



African Rainbow Minerals

## INTERIM RESULTS

for the six months ended  
31 December 2007

▶ we do it better



## Shareholder information

Issued shares as at 31 December 2007 (thousand)	210 642
Market capitalisation as at 31 December 2007	R32.02 billion
Share price as at 31 December 2007	R152.00
Daily average volume traded	312 453
Primary listing	JSE Limited
Ticker symbol	'ARI'

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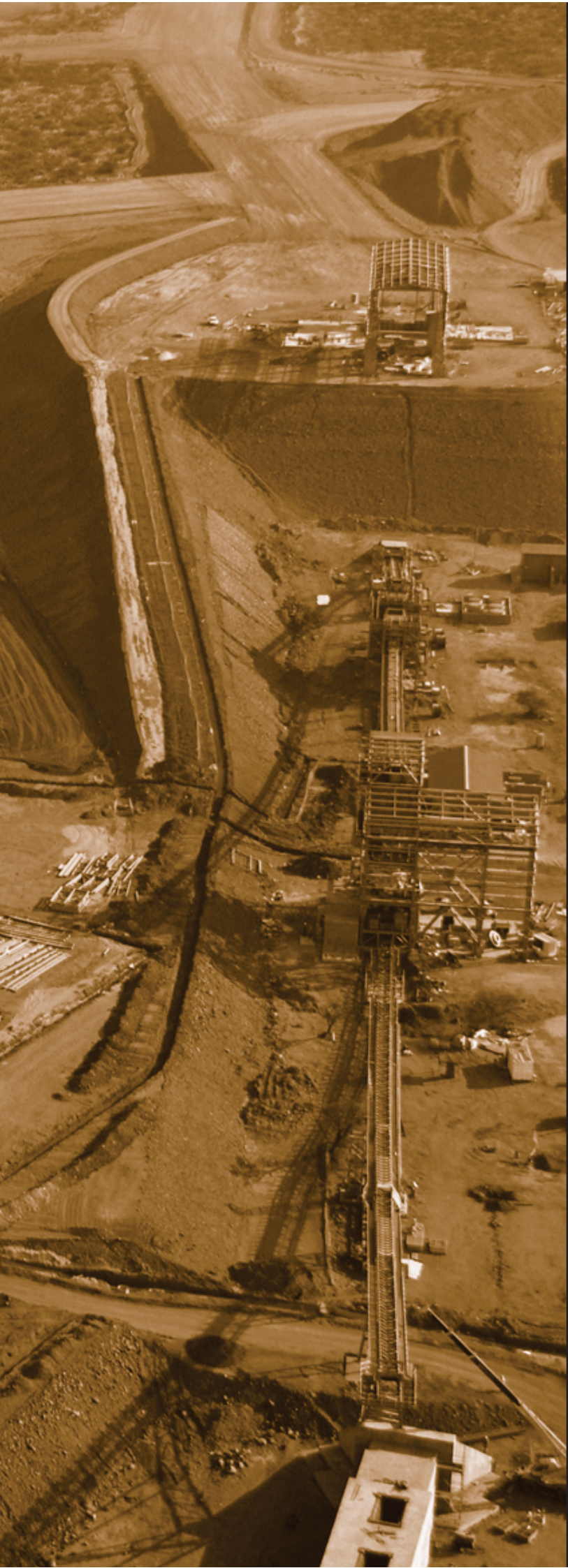
## Forward looking statements

Certain statements in this presentation constitute "forward looking statements" within the meaning of Section 27A of the US Securities Act of 1933 and Section 21E of the US Securities Exchange Act of 1934.

Such forward looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the company to be materially different from the future results, performance or achievements expressed or implied by such forward looking statements. Such risks, uncertainties and other important factors include among others: economic, business and political conditions in South Africa; decreases in the market price of commodities; hazards associated with underground and surface mining; labour disruptions; changes in government regulations, particularly environmental regulations; changes in exchange rates; currency devaluations; inflation and other macro-economic factors; and the impact of the AIDS crisis in South Africa. These forward looking statements speak only as of the date of publication of these pages.

The company undertakes no obligation to update publicly or release any revisions to these forward looking statements to reflect events or circumstances after the date of publication of these pages or to reflect the occurrence of unanticipated events.





## Highlights

- Headline earnings increased by 35% to R741 million
- Headline earnings per share increased by 34% to 353 cents per share
- EBITDA increased by 38% to R1 740 million
- Record volumes in Manganese Ore, Iron Ore, Chrome Ore and Thermal Coal
- 9% increase in PGM sales
- All projects are progressing on schedule and within budget
  - Khumani Iron Ore Mine (10 million tonnes per annum);
  - Nkomati Nickel expansion (20 500 tonnes per annum); and
  - Goedgevonden Coal project (6.7 million tonnes per annum)
- Modikwa achieves a safety record of 2 million fatality free shifts

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## Commentary

The Board of Directors of ARM is delighted to announce the Company's record results thereby continuing to deliver on its stated strategies of organically and efficiently growing ARM into a globally competitive diversified mining company. ARM continues to be well positioned to participate in the local and global merger and consolidation opportunities.

Headline earnings, for the period, have increased by 35% to R741 million or 353 cents per share for the six months ended 31 December 2007 (2006: R548 million or 264 cents per share). The period under review has been characterised by strong commodity prices across the businesses and a 4% stronger average Rand/US dollar exchange rate at R6.94/US dollar. In addition, these results have been impacted by solid volume increases from the ferrous assets held through Assmang Limited (Assmang) and sales volumes which were maintained at the Platinum and Nickel operations.

Operational highlights for the period include (100% basis):

- 37% increase in manganese ore sales to 1.4 million tonnes;
- 18% increase in iron ore sales to 3.3 million tonnes;
- 12% increase in manganese alloy sales to 122 thousand tonnes;
- 55% increase in domestic thermal coal sales to 7 million tonnes;
- 9% increase in PGM sales to 243 thousand ounces;
- 177% increase in chrome ore sales to 653 thousand tonnes; and
- first copper production from TEAL in the Democratic Republic of Congo (DRC).

Basic earnings for the period amounted to R870 million (2006: R560 million) which include a R135 million gain from the receipt of the final tranche payment on the sale of 50% of Nkomati Nickel to Norilsk Nickel during 2005.

These interim results for the six months ended 31 December 2007 have been prepared in accordance with International Financial Reporting Standards (IFRS).

### Contribution to headline earnings (unaudited)

Commodity group R million	six months ended 31 December		
	2007	2006	% change
Platinum	206	198	4
Nkomati nickel and chrome	150	200	(25)
Ferrous metals	574	261	120
Coal	6	24	(75)
Exploration: TEAL	(121)	(39)	(210)
Corporate: finance costs	(45)	(73)	38
Corporate: other	(29)	(23)	(26)
<b>ARM headline earnings</b>	<b>741</b>	<b>548</b>	<b>35</b>

Accounting considerations affecting earnings figures include:

- The period-on-period comparison of the Platinum segmental contribution to headline earnings by Two Rivers Platinum Mine is distorted by the inclusion in this period of interest charged on its shareholders' loans. The net reduction to Platinum attributable earnings is R28 million. There is a corresponding gain in the corporate segment and thus there is no impact on the ARM consolidated results.
- The TEAL results were fully absorbed by ARM in this period with no allocation to minorities, which would have amounted to R42 million (2006: R23 million allocated to minorities). The total expense incurred by TEAL amounted to R121 million.
- The ARM Coal attributable results for the period to December 2006 are not comparable with the current period results, as the accounting adjustments relating to purchase price allocation and related amortisation as well as imputed interest on loans were only finalised and processed after December 2006. Attributable cash operating profit for the six-month period to December 2007 of R170 million (2006: R136 million) more clearly reflects the comparative performance.

