ore and manganese ore which even in the currently challenging market remains in strong demand. ARM differentiates itself by ensuring a consistent supply of high quality product, the premiums of which are expected to increase as pollution concerns in China are addressed. Transnet's Market Demand Strategy (MDS) which will result in an increase in bulk commodity export capacity for South Africa presents an opportunity to further optimise ARM's iron ore and manganese ore operations.

As the United States and some European countries continue to show signs of improved economic health and China remains supportive of demand for the commodities that we produce, ARM's diversified portfolio positions it well to participate in both emerging and developed markets.

Appropriate capital and effort are also being allocated to improving productivity at ARM's existing operations. This is key as part of our commitment to ensure that all operations are positioned below the 50th percentile of each commodity's global cost curve. Improvements in efficiencies have so far been achieved through volume growth, plant optimisations and continuous training of our people.

ARM remains confident about the future and continues to build a sustainable portfolio of mining assets that creates value for all shareholders and stakeholders.

Dividends

The ARM Board has approved and declared an eighth annual dividend of 600 cents per share (gross) in respect of the year ended 30 June 2014 (F2013: 510 cents per share). The amount to be paid is approximately R1 300.5 million.

This dividend is consistent with ARM's commitment, as a globally competitive company, to pay dividends and fund growth of the Company in the future.

The dividend will be subject to Dividend Withholding Tax. In accordance with paragraphs 11.17(a)(i) to (x) and 11.17(c) of the JSE Listings Requirements the following additional information is disclosed:
- The dividend has been declared out of income reserves;
- The South African Dividends Tax ("Dividends Tax") rate is 15% (fifteen percent);
- There are no Secondary Tax on Companies credits utilised;
- The gross local dividend amount is 600 cents per ordinary share for shareholders exempt from the Dividends Tax;
- The net local dividend amount is 510.00000 cents per share for shareholders liable to pay the Dividends Tax;
- As at the date of this declaration ARM has 216 747 811 ordinary shares in issue; and
- ARM's income tax reference number is 9030/018/60/1.

A gross dividend of 600 cents per ordinary share, being the dividend for the year ended 30 June 2014 has been declared payable on Monday, 6 October 2014 to those shareholders recorded in the books of the Company at the close of business on Friday, 3 October 2014. The dividend is declared in the currency of South Africa. Any change in address or dividend instruction to apply to this dividend must be received by the Company's transfer secretaries or registrar not later than Friday, 26 September 2014. The last day to trade ordinary shares cum dividend is Friday, 26 September 2014. Ordinary shares trade ex-dividend from Monday, 29 September 2014. The record date is Friday, 3 October 2014 whilst the payment date is Monday, 6 October 2014.

No dematerialisation or rematerialisation of share certificates may occur between Monday, 29 September 2014 and Friday, 3 October 2014, both dates inclusive, nor may any transfers between registers take place during this period.

Review by independent auditors

The financial information has been reviewed by E A L Botha, CA(SA) of Ernst & Young Inc. whose unqualified review report will be available for inspection at the Company's registered office.

The Integrated Annual Report containing a detailed review of the operations of the Company together with the audited financial statements will be distributed to shareholders in November 2014 and will subsequently be available on the ARM website (www.arm.co.za).

Any reference to future financial performance included in these results has not been reviewed or reported on by ARM's external auditors.

Signed on behalf of the board:

P T Motsepe	M P Schmidt
Executive Chairman	Chief Executive Officer

Johannesburg
4 September 2014

Group statement of financial position
as at 30 June 2014

	Note	Reviewed 2014 Rm	Reviewed Restated* 2013 Rm
ASSETS			
Non-current assets			
Property, plant and equipment		11 752	11 309
Investment property		12	12
Intangible assets		166	178
Deferred tax asset		381	327
Loans and long-term receivables		73	90
Financial assets		2	3
Investment in associate		1 267	1 420
Investment in joint venture	6	14 305	12 506
Other investments		2 119	2 391
		30 077	28 236
Current assets			
Inventories		934	1 096
Trade and other receivables		3 291	2 290
Taxation		5	22
Financial asset		1	39
Cash and cash equivalents	7	2 150	1 965
		6 381	5 412
Assets held for sale		–	191
Total assets		36 458	33 839
EQUITY AND LIABILITIES			
Capital and reserves			
Ordinary share capital		11	11
Share premium		4 108	3 996
Other reserves		1 258	769
Retained earnings		21 311	19 294
Equity attributable to equity holders of ARM		26 688	24 070
Non-controlling interest		1 511	1 393
Total equity		28 199	25 463
Non-current liabilities			
Long-term borrowings	8	2 420	3 293
Deferred tax liabilities		1 911	1 680
Long-term provisions		558	560
		4 889	5 533
Current liabilities			
Trade and other payables		1 741	1 599
Short-term provisions		479	494
Taxation		68	51
Overdrafts and short-term borrowings	8	1 082	699
		3 370	2 843
Total equity and liabilities		36 458	33 839

* Restated after adoption of IFRS 11 Joint Arrangements (Refer note 2 and 14).

Group income statement
for the year ended 30 June 2014

	Note	Reviewed 2014 Rm	Reviewed Restated* 2013 Rm
Revenue		10 863	8 209
Sales		10 004	7 342
Cost of sales		(7 531)	(5 866)
Gross profit		2 473	1 476
Other operating income		961	992
Other operating expenses		(1 763)	(1 294)
Profit from operations before exceptional items		1 671	1 174
Income from investments		119	131
Finance costs		(259)	(199)
Loss from associate**		(374)	(14)
Income from joint venture***		3 549	3 063
Profit before taxation and exceptional items		4 706	4 155
Exceptional items excluding tax	4	(616)	(2 457)
Profit before taxation		4 090	1 698
Taxation	9	(546)	84
Profit for the year		3 544	1 782
Attributable to:			
Non-controlling interest		255	148
Equity holders of ARM		3 289	1 634
		3 544	1 782
Additional information			
Headline earnings (R million)	5	4 108	3 737
Headline earnings per share (cents)		1 900	1 735
Basic earnings (R million)		3 289	1 634
Basic earnings per share (cents)		1 521	759
Diluted headline earnings per share (cents)		1 886	1 723
Diluted basic earnings per share (cents)		1 510	753
Number of shares in issue at end of year (thousands)		216 748	215 625
Weighted average number of shares in issue (thousands)		216 268	215 357
Weighted average number of shares used in calculating diluted earnings per share (thousands)		217 784	216 914
Net asset value per share (cents)		12 313	11 163
EBITDA (R million)		2 620	1 982
Dividend declared after year end (cents per share)		600	510

* Restated after adoption of IFRS 11 Joint Arrangements (Refer note 2 and 14).
** Impairment included in loss from associate R132 million (F2013: R nil).
*** Impairment included in income from joint venture R187 million (F2013: R112 million).

