



Provisional results for the year ended 30 June 2009

Shareholder information

Issued share capital as at 30 June 2009	212 068 223 shares
Market capitalisation as at 30 June 2009	R28 billion
Share price as at 30 June 2009	R129.90
Daily average volume traded	475 585 shares
Primary listing	JSE Limited
Ticker symbol	'ARI'

African Rainbow Minerals Limited
(Incorporated in the Republic of South Africa)
(Registration number 1933/004580/06)
JSE Share code: ARI
ISIN: ZAE000054045
("ARM" or "the Company")

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Salient features

- Headline earnings decrease 42% from R4.0 billion to R2.3 billion, impacted by the global economic recession
- Headline earnings per share of 1 094 (F2008: 1 906) cents
- Profit from operations before exceptional items decreases 44% from R6.7 billion to R3.7 billion
- Record sales volumes for iron ore and PGMs
- Cash balances increase by R0.9 billion to R3.5 billion; net debt reduces to R231 million from R1.3 billion
- ARM corporate loan of R967 million refinanced; new facility increased to R1.75 billion and extended for three years
- Khumani 10 mtpa mine completed on time and within budget; a further 6 mtpa expansion approved
- Goedgevonden and Nkomati expansion projects commence commissioning
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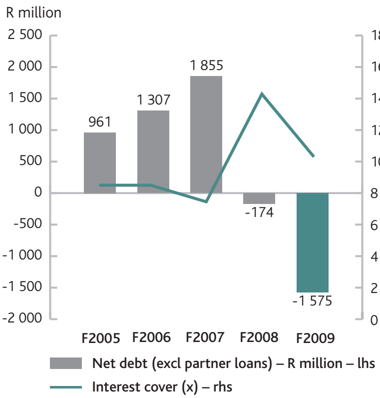
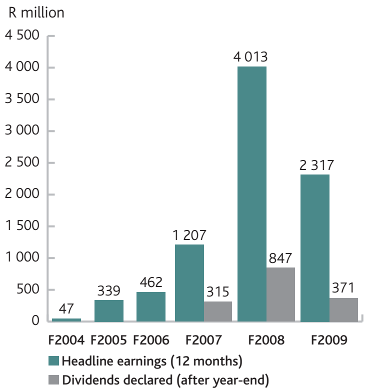
- The declaration of a dividend of 175 cps (F2008: 400 cps)

Net debt/(cash) and interest cover



Headline earnings over 6 years



ARM operational review

The Board of Directors ("the Board") of ARM announces satisfactory results for the year ended 30 June 2009 (F2009) as the Company continues to deliver on its 2 x 2010 volume growth strategy amidst a global economic recession. Headline earnings have decreased by 42% to R2.3 billion (F2008: R4.0 billion), or 1 094 (F2008: 1 906) cents per share.

These provisional results for the financial year ended 30 June 2009 have been prepared in accordance with International Financial Reporting Standards (IFRS) and the disclosures are in accordance with IAS 34: Interim Financial Reporting.

Contribution to headline earnings

Commodity group	12 months ended 30 June		
	Reviewed	Audited	
R million	**2009**	**2008**	**% change**
Platinum Group Metals	**(348)**	915	>(100)
Nkomati nickel and chrome	**29**	432	(93)
Ferrous metals	**3 150**	2 775	14
Coal	**135**	175	(23)
Sub-total	**2 966**	4 297	(31)
Exploration: TEAL	**(689)**	(211)	>(100)
Corporate and other	**40**	(73)	>100
ARM headline earnings	**2 317**	4 013	(42)

These results have been achieved in conjunction with our partners at the various operations, namely Anglo Platinum Limited ("Anglo Platinum"), Assore Limited ("Assore"), Impala Platinum Holdings Limited ("Implats"), Open Joint Stock Company Mining and Metallurgical Company Norilsk Nickel ("Norilsk Nickel"), Xstrata Coal ("Xstrata") and Companhia Vale do Rio Doce ("Vale").

The massive global slowdown in the demand for resources, impacting three quarters of this financial year, resulted in lower US Dollar commodity prices and reduced sales volumes for most operations, most notably manganese ore, since October 2008. During this period, ARM's results were bolstered by increased iron ore and Platinum Group Metal ("PGM") sales volumes illustrating the benefit of our diversified portfolio of assets.

Operational features for the year include (100% basis, except for PGM production):

- 13% increase in iron ore sales to 7.4 million tonnes
- 6% increase in PGM production/sales to 323 259 ounces
- 42% decrease in external manganese ore sales to 2.15 million tonnes
- 12% decrease in nickel production to 4 495 tonnes

ARM has responded decisively and effectively to the challenges presented by the current market environment, by:

- implementing production volume decreases once optimal stockpile levels were reached, driven by the respective commodity demand factors;
- containing costs at all operations, including reduction of ARM's labour force and contractors by approximately 30%;
- continuing capital expenditure on key development projects while delaying some 30% of capital expenditure over the next three years; and
- enhancing cash preservation at all operations.

Earnings before interest, tax, depreciation and amortisation, excluding exceptional items and income from associate ("EBITDA") decreased by R2.7 billion to R4.5 billion in F2009. The EBITDA margin for F2009 is lower at 44%, compared to 57% in F2008. Project investment continues as ARM's balance sheet remains strong and with low gearing even after R3.3 billion capital expenditure in F2009. The corporate action undertaken during the year, as detailed under a separate heading, has further enhanced the value of ARM's operations.

Financial commentary

Headline earnings for the year were R2.3 billion, 42% (R1.7 billion) lower than F2008 or 1 094 cents per share (F2008: 1906 cents per share) having been severely impacted by the global recession as well as significantly increased costs at Teal Exploration & Mining ("TEAL").

A 24% weaker average Rand/US Dollar exchange rate of R9.03/$ (F2008: R7.30/$) has to some extent compensated for lower US Dollar commodity prices. Basic earnings were R551 million higher than headline earnings due mainly to the significant exceptional gain as a result of the TEAL restructuring transaction with Vale. Effective end February 2009, ARM disposed of 15% of TEAL realising a net gain after all transactional costs and fees of R137 million. In addition, as a result of Vale acquiring 50% of TEAL's assets and liabilities a consolidation gain of R420 million accrued to ARM.

The major contributor to ARM's headline earnings for F2009 was the Ferrous Division where the contribution increased by 14% to R3 150 million (F2008: R2 775 million). This was the only division to reflect an increase which was mainly driven by a strong result from iron ore while manganese ore performed well until October 2008.

The Platinum Division's (inclusive of Nkomati Mine ("Nkomati")) contribution to headline earnings reflects a decrease of R1.6 billion from the F2008 profit of R1.3 billion to a F2009 loss of R0.3 billion. This decrease is largely attributable to approximately 32% lower average PGM basket prices for the year which also caused a realised loss on the 30 June 2008 debtors of R547 million. The Nkomati results have also been significantly impacted by the virtual cessation of chrome sales since October 2008. Sales of chrome in F2009 were 661 thousand tonnes compared to 1 146 thousand tonnes in F2008.

ARM Coal contributed R135 million to headline earnings (F2008: R175 million) while corporate and other contributed R40 million (F2008: loss R73 million).

Attributable costs at TEAL increased by R478 million to R689 million in F2009 (F2008: R211 million) largely due to the following increases in expenses and restructuring costs:

- stock write downs: R103 million;
- cancellation of mining contracts at Kalumines in the Democratic Republic of Congo ("DRC"): R87 million;
- fluctuation of the Rand/US Dollar exchange rate, TEAL's functional currency being US Dollars: R87 million;
- interest paid: R30 million; and
- increased mining losses at Kalumines: R112 million.