The operational volume increases, together with ARM's organic growth projects, are in line with the Company's strategy of growth to double production from 2005 levels by 2010 in key commodities with high margin operations. ARM has established a diversified commodity exposure, providing the Company with varied pricing, volume and stage of mine development exposure.

ARM's organic growth projects with its partners remain on schedule and within budget, having spent R1.4 billion (attributable to ARM) on capital expenditure over the period. Khumani Iron Ore Mine is the first project to begin ramping up with export sales from Khumani of ore processed through its own plant planned by the end of financial year 2008. Nkomati Nickel and Goedgevonden Thermal Coal projects are both on track for full production by 2011. ARM continues to develop partnerships and relationships in South and Southern Africa. ARM's commitment to grow its South and Southern African mining businesses is clearly demonstrated by its increasing investments in Africa through TEAL.

ARM continues to focus on operational cost containment through this growth phase, costs being a significant determinant of management's remuneration. Operational cost changes are in line with the planned growth, as ARM's mining production ramps up. The new and modern operations continue to incorporate best practices from ARM and its joint venture partners, using new technology, more open cast mining and better positioning with regard to infrastructure and logistics.

ARM's balance sheet remains robust with net debt (excluding partner loans) of R2.1 billion in 2007 and net gearing of 20%. ARM's earnings before interest, tax, depreciation and amortisation (excluding exceptional items) (EBITDA) margin for the period under review is 44%, with strong EBITDA growth of 38% to R1 740 million (2006: R1 265 million).

The national power shortage, which manifested itself during the past few weeks, has somewhat impacted production and processing at most of ARM's operations. There has been a compensating price spike for the majority of ARM's commodities. ARM's operations are shallow relative to the majority of other South African mines and make significant use of diesel as an energy source, in addition to their electricity requirements. This significantly reduces the safety and operational risks that may arise due to power cuts. ARM is reviewing all its operations to ensure that production is maximised in the most efficient and profitable manner at a 90% average level of power supply.

## Harmony

ARM's interest in the gold sector is held through a 16% stake in Harmony.

During December 2007, Graham Briggs was appointed as Chief Executive Officer of Harmony.

Harmony reported an earnings loss from continuing operations for the quarter ended 31 December 2007 of 43 cents per share (quarter ended 30 September 2007: 30 cents per share loss) and an increase in cash operating profit of 43% to R450 million (quarter ended 30 September 2007: R315 million). Gold production for the period was 8% lower at 12 403 kilograms (quarter ended 30 September 2007: 13 523 kilograms), with cash costs for the period flat at R133 324/kg.

Harmony continues to focus on ensuring that the quality of the portfolio of assets improves, as the Company invests in longer life, higher grade mines. The Company has begun to deliver on plans related to cost control, as illustrated this quarter where it has been able to maintain flat unit cash costs, despite lower gold production. An agreement to dispose of 60% of certain uranium and gold assets of the Randfontein, Cooke Section, for a purchase consideration of US dollar 252 million has been entered into. Harmony plans to secure an international partner for the development of the Papua New Guinea (PNG) assets.

The ARM balance sheet at 31 December 2007 reflects a marked-to-market investment in Harmony of R4 484 million, which is based on a Harmony share price of R70 (2006: R111). Changes in the value of the investment in Harmony are accounted for by ARM through the statement of changes in equity, and the investment is reflected at market value in the balance sheet.

Harmony announced its results for the quarter ended 31 December 2007 on 15 February 2008 and these can be viewed on [www.harmony.co.za](http://www.harmony.co.za).

## Broad-based Economic Empowerment (BBEE) Trust

The Trust, established in April 2005, has allocated Units to its beneficiaries having an income value of the equivalent of 10% of ARM's issued share capital. The beneficiaries of the Trust currently includes five broad-based provincial upliftment trusts, a broad-based women upliftment trust, various church groups, trade union representatives and will, in the future, include several community, business and traditional leaders.



## Commentary *(continued)*

In the period of almost three years since the establishment of the Trust and with two years remaining to repay the funding raised for the Trust to acquire the ARM shares, the beneficiaries have started receiving funds from distributions made by the Trust. On 18 February 2008, an amount of approximately R8 million was distributed to the beneficiaries. This amount is derived from a portion of the ARM dividend received by the Trust during October 2007. ARM views this as a significant step towards the fulfilment of the objectives of the Trust, which is to improve the living conditions of the poor and unemployed and to uplift rural communities and women.

### OPERATIONAL REVIEW

#### ARM Ferrous

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

Assmang reported an increase of 69% in its turnover for the six months to 31 December 2007 to R4.4 billion (2006: R2.6 billion). Headline earnings increased substantially by 118% to R1 146 million (2006: R525 million).

#### Assmang headline earnings contribution

100% basis R million	six months ended 31 December		
	2007	2006	% change
Iron ore division	264	260	2
Manganese division	776	244	218
Chrome division	106	21	405
Total	1 146	525	118
Headline earnings attributable to ARM (50%)	574	261	120

The increase in headline earnings is primarily attributed to increased sales volumes and prices for iron ore, manganese ore and alloys, as well as chrome ore and charge chrome. ARM expects the existing strong demand for its products to continue, supported by material increases in US dollar contract prices for iron ore, manganese and chrome ore and alloys.

#### Assmang product sales

100% basis Thousand tonnes	six months ended 31 December		
	2007	2006	% change
Iron ore division	3 286	2 783	18
Manganese ore*	1 434	1 046	37
Manganese alloys*	122	109	12
Charge chrome	115	107	7
Chrome ore*	116	69	68

\* Excluding intra-group sales

The planned cost increases at the Beeshoek iron ore operations during the period under review were mainly due to the higher cost of road transport from Khumani iron ore mine to Beeshoek iron ore mine and reduced production tonnages at Beeshoek.

#### Assmang capital expenditure

100% basis R million	six months ended 31 December	
	2007	2006
Iron ore division	1 366	483
Manganese division	163	87
Chrome division	55	87
Total	1 584	657

The major portion of the capital expenditure of R1 584 million (2006: R657 million) was spent on the ongoing infrastructure development of the new Khumani Iron Ore Mine amounting to R1 307 million. In addition R52 million was spent on the rebuild of a furnace at the Cato Ridge Works ferromanganese smelter.

During the period under review Assmang obtained a R1.4 billion term loan facility to assist with funding the completion of the Khumani Iron Ore Mine. At 31 December 2007, R200 million had been drawn against this facility.

### Logistics

Assmang has finalised a 20-year contract with Transnet for an allocation of 10 million tonnes per annum to be exported through the port of Saldanha. Transnet and other industry role players are currently evaluating and negotiating the next capacity expansion project from 47 million tonnes per annum to 60 million tonnes per annum.

Assmang and Transnet are currently finalising manganese ore allocation increases above the current Assmang allocation of 1.85 million tonnes per annum through Port Elizabeth.

### Khumani Iron Ore Mine

Mining commenced at Khumani in May 2007 and the first product from processing through its own plant is expected during April 2008. The project is funded from Assmang operational cash flows and debt facilities. Khumani Iron Ore Mine is on schedule for full commissioning by the end of June 2008 and a subsequent ramp-up to full production of 10 million tonnes per annum by 2010.

Further expansion to increase to 20 million tonnes export production per annum is being investigated. This second phase of expansion is subject to the successful conclusion of negotiations with Transnet and will be submitted to the Assmang board and shareholders for consideration later this calendar year.

### ARM Platinum

ARM Platinum consists of three operating mines.

