



ZIMPLATS HOLDINGS LIMITED

ARBN : 083 463 058

**Half year Directors' Report and Financial Statements
31 December 2011**

ZIMPLATS HOLDINGS LIMITED
CONTENTS

	Page
Directors' report	2
Directors' declaration	4
Independent auditors' review report	5
Financial statements	6 - 9
Notes to the financial statements	10 - 15

ZIMPLATS HOLDINGS LIMITED

DIRECTORS' REPORT

The directors present their report together with the consolidated financial report for the half year ended 31 December 2011 and the review report thereon.

Directors

The directors of the Company at any time during or since the end of the half year are:

Names	Period of directorship
David Hugh Brown (Chairman: non-executive)	Appointed 30 March 2001
Muchadeyi Ashton Masunda (Deputy Chairman: non-executive)	Appointed 8 February 2007
Alexander Mhembere (Chief Executive Officer)	Appointed 1 October 2007
Brenda Berlin (non-executive)	Appointed 1 March 2010
Stanley Earl Frost (Chief Technical Officer)	Appointed 1 March 2010
Michael John Houston (non-executive)	Appointed 1 April 2004
Patrick Maseva-Shayawabaya (Chief Financial Officer)	Appointed 1 April 2004
Dr. Khotso Mokhele (non-executive)	Appointed 8 February 2007
Leslie John Paton (non-executive)	Appointed 4 February 2003
Robert George Still (non-executive)	Appointed 28 July 1998
Nyasha Puza Siyabora Zhou (non-executive)	Appointed 1 March 2010

The half year operating results to 31 December 2011 are presented together with the comparative figures for the half year to 31 December 2010, and for the full year to 30 June 2011.

Review of Performance

Safety Health and Environment

Safety performance for the six months was excellent with an LTIFR of 0.22, a significant improvement on the same period last year when an LTIFR 0.64 was recorded. Zimplats retained its ISO14001:2004, ISO 9001:2008 and OHSAS 18001:2007 certifications following audits in November 2011. During the last quarter the company achieved a commendable 6 million fatality free shifts.

Operations

Both mining and processing operations performed well in the half year.

Bimha Mine is on design production whereas in the same period last year it was ramping up to full production. All three mines are now operating at full capacity and as a result ore mined totaled 2 289 000 tonnes, up 12% on the previous year.

Ore milled at 2 170 000 tonnes was 4% above the tonnage for the same period last year owing mainly to higher milling rates and running time achieved at both concentrators. Mill grade was in line with expectations whilst concentrator recovery at 82.7% was good and marginally higher than the previous year, reflecting the continued optimization of processes.

4E metal production for the period totalled 183 000 ounces, an increase of 2% on the previous year's production. The lower than expected metal production was a result of metal in process which was only released after end of period.

Markets

Metal prices have continued to weaken, particularly in the last quarter, reflecting market concerns with regards to economic stability of some European countries.

Accordingly, metal prices realized during the half year were lower than for the same period last year.

Financial

The combination of higher production and lower metal prices resulted in turnover for the six months of \$231 million, down 7% on \$250 million for the comparative period.

Cost management during the period was good. Thus despite the higher production volume and significant labour and power tariff increases, total costs were 2% lower than for the same period last year. Provision has been made for royalties dating back to January 2010 at a higher rate than that provided for in the company's agreement. This increased rate is disputed and is before the courts.

The combination of the above factors resulted in a profit before tax of \$81 million, a 29% decrease on the prior period's \$101 million. Profit after tax amounted to \$68 million compared to \$85 million for the previous period.

At the end of the period, the group had cash net of debt amounting to \$8 million.

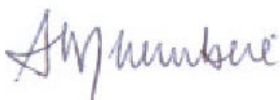
Expansion projects

Implementation of the Phase II project is progressing well and according to plan with \$89 million having been spent by the half-year.

Indigenisation

Discussions with the relevant authorities on the operating subsidiary's indigenisation proposals are on-going.

Dated at Harare, Zimbabwe, this 1st day of February 2011 and signed in accordance with a resolution of Directors:



A Mhembere
Chief Executive Officer

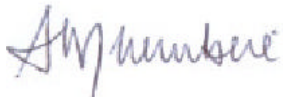
ZIMPLATS HOLDINGS LIMITED

DIRECTORS' DECLARATION

In the opinion of the Directors of Zimplats Holdings Limited:

1. the financial statements and notes, set out on pages 6 to 15, have been prepared in accordance with The Companies (Guernsey) Law 2008, including:
 - giving a true and fair view of the financial position of the Company and Group as at 31 December 2011 and of their performance, as represented by the results of their operations and their cash flows, for the half year ended on that date; and
 - complying with International Financial Reporting Standards; and
2. there are reasonable grounds to believe that the Company and its subsidiaries will be able to meet any obligations or liabilities to which they are or may become subject, subject to the continued support of the major shareholder should the prevailing metal prices deteriorate from current levels.

