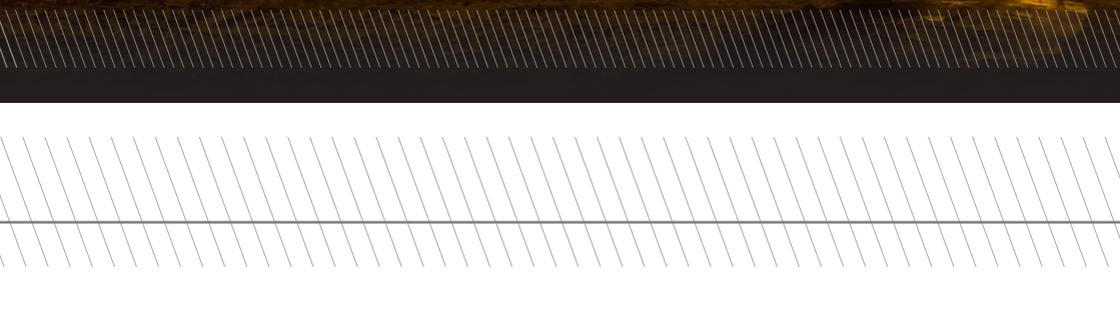




**RESULTS FOR THE  
HALF-YEAR ENDED 31 DECEMBER 2018**



# HIGHLIGHTS

Headline earnings  
**20% higher**



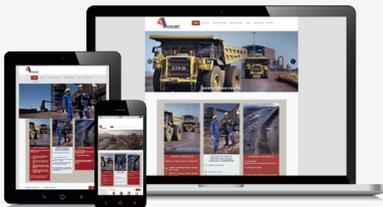
Interim dividend  
of R10 per share



Iron ore and  
manganese ore  
prices remain firm



Continuous commitment  
to overall  
safety performance



Assore Limited  
Registration number: 1950/037394/06  
Share code: ASR  
ISIN: ZAE000146932  
(Assore or group or company)



These results are also available on  
[www.assore.com](http://www.assore.com)

## Safety

### Assore operations

Dwarsrivier Chrome Mine Proprietary Limited (Dwarsrivier) achieved an improvement in its lost-time injury frequency rate (LTIFR) to 0,18 for the six months to 31 December 2018 (the current period, or H1 FY19) from 0,23 for the six months to 31 December 2017 (the previous period, or H1 FY18). However, incidents at Assore's other operations, resulted in an overall increase in the LTIFR from 0,21 to 0,29 over the same period.

### Assmang operations

The combined LTIFR of the Assmang Proprietary Limited (Assmang) operations, which is jointly controlled by Assore and African Rainbow Minerals Limited (ARM), has deteriorated slightly to a level of 0,13 for the current period, compared to 0,12 for the previous period.

The group remains committed to the pursuit of continued, sustainable improvement in our overall safety performance.

## Group financial performance

Headline earnings for H1 FY19 increased by 20% to R2,92 billion, compared to R2,43 billion for the H1 FY18. Assmang, in which Assore has a 50% interest, recorded headline earnings of R4,29 billion (H1 FY18: R3,47 billion), an increase of 23%, on a 100% basis. This contributed R2,14 billion towards the group's headline earnings. In accordance with International Financial Reporting Standards (IFRS), Assmang is classified as a joint venture and accordingly, its financial results are equity accounted. The rest of the group's operations reported headline earnings that were 15% higher than the previous period, at R0,77 billion, of which Dwarsrivier contributed R327 million (H1 FY18: R440 million), with commissions and interest earned making up most of the balance. Attributable earnings amounted to R2,92 billion, 19% higher than H1 FY18.

The average SA rand/US dollar exchange rate for the current period was R14,06, 5% weaker than the level that prevailed during H1 FY18. The index price for iron ore (62% iron content, fines grade, delivered in China (the index price)) was stable, while the lump premium for the current period increased to US dollar 20,49 from US dollar 15,03 in H1 FY18. Manganese ore price indices were higher for both quoted grades (44% and 37% manganese content) compared to H1 FY18. Sales volumes of iron ore and chrome ore were lower than in the previous corresponding period due to unforeseen inland logistical challenges while sales volumes of manganese ore and alloys were higher.

