

COMPANY BALANCE SHEET

AT 30 JUNE 2006

	Note	2006 R 000	2005 R 000
ASSETS			
Non-current assets			
Investment in group companies	2	495 593	63 250
Available-for-sale investments	3	169 750	232 093
Loans to group companies		28 000	–
		693 343	295 343
Current assets			
Amounts due from group companies		20 528	22 975
Prepaid taxation		–	24
Cash resources		220	11
		20 748	23 010
TOTAL ASSETS		714 091	318 353
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital	4	700	700
Share premium	5	30 358	–
Retained earnings		316 768	157 454
Other reserves	6	100 419	99 299
Total equity		448 245	257 453
Non-current liabilities			
Loans from group companies		226 651	44 000
Deferred taxation	7	21 751	16 363
		248 402	60 363
Current liabilities			
Trade and other payables		178	124
Taxation		16 854	–
Amounts due to group companies		412	413
		17 444	537
TOTAL EQUITY AND LIABILITIES		714 091	318 353

COMPANY INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2006

	Note	2006 R 000	2005 R 000
Revenue	8	99 588	46 744
Profit on disposal of available-for-sale investments		145 777	–
Income from investments		99 589	46 744
Discount on BEE transaction		(35 752)	–
Administrative expenses		(3 783)	(1 064)
Finance costs		(985)	–
Profit before taxation	9	204 846	45 680
Taxation	10	16 884	6
Profit for the year		187 962	45 674
Dividends declared per share (cents)	11	230	95

COMPANY CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2006

	Note	2006 R 000	2005 R 000
Cash retained from/(utilised in) operating activities		32 914	(117)
Cash utilised in operations	12.1	(3 782)	(1 064)
Investment income	12.2	98 930	46 940
Movements in working capital	12.3	2 475	(19 365)
Cash generated by operating activities		97 623	26 511
Interest income		658	21
Finance costs		(985)	–
Taxation paid	12.4	(6)	(57)
Dividends paid	12.5	(64 376)	(26 592)
Cash (utilised in)/generated from investing activities		(217 714)	122
Acquisition of additional shares in and joint venture company	12.6	(407 343)	–
Acquisition of preference shares in subsidiary company		(25 000)	–
Proceeds on disposal of listed investments		214 629	–
Proceeds on share repurchase		–	122
Cash generated by financing activities		185 009	–
Repurchase of ordinary share capital		(162 694)	–
Net proceeds from the issue of ordinary share capital at a premium		193 052	–
Movement in group company balances		154 651	–
Cash resources			
– increase for the year		209	5
– at beginning of year		11	6
– at end of year		220	11

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2006

	Note	2006 R 000	2005 R 000
Share capital			
Balance at beginning of year		700	700
Issue of shares		55	–
Repurchase of shares		(55)	–
Balance at beginning and end of year	4	700	700
Share premium			
Balance at beginning of year		–	–
Issue of shares		196 872	–
Share issue expenses on the above issues charged to share premium in terms of section 76 of the Companies Act		(3 820)	–
Repurchase of shares		(162 694)	–
Balance at end of year	5	30 358	–
Other reserves			
Balance at beginning of year		99 299	42 209
		1 120	57 090
Net increase in the market value of available-for-sale investments		6 508	66 501
Deferred capital gains taxation provided on revaluation of available-for-sale investments to market value		(5 388)	(9 411)
Balance at end of year	6	100 419	99 299
Retained earnings			
Balance at beginning of year		157 454	138 380
Profit per income statement		187 962	45 674
Discount on BEE transaction		35 752	–
Ordinary dividends declared during the year			
Final dividend No. 97 of 150 cents (2005: 45 cents) per share – declared on 30 August 2005		(42 000)	(12 600)
Interim dividend No. 98 of 80 cents (2005: 50 cents) per share – declared on 15 March 2006		(22 400)	(14 000)
Balance at end of year		316 768	157 454
Per balance sheet		448 245	257 453

