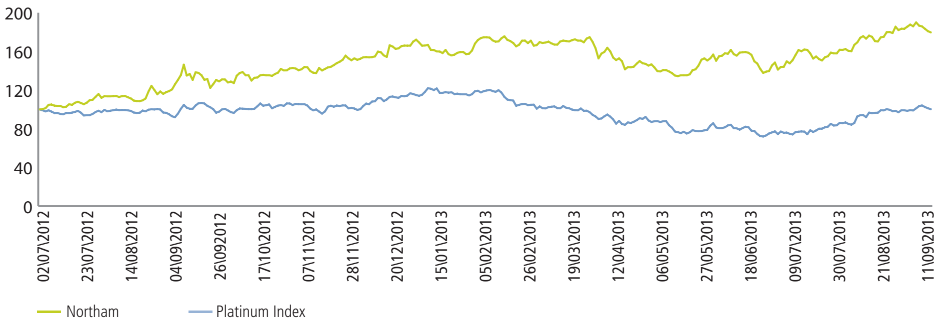
FIVE-YEAR OPERATING AND FINANCIAL REVIEW

STATEMENTS OF COMPREHENSIVE INCOME (R000)

	2013	2012	2011*	2010*	2009*
Sales revenue	4 420 977	3 684 000	3 571 048	3 945 083	3 186 042
Cost of sales	3 813 301	3 345 311	3 185 754	3 160 108	2 368 129
Operating costs	2 826 094	2 632 926	2 242 006	2 230 369	1 905 889
Concentrates purchased	657 540	624 774	787 316	735 090	140 192
Refining and other costs	161 591	100 612	68 804	92 972	120 917
Depreciation and write-offs	234 690	190 287	147 838	167 346	160 907
Change in metal inventories	(66 614)	(203 288)	(76 752)	(65 669)	40 224
Operating profit	607 676	338 689	385 294	784 975	817 913
Share of profits from associate/ dividends received	13 783	16 602	7 248	12 440	72 606
Investment revenue	33 434	53 951	85 520	167 655	130 417
Finance charges	(17 946)	–	–	–	–
Net sundry income/(expenditure)	60 108	43 343	53 148	9 557	(6 430)
Profit before tax	697 055	452 585	531 210	974 627	1 014 506
Taxation	169 054	142 073	182 001	333 601	384 024
Net profit after tax	528 001	310 512	349 209	641 026	630 482
Other comprehensive income					
Share of other comprehensive income from associate	(4 145)	(9 868)	–	–	–
Profit and total comprehensive income for the year	523 856	300 644	349 209	641 026	630 482
Headline earnings	522 182	309 248	324 949	640 434	590 757

* *Where appropriate financial results have been adjusted for changes in accounting policies.*

Northam vs Platinum Index



STATEMENTS OF FINANCIAL POSITION (R000)

	2013	2012	2011*	2010*	2009*
Property, plant and equipment	11 931 051	9 135 822	8 498 935	7 660 720	7 455 496
Interests in associates and joint ventures	495 498	505 415	505 327	129 741	130 106
Other non-current assets	196 440	189 976	144 278	111 833	100 139
Non-current assets	12 622 989	9 831 213	9 148 540	7 902 294	7 685 741
Current assets	1 734 675	1 232 339	2 725 916	2 117 683	1 616 007
Inventories	878 530	811 183	604 647	521 462	468 254
Trade and other receivables	547 920	303 268	410 621	318 054	226 850
Investment in escrow	–	–	–	91 458	–
Cash and cash equivalents	298 580	104 980	1 697 853	1 186 709	920 903
South African Revenue Service	9 645	12 908	12 795	–	–
Mineral resources classified as held-for-sale	–	1 180 300	–	–	–
Total assets	14 357 664	12 243 852	11 874 456	10 019 977	9 301 748
Shareholders' equity	10 815 635	10 413 247	10 115 352	8 833 154	8 332 186
Deferred tax	476 053	504 628	477 145	447 212	428 821
Domestic medium term notes	1 250 000	–	–	–	–
Non-current liabilities and provisions	271 773	143 972	107 335	64 948	53 838
Current liabilities	1 544 203	1 182 005	1 174 624	674 663	486 903
Total equity and liabilities	14 357 664	12 243 852	11 874 456	10 019 977	9 301 748

STATEMENTS OF CASH FLOWS (R000)

	F2013	F2012	F2011*	F2010*	F2009*
Operating cash flow	622 463	437 662	769 422	839 683	671 236
Cash generated from operations	877 529	595 918	726 807	947 920	1 002 454
Investment revenue	33 434	50 723	82 183	163 625	127 739
Change in working capital	(281 104)	(90 367)	182 380	783	357 340
Change in short-term provisions	8 204	12 460	6 073	9 111	(24 361)
Interest paid	123 703	–	–	–	–
Taxation paid	(139 303)	(131 072)	(228 021)	(281 756)	(791 936)
Investing cash flow	(1 801 501)	(2 010 021)	(197 171)	(373 237)	(451 733)
Financing cash flow	1 372 638	(20 514)	(61 107)	(200 640)	(798 348)
Dividends paid	(21 747)	(57 364)	(90 202)	(216 158)	(802 122)
Finance charges	(123 703)	–	–	–	–
Revolving credit facilities utilised	250 000	–	–	–	–
Domestic medium term notes issued	1 250 000	–	–	–	–
Other financing cash flows	18 088	36 850	29 095	15 518	3 774
Net cash flow	193 600	(1 592 873)	511 144	265 806	(578 845)
Cash and cash equivalents at beginning of year	104 980	1 697 853	1 186 709	920 903	1 499 748
Cash and cash equivalents at end of year	298 580	104 980	1 697 853	1 186 709	920 903