Group statement of comprehensive income
for the year ended 30 June 2014

Group	Available-for-sale reserve Rm	Other Rm	Retained earnings Rm	Total share-holders of ARM Rm	Non-controlling interest Rm	Total Rm
For the year ended 30 June 2013 (Restated Reviewed)*						
Profit for the year to 30 June 2013	–	–	1 634	1 634	148	1 782
Other comprehensive income that may be reclassified to the income statement in subsequent periods						
Reclassification adjustment due to impairment of available-for-sale listed investment	(170)	–	–	(170)	–	(170)
Deferred tax on above	31	–	–	31	–	31
Net impact of revaluation of listed investment	(139)	–	–	(139)	–	(139)
Foreign exchange movements on loans to a foreign Group entity	–	57	–	57	–	57
Deferred tax on unrealised foreign exchange movements on loans to a foreign Group entity	–	(16)	–	(16)	–	(16)
Cash flow hedge reserve	–	(32)	–	(32)	–	(32)
Foreign currency translation reserve movement	–	227	–	227	–	227
Total other comprehensive (loss)/income	(139)	236	–	97	–	97
Total comprehensive (loss)/income for the year	(139)	236	1 634	1 731	148	1 879
For the year ended 30 June 2014 (Reviewed)						
Profit for the year to 30 June 2014	–	–	3 289	3 289	255	3 544
Other comprehensive income that may be reclassified to the income statement in subsequent periods						
Revaluation of listed investment	334	–	–	334	–	334
Deferred tax on above	(62)	–	–	(62)	–	(62)
Net impact of revaluation of listed investment	272	–	–	272	–	272
Cash flow hedge reserve	–	31	–	31	–	31
Foreign currency translation reserve movement	–	73	–	73	–	73
Total other comprehensive income	272	104	–	376	–	376
Total comprehensive income for the year	272	104	3 289	3 665	255	3 920

* Restated after adoption of IFRS 11 Joint Arrangements (Refer note 2 and 14).

Group statement of changes in equity
for the year ended 30 June 2014

Group	Share capital and premium Rm	Available-for-sale reserve Rm	Other* Rm	Retained earnings Rm	Total share-holders of ARM Rm	Non-controlling interest Rm	Total Rm
Balance at 30 June 2012 (Restated Reviewed)**	3 948	139	432	18 681	23 200	1 205	24 405
Profit for the year to 30 June 2013	–	–	–	1 634	1 634	148	1 782
Other comprehensive (loss)/income	–	(139)	236	–	97	–	97
Total comprehensive (loss)/income for the year	–	(139)	236	1 634	1 731	148	1 879
Share-based payments	–	–	133	–	133	–	133
Share options exercised	27	–	–	–	27	–	27
Bonus and performance shares issued to employees	32	–	(32)	–	–	–	–
Dividend paid	–	–	–	(1 021)	(1 021)	–	(1 021)
Contribution by ZCCM	–	–	–	–	–	40	40
Balance at 30 June 2013 (Restated Reviewed)	4 007	–	769	19 294	24 070	1 393	25 463
Profit for the year to 30 June 2014	–	–	–	3 289	3 289	255	3 544
Other comprehensive income	–	272	104	–	376	–	376
Total comprehensive income for the year	–	272	104	3 289	3 665	255	3 920
Share-based payments	–	–	167	–	167	–	167
Share options exercised	62	–	–	–	62	–	62
Bonus and performance shares issued to employees	50	–	(50)	–	–	–	–
Dividend paid	–	–	–	(1 102)	(1 102)	–	(1 102)
Dividend paid to Impala Platinum	–	–	–	–	–	(236)	(236)
Acquisition of non-controlling interest in Kalumines***	–	–	–	(170)	(170)	99	(71)

Sale of subsidiary	–	–	(4)	–	(4)	–	(4)
Balance at 30 June 2014 (Reviewed)	4 119	272	986	21 311	26 688	1 511	28 199

* Other reserves consist of the following:

	2014 Rm	2013 Rm	2012 Rm
General reserve	28	32	32
Insurance contingency	14	14	14
Share-based payments	569	452	351
Cash flow hedge reserve	–	(31)	1
Foreign exchange on loans to foreign Group entity	61	61	20
Foreign currency translation reserve	328	255	28
Premium paid on purchase of non-controlling interest	(14)	(14)	(14)
Total	986	769	432

** Restated after adoption of IFRS 11 Joint Arrangements (Refer note 2 and 14).
*** Part of the assets held for sale at 30 June 2013.

