LONMIN

14 May 2012

# Lonmin Plc

## 2012 Interim Results Announcement

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Lonmin Plc, (Lonmin or the Company), the world's third largest Platinum producer, today announces its Interim Results for the half year period ended 31 March 2012.

## HIGHLIGHTS

- **Solid half year performance in a challenging environment:**
  - Platinum sales of 318,402 ounces – broadly flat on H1 2011 – impacted by significant disruptions to production
  - Revenue basket price down 10% in Dollar terms
  - Rand unit cost 10.9% up on H1 2011 – full year guidance maintained
  - Net operating profit of $14 million – impacted by weak pricing and higher Rand costs
  - Net debt of $356 million and net gearing contained at 11% – tighter working capital management

- **Production momentum maintained at Marikana operations:**
  - Improved safety performance – LTIFR of 4.69 per million man hours worked vs 5.4 in H1 2011
  - Tonnes produced at 5.8 million, 1.7% decrease – impacted by Section 54 safety stoppages
  - 347,000 Section 54 tonnes lost, up 398%
  - Ore reserves at 3.1 million centares, up 10.7% – healthy level being achieved
  - Saleable metal in concentrate up 3.8% to 368,175 Platinum ounces
  - High Concentrator recovery rates maintained – 85.5%

- **Investing in growth for the future:**
  - Continued investment in our growth shafts to increase our production capacity at Marikana
  - Balancing capex spend with return on projects and prudent balance sheet management remains key

- **Market outlook:**
  - Gradual industrial and auto demand recovery
  - Supply constraints by South African producers will lead to deficits
  - Near term pricing outlook remains unpredictable
  - Medium to long term market fundamentals remain positive as demand will outstrip supply

- **2012 guidance on track:**
  - 750,000 Platinum ounces absent any further abnormal production interruptions from safety stoppages, labour and community unrest
  - Guidance maintained for the full year at 8.5% on Rand unit operating costs
  - Capex spend maintained at $450 million – but maintain flexibility to moderate consistent with markets and balance sheet prudence
  - Number Two Furnace commissioning on schedule for Q3

Ian Farmer, Chief Executive Officer, commented:

"Lonmin performed well in a period where unprecedented high levels of Section 54 safety stoppages, labour and community unrest impacted on our production. The impact was slightly less in Quarter Two however as we saw the benefits of our partnership approach with the DMR in tackling the safety journey start to come through. We expect production to ramp up in the second half as normal, absent any further abnormal disruptions.

The inflationary increases in our costs and what seemingly appears to be an unrelenting depressed pricing environment also impacted our profitability and cash flows. We have been managing our net debt closely and will continue to do so. We remain on track to meet our full year guidance.

Whilst we are continuing to invest in our growth shafts at Marikana to build our production profile and ultimately achieve the optimal cost profile for our operations, we do so with an element of caution in a market where demand is currently soft. In our view the medium to long term PGM market fundamentals however, remain sound and this strategy will benefit our shareholders as the market improves. We are therefore predisposed towards the continuation of our investment programme but we will defer capital to the extent deemed necessary to remain within prudent debt parameters.

I am pleased to report that we have made considerable progress with further improving our safety record and our LTIFR has been trending positively as we continue to focus on the safety initiatives we embarked on last year to drive further improvements."

## FINANCIAL HIGHLIGHTS

| | **6 months to 31 March 2012** | 6 months to 31 March 2011 |
|---|---|---|
| Revenue | $751m | $938m |
| Underlying [i] operating profit | $14m | $148m |
| Operating profit [ii] | $14m | $144m |
| Underlying [i] profit before taxation | $6m | $149m |
| Profit before taxation | $18m | $159m |
| Underlying [i] (loss) / earnings per share | (6.9)c | 45.0c |
| (Loss) / earnings per share | (11.8)c | 44.5c |
| Trading cash inflow per share [iii] | 55.6c | 148.4c |
| Free cash (outflow) / inflow per share [iv] | (41.6)c | 54.3c |
| Net debt as defined by the Group [v] | $356m | $296m |
| Interest cover (times) [vi] | 8.4x | 11.3x |
| Gearing [vii] | 11% | 9% |

**Notes on Financial Highlights:**

i Underlying results and earnings per share are based on reported results and earnings per share excluding the effect of special items as disclosed in note 3 to the interim statements.

ii Operating profit is defined as revenue less operating expenses before impairment of available for sale financial assets, finance income and expenses and before share of profit of equity accounted investments.

iii Trading cash flow is defined as cash flow from operating activities.

iv Free cash flow is defined as trading cash flow less capital expenditure on property, plant and equipment and intangibles, proceeds from disposal of assets held for sale and dividends paid to non-controlling interests.

v Net debt as defined by the Group comprises cash and cash equivalents, bank overdrafts repayable on demand and interest bearing loans and borrowings less unamortised bank fees.

vi Interest cover is calculated for the 12 month periods to 31 March 2012 and 31 March 2011 on the underlying operating profit divided by the underlying net bank interest payable excluding exchange.

vii Gearing is calculated as the net debt attributable to the Group divided by the total of the net debt attributable to the Group and equity shareholders' funds.

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This press release is available on www.lonmin.com. A live webcast of the Interim Results presentation starting at 09.00hrs (London) on 14 May 2012 can be accessed through the Lonmin website. There will also be a web question facility available during the presentation. An archived version of the presentation, together with the presentation slides, will be available on the Lonmin website.

## Chief Executive's Review

### 1 Introduction

I am pleased to report that we delivered a solid operational performance in the first half of the 2012 financial year in spite of the known and significant disruptions that we experienced during the period. The results reflect the healthy state of our operating assets and a team that is growing in its confidence and ability to deliver in a challenging environment. The key features during this first half are as follows.

Our mining operations produced 5.8 million tonnes in the first half of 2012, a decrease of 1.7 % when compared to the 2011 half year. Productivity was impacted by the uncharacteristically high Section 54 safety stoppages that were seen across the South African PGM mining industry during this period, labour and community unrest as well as management induced safety stoppages. The total impact of these disruptions in the period was a loss of some 464,000 tonnes, compared to 166,000 tonnes lost in 2011 half year.

Metals in Concentrate were up 3.8 % to 368,175 Platinum ounces whilst Platinum sales, at 318,402 were in line with 2011 half year. Revenue was however significantly impacted by lower PGM prices and volumes sold and fell by 20% to $751 million. The weak pricing environment and higher unit costs have significantly impacted our profitability and today we report operating profits for the half year of $14 million compared to $144 million in the prior year period and profit before tax of $18 million compared to profit before tax of $159 million in 2011 first half.

In March 2012, we entered into a pre-paid sale of 70,700 gold ounces and yielded around $107 million in cash flow. The proceeds from this arrangement have provided flexibility around our debt headroom and at 31 March 2012 we have a moderate net debt level of $356 million, compared to the net debt of $234 million we had at the beginning of the financial year. This represents a relatively low gearing of 11%.

### 2 Safety performance

The safety of our employees is our first consideration in everything we do. Regrettably we recorded one fatality during the period and we extend our sincere condolences to the family and friends of Mr Albino Moises Cuna who died in December 2011.

We have made considerable progress with improving our safety results. Our Lost Time Injury Frequency Rate (LTIFR) at 4.69 per million man hours worked showed an improvement when compared to the 2011 year rate of 4.71 per million hours and 5.4 for the same period in 2011. During the period, Rowland shaft continued to be an industry leader as it recorded the significant industry achievement of 12.9 million Fall of Ground Fatality Free Shifts over a ten year period. We also recorded a best ever five million Fatality Free Shifts for Lonmin as a whole. We remain diligently focused on improving our safety working in partnership with the Department of Mineral Resources (DMR).

### 3 Mining Division

***Introduction***

Our Marikana mining operations have been able to maintain production despite the headwinds of industrial relations, Section 54 safety stoppages and community unrest. I believe this reflects the healthy technical state of the business and the team's competency.

The total impact of the Section 54 Safety shutdowns was 347,000 tonnes in lost production across all operations including the joint venture, compared to 70,000 tonnes in the 2011 half year. The frequency of stoppages and losses in tonnage was quite marked, particularly in January when around 100,000 tonnes of production were lost. Following some high level dialogue across all levels of the DMR around the end of January, losses have subsequently fallen to lower levels.

We incurred an additional 48,000 and 69,000 tonnes of lost production as a result of management induced safety stoppages, and community and labour unrest at our operations respectively.

Production statistics for the second quarter of the year can be found in a separate announcement published today.

### *Grade*

Underground milled head grade fell to 4.48 grammes per tonne in the first half of 2012 from 4.56 grammes per tonne in the prior year period as a result of an increase in the overall contribution of Merensky ore to the mix. The overall head grade for the same period including open cast however, increased by 1.8% from 4.34 grammes per tonne to 4.42 grammes per tonne as a result of an increase in the opencast grade and a decrease in opencast ore in the mix. The Merensky:UG2 mix is now 27%, up from 23% in the prior year period. Overall we are comfortable, that given our current mining mix, the current grade is in line with expectations.

### *Development*

We continue to make progress in improving our ore reserve position and immediately available ore reserves at Marikana at the end of the first half of the 2012 financial year were 3.1 million centares compared to 2.9 million centares at the end of the 2011 financial year and 2.8 million centares at 31 March 2011. This represents around 19 months of current production and supports Lonmin's capacity growth strategy.

### *Mine production*

Overall production at our operations of 5.8 million tonnes for the period, compared to 5.9 million tonnes for the prior year period has been satisfactory.

Total underground tonnes mined from the Marikana operations were relatively flat at 5.5 million compared to the first half of 2011. The greatest contribution was made by Karee which mined 2.5 million tonnes compared to 2.2 million in the same period last year, despite losing 90,000 tonnes to Section 54 safety stoppages.

Production from our Middelkraal unit, comprising of Hossy and Saffy shafts, mined 965,000 tonnes, an increase of 5% when compared against 919,000 tonnes in the prior year period. Middelkraal had one of the highest frequency of Section 54s, losing 121,000 tonnes during the six months to 31 March 2012. Saffy's ramp up has also been slightly slower than anticipated due to poor ground conditions. We are making progress with our programme of introducing hybrid mining in some upper quadrants at Hossy, to minimise the risks of interruption to production from machine breakdowns and lack of availability of artisans. We are converting the top levels of the shaft to hybrid. The middle sections are remaining on XLP, whilst the bottom levels are being developed conventionally. Production at Hossy has increased by around 23% to 465,000 tonnes when compared to the prior year, supporting the approach taken.

At Easterns, production declined by 10% to 556,000 tonnes, mainly due to community unrest and having lost 10,000 tonnes as a result of Section 54 safety stoppages.

At Westerns, the planned decline in production at Newman shaft, and lost production due to Section 54s of 86,000 tonnes at both Newman and Rowland shafts contributed to production at Westerns falling by 12.6% from the prior year period to 1.5 million tonnes.

We continued to scale back on our production at the Merensky opencast operations as we focused on grade improvement. We produced 196,000 tonnes compared to 336,000 tonnes in the prior year period.

Underground production at Pandora, our joint venture, is increasing at a steady rate and contributed 104,000 attributable tonnes for the first half of 2012, an increase of 25.3% when compared against the prior year period. Lonmin purchases 100% of the ore from the Pandora joint venture and this ore contributed 15,608 saleable Platinum ounces in concentrate and 29,617 saleable PGM ounces in concentrate to our production, representing increases of 40.9% and 40.3% respectively from the prior year period due to higher volumes and better grades.

We expect our production performance in the second half of 2012 to continue to be supported by increased contributions from our major shafts, K3 and Rowland as well as the continued ramping up of Saffy and Hossy shafts.

## 4 Process Division

### *Introduction*

The performance of our Process Division was impacted by a build up of stocks in the Smelter, as explained below. The overall refining recovery rate which measures recoveries across the processing chain was a satisfactory 81.3 % for the half year, a decrease from the 2011 year end rate of 82.5%.

### *Concentrators*

Total tonnes milled were flat at 6.0 million for the half year to 31 March 2012 when compared to the prior year period whilst total Metals in concentrate production from Marikana increased by 2.3 % to 351,695 saleable ounces of Platinum driven by higher grades as a result of increased underground ore tonnes milled.