The first mine is Modikwa Platinum Mine, where ARM Platinum has an effective 41.5% economic interest and the local communities have an 8.5% economic interest. The remaining 50% is held by Anglo Platinum. Two Rivers Platinum Mine is the second mine and ARM owns 55%. Its partner Impala Platinum owns 45%. The third mine, Nkomati Mine, is a 50:50 joint venture partnership with Norilsk Nickel, which produces nickel in concentrate and chrome ore.

ARM Platinum continues to enjoy strengthening PGM pricing and is approaching steady state production at both platinum operations. Nkomati Nickel has decreased its contribution to ARM headline earnings due to lower volumes and a lower received US dollar nickel price.

ARM Platinum's contribution to headline earnings decreased by 11% to R356 million for the six months to 31 December 2007 (2006: R398 million). The six months to 31 December 2007 have seen total PGM sales increase by 9% to 243 thousand ounces as Modikwa and Two Rivers build up to full production levels. ARM expects improved operational performance and strong PGM prices in the second half of financial year 2008.

### ARM Platinum capital expenditure

Capital expenditure increased by 14.7% from R484 million to R555 million, to sustain and grow production in the following areas:

- Modikwa Platinum Mine – North shaft decline extension
- Two Rivers Platinum Mine – 40 000 tonnes per month north decline development
- Nkomati Nickel and Chrome Mine – Commissioning the 100 000 tonnes per month MMZ plant

### ARM Platinum capital expenditure

100% basis R million	six months ended 31 December	
	2007	2006
Modikwa Platinum Mine	164	99
Two Rivers Platinum Mine	185	228
Nkomati Nickel and Chrome Mine	206	157
<b>Total</b>	<b>555</b>	<b>484</b>

## Commentary *(continued)*

### Modikwa Platinum Mine

Modikwa's cash operating profit was R495 million for the six months ended December 2007 (2006: R491 million), while attributable headline earnings contribution increased by 7% to R108 million.

Production output for the period under review decreased by 7% as a result of a slower than anticipated ramp-up to normal production levels after the re-introduction of continuous operations (conops) from June 2007. Furthermore, Modikwa has focused on repositioning the mine for improvements in productivity by establishing additional working panels, which is having a short-term impact on costs but with long-term benefits. Labour relations have improved with a new two-year wage agreement now in place, effective January 2008.

Unit cash costs increased by 23% compared to the six months period ended 31 December 2006 (10% compared to the 12 months period to 30 June 2007). Re-capitalisation of the mechanised fleet is expected to have a favourable impact on productivity and unit cash costs going forward.

#### Modikwa operational statistics

100% basis		six months ended 31 December		
		2007	2006	% change
Cash operating profit	R million	495	491	1
Tonnes milled	Million tonnes	1.23	1.31	(6)
Head grade	4E g/t	4.45	4.43	1
PGMs-in-concentrate	4E ounces	148 039	158 247	(7)
Average basket price	4E R/kg	303 113	259 227	17
Cash cost	R/tonne	522	426	(23)
Cash cost	R/Pt oz	9 554	7 808	(22)
Cash cost	R/PGM oz	4 314	3 528	(22)
Capex	R million	164	99	66
Headline earnings attributable to ARM (41.5%)		108	101	7

Previously approved capital has advanced the down dip development of North Shaft from 4 to 6 level and the down dip development of South Shaft is scheduled to commence in the first half of calendar year 2008. Trial mining of the Merensky reef produced 65 392 tonnes in the past six months and is planned to continue at 12 000 tonnes per month for the next six months.

### Two Rivers Platinum Mine

Two Rivers' cash operating profit was R401 million for the six months ended 31 December 2007, while the headline earnings contribution (after interest on shareholders' loans, tax and minorities) was R98 million.

#### Two Rivers operational statistics

100% basis		six months ended 31 December		
		2007	2006	% change
Cash operating profit	R million	401	288*	–
Tonnes milled	Million tonnes	1.10	0.75	47
Head grade	6E g/t	3.73	4.04	(8)
PGMs-in-concentrate	6E ounces	95 355	65 552	46
Average basket price	6E R/kg	293 412	247 725	18
Cash cost	R/tonne	330	284	(16)
Cash cost	R/Pt oz	7 989	6 744	(19)
Cash cost	R/PGM oz	3 810	3 232	(18)
Capex	R million	185	228	19
Headline earnings attributable to ARM (55%)		98**	97*	–

\* For the three months to December 2006

\*\* Includes R28 million impact of interest paid on shareholders' loans after tax and minorities



The development ore stockpile has been depleted and underground production is expected to reach the planned steady state output of 225 000 tonnes per month before the end of the financial year 2008.

Underground operations achieved a higher than planned waste dilution due to a larger proportion of undulating split reef and pot holes. This has resulted in the 8% reduction in the head grade (6E) and a 16% increase in unit cash costs. In the last few months, Two Rivers has been achieving improved grades and production levels.

The North Decline development and production is ahead of schedule and achieving 40 000 tonnes per month. The concentrator commissioning concerns have been addressed and recoveries are expected to improve as Two Rivers approaches steady state operations.

### Nkomati Nickel Mine

Nkomati reported a cash operating profit of R446 million compared to R602 million in the corresponding period in the prior year. This 26% decrease in cash operating profit was as a result of a 5% decrease in the realised dollar nickel price, a 10% reduction in nickel in concentrate sales and a 46% reduction in PGM sales.

The high grade Massive Sulphide Body (MSB) ore body has been effectively depleted and the mine is ramping up production on the lower grade Main Mineralised Zone (MMZ) ore body. This is progressing according to the mining plan. As a result of Nkomati transforming into a high volume, low grade mine, head grade reduced in line with plans to 0.82% Ni compared to 1.98% Ni in the corresponding period. Mining unit costs have declined from R446 per tonne to R321 per tonne due to the shift from underground mining to open pit operations.

#### Nkomati operational statistics

100% basis		six months ended 31 December		
		2007	2006	% change
Cash operating profit	R million	446	602	(26)
Tonnes milled	Thousand	460	170	171
Head grade	% nickel	0.82	1.98	(59)
On-mine cash cost per tonne treated	R/tonne	321	446	28
C1 Cash cost (net of by-products including chrome)	US\$/lb	(1.67)	0.11	–
Capex	R million	206	157	31
<b>Metal sales</b>				
Nickel*	Tonnes	2 367	2 620	(10)
PGMs*	Ounces	14 742	27 525	(46)
Copper*	Tonnes	1 313	1 709	(23)
Cobalt*	Tonnes	123	124	(1)
Chrome ore	Tonnes	537 002	166 648	222
Headline earnings attributable to ARM (50%)	R million	150	200	(25)

\* Contained metals in concentrate

The 100 000 tonnes per month MMZ plant was commissioned on time and within budget. Steady state production is expected from this plant in the first quarter of 2008. Chrome sales have increased from 166 648 tonnes to 537 002 tonnes in the comparable six-month period. The chrome operations' contribution to the Nkomati Mine cash operating profit was 45% for the period under review. Looking forward, based on existing commodity prices, the chrome contribution to Nkomati Mine cash operating profit is expected to remain significant until the Nkomati expansion project has ramped up to full nickel production in 2011.

A significant chrome fines stockpile of 1.5 million tonnes has been generated from the production of the lumpy chrome. A 100 000 tonnes per month chrome fines re-treatment plant (at a capital cost of R68 million) is being constructed to process the resultant fines stockpile, with commissioning expected in the third quarter of 2008.

### Nkomati Nickel Expansion Project

The Phase 2 Expansion Project was released by the joint venture partners, ARM and Norilsk Nickel in September 2007. The 375 000 tonnes per month plant is scheduled for commissioning in September 2009. All major equipment has been ordered and earthworks for the plant have commenced. The pre-stripping contract for the

## Commentary *(continued)*

opencast has been awarded and is expected to commence in March 2008. Firm commitments from the South African electricity generators for the power supply for this project have been secured. As at 31 December 2007, approximately R677 million has been committed of the total capital expenditure requirement of the R3.2 billion announced at project release.