Group statement of cash flows
for the year ended 30 June 2014

	Note	Reviewed 2014 Rm	Reviewed Restated* 2013 Rm
CASH FLOW FROM OPERATING ACTIVITIES			
Cash receipts from customers		9 950	7 618
Cash paid to suppliers and employees		(7 877)	(6 053)
Cash generated from operations	10	2 073	1 565
Interest received		99	62
Interest paid		(113)	(115)
Dividends received		1	64
Dividends received from joint venture		1 750	1 500
Dividend paid to non-controlling interest – Impala Platinum		(236)	–
Dividend paid		(1 102)	(1 021)
Taxation paid		(395)	(286)
Net cash inflow from operating activities		2 077	1 769
CASH FLOW FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment to maintain operations		(724)	(544)
Additions to property, plant and equipment to expand operations		(409)	(1 063)
Proceeds on disposal of property, plant and equipment		118	1
Proceeds on disposal of subsidiary		1	–
Transfer of cash on disposal of subsidiary		(16)	–
Additional investment in associate		(189)	(112)
Investment in RBCT		(20)	(26)
Decrease in loans and receivables		17	24
Net cash outflow from investing activities		(1 222)	(1 720)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds on exercise of share options		62	28
Long-term borrowings raised		–	802
Long-term borrowings repaid		(728)	(212)
Decrease in short-term borrowings		(93)	(144)
Net cash (outflow)/inflow from financing activities		(759)	474
Net increase in cash and cash equivalents		96	523
Cash and cash equivalents at beginning of year		1 569	998
Foreign currency translation on cash balance		4	48
Cash and cash equivalents at end of year	7	1 669	1 569

* Restated after adoption of IFRS 11 Joint Arrangements (Refer note 2 and 14).

Notes to the financial statements
for the year ended 30 June 2014 (Reviewed)

1 STATEMENT OF COMPLIANCE

The Group provisional financial statements have been prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS), the Financial Reporting Guides as issued by the Accounting Practice and Financial Pronouncements as issued by the Financial Reporting Standards Council and contains the information required by IAS 34 – Interim Financial Reporting, requirements of the South African Companies Act and the Listings Requirements of the JSE Limited.

BASIS OF PREPARATION

The Group provisional results for the year under review have been prepared under the supervision of the financial director Mr M Arnold CA(SA). The Group provisional financial statements have been prepared on the historical cost basis, except for certain financial instruments that are fairly valued by mark to market. The accounting policies used are consistent with those in the most recent annual financial statements except for those listed below.

The Group has adopted the following new and revised standards and interpretations, issued by the International Financial Reporting Interpretation Committee (IFRIC) of the IASB, that became effective on or before 1 January 2013.

Standard	Subject	Effective date
IFRS 1	First-time Adoption of International Financial Reporting Standards (Amendment)	1 January 2013
IFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
IFRS 10	Consolidated Financial Statements	1 January 2013
IFRS 11	Joint Arrangements	1 January 2013
IFRS 12	Disclosure of Interest in Other Entities	1 January 2013
IFRS 13	Fair Value Measurement	1 January 2013
IAS 16	Property, Plant and Equipment (Amendment)	1 January 2013
IAS 19	Employee Benefits (Amendment)	1 January 2013
IAS 27	Separate Financial Statements (as revised in 2011)	1 January 2013
IAS 28	Investment in Associates and Joint Ventures (as revised in 2011)	1 January 2013
IAS 34	Interim Financial Reporting (Amendment)	1 January 2013
Circular 2/2013	Headline Earnings	Annual periods ended 31 July 2013

The adoption of these amendments had no significant effect on the Group financial statements except for IFRS 11 Joint Arrangements (Refer notes 2 and 14).

In addition the following amendments, standards or interpretations have been issued but are not yet effective. The effective date refers to periods beginning on or after, unless otherwise indicated.

Standard	Subject	Effective date
IFRS 9	Financial Instruments – Classification and Measurement (Amendment)	1 January 2018
IFRS 7	Financial Instruments: Disclosures (Amendment)	1 January 2015
IFRS 10	Consolidated Financial Statements (Amendment)	1 January 2014
IFRS 12	Disclosure of Interest in Other Entities (Amendment)	1 January 2014
IFRS 14	Regulatory Deferral Accounts	1 January 2016
IFRS 15	Revenue from Contracts with Customers	1 January 2017
IAS 16 and IAS 38	Clarification of acceptable methods of depreciation and amortisation (Amendment)	1 January 2016
IAS 19	Employee Benefits (Amendment)	1 July 2014
IAS 27	Separate Financial Statements (Amendment)	1 January 2014
IAS 32	Financial Instruments Presentation (Amendment)	1 January 2014
IAS 36	Impairment of Assets – Recoverable amount disclosure for non-financial assets of impaired assets (Amendment)	1 January 2014
IAS 39	Financial Instruments: Recognition and Measurement – Novation of derivatives and continuation of hedge accounting (Amendment)	1 January 2014
IFRIC 21	Levies	1 January 2014

The Group does not intend early adopting any of the above amendments, standards or interpretations.

2 Effect of adoption of new standards, amendments and interpretations

The Group applied, for the first time, certain standards and amendments that require restatement of previous financial statements (Refer note 1). The financial statements were only affected by the adoption of IFRS 11 and IAS 28. As stated in our Integrated Annual Report for the 30 June 2013 financial statements, joint ventures have previously been proportionately consolidated. IFRS 11 removes the option to account for joint venture entities using the proportionate consolidation method. Instead, joint arrangements that meet the definition of a joint venture must be accounted for using the equity method. For a joint operation, the joint operator recognises its assets, liabilities, income and expenses and/or relative share thereof.

The application of IFRS 11 and IAS 28 impacted the Group's accounting of its interest in its joint venture, Assmang Proprietary Limited. The Group has a 50% interest in Assmang Proprietary Limited, which is jointly controlled by ARM and Assore Limited. Prior to the adoption of IFRS 11, Assmang Proprietary Limited was classified as a jointly controlled entity and the Group's share of the assets, liabilities, revenue, income and expenses was proportionately consolidated in the consolidated financial statements. Upon adoption of IFRS 11, the Group has determined its interest in Assmang Proprietary Limited to be classified as a joint venture under IFRS 11 and it is required to be accounted for using the equity method.

The transition was applied retrospectively as required by IFRS 11 and the comparative information has been restated.

The effect of applying IFRS 11 on the Group's financial statements are shown in detail in note 14.