Total metals in concentrate produced increased by 3.8% from 354,863 saleable Platinum ounces for the half year 2011 to 368,175 and saleable PGM ounces increased by 2.0% from 667,088 to 680,528 in the same period.

The Easterns tailings treatment plant was successfully commissioned during March 2012. This plant is already showing early signs of contributing to an improvement in concentrator recoveries in the Easterns concentrators.

### *Smelters and Refineries*

Total refined production for the six months to 31 March 2012 was 304,329 ounces of Platinum and 601,540 ounces of PGMs, a decrease of 3.9% and 11.6% respectively on the prior year period. The decrease has arisen as refined production was temporarily affected by a smelting stock build up due to an increase in sulphur in the feed to the smelter. This occurred as a result of a greater percentage of Merensky ore being milled due to the series of Section 54 safety stoppages and internal safety stoppages that predominantly impacted our UG2 production. The PGM percentage decrease is greater due to a disproportionately higher number of Other Precious Metals which were returned by third party toll refiners during the prior year period. The Smelter will operate at normal stock levels by the end of the third quarter.

Plans for the commissioning of the new Number Two Furnace are on schedule for the third quarter. While there is an inherent risk within the commissioning procedure, the Processing team will be working through a comprehensive implementation plan to ensure a safe and successful start up.

## 5 Cost management

Management continued to focus on operational delivery in an environment that faced severe business disruption. Containing operational costs has consequently been challenging. Our gross Rand operating costs increased by 9.4 % from R5.3 billion to R5.8 billion mainly as a result of inflationary increases. We also incurred high cost ounces at K4 as it commences early stage production. The overall effect of these factors was to increase unit cost by 10.9% to R8,172 per PGM ounce produced when compared to the first six months of 2011. Adjusted for the impact of Section 54 stoppages, labour unrest and deferred stripping costs, the increase would have been 9.2%. Production volumes are traditionally second half weighted benefiting unit costs in the second half of the year.

Managing structural unit cost inflation and arresting the decreasing productivity trend is paramount and is receiving attention through a number of integrated initiatives such as our line of sight management system that tracks and rewards productivity. A new team training system has also been piloted at the 1B/4B shaft at Karee and positive results are in evidence. It will be gradually rolled out to other shafts over the coming months.

## 6 Progress with transformation objectives and equity ownership

### *Human Resources Development*

Transformation is a fundamental element of our licence to operate and the right thing to do, and we are pursuing a number of initiatives within our Human Resource Development (HRD) plan which enable a holistic approach to our transformation strategy. In April 2012, the Minister of Mineral Resources, Ms Susan Shabangu officially opened the new Lonmin Artisan Training Centre at Marikana. This facility, is an important building block in our HRD strategy and complements the bursary programme, the mining skills training and Adult Basic Education and Training (ABET) to enable us to offer a full spectrum of up-skilling opportunities to people within the local community and nationally whatever their level of current educational advancement. As a result we are well placed to feed Lonmin’s future talent requirements over time.

We are making good progress with our equity targets and as at 31 March 2012, 35% of management was Historically Disadvantaged South Africans (HDSA). We are committed to various social projects and raising visibility thereof within the community. We will report progress in this area in more detail at year end.

***Equity ownership***

A Concept Paper has been submitted to the DMR outlining our proposal for increasing BEE equity ownership to achieve Phase Two compliance by 2014. Good progress has been made in discussions with the DMR in clarifying the different initiatives we are progressing. These include incorporating broad based ownership around employees and our communities via ESOPs and community ownership schemes and migrating HDSA equity and royalty holdings in the various Lonmin entities into Lonmin Plc as well as consolidating future HDSA ownership at this level.

Shanduka, our BEE partner is also undertaking a feasibility study on Limpopo which if positive will result in Shanduka acquiring a direct stake in the Limpopo operations. The feasibility study is expected to be completed in quarter four of this financial year. We will report our progress in this area in more detail at the year end.

## 7 Market outlook

***PGM prices weaker over review period***

PGM prices were under downward pressure in the six month period ending 30 March 2012, compared to the same period a year before. Platinum weakened by 10% from an average of $1,745 per ounce in first half of 2011 to $1,566 per ounce in the first half of 2012, while palladium declined 11% from $734 per ounce to $655 per ounce and rhodium lost 36% year on year to $1,524 per ounce. However, the price weakness in Dollar terms was largely offset by a 14% weakening of the Rand against the Dollar, resulting in the overall Rand basket price declining by 0.5% to R9, 600 per ounce over the corresponding period.

***Automotive demand encouraging***

The recovery in the auto industry, our largest end use market, continues despite the uncertain global economic conditions. Companies such as LMC Automotive are still forecasting unit volume growth of 5% for 2012 and 8% per year in the two years after that.

The growth is however more subdued than previously anticipated and somewhat fragmented. Demand in Europe is declining but is expected to stabilise in 2013 and Euro 6 emission legislation requirements for the 2014 model year will start to provide a boost for platinum in Europe in 2013. Demand from China was flat in the first quarter of 2012 but is expected to accelerate as the year progresses.

However, the US has experienced strong overall demand growth of 13% in the first quarter of calendar 2012. Much of the strength in the US market is coming from pent-up demand, with the average age of their cars at 10.8 years and with fuel prices rising, many buyers are opting to buy more fuel efficient cars. Diesel and hybrid sales for example have increased in Q1 by 35% and 37 % respectively, with diesel vehicles now accounting for around 3% of US sales.

***Investment demand remaining steadfast***

Platinum ETFs have withstood recent price movements relatively well, with ETF holdings dropping late last year, when prices softened but adding these ounces back in early 2012. We believe that the investment market has matured and will continue to exhibit this “stickiness”, particularly once industrial fundamentals become the main price driver. We therefore continue to hold the view that the investment sector will be a net contributor to demand over time.

The palladium investment market has shown a bit more volatility, but that can be expected in a market where the price has increased almost four-fold in the space of two years against a backdrop of uncertain economic conditions. As is the case in platinum, ETF volume movements in recent months appear to be following prices. This will have important implications when we enter the PGM recovery phase as the investment market may not be providing the liquidity needed in a deficit market if investors believe prices are going to rise further.

***Supply forecasts***

Platinum supply estimates have been progressively revised downwards since 2007, due to supply disruptions and constraints in South Africa. 2012 has already seen disruptions affecting over 200,000 ounces worth of production due to

strikes and industry wide safety related stoppages. Some analysts are estimating that 2012 could see supply disruptions of up to 400-500,000 ounces, which would almost certainly lead to supply deficits, despite softer demand.

### *PGM Supply-Demand estimates*

We have changed our view of a marginally oversupplied platinum market in 2012, to one of slight deficit. This is largely due to supply disruptions from South Africa. However industrial users have taken advantage of recent low prices and find themselves well stocked at a time when the rate of global growth is once again unclear. As a result we are likely to see a short term period of price weakness until such time as this situation unwinds. When this occurs we do not expect the supply response to be robust enough to meet a sustained recovery in demand which we now anticipate during 2013. We expect this to lead to deepening market deficits and rising prices in coming years.

Palladium is expected to head for large deficits as Russian exports are drying up and gasoline auto markets such as the US and China are showing stronger growth than the diesel auto market in Europe. Continued substitution of platinum by palladium is also expected to drive demand in the next few years.

The rhodium market is still seen as oversupplied this year, but may also move into a small deficit by 2013 on the back of recovering auto and industrial demand and its low price.

### *PGM Market Outlook*

In summary, short term conditions are likely to be difficult to predict due to high working inventories and investor speculation. However, with the market already moving towards a deficit, conditions will get tighter as supply will not be able to keep up with recovering demand and we expect deeper deficits in the 2013 to 2015 period.

## 8 Maintaining balance sheet strength whilst investing capital for growth

### *Marikana*

We continue to focus on growing our capacity to achieve target production and sales volumes of 950,000 Platinum ounces. We are in the attractive position of having three new generation shafts; Hossy, Saffy and K4, as well as sub declines at K3 and Rowland in which we are investing to grow our production capacity and ultimately achieve the lower cost and improved profitability profile for our operations.

We have been successful in thrifting our Rand capital expenditure, but given the strength of the Rand, this translated into capital expenditure of $197 million in the first half. Our capital programme guidance for 2012 remains around $450 million funded by operating cash flow and debt.

### *Other assets*

We are making progress with the feasibility study on Pandora which is a proposed extension of the current underground operations from the E3 shaft and a new incline shaft in the Pandora block. The study is expected to complete in the Quarter Three. The pre-feasibility study on the mining and processing at 240,000 tonnes per month at Akanani is also progressing and is expected to complete in Quarter Four.

We are encouraged with the positive prefeasibility study on the potential modest open pit operation on our Vale PGM joint venture in Sudbury and together with our partner are contemplating next steps. Encouraging results from other properties in the joint venture are being followed up in the summer drilling programme.

We have increased our equity in Wallbridge Mining Company back to close to 16% and elected to form a further joint venture on the prospective North Range properties, the second such PGM joint venture with Wallbridge in the Sudbury area.

## 9 Looking ahead

### *Safety*

Achieving our goal of safe production requires constant vigilance. We will endeavour to continue to foster a partnership approach with the DMR in tackling this journey and in doing so we hope to minimise the frequency of safety interventions by the inspectorate.

### *Labour*

Successfully managing labour relations represents the biggest challenge to the effective operation of our mines and indeed the industry as a whole. Labour dynamics are going through a sea change, with the emergence of an alternative trade union in the PGM mining industry, in the form of the Association of Mineworkers and Construction Union (AMCU), to rival the dominance of NUM. The rivalry for membership between the unions could be a feature for the foreseeable future with a corresponding increase in the risk of escalation of costs and disruptions to production.

AMCU now has a presence at our Karee mining division where a third of the employees have become members. We have agreed limited organisational rights with AMCU to reflect this position.

Overall we continue to professionally manage the relationship with the individual unions as stakeholders and representatives of our employees, constructively engaging with representatives on a regular basis to mitigate the risk adverse labour relations may pose to the business.

We will also continue to adopt a zero tolerance approach to those that practice intimidation and violence and the South African law enforcement agencies have been fully supportive of this approach.

### *Community unrest and resource nationalism*

As a result of high unemployment and poverty, social and community unrest is an increasing risk. We experienced business disruption as a result of this several times during the first half of 2012. We are aware of this issue and constantly engage with relevant community stakeholders.

The ground swell of support for the Nationalisation of the mining industry appears to have finally been discounted. However, the debate surrounding Resource Nationalism and the Mining sector's ability to contribute to the country's development continues apace and we can expect this to persist throughout this year as the ANC prepares for its policy conference in June and its leadership elections in December.

## 10 Keysha

In January 2012, the Director General of the DMR rejected Lonmin's appeal against the granting to Keysha Investments 220 (Pty) Limited of a prospecting right for associated minerals and metals that are found as part our PGM ore body on part of our mining right area. We have appealed to the Minister as is required by the process laid down by the MPRDA. We remain confident of our legal position and given our view that this decision is procedurally and substantively incorrect, are taking the necessary measures to protect Lonmin's rights. This will include taking the matter to Court for review if necessary.

## 11 Outlook

We have delivered a solid operational performance despite the headwinds of a difficult operating environment. Whilst the period has been challenging, it has given us the opportunity to demonstrate that our assets are technically healthy and the team is well capable of tackling the challenges effectively.

### *Guidance*

We expect momentum to build up in the second half and we are maintaining our guidance, absent any abnormal disruptions, of safely and profitably producing around 750,000 Platinum ounces for the full 2012 with a unit cost increase per PGM ounce of around 8.5% - in line with wage settlements.

We expect our production performance in the second half of 2012 to continue to be supported by the following:

- Improved production performance and consistency at K3 shaft as it benefits from improved ore reserves. Successful management of labour relations at Karee however will be important given the split of employees between non-unionised employees, members of NUM and AMCU;
- Continuing momentum at Rowland which will offset the ongoing planned decline of Newman;
- Continued ramping up of production at Middelkraal's Hossy and Saffy. We expect the poor ground conditions that have been seen at Saffy to remain a feature for the rest of the year;
- Positive contribution from Easterns supported by healthy ore reserves whilst closely monitoring the area to mitigate the risk of community unrest; and
- Sustained concentrator recoveries at the levels achieved in the first half.