Production and sales volumes achieved by the group were as follows:

<b>Metric tons '000</b>	<b>Six months to 31 December 2018</b>	Six months to 31 December 2017	% (decrease)/ increase
<b>Production volumes (100%)</b>			
Iron ore	<b>8 742</b>	9 143	(4)
Manganese ore	<b>1 737</b>	1 865	(7)
Manganese alloys	<b>194</b>	190	2
Chrome ore	<b>765</b>	717	7
<b>Sales volumes (100%)</b>			
Iron ore	<b>8 752</b>	9 130	(4)
Manganese ore*	<b>1 605</b>	1 556	3
Manganese alloys	<b>164</b>	162	1
Chrome ore	<b>757</b>	794	(5)

\* Excluding intragroup sales

Strong cash generation resulted in group net cash increasing by 16% to R7,65 billion at December 2018 (December 2017: R6,6 billion). The board has declared an interim dividend of 1 000 cents (H1 FY18: 1 000 cents) per share, which will be paid to shareholders on or about 18 March 2019.

## Market conditions

The markets into which the group sells its products were generally stronger in comparison to the 2017 calendar year. World crude steel demand is estimated to have grown by 3,9% in the 2018 calendar year (CY18), resulting in favourable iron ore and manganese ore prices for the current period. The world stainless-steel production is estimated to have grown by 6,1% in CY18. However, the demand for stainless steel eased towards the end of CY18 resulting in a decrease in the average index price for chrome ore compared to the previous period.

## Assmang (iron ore and manganese)

Attributable earnings increased by 23% over the previous period to R4,28 billion (100% basis, H1 FY18: R3,47 billion). Iron ore delivered R2,43 billion (H1 FY18: R1,75 billion) while manganese ore and alloys contributed R1,85 billion (H1 FY18: R1,74 billion). This was driven mostly by increased turnover which was 17% up on the previous period to R16,29 billion on the back of the weaker average SA rand/US dollar exchange rate, an improved price basket and an increase in the volume of manganese ore sold.

Capital expenditure in Assmang amounted to R1,98 billion for the period (H1 FY18: R1,17 billion). Approximately half of this amount was spent in Assmang's Iron Ore division, including R443 million spent on waste stripping and R404 million on replacement capital. A further R225 million was spent in the Manganese division on the Black Rock Expansion Project (BREP) and R167 million was spent at Gloria. At 31 December



2018, 92% of the capital approved (R6,7 billion) for the BREP had been committed. The capital expenditure in the Manganese division, on the BREP and at Gloria, will provide Assmang with the capacity to produce up to 5,0 million tons per annum of manganese (subject to market conditions), while simultaneously optimising the Black Rock resource and providing grade flexibility.

### **Iron ore**

The average index price for iron ore for the current period remained stable, at US dollar 69 per ton compared to the previous period. However, the lump premium increased by 36% to an average of US dollar 20 per ton, compared to the previous period. This was primarily due to Chinese steel mills utilising increased volumes of higher grade ore amid ongoing environmental restrictions. In addition, there was an increase in the premium achieved for spot sales during the current period.

Assmang's iron ore operations achieved total production of 8,74 million tons and total sales volumes were 8,75 million tons (H1 FY18: 9,14 million tons), 4% lower due to logistical challenges experienced on the export rail line to Saldanha.

### **Manganese ore and alloys**

During the current period, demand and prices for manganese ore remained elevated, driven by China's increased reliance on imported ore. The world market for manganese ore remained undersupplied during the period. Robust levels of Chinese steel production, which were reported to have increased by 6,6% year-on-year in CY18, resulted in higher alloy production, and this continued to support elevated price indices for the period for both higher grade (44% manganese content) and medium grade (37% manganese content) ores.

On the contrary, the world manganese alloy market experienced a period of oversupply which has resulted in pressure on prices. This, together with the sustained elevated prices of manganese ore (as a key input cost to alloy production), has led to some production cut backs by the manganese alloy industry.

