

NOTES TO THE INTERIM REPORT

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1. This interim report complies with International Accounting Standard 34 - Interim Financial Reporting and South African Statement of Generally Accepted Accounting Practice, AC127, with the same title, as well as with Schedule 4 of the South African Companies Act and the disclosure requirements of the JSE Limited's listings requirements.
 2. The interim report has been prepared using accounting policies that comply with International Financial Reporting Standards and South African Statements of Generally Accepted Accounting Practice. The accounting policies are consistent with those applied in the financial statements for the year ended 31 December 2009, except for the changes which are described in Note 3.
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3. New accounting policies adopted

The following new and revised accounting standards have been adopted or early adopted in the current year and have not had any impact on the amounts or disclosures reported in these interim results:

- IFRS 1 First time adoption of International Financial Reporting Standards - (Amendment) Limited exemption from comparative IFRS 7 disclosures for first time adopters;
- IFRS 3 (Revised) Business Combinations;
- IAS 24 Related party disclosures – (Amendment) Revised definitions of related parties;
- IAS 27 Consolidated and Separate Financial Statements – (Amendment) Consequential amendments arising from amendments to IFRS 3;
- IAS 28 Investment in Associates – (Amendment) Consequential amendments arising from amendments to IFRS 3; and
- IAS 31 Investment in Joint Ventures – (Amendment) Consequential amendments arising from amendments to IFRS 3.

Improvements to IFRSs

The Group early adopted all the amendments to accounting standards and accounting interpretations arising from the Annual Improvements to IFRSs published in May 2008 and April 2009. None of these amendments had any impact on the financial results of the Group.

Accounting interpretation

The Group also early adopted IFRIC 19 – Extinguishing Financial Liabilities with Equity Instruments which had no impact on the financial results of the Group for the period ended 30 June 2010.

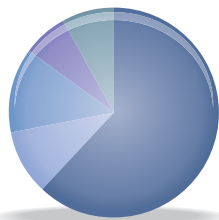
4. Segmental information

	Net sales revenue			Operating contribution		
	Reviewed Six months ended 30 June 2010 Rm	Reviewed Six months ended 30 June 2009 Rm	Audited Year ended 31 December 2009 Rm	Reviewed Six months ended 30 June 2010 Rm	Reviewed Six months ended 30 June 2009 Rm	Audited Year ended 31 December 2009 Rm
Operations						
Bathopele Mine	1,162	900	1,950	400	191	305
Khomanani Mine	743	682	1,489	70	56	14
Thembelani Mine	726	499	1,170	138	(18)	(28)
Khuseleka Mine	1,033	1,164	2,273	217	68	50
Siphumelele Mine	668	837	1,566	70	(105)	(102)
Tumela Mine	2,313	1,921	4,173	810	577	1,171
Dishaba Mine	1,214	930	2,126	280	188	451
Union Mine	2,301	1,948	4,135	765	477	816
Mogalakwena Mine	2,766	2,109	4,540	1,016	319	428
Twickenham Platinum Mine	35	60	127	(62)	(43)	(111)
Modikwa Platinum Mine	567	452	1,054	126	(93)	(109)
Kroondal Platinum Mine	991	763	1,564	374	188	301
Marikana Platinum Mine	308	345	637	105	99	122
Mototolo Platinum Mine	471	312	727	175	80	182
Bafokeng-Rasimone Platinum Mine	503	546	1,184	130	82	198
Bokoni Platinum Mine	—	408	557	—	(128)	(207)
	15,801	13,876	29,272	4,614	1,938	3,481
Western Limb Tailings Retreatment Masa	306	235	452	71	22	84
	163	91	247	154	85	231
Total – mined	16,270	14,202	29,971	4,839	2,045	3,796
Purchased metals	4,513	2,864	6,716	266	(373)	236
	20,783	17,066	36,687	5,105	1,672	4,032
Other costs				(1,139)	(995)	(2,060)
Gross profit on metal sales				3,966	677	1,972

The figures for the six months ended 30 June 2009 have been reclassified to reflect the change in methodology of allocating certain costs. This revised methodology was applied in the calculation of the segmental results for the year ended 31 December 2009.