Our guidance for 2012 capex spend remains at $450 million, the bulk of which is either committed or has been spent. The objectives of the capex programme are to reduce costs at Marikana, in particular at our three growth shafts, and to work towards our target capacity of 950,000 profitable Platinum ounces. Our expectations for the medium term price environment for PGMs support our predisposition towards the continuation of the investment programme. However, we are not immune to the effect on cash flow from short term prices, the outlook for which remains uncertain. Given our stated intent to manage the balance sheet prudently and produce profitable ounces, we will defer this capital investment to the extent deemed necessary. We are watching the situation carefully and as we have demonstrated in the past, we will react if we deem it prudent to do so.

## 12 Employee contribution

Finally, I would like to express my sincere gratitude to all our employees, contractors and community members for their support and commitment to delivering a solid performance in the first half of 2012.

**Ian Farmer**
Chief Executive Officer
11 May 2012

## Financial Review

### Overview

The 2012 interim period has been characterised by declining profitability driven mainly by reduced revenues. Automotive and industrial demand for PGMs has remained subdued which has had an adverse impact on the pricing environment. The volume of PGMs sold has also declined from the 2011 interim period. This is due to anticipated production increases not materialising as a result of production losses due to heightened Section 54 stoppages as well as management induced safety stoppages and community unrest disruptions.

On the cost side, wage and electricity tariff increases continued at above inflation rates putting further strain on profitability. However, the resultant increase in costs was mitigated by favourable exchange movements and positive metal stock movements. Unit costs remain under pressure as cost escalations have not been offset by the expected increase in production as mentioned above. The C1 unit cost per ounce produced for the 2012 interim period was 10.9% higher than the comparative 2011 period.

We continue to invest in capital expenditure as we build our production base. Not only will this allow us to meet our objective of moving down the industry cost curve, but it will also enable us to increase production from our Marikana infrastructure at a time when we believe that the market will require the additional production. While this has had the consequence of increasing our net debt to $356 million at 31 March 2012, our gearing at 11% remains relatively low. We continue to demonstrate balance sheet capacity afforded us by existing debt facilities and other funding measures we are able to execute in the short term. One such funding measure was the prepaid sale of gold undertaken in March which yielded $107 million in cash flow.

We will constantly monitor and balance the need to invest for future production and the requirement to maintain a strong balance sheet, with the overriding objective to provide an optimal return for our shareholders.

### Income Statement

The $134 million movement between the underlying operating profit of $14 million for the six months ended 31 March 2012 and that of $148 million for the six months ended 31 March 2011 is analysed below.

| | $m |
|---|---|
| Period to 31 March 2011 reported operating profit | 144 |
| Period to 31 March 2011 special items | 4 |
| Period to 31 March 2011 underlying operating profit | 148 |
| PGM price | (119) |
| PGM volume | (92) |
| PGM mix | 37 |
| Base metals | (13) |
| Revenue changes | (187) |
| Cost changes (including foreign exchange impact of $60m) | 53 |
| Period to 31 March 2012 underlying operating profit | 14 |
| Period to 31 March 2012 special items | - |
| Period to 31 March 2012 reported operating profit | 14 |

### Revenue

Total revenue decreased by $187 million from the six months ended 31 March 2011 to $751 million for the six months ended 31 March 2012.

As noted in the overview the PGM pricing environment during the period deteriorated over the prior period and the impact on the average prices achieved on the key metals sold is shown below:

| | Six months ended 31.03.12 $/oz | Six months ended 31.03.11 $/oz |
|---|---|---|
| Platinum | 1,568 | 1,777 |
| Palladium | 660 | 755 |
| Rhodium | 1,462 | 2,345 |
| PGM basket (excluding by-product revenue) | 1,155 | 1,290 |
| PGM basket (including by-product revenue) | 1,231 | 1,382 |

The US Dollar PGM basket price (excluding by-products) decreased by 10% contributing $119 million to the overall decline in revenue.

While Platinum sales volume was in line with that achieved in the 2011 comparative period, PGM sales volume for the six months to 31 March 2012 at 608,579 ounces was down 10% on the six months to 31 March 2011.The decline in PGM volumes had a negative effect of $92 million. Overall production was significantly impacted by increased production losses associated with Section 54 and management induced safety stoppages as well as community unrest. However, the mix of metals sold resulted in a positive impact of $37 million mainly due to the higher proportion of Platinum arising from metal-in-process inventory timing differences. Base metal revenue was down $13 million due to a combination of volume and price movements.

## Operating costs

Total underlying costs in US Dollar terms decreased by $53 million with the impact of cost escalations being offset by a combination of reduced production (from opencast and toll refining), positive foreign exchange movements and a build up of stock in process. A track of these changes is shown in the table below:

| | $m |
|---|---|
| Six months ended 31 March 2011 – underlying costs | 790 |
| Increase / (decrease): | |
| Marikana underground mining | 56 |
| Marikana opencast mining | (10) |
| Limpopo mining | 3 |
| Concentrating and processing | 5 |
| Overheads | 17 |
| Operating costs | 71 |
| Pandora and W1 ore purchases | 3 |
| Metal stock movement | (68) |
| Foreign exchange | (60) |
| Depreciation and amortisation | 1 |
| Cost changes (including foreign exchange impact) | (53) |
| Six months ended 31 March 2012 – underlying costs | 737 |

Marikana underground mining costs increased in the period by $56 million or 12%, mainly due to wages and electricity costs escalating at rates above average CPI. There was also a marginal increase in underground production. Marikana opencast mining costs decreased by $10 million or 40% largely driven by a reduction in production reflecting the continued slowdown in opencast production that commenced in the first quarter as we focus on grade improvement.

Concentrator and processing costs increased by $5 million or 3%, on the prior year period, as cost escalation effects were diluted by a decrease in toll refined metal production.

Ore purchases increased by $3 million or 10% on the back of increased volumes of ore purchased.

Overheads increased by $17 million or 30% largely due to cost escalation effects. Additional spend was also made on exploration and in the sustainability and transformation areas (e.g. bursaries, training and community projects), in line with our commitment to meeting our Mining Charter targets.

The six months under review saw a build up of stock in process as ore mix challenges affected smelter efficiency. This has resulted in a $68 million positive impact on operating profit, excluding exchange impacts, arising from metal stock movements.

The Rand weakened considerably against the US Dollar during the period under review averaging ZAR7.91 to USD1 compared to an average of ZAR6.93 to USD1 in the 2011 period resulting in a $60 million positive impact on operating costs.

## Cost per PGM ounce

The C1 cost per PGM ounce produced for the six months to 31 March 2012 was R8,172. This was an increase of 10.9% compared to the same period in 2011. This increase was largely driven by higher than inflation increases in the wage bill (8.5%) and electricity tariffs (24%). These escalations were not mitigated by the expected increase in production due to the increased Section 54 and management induced safety stoppages as well as community unrest disruptions during the period.

Further details of unit costs analysis can be found in the Operating Statistics.

## Special operating costs

There were no special operating costs incurred for the six months ended 31 March 2012.

## Impairment of available for sale financial assets

The $6 million impairment of available for sale financial assets represents the loss in value of our share in Platmin Limited following the company's delisting in December 2011.

## Net finance income

| | 6 months to 31 March | |
|---|---|---|
| | 2012 | 2011 |
| | $m | $m |
| Net bank interest and fees | (11) | (20) |
| Capitalised interest payable and fees | 10 | 20 |
| Exchange | (2) | 2 |
| Other | (6) | (4) |
| Underlying net finance costs | (9) | (2) |
| HDSA receivable | 18 | 14 |
| Net finance income | 9 | 12 |

The total net finance income of $9 million for the six months ended 31 March 2012 represents a $3 million adverse movement compared to the total net finance income of $12 million for the six months ended 31 March 2011.

Net bank interest and fees decreased from $20 million to $11 million for the six months ended 31 March 2012 largely as a result of a lower average net debt during the period and substantially better interest rates on debt funding. Interest totalling $10 million was capitalised to assets (2011 - $20 million).

The Historically Disadvantaged South Africans (HDSA) receivable, being the Sterling loan to Shanduka Resources (Proprietary) Limited (Shanduka), increased by $18 million during the period to 31 March 2012 representing exchange movements and accrued interest.

## Taxation

Reported tax for the current six month period was a charge of $52 million which exceeds the recorded profit before tax of $18 million. This was largely driven by foreign exchange impacts arising from the fact that overseas tax charges are predominantly calculated in Rand as required by the local authorities while the functional currency of these subsidiaries is US Dollar. These exchange impacts have added $39 million to the reported tax charge split between exchange impacts on the translation of Rand denominated current and deferred tax balances ($26 million) and exchange impacts on Rand taxable profits ($13 million). A detailed tax rate reconciliation is included in note 5 to the financial statements.

### Cash generation and net debt

The following table summarises the main components of the cash flow during the year:

| | Six months ended 31 March 2012 $m | 2011 $m |
|---|---|---|
| Operating profit | 14 | 144 |
| Depreciation, amortisation and impairment | 61 | 62 |
| Changes in working capital | 40 | 109 |
| Other | 15 | 12 |
| Cash flow generated from operations | 130 | 327 |
| Interest and finance costs | (12) | (19) |
| Tax | (8) | (7) |
| Trading cash inflow | 110 | 301 |
| Capital expenditure | (197) | (191) |
| Investment expenditure | (4) | (1) |
| Free cash (outflow) / inflow | (91) | 109 |
| Dividends paid to equity shareholders | (31) | (30) |
| Cash (outflow) /inflow | (122) | 79 |
| Opening net debt | (234) | (375) |
| Foreign exchange | 1 | - |
| Unamortised fees | (1) | - |
| Closing net debt | (356) | (296) |
| | | |
| Trading cash inflow (cents per share) | 55.6c | 148.4c |
| Free cash (outflow) / inflow (cents per share) | (41.6)c | 54.3c |

Cash flow generated from operations in the six months ended 31 March 2012 at $130 million reflects a $197 million decrease from the same period in 2011. This was largely as a result of subdued profitability on the back of lower revenues mainly driven by adverse price and volume movements. Cash flow generated from operations for the six months ended 31 March 2012 includes deferred revenue received on the forward sale of gold of $107 million as well as the benefit of improved payment terms negotiated with one of our large customers.

Trading cash inflow for the six months to 31 March 2012 amounted to $110 million (2011 - $301 million). The cash flow on interest and finance costs decreased by $7 million. Tax payments remained flat and represent provisional corporate tax payments. The trading cash inflow per share was 55.6 cents for the six months ended 31 March 2012 against 148.4 cents for 2011.

Capital expenditure cash flow at $197 million was $6 million above the prior period. In Mining the expenditure incurred was focused on operating developments at Hossy and Saffy shafts, equipping and development at K4 and investment in sub-declines at K3. In the Process Division spend largely comprised additional furnace capacity.

The proposed dividend of 15 cents per share for the financial year ended 30 September 2011 was paid during the period under review resulting in a cash outflow of $31 million.

Net debt at $356 million has increased by $122 million since 30 September 2011. Pressure on net debt as a result of subdued profitability and the continued capital programme was mitigated by the deferred revenue proceeds mentioned above.

As a result gearing, calculated on net borrowings attributable to the Group divided by those attributable net borrowings and the equity interests outstanding at the balance sheet date, was 11% at 31 March 2012 (31 March 2011 – 9%). We continue to closely monitor our liquidity risk as discussed in more detail under the financial risk management section below.

**Principal risks and uncertainties**

The Group faces many risks in the operation of its business. The Group's strategy takes into account known risks, but risks will exist of which we are currently unaware. There is an extensive discussion of the principal risks and uncertainties facing the Company on pages 37 to 40 of the 2011 Annual Report, available from the Company's website, www.lonmin.com. This financial review focuses on financial risk management.

## Financial risk management

The main financial risks faced by the Group relate to the availability of funds to meet business needs (liquidity risk), the risk of default by counterparties to financial transactions (credit risk), fluctuations in interest and foreign exchange rates and commodity prices.

These are the critical factors to consider when addressing the issue of whether the Group is a Going Concern. As is clear from the following paragraphs, the Group is in a strong position regarding financial risk. There are, however, factors which are outside the control of management, specifically, volatility in the Rand / US Dollar exchange rate and PGM commodity prices, which can have a significant impact on the business.