Assmang's total sales volumes of manganese ore increased by 3% from the previous period to 1,6 million tons. However, export volumes from Saldanha were negatively impacted by the logistical challenges experienced on the export rail line, which necessitated the use of the road network.

### **Dwarsrivier (chrome ore)**

Increased beneficiation plant utilisation gave rise to a 7% increase in production volumes at Dwarsrivier to 765 000 tons, compared to 717 000 tons produced in the previous period. The Chinese markets for chrome ore (and ferrochrome) were weaker compared to the prior period, resulting in the average US dollar price decreasing by 10% to USD186 per ton (44% chrome content material, delivered China).

Sales volumes decreased by 5% to 757 000 tons (H1 FY18: 794 000 tons) due to inland logistical challenges resulting mainly from community unrest in the vicinity of the mine, as well as congestion experienced in the port of Maputo during the latter quarter of the year. Dwarsrivier thus recorded a reduction in turnover of 8% and a reduction in earnings of 26%. Capital expenditure amounted to R214 million (H1 FY18: R121 million) of which R92,6 million was replacement and the balance being on improving efficiencies and compliance.

### Marketing and shipping

Consolidated marketing commissions earned by the group increased over H1 FY18 in line with Assmang's turnover. Interest earned on the group's cash resources amounted to R308 million (H1 FY18: R219 million).

### Other

The group increased its interest in IronRidge Resources Limited (IronRidge), an Australian minerals exploration company listed on London's Alternative Investment Market (AIM) from 28,9% to 31,27% in November 2018, following a rights issue to the value of R56,6 million. IronRidge has a portfolio of gold, lithium, bauxite and iron ore prospects in Africa and Australia. During the current period, the activities of IronRidge were focused mainly on lithium and gold exploration prospecting in Ghana, Chad and Ivory Coast.

### Outlook

World economic growth remained strong for CY18. However, this growth momentum has started to wane with growth in CY19 forecast to be marginally lower. The expected decline in growth is reflected in the slowdown observed in some of the major advanced economies towards the end of CY18 as a result of ongoing trade actions and the uncertain geopolitical environment. Chinese stimulus measures are being put in place to cushion the slowdown in that economy.

Chinese environmental policies are expected to continue to impact high grade iron ore and manganese ore markets positively thereby supporting the demand for the group's high quality products. The demand for lump iron ore and pellets is expected to remain firm, which should be supportive for premiums on these products. However, the recent decline in steel prices and reduced steel mill profitability in China is anticipated to result in a substitution in favour of ore with lower iron content. This is likely to result in a narrowing of price differentials between the various grades of the group's products.

The growing oversupply in the ferrochrome market and the subsequent pressure on chrome ore prices is set to constrain any major upward chrome ore price movements.

The group remains confident that its portfolio of mines and marketing operations are well positioned for the future.

The outlook statement has not been reviewed and reported on by the group's external auditors.

### Accounting policies and basis of preparation

The directors of Assore take full responsibility for the preparation of this announcement. The financial results for the period under review have been prepared under the supervision of Mr RA Davies, CA(SA) and in accordance with IAS 34 *Interim Financial Reporting* and comply with IFRS, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Pronouncements as issued by Financial Reporting Standards Council, the Listings Requirements of the JSE Limited (JSE) and the Companies Act, No 71 of 2008 (as amended). The accounting policies applied are consistent with those adopted in the financial year ended 30 June 2018 except for the new accounting standards, as described on the following page, that became effective from 1 July 2018.



Ernst & Young Inc., the group's independent external auditor, has reviewed the condensed consolidated half-year results included in this announcement and their modified report on the review is available for inspection at the registered office of the company. The modified opinion in the report is only in respect of comparability to unreviewed results in the previous period. The review was conducted in terms of ISRE 2410 – *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*.

The auditor's report does not necessarily report on all of the information contained in this announcement. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement they should obtain a copy of the auditor's report together with the accompanying financial information from the company's registered office.