The effective taxation charge for the year increased to 39.3% of profit before tax from 29.6% for F2008. The increase is largely attributable to (i) increased secondary tax on companies arising from the dividends paid by ARM Ferrous during the year and (ii) the non-deductibility of the increased ARM Exploration costs. This effective charge is reduced by the non-taxable exceptional items included in the results.

ARM responded promptly to the global economic downturn by focusing on the conservation of cash and a reduction of debt at all operations. This was achieved by the immediate deferment of certain non-essential capital expenditure at all operations, operational cost reduction initiatives, significant production cuts at the ferromanganese and ferrochrome units and the application of surplus cash to eliminate bank debt at ARM Mining Consortium (Modikwa Platinum Mine ("Modikwa")), as well as to reduce the balance outstanding on the ARM company corporate loan. In addition, at Company level, ARM received dividend payments of R2.1 billion from ARM Ferrous during the year (this division reflects an attributable cash balance at year end of R1.6 billion).

There has been an improvement of R1.1 billion in the ARM net debt position at 30 June 2009 to R231 million from the position at 30 June 2008 of R1.3 billion. The debt on the balance sheet includes an amount of R1.8 billion advanced by our partners (Implats: R539 million; Anglo Platinum: R132 million; Xstrata: R1 135 million).

Net cash inflow from operating activities was R4.1 billion (F2008: R4.2 billion) as reflected in the table below. The ARM Platinum, ARM Coal and ARM Ferrous operations all had positive operating cash flows.

The ARM corporate loan facility of R967 million has been refinanced and increased to R1.75 billion with a maturity in August 2012. ARM and its partner at Nkomati, Norilsk Nickel, have decided to fund the completion of the Phase II expansion project utilising their respective corporate balance sheets, given the current restrictive lending environment.

Attributable	Current PGM basket price at 20 August 2009 R/kg	Reported PGM cash cost for the year to 30 June 2009 R/kg	Cash inflow from operating activities for the year to 30 June 2009 R million	Cash and cash equivalents at 30 June 2009 R million
ARM Mining Consortium (Modikwa Platinum Mine)	**191 136**	**160 507**	**380**	**247**
Two Rivers Platinum Mine	**213 215**	**136 288**	**450**	**21**
Nkomati nickel and chrome			**177**	**53**
Ferrous metals			**4 034**	**1 624**
Coal			**414**	**–**
Sub-total			**5 455**	**1945**
Exploration: TEAL			**(554)**	**5**
ARM Company			**(851)**	**1 135**
Other				**428**
ARM total			**4 050**	**3 513**

Safety

As a responsible South African corporate citizen, the health and safety of ARM's employees is of paramount importance. Our performance in this area over the reporting period shows good progress in most areas but there is further room for improvement.

Safety statistics/fatalities

Regrettably five fatalities were reported during F2009 (two at Khumani Iron Ore Mine ("Khumani"), one at Nkomati, one at Dwarsrivier Chrome Mine ("Dwarsrivier") and one at Nchwaning Manganese Mine ("Nchwaning")). This compares to nine fatalities in the previous year. The ARM management team expresses its deepest condolences to the family, friends and colleagues of the people who lost their lives.

ARM has consistently reduced the Lost Time Injury Frequency Rate (LTIFR) over four years from 6.08 to 3.68. The number of Lost Time Injuries (LTIs) decreased from 247 in the previous financial year to 166 in this financial year. Eighty-two reportable accidents occurred during F2009 compared to 111 in the previous year.

Achievements

Among the most significant safety achievements in ARM are:

- on 26 August 2008 Modikwa achieved 4 000 000 fatality free man shifts worked and on 10 March 2009, Modikwa joined the ranks of a select few mines in South Africa when it achieved 5 000 000 fatality free man shifts worked. This marks a period of more than three years without a fatal accident occurring on the mine;
- on 2 September 2008, Beeshoek achieved 6 000 fatality free production shifts worked in the Northern Cape Department of Minerals and Resources ("DMR") safety competition;
- in the 1 000 fatality free production shift competition of the DMR, Dwarsrivier achieved a total of 4 098 fatality free production shifts until the end of December 2008; and
- on 5 March 2009 Two Rivers Platinum Mine completed 1 000 000 fatality free man shifts worked.

Figures and statistics in this report currently exclude the ARM Coal operations, but include the ARM Corporate Office (F2009 only). A detailed Sustainable Development report will be available in October 2009 which will contain further health and safety details.

ARM Ferrous

ARM Ferrous produced strong results in a challenging and volatile period, increasing headline earnings attributable to ARM by 14% to R3.2 billion. This was mainly due to the weaker Rand/US Dollar exchange rate and higher average US Dollar sales prices but was off-set by lower sales volumes in all ferrous products except iron ore. The slowdown in global demand from October 2008, impacted the sales volumes and US Dollar prices for the remainder of F2009.

After a very strong performance from the manganese division in the last financial year, higher received prices in this reporting period were off-set by lower volumes, resulting in near flat earnings compared to the previous reporting period. The manganese headline earnings were split between manganese ore and manganese alloy which contributed 78% and 22%, respectively, in F2009.

The iron ore division delivered an excellent performance, with its contribution increasing significantly compared to the previous period, driven by higher iron ore prices and sales volumes.

Cost increases in excess of the average inflation rate for the period were due to high electricity, reductant and additional contractor costs. During the earlier months of the reporting period, contractors were employed to load and haul manganese ore to Richards Bay port and iron ore to the Beeshoek processing plant. This expenditure generated additional revenue at very high margins. In the second half of the reporting period, unit fixed costs increased due to lower production volumes in the manganese and chrome divisions.

Assmang Limited's ("Assmang") total capital expenditure was R2.8 billion (F2008: R2.9 billion). The main expenditure items include the completion of the new Khumani (R924 million) and the new Nchwaning beneficiation plant construction (R161 million) which is expected to be commissioned in March 2010. At Cato Ridge, R296 million was spent on rebuilding furnaces and on control of fume emissions at the Cato Ridge and Machadodorp Works, R383 million on mining fleet enhancements, R191 million on housing and R165 million on various capital replacement items.

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%.

Assmang headline earnings

100% basis	12 months ended 30 June		
R million	**2009**	**2008**	**% change**
Iron ore division	**2 160**	780	177
Manganese division	**3 927**	4 087	(4)
Chrome division	**213**	683	(69)
Total	**6 300**	5 550	14
Headline earnings attributable to ARM (50%)	**3 150**	2 775	14

Assmang product sales

100% basis	12 months ended 30 June		
R million	**2009**	**2008**	**% change**
Iron ore	**7 409**	6 581	13
Manganese ore*	**2 152**	3 711	(42)
Manganese alloys*	**117**	247	(53)
Charge chrome	**144**	275	(48)
Chrome ore*	**256**	304	(16)

**Excluding intra-group sales*

Assmang cost and EBITDA margin performance

Commodity group	Rand per tonne cost change %	EBITDA margin %
Iron ore	(7)	70
Manganese ore	19	81
Manganese alloys	38	62
Charge chrome	37	21

Assmang capital expenditure

100% basis	12 months ended 30 June	
R million	**2009**	**2008**
Iron ore	**1 529**	2 231
Manganese	**854**	511
Chrome	**397**	158
Total	**2 780**	2 900

Khumani

The 10 mtpa Khumani has been successfully commissioned on time and within budget. The next phase of expansion to a 16 mtpa mine has been approved by the Board. Construction has commenced and final commissioning will take place during the first six months of 2012. Total capital for the 6 mtpa expansion amounts to R6.7 billion, of which R1.2 billion was previously approved in September 2008.