### Kalplats

The Kalplats PGM project, situated 330km west of Johannesburg, is a joint venture between ARM Platinum and Platinum Australia Limited (PLA). PLA is earning-in up to 49% of the project by completing a bankable feasibility study and providing the right for the project to use the Panton metallurgical process. To date, PLA has completed approximately 38 000 metres of drilling as well as other studies as part of the feasibility study. The combined indicated and inferred mineral resource currently contains approximately 3.5 million ounces 2E PGMs (Pt, Pd + Au), representing an average grade of 1.4 g/t. Exploration has also started on the Kalplats Extended Area, which is a 50:50 joint venture between ARM Platinum and PLA.

### ARM Coal

ARM owns 51% of ARM Coal, which in turn owns 20% of Xstrata Coal's South African operations and 51% of Goedgevonden. In addition, ARM owns a direct 10% stake in Xstrata Coal's South African operations. ARM's effective economic interest in Xstrata Coal South Africa is 20.2%, and in Goedgevonden is 26%.

Cash operating profit increased by 25% to R170 million for the six months ended 31 December 2007 (2006: R136 million). In the period under review, domestic thermal coal sales and prices increased significantly as Eskom's requirement for coal continued to increase. Total export thermal coal sales volumes remained flat with a substantial increase in the US dollar price received. During the six months under review cash flow from Xstrata Coal South Africa (excluding Goedgevonden) was re-invested into capital expenditure and as a result no dividend will be received in respect of the period to December 2007. A R20 million dividend was received from ARM Coal during the period under review for the six month period to June 2007.

### ARM Coal operational statistics

		Six months ended 31 December		
		2007	2006	% change
<b>Total sales</b>	Million tonnes	<b>14.71</b>	11.95	23
Export thermal coal sales	Million tonnes	<b>7.62</b>	7.38	3
Domestic thermal coal sales	Million tonnes	<b>7.09</b>	4.57	55
<b>Attributable sales</b>	Million tonnes	<b>3.05</b>	2.12	44
Export thermal coal sales	Million tonnes	<b>1.56</b>	1.30	20
Domestic thermal coal sales	Million tonnes	<b>1.49</b>	0.82	81
<b>Average received coal price</b>				
Export (FOB)	US\$/tonne	<b>51.44</b>	42.70	20
Domestic (FOB)	R/tonne	<b>76.17</b>	50.04	52
<b>Cash operating profit</b>				
Total	R million	<b>834.00</b>	734.34	14
Attributable	R million	<b>169.79</b>	135.88	25
Headline earnings attributable to ARM	R million	<b>6</b>	24*	(75)

\* Excludes accounting adjustments as described above

Total figures as disclosed above relates to 100% of the Xstrata Coal South Africa operations, including Goedgevonden. Attributable figures relate to ARM's effective 20.2% of Xstrata Coal South Africa operations and 26% of Goedgevonden.

Earnings from the coal division attributable to ARM were negatively impacted by a number of accounting issues:

- the IFRS accounting requirement relating to imputed interest on the Xstrata debt facilitation
- additional amortisation at the ARM level provided as a result of the IFRS purchase price allocation rules.

**Reconciliation of headline earnings to cash operating profit (R million)**

ARM attributable headline earnings reported	6
Add: Additional amortisation	15
Imputed interest on Xstrata R4 billion debt facilitation	15
Less: Taxation	(8)
ARM attributable headline earnings excluding IFRS adjustments	28*
Add: Normal interest	40
Normal amortisation	90
Taxation	12
ARM's attributable cash operating profit	170

\* Compares to R24 million for the 6 months to December 2006 financial results

**Goedgevonden Thermal Coal Project**

Construction at the Goedgevonden project released during the previous financial year is progressing well and it is expected that the project will be commissioned on time and within budget in the first quarter of 2009.

First production from the Goedgevonden coal handling preparation plant (CHPP) is expected during 2009 building up to steady sales levels in 2011. The capital cost for the project is estimated at R3.2 billion (including Phase V RBCT expansion) and at full production the mine is expected to produce 6.7 million tonnes per annum. The mine has committed capital to date of R1.8 billion. About half of the production will be marketed locally and the balance will be exported through the RBCT Phase V expansion entitlement.

**TEAL Exploration & Mining Incorporated (TEAL)**

TEAL is 65% owned by ARM and listed on the Toronto Stock Exchange. TEAL owns exploration assets in the DRC, Zambia and Namibia.

In the DRC, TEAL has commissioned the first phase of a mine at the Lupoto Copper Project, which reached full production levels at the end of the 2007 calendar year. Original production targets have been exceeded with over 11 000 tonnes of copper concentrate grading over 25% copper being produced over the last six months. These concentrates are sold to various customers that operate electric-arc furnaces. The exploration drilling programme at Lupoto is in progress and a pre-feasibility study for a mine at Lupoto is underway.

TEAL's Board of Directors has been presented with a feasibility study for the Konkola North Copper Project in Zambia for consideration. Within the southern portion of the Konkola North property, TEAL is conducting an exploration programme to confirm the large historical resource base contained within Area 'A' (107 million tonnes at 2.30% copper) and Area 'A' Extension (63 million tonnes at 2.88% copper). Initial drilling results are encouraging.

In Namibia, TEAL recently announced further high grade drilling results from its Otjikoto Gold Project.

In line with its stated strategy, TEAL will continue to invest further capital (through for example exploration activities and feasibility studies) in upgrading the value of the various rights and properties owned by it in Namibia, Zambia and the DRC.

TEAL announced its results for the period to 31 December 2007 on 14 February 2008 and these can be reviewed on [www.tealmining.com](http://www.tealmining.com).

**Safety and Health**

ARM, together with its partners, reported an improvement in the safety performance at the Black Rock manganese, Dwarsrivier chrome and Modikwa platinum mining operations and the Machadodorp chrome smelting operations.

It is with regret that management reports the occurrence of two fatalities. On 5 July 2007, Mr Khukhutje was fatally injured at the Two Rivers mine. On 14 December, Mr L Tenza passed away at the Cato Ridge Furnace. The Company extends its sincere condolences to the bereaved families and friends of Messrs Khukhutje and Tenza.



## Commentary *(continued)*

The following operations are to be commended for excellent safety achievements:

- Modikwa completed Two Million fatality free shifts and has achieved a fatality free calendar year.
- Black Rock Manganese Mines achieved the milestone of Two Million fatality free shifts and won the underground section of the DME's Northern Cape Safety competition for the second consecutive period.
- In the 1 000 fatality free production shift competition Dwarsrivier mine achieved a total of 2 997 fatality free production shifts in December 2007. In the 250 000 fatality free shift category the mine recorded 594 559 fatality free shifts worked up to the end of the December 2007 quarter.

### Outlook

ARM will continue to benefit from a very strong global commodity cycle driven in the main by the supply side struggling to meet continued strong demand for infrastructure development, particularly in China. Increasing volume demand will be supported by strong US dollar prices across ARM's product sales, particularly with regard to bulk commodities sold mainly on contract such as iron ore, manganese ore, chrome ore and thermal coal. All businesses are expected to continue to benefit from a weaker Rand to the US dollar exchange rate.

ARM operations mainly consist of surface/opencast operations and relatively shallow mines, most with decline shaft systems. The impact of electricity supply (down to 90% of average historic usage) will be managed through more innovative mining and operational schedules; optimising plant and furnace usage and the application of available electricity capacity to higher margin businesses.