Signed in accordance with a resolution of the Directors.



A Mhembere
Chief Executive Officer
Harare
Zimbabwe
1 February 2011



P. Maseva-Shayawabaya
Chief Finance Officer



REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

TO THE MEMBERS OF ZIMPLATS HOLDINGS LIMITED

Introduction

We have reviewed the accompanying condensed statement of financial position of Zimplats Holdings Limited and its subsidiaries (the 'Group') as of 31 December 2011 and the related condensed consolidated statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory information. The company's directors are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting" and the requirements of The Companies (Guernsey) Law, 2008. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting" and the requirements of The Companies (Guernsey) Law, 2008.

A handwritten signature in blue ink that reads "PricewaterhouseCoopers". The signature is written in a cursive style and is positioned above a horizontal line.

PricewaterhouseCoopers
Chartered Accountants (Zimbabwe)

13 February 2012

Harare

ZIMPLATS HOLDINGS LIMITED
STATEMENT OF FINANCIAL POSITION

For the six months ended 31 December 2011

		Group		
	Notes	6 mths to 31-Dec-11 (reviewed) US\$ 000	6 mths to 31-Dec-10 (reviewed) US\$ 000	Year to 30-Jun-11 (audited) US\$ 000
ASSETS				
Non-current assets				
Property, plant and equipment		748 260	597 308	647 878
Available-for-sale financial assets		-	61	-
Long term receivables	1	23 891	31 767	27 304
Total non-current assets		<u>772 151</u>	<u>629 136</u>	<u>675 182</u>
Current assets				
Inventories		58 639	48 959	49 423
Trade and other receivables	2	154 053	115 779	196 760
Cash and cash equivalents		60 888	64 052	54 010
Total current assets		<u>273 580</u>	<u>228 790</u>	<u>300 193</u>
Total assets		<u>1 045 731</u>	<u>857 926</u>	<u>975 375</u>
EQUITY AND LIABILITIES				
Capital and reserves				
Share capital and share premium	3	99 929	99 929	99 929
Other reserves	3	707 850	524 501	639 451
		<u>807 779</u>	<u>624 430</u>	<u>739 380</u>
Non-current liabilities				
Deferred taxation		98 882	79 480	87 506
Mine rehabilitation provision		14 988	15 133	14 332
Other long term payables		2 601	-	2 913
Interest bearing loans and borrowings	4	51 100	35 268	38 066
Total non-current liabilities		<u>167 571</u>	<u>129 881</u>	<u>142 817</u>
Current liabilities				
Other short term payables		3 059	-	3 305
Interest bearing loans and borrowings	4	4 285	40 041	16 806
Trade and other payables		63 037	63 574	65 275
Taxation		-	-	7 792
Total current liabilities		<u>70 381</u>	<u>103 615</u>	<u>93 178</u>
Total equity and liabilities		<u>1 045 731</u>	<u>857 926</u>	<u>975 375</u>

ZIMPLATS HOLDINGS LIMITED
STATEMENT OF COMPREHENSIVE INCOME
for the half year ended 31 December 2011

	Notes	Group		
		6 mths to 31-Dec-11 (reviewed) US\$ 000	6 mths to 31-Dec-10 (reviewed) US\$ 000	Year to 30-Jun-11 (audited) US\$ 000
Revenue		230 641	249 967	527 354
Cost of sales		(109 597)	(98 281)	(204 275)
Gross profit		<u>121 044</u>	<u>151 686</u>	<u>323 079</u>
Other net income/(expenses)		2 267	(8 715)	(12 414)
Operating expenses		(24 055)	(26 536)	(45 543)
Profit from operations		<u>99 256</u>	<u>116 435</u>	<u>265 122</u>
Royalties	5	(18 156)	(8 726)	(20 513)
		<u>81 100</u>	<u>107 709</u>	<u>244 609</u>
Net finance expense		(1 325)	(6 585)	(8 531)
Interest expense		(1 408)	(9 040)	(13 508)
Interest income		83	2 455	4 977
		<u>79 775</u>	<u>101 124</u>	<u>236 078</u>
Profit before tax				
Taxation	6	(11 376)	(15 653)	(35 657)
Net profit for the period		<u>68 399</u>	<u>85 471</u>	<u>200 421</u>
Other comprehensive income:				
Exchange differences on translating foreign operations		-	-	-
Available-for-sale-financial assets:				
Gains arising during the period		-	-	1 659
Reclassification of adjustments for losses included in profit/loss		-	-	(1 659)
Income tax relating to components of other comprehensive income		-	-	-
Other comprehensive income, net of tax		-	-	-
		<u>68 399</u>	<u>85 471</u>	<u>200 421</u>
Total comprehensive income for the period		<u>68 399</u>	<u>85 471</u>	<u>200 421</u>
Basic earnings per share (cents)		63.55	93.95	186.20