Logistics

The Iron Ore Export contractual agreement with Transnet Limited ("Transnet") to increase iron ore export to 14 mtpa through the port of Saldanda Bay is being finalised. ARM Ferrous is jointly investigating with Transnet the possible expansion of the Iron Ore corridor beyond 60 mtpa. ARM Ferrous is participating with Transnet in a capacity allocation process to finalise future manganese export tonnages. It is anticipated that the short-term allocation process will be completed towards the end of the calendar year 2009, while the long-term allocation process will be completed during 2010.

ARM Platinum

Despite a good operational performance, ARM Platinum's results were significantly affected by the global decrease in PGM prices and a slowing world economy.

Cash operating losses were recorded by both Modikwa and Two Rivers, while Nkomati generated a cash operating profit. ARM Platinum's attributable PGM production (including Nkomati) for F2009 increased by 6% to 323 259 ounces (F2008: 305 508 ounces) of PGMs in concentrate, resulting from grade improvements, increased production and enhanced efficiencies. The Nkomati chrome ore sales decreased by 42% due to a sudden downturn in the chrome market. ARM Platinum's attributable headline loss amounts to R319 million.

The earnings of Two Rivers are negatively affected by interest charged on the shareholders' loans from ARM and Implats. Interest is charged at a rate of 11.5% per annum as at 30 June 2009 (F2008:12.0%).

The PGM basket price for both Modikwa and Two Rivers reduced by about 32% when compared to the previous financial year. Weaker average metal prices for the year under review, combined with R547 million of realised losses on the 30 June 2008 debtors' balances, as reported during December 2008, resulted in the recorded losses for this period.

The table below sets out the relevant pricing comparison:

Average metal prices

100% basis		Average for 12 months ended 30 June		
R million		**2009**	**2008**	**% change**
Platinum	US$/oz	**1 148**	1 661	(31)
Palladium	US$/oz	**239**	399	(40)
Rhodium	US$/oz	**2 620**	7 389	(65)
Nickel	US$/t	**13 312**	28 507	(53)
Exchange rate	R/US$	**9.03**	7.30	24

Modikwa's tonnes milled remained constant since F2008, despite mining on the Merensky Reef being stopped. An improvement in grade resulted in a 2% increase in PGM ounces in concentrate. As part of its cost containment strategy, Modikwa changed from continuous operations (conops) to 11 day fortnight working shifts in April 2009.

On 31 December 2008, the project loans owed by ARM Mining Consortium for the development of Modikwa were repaid in full, 18 months ahead of schedule. ARM Mining Consortium negotiated a revised off-take agreement with Anglo Platinum, effective from 1 December 2008, resulting in Modikwa now earning revenue on contained metals for all 6 PGMs (6E), including ruthenium and iridium (previously on a 4E basis). All production figures for Modikwa reflected in the table of operational statistics below have been converted to a 6E basis, in line with the revised off-take agreement.

Two Rivers completed its first financial year at full production capacity. Tonnes milled increased by 11%; this together with a head grade improvement resulted in a 19% increase in PGM ounces in concentrate. At year end the surface ore stockpile was 207 122 tonnes. Cost containment initiatives and the postponement of expansion capital projects were implemented as part of a cash preservation strategy.

At Nkomati, the average US Dollar nickel price for the year dropped by 53% negatively impacting profits. As the conversion to a low grade, high volume mine continues, milled tonnes increased by 18% and contained nickel declined by 12% to 4 495 tonnes. Recovery improvements on the 100 ktpm plant are a continuing process. During the last few weeks of F2009, chrome ore and concentrate sale volumes showed a steady improvement.

Total capital expenditure in the division amounted to R2.5 billion (R1.4 million attributable) of which 71% was spent on the Nkomati Expansion Project. Modikwa's reduced capital expenditure is as a result of the postponement of the deepening of the existing declines as well as other expansionary capital. The majority of the capital expenditure at Two Rivers was for the plant optimisation programme, which was commissioned on 20 August 2009, and the replacement of the underground mining fleet.

ARM Platinum capital expenditure

100% basis	12 months ended 30 June		
R million	**2009**	**2008**	**% change**
Modikwa	**368**	379	(3)
Two Rivers	**346**	357	(3)
Nkomati	**1 756**	584	201
Total	**2 470**	1 320	87

Modikwa operational statistics

		12 months ended 30 June		
100% basis		**2009**	**2008**	**% change**
Cash operating (loss)/profit	R million	**(286)**	1 837	(116)
Tonnes milled	Mt	**2.46**	2.46	–
Head grade*	g/t, 6E	**5.25**	5.22	1
PGMs in concentrate*	Ounces, 6E	**348 866**	343 062	2
Average basket price*	R/kg, 6E	**227 006**	341 356	(33)
Cash operating margin	%	**(20)**	58	(134)
Cash cost*	R/kg, 6E	**160 507**	123 995	29
Cash cost	R/tonne	**708**	538	32
Cash cost	R/Pt oz	**12 798**	9 882	30
Cash cost*	R/PGM oz, 6E	**4 992**	3 857	29
Capex	R million	**368**	379	(3)
Headline (loss)/earnings attributabe to ARM (41.5%)	R million	**(129)**	480	(127)

** All production figures have been converted to 6E due to new off-take agreement in place from 1 December 2008.*

Two Rivers operational statistics

		12 months ended 30 June		
100% basis		**2009**	**2008**	**% change**
Cash operating (loss)/profit	R million	**(83)**	1 485	(106)
Tonnes milled	Mt	**2.62**	2.37	11
Head grade	g/t, 6E	**4.10**	4.00	3
PGMs in concentrate	Ounces, 6E	**246 295**	206 491	19
Average basket price	R/kg, 6E	**246 680**	362 935	(32)
Cash operating margin	%	**(8)**	63	(113)
Cash cost	R/kg, 6E	**136 288**	125 319	9
Cash cost	R/tonne	**399**	340	17
Cash cost	R/Pt oz	**8 846**	8 161	8
Cash cost	R/PGM oz, 6E	**4 239**	3 898	9
Capex	R million	**346**	357	(3)
Headline (loss)/earnings attributabe to ARM (55%)	R million	**(219)**	435	(150)

Nkomati operational statistics

100% basis		12 months ended 30 June 2009	2008	% change
Cash operating profit	R million	**181**	1 192	(85)
Cash operating (loss)/profit – Nickel Mine	R million	**(253)**	518	(149)
Cash operating profit – Chrome Mine	R million	**433**	674	(36)
Cash operating margin	%	**17**	60	(72)
Tonnes milled	Thousand	**1 259**	1 070	18
Head grade	% nickel	**0.54**	0.70	(22)
Nickel on-mine cash cost per tonne milled	R/tonne	**389**	339	15
Cash cost net of by-products	US$/lb	**2.48**	(4.45)	(156)
Contained metal				
Nickel	Tonnes	**4 495**	5 136	(12)
PGMs	Ounces	**26 727**	40 813	(35)
Copper	Tonnes	**2 268**	2 605	(13)
Cobalt	Tonnes	**244**	276	(12)
Chrome ore sold	Tonnes	**661**	1 146	(42)
Headline earnings attributabe to ARM (50%)	R million	**29**	432	(93)

Nkomati Nickel Large Scale Expansion Project

To date, all project milestones have been met, resulting in the overall project progress to be on schedule and within budget. Total funds committed on this project amount to R2.5 billion or 75% of the R3.34 billion approved capital budget as at 30 June 2009. The Phase 2a project (375 ktpm plant and associated infrastructure) is on schedule to be commissioned during September 2009. The Phase 2b project (upgrade of the current 100 ktpm plant to 250 ktpm PCMZ plant) has been released for implementation and construction started during August 2009.