### Liquidity risk

The policy on liquidity is to ensure that the Group has sufficient funds to facilitate all ongoing operations. The Group funds its operations through a mixture of equity funding and borrowings. The Group's philosophy is to maintain an appropriately low level of financial gearing given the exposure of the business to fluctuations in PGM commodity prices and the Rand / US Dollar exchange rate. This is supplemented with additional risk mitigation strategies such as those described below in respect of foreign currency and commodity price risk.

As part of the annual budgeting and long term planning process, the Group's cash flow forecast is reviewed and approved by the Board. The cash flow forecast is amended for any material changes identified during the year, for example material acquisitions and disposals. Where funding requirements are identified from the cash flow forecast, appropriate measures are taken to ensure these requirements can be satisfied. Factors taken into consideration are:

- the size and nature of the requirement;
- preferred sources of finance applying key criteria of cost, commitment, availability, security / covenant conditions;
- recommended counterparties, fees and market conditions; and
- covenants, guarantees and other financial commitments.

During the course of 2011 Lonmin's bank debt facilities were reorganised into new facilities totalling approximately $945 million. These facilities have been operating smoothly and are adequate for the Group's current liquidity requirements.

As at 31 March 2012, Lonmin had net debt of $356 million, comprising $515 million of drawn facilities net of $157 million of cash and equivalents and $7 million of unamortised bank fees as well as a further $5 million of external debt incurred to fund the construction of a chrome treatment plant with an outside partner.

The effective cost of debt funding for the first half of the 2012 financial year was circa 4.6%.

### Credit risk

#### *Banking counterparties*

Banking counterparty credit risk is managed by spreading financial transactions across an approved list of counterparties of high credit quality. Banking counterparties are approved by the Board and consist of the ten banks that participate in Lonmin's bank debt facilities. These counter-parties comprise: BNP Paribas S.A., Citigroup Global Markets Limited, FirstRand Bank Limited, HSBC Bank Plc, Investec Bank Limited, J.P. Morgan Limited, Lloyds TSB Bank Plc, The Royal Bank of Scotland N.V., The Standard Bank of South Africa Limited and Standard Chartered Bank.

#### *Trade receivables*

The Group is exposed to significant trade receivable credit risk through the sale of PGMs to a limited group of customers.

This risk is managed as follows:

- aged analysis is performed on trade receivable balances and reviewed on a monthly basis;
- credit ratings are obtained on any new customers and the credit ratings of existing customers are monitored on an ongoing basis;
- credit limits are set for customers; and
- trigger points and escalation procedures are clearly defined.

It should be noted that a significant portion of Lonmin's revenue is from two key customers. However, both of these customers have strong investment grade ratings and their payments terms are very short, thereby reducing trade receivable credit risk significantly.

***HDSA receivables***

HDSA receivables are secured on the HDSA's shareholding in Incwala.

**Interest rate risk**

Currently, the bulk of Lonmin's outstanding borrowings are in US Dollars. Of the USD borrowings, the base rate in respect of the $300 million term facility has been fixed through an interest rate swap for the term of the facility which runs until May 2016. In respect of the remaining USD borrowings and the ZAR borrowings these are at floating rates of interest linked to LIBOR and JIBAR respectively. The interest position is kept under constant review in conjunction with the liquidity policy outlined above and the future funding requirements of the business.

**Foreign currency risk**

The Group's operations are predominantly based in South Africa and the majority of the revenue stream is in US Dollars. However, the bulk of the Group's operating costs and taxes are paid in Rand. Most of the cash received in South Africa is in US Dollars. Most of the Group's funding sources are in US Dollars.

The Group's reporting currency is the US Dollar and the share capital of the Company is based in US Dollars.

Because of the current depressed level of our revenue basket when expressed in Rands and the sensitivity of this price to a strengthening Rand, a decision has been taken to use hedging instruments in respect of the Rand / US Dollar currency exposure for a portion of revenues in the second half of the 2012 financial year when the opportunity arises.

The approximate effects on the Group's results of a 10% movement in the Rand to US Dollar based on the year-to-date 2012 average exchange rate would be as follows:

| | |
|---|---|
| EBIT | +/- $67m |
| Profit for the year | +/- $39m |
| EPS (cents) | +/- 19.5c |

These sensitivities are based on year-to-date 2012 prices, costs and volumes and assume all other variables remain constant. Current hedges have not been taken into account in the calculations. They are estimated calculations only.

**Commodity price risk**

Our policy is not to hedge commodity price exposure on PGMs, excluding gold, and therefore any change in prices will have a direct effect on the Group's trading results.

For base metals and gold, hedging is undertaken where the Board determines that it is in the Group's interest to hedge a proportion of future cash flows. The policy is to hedge up to a maximum of 75% of the future cash flows from the sale of these products. The Group did not undertake any hedging of base metals under this authority in the financial period and no forward contracts were in place in respect of base metals at the end of the period.

In respect of gold, Lonmin entered into a pre-paid sale of 75% of its current gold production for the next 54 months in March 2012. In terms of this contract Lonmin will deliver 70,700 ounces of gold over the period with delivery on a quarterly basis and in return received an upfront payment of $107 million. This will be used to help fund the capital expenditure programme. The upfront receipt has been accounted for as deferred revenue on our balance sheet and will be released to profit and loss as deliveries take place at an average price of $1,510/oz delivered.

The approximate effects on the Group's results of a 10% movement in the year-to-date 2012 average metal prices achieved for Platinum (Pt) ($1,568 per ounce), Palladium (Pd) ($660 per ounce) and Rhodium (Rh) ($1,462 per ounce) would be as follows:

| | Pt | Pd | Rh |
|---|---|---|---|
| EBIT | +/- $50m | +/- $9m | +/- $7m |
| Profit for the year | +/- $29m | +/- $5m | +/- $4m |
| EPS (cents) | +/- 14.5c | +/- 2.6c | +/- 2.1c |

These sensitivities are based on year-to-date 2012 costs and volumes and assume all other variables remain constant. They are estimated calculations only.

**Contingent liabilities**

The Group provided third party guarantees to the Department of Minerals and Energy in connection with environmental and rehabilitation obligations which the Group has to fund in order to restore the environment once all mining operations have ceased. At 31 March 2012 these guarantees amounted to $54 million (2011 - $50 million).

**Simon Scott**
Chief Financial Officer
11 May 2012

## Operating Statistics

| | | | Units | **6 months to 31 March 2012** | 6 months to 31 March 2011 |
|---|---|---|---|---|---|
| **Tonnes mined** | Marikana | Karee [1] | kt | **2,459** | 2,214 |
| | | Westerns [1] | kt | **1,508** | 1,725 |
| | | Middelkraal [1] | kt | **965** | 919 |
| | | Easterns [1] | kt | **556** | 615 |
| | | Underground | kt | **5,489** | 5,473 |
| | | Opencast | kt | **196** | 336 |
| | Pandora attributable [2] | Underground | kt | **104** | 83 |
| | Lonmin Platinum | Underground | kt | **5,593** | 5,556 |
| | | Opencast | kt | **196** | 336 |
| | | Total | kt | **5,789** | 5,891 |
| | % tonnes mined from the UG2 reef | | % | **71.0** | 72.4 |
| **Tonnes milled [3]** | Marikana | Underground | kt | **5,533** | 5,275 |
| | | Opencast | kt | **239** | 550 |
| | Pandora [4] | Underground | kt | **226** | 175 |
| | Lonmin Platinum | Underground | kt | **5,759** | 5,451 |
| | | Opencast | kt | **239** | 550 |
| | | Total | kt | **5,998** | 6,000 |
| **Milled head grade [5]** | Lonmin Platinum | Underground | g/t | **4.48** | 4.56 |
| | | Opencast | g/t | **2.89** | 2.20 |
| | | Total | g/t | **4.42** | 4.34 |
| **Concentrator recovery rate [6]** | Lonmin Platinum | Underground | % | **85.5** | 85.6 |
| | | Opencast | % | **85.0** | 81.8 |
| | | Total | % | **85.5** | 85.4 |
| **Metals in concentrate [7]** | Marikana | Platinum | oz | **351,695** | 343,789 |
| | | Palladium | oz | **159,805** | 161,419 |
| | | Gold | oz | **9,582** | 9,133 |
| | | Rhodium | oz | **44,338** | 44,982 |
| | | Ruthenium | oz | **69,023** | 71,091 |
| | | Iridium | oz | **15,009** | 15,564 |
| | | Total PGMs | oz | **649,452** | 645,978 |
| | Pandora [4] | Platinum | oz | **15,608** | 11,074 |
| | | Palladium | oz | **7,232** | 5,179 |
| | | Gold | oz | **118** | 77 |
| | | Rhodium | oz | **2,389** | 1,689 |
| | | Ruthenium | oz | **3,655** | 2,654 |
| | | Iridium | oz | **615** | 438 |
| | | Total PGMs | oz | **29,617** | 21,112 |
| | Concentrate purchases | Platinum | oz | **872** | - |
| | | Palladium | oz | **310** | - |
| | | Gold | oz | **3** | - |
| | | Rhodium | oz | **104** | - |
| | | Ruthenium | oz | **127** | - |
| | | Iridium | oz | **43** | - |
| | | Total PGMs | oz | **1,458** | - |
| | Lonmin Platinum | Platinum | oz | **368,175** | 354,863 |
| | | Palladium | oz | **167,346** | 166,597 |
| | | Gold | oz | **9,703** | 9,210 |
| | | Rhodium | oz | **46,831** | 46,671 |
| | | Ruthenium | oz | **72,805** | 73,745 |
| | | Iridium | oz | **15,667** | 16,002 |
| | | Total PGMs | oz | **680,528** | 667,089 |

| | | | Units | **6 months to 31 March 2012** | 6 months to 31 March 2011 |
|---|---|---|---|---|---|
| **Metals in concentrate** [7] | Lonmin Platinum | Nickel [8] | MT | **1,963** | 1,823 |
| | | Copper [8] | MT | **1,258** | 1,157 |
| **Refined production** | Lonmin refined metal production | Platinum | oz | **284,309** | 280,980 |
| | | Palladium | oz | **136,502** | 138,386 |
| | | Gold | oz | **8,536** | 6,664 |
| | | Rhodium | oz | **51,760** | 38,524 |
| | | Ruthenium | oz | **72,969** | 72,407 |
| | | Iridium | oz | **16,705** | 13,411 |
| | | Total PGMs | oz | **570,782** | 550,372 |
| | Toll refined metal production | Platinum | oz | **20,019** | 35,854 |
| | | Palladium | oz | **4,189** | 48,635 |
| | | Gold | oz | **200** | 2,866 |
| | | Rhodium | oz | **1,662** | 13,892 |
| | | Ruthenium | oz | **3,682** | 23,999 |
| | | Iridium | oz | **1,006** | 5,091 |
| | | Total PGMs | oz | **30,759** | 130,337 |
| | Total refined PGMs | Platinum | oz | **304,329** | 316,834 |
| | | Palladium | oz | **140,691** | 187,021 |
| | | Gold | oz | **8,736** | 9,530 |
| | | Rhodium | oz | **53,421** | 52,416 |
| | | Ruthenium | oz | **76,651** | 96,406 |
| | | Iridium | oz | **17,711** | 18,502 |
| | | Total PGMs | oz | **601,540** | 680,709 |
| | Base metals | Nickel [9] | MT | **1,645** | 2,113 |
| | | Copper [9] | MT | **899** | 1,214 |
| **Sales** | Lonmin Platinum | Platinum | oz | **318,402** | 318,306 |
| | | Palladium | oz | **135,554** | 189,531 |
| | | Gold | oz | **9,333** | 8,638 |
| | | Rhodium | oz | **49,020** | 54,807 |
| | | Ruthenium | oz | **77,911** | 91,773 |
| | | Iridium | oz | **18,359** | 16,503 |
| | | Total PGMs | oz | **608,579** | 679,557 |
| | | Nickel [9] | MT | **1,793** | 2,110 |
| | | Copper [9] | MT | **870** | 1,077 |
| | | Chrome [9] | MT | **596,032** | 241,746 |
| **Average prices** | | Platinum | $/oz | **1,568** | 1,777 |
| | | Palladium | $/oz | **660** | 755 |
| | | Gold | $/oz | **1,673** | 1,125 |
| | | Rhodium | $/oz | **1,462** | 2,345 |
| | | Ruthenium | $/oz | **103** | 170 |
| | | Iridium | $/oz | **1,041** | 840 |
| | | Basket price of PGMs [10] | $/oz | **1,155** | 1,290 |
| | | Basket price of PGMs [10] | R/oz | **9,070** | 8,990 |
| | | Basket price of PGMs [11] | R/oz | **9,638** | 9,619 |
| | | Nickel [9] | $/MT | **16,087** | 22,241 |
| | | Copper [9] | $/MT | **7,321** | 8,720 |
| | | Chrome [9] | $/MT | **18** | 26 |

**Footnotes:**

1 Karee includes the shafts K3, 1B and 4B and will also include K4 once production commences. Westerns comprises Rowland, Newman and ore purchases from W1. Middelkraal represents Hossy and Saffy. Easterns includes E1, E2 and E3.

