ArcelorMittal

Unaudited group earnings results and physical information for the quarter ended 31 March 2014

ArcelorMittal South Africa Limited ("ArcelorMittal South Africa", "the company" or "the group")
Registration number: 1989/002164/06 **Share code:** ACL **ISIN:** ZAE 000134961

Steel sales volume up 5% versus Q1 2013

Positive EBITDA of R754 million

Positive headline earnings of 81 cents per share

Overview

Globally the economy showed no clear trend. Overall there was some recovery in global steel demand, albeit off a very low base, and demand in China remained moderate. International iron ore prices declined while steel prices increased modestly compared to the preceding quarter. While solid growth, driven by infrastructure investments, continued in the sub-Saharan Africa region, the sentiment in South Africa remained subdued. The relatively low activity in the manufacturing, construction and mining sectors continued, and competition from imports remained high.

Our liquid steel production was 1 241 k tonnes, an increase of 213 k tonnes compared to the same period last year which saw low production figures following the fire incident at Vanderbijlpark. Sales volumes increased 5% mainly due to higher exports, while local sales volumes were down 11%.

Safety performance was satisfactory. The plant in Vanderbijlpark operated during the whole of first quarter without any lost-time injury. Overall the lost-time injury frequency rate was 0.52, slightly higher than in the same period in the previous year (0.43), but lower than the 2013 full year average of 0.56.

ArcelorMittal South Africa recorded a headline profit of R323 million for the quarter ended 31 March 2014, compared to a headline loss of R270 million in the corresponding period last year. EBITDA improved by R585 million to R754 million compared to the same period last year. This improvement was supported by the weakening of the rand and improved competitiveness of iron ore supply.

The net cash position was negative at R191 million, following the build-up of metal stocks in preparation for the reline of our blast furnace in Newcastle starting in May 2014.

Key statistics

	Quarter ended		
	31 March 2014	31 March 2013	31 December 2013
Revenue (R million)	**9 158**	7 766	7 739
EBITDA (R million)	**754**	169	211
EBITDA/tonne (R/t)	**665**	156	217
EBITDA margin (%)	**8.2**	2.2	2.7
Profit/(loss) from operations (R million)	**395**	(208)	(387)
Net profit/(loss) (R million)	**322**	(275)	(2 256)
Headline earnings/(loss) (R million)	**323**	(270)	(301)
Headline earnings/(loss) per share (cents)	**81**	(67)	(75)
Net cash	**(191)**	1 104	285
Liquid steel production ('000 tonnes)	**1 241**	1 028	1 254
Steel sales ('000 tonnes)	**1 134**	1 085	973
– Local	**772**	872	643
– Export	**362**	213	330
Commercial coke sales ('000 tonnes)	**91**	85	182
Capacity utilisation (%)	**77**	64	77
Lost time injury frequency rate	**0.52**	0.43	0.33

Market review

International

Overall, the global economy continued the gradual recovery that began towards the end of last year. After years of economic stagnation, slow growth coupled with rising inflation and unemployment rates, the troubled economies of Europe are finally starting to show signs of recovery and production in Europe rose 7.3% in the past quarter.

Following two years of contraction, global steel demand improved slightly. In the United States this was driven by a rise in demand from the automobile sector and recovery in the construction sector. However, stiff competition from cheaper imports and an increase in the number of domestic producers that have new or expanded facilities contributed to a significant oversupply of steel compared to demand in the US. In addition, poor weather conditions disrupted production and, to some extent, supply and the country's steel producers also had to contend with rising energy costs.

In China demand remained moderate, but growth has slowed following weaker infrastructure investment and a drop in the real estate sector. Steel production declined during the period as the Chinese Lunar New Year holidays led to a slowdown in industrial activity. A decline in the real estate market and weaker infrastructure investment growth in China led to slower growth in steel demand. Overcapacity remains a challenge, despite the fact that China continues to drive global demand.

In sub-Saharan Africa steel demand continued to be positively impacted by significant infrastructure investment in roads, rail, housing development and energy projects, and various investment activities in the mining sector. Recent investments in the oil and gas sectors are also stimulating steel demand and further growth prospects are expected to arise from this activity.

Domestic

Slow economic growth and a weak GDP continued to dominate the domestic market during the fourth quarter of 2013. Recent data suggests a further contraction and weaker activity in manufacturing and mining production, which increases the risk that overall economic growth for the year ahead could be even lower. Coupled with this, the Purchasing Managers Index ("PMI") indicates low levels of confidence in the production sector. These conditions have led to continued weak steel demand, with local producers and end-users facing stiff competition from cheaper imports. The recent rise in interest rates has negatively impacted consumer spending and the affordability of new motor vehicles, a development that is likely to affect steel demand in this market segment. Despite some positive levels in the average rand exchange rate, the rising costs of doing business in South Africa continues to erode this advantage in the international market.