The Eskom power supply is on schedule to provide the required electricity for the Phase 2a project. The upgrade of the 132kV overhead distribution lines needs to be completed to provide sufficient power for the Phase 2b project by November 2010.

The chrome concentrator plant, treating chrome chips and fines, was commissioned on schedule during September 2008. The plant ramp up was delayed by the lack of demand for chrome concentrates since October 2008, and currently the plant ramp up to full production is in line to match the market demand.

Kalplats PGM Exploration Project

Definition drilling by Platinum Australia (PLA) on the Kalplats Project was completed in November 2008. 17 300m were drilled during the year bringing PLA's total to 93 100m. Results to date have significantly increased the mineral resource at Kalplats and have upgraded some of the resource to a measured category. PLA is preparing a definitive feasibility study on an open pit mining operation. On the Kalplats Extended Area, an initial drilling programme has been completed.

The ARM Platinum Division comprises three operating mines, Modikwa, Two Rivers and Nkomati. It has an effective 41.5% interest in Modikwa where local communities hold an 8.5% effective interest. The remaining 50% is held by Anglo Platinum. Two Rivers is an incorporated joint venture with Implats, with ARM holding 55% and Implats 45%. Nkomati is a 50:50 partnership with Norilsk Nickel Africa. ARM Platinum also has an interest in two joint ventures with PLA. The first is the "Kalplats Platinum Project" in which ARM Platinum owns 90% and PLA can earn-in up to 49% by completing a bankable feasibility study. The second joint venture, "Kalplats Extended Area Project" is a 50:50 partnership between ARM Platinum and PLA.

ARM Coal

ARM Coal experienced a challenging six months period to 30 June 2009, with the weak pricing environment being compounded by a range of operational challenges. Attributable cash operating profit in the current year increased by 18% compared to the previous financial year, but attributable headline earnings declined by 23%. There was a substantial increase in the normal depreciation due to the amortisation of the capitalised value of the Douglas Tavistock Joint Venture (DTJV) off-take agreement.

Saleable production for the year was 12% lower than the previous financial year due to a fire at Xstrata Coal South Africa's ("XCSA") Tweefontein plant in November 2008, and abnormally high rainfall in the first quarter of the 2009 calendar year. This decrease was to some extent off-set by an increase in saleable production at the Goedgevonden ("GGV") opencast mine during the current financial year from 1.6 mt to 2.5 mt.

Total on-mine costs per tonne increased by 35% in F2009 as a result of an increase in contractor and consumable costs and the reduction of 12% in saleable production.

Commissioning of the GGV plant has been delayed from the first quarter to the third quarter of calendar year 2009 mainly due to the abnormally high rainfall referred to above as well as re-work on steel fabricated for use in the coal processing plant.

As from January 2009 there was a marked reduction in demand for inland and Eskom quality coal as a result of the global economic recession. Although the average prices achieved during F2009 were higher than F2008, the last six months of F2009 experienced a decline of 30% for Eskom sales prices, compared to the first six months of F2009.

The demand for export coal also decreased in the first half of 2009, which saw US Dollar prices decrease by over 20%. The situation was further aggravated by logistical problems experienced with the transportation of coal to the port.

ARM's economic interest in XCSA as at 30 June 2009 remains at 20.2%. ARM Coal holds a 20% participating interest in XCSA's Operations, which consists of 12 mines all situated in Mpumalanga as well as a 51% interest in the GGV Thermal Coal Project situated near Ogies in Mpumalanga. ARM holds 51% of ARM Coal as well as a 10% direct investment in XCSA's Operations.

ARM Coal operational statistics

		12 months ended 30 June		
100% basis		**2009**	**2008**	**% change**
Total production and sales				
Saleable production	Mt	**23.7**	25.3	(12)
Export thermal coal sales	Mt	**11.2**	13.7	(18)
Domestic thermal coal sales	Mt	**9.3**	13.2	(30)
Attributable production and sales				
Saleable production	Mt	**4.6**	5.2	(12)
Export thermal coal sales	Mt	**2.3**	2.8	(17)
Domestic thermal coal sales	Mt	**2.0**	2.8	(30)
Average received coal price				
Export (FOB)	US$/tonne	**69.2**	58.5	18
Domestic (FOR)	R/tonne	**139.0**	104.3	33
On-mine saleable cost*	R/tonne	**228.4**	168.0	(35)
Cash operating profit				
Total	R million	**3 066**	2 620	17
Attributable	R million	**635**	540	18
Headline earnings* attributable to ARM	R million	**135**	175	(23)

** The F2008 on-mine saleable cost reported was R148/t, which included 1.8mt of stockpile coal sold to Eskom*

Attributable refers to 20.2% of XCSA Operations and 26% of the GGV Coal project. Total refers to 100% of Xstrata South Africa and GGV.

	12 months ended 30 June	
Reconciliation	**2009**	**2008**
ARM attributable headline earnings reported	**135**	175
Add: additional amortisation	**12**	21
Imputed interest on Xstrata R4 billion debt facilitation	**33**	30
Less: taxation	**(13)**	(15)
ARM attributable headline earnings excluding IFRS adjustment	**166**	211
Add: normal interest	**69**	82
normal amortisation*	**333**	190
taxation	**66**	57
ARM's attributable operating profit	**635**	540

** Increase mainly due to depreciation of the capitalised value of the DTJV off-take agreement.*

ARM Exploration

The Vale/ARM JV's ("the JV") primary projects are focused on copper in Zambia (the Konkola North Copper Project ("Konkola North")) and copper-cobalt on the Kalumines property in the DRC. A conservative, modular and phased approach will be adopted in the development of the ore bodies in Zambia, which at this stage is expected to be followed by the development of the DRC ore bodies. The JV's steering committee and board has been constituted, and a dedicated management team will be put in place to implement our strategy of growing the copper operations.

The development of the Konkola North Copper Project is a high priority for the JV and a bankable feasibility study is being completed to develop a 2.5 mtpa mine producing about 45 000 tpa of refined copper for a mine life in excess of 20 years. Geological drilling and evaluation work is continuing in other parts of the Konkola North property, on additional exploration licences on the Zambian Copperbelt in close proximity to the Konkola North property, and on the Kalumine property in the DRC.

The Otjikoto Gold Project in Namibia has nearly 2 million ounces of gold in the indicated and inferred category, and a land holding under licence that stretches for over 3 800 square kilometres. The Environmental Impact Assessment study is at an advanced stage and an initial mine technical study and financial evaluation has been completed.

The earnings loss attributable to ARM increased from R211 million in F2008 to R689 million in F2009, due mainly to increased stock write down costs and restructuring costs arising from the cancellation of mining operations. The small scale mine at Kalumines in the DRC was mining at a loss when the Company decided to cease all mining activities with immediate effect. This resulted in penalty payments due to the contract being stopped 20 months early (R87 million). Furthermore, the mining licence was under review and required further modifications to the agreement (R25 million). The ore on stockpile of 1.1 million tonnes at 4.5% Cu incurred a write down of R103 million and is currently valued at US$34 million. The JV has restructured and retrenched 150 people in the DRC and will focus on exploration targets over the 77 square kilometres under licence. The weaker Rand/US Dollar exchange rate also impacted on the reported results as the functional reporting currency for TEAL is US Dollars.