For management purposes the Group is organised into operating divisions. The operating divisions are ARM Platinum (which includes platinum and nickel), ARM Ferrous, ARM Coal, ARM Copper, Corporate and other, ARM Exploration and Gold. Corporate and other, ARM Exploration and Gold are included in ARM Corporate in the table below.

PRIMARY SEGMENTAL INFORMATION

	ARM Platinum Rm	ARM Ferrous Rm	ARM Coal Rm	ARM Copper Rm	ARM Corporate Rm	Total Rm	*IFRS Adjust-ment Rm	Total per IFRS financial state-ments Rm
3.1 Year to 30 June 2014 (Reviewed)								
Sales	7 986	13 781	961	1 085	(28)	23 785	(13 781)	10 004
Cost of sales	(5 811)	(7 733)	(724)	(1 048)	73	(15 243)	7 712	(7 531)
Other operating income	79	176	24	36	752	1 067	(106)	961
Other operating expenses	(531)	(1 228)	(3)	(319)	(910)	(2 991)	1 228	(1 763)
Segment result	1 723	4 996	258	(246)	(113)	6 618	(4 947)	1 671
Income from investments	36	225	–	–	83	344	(225)	119
Finance cost	(51)	(27)	(89)	(2)	14	(155)	27	(128)
Finance cost ZCCM: Shareholders' loan Vale ARM joint venture	–	–	–	(38)	–	(38)	–	(38)
Finance cost ARM: Shareholders' loan Vale/ARM joint venture	–	–	–	(93)	–	(93)	–	(93)
Income from associate**	–	–	(374)	–	–	(374)	–	(374)
Income from joint venture***	–	11	–	–	–	11	3 538	3 549
Exceptional items	(2)	(260)	5	2	(621)	(876)	260	(616)
Taxation	(506)	(1 361)	(48)	(3)	25	(1 893)	1 347	(546)
Non-controlling interest	(319)	–	–	73	(9)	(255)	–	(255)
Consolidation adjustment	–	(35)	–	–	35	–	–	–
Contribution to basic earnings	881	3 549	(248)	(307)	(586)	3 289	–	3 289
Contribution to headline earnings	883	3 736	(120)	(309)	(82)	4 108	–	4 108
Other information:								
Segment assets, including investment in associate	10 807	18 749	3 468	3 530	4 348	40 902	(4 444)	36 458
Investment in associate			1 267			1 267	–	1 267
Investment in joint venture							14 305	14 305
Segment liabilities	2 280	1 936	1 636	826	1 538	8 216	(1 936)	6 280
Unallocated liabilities (tax and deferred tax)						4 542	(2 563)	1 979
Consolidated total liabilities						12 758	(4 499)	8 259
Cash inflow/(outflow) from operating activities	1 386	4 485	407	(158)	(1 308)	4 812	(2 735)	2 077
Cash outflow from investing activities	(690)	(2 382)	(305)	(204)	(23)	(3 604)	2 382	(1 222)
Cash outflow from financing activities	(104)	–	(152)	–	(503)	(759)	–	(759)
Capital expenditure	731	1 753	129	299	6	2 918	(1 753)	1 165
Amortisation and depreciation	650	892	117	176	6	1 841	(892)	949
Impairment	–	260	183	–	–	443	(260)	183
EBITDA	2 373	5 888	375	(70)	(107)	8 459	(5 839)	2 620

* Includes IFRS 11 adjustment related to ARM Ferrous.
** Impairment included in loss from associate R132 million.
*** Impairment included in income from joint venture R187 million.

	ARM Platinum Rm	ARM Ferrous Rm	ARM Coal Rm	ARM Copper Rm	ARM Corporate Rm	Total Rm	*IFRS Adjust-ment Rm	Total per IFRS financial state-ments Rm
3.2 Year to 30 June 2013 (Restated Reviewed)								
Sales	6 344	12 458	929	69	–	19 800	(12 458)	7 342
Cost of sales	(5 102)	(7 293)	(656)	(132)	46	(13 137)	7 271	(5 866)
Other operating income	87	312	37	11	776	1 223	(231)	992
Other operating expenses	(294)	(1 058)	(2)	(91)	(907)	(2 352)	1 058	(1 294)
Segment result	1 035	4 419	308	(143)	(85)	5 534	(4 360)	1 174
Income from investments	21	137	–	–	110	268	(137)	131
Finance cost	(56)	(26)	(82)	(20)	(35)	(219)	26	(193)
Finance cost Implats: Shareholders' loan Two Rivers	(3)	–	–	–	–	(3)	–	(3)
Finance cost ARM: Shareholders' loan Two Rivers	(3)	–	–	–	–	(3)	–	(3)
Loss from associate	–	–	(14)	–	–	(14)	–	(14)
Income from joint venture**	–	3	–	–	–	3	3 060	3 063
Exceptional items	–	(182)	(3)	–	(2 454)	(2 639)	182	(2 457)
Taxation	(285)	(1 245)	(63)	(6)	454	(1 145)	1 229	84
Non-controlling interest	(182)	–	–	34	–	(148)	–	(148)
Consolidation adjustment	–	(43)	–	–	43	–	–	–
Contribution to basic earnings	527	3 063	146	(135)	(1 967)	1 634	–	1 634
Contribution to headline earnings	527	3194	148	(135)	3	3 737	–	3 737
Other information:								
Segment assets, including investment in associate	9 913	16 775	3 631	3 581	4 208	38 108	(4 269)	33 839
Investment in associate			1 420			1 420	–	1 420
Investment in joint venture							12 506	12 506
Segment liabilities	2 008	1 724	1 717	919	2 001	8 369	(1 724)	6 645
Unallocated liabilities (tax and deferred tax)						4 277	(2 546)	1 731
Consolidated total liabilities						12 646	(4 270)	8 376
Cash inflow/(outflow) from operating activities	988	3 979	219	(48)	(890)	4 248	(2 479)	1 769
Cash outflow from investing activities	(654)	(2 041)	(169)	(888)	(9)	(3 761)	2 041	(1 720)
Cash (outflow)/inflow from financing activities	(149)	–	(155)	144	634	474	–	474
Capital expenditure	735	1 951	41	753	9	3 489	(1 951)	1 538
Amortisation and depreciation	676	885	106	21	5	1 693	(885)	808
Impairment	–	156	–	–	–	156	(156)	–
EBITDA	1 711	5 304	414	(122)	(80)	7 227	(5 245)	1 982

* Includes IFRS 11 adjustment related to ARM Ferrous.
** Impairment included in income from joint venture R112 million.