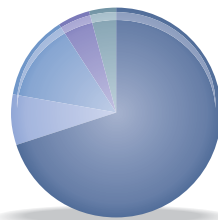
Gross sales revenue by metal – six months ended 30 June 2010
%

Platinum
62
Palladium
10
Rhodium
13
Nickel
7
Other
8



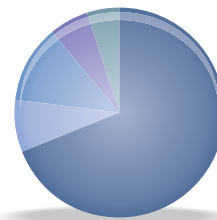
Gross sales revenue by metal – six months ended 30 June 2009
%

Platinum
70
Palladium
8
Rhodium
13
Nickel
5
Other
4



Gross sales revenue by metal – year ended 31 December 2009
%

Platinum
69
Palladium
8
Rhodium
12
Nickel
6
Other
5



NOTES TO THE INTERIM REPORT

	Reviewed Six months ended 30 June 2010 Rm	Reviewed Six months ended 30 June 2009 Rm	Audited Year ended 31 December 2009 Rm
5. Gross sales revenue			
Sales revenue emanated from the following principal regions:			
Precious metals	18,846	15,971	33,901
Asia	7,634	6,928	10,315
Europe	6,963	7,487	17,977
South Africa	2,509	187	2,917
North America	1,740	1,369	2,692
Base metals	1,886	1,074	2,703
South Africa	1,640	970	2,385
Rest of the world	246	104	318
Other			
South Africa	197	137	343
	20,929	17,182	36,947
Gross sales revenue by metal:			
Platinum	12,913	12,105	25,528
Palladium	2,101	1,323	2,954
Rhodium	2,777	2,147	4,345
Nickel	1,550	918	2,269
Other	1,588	689	1,851
Gross sales revenue	20,929	17,182	36,947
6. Gross profit on metal sales			
Gross sales revenue	20,929	17,182	36,947
Commissions paid	(146)	(116)	(260)
Net sales revenue	20,783	17,066	36,687
Cost of sales	(16,817)	(16,389)	(34,715)
On-mine	(11,066)	(11,307)	(22,746)
Cash operating costs	(9,393)	(9,822)	(19,543)
Depreciation	(1,669)	(1,434)	(3,152)
Deferred waste stripping	(4)	(51)	(51)
Purchase of metals	(4,846)	(3,040)	(6,689)
Smelting	(1,108)	(1,220)	(2,610)
Cash operating costs	(766)	(876)	(1,881)
Depreciation	(342)	(344)	(729)
Treatment and refining	(833)	(804)	(1,705)
Cash operating costs	(696)	(681)	(1,460)
Depreciation	(137)	(123)	(245)
Increase in metal inventories	2,175	977	1,095
Other costs	(1,139)	(995)	(2,060)
Gross profit on metal sales	3,966	677	1,972
Gross profit margin (%)	19.1	4.0	5.4

	Reviewed Six months ended 30 June 2010 Rm	Reviewed Six months ended 30 June 2009 Rm	Audited Year ended 31 December 2009 Rm
7. Depreciation of property, plant and equipment			
Depreciation of plant and equipment consists of the following categories:			
Operating assets	2,148	1,901	4,126
Mining	1,669	1,434	3,152
Smelting	342	344	729
Treatment and refining	137	123	245
Depreciation included in other costs	24	13	19
Depreciation - non-mining assets	29	32	69
	2,201	1,946	4,214
8. Other costs			
Other costs include:			
Share-based payments - other share schemes	46	31	177
Share-based payments - The Kotula Trust (Group ESOP)	159	167	310
	205	198	487
9. Other net income/(expenditure)			
Other net income/(expenditure) consists of the following principal categories:			
Project maintenance costs*	(90)	(29)	(415)
Consultation fees and other business optimisation costs	(76)	(3)	(261)
Net realised and unrealised foreign exchange gains/(losses)	55	(449)	(610)
Profit on disposal of plant, equipment and conversion rights	12	—	53
Gains/(losses) on commodity sales contracts at fair value	10	(27)	(88)
Amandelbult insurance claim payout	—	488	563
BEE costs	—	—	(76)
Other - net	94	47	175
	5	27	(659)
<i>* Project maintenance costs comprise assets scrapped as a result of the slow-down of capital projects, costs incurred to maintain land held for future projects and costs to keep projects on care and maintenance. It also includes the costs of operations put into care and maintenance once the decision was made.</i>			
10. Interest expensed			
Interest expensed	(195)	(126)	(424)
Interest paid	(659)	(1,147)	(1,993)
Less: capitalised	464	1,021	1,569
Time value of money adjustment to environmental obligations	(47)	(44)	(108)
Decommissioning	(40)	(39)	(94)
Restoration	(7)	(5)	(14)
	(242)	(170)	(532)