ARM Exploration (Africa) ("ARM Exploration") is a new Division with its main objective to identify and assess exploration and mineral business opportunities for base metals, ferrous metals, PGM's and coal in sub-Saharan Africa where it has established relationships. A key focus area is the development of the JV assets. ARM owns 100% of ARM Exploration. ARM Exploration owns 50% of the ex-TEAL assets, in joint venture with Vale. Previously, ARM owned 65% of TEAL which was listed on the Toronto Sock Exchange.

Harmony Gold Mining Company Limited (Harmony)

Harmony reported total headline earnings for the year ended 30 June 2009 of 262 cents per share (F2008: 126 cents per share) and an increase in cash operating profit of 45% to R3.8 billion (F2008: R2.6 billion). Gold production for F2009 was 9% lower at 45 437 kilograms (F2008: 49 761 kilograms), with cash costs for the year 21% higher at R168 661/kg.

Harmony has delivered on its strategic objectives by positioning their company for growth, improving the profitability of the operations and improving the balance sheet. Harmony's balance sheet has cash of R2 billion and is net debt free, allowing it to declare its first dividend in 5 years of 50 cents per share after the year end. ARM will receive R32 million and this will be accounted for in the F2010 financial statements.

The ARM balance sheet at 30 June 2009 reflects a marked-to-market investment in Harmony of R5.1 billion, which is based on a Harmony share price of R80. Changes in the value of the investment in Harmony are accounted for by ARM through the statement of changes in equity net of deferred capital gains tax. Dividends are recognised in ARM's income statement. The investment reflected at market value in the balance sheet represents approximately 18% of ARM's market capitalisation of R28 billion at 30 June 2009, compared to 10% at 30 June 2008.

Harmony's results for the fourth quarter and twelve months ended 30 June 2009 can be viewed on Harmony's website at www.harmony.co.za.

ARM owns 14.8% of Harmony's issued share capital.

Corporate action

TEAL announced on 24 March 2009 the conclusion of a transaction whereby ARM and Vale acquired all outstanding common shares of TEAL not already owned by ARM, and concurrently with this closure formed a 50:50 joint venture between ARM and Vale for the future development of the assets.

ARM has renegotiated the Modikwa off-take agreement with Anglo Platinum which results in higher PGM revenue received. ARM has also secured proportionate funding for the Modikwa communities from Anglo Platinum. Previously, ARM provided all of the funding requirements of communities in the ARM Mining Consortium.

ARM has entered into an agreement with Implats to incorporate adjacent properties into Two Rivers, which will result in a dilution of ARM's ownership from 55% to 51%. ARM retains management control. The properties are portion 4, 5 and 6 of the Kalkfontein farm and Tweefontein prospecting rights. This transaction is conditional upon obtaining the required Section 11 approval from the Department of Mineral Resources.

Outlook

Despite the uncertainty of the pace and timing of a sustained recovery from the prevailing local and international recession, ARM is well positioned for growth into the future. A strong balance sheet allows continuing expenditure on ARM's growth projects in nickel, iron ore and coal while keeping gearing low. Subsequent to the economic lows experienced in the first quarter of calendar 2009, there have been some early signs of improvement in demand for certain commodities. ARM continues to evaluate the market on a quarter by quarter basis to ensure that its business plans remain robust.

This has been a year of wide-ranging and severe challenges; challenges to which ARM management and staff have all risen with great enthusiasm, dedication and skill. It is thanks to their continuous efforts that ARM has delivered a performance which reflects extremely well on the entire Company.

The restructuring exercises implemented in F2009 will stand ARM in good stead as the Company faces a new financial year which promises to be every bit as challenging. It is thanks to the commitment of the entire ARM team and our world-class partners, plus our resilient mix of resources and assets, and a strong balance sheet, that ARM faces 2010 with renewed confidence. Commitment to the Company's organic growth continues as ARM's three major projects will shortly be in the process of ramping up production. Khumani will ramp up to 10 mtpa iron ore, GGV to 6.7 mtpa thermal coal and Nkomati to 20 000 tpa nickel. Furthermore, the Company has recently announced additional capital expenditure of R5.5 billion to take Khumani to 16 mtpa (14 mtpa export).

Dividends

The Board is pleased to declare a third annual cash dividend of 175 cents per share. The amount to be paid will be R371 million. This declaration of a dividend reflects the strength of the ARM cash position while the Board maintains its prudent approach in the current economic environment.

The last day to trade in ARM shares to participate in this dividend (*cum* dividend) will be Thursday, 17 September 2009 and ARM shares will trade *ex* dividend from Friday, 18 September 2009. The record date will be Friday, 25 September 2009 with payment of the dividend occurring on Monday, 28 September 2009. No dematerialisation or rematerialisation of share certificates may occur between Friday, 18 September 2009 and Friday, 25 September 2009, both days inclusive.

Review by independent auditors

The financial information has been reviewed by Ernst & Young Incorporated whose unqualified review opinion is available for inspection at the Company's registered office.

The annual report, containing a detailed review of the operations of the Company together with the audited financial statements, will be posted to shareholders in October 2009.

Signed on behalf of the Board:

PT Motsepe
Executive Chairman

AJ Wilkens
Chief Executive Officer

Johannesburg
31 August 2009

Notes

Financial statements

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Group Balance Sheet

as at 30 June 2009

	Note	Reviewed 2009 Rm	Audited 2008 Rm
ASSETS			
Non-current assets			
Property, plant and equipment		**11 500**	9 024
Investment property		**12**	12
Intangible assets		**213**	215
Deferred tax asset		**32**	20
Loans and long-term receivables		**134**	–
Financial assets		**78**	–
Inventories		**169**	178
Investment in associate		**1 327**	1 298
Other investments		**5 101**	6 055
		18 566	16 802
Current assets			
Inventories		**1 854**	1 231
Trade and other receivables		**1 565**	4 150
Taxation		**1**	14
Cash and cash equivalents	5	**3 513**	2 660
		6 933	8 055
Held for sale assets		**–**	21
Total assets		**25 499**	24 878
EQUITY AND LIABILITIES			
Capital and reserves			
Ordinary share capital		**11**	11
Share premium		**3 759**	3 733
Other reserves		**600**	1 366
Retained earnings		**11 779**	9 766
Equity attributable to equity holders of ARM		**16 149**	14 876
Minority interest		**602**	800
Total equity		**16 751**	15 676
Non-current liabilities			
Long-term borrowings	6	**1 364**	2 254
Deferred tax liabilities		**2 277**	2 154
Long-term provisions		**401**	324
		4 042	4 732
Current liabilities			
Trade and other payables		**1 637**	1 515
Short-term provisions		**158**	184
Taxation		**531**	1 047
Overdrafts and short-term borrowings	7	**2 380**	1 724
		4 706	4 470
Total equity and liabilities		**25 499**	24 878