The ARM platinum segment is analysed further into Nkomati, Two Rivers Platinum Proprietary Limited and ARM Mining Consortium Limited, which includes Modikwa Platinum Mine.

	Nkomati Rm	Two Rivers Rm	Modikwa Rm	Platinum total Rm
3.3 Year to 30 June 2014 (Reviewed)				
External sales	3 032	3 725	1 229	7 986
Cost of sales	(2 110)	(2 566)	(1 135)	(5 811)
Other operating income	47	15	17	79
Other operating expenses	(343)	(172)	(16)	(531)
Segment result	626	1 002	95	1 723
Income from investments	15	11	10	36
Finance cost	(5)	(44)	(2)	(51)
Exceptional items	(2)	–	–	(2)
Taxation	(192)	(288)	(26)	(506)
Non-controlling interest	–	(306)	(13)	(319)
Contribution to earnings	442	375	64	881
Contribution to headline earnings	444	375	64	883
Other information:				
Segment and consolidated assets	3 885	3 999	2 923	10 807
Segment liabilities	871	982	427	2 280
Unallocated liabilities (tax and deferred tax)				1 558
Consolidated total liabilities				3 838
Cash inflow from operating activities	508	705	173	1 386
Cash outflow from investing activities	(164)	(240)	(286)	(690)
Cash outflow from financing activities	–	(104)	–	(104)
Capital expenditure	129	317	285	731
Amortisation and depreciation	179	399	72	650
EBITDA	805	1 401	167	2 373
3.4 Year to 30 June 2013 (Restated Reviewed)				
External sales	2 244	2 868	1 232	6 344
Cost of sales	(1 810)	(2 216)	(1 076)	(5 102)
Other operating income	54	21	12	87
Other operating expenses	(168)	(114)	(12)	(294)
Segment result	320	559	156	1 035
Income from investments	9	4	8	21
Finance cost	(3)	(50)	(3)	(56)
Finance cost Implats: Shareholders' loan				
Two Rivers Platinum (Pty) Limited	–	(3)	–	(3)
Finance cost ARM: Shareholders' loan				
Two Rivers Platinum (Pty) Limited	–	(3)	–	(3)
Taxation	(94)	(146)	(45)	(285)
Non-controlling interest	–	(162)	(20)	(182)
Contribution to earnings	232	199	96	527
Contribution to headline earnings	232	199	96	527
Other information:				
Segment and consolidated assets	3 316	3 823	2 774	9 913
Segment liabilities	608	1 037	363	2 008
Unallocated liabilities (tax and deferred tax)				1 354
Consolidated total liabilities				3 362
Cash inflow from operating activities	314	539	135	988
Cash outflow from investing activities	(80)	(427)	(147)	(654)
Cash outflow from financing activities	–	(149)	–	(149)
Capital expenditure	94	498	143	735
Amortisation and depreciation	254	350	72	676
EBITDA	574	909	228	1 711

	Iron ore division Rm	Manga-nese division Rm	Chrome division Rm	Total Rm	ARM share Rm	*IFRS adjust-ment Rm	Total per IFRS financial state-ments Rm
3.5 Pro forma analysis of the ARM Ferrous segment on a 100% basis Year to 30 June 2014 (Reviewed)							
Sales	17 667	8 286	1 608	27 561	13 781	(13 781)	–
Other operating income	744	166	27	937	176	(176)	–
Other operating expense	(2 020)	(821)	(201)	(3 042)	(1 228)	1 228	–
Operating profit	8 332	1 474	184	9 990	4 996	(4 996)	–
Contribution to earnings	6 357	684	128	7 169	3 584	(35)	3 549
Contribution to headline earnings	6 356	1 058	128	7 542	3 771	(35)	3 736
Other information:							
Consolidated total assets	26 145	11 246	1 027	38 418	18 749	(4 444)	14 305
Consolidated total liabilities	6 087	2 545	516	9 148	1 936	(1 936)	–
Capital expenditure	2 058	1 340	244	3 642	1 753	(1 753)	–
Amortisation and depreciation	1 295	450	80	1 825	892	(892)	–
Cash inflow from operating activities	3 510**	1 650	310	5 470	4 485	(4 485)	–
Cash outflow from investing activities	(1 845)	(2 681)	(237)	(4 763)	(2 382)	2 382	–
EBITDA	9 627	1 924	264	11 815	5 888	(5 888)	–
Additional information for ARM Ferrous at 100%							
Non-current assets							
Property, plant and equipment				20 638		(20 638)	–
Investment in joint venture				1 663		(1 663)	–
Other non-current assets				781		(781)	–
Current assets							
Inventories				4 427		(4 427)	–
Trade and other receivables				4 823		(4 823)	–
Financial asset				112		(112)	–
Cash and cash equivalents				5 976		(5 976)	–
Non-current liabilities							
Other non-current liabilities				5 986		(5 986)	–
Current liabilities							
Trade and other payables				2 232		(2 232)	–
Short-term provisions				585		(585)	–
Taxation				346		(346)	–

* Includes consolidation and IFRS 11 adjustments.
** Dividend paid amounting to R3.5 billion included in cash flows from operating activities.