ZIMPLATS HOLDINGS LIMITED
STATEMENTS OF CHANGES IN EQUITY
for the half year ended 31 December 2011

	Share capital	Share premium	Foreign currency translation reserve	Acquisition equity reserve	Revaluation reserve	Accumulated profit	Total
	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000	US\$ 000
GROUP							
Balances at 30 June 2010	10 763	89 166	(18 219)	(10 045)	24 535	442 759	538 959
Capital reserve release	-	-	-	-	(1 843)	1 843	-
Total comprehensive income for the year	-	-	-	-	-	200 421	200 421
Profit for the year	-	-	-	-	-	200 421	200 421
Other comprehensive income	-	-	-	-	-	-	-
Balances at 30 June 2011	10 763	89 166	(18 219)	(10 045)	22 692	645 023	739 380
Capital reserve release	-	-	-	-	(912)	912	-
Total comprehensive income for the year	-	-	-	-	-	68 399	68 399
Profit for the year	-	-	-	-	-	68 399	68 399
Other comprehensive income	-	-	-	-	-	-	-
Balances at 31 December 2011	10 763	89 166	(18 219)	(10 045)	21 780	714 334	807 779

ZIMPLATS HOLDINGS LIMITED
STATEMENTS OF CASH FLOWS
for the half year ended 31 December 2011

	Notes	Group		
		6 mths to 31-Dec-11 (reviewed) US\$ 000	6 mths to 31-Dec-10 (reviewed) US\$ 000	Year to 30-Jun-11 (audited) US\$ 000
Operating activities				
Cash generated from operations	7	134 649	96 717	190 796
Interest received		83	2 455	4 977
Interest paid		(2 422)	(9 040)	(13 508)
Income tax and withholding taxation paid		(8 359)	-	(4 186)
Cash inflows from operating activities		<u>123 951</u>	<u>90 132</u>	<u>178 079</u>
Investing activities				
Proceeds from disposal of assets		167	114	213
Proceeds from disposal of available-for-sale financial assets		-	-	66
Acquisition of property, plant and equipment excluding movement in the rehabilitation asset		(117 753)	(50 340)	(121 502)
Cash out flows from investing activities		<u>(117 586)</u>	<u>(50 226)</u>	<u>(121 223)</u>
Financing activities				
Finance lease liability repayments		(855)	(750)	(1 551)
Repayment of interest bearing loans and borrowings		(22 632)	(56 283)	(118 474)
Proceeds of interest bearing loans and borrowings		24 000	-	36 000
Cash in/(out) flows from financing activities		<u>513</u>	<u>(57 033)</u>	<u>(84 025)</u>
Increase/(decrease) in cash and cash equivalents		<u>6 878</u>	<u>(17 127)</u>	<u>(27 169)</u>
Movement in cash and cash equivalents				
Cash and cash equivalents at beginning of the year		54 010	81 179	81 179
Increase/(decrease) in cash and cash equivalents		6 878	(17 127)	(27 169)
Cash and cash equivalents at end of the year		<u>60 888</u>	<u>64 052</u>	<u>54 010</u>

ZIMPLATS HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
for the half year ended 31 December 2011

ACCOUNTING POLICIES

Zimplats Holdings Limited is a company domiciled in Guernsey, Channel Islands. The consolidated financial statements of the group for the half year ended 31 December 2011 comprise the company and its subsidiaries (together referred to as the group).

a) Basis of preparation

The half year consolidated financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting", interpretations issued by the International Financial Reporting Interpretations Council of the IASB and the reporting requirements of the Australian Stock Exchange.