** Restated*

	2013	2012	2011	2010	2009
OPERATING PERFORMANCE					
Merensky					
Tonnes milled	958 211	884 660	793 490	1 002 208	1 050 404
Head grade – g/ton (3PGEs + Au)	5.8	5.9	5.6	5.9	5.8
UG2					
Tonnes milled	1 157 501	1 049 017	797 355	1 036 017	1 054 687
Head grade – g/ton (3PGEs + Au)	4.2	4.4	4.3	4.5	4.4
Combined					
Tonnes milled	2 115 712	1 933 677	1 590 845	2 038 225	2 105 091
Head grade – g/ton (3PGEs + Au)	4.9	5.1	4.9	5.2	5.1
Precious metals in concentrates produced – kg	9 041	8 979	7 779	9 999	9 408
Precious metals in concentrates purchased – kg	1 633	1 877	2 244	2 106	487
Precious metals sold – kg	10 704	9 980	9 872	12 313	10 362
Revenue – R/kg	365 217	335 325	323 899	288 255	280 609
Operating costs – R/kg	334 899	311 645	307 203	236 769	219 691
Cash costs – R/kg	309 421	283 934	279 118	215 900	199 680
Precious metals in concentrates produced – oz	290 675	288 675	250 100	321 475	302 474
Precious metals in concentrates purchased – oz	52 502	60 347	72 146	67 709	15 657
Precious metals sold – oz	344 128	320 861	317 392	395 879	333 147
Price realised – US$/oz	1 276	1 345	1 439	1 185	1 001
Operating costs – US$/oz	1 181	1 247	1 363	983	766
Cash costs – US$/oz	1 091	1 136	1 238	885	696
Sales per metal – oz					
Platinum	212 373	195 735	196 688	242 596	202 141
Palladium	100 716	92 000	90 710	116 303	97 940
Rhodium	25 281	27 095	23 550	28 655	27 271
Gold	5 757	6 031	6 444	8 325	5 795
Total – 3PGE + Au	344 127	320 861	317 392	395 879	333 147
Prices realised – US$/oz					
Platinum	1 568	1 622	1 698	1 452	1 152
Palladium	683	679	971	384	236
Rhodium	1 117	1 523	2 251	2 193	2 660
Gold	1 584	1 686	1 368	1 093	878
Basket – 3PGE + Au	1 276	1 345	1 439	1 185	1 001
Prices realised – R/kg					
Platinum	448 004	404 433	382 245	353 507	325 730
Palladium	195 716	169 151	150 703	93 417	66 509
Rhodium	322 085	381 165	508 056	532 925	721 775
Gold	455 474	421 395	308 068	266 527	249 094
Basket – 3PGE + Au	365 217	335 325	323 899	288 255	280 609

	2013	2012	2011*	2010*	2009*
FINANCIAL PERFORMANCE					
Operating margin – %	13.7	9.2	10.8	19.9	25.7
Effective tax rate – %	24.3	31.4	34.3	34.2	37.9
Return on shareholders' equity – %	5.0	3.0	3.7	7.3	7.6
Return on total assets – %	3.7	2.5	2.9	6.4	6.7
Current ratio	1.1	1.0	2.3	3.1	3.3
Acid ratio	0.2	0.1	1.4	1.8	1.7
US Dollar / Rand exchange rate					
– average	8.82	7.77	7.01	7.59	8.92
– at year end	10.01	8.16	6.78	7.67	7.72

	2013	2012	2011*	2010*	2009*
SHARE PERFORMANCE					
Weighted average number of shares in issue – 000	382 561	382 426	363 088	360 292	343 162
Number of shares at year end – 000	382 586	382 497	382 416	360 642	359 910
Operating cash flow per share – cents	162.7	114.4	216.3	239.4	195.6
Earnings per share – cents	132.0	81.2	96.2	177.9	183.7
Headline earnings per share – cents	136.5	80.9	89.5	177.8	172.2
Dividends per share – cents	–	5.0	15.0	40.0	78.0
Dividend cover	–	16.2	17.9	4.4	2.2
Net asset value per share – cents	2 827.0	2 722.0	2 645.0	2 449.0	2 315.0
Share price (cents)					
– high	4 098	2 398	5 153	5 772	7 035
– low	2 251	2 281	3 920	2 700	1 650
– at year end	3 200	2 325	4 247	4 550	3 000
Platinum sector index at year end	37.1	51.2	69.5	73.5	63.0
Compound return over 5 years – %	(13.2)	(11.3)	6.6	35.7	36.9
Average monthly volume of shares traded – 000	20 257	23 555	16 289	17 188	13 655
Annual liquidity (%)	63.5	73.9	53.8	57.2	47.8

* *Restated*