NOTES TO THE COMPANY FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2006

I. INTEREST OF COMPANY IN ITS SUBSIDIARY COMPANIES

	Issued share capital 2006 R	Issued share capital 2005 R	Direct interest in share capital 2006 %	Direct interest in share capital 2005 %	Shares at cost 2006 R 000	Shares at cost 2005 R 000	Amounts due from/(to) subsidiary companies 2006 R 000	Amounts due to subsidiary companies 2005 R 000
Incorporated in South Africa								
Ordinary shares								
African Mining and Trust Company Limited	1 000 000	1 000 000	100	100	1 200	1 200	46 933	(6 025)
Bokamoso Trust	–	–	100	–	–	–	–	–
Ceramox (Proprietary) Limited	100	100	100	100	1 124	1 124	(404)	(404)
General Nominees (Proprietary) Limited	4	4	100	100	–	–	–	–
Erven 40 and 41 Illovo (Proprietary) Limited	1 000	1 000	100	100	–	–	–	–
Erven 27 and 28 Illovo (Proprietary) Limited	1 000	1 000	100	100	–	–	–	–
Erf 1263 Parkview Extension I (Proprietary) Limited	1 000	–	100	–	–	–	–	–
Ore and Metal Company Limited	100 000	100 000	100	100	105	105	(226 652)	(15 000)
Rustenburg Minerals Development Company (Proprietary) Limited	130 000	130 000	100	100	–	–	(7)	(7)
Wonderstone Limited	10 000	10 000	100	100	10	10	1 595	(2)
Wonderstone 1937 Limited	45 940	45 940	100	100	35	35	–	–
Zeerust Chrome Mines Limited	1 300 000	1 300 000	100	100	1 114	1 114	–	–
Incorporated in Namibia								
Krantzberg Mines Limited	500 000	500 000	100	100	–	–	–	–
Incorporated in Mozambique								
Amhold Limitada	2	2	100	100	–	–	–	–
Incorporated in United States of America								
Minerais U.S. LLC	17 756 100	17 756 100	51	51	11 418	11 418	–	–
Preference shares								
Main Street 350 (Proprietary) Limited	–	–	–	–	25 000	–	–	–
					40 006	15 006	(178 535)	(21 438)
Less – held indirectly – provided against					(11 452)	(11 452)		
					(1 114)	(1 114)		
Per note 2					27 440	2 440	(178 535)	(21 438)

^ Dormant companies

NOTES TO THE COMPANY FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2006 CONTINUED

	2006 R 000	2005 R 000
2. INVESTMENT IN GROUP COMPANIES		
Joint venture entity	468 153	60 810
Subsidiary companies (per note 1)	27 440	2 440
	495 593	63 250
Investment in joint venture entity		
Assmang Limited 1 774 103 (2005:1 620 214) ordinary shares at cost and directors' valuation	468 153	60 810
Investment in subsidiary companies (refer to note 1)		
Shares at cost	27 440	2 440
Loan accounts receivable	28 000	–
Current accounts receivable	20 528	22 975
Loan accounts payable	(226 651)	(44 000)
Current accounts payable	(412)	(413)
	(178 535)	(21 438)
The loans due to and from subsidiary companies are interest free and have no fixed repayment dates.		
3. AVAILABLE-FOR-SALE INVESTMENTS		
Listed – at market value	169 625	231 968
Unlisted – at cost and directors' valuation	125	125
	169 750	232 093
Listed – at cost	47 455	116 307
A register containing details of investments held by the group is available for inspection at the registered office of the holding company.		

	2006 R 000	2005 R 000
4. SHARE CAPITAL		
Authorised		
40 000 000 (2005: 40 000 000) ordinary shares of 2,5 cents each	1 000	1 000
Issued		
Balance at beginning of year (28 000 000 ordinary shares of 2,5 cents each)	700	700
Issue of shares 1 696 890 shares of 2,5 cents per share at a premium of R84,98 per share and for a consideration of R144,2 million	42	–
Issue of shares 517 309 shares of 2,5 cents per share at a premium of R101,83 per share, and for a consideration of R52,7 million	13	–
Repurchase of 2 214 199 shares of 2,5 cents per share at R63,00 per share	(55)	–
Balance at end of year (28 000 000 ordinary shares of 2,5 cents each)	700	700
Refer to note 5 for details of the share premium and share issue expenses.		
5. SHARE PREMIUM		
Balance at beginning of year	–	–
Issue of 1 696 890 shares at a premium of R84,98 per share	144 193	–
Issue of 517 309 shares at a premium of R101,83 per share	52 679	–
Repurchase of 2 214 199 shares	(162 694)	–
Share issue expenses on the above transactions	(3 820)	–
Balance at end of year	30 358	–
6. OTHER RESERVES		
After tax fair value adjustment arising on the revaluation of available-for-sale investments		
Fair value adjustment surplus on the revaluation of available-for-sale investments	122 170	115 662
Less: deferred capital gains taxation	(21 751)	(16 363)
	100 419	99 299

NOTES TO THE COMPANY FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2006 CONTINUED