### Dividends

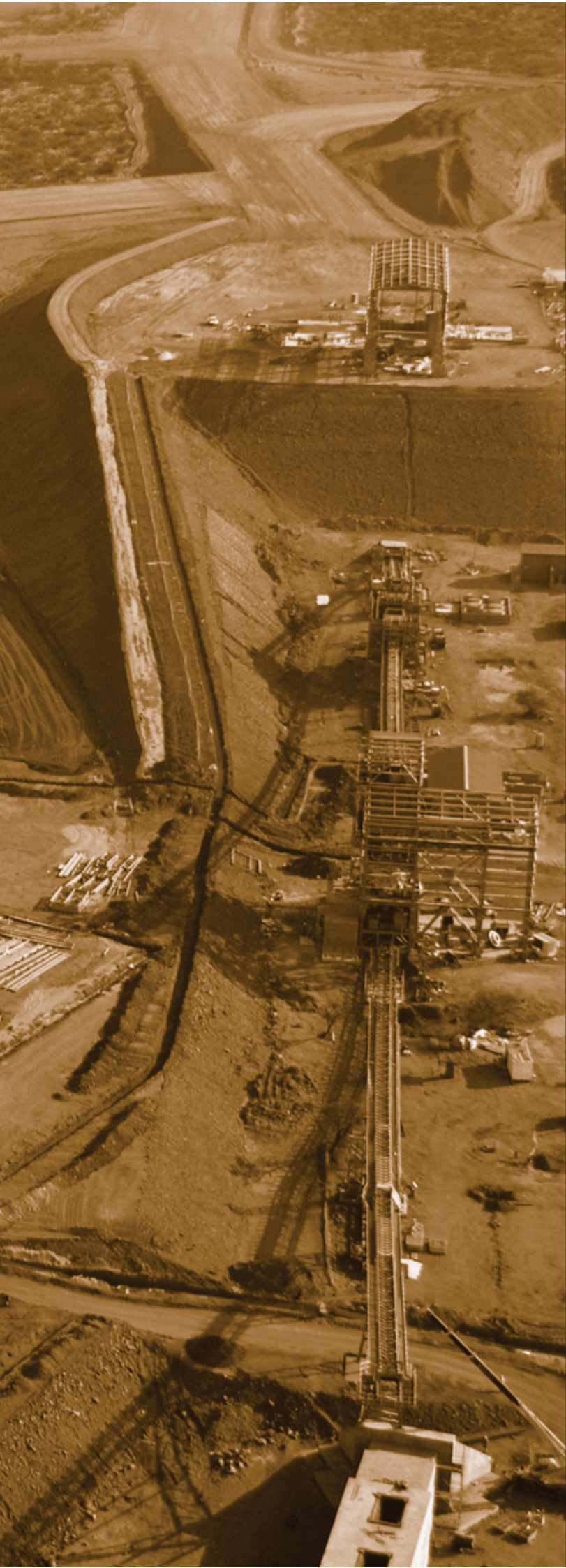
The Board of Directors has decided to consider dividends on an annual basis due to its significant growth pipeline. As a result no dividend was declared for the six months ended 31 December 2007.

Signed on behalf of the Board:

**PT Motsepe**  
*Executive Chairman*

**AJ Wilkens**  
*Chief Executive Officer*

Johannesburg  
20 February 2008



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# Group Balance Sheets

as at 31 December 2007

	Note	Unaudited 31 December 2007 Rm	Unaudited 2006 Rm	Audited 30 June 2007 Rm
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment		7 983	5 740	6 892
Investment property		14	14	12
Intangible assets		217	310	217
Deferred tax assets		–	23	–
Investment in associate		846	834	857
Other investments	2	4 495	7 088	6 391
		<b>13 555</b>	<b>14 009</b>	<b>14 369</b>
<b>Current assets</b>				
Inventories		1 069	811	853
Trade and other receivables		2 146	1 766	1 859
Cash and cash equivalents		1 185	441	1 063
		<b>4 400</b>	<b>3 018</b>	<b>3 775</b>
<b>Total assets</b>		<b>17 955</b>	<b>17 027</b>	<b>18 144</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Capital and reserves</b>				
Ordinary share capital		11	10	10
Share premium		3 704	3 628	3 667
Other reserves		18	2 172	1 604
Retained earnings		6 151	4 935	5 597
<b>Shareholders' interest in capital and reserves</b>		<b>9 884</b>	<b>10 745</b>	<b>10 878</b>
Minority interest		468	217	340
<b>Total shareholders' interest</b>		<b>10 352</b>	<b>10 962</b>	<b>11 218</b>
<b>Non-current liabilities</b>				
Long-term borrowings – interest bearing	3	2 904	2 793	2 741
Deferred tax liabilities		1 282	1 268	1 410
Long-term provisions		201	163	178
		<b>4 387</b>	<b>4 224</b>	<b>4 329</b>
<b>Current liabilities</b>				
Trade and other payables		1 127	614	999
Short-term provisions		68	59	97
Taxation		414	241	198
Overdrafts and short-term borrowings – interest bearing	3	1 607	927	1 303
		<b>3 216</b>	<b>1 841</b>	<b>2 597</b>
<b>Total equity and liabilities</b>		<b>17 955</b>	<b>17 027</b>	<b>18 144</b>



# Group Income Statements

for the six months ended 31 December 2007

	Note	Unaudited Six months ended 31 December 2007 Rm	Unaudited Six months ended 2006 Rm	Audited Year ended 30 June 2007 Rm
<b>Revenue</b>		<b>4 119</b>	2 641	6 308
<b>Sales</b>		<b>3 991</b>	2 606	6 152
Cost of sales		(2 319)	(1 425)	(3 341)
<b>Gross profit</b>		<b>1 672</b>	1 181	2 811
Other operating income		142	67	222
Other operating expenses		(308)	(209)	(552)
<b>Profit from operations before exceptional items</b>		<b>1 506</b>	1 039	2 481
Income from investments		52	24	51
Finance costs		(209)	(151)	(370)
Income from associate		9	34	16
<b>Profit before taxation and exceptional items</b>		<b>1 358</b>	946	2 178
Exceptional items	4	135	14	14
<b>Profit before taxation</b>		<b>1 493</b>	960	2 192
Taxation		(526)	(329)	(781)
<b>Profit for the period</b>		<b>967</b>	631	1 411
<b>Attributable to:</b>				
Minority interest		97	71	191
Equity holders of ARM		870	560	1 220
		<b>967</b>	631	1 411
<b>Additional information:</b>				
Headline earnings (R million)	5	741	548	1 207
Headline earnings per share (cents)		353	264	580
Basic earnings per share (cents)		414	270	586
Fully diluted basic earnings per share (cents)		408	267	577
Fully diluted headline earnings per share (cents)		347	261	571
Number of shares in issue at end of period (thousand)		210 642	208 457	209 730
Weighted average number of shares in issue (thousand)		210 013	207 218	208 115
Weighted average number of shares used in calculating fully diluted earnings per share (thousand)		213 434	209 751	211 523
Net asset value per share (cents)		4 692	5 155	5 187
EBITDA before exceptional items (R million)		1 740	1 265	2 903
Dividend declared after year end (cents)		–	–	150