The half year financial statements do not include all the notes of the type normally included in the Annual Financial Statements. Accordingly, these financial statements should be read in conjunction with the 30 June 2011 Annual Financial Statements and any public announcements made by the company during the half year in accordance with the disclosure obligations arising under the ASX Listing Rules.

The financial statements are presented in United States dollars. They are prepared on the historical cost basis with the exception of certain fixed property which is shown at valuation. Financial assets and financial liabilities are shown at available-for-sale value through other comprehensive income. The accounting policies have been consistently applied by the group and are consistent with those of the previous year, unless otherwise stated.

b) Segment reporting

The group operates within the mining industry. The activities of the group are entirely related to the development and mining of platinum group metals in Zimbabwe. The risks and rewards associated with the individual operations are not sufficiently dissimilar to warrant identification of separate geographical segments.

ZIMPLATS HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS

for the half year ended 31 December 2011

		Group		
		6 mths to 31-Dec-11 (reviewed) US\$ 000	6 mths to 31-Dec-10 (reviewed) US\$ 000	Year to 30-Jun-11 (audited) US\$ 000
1	LONG TERM RECEIVABLES			
	RBZ loan amount due	27 304	29 403	29 403
	Unwinding of interest	-	2 364	4 727
	Impairment loss	(3 413)	-	(6 826)
	RBZ loan carrying amount	<u>23 891</u>	<u>31 767</u>	<u>27 304</u>

- a) Prior to the "dollarisation of" the Zimbabwe economy in February 2009, the operating subsidiary, Zimbabwe Platinum Mines (Private) Limited brought funds into the country to fund Zimbabwe dollar expenses, ahead of time. The funds were placed with the Reserve Bank of Zimbabwe until such time that they were required and drawings were then made in Zimbabwe dollars. In February 2009, the Zimbabwe dollar ceased to be a functional currency and at that time the outstanding balance of funds placed with the Reserve Bank of Zimbabwe amounted to \$34 130 000 (\$29 403 288 after fair value adjustment). The Reserve Bank of Zimbabwe has acknowledged the full indebtedness and has recommended to the Government of Zimbabwe that it assumes the debt. Given the circumstances, provision has been made for the long-term real value of the outstanding amount.

2 TRADE RECEIVABLES

	Trade receivables due from related parties	114 013	78 529	153 925
	Other receivables	3 944	9 884	1 568
	Prepayments	26 556	19 086	32 115
	Zimbabwe Revenue Authority	9 540	8 280	9 152
		<u>154 053</u>	<u>115 779</u>	<u>196 760</u>

As at 31 December 2011, the fair values of trade and other receivables were equal to their carrying amounts summarised above.

Receivables from related parties consist of trade receivables from Impala Refinery Services Limited. As of 31 December 2011, all trade receivables and other receivables were fully performing and none were past due or impaired. Loans (note 4) are secured by a cession over cash and debtors. There were no defaults and breaches in the current period and prior year.

The fair value of the receivables equals their carrying amount, as the impact of discounting is not significant. The fair values are based on cash flow discounted using a rate based on the borrowing rate of 8% (2010: 8%)

The carrying amounts of the group's trade and other receivables are all denominated in United States dollars.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The group does not hold any collateral as security.

- a) Prepayments include the unrecovered portion of payment advanced by the company to the national power utility (Zesa) to construct the Selous 330KV substation. In total \$26 million was spent on the project of which 40% is recoverable through power credits against power consumption by the operating subsidiary at its operations, that were determined using an agreed power tariff. No interest is charged on the amount not yet recovered. The agreement for the construction of the Selous substation is part of the arrangements made to secure continuous and reliable electricity supplies for current and future operations.

ZIMPLATS HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS

for the half year ended 31 December 2011

		Group		
		6 mths to 31-Dec-11 (reviewed) US\$ 000	6 mths to 31-Dec-10 (reviewed) US\$ 000	Year to 30-Jun-11 (audited) US\$ 000
3	SHARE CAPITAL AND SHARE PREMIUM			
a)	Authorised 500 000 000 ordinary shares of 10 cents each	50 000	50 000	50 000
b)	Issued and fully paid 107 637 649 ordinary shares of 10 cents each	10 763	10 763	10 763
c)	Share premium	89 166	89 166	89 166
		<u>99 929</u>	<u>99 929</u>	<u>99 929</u>

86 594 482 shares were issued at premium of 52 cents per share on 27/28 July 1998, giving rise to a share premium of \$45 029 131. On 28 July 1998, a bonus issue of 1 767 236 shares was effected utilising \$176 724 of the share premium reserve. On 18 March 2005, a further 14 873 160 shares were issued to Impala at a premium of \$2.83 per share resulting in a share premium of \$42 022 254.