## **New accounting standards**

The following accounting standards, as published by the International Accounting Standards Board (IASB) have become effective for the group from 1 July 2018:

### **IFRS 15 Revenue from contracts with customers (IFRS 15)**

IFRS 15 was issued in May 2014, and amended in April 2016, and will supersede all current revenue recognition requirements under IFRS. IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers. The core principle of IFRS 15 is that an entity shall recognise revenue at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The group's revenue is primarily derived from the sale of commodity products. The timing of the revenue recognition is dependent on the sales contract terms as documented in the International Commercial terms (incoterms). In terms of IFRS 15, there was no change in the revenue recognised for free on board (FOB) shipments. The shipping service for all export sales shipped using the cost, insurance and freight (CIF) and cost and freight (CFR) incoterms, represents a separate performance obligation, ie the sale and shipment of goods represent two performance obligations. The primary performance obligation is the supply of the commodity, in which instance the revenue will be recognised once the buyer takes control of the goods. This will not result in a change in revenue recognition from IAS 18 *Revenue* to IFRS 15. The other performance obligation is the delivery of the shipping service where the revenue earned will be recognised over the period that the service is rendered. In December 2018 and December 2017 most of the sales were FOB and therefore the deferral of revenue component was negligible. The application of IFRS 15 did not result in changes to the revenue recognised arising from commission income.

The group has elected to adopt a full retrospective approach to the adoption of the standard. The impact on the reported gross profit for the H1 FY18 is negligible and did not require adjustment. The group will be making additional disclosure in the notes to the financial statements, setting out the respective components of revenue as reported at 30 June 2019.

**IFRS 9 Financial Instruments (IFRS 9)**

IFRS 9 has replaced IAS 39 *Financial Instruments: Recognition and Measurement* and applies to the classification and measurement of financial assets and financial liabilities, their impairment and hedge accounting. The group adopted the new standard on 1 July 2018 which is the group's effective date of adoption and no comparative information was restated. The classification and measurement of financial assets and liabilities adopted by the group will remain mostly unchanged, except for available-for-sale investments, which will be classified as financial assets measured at fair value through other comprehensive income. The impact of this is that all fair value gains and losses will not be recognised in the income statement but will remain in other comprehensive income. This represents a change from the previous treatment of gains and losses recorded on remeasurement of these investments, which required impairment losses as well as gains and losses on disposal to be recognised in the income statement.

The impact of the expected credit losses on financial assets classified at amortised cost in the group was determined as being negligible.

**Subsequent event**

On 6 February 2019, all conditions precedent for the conclusion of the sale of Assmang's smelter operations at Machadodorp had been met, and the assets (which had been previously fully impaired) are due to be disposed of, by 28 February 2019.

**Declaration of interim dividend**

Shareholders are advised that on 25 February 2019, the board approved interim dividend number 124 (the dividend), of 1 000 cents per share (gross) for the half-year ended 31 December 2018.

In terms of paragraph 11.17 of the Listings Requirements of JSE Limited, shareholders are advised of the following with regard to the declaration:

1. the dividend has been declared from retained earnings
2. the local dividend tax (dividend tax) rate of 20% will apply
3. the net local dividend amount is 800 cents per share for shareholders liable to pay the dividend tax
4. the issued ordinary share capital of Assore is 139 607 000 shares, of which 36 460 825 (H1/18: 36 455 970) shares are accounted for as treasury shares in terms of IFRS and are therefore excluded from earnings per share calculations; and
5. Assore's income tax reference number is 9045/018/84/4.

The salient dates are as follows:

- Last day for trading to qualify and participate in the interim dividend; Tuesday, 12 March 2019
- Trading "ex dividend" commences; Wednesday, 13 March 2019
- Record date; Friday, 15 March 2019
- Dividend payment date; and Monday, 18 March 2019
- Dates (inclusive) between which share certificates may not be dematerialised or rematerialised. Wednesday, 13 March 2019 to Friday, 15 March 2019