# Statement of Changes in Equity

for the six months ended 31 December 2007

	Share capital and premium Rm	Revaluation of listed investments Rm	Other Rm	Retained earnings Rm	Total shareholders of ARM Rm	Minority interest Rm	Total Rm
<b>Six months ended 31 December 2007 (Unaudited)</b>							
Balance at 30 June 2007	3 677	1 467	137	5 597	10 878	340	11 218
Basic earnings	–	–	–	870	870	97	967
Net impact of revaluation of listed investment	–	(1 621)	–	–	(1 621)	–	(1 621)
Revaluation of listed investments	–	(1 896)	–	–	(1 896)	–	(1 896)
Deferred tax on revaluation of listed investments	–	275	–	–	275	–	275
Share based payments	–	–	35	–	35	–	35
Share options exercised	38	–	–	–	38	–	38
Sale of share in investment	–	–	–	–	–	31	31
Dividend paid	–	–	–	(315)	(315)	–	(315)
Other	–	–	–	(1)	(1)	–	(1)
<b>Balance at 31 December 2007</b>	<b>3 715</b>	<b>(154)</b>	<b>172</b>	<b>6 151</b>	<b>9 884</b>	<b>468</b>	<b>10 352</b>
<b>Six months ended 31 December 2006 (Unaudited)</b>							
Balance at 30 June 2006	3 567	2 219	88	4 376	10 250	143	10 393
Basic earnings	–	–	–	560	560	71	631
Net impact of revaluation of listed investment	–	(158)	–	–	(158)	–	(158)
Revaluation of listed investments	–	(185)	–	–	(185)	–	(185)
Deferred tax on revaluation of listed investments	–	27	–	–	27	–	27
Realignment of currency	–	–	–	–	–	3	3
Share based payments	–	–	22	–	22	–	22
Share options exercised	71	–	–	–	71	–	71
Other	–	–	1	(1)	–	–	–
<b>Balance at 31 December 2006</b>	<b>3 638</b>	<b>2 061</b>	<b>111</b>	<b>4 935</b>	<b>10 745</b>	<b>217</b>	<b>10 962</b>
<b>Year ended 30 June 2007 (Audited)</b>							
Balance at 30 June 2006	3 567	2 219	88	4 376	10 250	143	10 393
Basic earnings	–	–	–	1 220	1 220	191	1 411
Net impact of revaluation of listed investment	–	(752)	–	–	(752)	–	(752)
Revaluation of listed investments	–	(880)	–	–	(880)	–	(880)
Deferred tax on revaluation of listed investments	–	128	–	–	128	–	128
Share based payments	–	–	48	–	48	6	54
Share options exercised	110	–	–	–	110	–	110
Realignment of currency	–	–	1	–	1	–	1
Other	–	–	–	1	1	–	1
<b>Balance at 30 June 2007</b>	<b>3 677</b>	<b>1 467</b>	<b>137</b>	<b>5 597</b>	<b>10 878</b>	<b>340</b>	<b>11 218</b>

# Cash Flow Statements

for the six months ended 31 December 2007

	Unaudited Six months ended 31 December 2007 Rm	Unaudited Six months ended 31 December 2006 Rm	Audited Year ended 30 June 2007 Rm
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Cash receipts from customers	3 870	2 112	5 672
Cash paid to suppliers and employees	(2 305)	(1 561)	(3 135)
Cash generated from operations	1 565	551	2 537
Interest received	52	20	49
Interest paid	(140)	(134)	(295)
Dividends received	–	4	–
Dividends paid to ARM shareholders	(315)	–	–
Taxation paid	(164)	(89)	(317)
<b>Net cash inflow from operating activities</b>	<b>998</b>	<b>352</b>	<b>1 974</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Additions to property, plant and equipment to maintain operations	(583)	(326)	(913)
Additions to property, plant and equipment to expand operations	(778)	(348)	(946)
Proceeds on disposal of property, plant and equipment	27	–	7
Proceeds on termination of agreement	–	14	–
Proceeds on disposal of investment	–	3	2
Received from minorities on sale of investment	31	–	–
Investment in associate	–	(800)	(841)
Dividend received from investment in associate	20	–	–
<b>Net cash (outflow) from investing activities</b>	<b>(1 283)</b>	<b>(1 457)</b>	<b>(2 691)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds on exercise of share options	38	71	110
Long-term borrowings raised	194	1 371	1 453
Long-term borrowings repaid	(80)	(154)	(73)
Increase/(decrease) in short-term borrowings	257	31	72
<b>Net cash inflow from financing activities</b>	<b>409</b>	<b>1 319</b>	<b>1 562</b>
<b>Net increase in cash and cash equivalents</b>	<b>124</b>	<b>214</b>	<b>845</b>
Cash and cash equivalents at beginning of period	1 039	193	193
Foreign currency translation on cash balances	(1)	–	1
<b>Cash and cash equivalents at end of period</b>	<b>1 162</b>	<b>407</b>	<b>1 039</b>
Cash generated from operations per share (cents)	745	266	1 219



# Notes to the Financial Statements

for the six months ended 31 December 2007

## 1. BASIS OF PREPARATION

The results for the half-year have been prepared in accordance with the International Financial Reporting Standards (IFRS), on an historical cost convention, as modified by the revaluation of available-for-sale financial assets, and financial assets and financial liabilities (including derivative instruments) at fair value through the income statement or the statement of changes in equity.

These consolidated financial statements are prepared in accordance with IAS 34 – interim financial reporting.

The financial information for the half-year ended 31 December 2007 has been prepared adopting the same accounting policies used in the most recent annual financial statements.

The group has adopted all the new and revised standards and interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC) of the IASB that are effective 1 January 2007. There were no financial effects on these, only disclosure issues, that will be addressed in the June 2008 annual report.

	Unaudited Six months ended 31 December 2007 Rm	Unaudited 2006 Rm	Audited Year ended 30 June 2007 Rm
<b>2. INVESTMENTS</b>			
<b>Listed</b>			
Opening balance	6 391	7 276	7 264
Investment sold	–	–	(4)
Unrealised revaluation loss for the period	(1 896)	(185)	(880)
Other	–	(3)	11
Total carrying amount of investments	4 495	7 088	6 391
<b>3. BORROWINGS</b>			
<b>Long-term borrowings are held as follows</b>			
– African Rainbow Minerals Limited	1 258	1 251	1 253
– Assmang Limited	114	4	19
– ARM Coal (Proprietary) Limited	617	445	501
– ARM Platinum (Proprietary) Limited	184	295	236
– Two Rivers Platinum (Proprietary) Limited	731	798	732
	2 904	2 793	2 741
<b>Overdrafts and short-term borrowings are held as follows:</b>			
– African Rainbow Minerals Limited	18	32	20
– Assmang Limited	398	139	303
– ARM Platinum (Proprietary) Limited	112	159	116
– Teal Exploration & Mining Inc	244	–	71
– Two Rivers Platinum (Proprietary) Limited			
– Short-term borrowings	178	29	168
– Two Rivers Platinum (Proprietary) Limited			
– Implats shareholders' loan	657	568	625
	1 607	927	1 303
<b>Total borrowings</b>	4 511	3 720	4 044

Interest of R22 million was capitalised for the half-year ended 31 December 2007 (31 December 2006: R24 million, 30 June 2007: R54 million).