	Iron ore division Rm	Manga-nese division Rm	Chrome division Rm	Total Rm	ARM share Rm	*IFRS adjust-ment Rm	Total per IFRS financial state-ments Rm
3.6 Pro forma analysis of the ARM Ferrous segment on a 100% basis Year to 30 June 2013 (Restated Reviewed)							
Sales	15 690	7 349	1 876	24 915	12 458	(12 458)	–
Other operating income	854	283	22	1 159	312	(312)	–
Other operating expense	(1 576)	(767)	(312)	(2 655)	(1 058)	1 058	–
Operating profit	7 466	1 547	(179)	8 834	4 419	(4 419)	–
Contribution to earnings	5 517	827	(134)	6 210	3 106	(43)	3 063
Contribution to headline earnings	5 531	940	1	6 472	3 237	(43)	3 194
Other information:							
Consolidated total assets	23 185	10 412	776	34 373	16 775	(4 269)	12 506
Consolidated total liabilities	5 985	2 454	332	8 771	1 724	(1 724)	–
Capital expenditure	2 709	1 216	132	4 057	1 951	(1 951)	–
Amortisation and depreciation	1 180	531	102	1 813	885	(885)	–
Cash inflow/(outflow) from operating activiti	3 694**	* 1 305	(50)	4 949	3 979	(3 979)	–
Cash outflow from investing activities	(2 791)	(1 155)	(127)	(4 073)	(2 041)	2 041	–
EBITDA	8 646	2 078	(77)	10 647	5 304	(5 304)	–
Additional information for ARM Ferrous at 100%							
Non-current assets							
Property, plant and equipment				19 445		(19 445)	–
Investment in joint venture				238		(238)	–
Other non-current assets				579		(579)	–
Current assets							
Inventories				4 118		(4 118)	–
Trade and other receivables				4 724		(4 724)	–
Cash and cash equivalents				5 268		(5 268)	–
Non-current liabilities							
Other non-current liabilities				5 564		(5 564)	–
Current liabilities							
Trade and other payables				2 145		(2 145)	–
Short-term provisions				505		(505)	–
Taxation				558		(558)	–

* Includes consolidation and IFRS 11 adjustments.
** Dividend paid amounting to R3 billion included in cash flows from operating activities.

Additional information
ARM Corporate as presented in the table on page 78 is analysed further into Corporate and other, ARM Exploration and Gold segments.

	ARM Exploration Rm	Corporate* and other Rm	Gold Rm	Total ARM Corporate Rm
3.7 Year to 30 June 2014 (Reviewed)				
Sales	–	(28)	–	(28)
Cost of sales	–	73	–	73
Other operating income	–	752	–	752
Other operating expenses	(81)	(829)	–	(910)
Segment result	(81)	(32)	–	(113)
Income from investments	–	83	–	83
Finance cost	–	14	–	14
Exceptional items	–	6	(627)	(621)
Taxation	–	(92)	117	25
Non-controlling interest	–	(9)	–	(9)
Consolidation adjustment	–	35	–	35
Contribution to basic earnings	(81)	5	(510)	(586)
Contribution to headline earnings	(81)	(1)	–	(82)
Other information:				
Segment assets, including investment in associate	–	2 366	1 982	4 348
Segment liabilities	–	1 538	–	1 538
Cash outflow from operating activities	(81)	(1 227)	–	(1 308)
Cash outflow from investing activities	–	(23)	–	(23)
Cash outflow from financing activities	–	(503)	–	(503)
Capital expenditure	–	6	–	6
Amortisation and depreciation	–	6	–	6
EBITDA	(81)	(26)	–	(107)

* Corporate, other companies and consolidation adjustments.

ARM Corporate is analysed further into Corporate and other, ARM Exploration and Gold segments.

	ARM Exploration Rm	Corporate* and other Rm	Gold Rm	Total ARM Corporate Rm
3.8 Year to 30 June 2013 (Restated Reviewed)				
Cost of sales	–	46	–	46
Other operating income	–	776	–	776
Other operating expenses	(88)	(819)	–	(907)
Segment result	(88)	3	–	(85)
Income from investments	–	46	64	110
Finance cost	–	(35)	–	(35)
Exceptional items	–	–	(2 454)	(2 454)
Taxation	–	(30)	484	454
Consolidation adjustment	–	43	–	43
Contribution to basic earnings	(88)	27	(1 906)	(1 967)
Contribution to headline earnings	(88)	27	64	3
Other information:				
Segment assets, including investment in associate	–	1 933	2 275	4 208
Segment liabilities	–	2 001	–	2 001
Cash (outflow)/inflow from operating activities	(88)	(866)	64	(890)
Cash outflow from investing activities	–	(9)	–	(9)
Cash inflow from financing activities	–	634	–	634
Capital expenditure	–	9	–	9
Amortisation and depreciation	–	5	–	5
EBITDA	(88)	8	–	(80)

* Corporate, other companies and consolidation adjustments.

	Reviewed 2014 Rm	Reviewed Restated 2013 Rm
4 EXCEPTIONAL ITEMS		
Profit on sale of property, plant and equipment	6	–
Profit on sale of subsidiary	5	–
Unrealised impairment of available-for-sale listed investment	(627)	(2 454)
Scrapping of property, plant and equipment	–	(3)
Exceptional items per income statement	(616)	(2 457)
Impairment on property, plant and equipment accounted for directly in associate – ARM Coal	(183)	–
Loss on sale of property, plant and equipment accounted for directly in joint venture Assmang	–	(26)
Impairment on property, plant and equipment accounted for directly in joint venture – Assmang	(260)	(156)
Exceptional items before taxation effect	(1 059)	(2 639)
Taxation accounted for in associate – ARM Coal	51	–
Taxation accounted for in joint venture – Assmang	73	51
Taxation on impairment of available-for-sale investment	117	484
Taxation on other exceptional items	(1)	1
Total amount adjusted for headline earnings	(819)	(2 103)
5 HEADLINE EARNINGS		
Basic earnings attributable to equity holders of ARM	3 289	1 634
– Impairment on property, plant and equipment in associate – ARM Coal	183	–
– Profit on sale of subsidiary	(5)	–
– Unrealised impairment of available-for-sale listed investment	627	2 454
– Impairments of property, plant and equipment in joint venture – Assmang	260	156
– Scrapping of property, plant and equipment	–	3
– (Profit)/loss on disposal of property, plant and equipment	(6)	26

	4 348	4 273
- Taxation on impairment of available-for-sale investment	(117)	(484)
- Taxation accounted for directly in associate and joint venture	(124)	(51)
- Taxation on other exceptional items	1	(1)
	4 108	3 737

6 INVESTMENT IN JOINT VENTURE

The investment relates to ARM Ferrous and comprises Assmang as a joint venture which includes iron ore, manganese and chrome operations.