Financial review

Quarter ended 31 March 2014 compared with quarter ended 31 March 2013

Revenue increased 18% to R9.2 billion following an 11% increase in average net realised prices. Domestic prices were 14% higher while exports rose 9%. Steel shipments were up 5% overall – export shipments increased 70% but local shipments decreased 11%. Long shipments dropped 6% while shipment of flat products were up 10%. At R479 million, revenue from the Coke and Chemicals business was 26% higher. This followed a 7% increase in commercial coke sales volumes and additional by-product sales of 31 000 tonnes. Net realised prices for coke and chemicals dropped 3%. Tar sales volumes decreased 7% while prices increased 23%.

Cash costs of hot rolled coil and billets increased 20% and 16% respectively. Prices for ore increased from R724/tonne to R772/tonne. Import coal prices, in rand terms, rose 8% and pellets 26%. The costs of local coking coal and electricity both rose 10% while pulverised coal costs increased 9%. Zinc and tin prices climbed 24% and 22% respectively. Liquid steel production was 213 000 tonnes (21%) higher, resulting in improved capacity utilisation for flat steel at 79% compared to 54% during the corresponding period in 2013. Long steel capacity utilisation decreased from 81% to 75%.

Operating profit improved by R603 million to a profit of R395 million. At R67 million, net financing costs for the quarter were R13 million higher. This was due to the lower cash position partly offset by a higher foreign exchange profit. Our share of the profit from equity accounted investments after taxation was R60 million, compared with a loss of R82 million in the corresponding quarter the year before. This relates to better results from Macsteel International Holding BV and Coal of Africa.

Quarter ended 31 March 2014 compared with quarter ended 31 December 2013

Revenue increased 18% to R9.2 billion following a 17% increase in steel shipments. Local shipments were up 20% in line with the seasonal trend, while exports increased 10%. Shipments for flat and long steel increased 19% and 13% respectively. Local prices rose 1% and exports increased 3%, leading to an overall 2% increase in average steel prices for the quarter. Both flat and long steel prices rose 1%. Revenue from the Coke and Chemicals business of R479 million was 16% lower following a 50% decrease in commercial coke sales volumes due to increased internal demand. Net realised prices increased by 7%. Tar sales volumes remained flat while prices increased 8%.

Cash costs of hot rolled coil and billets increased 3%. Prices for ore dropped from R782/tonne to R772/tonne, mainly as a result of the new, more favourable supply agreement with Kumba. The cost of import coal and pellets decreased by 2% on a US Dollar FOB basis. In rand terms import coal increased by 1% while pellets rose 10%. The cost of local coking coal decreased 3% while scrap costs increased 14%. Liquid steel production was 13 000 tonnes (1%) lower. Capacity utilisation for flat steel was higher at 79% (Q3: 77%) while capacity utilisation for long steel dropped marginally to 75% (Q3: 76%).

Operating profit improved by R782 million to a profit of R395 million. Net financing costs of R67 million for the quarter were R26 million higher due to a lower cash position and lower foreign exchange profit. Our share of the profit from equity accounted investments after taxation of R60 million compares with a profit of R22 million in the previous quarter. This relates to better results from Macsteel International Holding BV and Coal of Africa.

Environment

Notwithstanding the tough economic conditions currently being experienced, key environmental projects remain a focus area in order to ensure environmental compliance. The most important project in this regard is the Newcastle zero effluent discharge (ZED) project which involves improving effluent treatment at an estimated cost of R430 million. The commissioning of this project is in progress and should be completed by end July 2014.

The proposed implementation of a carbon tax by the National Treasury was delayed until 2016 and the Minister of Finance indicated that its design may also be revisited. This proposed tax remains a significant concern as it would have a substantial financial impact on the company. Very limited opportunities exist to reduce carbon emissions in the steel production process and there are currently no feasible low carbon alternatives to produce steel from iron ore. Therefore, the intention of a carbon tax to change behaviour cannot be realised within the iron and steel industry. We foresee further engagement with National Treasury on this important issue.

Contingent liabilities

The Competition Commission ("the Commission") has thus far referred the five cases detailed below against ArcelorMittal South Africa to the Competition Tribunal ("the Tribunal") for prosecution. ArcelorMittal South Africa rejects the allegations made in each of these cases and is defending itself accordingly.