	2006 R 000	2005 R 000
7. DEFERRED TAXATION		
At year-end		
Raised on the following differences:		
Valuation of available-for-sale investments	21 751	16 363
Movements		
Deferred liability balance at beginning of year	16 363	6 952
Revaluation of investments	5 388	9 411
Deferred liability balance at end of year	21 751	16 363
8. REVENUE		
Revenue comprises:		
Dividends received	98 930	46 723
Interest received	658	21
	99 588	46 744
9. PROFIT BEFORE TAXATION AND STATE'S SHARE OF PROFITS		
Profit before taxation is stated after taking into account the following items of income and expenditure:		
Income		
Dividends received	98 930	46 723
Joint venture entity	95 802	41 315
Available-for-sale investments	3 128	5 408
Interest received	658	21
Profit on disposal of listed investments	145 777	–
Expenditure		
Auditors' remuneration – audit fees	56	46
Directors' remuneration	26 782	22 834
– directors' fees	678	678
– other services	26 104	22 156
Finance costs	985	–
Transfer secretary fees	212	183
10. TAXATION		
South African normal tax – current year	191	6
Capital gains tax	16 693	–
	16 884	6

The company has unused credits in respect of secondary tax on companies of R76,8 million (2005: R51,6 million).

	2006 R 000	2005 R 000
10. TAXATION (continued)		
Reconciliation of tax rate (%)		
Nominal tax rate	29,00	29,00
Adjusted for:		
Dividend income	(14,01)	(29,66)
Exempt income	(20,64)	–
Capital gains tax	8,15	
Disallowable expenditure	5,06	0,58
Other	0,68	0,09
Effective tax rate	8,24	0,01
11. DIVIDENDS		
Dividends declared		
Final dividend No. 97 of 150 cents (2005: 45 cents) per share – declared on 30 August 2005	42 000	12 600
Interim dividend No. 98 of 80 cents (2005: 50 cents) per share – declared on 15 March 2006	22 400	14 000
Ordinary – declared	64 400	26 600
Per share (cents)	230	95
Dividends for the year		
Interim dividend No. 98 of 80 cents (2005: 50 cents) per share – declared on 15 March 2006	22 400	14 000
Final dividend No. 99 of 150 cents declared on 30 August 2006	42 000	42 000
Ordinary – paid	64 400	56 000
Per share (cents)	230	200
12. NOTES TO THE CASH FLOW STATEMENTS		
12.1 Cash utilised in operations		
Profit before taxation and State's share of profits	204 846	45 680
Adjusted for:	(208 628)	(46 744)
– Dividends received	(98 930)	(46 723)
– Interest received	(658)	(21)
– Profit on disposal of available-for-sale investments	(145 777)	–
– Discount on BEE transaction	35 752	–
– Finance costs	985	–
	(3 782)	(1 064)
12.2 Investment income		
Dividends receivable at beginning of year	–	217
Credited to the income statements	98 930	46 723
	98 930	46 940

NOTES TO THE COMPANY FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2006 CONTINUED

	2006 R 000	2005 R 000
12. NOTES TO THE CASH FLOW STATEMENTS (continued)		
12.3 Movements in working capital		
Decrease in trade and other receivables	–	946
Increase/(decrease) in amounts owing by group companies	2 445	(19 914)
Increase/(decrease) in trade and other payables	30	(397)
	2 475	(19 365)
12.4 Taxation paid		
Prepaid/(unpaid) at beginning of year	24	(27)
Charged to the income statements	(16 884)	(6)
Unpaid/(prepaid) at end of year	16 854	(24)
	(6)	(57)
12.5 Dividends paid		
Unpaid at beginning of year	(76)	(68)
Paid during the year	(64 400)	(26 600)
Unpaid at end of year	100	76
	(64 376)	(26 592)
12.6 Acquisition of additional shares in a joint venture company		
Purchase consideration	407 343	–
Less: cash excluded in assets acquired	(2 837)	–
Net cash paid	404 506	–
13. BORROWING CAPACITY		
The borrowing capacity of the company, its joint venture and subsidiaries, in terms of its Articles of Association are as follows:		
Authorised in terms of the Articles of Association	200 000	200 000
External borrowings at year-end	–	–
Unutilised borrowing capacity	200 000	200 000
14. CONTINGENT LIABILITIES		
Guarantees		
Guarantees issued to bankers as security for facilities provided to subsidiary companies	262 933	246 098
Joint venture entity		
The company has issued guarantees to bankers to secure a short-term export finance agreement facility of R180 million (2005: R180 million). The facility is primarily utilised for and on behalf of Assmang in which the group holds a 50% interest and which in turn has provided a back-to-back guarantee against any claims made by bankers in terms of this facility.		
BEE transaction		
"A" and "B" preference shares were issued as part of the BEE transaction entered into during the year. If an event of default is triggered in relation to the "A" and "B" preference shares, the provisions of the relevant put option and call agreements entered into will apply as more fully explained in note 21 of the consolidated annual financial statements.		