On behalf of the board

**Desmond Sacco**  
Chairman

**Charles Walters**  
Chief Executive Officer

Johannesburg

26 February 2019

# CONDENSED CONSOLIDATED INCOME STATEMENT

	<b>Half-year ended 31 December 2018 Reviewed</b>	Half-year ended 31 December 2017 Unaudited	Year ended 30 June 2018 Audited
<b>R'000</b>			
<b>Revenue</b>	<b>3 947 562</b>	3 841 588	7 804 737
Turnover	<b>3 073 911</b>	3 138 720	6 305 587
Cost of sales	<b>(2 509 512)</b>	(2 416 102)	(4 800 780)
Gross profit	<b>564 399</b>	722 618	1 504 807
Commissions on sales and technical fees	<b>560 423</b>	458 174	979 005
Foreign exchange gains	<b>84 109</b>	–	–
Other income	<b>340 430</b>	291 731	648 564
Impairment of financial and non-financial assets	–	(21 564)	(31 083)
Foreign exchange losses	–	(81 998)	(6 896)
Other expenses	<b>(381 968)</b>	(336 003)	(762 531)
Finance costs	<b>(19 384)</b>	(8 912)	(19 394)
Profit before taxation and joint venture	<b>1 148 009</b>	1 024 046	2 312 472
Taxation	<b>(335 280)</b>	(262 764)	(645 546)
Profit after taxation, before joint venture	<b>812 729</b>	761 282	1 666 926
Share of profit from joint venture, after taxation	<b>2 133 162</b>	1 728 868	3 524 287
Share of loss from associate, after taxation	<b>(13 889)</b>	(8 404)	(16 211)
<b>Profit for the period</b>	<b>2 932 002</b>	2 481 746	5 175 002
Attributable to:			
Shareholders of the holding company	<b>2 915 592</b>	2 454 375	5 119 329
Non-controlling shareholders	<b>16 410</b>	27 371	55 673
As above	<b>2 932 002</b>	2 481 746	5 175 002
Earnings as above	<b>2 915 592</b>	2 454 375	5 119 329
Impairment of non-financial assets in joint venture and subsidiaries	<b>19 628</b>	21 564	48 929
Gain on disposal of subsidiary	<b>(2 669)</b>	–	–
Profit on disposal of property, plant and equipment in joint venture and subsidiaries	<b>(12 952)</b>	(5 619)	(4 348)
Profit on sale of available-for-sale investments	–	(42 565)	(42 432)
Taxation effect of above items	<b>(2 595)</b>	1 258	(12 726)
<b>Headline earnings</b>	<b>2 917 004</b>	2 429 013	5 108 752
Earnings per share (basic and diluted – cents)	<b>2 827</b>	2 379	4 963
Headline earnings per share (basic and diluted – cents)	<b>2 828</b>	2 355	4 953
Dividends per share declared in respect of the profit for the period (cents)	<b>1 000</b>	1 000	2 200
– Interim	<b>1 000</b>	1 000	1 000
– Final			1 200
Weighted average number of ordinary shares (million)			
Ordinary shares in issue	<b>139,61</b>	139,61	139,61
Weighted impact of treasury shares held in trust	<b>(36,46)</b>	(36,45)	(36,46)
	<b>103,15</b>	103,16	103,15

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

**R'000**

## Profit for the period (as above)

Items that may be reclassified into the income statement dependent on the outcome of a future event

Gains on revaluation to market value of available-for-sale investments after taxation

Gain on revaluation to market value of available-for-sale investments

Deferred capital gains tax thereon

Exchange differences on translation of foreign operations

Items that may not be reclassified into the income statement dependent on the outcome of a future event

Gain on revaluation to market value of financial assets measured at fair value through other comprehensive income after taxation

Gain on revaluation to market value of financial assets measured at fair value through other comprehensive income

Deferred capital gains tax thereon

Actuarial gain on pension fund, after taxation

## Total comprehensive income for the period, net of tax

Comprehensive income attributable to non-controlling shareholders

Attributable to shareholders of the holding company

<b>Half-year ended 31 December 2018 Reviewed</b>	Half-year ended 31 December 2017 Unaudited	Year ended 30 June 2018 Audited
<b>2 932 002</b>	2 481 746	5 175 002
<b>38 204</b>	22 086	162 862
–	30 186	32 933
–	38 900	77 024
–	(8 714)	(44 091)
<b>38 204</b>	(8 100)	129 929
<b>1 625</b>	–	17 206
<b>1 625</b>	–	–
<b>2 096</b>	–	–
<b>(471)</b>	–	–
–	–	17 206
<b>2 971 831</b>	2 503 832	5 355 070
<b>(19 859)</b>	(40 166)	(57 709)
<b>2 951 972</b>	2 463 666	5 297 361