1st wire rod matter – alleged price discrimination

In January 2007, the Commission referred a case to the Tribunal for prosecution. In the referral papers, the Commission alleges that ArcelorMittal South Africa engaged in price discrimination on wire rod in contravention of section 9(1) of the Competition Act. The Commission requests the Tribunal to find ArcelorMittal South Africa guilty of engaging in this alleged conduct.

Pleadings on the matter are now closed and it will now be set down for hearing before the Tribunal.

2nd wire rod matter – alleged price discrimination

In November 2012, the Commission referred another case relating to alleged price discrimination on wire rod to the Tribunal for prosecution. This case is essentially the same as the case that was referred in January 2007. The parties and the issues are identical save for the fact that the contravention alleged in this case is alleged to have taken place during a later period being 2004 – 2006. Pleadings on this matter have also closed and it is also yet to be set down for a hearing before the Tribunal. The Commission has in the meantime applied to the Tribunal to have this matter consolidated with the 1st wire rod matter. This application is yet to be heard before the Tribunal.

Long steel matter – alleged cartel conduct

In September 2009, the Commission referred a case against ArcelorMittal South Africa and other primary steel manufacturers to the Tribunal for prosecution. In the referral papers, the Commission alleges that the respondents fixed prices and allocated markets in respect of certain long steel products, in contravention of section 4(1)(b) of the Competition Act. The Commission requests the Tribunal to find ArcelorMittal South Africa guilty of the alleged contraventions and to impose an administrative penalty of up to 10% of its total/group turnover for the year preceding the Tribunal's decision on the matter.

Subsequent to the referral, ArcelorMittal South Africa wrote to the Commission requesting copies of the documents that make up the Commission's investigation record to enable it to draft and file its answering affidavit. This request was declined by the Commission, prompting ArcelorMittal South Africa to file an application with the Tribunal in December 2009 for an order compelling the Commission to provide these documents. In September 2010, the Tribunal handed down judgment refusing ArcelorMittal South Africa access to the bulk of the requested documents for reasons of privilege and confidentiality. ArcelorMittal South Africa subsequently appealed this judgment to the Competition Appeal Court ("CAC"). In April 2012 the CAC ruled essentially that the matter be referred back to the Tribunal for a hearing to properly determine the validity of the privilege and confidentiality claims. The Commission appealed this ruling to the Supreme Court of Appeal ("SCA"). On 31 May 2013 the SCA handed down judgment effectively concurring with the CAC and further ordering the Commission to pay ArcelorMittal South Africa's legal costs for the appeal.

Before the matter could be set down for the hearing before the Tribunal, ArcelorMittal South Africa wrote to the Commission inquiring if the Commission would be amenable to availing the documents in question without there being a need to convene a Tribunal hearing. The Commission agreed, subject to confidentiality undertakings being made by ArcelorMittal South Africa regarding the documents claimed to be confidential. These undertakings have now been made by ArcelorMittal South Africa; accordingly the Commission is expected to make the documents available.

Flat steel matter – alleged conscious parallelism

On 30 March 2012, the Commission referred a case against ArcelorMittal South Africa and Evraz Highveld Steel and Vanadium Limited ("Highveld Steel") to the Tribunal for prosecution. In the referral papers, the Commission alleges that Highveld Steel and ArcelorMittal South Africa fixed prices and other trading conditions in respect of certain flat steel products in contravention of section 4(1)(b) of the Competition Act. The form of price fixing alleged by the Commission in this instance is one based on the "conscious parallelism" phenomenon. This mainly relates to Highveld Steel increasing its prices each time ArcelorMittal South Africa increased its prices. The Commission requests the Tribunal to find ArcelorMittal South Africa guilty of the alleged contraventions and to impose an administrative penalty of up to 10% of its total/group turnover for the year preceding the Tribunal's decision on the matter.

Subsequent to the referral, ArcelorMittal South Africa wrote to the Commission requesting copies of the documents that make up the Commission's investigation record to enable it to draft and file its answering affidavit. The Commission reverted with a proposal on the disclosure to both ArcelorMittal South Africa and Highveld Steel of those documents which, while constituting the investigation record, are confidential documents of both companies made available to the Commission during the investigation stage.

This proposal is currently the subject of an ongoing dispute between the Commission and Highveld Steel's legal representatives.