2 Pandora attributable tonnes mined represents Lonmin's share (42.5%) of the total tonnes mined on the Pandora joint venture.

3 Tonnes milled excludes slag milling.

4 Lonmin purchases 100% of the ore produced by the Pandora joint venture for onward processing which is included in downstream operating statistics.

5 Head grade is the grammes per tonne (5PGE + Au) value contained in the tonnes milled and fed into the concentrator from the mines (excludes slag milled).

6 Recovery rate in the concentrators is the total content produced divided by the total content milled (excluding slag).

7 Metals in concentrate includes slag and has been calculated using industry standard downstream processing losses.

8 Corresponds to contained base metals in concentrate.

9 Nickel is produced and sold as nickel sulphate crystals or solution and the volumes shown correspond to contained metal. Copper is produced as refined product but typically at LME grade C. Chrome is produced in the form of chromite concentrate and volumes shown are in the form of chromite.

10 Basket price of PGMs is based on the revenue generated in Rand and Dollar from the actual PGMs (5PGE + Au) sold in the period based on the appropriate Rand/Dollar exchange rate applicable for each sales transaction.

11 As per note 10 but including revenue from base metals.

| | | Units | **6 months to 31 March 2012** | 6 months to 31 March 2011 |
|---|---|---|---|---|
| **Capital Expenditure** [1] | | Rm | **1,552** | 1,069 |
| | | $m | **197** | 154 |
| **Group cost per PGM ounce sold** [2] | | | | |
| Mining – Marikana | | R/oz | **5,698** | 5,111 |
| Concentrating – Marikana | | R/oz | **973** | 922 |
| Process division | | R/oz | **961** | 920 |
| Shared business services | | R/oz | **540** | 420 |
| C1 cost per PGM ounce produced | | R/oz | **8,172** | 7,372 |
| Stock movement | | R/oz | **(413)** | (337) |
| C1 cost per PGM ounce sold before base metal credits | | R/oz | **7,759** | 7,036 |
| Base metal credits | | R/oz | **(568)** | (629) |
| C1 costs per PGM ounce sold after base metal credits | | R/oz | **7,190** | 6,407 |
| Amortisation | | R/oz | **780** | 600 |
| C2 costs per PGM ounce sold | | R/oz | **7,970** | 7,007 |
| **Pandora mining cost:** | | | | |
| C1 Pandora mining cost (in joint venture) | | R/oz | **5,326** | 5,340 |
| Pandora JV cost/ounce produced to Lonmin (adjusting Lonmin share of profit) | | R/oz | **8,079** | 8,251 |
| **Exchange rates** | Average rate for period [3] | R/$ | **7.91** | 6.93 |
| | Closing rate | R/$ | **7.65** | 6.77 |

**Footnotes:**

1 Capital expenditure is the aggregate of the purchase of property, plant and equipment and intangible assets (includes capital accruals and excludes capitalised interest).

2 Exchange rates are calculated using the market average daily closing rate over the course of the period.

## Responsibility statement of the directors in respect of the interim financial report

We confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU; and

- the interim management report includes a fair review of the information required by:

  (a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

  (b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

For and on behalf of the Board

**Roger Phillimore**
Chairman

**Simon Scott**
Chief Financial Officer

11 May 2012

# INDEPENDENT REVIEW REPORT TO LONMIN PLC

## Introduction

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2012 which comprises the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity, consolidated statement of cash flows and the related explanatory notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company in accordance with the terms of our engagement to assist the company in meeting the requirements of the Disclosure and Transparency Rules ("the DTR") of the UK's Financial Services Authority ("the UK FSA"). Our review has been undertaken so that we might state to the company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our review work, for this report, or for the conclusions we have reached.

## Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the DTR of the UK FSA.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with IFRSs as adopted by the EU. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the EU.

## Our responsibility

Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

## Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Auditing Practices Board for use in the UK. A review of interim financial information consists of making enquiries, 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 (UK and Ireland) 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 condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2012 is not prepared, in all material respects, in accordance with IAS 34 as adopted by the EU and the DTR of the UK FSA.

**Robert M. Seale**
**for and on behalf of KPMG Audit Plc**
Chartered Accountants
15 Canada Square
London E14 5GL

11 May 2012

## Consolidated income statement
for the 6 months to 31 March 2012

| Continuing operations | Note | 6 months to 31 March 2012 Underlying [i] $m | Special items (note 3) $m | 6 months to 31 March 2012 Total $m | 6 months to 31 March 2011 Underlying [i] $m | Special items (note 3) $m | 6 months to 31 March 2011 Total $m | Year ended 30 Sep 2011 Underlying [i] $m | Special items (note 3) $m | Year ended 30 Sep 2011 Total $m |
|---|---|---|---|---|---|---|---|---|---|---|
| **Revenue** | 2 | **751** | **-** | **751** | 938 | - | 938 | 1,992 | - | 1,992 |
| **EBITDA** [ii] | 2 | **75** | **-** | **75** | 208 | (2) | 206 | 433 | (2) | 431 |
| Depreciation, amortisation and impairment | | **(61)** | **-** | **(61)** | (60) | (2) | (62) | (122) | (2) | (124) |
| **Operating profit** [iii] | 2 | **14** | **-** | **14** | 148 | (4) | 144 | 311 | (4) | 307 |
| Impairment of available for sale financial assets | | **-** | **(6)** | **(6)** | - | - | - | - | - | - |
| Finance income | 4 | **2** | **18** | **20** | 3 | 14 | 17 | 5 | 15 | 20 |
| Finance expenses | 4 | **(11)** | **-** | **(11)** | (5) | - | (5) | (10) | (33) | (43) |
| Share of profit of equity accounted investments | | **1** | **-** | **1** | 3 | - | 3 | 9 | - | 9 |
| **Profit before taxation** | | **6** | **12** | **18** | 149 | 10 | 159 | 315 | (22) | 293 |
| Income tax (expense) / credit [iv] | 5 | **(26)** | **(26)** | **(52)** | (44) | (13) | (57) | (56) | 84 | 28 |
| **(Loss) / profit for the period** | | **(20)** | **(14)** | **(34)** | 105 | (3) | 102 | 259 | 62 | 321 |
| Attributable to: | | | | | | | | | | |
| - Equity shareholders of Lonmin Plc | | **(14)** | **(10)** | **(24)** | 91 | (1) | 90 | 226 | 47 | 273 |
| - Non-controlling interests | | **(6)** | **(4)** | **(10)** | 14 | (2) | 12 | 33 | 15 | 48 |
| (Loss) / earnings per share | 6 | | | **(11.8)c** | | | 44.5c | | | 134.8c |
| Diluted (loss) / earnings per share [v] | 6 | | | **(11.8)c** | | | 44.3c | | | 134.4c |

**Footnotes:**

i Underlying results and earnings per share are based on reported results and earnings per share excluding the effect of special items as defined in note 3.

ii EBITDA is operating profit before depreciation, amortisation and impairment of goodwill, intangibles and property, plant and equipment.

iii Operating profit is defined as revenue less operating expenses before impairment of available for sale financial assets, finance income and expenses and before share of profit of equity accounted investments.

iv The income tax (expense) / credit substantially relates to overseas taxation and includes exchange losses of $26 million (6 months to 31 March 2011 - $10 million and year ended 30 September 2011 – exchange gains of $82 million) as disclosed in note 5.

v Diluted earnings per share is based on the weighted average number of ordinary shares in issue adjusted by dilutive outstanding share options.

## Consolidated statement of comprehensive income
for the 6 months to 31 March 2012

| | **6 months to 31 March 2012** | 6 months to 31 March 2011 | Year ended 30 September 2011 |
|---|---|---|---|
| | **$m** | $m | $m |
| (Loss) / profit for the period | **(34)** | 102 | 321 |
| Other comprehensive income / (expense): | | | |
| - Change in fair value of available for sale financial assets | **2** | (5) | (20) |
| - Net change in fair value of cash flow hedges | **-** | 1 | - |
| - Ineffective portion of changes in fair value of cash flow hedges | **(1)** | - | (9) |
| - Changes in cash flow hedges released to the income statement | **2** | - | - |
| - Changes in settled cash flow hedges released to the income statement | **-** | - | 1 |
| - Foreign exchange on retranslation of equity accounted investments | **2** | - | (8) |
| - Deferred tax on items taken directly to the statement of comprehensive income | **-** | - | (4) |
| Total comprehensive (loss) / income for the period | **(29)** | 98 | 281 |
| | | | |
| Attributable to: | | | |
| - Equity shareholders of Lonmin Plc | **(20)** | 86 | 235 |
| - Non-controlling interests | **(9)** | 12 | 46 |
| | **(29)** | 98 | 281 |

## Consolidated statement of financial position
as at 31 March 2012

| | Note | **As at 31 March 2012 $m** | As at 31 March 2011 $m | As at 30 September 2011 $m |
|---|---|---|---|---|
| **Non-current assets** | | | | |
| Goodwill | | **113** | 113 | 113 |
| Intangible assets | | **990** | 980 | 993 |
| Property, plant and equipment | | **2,718** | 2,330 | 2,567 |
| Equity accounted investments | | **178** | 176 | 175 |
| Other financial assets | | **416** | 417 | 399 |
| | | **4,415** | 4,016 | 4,247 |
| **Current assets** | | | | |
| Inventories | | **467** | 454 | 384 |
| Trade and other receivables | | **99** | 198 | 154 |
| Tax recoverable | | **1** | - | 1 |
| Cash and cash equivalents | 8 | **157** | 115 | 76 |
| | | **724** | 767 | 615 |
| **Current liabilities** | | | | |
| Trade and other payables | | **(315)** | (297) | (354) |
| Interest bearing loans and borrowings | 8 | **(215)** | (56) | (10) |
| Derivative financial instruments | | **(4)** | - | (5) |
| Deferred revenue | 9 | **(23)** | - | - |
| Tax payable | | **-** | (4) | (2) |
| | | **(557)** | (357) | (371) |
| **Net current assets** | | **167** | 410 | 244 |
| **Non-current liabilities** | | | | |
| Interest bearing loans and borrowings | 8 | **(298)** | (355) | (300) |
| Derivative financial instruments | | **(9)** | - | (9) |
| Deferred tax liabilities | | **(762)** | (802) | (716) |
| Deferred revenue | 9 | **(84)** | - | - |
| Provisions | | **(137)** | (110) | (125) |
| | | **(1,290)** | (1,267) | (1,150) |
| **Net assets** | | **3,292** | 3,159 | 3,341 |
| **Capital and reserves** | | | | |
| Share capital | | **203** | 202 | 203 |
| Share premium | | **997** | 997 | 997 |
| Other reserves | | **81** | 88 | 80 |
| Retained earnings | | **1,609** | 1,486 | 1,650 |
| **Attributable to equity shareholders of Lonmin Plc** | | **2,890** | 2,773 | 2,930 |
| **Attributable to non-controlling interests** | | **402** | 386 | 411 |
| **Total equity** | | **3,292** | 3,159 | 3,341 |