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<b>R'000</b>	<b>At 31 December 2018 Reviewed</b>	At 31 December 2017 Unaudited	At 30 June 2018 Audited
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment and intangible assets	<b>1 943 713</b>	1 662 604	1 793 865
Investments			
– joint venture	<b>16 410 049</b>	16 278 970	15 984 321
– financial assets measured at fair value through other comprehensive income (2017: available-for-sale investments)	<b>264 096</b>	223 876	262 003
– associate	<b>199 371</b>	172 297	154 896
– other	<b>7 772</b>	21 559	7 568
Long-term loans	<b>9 300</b>	–	6 000
Pension fund surplus	<b>129 245</b>	93 144	129 245
Total non-current assets	<b>18 963 546</b>	18 452 450	18 337 898
<b>Current assets</b>			
Inventories	<b>1 830 318</b>	1 049 715	1 361 954
Trade and other receivables	<b>1 155 033</b>	625 364	1 222 327
Cash resources	<b>8 754 832</b>	7 115 272	8 449 797
Assets held-for-sale as part of identified disposal groups	<b>213</b>	–	1 351
Total current assets	<b>11 740 396</b>	8 790 351	11 035 429
<b>TOTAL ASSETS</b>	<b>30 703 942</b>	27 242 801	29 373 327
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Ordinary shareholders' interest	<b>27 844 362</b>	24 524 354	26 091 352
Non-controlling shareholders' deficit	<b>(62 184)</b>	(1 877)	(40 990)
Total equity	<b>27 782 178</b>	24 522 477	26 050 362
<b>Non-current liabilities</b>			
Net deferred taxation liabilities	<b>411 095</b>	264 871	345 440
Non-interest-bearing liabilities	<b>197 541</b>	135 925	184 152
Total non-current liabilities	<b>608 636</b>	400 796	529 592
<b>Current liabilities</b>			
Interest-bearing	<b>1 108 262</b>	513 874	584 472
Non-interest-bearing	<b>1 204 328</b>	1 805 654	2 191 727
Liabilities associated with assets held-for-sale	<b>538</b>	–	17 174
Total current liabilities	<b>2 313 128</b>	2 319 528	2 793 373
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>30 703 942</b>	27 242 801	29 373 327

## FAIR VALUES OF FINANCIAL INSTRUMENTS

The group uses the following hierarchy for determining and disclosing the fair value inputs of financial instruments:

Level 1 – quoted prices in an active market that are unadjusted for identical assets or liabilities;  
 Level 2 – valuation techniques using inputs, which are directly or indirectly observable; and  
 Level 3 – valuations based on data that is not observable (not applicable to the Group).

The values of all other financial instruments recognised, but not subsequently measured at fair value, approximate fair value.

<b>R'000</b>	<b>Half-year ended 31 December 2018 Reviewed Level 1</b>	Half-year ended 31 December 2017 Unaudited Level 1	Year ended 30 June 2018 Audited Level 1
<b>Assets measured at fair value</b>			
Financial assets measured at fair value through other comprehensive income (2017: available-for-sale investments)	<b>264 096</b>	223 876	262 003
Other investments	<b>7 772</b>	21 559	7 568
	<b>271 868</b>	245 435	269 571

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

<b>R'000</b>	<b>Half-year ended 31 December 2018 Reviewed</b>	Half-year ended 31 December 2017 Unaudited*	Year ended 30 June 2018 Audited
Cash (utilised by)/generated from operations	<b>(1 691 418)</b>	595 079	185 515
Net cash (utilised by)/generated from operations	<b>(517 904)</b>	1 427 050	2 342 134
Net finance costs and taxation flows	<b>64 970</b>	(6 555)	(225 550)
Net dividend flows	<b>(1 238 484)</b>	(825 416)	(1 931 069)
Cash retained from investing activities	<b>1 472 663</b>	958 900	2 632 751
Dividends received from joint venture entity	<b>1 750 000</b>	1 000 000	3 000 000
Net capital expenditure	<b>(277 337)</b>	(41 100)	(367 249)
Cash generated/(utilised) by financing activities	<b>523 790</b>	(65 485)	4 753
Increase in cash for the period	<b>305 035</b>	1 488 494	2 823 019
Cash resources at beginning of period	<b>8 449 797</b>	5 626 778	5 626 778
<b>Cash resources per statement of financial position</b>	<b>8 754 832</b>	7 115 272	8 449 797