Opening balance	12 506	10 943
Income for the period	3 584	3 106
Consolidation adjustment	(35)	(43)
Net income for the period	3 549	3 063
Less: Dividend received for the period	(1 750)	(1 500)
Closing balance	14 305	12 506

	Reviewed 2014 Rm	Reviewed Restated 2013 Rm
7 CASH AND CASH EQUIVALENTS		
- African Rainbow Minerals Limited	746	579
- ARM Finance Company SA	63	60
- ARM Coal Proprietary Limited	–	4
- ARM Platinum Proprietary Limited	28	125
- Kingfisher Insurance Co Limited	137	134
- Nkomati	216	223
- Two Rivers Platinum Proprietary Limited	9	9
- Vale/ARM joint venture	92	45
- Venture Building Trust Proprietary Limited	4	2
- Restricted cash	855	784
Total as per statement of financial position	2 150	965
Less: Overdrafts (Refer note 8)	481	396
Total as per statement of cash flows	1 669	1 569
8 BORROWINGS		
Long-term borrowings are held as follows:		
- African Rainbow Minerals Limited	–	564
- ARM Finance Company SA	659	735
- ARM Coal Proprietary Limited (partner loan)	1 209	1 492
- Two Rivers Platinum Proprietary Limited	88	104
- Vale/ARM joint venture	12	–
- Vale/ARM joint venture – ZCCM (partner loan)	452	398
	2 420	3 293
Short-term borrowings		
- African Rainbow Minerals Limited	–	3
- Anglo Platinum Limited (partner loan)	114	114
- ARM Coal Proprietary Limited	217	36
- ARM Finance Company SA	191	60
- Two Rivers Platinum Proprietary Limited	79	90
	601	303
Overdrafts (Refer note 7)		
- ARM Mining Consortium Limited	24	–
- Two Rivers Platinum Proprietary Limited	300	353
- Vale/ARM joint venture	130	13
- Other	27	30
	481	396
Overdrafts and short-term borrowings	1 082	699
Total borrowings	3 502	3 992

Notes to the financial statements
for the year ended 30 June 2014

	Reviewed 2014 Rm	Reviewed Restated 2013 Rm
9 TAXATION		
South African normal tax		
- current year	423	247
- mining	322	126
- non-mining	101	121
- prior year	8	(42)
Deferred tax	115	(296)
Foreign taxes	–	7
	546	(84)
10 CASH GENERATED FROM OPERATIONS BEFORE WORKING CAPITAL MOVEMENTS		
Cash generated from operations before working capital movement	3 032	2 555
Working capital changes	(959)	(990)
Movement in inventories	179	(620)
Movement in receivables	(978)	(635)
Movement in inventories	(160)	265
Cash generated from operations (per cash flow)	2 073	1 565

11 COMMITMENTS

Commitments in respect of future capital expenditure, which will be funded from operating cash flows and by utilising available cash and borrowing resources, are summarised below:

Commitments		
Commitments in respect of capital expenditure:		
Approved by directors		
- contracted for	359	425
- not contracted for	7	120
Total commitments	366	545

12 CONTINGENT LIABILITIES

There have been no significant changes in the contingent liabilities of the Group as disclosed in the 30 June 2013 integrated annual report.

13 EVENTS AFTER REPORTING DATE

No significant events have occurred subsequent to the reporting date that could materially affect the reporte results.

14 Impact of accounting policy change on:
Group statement of financial position

	As at 30 June 2014 Current accounting policy Rm Reviewed	Previous accounting policy Rm	Difference Rm	As at 30 June 2013 Current accounting policy Rm Reviewed	Previous accounting policy Rm Audited	Difference Rm
ASSETS						
Non-current assets						
Property, plant and equipment	11 752	21 845	(10 093)	11 309	20 636	(9 327)
Investment property	12	12	–	12	12	–
Intangible assets	166	166	–	178	179	(1)
Deferred tax assets	381	381	–	327	327	–
Loans and long-term receivables	73	370	(297)	90	285	(195)
Financial assets	2	118	(116)	3	98	(95)
Investment in associate	1 267	1 267	–	1 420	1 420	–
Investment in joint venture	14 305	–	14 305	12 506	–	12 506
Other investments	2 119	2 119	–	2 391	2 391	–
	30 077	26 278	3 799	28 236	25 348	2 888
Current assets						
Inventories	934	3 228	(2 294)	1 096	3 222	(2 126)
Trade and other receivables	3 291	5 759	(2 468)	2 290	4 667	(2 377)
Taxation	5	61	(56)	22	22	–
Financial asset	1	57	(56)	39	39	–
Cash and cash equivalents	2 150	5 630	(3 480)	1 965	4 632	(2 667)
	6 381	14 735	(8 354)	5 412	12 582	(7 170)
Assets held for sale	–	–	–	191	191	–
Total assets	36 458	41 013	(4 555)	33 839	38 121	(4 282)
EQUITY AND LIABILITIES						
Capital and reserves						
Ordinary share capital	11	11	–	11	11	–
Share premium	4 108	4 108	–	3 996	3 996	–
Other reserves	1 258	1 253	5	769	769	–
Retained earnings	21 311	21 311	–	19 294	19 294	–
Equity attributable to equity holders of ARM	26 688	26 683	5	24 070	24 070	–
Non-controlling interest	1 511	1 511	–	1 393	1 393	–
Total equity	28 199	28 194	5	25 463	25 463	–
Non-current liabilities						
Long-term borrowings	2 420	2 420	–	3 293	3 293	–
Deferred tax liabilities	1 911	4 321	(2 410)	1 680	3 951	(2 271)
Long-term provisions	558	1 028	(470)	560	959	(399)
	4 889	7 769	(2 880)	5 533	8 203	(2 670)
Current liabilities						
Trade and other payables	1 741	2 898	(1 157)	1 599	2 678	(1 079)
Short-term provisions	479	772	(293)	494	746	(252)
Taxation	68	298	(230)	51	332	(281)
Overdrafts and short-term borrowings	1 082	1 082	–	699	699	–
	3 370	5 050	(1 680)	2 843	4 455	(1 612)
Total equity and liabilities	36 458	41 013	(4 555)	33 839	38 121	(4 282)