Group Income Statement

for the year ended 30 June 2009

	Note	Reviewed 2009 Rm	Audited 2008 Rm
Revenue		**10 674**	12 919
Sales		**10 094**	12 590
Cost of sales		**(6 048)**	(5 516)
Gross profit		**4 046**	7 074
Other operating income		**916**	460
Other operating expenses		**(1 255)**	(856)
Profit from operations before exceptional items		**3 707**	6 678
Income from investments		**414**	168
Finance costs		**(385)**	(438)
Income from associate*		**147**	461
Profit before taxation and exceptional items		**3 883**	6 869
Exceptional items	3	**514**	162
Profit before taxation		**4 397**	7 031
Taxation		**(1 727)**	(2 084)
Profit for the year		**2 670**	4 947
Attributable to:			
Minority interest		**(198)**	460
Equity holders of ARM		**2 868**	4 487
		2 670	4 947
Additional information			
Headline earnings (R million)	4	**2 317**	4 013
Headline earnings per share (cents)		**1 094**	1 906
Basic earnings per share (cents)		**1 355**	2 131
Diluted headline earnings per share (cents)		**1 079**	1 872
Diluted basic earnings per share (cents)		**1 336**	2 093
Number of shares in issue at end of year (thousands)		**212 068**	211 556
Weighted average number of shares in issue (thousands)		**211 707**	210 580
Weighted average number of shares used in calculating diluted earnings per share (thousands)		**214 737**	214 347
EBITDA (R million)		**4 484**	7 229
*Exceptional items included in income from associate (R million)		**27**	317
Dividend declared after year end (cents per share)		**175**	400

Statement of Changes in Equity

for the year ended 30 June 2009

Group	Share capital and premium Rm	Revaluation of listed investments Rm	Other* Rm	Retained earnings Rm	Total Shareholders of ARM Rm	Total minority interest Rm	Total Rm
Balance at 30 June 2007 (Audited)	3 677	1 467	137	5 597	10 878	340	**11 218**
Revaluation of listed investment	–	(335)	–	–	(335)	–	**(335)**
Deferred tax on revaluation of listed investment	–	58	–	–	58	–	**58**
Net impact of revaluation of listed investment	–	(277)	–	–	(277)	–	**(277)**
Profit for the year	–	–	–	4 487	4 487	460	**4 947**
Share-based payments	–	–	74	–	74	–	**74**
Share options exercised	67	–	–	–	67	–	**67**
Realignment of currency	–	–	(6)	–	(6)	–	**(6)**
Minorities bought out in Copperbelt venture	–	–	(29)	–	(29)	–	**(29)**
Dividend paid	–	–	–	(315)	(315)	–	**(315)**
Other	–	–	–	(3)	(3)	–	**(3)**
Balance at 30 June 2008 (Audited)	3 744	1 190	176	9 766	14 876	800	**15 676**
Revaluation of listed investment	–	(954)	–	–	(954)	–	**(954)**
Deferred tax on revaluation of listed investment	–	134	–	–	134	–	**134**
Net impact of revaluation of listed investment	–	(820)	–	–	(820)	–	**(820)**
Profit for the year	–	–	–	2 868	2 868	(198)	**2 670**
Share-based payments	–	–	64	–	64	–	**64**
Share options settled in cash	–	–	(25)	–	(25)	–	**(25)**
Share options exercised	26	–	–	–	26	–	**26**
Realignment of currency	–	–	(43)	–	(43)	–	**(43)**
Dilution of interest in TEAL:	–	–	48	–	48	–	**48**
Share appreciation rights: TEAL – minority share	–	–	14	–	14	–	**14**
Premium paid on purchase of minorities	–	–	15	–	15	–	**15**
FCTR realised	–	–	19	–	19	–	**19**
Dividend paid	–	–	–	(847)	(847)	–	**(847)**
Other	–	–	10	(8)	2	–	**2**
Balance at 30 June 2009 (Reviewed)	3 770	370	230	11 779	16 149	602	**16 751**

* Other reserves consist of the following:	2009 Rm	2008 Rm	2007 Rm
General reserve	**32**	32	32
Insurance contingency	**18**	8	8
Share-based payments	**220**	167	93
Foreign currency translation reserve (FCTR)	**(26)**	(2)	4
Premium paid on purchase of minorities	**(14)**	(29)	–
Total	**230**	176	137

Group Cash Flow Statement

for the year ended 30 June 2009

	Reviewed 2009 Rm	Audited 2008 Rm
CASH FLOW FROM OPERATING ACTIVITIES		
Cash receipts from customers	**13 432**	10 876
Cash paid to suppliers and employees	**(6 754)**	(5 701)
Cash generated from operations	**6 678**	5 175
Interest received	**406**	166
Interest paid	**(328)**	(412)
Dividends received	**118**	21
Dividend paid	**(847)**	(315)
Taxation paid	**(1 977)**	(466)
Net cash inflow from operating activities	**4 050**	4 169
CASH FLOW FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment to maintain operations	**(927)**	(1 194)
Additions to property, plant and equipment to expand operations	**(2 337)**	(1 465)
Proceeds on disposal of property, plant and equipment	**9**	28
Net proceeds on disposal of 15% in TEAL	**120**	–
Proceeds on disposal of 50% of Nkomati – final tranche payment	**–**	135
Proceeds on sale of interest in Otjikoto	**–**	32
Proceeds on sale of interest in Zambian properties	**–**	37
Net cash outflow from investing activities	**(3 135)**	(2 427)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds on exercise of share options	**27**	66
Share options settled in cash	**(25)**	–
Long-term borrowings raised	**259**	558
Long-term borrowings repaid	**(312)**	(804)
Increase/(decrease) in short-term borrowings	**(120)**	5
Net cash outflow from financing activities	**(171)**	(175)
Net increase in cash and cash equivalents	**744**	1 567
Cash and cash equivalents at beginning of year	**2 594**	1 039
Foreign currency translation on cash balance	**(13)**	(12)
Cash and cash equivalents at end of year	**3 325**	2 594

for the year ended 30 June 2009

1 BASIS OF PREPARATION

The reviewed consolidated provisional results have been prepared 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.

The financial information for the year ended 30 June 2009 has been prepared adopting the same accounting policies used in the most recent annual financial statements which comply with the South African Companies Act, the Listings Requirements of the JSE, International Financial Reporting Standards and with the disclosure requirements of IAS 34: Interim Financial Reporting.

The following new and revised accounting standards were adopted by ARM but have had no impact on the provisional financial statements.

IAS 18: Determining whether an entity is acting as a principal or as an agent
IAS 39 & IFRS 7: Amendments to IAS 39 and IFRS 7 – Reclassification of financial assets
IFRIC 13: Customer loyalty programmes
IFRIC 12: Service concession arrangements
IFRIC 14 IAS 19: The limit on defined benefit asset, minimum funding requirements and their interaction

2 SEGMENTAL INFORMATION

Primary segmental information

Business segments

For management purposes, the Group is organised into four major operating divisions. The operating divisions are ARM Platinum (which includes platinum and nickel), ARM Ferrous, ARM Coal and ARM Exploration. ARM has a strategic holding in Harmony (gold).

Platinum comprises Two Rivers Platinum Mine as a 55% subsidiary and ARM Mining Consortium Limited through which ARM holds an effective 41.5% interest in the Modikwa.

Nickel comprises Nkomati as a 50% joint venture for both its nickel and chrome operations.

ARM Ferrous comprises Assmang as a 50% joint venture. Assmang comprises iron ore, manganese ore, ferromanganese, ferrochrome and chrome ore operations.

ARM Coal, a 51% joint venture for accounting purposes, consists of a 10.2% participating investment in the existing coal operations of XCSA and a 26% joint venture interest in the Goedgevonden mine. In addition ARM has a direct 10% participating investment in the existing coal operations of XCSA.