\* The net cash generated from operations, net finance costs and taxation flows, net dividend flows, dividends received from joint venture entity and net capital expenditure lines were included in these results with H1 FY18 being restated accordingly to clarify the movements in cash generated from operations and cash retained from investing activities.

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

R'000

## Share capital, share premium and other reserves

Balance at beginning of period  
 Other comprehensive income for the period  
 Net increase in the market value of financial assets measured at fair value through other comprehensive income (2017: net increase in the market value of available-for-sale investments)  
 Actuarial gains on pension plan after taxation  
 Foreign currency translation reserve arising on consolidation

Balance at end of period

## Treasury shares

Balance at beginning of period  
 Acquired during the period  
 Balance at end of period

## Retained earnings

Balance at beginning of period  
 Profit for the period attributable to shareholders  
 Ordinary dividends declared during the period  
 – total dividends declared  
 – dividends on treasury shares held in BEE trusts

Balance at end of period

## Ordinary shareholders' interest

## Non-controlling shareholders' deficit

Balance at beginning of period  
 Share of total comprehensive (loss)/income  
 Total comprehensive (loss)/income for the period  
 – profit for the period  
 – other comprehensive (loss)/income  
 – dividends paid to non-controlling shareholders

Balance at end of period

## Total equity

<b>Half-year ended 31 December 2018 Reviewed</b>	Half-year ended 31 December 2017 Unaudited	Year ended 30 June 2018 Audited
<b>523 327</b>	563 925	341 223
<b>77 434</b>	26 055	182 104
<b>1 625</b>	30 186	32 933
<b>–</b>	–	17 206
<b>75 809</b>	(4 131)	131 965
<b>600 761</b>	589 980	523 327
<b>(5 065 510)</b>	(5 062 848)	(5 062 848)
<b>(1 532)</b>	(2 662)	(2 662)
<b>(5 067 042)</b>	(5 065 510)	(5 065 510)
<b>30 633 535</b>	27 370 925	27 370 925
<b>2 915 592</b>	2 454 375	5 119 329
<b>(1 238 484)</b>	(825 416)	(1 856 719)
<b>(1 675 284)</b>	(1 116 856)	(2 512 926)
<b>436 800</b>	291 440	656 207
<b>32 310 643</b>	28 999 884	30 633 535
<b>27 844 362</b>	24 524 354	26 091 352
<b>(40 990)</b>	(24 348)	(24 348)
<b>(21 194)</b>	22 471	(16 642)
<b>(21 194)</b>	23 402	57 709
<b>16 410</b>	27 371	55 673
<b>(37 604)</b>	(3 969)	2 036
<b>–</b>	(931)	(74 351)
<b>(62 184)</b>	(1 877)	(40 990)
<b>27 782 178</b>	24 522 477	26 050 362

# SEGMENTAL INFORMATION

**R'000**

**Half-year ended 31 December 2018 – Reviewed**

Revenues by source

Third party

Inter-segment

Total revenues

Revenues from contracts with customers:

Cost, insurance and freight (CIF) and cost and freight (CFR)

Free on board (FOB) and free carrier (FCA)

Commissions

Other revenues<sup>3</sup>

Fair value adjustments to contract revenues<sup>2</sup>

Total revenues

Contribution to profit

Impairment of financial and non-financial assets

**Half-year ended 31 December 2017 – Unaudited**

Revenues

Third party

Inter-segment

Total revenues

Revenues from contracts with customers:

Cost, insurance and freight (CIF) and cost and freight (CFR)

Free on board (FOB) and free carrier (FCA)