Impact of accounting policy change on:
Group income statement

	For the year ended 30 June 2014 Current accounting policy Rm Reviewed	Previous accounting policy Rm	Difference Rm	For the year ended 30 June 2013 Current accounting policy Rm Reviewed	Previous accounting policy Rm Audited	Difference Rm
Sales	10 004	24 005	(14 001)	7 342	19 844	(12 502)
Cost of sales	(7 531)	(15 443)	7 912	(5 866)	(13 115)	7 249
Gross profit	2 473	3 8 562	(6 089)	1 476	6 729	(5 253)
Other operating income	961	803	158	992	960	32
Other operating expenses	(1 763)	(2 737)	974	(1 294)	(2 152)	858
Profit from operations before exceptional items	1 671	6 628	(4 957)	1 174	5 537	(4 363)
Income from investments	119	346	(227)	131	268	(137)
Finance costs	(259)	(286)	27	(199)	(225)	26
(Loss)/income from associate	(374)	(374)	–	(14)	(14)	–
Income from joint venture	3 549	9 –	3 549	3 063	–	3 063
Profit before taxation and exceptional items	4 706	6 314	(1 608)	4 155	5 566	(1 411)
Exceptional items	(616)	(876)	260	(2 457)	(2 639)	182
Profit before taxation	4 090	5 438	(1 348)	1 698	2 927	(1 229)
Taxation	(546)	(1 894)	1 348	84	(1 145)	1 229
Profit for the period	3 544	3 544	–	1 782	1 782	–
Attributable to:						
Non-controlling interest	255	255	–	148	148	–
Equity holders of ARM	3 289	3 289	–	1 634	1 634	–
	3 544	3 544	–	1 782	1 782	–
Additional information						
Headline earnings (R million)	4 108	4 108	–	3 737	3 737	–
Headline earnings per share (cents)	1 900	1 900	–	1 735	1 735	–
Basic earnings per share (cents)	1 521	1 521	–	759	759	–
Fully diluted headline earnings per share (cents)	1 886	1 886	–	1 723	1 723	–
Fully diluted basic earnings per share (cents)	1 510	1 510	–	753	753	–
Net asset value per share (cents)	12 313	12 313	–	11 163	11 163	–
EBITDA (R million)	2 620	8 473	(5 853)	1 982	7 230	(5 248)

Impact of accounting policy change on:
Group statement of cash flows

	For the year ended 30 June 2014 Current accounting policy Rm Reviewed	Previous accounting policy Rm	Difference Rm	For the year ended 30 June 2013 Current accounting policy Rm Reviewed	Previous accounting policy Rm Audited	Difference Rm
CASH FLOW FROM OPERATING ACTIVITIES						
Cash receipts from customers	9 950	23 570	(13 620)	7 618	19 611	(11 993)
Cash paid to suppliers and employees	(7 877)	(15 922)	8 045	(6 053)	(13 299)	7 246
Cash generated from operations	2 073	7 648	(5 575)	1 565	6 312	(4 747)
Interest received	99	312	(213)	62	199	(137)
Interest paid	(113)	(114)	1	(115)	(115)	–
Dividends received	1	–	1	64	64	–
Dividends received from joint venture	1 750	–	1 750	1 500	–	1 500
Dividends paid to non-controlling interest	(236)	(236)	–	–	–	–
Dividends paid	(1 102)	(1 102)	–	(1 021)	(1 021)	–
Taxation paid	(395)	(1 714)	1 319	(286)	(1 191)	905
Net cash inflow from operating activities	2 077	4 794	(2 717)	1 769	4 248	(2 479)
CASH FLOW FROM INVESTING ACTIVITIES						
Additions to property, plant and equipment to maintain operations	(724)	(2 249)	1 525	(544)	(1 452)	908
Additions to property, plant and equipment to expand operations	(409)	(837)	428	(1 063)	(2 224)	1 161

Proceeds on disposal of property, plant and equipment	118	171	(53)	1	23	(22)
Proceeds on disposal of subsidiary	1	1	–	–	–	–
Transfer of cash on disposal of subsidiary	(16)	(16)	–	–	–	–
Additional investment in associate	(189)	(189)	–	(112)	(112)	–
Investment in RBCT	(20)	(20)	–	(26)	(26)	–
Decrease in loans and receivables	17	17	–	24	30	(6)
Net cash outflow from investing activities	(1 222)	(3 122)	1 900	(1 720)	(3 761)	2 041
CASH FLOW FROM FINANCING ACTIVITIES						
Proceeds on exercise of share options	62	62	–	28	28	–
Long-term borrowings raised	–	–	–	802	802	–
Long-term borrowings repaid	(728)	(728)	–	(212)	(212)	–
Decrease in short-term borrowings	(93)	(93)	–	(144)	(144)	–
Net cash (outflow)/inflow from financing activities	(759)	(759)	–	474	474	–
Net (decrease)/increase in cash and cash equivalents	96	913	(817)	523	961	(438)
Cash and cash equivalents at beginning of period	1 569	4 236	(2 667)	998	3 227	(2 229)
Foreign currency translation on cash balances	4	–	4	48	48	–
Cash and cash equivalents at end of period	1 669	5 149	(3 480)	1 569	4 236	(2 667)

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Forward-looking statements

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