## Consolidated statement of changes in equity
for the 6 months to 31 March 2012

| | Equity shareholders' funds | | | | | | |
|---|---|---|---|---|---|---|---|
| | Called up share capital $m | Share premium account $m | Other reserves [i] $m | Retained earnings [ii] $m | Total $m | Non-controlling interests [iii] $m | Total equity $m |
| At 1 October 2010 | 202 | 997 | 88 | 1,422 | 2,709 | 373 | 3,082 |
| Profit for the period | - | - | - | 90 | 90 | 12 | 102 |
| Comprehensive expense: | - | - | - | (4) | (4) | - | (4) |
| - Change in fair value of available for sale financial assets | - | - | - | (5) | (5) | - | (5) |
| - Net change in fair value of cash flow hedges | - | - | - | 1 | 1 | - | 1 |
| Items recognised directly in equity: | - | - | - | (22) | (22) | 1 | (21) |
| - Share-based payments | - | - | - | 8 | 8 | 1 | 9 |
| - Dividends | - | - | - | (30) | (30) | - | (30) |
| **At 31 March 2011** | 202 | 997 | 88 | 1,486 | 2,773 | 386 | 3,159 |
| | | | | | | | |
| At 1 April 2011 | 202 | 997 | 88 | 1,486 | 2,773 | 386 | 3,159 |
| Profit for the period | - | - | - | 183 | 183 | 36 | 219 |
| Comprehensive expense: | - | - | (8) | (26) | (34) | (2) | (36) |
| - Change in fair value of available for sale financial assets | - | - | - | (15) | (15) | - | (15) |
| - Net change in fair value of cash flow hedges | - | - | - | (1) | (1) | - | (1) |
| - Effective portion of changes in fair value of cash flow hedges | - | - | (9) | - | (9) | - | (9) |
| - Changes in settled cash flow hedges released to the income statement | - | - | 1 | - | 1 | - | 1 |
| - Foreign exchange gain on retranslation of equity accounted investments | - | - | - | (6) | (6) | (2) | (8) |
| - Deferred tax on items taken directly to the statement of comprehensive income | - | - | - | (4) | (4) | - | (4) |
| Items recognised directly in equity: | 1 | - | - | 7 | 8 | (9) | (1) |
| - Share-based payments | - | - | - | 7 | 7 | 1 | 8 |
| - Shares issued on exercise of share options | 1 | - | - | - | 1 | - | 1 |
| - Dividends | - | - | - | - | - | (10) | (10) |
| **At 30 September 2011** | 203 | 997 | 80 | 1,650 | 2,930 | 411 | 3,341 |

## Consolidated statement of changes in equity (continued)

for the 6 months to 31 March 2012

| | Equity shareholders' funds | | | | | | |
|---|---|---|---|---|---|---|---|
| | Called up share capital $m | Share premium account $m | Other reserves [i] $m | Retained earnings [ii] $m | Total $m | Non-controlling interests [iii] $m | Total equity $m |
| At 1 October 2011 | 203 | 997 | 80 | 1,650 | 2,930 | 411 | 3,341 |
| Loss for the period | - | - | - | (24) | (24) | (10) | (34) |
| Comprehensive income : | - | - | 1 | 3 | 4 | 1 | 5 |
| - Change in fair value of available for sale financial assets | - | - | - | 2 | 2 | - | 2 |
| - Ineffective portion of changes in fair value of cash flow hedges | - | - | (1) | - | (1) | - | (1) |
| - Changes in cash flow hedges released to the income statement | - | - | 2 | - | 2 | - | 2 |
| - Foreign exchange gain on retranslation of equity accounted investments | - | - | - | 1 | 1 | 1 | 2 |
| Items recognised directly in equity : | - | - | - | (20) | (20) | - | (20) |
| - Share-based payments | - | - | - | 11 | 11 | - | 11 |
| - Dividends | - | - | - | (31) | (31) | - | (31) |
| **At 31 March 2012** | 203 | 997 | 81 | 1,609 | 2,890 | 402 | 3,292 |

**Footnotes:**

i Other reserves at 31 March 2012 represent the capital redemption reserve of $88 million (31 March 2011 and 30 September 2011 - $88 million) and a $7 million hedging loss net of deferred tax (31 March 2011 - $nil and 30 September 2011 - $8 million).

ii Retained earnings include $15 million of accumulated credits in respect of fair value movements on available for sale financial assets (31 March 2011 - $11 million and 30 September 2011 - $13 million) and a $9 million credit of accumulated exchange on retranslation of equity accounted investments (31 March 2011 - $14 million and 30 September 2011 - $8 million).

iii Non-controlling interests represent an 18% shareholding in Eastern Platinum Limited, Western Platinum Limited and Messina Limited and a 26% shareholding in Akanani Mining (Pty) Limited.

## Consolidated statement of cash flows

for the 6 months to 31 March 2012

| | Note | **6 months to 31 March 2012 $m** | 6 months to 31 March 2011 $m | Year ended 30 September 2011 $m |
|---|---|---|---|---|
| **(Loss) / profit for the period** | | **(34)** | 102 | 321 |
| Taxation | 5 | **52** | 57 | (28) |
| Share of profit after tax of equity accounted investments | | **(1)** | (3) | (9) |
| Finance income | 4 | **(20)** | (17) | (20) |
| Finance expenses | 4 | **11** | 5 | 43 |
| Impairment of available for sale financial assets | 3 | **6** | - | - |
| Depreciation, amortisation and impairment | | **61** | 62 | 124 |
| Change in inventories | | **(83)** | (58) | 12 |
| Change in trade and other receivables | | **55** | 216 | 260 |
| Change in trade and other payables | | **(39)** | (49) | (27) |
| Change in provisions | | **7** | 3 | (13) |
| Deferred revenue | | **107** | - | - |
| Share-based payments | | **11** | 9 | 17 |
| Loss on disposal of property, plant and equipment | | **-** | - | 2 |
| Other non-cash items | | **(3)** | - | - |
| **Cash inflow from operations** | | **130** | 327 | 682 |
| Interest received | | **1** | 1 | 3 |
| Interest and bank fees paid | | **(13)** | (20) | (39) |
| Tax paid | | **(8)** | (7) | (16) |
| **Cash inflow from operating activities** | | **110** | 301 | 630 |
| **Cash flow from investing activities** | | | | |
| Investment in joint venture | | **(1)** | (1) | (2) |
| Additions to other financial assets | | **(3)** | - | (30) |
| Purchase of property, plant and equipment | | **(197)** | (191) | (408) |
| Purchase of intangible assets | | **-** | - | (2) |
| **Cash outflow from investing activities** | | **(201)** | (192) | (442) |
| **Cash flow from financing activities** | | | | |
| Equity dividends paid to Lonmin shareholders | | **(31)** | (30) | (30) |
| Dividends paid to non-controlling interests | | **-** | - | (10) |
| Proceeds from current borrowings | 8 | **246** | - | 10 |
| Repayment of current borrowings | 8 | **(46)** | (11) | (71) |
| Proceeds from non-current borrowings | 8 | **-** | 149 | 300 |
| Issue costs of non-current borrowings | | **-** | - | (8) |
| Repayment of non-current borrowings | 8 | **-** | (250) | (454) |
| Issue of ordinary share capital | | **-** | - | 1 |
| **Cash inflow / (outflow) from financing activities** | | **169** | (142) | (262) |
| **Increase / (decrease) in cash and cash equivalents** | 8 | **78** | (33) | (74) |
| Opening cash and cash equivalents | 8 | **76** | 148 | 148 |
| Effect of exchange rate changes | 8 | **3** | - | 2 |
| **Closing cash and cash equivalents** | 8 | **157** | 115 | 76 |

## Notes to the accounts

### 1 Statement on accounting policies

#### Basis of preparation

Lonmin Plc (the Company) is a Company domiciled in the United Kingdom. The condensed consolidated interim financial statements of the Company as at and for the 6 months to 31 March 2012 comprise the Company and its subsidiaries (together referred to as the Group) and the Group's interests in equity accounted investments.

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 - *Interim Financial Reporting*, as adopted by the EU. The annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards (IFRSs), as adopted by the EU. As required by the Disclosure and Transparency Rules of the Financial Services Authority, the condensed set of financial statements have been prepared applying the accounting policies and presentation that were applied in the preparation of the Company's published consolidated financial statements for the year ended 30 September 2011, except as noted below. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 30 September 2011.

The comparative figures for the financial year ended 30 September 2011 are not the Group's full statutory accounts for that financial year. Those accounts have been reported on by the Group's auditors and delivered to the registrar of companies. The report of the auditors was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

The consolidated financial statements of the Group as at and for the year ended 30 September 2011 are available upon request from the Company's registered office at 4 Grosvenor Place, London, SW1X 7YL.

These condensed consolidated interim financial statements were approved by the Board of Directors on 11 May 2012.

These condensed consolidated interim financial statements apply the accounting policies and presentation that will be applied in the preparation of the Group's published consolidated financial statements for the year ending 30 September 2012.

The Group has considerable debt facilities in place and the directors believe that it is well placed to manage its business risks successfully despite the current uncertain economic outlook. The directors have reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

#### New standards and amendments in the period

The following revised IFRSs and interpretations have been adopted in these condensed consolidated financial statements. The application of these IFRSs has not had any material impact on the amounts reported for the current and prior years, but may affect the accounting for future transactions or arrangements.

IAS 24 (revised 2009) *Related Party Disclosures* (effective 1 January 2011) amends the definition of a related party and modifies certain related party disclosure requirements for government related entities.

Amendments to IFRS 7 *Disclosures – Transfers of Financial Assets* (effective 1 July 2011) increase the disclosure requirements for transactions involving transfers of financial assets to provide greater transparency around risk exposures where the transferor retains some level of continuing exposure in the asset.

There were no other new standards, interpretations or amendments to standards issued and effective for the period which materially impacted the Group.

## Notes to the accounts (continued)

### 1 Statement on accounting policies (continued)

The Group has amended its accounting policy for Stripping Costs such that it is now consistent with the principles set out in IFRIC 20 'Stripping Costs in the Production of a Surface Mine'. IFRIC 20, which has yet to be adopted by the EU, requires that stripping costs incurred which provide improved access to the ore be recognised as a non-current asset (stripping activity asset) when certain criteria is met. The application of this change of accounting did not have a material impact on the amounts reported for the current and prior years.

**New standards that are relevant to the Group but not yet effective**

There were no new standards, interpretations or amendments to standards issued, but not yet effective for the period which are expected to materially impact the Group's financial statements.

### 2 Segmental analysis

The Group distinguishes between three reportable operating segments being the Platinum Group Metals (PGM) Operations segment, the Evaluation segment and the Exploration segment.

The PGM Operations segment comprises the activities involved in the mining and processing of PGMs, together with associated base metals, which are carried out entirely in South Africa. These operations are integrated and designed to support the process for extracting and refining PGMs from underground. PGMs move through each stage of the process and undergo successive levels of refinement which result in fully refined metals. The Chief Executive Officer, who performs the role of Chief Operating Decision Maker (CODM), views the PGM Operations segment as a single whole for the purposes of financial performance monitoring and assessment and does not make resource allocations based on margin, costs or cash flows incurred at each separate stage of the process. In addition, the CODM makes his decisions for running the business on a day to day basis using the physical operating statistics generated by the business as these summarise the operating performance of the entire segment.

The Evaluation segment covers the evaluation through pre-feasibility of the economic viability of newly discovered PGM deposits. Currently all of the evaluation projects are based in South Africa.

The Exploration segment covers the activities involved in the discovery or identification of new PGM deposits. This activity occurs on a worldwide basis.

No operating segments have been aggregated. Operating segments have consistently adopted the consolidated basis of accounting and there are no differences in measurement applied. Other covers mainly the results and investment activities of the corporate Head Office. The only intersegment transactions involve the provision of funding between segments and any associated interest.