Commissions

Other revenues<sup>3</sup>

Fair value adjustments to contract revenues<sup>2</sup>

Total revenues

Contribution to profit

Impairment of financial and non-financial assets

## Joint venture mining and beneficiation

	Iron ore	Manganese	Chrome	Sub-total	Dwarsrivier	Marketing and shipping	Other mining activities, eliminations and adjustments <sup>1</sup>	Consolidated
9 110 948	7 178 070	-	16 289 018	1 852 017	2 041 156	(16 234 629)	3 947 562	
-	-	-	-	-	64 045	(64 045)	-	
9 110 948	7 178 070	-	16 289 018	1 852 017	2 105 201	(16 298 674)	3 947 562	
8 603 078	7 168 880	-	15 771 958	1 800 306	1 805 344	(15 771 958)	3 605 650	
4 254 863	4 912 382	-	9 167 245	88 026	-	(9 167 245)	88 026	
4 348 215	2 256 498	-	6 604 713	1 712 280	1 244 921 <sup>4</sup>	(6 604 713)	2 957 201	
-	-	-	-	-	560 423	-	560 423	
294 984	9 190	-	304 174	51 711	299 857	(313 830)	341 912	
212 886	-	-	212 886	-	-	(212 886)	-	
9 110 948	7 178 070	-	16 289 018	1 852 017	2 105 201	(16 298 674)	3 947 562	
2 431 917	1 853 903	(7 021)	4 278 799	274 853	503 396	(2 125 046)	2 932 002	
-	28 264	-	28 264	-	-	(14 132)	14 132	
7 900 942	5 962 454	82 860	13 946 256	1 981 955	1 862 603	(13 949 226)	3 841 588	
-	-	-	-	-	69 182	(69 182)	-	
7 900 942	5 962 454	82 860	13 946 256	1 981 955	1 931 785	(14 018 408)	3 841 588	
7 640 328	5 962 454	82 860	13 685 642	1 949 026	1 613 466	(13 685 642)	3 562 492	
3 417 145	3 254 457	81 782	6 753 384	800 601	-	(6 753 384)	800 601	
4 223 183	2 707 997	1 078	6 932 258	1 148 425	1 155 292 <sup>4</sup>	(6 932 258)	2 303 717	
-	-	-	-	-	458 174	-	458 174	
321 216	-	-	321 216	32 929	318 319	(393 368)	279 096	
(60 602)	-	-	(60 602)	-	-	60 602	-	
7 900 942	5 962 454	82 860	13 946 256	1 981 955	1 931 785	(14 018 408)	3 841 588	
1 745 668	1 743 077	(18 536)	3 470 209	440 045	375 774	(1 804 283)	2 481 746	
-	-	-	-	-	-	(21 564)	(21 564)	

Other mining activities include the group's pyrophyllite and related business and the remainder of its operations.

Notes:

<sup>1</sup> The majority of adjustments to revenues give effect to joint venture revenues, which are not disclosed as Assmang is equity accounted.

<sup>2</sup> Provisional to final price adjustments.

<sup>3</sup> Mainly dividends and interest.

<sup>4</sup> Local sales made by Minerals US LLC in the USA.

# CORPORATE INFORMATION

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## Directors

### Executive

Desmond Sacco (Chairman)  
CE Walters (Chief Executive Officer)  
PE Sacco (Deputy Chief Executive Officer)  
RA Davies (Chief Financial Officer)  
BH van Aswegen (Group Technical and Operations Director)

### Non-executive

EM Southey\* (Deputy Chairman and Lead Independent Director)  
DN Aitken\*, TN Mgoduso\*, S Mhlarhi\*, WF Urmson\*  
\*Independent

## Registered office

Assore House, 15 Fricker Road  
Illovo Boulevard  
Johannesburg, 2196

## Company Secretary

African Mining and Trust Company Limited

## Transfer office

Singular Systems Proprietary Limited  
28 Fort Street  
Birnam  
Johannesburg, 2196

## Sponsor

The Standard Bank of South Africa Limited  
30 Baker Street  
Rosebank  
Johannesburg, 2196



*For more information please visit*

[www.assore.com](http://www.assore.com)

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