**AFRICAN RAINBOW MINERALS**  
Provisional Results for the financial year ended 30 June 2007

	Unaudited Six months ended 31 December 2007 Rm	Unaudited 2006 Rm	Audited Year ended 30 June 2007 Rm
<b>4. EXCEPTIONAL ITEMS</b>			
Settlement of Chambishi disposal	–	14	14
Surplus on disposal of 50 per cent of Nkomati mine; final tranche payment	135	–	–
<b>Exceptional items per income statement</b>	<b>135</b>	<b>14</b>	<b>14</b>
Taxation	–	(2)	(2)
Impairment of assets	(6)	–	–
Profit on sale of property, plant and equipment	–	–	1
<b>Net exceptional items</b>	<b>129</b>	<b>12</b>	<b>13</b>
<b>5. HEADLINE EARNINGS</b>			
Basic earnings per income statement	870	560	1 220
Termination of agreement	–	(14)	(14)
Profit on sale of property, plant and equipment	–	–	(1)
Surplus on disposal of 50 per cent of Nkomati mine	(135)	–	–
Impairment of assets	6	–	–
	<b>741</b>	<b>546</b>	<b>1 205</b>
Taxation	–	2	2
<b>Headline earnings</b>	<b>741</b>	<b>548</b>	<b>1 207</b>
<b>6. COMMITMENTS AND CONTINGENT LIABILITIES</b>			
Commitments in respect of future capital expenditure, which will be funded from operating cash flows and by utilising debt facilities at entity and corporate levels, are summarised below:			
Approved by directors			
– contracted for	1 416	2 518	2 290
– not contracted for	2 243	563	831
<b>Total commitments</b>	<b>3 659</b>	<b>3 081</b>	<b>3 121</b>

**Contingent liabilities**

Shareholders are advised that there have been no significant changes to the contingent liabilities of the group as disclosed in the June 2007 annual report.

# Notes to the Financial Statements *(continued)*

for the six months ended 31 December 2007

	ARM Platinum Division		Ferrous metals	Coal	Explora- tion	Corporate and other	Total
	Platinum Rm	Nickel Rm	Rm	Rm	Rm	Rm	Rm
<b>7. SEGMENTAL INFORMATION</b>							
<b>Primary segmental information</b>							
<b>Six months ended 31 December 2007</b>							
<b>Sales</b>							
External sales	1 338	398	2 192	35	28	–	<b>3 991</b>
Cost of sales	(782)	(195)	(1 287)	(31)	(24)	–	<b>(2 319)</b>
Other operating income	2	14	40	–	–	86	<b>142</b>
Other operating expenses	(8)	(18)	(81)	–	(120)	(81)	<b>(308)</b>
<b>Segment result</b>	<b>550</b>	<b>199</b>	<b>864</b>	<b>4</b>	<b>(116)</b>	<b>5</b>	<b>1 506</b>
Income from investments	33	2	4	–	1	12	<b>52</b>
Finance cost	(77)	–	(3)	(8)	(5)	(45)	<b>(138)</b>
Finance cost Implats; shareholders' loan Two Rivers	(32)	–	–	–	–	–	<b>(32)</b>
Finance cost ARM; shareholders' loan Two Rivers	(39)	–	–	–	–	–	<b>(39)</b>
Income from associate	–	–	–	9	–	–	<b>9</b>
Exceptional items	–	–	–	–	–	135	<b>135</b>
Taxation	(132)	(57)	(291)	1	(1)	(46)	<b>(526)</b>
Minority interest	(97)	–	–	–	–	–	<b>(97)</b>
<b>Contribution to earnings</b>	<b>206</b>	<b>144</b>	<b>574</b>	<b>6</b>	<b>(121)</b>	<b>61</b>	<b>870</b>
<b>Contribution to headline earnings</b>	<b>206</b>	<b>150</b>	<b>574</b>	<b>6</b>	<b>(121)</b>	<b>(74)</b>	<b>741</b>
<b>Other information</b>							
Segment assets	5 773	654	4 815	1 658	214	357	<b>13 471</b>
Gold segment assets							<b>4 484</b>
<b>Consolidated total assets</b>							<b>17 955</b>
Segment liabilities	2 179	60	1 131	686	310	1 541	<b>5 907</b>
Taxation							<b>1 696</b>
<b>Consolidated total liabilities</b>							<b>7 603</b>
Cash in/(out) flow from operating activities	632	165	640	52	(141)	(350)	<b>998</b>
Cash in/(out) flow from investing activities	(267)	(103)	(764)	(116)	(33)	–	<b>(1 283)</b>
Cash in/(out) flow from financing activities	(80)	–	189	85	175	40	<b>409</b>
Capital expenditure	267	103	761	160	63	1	<b>1 355</b>
Amortisation and depreciation	98	10	113	1	2	1	<b>225</b>
<b>EBITDA (before exceptional items)</b>	<b>648</b>	<b>209</b>	<b>977</b>	<b>14</b>	<b>(114)</b>	<b>6</b>	<b>1 740</b>



**AFRICAN RAINBOW MINERALS**  
Provisional Results for the financial year ended 30 June 2007

	ARM Platinum Division		Ferrous metals	Coal	Explora- tion	Corporate and other	Total
	Platinum Rm	Nickel Rm	Rm	Rm	Rm	Rm	Rm
<b>7. SEGMENTAL INFORMATION</b>							
<b>(continued)</b>							
<b>Primary segmental information</b>							
<b>Six months ended</b>							
<b>31 December 2006 (Unaudited)</b>							
<b>Sales</b>							
External sales	899	393	1 298	16	–	–	2 606
Cost of sales	(442)	(107)	(868)	(8)	–	–	(1 425)
Other operating income	–	(1)	17	–	–	51	67
Other operating expenses	(3)	(1)	(59)	–	(65)	(81)	(209)
<b>Segment result</b>	454	284	388	8	(65)	(30)	1 039
Income from investments	4	1	5	–	3	11	24
Finance cost	(55)	–	(2)	(21)	–	(73)	(151)
Finance cost Implats; shareholders' loan Two Rivers	–	–	–	–	–	–	–
Finance cost ARM; shareholders' loan Two Rivers	–	–	–	–	–	–	–
Income from associate	–	–	–	34	–	–	34
Exceptional items	–	–	–	–	–	14	14
Taxation	(111)	(85)	(130)	3	–	(6)	(329)
Minority interest	(94)	–	–	–	23	–	(71)
<b>Contribution to earnings</b>	198	200	261	24	(39)	(84)	560
<b>Contribution to headline earnings</b>	198	200	261	24	(39)	(96)	548
<b>Other information</b>							
Segment assets	4 388	518	3 046	1 432	137	407	9 928
Gold segment assets							7 076
Taxation		–	–	–	–	–	23
<b>Consolidated total assets</b>							17 027
Segment liabilities	2 008	39	418	451	18	1 622	4 556
Taxation		–	–	–	–	–	1 509
<b>Consolidated total liabilities</b>							6 065
Cash in/(out) flow from operating activities	(7)	233	286	(13)	(60)	(87)	352
Cash in/(out) flow from investing activities	(222)	(79)	(328)	(420)	(24)	(384)	(1 457)
Cash in/(out) flow from financing activities	240	–	93	33	–	953	1 319
Capital expenditure	251	74	315	20	24	–	684
Amortisation and depreciation	77	15	100	–	–	–	192
<b>EBITDA (before exceptional items)</b>	531	299	488	42	(65)	(30)	1 265