- d) The unissued shares are under the control of the directors. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

Foreign currency translation reserve	a)	(18 219)	(18 219)	(18 219)
Asset revaluation reserve	b)	21 780	23 704	22 692
Acquisition equity reserve	c)	(10 045)	(10 045)	(10 045)
Retained earnings	d)	714 334	529 061	645 023
		<u>707 850</u>	<u>524 501</u>	<u>639 451</u>

- a) This comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations that are not integral to the operations of the group.
- b) This reserve arose in 2002 through the initial fair valuing of the SMC surface plant at \$73 480 000.
- c) This is a negative premium on acquisition of a non controlling interest held stake in the operating subsidiary, Zimbabwe Platinum Mines (Private) Limited. On 5 November 2004, shareholders approved the acquisition of Impala Platinum Holdings Limited's 30% interest in Zimbabwe Platinum Mines (Private) Limited in exchange for 14 873 160 shares in Zimplats Holdings Limited at an issue price of AU\$3.75 each. The effective premium on the share purchase amounted to \$10 044 750.
- d) Represents accumulated profits to 31 December 2011.

ZIMPLATS HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS

for the half year ended 31 December 2011

	Group		
	6 mths to 31-Dec-11 (reviewed) US\$ 000	6 mths to 31-Dec-10 (reviewed) US\$ 000	Year to 30-Jun-11 (audited) US\$ 000
4 INTEREST BEARING LOANS AND BORROWINGS			
Non-current			
Standard Bank of South Africa	50 000	32 307	36 000
Finance lease liability	1 100	2 961	2 066
	<u>51 100</u>	<u>35 268</u>	<u>38 066</u>
Current			
Standard Bank of South Africa	2 448	38 409	15 079
Finance lease liability	1 837	1 632	1 727
	<u>4 285</u>	<u>40 041</u>	<u>16 806</u>
Total borrowings	<u>55 385</u>	<u>75 309</u>	<u>54 872</u>

Bank borrowing

Zimbabwe Platinum Mines (Private) Limited has two loan facilities from the Standard Bank of South Africa Limited to finance the completion of the Ngezi Phase 1 and Phase 2 Expansion Projects. Loan # 1 is denominated in US\$ for \$80 million and bears interest at LIBOR plus 700 basis points. Quarterly repayments commenced in 2007. An accelerated repayment of \$16.5 million was made in December 2010 with the final instalment due in April 2012.

Loan # 2 was denominated in ZAR for ZAR500 million. This loan was fully repaid in 2011 and converted to a US\$88 million revolving credit facility which bears interest at LIBOR plus 700 basis points. Capital repayments are only required if the loan balance exceeds the available facility. The final maturity date is December 2014. At the end of the period the undrawn borrowing facility amounted to \$38 million. The amount drawn down at the half year was \$50 million.

Both loans are secured by cessions over cash, debtors and revenues. Impala Platinum Holdings Limited has provided political and commercial guarantees in favour of the Standard Bank of South Africa for both loan facilities.

Finance lease liability

This liability is secured by two finance lease agreements in respect of ore haulage vehicles. On the first agreement, the effective interest rate is 12% per annum with annual instalments of \$2 081 676 which commenced on 1 November 2007 with the final payment due on 30 June 2013. Contingent rent is payable based on the standby rate per hour per truck. The second lease is subject to interest at 8% per annum with a minimum annual instalment of \$94 362 which commenced on 1 July 2009 with the final payment on 30 June 2014.

5 ROYALTIES

The Zimbabwe Revenue Authority (Zimra) has demanded from the operating subsidiary Zimbabwe Platinum Mines (Private) Limited, royalties allegedly owed in the sum of US\$22.9 million for the period January 2010 to September 2011 computed at rates set in terms of the Mines and Minerals Act (as read with the Finance Act) rather than the Zimplats Mining Agreement.

Zimplats disputes this position and has made application to the High Court for a determination. The case has not yet been heard.

ZIMPLATS HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS

for the half year ended 31 December 2011

	Group		
	6 mths to 31-Dec-11 (reviewed) US\$ 000	6 mths to 31-Dec-10 (reviewed) US\$ 000	Year to 30-Jun-11 (audited) US\$ 000
6 TAXATION			
Current income tax	-	-	11 979
Current year	-	-	11 974
Withholding tax	-	-	5
Deferred tax	11 376	15 653	23 678
Taxation provided	<u>11 376</u>	<u>15 653</u>	<u>35 657</u>

In December 2010, the Zimbabwe Revenue Authority (Zimra) issued an amended Additional Profits Tax (APT) assessment in respect of the 2001 to 2007 years in which they disallowed the deduction of income tax assessed losses in the derivation of net cash receipts. APT is payable when net cash receipts as defined, is positive. The effect of the disallowance was to increase the previously assessed APT liability by \$26.9 million to \$50.4 million.

