TRADING STATEMENT FOR THE SIX MONTHS ENDED 31 DECEMBER 2019

Implats will release results for the half year ended 31 December 2019 (“the period”) on 27 February 2020.

With reference to the Listings Requirements of the JSE Limited, issuers must publish a trading statement on SENS as soon as they become reasonably certain that financial results for the next reporting period will differ by at least 20% from those of the previous corresponding reporting period.

Implats’ headline earnings and headline earnings per share (“HEPS”) for the period are expected to increase by between 42% and 62% and by between 32% and 50% respectively, compared to those reported for the six months ended 31 December 2018 (“the comparative period”). Headline earnings are expected to be between R3.160 billion and R3.600 billion and HEPS will increase to between 408 cents and 465 cents per share. Headline earnings and HEPS for the comparative period were R2.228 billion and 310 cents per share, respectively.

Basic earnings and basic earnings per share (“EPS”) for the period are expected to increase by between 37% and 57% and by between 27% and 46% respectively, compared to the comparative period. Basic earnings are expected to be between R3.170 billion and R3.630 billion and EPS to be between 409 cents and 469 cents per share. Basic earnings and EPS for the comparative period were R2.306 billion and 321 cents per share, respectively.

Despite sales volumes for the period being lower than the comparative period due to the impact of ongoing planned smelter maintenance on refined production, gross profit is expected to increase by more than 90% to approximately R6 billion, primarily due to the higher rand PGM basket price.

This increase was partially offset by:

- the once off expense of R509 million or 66 cents per share (no tax impact), relating to the incentivised early conversion of the US$ convertible bonds during the period;
- restructuring costs of R238 million or 31 cents per share (after tax); and
- higher taxation charges due to improved profitability.

Further, in the comparative period, earnings included the non-taxable income from Zimplats of export incentives of R417 million or 58 cents per share, which did not recur in the current period.
The weighted average number of shares in issue for the period increased to 774.4 million due to the issue of 64.3 million Implats ordinary shares on 1 August 2019, after US$ bond holders elected to exercise their option to convert their bonds into Implats ordinary shares.

The financial information on which this trading statement is based has not been reviewed and reported on by the external auditors of Implats.

Query:
Johan Theron
E-mail: johan.theron@implats.co.za
T: +27 (0) 11 731 9013/43
M: +27 (0) 82 809 0166

Emma Townshend
E-mail: emma.townshend@implats.co.za
T: +27 (0) 21 794 8345
M: +27 (0) 82 415 3770

Alice Lourens
E-mail: alice.lourens@implats.co.za
T: +27 (0) 11 731 9033/43
M: +27 (0) 82 498 3608

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Johannesburg

Sponsor to Implats
Nedbank Corporate and Investment Banking