ARM Exploration comprises TEAL as a 64,9% held subsidiary up to February 2009 and thereafter as a 50% Joint Venture. In addition this new division is involved in identifying and assessing exploration and mineral business opportunities in sub-Saharan Africa.

The commodity groupings predominantly reflect the risks and rewards of trading and the operating divisions are therefore identified as the primary reporting segments.

		ARM Platinum Platinum Rm	Nickel Rm	ARM Ferrous Rm	ARM Coal Rm	ARM Exploration Rm	Corporate and other* Rm	Gold Rm	Total Rm
2.1	**Year to 30 June 2009 (Reviewed)**								
	Total sales	1 750	543	7 632	121	50	–	–	**10 096**
	Intergroup sales to ARM Ferrous	–	2	–	–	–	–	–	**2**
	Sales	1 750	541	7 632	121	50	–	–	**10 094**
	Cost of sales	(2 317)	(491)	(3 007)	(84)	(177)	28	–	**(6 048)**
	Other operating income	8	24	615	1	–	268	–	**916**
	Other operating expenses	2	(48)	(462)	(1)	(515)	(231)	–	**(1 255)**
	Segment result	(557)	26	4 778	37	(642)	65	–	**3 707**
	Income from investments	69	8	220	–	6	111	–	**414**
	Finance cost	(216)	(1)	(36)	(15)	(49)	(68)	–	**(385)**
	Income from associate	–	–	–	147	–	–	–	**147**
	Exceptional items	1	(1)	–	–	567	(53)	–	**514**
	Taxation	152	(4)	(1 802)	(7)	(4)	(62)	–	**(1 727)**
	Minority interest	204	–	–	–	–	(6)	–	**198**
	Contribution to basic earnings	(347)	28	3 160	162	(122)	(13)	–	**2 868**
	Contribution to headline earnings	(348)	29	3 150	135	(689)	40	–	**2 317**
	Other information								
	Segment assets including investment in associate	5 334	1 791	8 292	2 973	483	1 535	5 091	**25 499**
	Investment in associate				1 327				**1 327**
	Segment liabilities	1 535	332	815	1 463	497	1 298	–	**5 940**
	Unallocated liabilities (tax and deferred tax)								**2 808**
	Consolidated total liabilities								**8 748**
	Cash in/(out) flow from operating activities	830	177	4 034	414	(554)	(851)	–	**4 050**
	Cash in/(out) flow from investing activities	(475)	(866)	(1 388)	(498)	147	(55)	–	**(3 135)**
	Cash in/(out) flow from financing activities	(270)	149	(263)	211	276	(274)	–	**(171)**
	Capital expenditure	524	878	1 335	572	22	2	–	**3 333**
	Amortisation and depreciation	323	28	378	36	20	2	–	**787**
	EBITDA	(234)	54	5 146	73	(622)	67	–	**4 484**

** Corporate, other companies and consolidation adjustments*

SEGMENTAL INFORMATION (Continued)
Primary segmental information

	ARM Platinum Platinum Rm	ARM Platinum Nickel Rm	ARM Ferrous Rm	ARM Coal Rm	ARM Exploration Rm	Corporate and other* Rm	Gold Rm	Total Rm
2.2 **Year to 30 June 2008 (Audited)**								
Total sales	3 943	998	7 418	96	147	–	–	12 602
Intergroup sales to ARM Ferrous	–	12	–	–	–	–	–	12
Sales	3 943	986	7 418	96	147	–	–	12 590
Cost of sales	(1 785)	(419)	(3 193)	(51)	(72)	4	–	(5 516)
Other operating income	6	46	217	–	–	191	–	460
Other operating expenses	(31)	(11)	(350)	–	(271)	(193)	–	(856)
Segment result	2 133	602	4 092	45	(196)	2	–	6 678
Income from investments	93	6	36	–	2	31	–	168
Finance cost	(311)	(1)	(14)	(13)	(15)	(84)	–	(438)
Income from associate	–	–	–	461	–	–	–	461
Exceptional items	–	(7)	–	–	34	135	–	162
Taxation	(540)	(173)	(1 346)	(1)	(2)	(22)	–	(2 084)
Minority interest	(460)	–	–	–	–	–	–	(460)
Contribution to basic earnings	915	427	2 768	492	(177)	62	–	4 487
Contribution to headline earnings	915	432	2 775	175	(211)	(73)	–	4 013
Other information								
Segment assets including investment in associate	6 513	1 081	7 771	2 392	413	663	6 045	24 878
Investment in associate				1 298				1 298
Segment liabilities	1 563	112	1 196	930	608	1 592	–	6 001
Unallocated liabilities (tax and deferred tax)								3 201
Consolidated total liabilities								9 202
Cash in/(out) flow from operating activities	1 369	518	3 005	103	(344)	(482)	–	4 169
Cash in/(out) flow from investing activities	(508)	(292)	(1 360)	(361)	(41)	135	–	(2 427)
Cash in/(out) flow from financing activities	(776)	–	(51)	274	353	25	–	(175)
Capital expenditure	547	292	1 394	414	130	2	–	2 779
Amortisation and depreciation	241	20	264	6	10	–	–	541
EBITDA	2 374	622	4 366	51	(186)	2	–	7 229

SEGMENTAL INFORMATION (Continued)
The ARM platinum segment is analysed further into Two Rivers and ARM Mining Consortium which includes Modikwa Platinum Mine.

		ARM Platinum Two Rivers Rm	ARM Platinum Modikwa Rm	Total Rm
2.3	**Year to 30 June 2009 (Reviewed)**			
	Sales			
	External Sales	1 022	728	**1 750**
	Cost of sales	(1 373)	(944)	**(2 317)**
	Other operating income	7	1	**8**
	Other operating expenses	(7)	9	**2**
	Segment result	(351)	(206)	**(557)**
	Income from investments	19	50	**69**
	Finance cost	(39)	(21)	**(60)**
	Finance cost Implats: Shareholders loan Two Rivers	(70)	–	**(70)**
	Finance cost ARM: Shareholders loan Two Rivers	(86)	–	**(86)**
	Exceptional items	1	–	**1**
	Taxation	131	21	**152**
	Minority interest	177	27	**204**
	Contribution to basic earnings	(218)	(129)	**(347)**
	Contribution to headline earnings	(219)	(129)	**(348)**
	Other information			
	Segment and consolidated assets	2 853	2 481	**5 334**
	Segment liabilities	1 117	418	**1 535**
	Unallocated liabilities (tax and deferred tax)			**638**
	Consolidated total liabilities			**2 173**
	Cash inflow from operating activities	450	380	**830**
	Cash outflow from investing activities	(294)	(181)	**(475)**
	Cash outflow from financing activities	(168)	(102)	**(270)**
	Capital expenditure	340	184	**524**
	Amortisation and depreciation	251	72	**323**
	EBITDA	(100)	(134)	**(234)**

SEGMENTAL INFORMATION (Continued)