# Notes to the Financial Statements *(continued)*

for the six months ended 31 December 2007

	ARM Platinum Division		Ferrous metals	Coal	Explora- tion	Corporate and other	Total
	Platinum Rm	Nickel Rm	Rm	Rm	Rm	Rm	Rm
<b>7. SEGMENTAL INFORMATION</b>							
<b>Primary segmental information</b>							
<b>Year ended 30 June 2007 (Audited)</b>							
<b>Sales</b>							
External sales	2 352	702	3 064	34	–	–	<b>6 152</b>
Cost of sales	(1 083)	(209)	(2 021)	(28)	–	–	<b>(3 341)</b>
Other operating income	1	14	78	–	1	128	<b>222</b>
Other operating expenses	(12)	(36)	(133)	–	(198)	(173)	<b>(552)</b>
<b>Segment result</b>	<b>1 258</b>	<b>471</b>	<b>988</b>	<b>6</b>	<b>(197)</b>	<b>(45)</b>	<b>2 481</b>
Income from investments	17	3	6	–	4	21	<b>51</b>
Finance cost	(255)	–	(8)	(26)	–	(81)	<b>(370)</b>
Income from associate	–	–	–	16	–	–	<b>16</b>
Exceptional items	–	–	–	–	–	14	<b>14</b>
Taxation	(300)	(137)	(320)	5	(1)	(28)	<b>(781)</b>
Minority interest	(259)	–	–	–	68	–	<b>(191)</b>
<b>Contribution to earnings</b>	<b>461</b>	<b>337</b>	<b>666</b>	<b>1</b>	<b>(126)</b>	<b>(119)</b>	<b>1 220</b>
<b>Contribution to headline earnings</b>	<b>461</b>	<b>337</b>	<b>665</b>	<b>1</b>	<b>(126)</b>	<b>(131)</b>	<b>1 207</b>
<b>Other information</b>							
Segment and consolidated assets	5 314	584	3 842	1 519	97	408	<b>11 764</b>
Gold segment assets							<b>6 380</b>
							<b>18 144</b>
Segment liabilities	2 194	64	849	519	97	1 595	<b>5 318</b>
Taxation							<b>1 608</b>
<b>Consolidated total liabilities</b>							<b>6 926</b>
Cash in/(out) flow from operating activities	770	568	979	(11)	(169)	(163)	<b>1 974</b>
Cash in/(out) flow from investing activities	(521)	(199)	(1 030)	(892)	(51)	2	<b>(2 691)</b>
Cash in/(out) flow from financing activities	212	–	244	71	66	969	<b>1 562</b>
Capital expenditure	566	199	1 070	74	51	1	<b>1 961</b>
Amortisation and depreciation	165	35	203	1	1	1	<b>406</b>
<b>EBITDA (before exceptional items)</b>	<b>1 423</b>	<b>506</b>	<b>1 191</b>	<b>23</b>	<b>(196)</b>	<b>(44)</b>	<b>2 903</b>

# Additional information

for the six months ended 31 December 2007

The ARM platinum segment is analysed further into Two Rivers Platinum (Pty) Limited and ARM Platinum (Pty) Limited that includes Modikwa platinum mine.

Platinum	Two Rivers Rm	Modikwa Rm	Platinum Rm
<b>SEGMENTAL INFORMATION</b>			
<b>Six months ended 31 December 2007 (Unaudited)</b>			
<b>Sales</b>			
External sales	768	570	1 338
Cost of sales	(423)	(359)	(782)
Other operating income	2	–	2
Other operating expenses	(2)	(6)	(8)
<b>Segment result</b>	<b>345</b>	<b>205</b>	<b>550</b>
Income from investments	26	7	33
Finance cost	(53)	(24)	(77)
Finance cost Implats; shareholders' loan Two Rivers	(32)	–	(32)
Finance cost ARM; shareholders' loan Two Rivers	(39)	–	(39)
Taxation	(74)	(58)	(132)
Minority interest	(75)	(22)	(97)
<b>Contribution to earnings</b>	<b>98</b>	<b>108</b>	<b>206</b>
<b>Contribution to headline earnings</b>	<b>98</b>	<b>108</b>	<b>206</b>
<b>Other information</b>			
Segment assets	3 341	2 432	5 773
Segment liabilities	1 744	435	2 179
Cash in/(out) flow from operating activities	426	206	632
Cash in/(out) flow from investing activities	(185)	(82)	(267)
Cash in/(out) flow from financing activities	(24)	(56)	(80)
Capital expenditure	185	82	267
Amortisation and depreciation	56	42	98
EBITDA (before exceptional items)	401	247	648

## Additional information *(continued)*

for the six months ended 31 December 2007

Platinum	Two Rivers Rm	Modikwa Rm	Platinum Rm
<b>SEGMENTAL INFORMATION (continued)</b>			
Six months ended 31 December 2006 (Unaudited)			
<b>Sales</b>			
External sales	366	533	899
Cost of sales	(113)	(329)	(442)
Other operating expenses	(2)	(1)	(3)
<b>Segment result</b>	251	203	454
Income from investments	2	2	4
Finance cost	(18)	(37)	(55)
Finance cost Implats; shareholders' loan Two Rivers	–	–	–
Finance cost ARM; shareholders' loan Two Rivers	–	–	–
Taxation	(65)	(46)	(111)
Minority interest	(73)	(21)	(94)
<b>Contribution to earnings</b>	97	101	198
<b>Contribution to headline earnings</b>	97	101	198
<b>Other information</b>			
Segment assets	2 239	2 149	4 388
Segment liabilities	1 470	538	2 008
Cash in/(out) flow from operating activities	(179)	172	(7)
Cash in/(out) flow from investing activities	(170)	(52)	(222)
Cash in/(out) flow from financing activities	319	(79)	240
Capital expenditure	198	53	251
Amortisation and depreciation	29	48	77
EBITDA (before exceptional items)	280	251	531



Pro forma analysis of the ferrous segment on a 100% basis	Iron ore division Rm	Manganese division Rm	Chrome division Rm	Ferrous Total Rm	Attributable to ARM Rm
<b>SEGMENTAL INFORMATION</b>					
<b>Six months ended 31 December 2007 (Unaudited)</b>					
<b>Sales</b>					
External sales	1 149	2 459	776	4 384	2 192
Other operating income	10	62	19	91	40
Other operating expenses	(54)	(77)	(42)	(173)	(81)
Operating profit	368	1 204	155	1 727	864
Earnings	264	776	106	1 146	574
<b>Headline earnings</b>	<b>264</b>	<b>776</b>	<b>106</b>	<b>1 146</b>	<b>574</b>
<b>Other information</b>					
Segment assets	4 584	3 288	1 934	9 806	4 815
Segment liabilities	2 077	(815)	1 062	2 324	1 131
Taxation	429	856	260	1 545	–
Cash in/(out) flow from operating activities	387	774	(6)	1 155	640
Cash in/(out) flow from investing activities	(1 312)	(163)	(52)	(1 527)	(764)
Cash in/(out) flow from financing activities	870	(577)	75	368	189
Capital expenditure	1 366	163	55	1 584	761
Amortisation and depreciation	85	91	50	226	113
EBITDA (before exceptional items)	453	1 295	205	1 953	977
<b>Six months ended 31 December 2006 (Unaudited)</b>					
<b>Sales</b>					
External sales	864	1 097	635	2 596	1 298
Other operating income	1	52	1	54	17
Other operating expenses	(35)	(58)	(45)	(138)	(59)
Operating profit	365	380	31	776	388
Earnings	260	244	21	525	261
<b>Headline earnings</b>	<b>260</b>	<b>244</b>	<b>21</b>	<b>525</b>	<b>261</b>
<b>Other information</b>					
Segment assets	2 494	2 016	1 630	6 140	3 046
Segment liabilities	1 106	(472)	1 276	1 910	418
Cash in/(out) flow from operating activities	138	129	154	421	286
Cash in/(out) flow from investing activities	(483)	(87)	(86)	(656)	(328)
Cash in/(out) flow from financing activities	650	(399)	(65)	186	93
Capital expenditure	483	87	87	657	315
Amortisation and depreciation	80	77	43	200	100
EBITDA (before exceptional items)	445	457	74	976	488



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F Abbott  
Dr MMM Bakane-Tuoane\*\*  
JA Chissano (Mozambican)\*\*  
WM Gule  
MW King\*\*  
AK Maditsi\*\*  
KS Mashalane  
JR McAlpine\*\*  
PC Rörich  
Dr RV Simelane\*\*  
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JC Steenkamp  
ZB Swanepoel\*

\*Non-executive

\*\*Independent non-executive

### African Rainbow Minerals Limited

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