It is the board view that the amendment of the APT assessment is based on incorrect interpretation of the provisions of the Income Tax Act. An objection to the amended assessment was lodged and dismissed by Zimra. An appeal has been lodged by the company with the Special Court of Income Tax Appeals. The case is yet to be heard.

7 CASH GENERATED FROM OPERATIONS

Reconciliation of profit before taxation to cash generated from operations:

Profit before taxation	79 775	101 124	236 078
Adjustments for:	23 055	22 801	55 833
Depreciation of property, plant and equipment	18 981	16 238	34 320
Net finance expense	1 325	6 585	8 531
Fair value loss	-	-	(2)
Impairment loss on long term receivables	3 413	-	6 826
Share appreciation rights expense	(513)	-	6 558
Share appreciation rights payments	(44)	-	(340)
Gain on disposal of property, plant and equipment	(107)	(22)	(60)
Changes in working capital:	31 819	(27 208)	(101 115)
Trade and other receivables	42 707	(23 995)	(102 612)
Inventories	(9 216)	(3 579)	(4 043)
Trade and other payables	(1 672)	366	5 540
Cash generated from operations	<u>134 649</u>	<u>96 717</u>	<u>190 796</u>

ZIMPLATS HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS

for the half year ended 31 December 2011

	Group		
	6 mths to 31-Dec-11 (reviewed) US\$ 000	6 mths to 31-Dec-10 (reviewed) US\$ 000	Year to 30-Jun-11 (audited) US\$ 000
8 EARNINGS PER SHARE			
Basic earnings per share			
Basic earnings per share is calculated by dividing the net profit by the weighted average number of ordinary shares in issue during the year.			
Profit attributable to equity holders of the company	68 399	101 124	200 421
Weighted average number of ordinary shares in issue	107 638	107 638	107 638
Basic earnings per share US\$(cents)	<u>63.55</u>	<u>93.95</u>	<u>186.20</u>

9 CAPITAL COMMITMENTS

The Group has entered into contracts for the following and is committed to incur capital expenditure in respect thereof:

General capital replacement	47 780	19 097	72 004
Ngezi expansion Phase I	478	2 033	18 167
Ngezi expansion Phase II	139 182	71 507	403 160
Ngezi Phase III feasibility study	5 531	934	8 722
	<u>192 971</u>	<u>93 571</u>	<u>502 053</u>

In May 2010 the board authorised a total of \$460 million to be incurred on the Ngezi Expansion Phase II project over the period to 2014, funding arrangements for which are in place.

The capital commitments will be financed from internal resources and borrowings.

10 RELATED PARTY TRANSACTIONS AND BALANCES

Revenue

Sales of matte to Impala Refining Services Limited	<u>230 641</u>	<u>249 967</u>	<u>527 354</u>
--	----------------	----------------	----------------

The Group's only customer is Impala Refining Services Limited, which is a fellow wholly owned subsidiary of Impala Platinum Holdings Limited. Sales thereto are based on a long term agreement.

The Group had an outstanding trade receivable balance as at 31 December 2011 amounting to \$114 013 000 (2010: \$78 529 088) with one of its fellow subsidiary companies.

11 CONTINGENT LIABILITY

Additional Profits Tax (APT)

In December 2010, the Zimbabwe Revenue Authority (Zimra) issued an amended APT assessment for the period to 30 June 2007 on which the deduction of prior years income taxes losses were disallowed as a deduction in the computation of APT. As a result of the disallowance, the previously assessed and paid APT liability for the period to June 2007 increased by \$26.9 million to \$50.4 million. An objection lodged against the amended assessment was dismissed after which the company lodged an appeal at the Special Court of Income Tax Appeals. The case is still to be heard. Zimra has however agreed that payment of the disputed liability be deferred until the court has ruled on the matter. For the year ended 30 June 2011 there was no APT liability and it is forecast that there will be no APT liability for the current year. However, if the income tax losses brought forward from the year to 30 June 2010 are not allowed as deductions in the APT computation as argued by Zimra, there will be an APT liability in the sum of \$49 million.