NOTES TO THE INTERIM REPORT

	Reviewed Six months ended 30 June 2010	Restated Reviewed Six months ended 30 June 2009	Audited Year ended 31 December 2009
11. Taxation	%	%	%
A reconciliation of the standard rate of South African normal taxation compared with that charged in profit/loss is set out in the following table:			
South African normal tax rate	28.0	28.0	28.0
STC	—	0.4	0.5
	28.0	28.4	28.5
Disallowable items	0.1	—	(0.8)
UK Group relief	—	(5.6)	(12.1)
Capital profits	(4.9)	(23.2)	(23.8)
Exempt income	0.5	(0.7)	—
Prior year underprovision	0.6	0.1	3.3
Other	0.5	1.2	(0.2)
Effective tax rate	24.8	0.2	(5.1)
	Rm	Rm	Rm
12. Reconciliation between profit attributable to owners of the Company and headline earnings			
Profit attributable to owners of the company	3,272	2,926	3,012
Less: Declared and undeclared cumulative preference share dividends and related STC	—	(3)	(5)
Basic earnings attributable to ordinary shareholders	3,272	2,923	3,007
Adjustments			
Profit on disposal of 37% interest in Western Bushveld Joint Venture	(788)	—	—
Tax effect thereon	17	—	—
Profit on disposal of investment in Booyensdal Joint Venture	—	(1,982)	(1,982)
Profit on disposal of 51% of Bokoni Platinum mines	—	(536)	(536)
Profit on sale of other mineral rights and investments	—	(2)	(64)
Net loss/(profit) on disposal and scrapping of property, plant and equipment	81	(2)	389
Tax effect thereon	(23)	1	(109)
Headline earnings attributable to ordinary shareholders	2,559	402	705
Add: Declared and undeclared cumulative preference share dividends and related STC	—	3	5
Headline earnings	2,559	405	710
Attributable headline earnings per ordinary share (cents)			
– Headline (Note 22)	1,028	164	289
– Diluted (Note 22)	1,024	164	289

	Reviewed Six months ended 30 June 2010 Rm	Reviewed Six months ended 30 June 2009 Rm	Audited Year ended 31 December 2009 Rm
13. Investment in associates			
Listed (Market value: R1,356 million (30 June 2009: R811 million; 31 December 2009: R776 million))			
Investment in Anooraq Resources Corporation (Anooraq)	695	811	764
Investment in Wesizwe Platinum Limited	466	—	—
Unlisted (Directors' valuation: R9,436 million (30 June 2009: R1,746 million; 31 December 2009: R6,792 million))	2,786	1,557	2,537
Investment in Bokoni Platinum Holdings (Proprietary) Limited			
Carrying value of investment	(186)	—	(45)
"A" preference shares	729	605	653
Loans to associate	753	480	634
Royal Bafokeng Platinum (Proprietary) Limited (formerly Lisnfo 223 (Proprietary) Limited)			
Carrying value of investment	1,015	—	847
Investment in Johnson Matthey Fuel cells			
Carrying value of investment	(34)	(16)	(40)
Cumulative redeemable preference shares	80	88	83
Loan to associate (subordinated to third party debt)	67	58	54
Unincorporated associate – Pandora			
Investment	362	342	351
	3,947	2,368	3,301
14. Inventories			
Refined metals	2,008	1,977	2,823
At cost	1,518	1,658	2,108
At net realisable values	490	319	715
Work-in-process	10,523	8,260	7,532
At cost	8,685	6,486	5,986
At net realisable values	1,838	1,774	1,546
Total metal inventories	12,531	10,237	10,355
Stores and materials at cost less obsolescence provision	907	914	937
	13,438	11,151	11,292
15. Cash and cash equivalents			
Cash on deposit and on hand	1,675	905	2,795
Cash investments held by environmental trusts*	469	423	455
Cash held by insurance captives	279	275	282
	2,423	1,603	3,532

*Cash held in trust comprises funds which may only be utilised for purposes of settling decommissioning and environmental liabilities relating to existing mining operations. All income earned on these funds is reinvested or spent to meet these obligations. These obligations are included in environmental obligations.