## Notes to the accounts (continued)

### 2 Segmental analysis (continued)

| | 6 months to 31 March 2012 | | | | | |
|---|---|---|---|---|---|---|
| | PGM Operations Segment $m | Evaluation Segment $m | Exploration Segment $m | Other $m | Intersegment Adjustments $m | Total $m |
| Revenue (external sales by product): | | | | | | |
| Platinum | 499 | - | - | - | - | 499 |
| Palladium | 89 | - | - | - | - | 89 |
| Gold | 16 | - | - | - | - | 16 |
| Rhodium | 72 | - | - | - | - | 72 |
| Ruthenium | 8 | - | - | - | - | 8 |
| Iridium | 19 | - | - | - | - | 19 |
| PGMs | 703 | - | - | - | - | 703 |
| Nickel | 29 | - | - | - | - | 29 |
| Copper | 6 | - | - | - | - | 6 |
| Chrome | 13 | - | - | - | - | 13 |
| | 751 | - | - | - | - | 751 |
| Underlying [i]: | | | | | | |
| EBITDA / (LBITDA) [ii] | 79 | (2) | (3) | 1 | - | 75 |
| Depreciation, amortisation and impairment | (61) | - | - | - | - | (61) |
| Operating profit / (loss) [ii] | 18 | (2) | (3) | 1 | - | 14 |
| Finance income | 1 | - | - | 10 | (9) | 2 |
| Finance expenses | (9) | - | - | (11) | 9 | (11) |
| Share of profit / (loss) of equity accounted investments | 2 | - | - | (1) | - | 1 |
| Profit / (loss) before taxation | 12 | (2) | (3) | (1) | - | 6 |
| Income tax expense | (26) | - | - | - | - | (26) |
| Underlying loss after taxation | (14) | (2) | (3) | (1) | - | (20) |
| Special items (note 3) | | | | | | (14) |
| Loss after taxation | | | | | | (34) |
| Total assets [iii] | 3,805 | 865 | 1 | 1,350 | (882) | 5,139 |
| Total liabilities [iv] | (1,871) | (310) | (46) | (502) | 882 | (1,847) |
| Net assets / (liabilities) | 1,934 | 555 | (45) | 848 | - | 3,292 |
| Share of net assets of equity accounted investments | 52 | - | - | 126 | - | 178 |
| Additions to property, plant, equipment and intangibles | 208 | 1 | - | - | - | 209 |
| Material non-cash items – share-based payments | 11 | - | - | - | - | 11 |

## Notes to the accounts (continued)

### 2 Segmental analysis (continued)

| | 6 months to 31 March 2011 | | | | | |
|---|---|---|---|---|---|---|
| | PGM Operations Segment $m | Evaluation Segment $m | Exploration Segment $m | Other $m | Intersegment Adjustments $m | Total $m |
| Revenue (external sales by product): | | | | | | |
| Platinum | 566 | - | - | - | - | 566 |
| Palladium | 143 | - | - | - | - | 143 |
| Gold | 9 | - | - | - | - | 9 |
| Rhodium | 128 | - | - | - | - | 128 |
| Ruthenium | 16 | - | - | - | - | 16 |
| Iridium | 14 | - | - | - | - | 14 |
| PGMs | 876 | - | - | - | - | 876 |
| Nickel | 47 | - | - | - | - | 47 |
| Copper | 9 | - | - | - | - | 9 |
| Chrome | 6 | - | - | - | - | 6 |
| | 938 | - | - | - | - | 938 |
| Underlying [i]: | | | | | | |
| EBITDA / (LBITDA) [ii] | 206 | (1) | 2 | 1 | - | 208 |
| Depreciation, amortisation and impairment | (60) | - | - | - | - | (60) |
| Operating profit / (loss) [ii] | 146 | (1) | 2 | 1 | - | 148 |
| Finance income | 3 | - | - | 4 | (4) | 3 |
| Finance expenses | (9) | - | - | - | 4 | (5) |
| Share of profit of equity accounted investments | 3 | - | - | - | - | 3 |
| Profit / (loss) before taxation | 143 | (1) | 2 | 5 | - | 149 |
| Income tax (expense) / credit | (44) | (2) | - | 2 | - | (44) |
| Underlying profit / (loss) after taxation | 99 | (3) | 2 | 7 | - | 105 |
| Special items (note 3) | | | | | | (3) |
| Profit after taxation | | | | | | 102 |
| Total assets [iii] | 3,469 | 844 | 7 | 996 | (533) | 4,783 |
| Total liabilities [iv] | (1,678) | (300) | (45) | (134) | 533 | (1,624) |
| Net assets / (liabilities) | 1,791 | 544 | (38) | 862 | - | 3,159 |
| Share of net assets of equity accounted investments | 54 | - | - | 122 | - | 176 |
| Additions to property, plant, equipment and intangibles | 191 | 6 | - | - | - | 197 |
| Material non-cash items – share-based payments | 9 | - | - | - | - | 9 |

## Notes to the accounts (continued)

### 2 Segmental analysis (continued)

| | Year ended 30 September 2011 | | | | | |
|---|---|---|---|---|---|---|
| | PGM Operations Segment $m | Evaluation Segment $m | Exploration Segment $m | Other $m | Intersegment Adjustments $m | Total $m |
| Revenue (external sales by product): | | | | | | |
| Platinum | 1,275 | - | - | - | - | 1,275 |
| Palladium | 280 | - | - | - | - | 280 |
| Gold | 29 | - | - | - | - | 29 |
| Rhodium | 220 | - | - | - | - | 220 |
| Ruthenium | 32 | - | - | - | - | 32 |
| Iridium | 32 | - | - | - | - | 32 |
| PGMs | 1,868 | - | - | - | - | 1,868 |
| Nickel | 88 | - | - | - | - | 88 |
| Copper | 21 | - | - | - | - | 21 |
| Chrome | 15 | - | - | - | - | 15 |
| | 1,992 | - | - | - | - | 1,992 |
| Underlying [i]: | | | | | | |
| EBITDA / (LBITDA) [ii] | 425 | 6 | (1) | 3 | - | 433 |
| Depreciation, amortisation and impairment | (122) | - | - | - | - | (122) |
| Operating profit / (loss) [ii] | 303 | 6 | (1) | 3 | - | 311 |
| Finance income | 8 | - | - | 7 | (10) | 5 |
| Finance expenses | (20) | - | - | - | 10 | (10) |
| Share of profit of equity accounted investments | 9 | - | - | - | - | 9 |
| Profit / (loss) before taxation | 300 | 6 | (1) | 10 | - | 315 |
| Income tax (expense) / credit | (60) | 4 | - | - | - | (56) |
| Underlying profit / (loss) after taxation | 240 | 10 | (1) | 10 | - | 259 |
| Special items (note 3) | | | | | | 62 |
| Profit after taxation | | | | | | 321 |
| Total assets [iii] | 3,541 | 866 | 1 | 1,206 | (752) | 4,862 |
| Total liabilities [iv] | (1,587) | (306) | (42) | (338) | 752 | (1,521) |
| Net assets / (liabilities) | 1,954 | 560 | (41) | 868 | - | 3,341 |
| Share of net assets of equity accounted investments | 48 | - | - | 127 | - | 175 |
| Additions to property, plant, equipment and intangibles | 486 | 23 | - | - | - | 509 |
| Material non-cash items – share-based payments | 17 | - | - | - | - | 17 |

**Notes to the accounts (continued)**

## 2 Segmental analysis (continued)

Revenue by destination is analysed by geographical area below:

| | **6 months to 31 March 2012 $m** | 6 months to 31 March 2011 $m | Year ended 30 September 2011 $m |
|---|---|---|---|
| The Americas | **184** | 239 | 414 |
| Asia | **238** | 267 | 557 |
| Europe | **175** | 239 | 616 |
| South Africa | **154** | 193 | 405 |
| | **751** | 938 | 1,992 |

The Group's revenues are all derived from the PGM Operations segment. This segment has two major customers who contributed 56% and 33% of revenue in the 6 months to 31 March 2012, 60% and 27% in the 6 months to 31 March 2011 and 59% and 27% in the year ended 30 September 2011.

Metal sales prices are based on market prices which are denominated in US Dollars. The majority of sales are also invoiced in US Dollars with the exception of certain sales in South Africa which are invoiced in South African Rand based on exchange rates determined in accordance with the contractual arrangement.

Non-current assets, excluding financial instruments, by geographical area are shown below:

| | **6 months to 31 March 2012 $m** | 6 months to 31 March 2011 $m | Year ended 30 September 2011 $m |
|---|---|---|---|
| South Africa | **3,998** | 3,598 | 3,847 |
| Europe | **1** | 1 | 1 |
| | **3,999** | 3,599 | 3,848 |

**Footnotes:**

i Underlying results are based on reported results excluding the effect of special items as defined in note 3.

ii EBITDA / (LBITDA) and operating profit / (loss) are the key profit measures used by management.

iii The assets under "Other" include the HDSA receivable of $369 million (31 March 2011 - $332 million, 30 September 2011 - $351 million) and intercompany receivables of $807 million (31 March 2011 - $458 million, 30 September 2011 - $742 million).

iv The liabilities under "Other" include borrowings of $465 million (31 March 2011 - $105 million, 30 September 2011 - $300 million).

## Notes to the accounts (continued)

### 3 Special items

"Special items" are those items of financial performance that the Group believes should be separately disclosed on the face of the consolidated income statement to assist in the understanding of the financial performance achieved by the Group and for consistency with prior periods.

| | **6 months to 31 March 2012 $m** | 6 months to 31 March 2011 $m | Year ended 30 September 2011 $m |
|---|---|---|---|
| Operating loss: | **-** | (4) | (4) |
| - Impairment of property, plant and equipment | **-** | (2) | (2) |
| - Restructuring and reorganisation costs | **-** | (2) | (2) |
| Impairment of available for sale financial assets [i] | **(6)** | - | - |
| Net finance income / (expenses): | **18** | 14 | (18) |
| - Interest accrued from HDSA receivable [ii] | **8** | 7 | 15 |
| - Exchange gain / (loss) on HDSA receivable [ii] | **10** | 7 | (3) |
| - Movement in fair value of HDSA derivative | **-** | - | (24) |
| - Net change in fair value of cash flow hedges | **-** | - | (6) |
| Profit / (loss) on special items before taxation | **12** | 10 | (22) |
| Taxation related to special items (note 5) | **(26)** | (13) | 84 |
| Special (loss) / gain before non-controlling interests | **(14)** | (3) | 62 |
| Non-controlling interests | **4** | 2 | (15) |
| Special (loss) / gain for the period attributable to equity shareholders of Lonmin Plc | **(10)** | (1) | 47 |

**Footnotes:**

i The $6 million impairment of available for sale financial assets represents the loss in value of our share in Platmin Limited following the company's delisting in December 2011.

ii During the year ended 30 September 2010 the Group provided financing to assist Shanduka to acquire a majority shareholding in Incwala, Lonmin's Black Economic Empowerment partner. This financing gave rise to foreign exchange movements and the accrual of interest.

## Notes to the accounts (continued)

### 4 Net finance income / (expenses)

| | **6 months to 31 March 2012 $m** | 6 months to 31 March 2011 $m | Year ended 30 September 2011 $m |
|---|---|---|---|
| Finance income: | **2** | 3 | 5 |
| - Interest receivable on cash and cash equivalents | **1** | 1 | 3 |
| - Ineffective portion of interest rate swaps | **1** | - | - |
| - Exchange gains on net debt [i] | **-** | 2 | 2 |
| Finance expenses: | **(11)** | (5) | (10) |
| - Interest payable on bank loans and overdrafts | **(9)** | (15) | (30) |
| - Effective portion of cash flow hedges released to the income statement | **(2)** | - | - |
| - Bank fees | **(3)** | (6) | (12) |
| - Unamortised bank fees realised on settlement of old loan facility | **-** | - | (7) |
| - Capitalised interest [ii] | **10** | 20 | 46 |
| - Unwind of discounting on provisions | **(5)** | (4) | (7) |
| - Exchange losses on net debt [i] | **(2)** | - | - |
| Special items (note 3): | **18** | 14 | (18) |
| - Interest accrued on HDSA receivable | **8** | 7 | 15 |
| - Exchange gain / (loss) on HDSA receivable | **10** | 7 | (3) |
| - Movement in fair value of HDSA derivative | **-** | - | (24) |
| - Net change in fair value of cash flow hedges | **-** | - | (6) |
| Net finance income / (expenses) | **9** | 12 | (23) |

**Footnotes:**

i Net debt is defined by the Group as cash and cash equivalents, bank overdrafts repayable on demand and interest bearing loans and borrowings less unamortised bank fees.

ii Interest expenses incurred have been capitalised on a Group basis to the extent that there is an appropriate qualifying asset. The weighted average interest rate used by the Group for capitalisation in the period was 4.6% (6 months to 31 March 2011 - 5.8%, year ended 30 September 2011 - 5.9%).