		ARM Platinum Two Rivers Rm	ARM Platinum Modikwa Rm	Total Rm
2.4	**Year to 30 June 2008 (Audited)**			
	Sales			
	External Sales	2 363	1 580	**3 943**
	Cost of sales	(1 031)	(754)	**(1 785)**
	Other operating income	6	–	**6**
	Other operating expenses	(6)	(25)	**(31)**
	Segment result	1 332	801	**2 133**
	Income from investments	64	29	**93**
	Finance cost	(105)	(43)	**(148)**
	Finance cost Implats: Shareholders loan Two Rivers	(73)	–	**(73)**
	Finance cost ARM: Shareholders loan Two Rivers	(90)	–	**(90)**
	Taxation	(332)	(208)	**(540)**
	Minority interest	(361)	(99)	**(460)**
	Contribution to basic earnings	435	480	**915**
	Contribution to headline earnings	435	480	**915**
	Other information			
	Segment and consolidated assets	3 487	3 026	**6 513**
	Segment liabilities	1 126	437	**1 563**
	Unallocated liabilities (tax and deferred tax)			**831**
	Consolidated total liabilities			**2 394**
	Cash inflow from operating activities	777	592	**1 369**
	Cash outflow from investing activities	(355)	(153)	**(508)**
	Cash outflow from financing activities	(677)	(99)	**(776)**
	Capital expenditure	390	157	**547**
	Amortisation and depreciation	154	87	**241**
	EBITDA	1 486	888	**2 374**

SEGMENTAL INFORMATION (Continued)
Additional information

Pro forma analysis of the Ferrous segment

		100%				50%
		Iron ore Division Rm	Manganese Division Rm	Chrome Division Rm	Total Rm	Attributable to ARM Rm
2.5	**Year to 30 June 2009 (Reviewed)**					
	Sales	5 018	8 436	1 809	**15 263**	**7 632**
	Other operating income	329	914	145	**1 388**	**615**
	Other operating expense	182	532	368	**1 082**	**462**
	Operating profit	3 080	6 199	277	**9 556**	**4 778**
	Contribution to earnings	2 170	3 956	193	**6 319**	**3 160**
	Contribution to headline earnings	2 160	3 927	213	**6 300**	**3 150**
	Other information					
	Consolidated total assets	6 506	8 350	2 038	**16 894**	**8 292**
	Consolidated total liabilities	1 745	2 506	654	**4 905**	**815**
	Capital expenditure	1 529	854	397	**2 780**	**1 335**
	Amortisation and depreciation	409	236	127	**772**	**378**
	Cash inflow from operating activities	2 844	610	312	**3 766**	**4 034**
	Cash outflow from investing activities	(1 541)	(840)	(395)	**(2 776)**	**(1 388)**
	Cash outflow from financing activities	(492)	–	(34)	**(526)**	**(263)**
	EBITDA	3 478	6 406	424	**10 308**	**5 146**
2.6	**Year to 30 June 2008 (Audited)**					
	Sales	2 776	9 552	2 507	**14 835**	**7 418**
	Other operating income	51	320	99	**470**	**217**
	Other operating expense	136	489	111	**736**	**350**
	Operating profit	1 079	6 160	946	**8 185**	**4 092**
	Contribution to earnings	779	4 075	681	**5 535**	**2 768**
	Contribution to headline earnings	780	4 087	683	**5 550**	**2 775**
	Other information					
	Consolidated total assets	4 324	9 419	2 015	**15 758**	**7 771**
	Consolidated total liabilities	1 735	3 226	826	**5 787**	**1 196**
	Capital expenditure	2 231	511	158	**2 900**	**1 394**
	Amortisation and depreciation	241	184	110	**535**	**264**
	Cash inflow from operating activities	710	4 175	646	**5 531**	**3 005**
	Cash outflow from investing activities	(2 080)	(488)	(151)	**(2 719)**	**(1 360)**
	Cash inflow/(outflow) from financing activities	281	–	(384)	**(103)**	**(51)**
	EBITDA	1 320	6 344	1 056	**8 720**	**4 366**

Notes to the Financial Statements *(continued)*

for the year ended 30 June 2009

		Reviewed 2009 Rm	Audited 2008 Rm
3	**EXCEPTIONAL ITEMS**		
	Surplus on dilution in TEAL to 50%	**557**	–
	Surplus on disposal of 50% of Nkomati; final tranche payment	**–**	135
	Profit on sale of interest in Otjikoto	**–**	32
	Profit on sale of interest in Zambian properties	**–**	46
	Impairments of property, plant and equipment	**(43)**	(51)
	Exceptional items per income statement	**514**	162
	Taxation	**–**	5
	Profit on asset swap in the DTJV – ARM Coal	**27**	317
	Capital portion of insurance claim at Cato Ridge	**14**	–
	Loss on disposal of property, plant and equipment	**(4)**	(10)
	Total amount adjusted for headline earnings	**551**	474
4	**HEADLINE EARNINGS**		
	Basic earnings per income statement	**2 868**	4 487
	– Surplus on dilution in TEAL to 50%	**(557)**	–
	– Surplus on disposal of 50% of Nkomati; final tranche payment	**–**	(135)
	– Impairments of property plant and equipment	**43**	51
	– Capital portion of insurance claim at Cato Ridge	**(14)**	–
	– Profit on sale of interest in Zambian properties	**–**	(46)
	– Profit on sale of interest in Otjikoto	**–**	(32)
	– Loss on disposal of property, plant and equipment	**4**	10
	– Profit on asset swap in the DTJV – ARM Coal	**(27)**	(317)
		2 317	4 018
	– Taxation	**–**	(5)
	Headline earnings	**2 317**	4 013
5	**CASH AND CASH EQUIVALENTS**		
	– African Rainbow Minerals	**1 135**	297
	– Assmang	**1 624**	1 395
	– ARM Mining Consortium	**247**	467
	– Nkomati	**53**	159
	– Two Rivers	**21**	100
	– Vale/ARM joint venture	**5**	15
	– Restricted cash – trust funds and guarantees	**136**	114
	– Other	**292**	113
	Total as per balance sheet	**3 513**	2 660
	Less: Overdrafts	**188**	66
	Total as per cash flow statement	**3 325**	2 594

for the year ended 30 June 2009

		Reviewed 2009 Rm	Audited 2008 Rm
6	**LONG-TERM BORROWINGS**		
	– African Rainbow Minerals	–	1 217
	– Assmang	6	14
	– ARM Mining Consortium	3	1
	– ARM Coal	1 135	847
	– Two Rivers	160	161
	– Vale/ARM joint venture	60	14
		1 364	2 254
7	**OVERDRAFTS AND SHORT-TERM BORROWINGS**		
	– African Rainbow Minerals*	967	42
	– Assmang	7	256
	– ARM Mining Consortium	138	255
	– ARM Coal	–	10
	– Nkomati	149	–
	– Vale/ARM joint venture	335	436
	– Two Rivers – Bank loans	208	63
	– Implats	539	635
	– Other	37	27
		2 380	1 724
	* Since the year end the loan has been refinanced and is repayable in August 2012		
8	**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	4 707	1 380
	– not contracted for	915	1 325
	Total commitments	5 622	2 705

9 CONTINGENT LIABILITIES

9.1 The Vale/ARM joint venture has a potential contingent liability of US$15 million (US$7,5 million attributable to ARM) arising from the DRC government review of a mining licence granted.

This review is currently being finalised and based on the current position of the DRC government, it will only be the present value of the above amount that will need to be accrued in the capital cost of the mine, with payments in incremental installments thereafter, should a decision be made by the Vale/ARM joint venture to develop a mine on this property.

9.2 There have been no other changes in the contingent liabilities of the group as disclosed in the 30 June 2008 annual report.

10 EVENTS AFTER BALANCE SHEET

No reportable events.

Notes

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AD Botha**
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WM Gule
MW King**
AK Maditsi**
KS Mashalane
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LA Shiels
Dr RV Simelane**
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ZB Swanepoel*
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