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	Reviewed Six months ended 30 June 2010 Rm	Reviewed Six months ended 30 June 2009 Rm	Audited Year ended 31 December 2009 Rm
16. Interest-bearing borrowings			
The Group has the following borrowing facilities:			
Committed facilities	21,499	26,417	33,009
Uncommitted facilities	4,783	4,587	4,769
Total facilities	26,282	31,004	37,778
Less : Facilities utilised	(10,666)	(19,556)	(22,791)
Interest bearing borrowings	(10,647)	(15,176)	(22,773)
Current interest bearing borrowings	(19)	(4,380)	(18)
Available	15,616	11,448	14,987
Weighted average borrowing rate (%)	7.66	9.21	8.59
17. Commitments			
Mining and process property, plant and equipment*			
Contracted for	2,508	3,585	2,244
Not yet contracted for	34,333	33,932	30,732
Authorised by the directors	36,841	37,517	32,976
Allocated for:			
Project capital	32,428	30,720	29,294
– within one year	4,351	5,872	4,102
– thereafter	28,077	24,848	25,192
Stay in business capital	4,413	6,797	3,682
– within one year	3,622	4,084	3,453
– thereafter	791	2,713	229
Capital commitments relating to the group's share in associates*			
Contracted for	109	80	105
Not yet contracted for	2,361	778	2,369
Authorised by the directors	2,470	858	2,474
Other			
Operating lease rentals – buildings and equipment	513	637	552
– within one year	89	125	98
– within two to five years	257	267	256
– thereafter	167	245	198
Information Technology Service Providers	480	522	577
– within one year	106	101	187
– thereafter	374	421	390

* The figures for 31 December 2009 have been reclassified to reflect the associates' share of capital commitments separately.

17. Commitments *(continued)*

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

The Group has provided Plateau, a company owned by Anooraq, with a facility that covers their senior debt repayments should Plateau not be able to meet its repayments. The facility is limited to 29% of 49% of Bokoni Platinum Mine's free cash flows, and call on this facility is considered a remote possibility.

The Group has also provided Plateau with a facility to enable it to meet its obligations in respect of the operating and capital expenditure for Bokoni Platinum Mines. This facility is limited to R778 million, excluding interest and fees, and is available to Plateau for three years from 1 July 2009. At 30 June 2010, R247 million (31 December 2009: R162 million) had been drawn down on this facility.

The Group has provided Lexshell 36 General Trading (Proprietary) Limited (Lexshell 36), a company owned by the Bakgatla-Ba-Kgafela traditional community, with a facility that covers their outstanding hedge exposure. The facility is limited to Union Section's cash flows, and call on this facility is considered a remote possibility.

The Group has also provided Lexshell 36 with a project capital expenditure facility to fund its proportionate share of any specific new project capital incurred for the development of a new shaft, other than the 5 South Decline Project at Union Mine. This facility expires on 31 March 2015 and is limited to 15% of the actual capital spent on the shaft. At balance sheet date, this facility had not been drawn upon.

The Group has agreed, upon certain conditions being met, to guarantee bank funding that will be extended to Newshelf 848 (Proprietary) Limited, an Afripalm company, to refinance some of Afripalm's present obligations to the value of R406 million (plus funding charges). At 30 June 2010, the conditions have not been met.

18. Contingent liabilities

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

Aquarius Platinum (South Africa) (Proprietary) Limited holds an option to put its interest in the Kroondal pooling and sharing arrangement to the Group in the case of termination of that relationship. The probability of the option being exercised is considered remote. The amount of such an obligation is dependent on a discounted cash flow valuation of its interest at that point in time.

The Group has, in the case of some of its mines, provided the Department of Mineral Resources with guarantees that cover the difference between the closure costs and amounts held in the environmental trusts. At 30 June 2010, these guarantees amounted to R3,107 million (30 June 2009: R2,360 million, 31 December 2009: R3,082 million).

The Group is the subject of various claims, the expected outcomes of which are varied, but on a probability weighting the amount is estimated at R72 million (30 June 2009: R81 million, 31 December 2009: R224 million).

19. Contingent assets

On 13 February 2008 a slag and matte run-out occurred at the Polokwane Smelter, resulting in damage to both the furnace itself and ancillary equipment. After a successful repair, the furnace resumed operation and processed the majority of concentrate stocks that had accumulated during the repair period. Insurers were notified of the incident and a material damage and business interruption claim was initiated. The claim was subject to a 24 month indemnity period which duly expired on 13 February 2010.

Based on discussions with the insurers, a final formulated claim has been submitted. The quantum of the claim has been set at USD 13 million after application of all applicable deductibles. Anglo Platinum expects cash settlement of the loss by insurers no later than 15 August 2010. The proceeds on the insurance settlement will be accounted for once the final claim has been agreed to by the insurers.

20. Changes in accounting estimates for inventory

During the year, the Group changed its estimate of the quantities of inventory based on the outcome of a physical count of in-process metals. The Group runs a theoretical metal inventory system based on inputs, the results of previous physical counts and outputs. Due to the nature of in-process inventories being contained in weirs, pipes and other vessels, physical counts only take place once per annum, except in the PMR which takes place once every two years.

This change in estimate has had the effect of decreasing the value of inventory disclosed in the financial statements by R520 million (2009: R161 million). This results in the recognition of an after tax loss of R374 million (2009: R116 million).