## Notes to the accounts (continued)

### 5 Taxation

| | **6 months to 31 March 2012 $m** | 6 months to 31 March 2011 $m | Year ended 30 September 2011 $m |
|---|---|---|---|
| **Current tax charge / (credit) (excluding special items):** | | | |
| United Kingdom tax credit | | | |
| - Current tax credit at 26% (2011 – 28%) [i] | **-** | (2) | - |
| Overseas current tax expense at 28% (2011 – 28%) | **6** | 6 | 13 |
| - Corporate tax expense – current year | **6** | 6 | 18 |
| - Adjustment in respect of prior years | **-** | - | (6) |
| - Tax on dividends remitted | **-** | - | 1 |
| **Deferred tax charge (excluding special items):** | | | |
| Deferred tax expense – UK and overseas | **20** | 40 | 43 |
| - Origination and reversal of temporary differences | **18** | 40 | 47 |
| - Adjustment in respect of prior years | **2** | - | (4) |
| **Special items - UK and overseas (note 3):** | **26** | 13 | (84) |
| - Reversal of utilisation of losses from prior periods to offset deferred tax liability | **-** | 1 | (2) |
| - Exchange on current taxation [ii] | **-** | - | (1) |
| - Exchange on deferred taxation [ii] | **26** | 10 | (81) |
| - Deferred tax on special items impacting profit before tax | **-** | 2 | - |
| Actual tax charge / (credit) | **52** | 57 | (28) |
| Tax charge excluding special items (note 3) | **26** | 44 | 56 |
| Effective tax rate | **289%** | 36% | (9%) |
| Effective tax rate excluding special items (note 3) | **433%** | 30% | 18% |

## Notes to the accounts (continued)

### 5 Taxation (continued)

A reconciliation of the standard tax charge to the actual tax charge was as follows:

| | **6 months to 31 March 2012 %** | **6 months to 31 March 2012 $m** | 6 months to 31 March 2011 % | 6 months to 31 March 2011 $m | Year ended 30 September 2011 % | Year ended 30 September 2011 $m |
|---|---|---|---|---|---|---|
| Tax charge on profit at standard tax rate | **28** | **5** | 28 | 45 | 29 | 85 |
| Tax effect of: | | | | | | |
| - Overseas taxes on dividends remitted by subsidiary companies | **-** | **-** | - | - | - | 1 |
| - Unutilised losses [iii] | **51** | **9** | 1 | 2 | 1 | 5 |
| - Foreign exchange impacts on taxable profits | **72** | **13** | - | - | (12) | (38) |
| - Adjustment in respect of prior years | **11** | **2** | - | - | (3) | (10) |
| - Other | **(17)** | **(3)** | - | (1) | 4 | 13 |
| - Special items as defined above | **144** | **26** | 7 | 11 | (28) | (84) |
| Actual tax charge / (credit) | **289** | **52** | 36 | 57 | (9) | (28) |

The Group's primary operations are based in South Africa. The South African statutory tax rate is 28% (2011 - 28%). Lonmin Plc operates a branch in South Africa which is subject to a tax rate of 28% on branch profits (2011 - 33%). The secondary tax rate on dividends remitted by South African companies was 10% (2011 - 10%). As from 1 April 2012 the secondary tax on companies was replaced by dividend withholding tax at a standard rate of 15%. Dividends payable by the South African companies to Lonmin Plc will be subject to a 5% withholding tax benefitting from double taxation agreements.

**Footnotes:**

i Effective from 1 April 2012 the United Kingdom tax rate changed from 26% to 24%. This does not significantly impact the Group's deferred tax liabilities.

ii Overseas tax charges are predominantly calculated in Rand as required by the local authorities. As these subsidiaries' functional currency is US Dollar this leads to a variety of foreign exchange impacts being the retranslation of current and deferred tax balances and monetary assets, as well as other translation differences. The Rand denominated deferred tax balance in US Dollars at 31 March 2012 is $539 million (31 March 2011 - $574 million, 30 September 2011 - $569 million).

iii Unutilised losses reflect losses generated in entities for which no deferred tax is provided as it is not thought probable that future profits can be generated against which a deferred tax asset could be offset or previously unrecognised losses utilised.

## Notes to the Accounts (continued)

### 6 (Loss) / earnings per share

(Loss) / earnings per share ((LPS) / EPS have been calculated on the loss for the period attributable to equity shareholders amounting to $24 million (6 months to 31 March 2011 – earnings of $90 million, year ended 30 September 2011 - earnings of $273 million) using a weighted average number of 202.7 million ordinary shares in issue for the 6 months to 31 March 2012 (6 months to 31 March 2011 – 202.3 million ordinary shares, year ended 30 September 2011 – 202.4 million ordinary shares).

Diluted (loss) / earnings per share is based on the weighted average number of ordinary shares in issue adjusted by dilutive outstanding share options in accordance with IAS 33 - *Earnings Per Share.*

| | **6 months to 31 March 2012** | | | 6 months to 31 March 2011 | | | Year ended 30 September 2011 | | |
|---|---|---|---|---|---|---|---|---|---|
| | **Loss for the period** | **Number of shares** | **Per share amount** | Profit for the period | Number of shares | Per share amount | Profit for the year | Number of shares | Per share amount |
| | **$m** | **millions** | **cents** | $m | millions | cents | $m | millions | cents |
| Basic (LPS) / EPS | **(24)** | **202.7** | **(11.8)** | 90 | 202.3 | 44.5 | 273 | 202.4 | 134.8 |
| Share option schemes | **-** | **0.4** | **-** | - | 0.6 | (0.2) | - | 0.6 | (0.4) |
| Diluted (LPS) / EPS | **(24)** | **203.1** | **(11.8)** | 90 | 202.9 | 44.3 | 273 | 203.1 | 134.4 |

| | **6 months to 31 March 2012** | | | 6 months to 31 March 2011 | | | Year ended 30 September 2011 | | |
|---|---|---|---|---|---|---|---|---|---|
| | **Loss for the period** | **Number of shares** | **Per share amount** | Profit for the period | Number of shares | Per share amount | Profit for the year | Number of shares | Per share amount |
| | **$m** | **millions** | **cents** | $m | millions | cents | $m | millions | cents |
| Underlying (LPS) / EPS | **(14)** | **202.7** | **(6.9)** | 91 | 202.3 | 45.0 | 226 | 202.4 | 111.6 |
| Share option schemes | **-** | **0.4** | **-** | - | 0.6 | (0.2) | - | 0.6 | (0.3) |
| Diluted underlying (LPS) / EPS | **(14)** | **203.1** | **(6.9)** | 91 | 202.9 | 44.8 | 226 | 203.1 | 111.3 |

Underlying (loss) / earnings per share has been presented as the Directors consider it important to present the underlying results of the business. Underlying (loss) / earnings per share is based on the (loss) / earnings attributable to equity shareholders adjusted to exclude special items (as defined in note 3) as follows:

| | **6 months to 31 March 2012** | | | 6 months to 31 March 2011 | | | Year ended 30 September 2011 | | |
|---|---|---|---|---|---|---|---|---|---|
| | **Loss for the period** | **Number of shares** | **Per share amount** | Profit for the period | Number of shares | Per share amount | Profit for the year | Number of shares | Per share amount |
| | **$m** | **millions** | **cents** | $m | millions | cents | $m | millions | cents |
| Basic (LPS) / EPS | **(24)** | **202.7** | **(11.8)** | 90 | 202.3 | 44.5 | 273 | 202.4 | 134.8 |
| Special items (note 3) | **10** | **-** | **4.9** | 1 | - | 0.5 | (47) | - | (23.2) |
| Underlying (LPS) / EPS | **(14)** | **202.7** | **(6.9)** | 91 | 202.3 | 45.0 | 226 | 202.4 | 111.6 |

## Notes to the Accounts (continued)

### 6 Earnings per share (continued)

Headline (loss) / earnings and the resultant headline (loss) / earnings per share are specific disclosures defined and required by the Johannesburg Stock Exchange.

These are calculated as follows:

| | **6 months to 31 March 2012 $m** | 6 months to 31 March 2011 $m | Year ended 30 September 2011 $m |
|---|---|---|---|
| (Loss) / earnings attributable to ordinary shareholders (under IAS 33) | **(24)** | 90 | 273 |
| Add back loss on disposal of property, plant and equipment | **-** | 1 | 2 |
| Add back impairment of assets (note 3) | **6** | 2 | 2 |
| Tax related to the above items | **-** | (1) | (1) |
| Non-controlling interests | **-** | - | (1) |
| Headline (loss) / earnings | **(18)** | 92 | 275 |

| | **6 months to 31 March 2012** | | | 6 months to 31 March 2011 | | | Year ended 30 September 2011 | | |
|---|---|---|---|---|---|---|---|---|---|
| | **Loss for the period $m** | **Number of shares millions** | **Per share amount cents** | Profit for the period $m | Number of shares millions | Per share amount cents | Profit for the year $m | Number of shares millions | Per share amount cents |
| Headline (LPS) / EPS | **(18)** | **202.7** | **(8.9)** | 92 | 202.3 | 45.5 | 275 | 202.4 | 135.8 |
| Share option schemes | **-** | **0.4** | **-** | - | 0.6 | (0.2) | - | 0.6 | (0.4) |
| Diluted Headline (LPS) / EPS | **(18)** | **203.1** | **(8.9)** | 92 | 202.9 | 45.3 | 275 | 203.1 | 135.4 |

### 7 Dividends

No dividends were declared during the period (6 months to 31 March 2011 - $nil and year ended 30 September 2011 - $31 million proposed dividend). The proposed dividend as at September 2011 was paid during the period.

## Notes to the Accounts (continued)

### 8 Analysis of net debt [i]

| | As at 1 October 2011 $m | Cash flow $m | Foreign exchange and non-cash movements $m | As at 31 March 2012 $m |
|---|---|---|---|---|
| Cash and cash equivalents | **76** | **78** | **3** | **157** |
| Current borrowings | **(10)** | **(200)** | **(6)** | **(216)** |
| Non-current borrowings | **(308)** | **-** | **4** | **(304)** |
| Unamortised bank fees [ii] | **8** | **-** | **(1)** | **7** |
| **Net debt as defined by the Group[i]** | **(234)** | **(122)** | **-** | **(356)** |

| | As at 1 April 2011 $m | Cash flow $m | Foreign exchange and non-cash movements $m | As at 30 September 2011 $m |
|---|---|---|---|---|
| Cash and cash equivalents | 115 | (41) | 2 | 76 |
| Current borrowings | (60) | 50 | - | (10) |
| Non-current borrowings | (359) | 53 | (2) | (308) |
| Unamortised bank fees [ii] | 8 | - | - | 8 |
| **Net debt as defined by the Group[i]** | (296) | 62 | - | (234) |

| | As at 1 October 2010 $m | Cash flow $m | Foreign exchange and non-cash movements $m | As at 31 March 2011 $m |
|---|---|---|---|---|
| Cash and cash equivalents | 148 | (33) | - | 115 |
| Current borrowings | (71) | 11 | - | (60) |
| Non-current borrowings | (462) | 101 | 2 | (359) |
| Unamortised bank fees [ii] | 10 | - | (2) | 8 |
| **Net debt as defined by the Group[i]** | (375) | 79 | - | (296) |

**Footnotes:**

i Net debt as defined by the Group comprises cash and cash equivalents, bank overdrafts repayable on demand and interest bearing loans and borrowings less unamortised bank fees.

ii At 31 March 2012, $7 million (31 March 2011 and 30 September 2011 - $8 million) of unamortised bank fees have been offset against loans according to the amortisation profile.

## Notes to the Accounts (continued)

### 9 Deferred revenue

In March 2012 Lonmin entered into a pre-paid sale of 75% of its current gold production for the next 54 months. Under this contract Lonmin will deliver 70,700 ounces of gold over the period with delivery on a quarterly basis and in return received an upfront payment of $106.7 million. Proceeds of the pre-paid sale are treated as deferred revenue and amortised to profit as deliveries occur.

| | **6 months to 31 March 2012 $m** | 6 months to 31 March 2011 $m | Year ended 30 September 2011 $m |
|---|---|---|---|
| **Current liabilities** | | | |
| Deferred revenue | **(23)** | - | - |
| **Non-current liabilities** | | | |
| Deferred revenue | **(84)** | - | - |