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21. Restatement of comparative figures

The profit arising on the disposal of 51% of Bokoni Platinum Mines and 1% of the Ga-Phasha, Boikgantsho and Kwanda projects has been restated from the initial amount of R336 million, published in the interim results of the period ended 30 June 2009. The revised profit is R536 million. The difference is due to management refining and finalising its valuation of the various financial instruments and commitments that arose on initial recognition of the transaction, subsequent to publishing of the 2009 interim results. This was reflected correctly in the results for the year ended 31 December 2009.

	Six months ended 30 June 2009 Rm
Profit attributable to Owners of the Company as reported previously	2,726
Restatement of profit on disposal of 51% in Bokoni Platinum Mines	200
Restated profit attributable to Owners of the Company	2,926
Attributable basic earnings per ordinary share as reported (cents)	1,144
Restatement of profit on disposal of 51% in Bokoni Platinum Mines (cents)	84
Restated attributable basic earnings per ordinary share (cents)	1,228
Attributable diluted earnings per ordinary share as reported (cents)	1,141
Restatement of profit on disposal of 51% in Bokoni Platinum Mines (cents)	84
Restated attributable diluted earnings per ordinary share (cents)	1,225
	As at 30 June 2009 Rm
Trade and other receivables as reported	3,772
Restatement of profit on disposal of 51% in Bokoni Platinum Mines	(69)
Restated trade and other receivables	3,703
Other current financial liabilities as reported	355
Restatement of profit on disposal of 51% in Bokoni Platinum Mines	(215)
Restated other current financial liabilities	140
Trade and other payables as reported	5,017
Restatement of profit on disposal of 51% in Bokoni Platinum Mines	(54)
Restated trade and other payables	4,963

22. Rights offer

On 5 February 2010, the Board approved Anglo Platinum pursuing an equity raising through a rights offer of R12.5 billion. The purpose of the equity raising was to improve the Group's capital structure. A rights offer in respect of 24,891,473 Anglo Platinum ordinary shares was made to Anglo Platinum shareholders in the ratio of 10.3823 new rights offer shares for every 100 shares held as at 5 March 2010. The subscription price of R502.18 per rights offer share amounted to a 25% discount to the theoretical ex-rights price of an Anglo Platinum share at 5 February 2010. The rights offer opened on Monday, 8 March 2010 and closed on Friday, 26 March 2010. The rights offer was fully subscribed for and the R12.5 billion received, net of transaction costs, was used to repay long-term debt. Due to the fact that the rights offer was oversubscribed, there were no shares that had to be taken up by the underwriter, Anglo American plc.

In terms of IAS 33 Earnings per share, the weighted average number of shares outstanding during the period should be adjusted for the bonus element of the rights offer. As a result, the following adjustments were made to the weighted average and diluted weighted average number of shares in issue:

	Six months ended 30 June 2009	Year ended 31 December 2009
Weighted average number of shares in issue as reported	238.1	236.9
Adjusted for impact of the bonus element of the rights offer	6.8	6.8
Adjusted weighted average number of shares in issue	244.9	243.7
Diluted weighted average number of shares in issue as reported	238.6	237.6
Adjusted for impact of the bonus element of the rights offer	6.8	6.8
Adjusted diluted weighted average number of shares in issue	245.4	244.4
Attributable basic earnings per ordinary share as reported	1,228	1,269
Adjusted for impact of the bonus element of the rights offer	(35)	(35)
Adjusted attributable basic earnings per ordinary share	1,193	1,234
Attributable diluted earnings per ordinary share as reported	1,225	1,266
Adjusted for impact of the bonus element of the rights offer	(34)	(36)
Adjusted attributable diluted earnings per ordinary share	1,191	1,230
Attributable headline earnings per ordinary share as reported	169	298
Adjusted for impact of the bonus element of the rights offer	(5)	(9)
Adjusted attributable headline earnings per ordinary share	164	289
Attributable diluted headline earnings per ordinary share as reported	169	297
Adjusted for impact of the bonus element of the rights offer	(5)	(8)
Adjusted attributable diluted headline earnings per ordinary share	164	289

23. Post balance sheet event

The Board agreed on 22 July 2010 to provide the former preference shareholders of Anglo Platinum Limited, who missed the opportunity to convert their preference shares to ordinary shares, with the opportunity to subscribe for ordinary shares. The terms and conditions of the offer will be included in a circular to certain former Anglo Platinum Limited preference shareholders. It is expected that this circular will be mailed to the affected former preference shareholders during early August 2010.