Scrap purchase – alleged cartel conduct

On 8 August 2013 the Commission referred a case against ArcelorMittal South Africa and other primary steel manufacturers to the Tribunal for prosecution. In the referral papers the Commission alleges that the respondents fixed the purchase price and other trading conditions for scrap metal, a secondary input product in steel making, in contravention of section 4(1)(b) of the Competition Act.

The Commission requests the Tribunal to find ArcelorMittal South Africa guilty of the alleged contraventions and to impose an administrative penalty of up to 10% of its total/group turnover for the year preceding the Tribunal's decision on the matter.

ArcelorMittal South Africa is currently drafting its answering affidavit in this matter; this will be filed with the Tribunal sometime during the second quarter of 2014.

Competition Commission investigations

The Commission is formally investigating one further complaint against ArcelorMittal South Africa relating to alleged excessive pricing of tinplate and flat steel in general. Joined to this investigation is an investigation into alleged excessive pricing arising from the iron ore surcharge introduced by ArcelorMittal South Africa for the period May 2010 to July 2010. ArcelorMittal South Africa is fully co-operating with the Commission in this investigation and continues to deliver all information and documentation as and when called upon to do so.

Outlook for second quarter 2014

During the second quarter of 2014 the reline of the blast furnace in Newcastle will commence. Stocks have been put in place to assure that the domestic demand can be supplied during the project duration of approximately four months. However, production cost will be high, and the market is expected to remain subdued overall. We expect this to negatively impact our results.

Changes to the board of directors

Nku Nyembezi-Heita resigned as chief executive officer and executive board member with effect from 18 February 2014. Dr Hans Ludwig Rosenstock was appointed as acting Chief Executive Officer and executive board member effective from 18 February 2014.

Basis of preparation

The unaudited consolidated condensed interim financial statements have been prepared in compliance with the Listing Requirements of the JSE Limited, International Accounting Standard (IAS) 34, Interim Financial Reporting and the South African Companies Act, No. 71 of 2008, as well as the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee. These statements were compiled under the supervision of Mr MJ Wellhausen, the Chief Financial Officer.

On behalf of the board

Dr HL Rosenstock
(Acting Chief Executive Officer and Chief Operating Officer)

MJ Wellhausen
(Chief Financial Officer)

6 May 2014

Condensed group statement of comprehensive income

In millions of rand	Quarter ended **31 March 2014**	Quarter ended 31 March 2013	Quarter ended 31 December 2013	Year ended 31 December 2013 Audited
Revenue	**9 158**	7 766	7 739	32 421
Raw materials and consumables used	**(5 378)**	(4 324)	(4 805)	(19 652)
Employee costs	**(864)**	(802)	(842)	(3 408)
Energy	**(806)**	(663)	(732)	(3 288)
Movement in inventories of finished goods and work in progress	**(13)**	(497)	267	1 196
Depreciation	**(353)**	(373)	(433)	(1 544)
Amortisation of intangible assets	**(6)**	(4)	(7)	(19)
Other operating expenses	**(1 343)**	(1 311)	(1 574)	(5 659)
Profit/(loss) from operations	**395**	(208)	(387)	47
Impairment charges			(1 950)	(1 950)
Finance and investment income	**41**	16	33	108
Finance costs	**(108)**	(70)	(74)	(368)
Income/(loss) from equity accounted investments (net of tax)	**60**	(82)	22	(35)
Profit/(loss) before tax	**388**	(344)	(2 356)	(2 198)
Income tax (charge)/credit	**(66)**	69	100	51
Profit/(loss)/profit for the period	**322**	(275)	(2 256)	(2 147)
Other comprehensive income				
Items that may be re-classified subsequently to profit or loss	**33**	183	112	580
Exchange differences on translation of foreign operations	**45**	151	83	561
Losses on available-for-sale investment taken to equity	**(6)**	(6)	(1)	(9)
Share of other comprehensive income of equity accounted investments	**(6)**	38	30	28
Total comprehensive income/(loss) for the period	**355**	(92)	(2 144)	(1 567)
Profit/(loss)/profit attributable to:				
Owners of the company	**322**	(275)	(2 256)	(2 147)
Total comprehensive income/(loss) attributable to:				
Owners of the company	**355**	(92)	(2 144)	(1 567)
Attributable earnings/(loss) per share (cents)				
- basic	**80**	(69)	(562)	(535)

Additional information

In millions of rand	Quarter ended **31 March 2014**	Quarter ended 31 March 2013	Quarter ended 31 December 2013	Year ended 31 December 2013 Audited
Reconciliation of headline earnings/(loss)				
Profit/(loss) for the period	**322**	(275)	(2 256)	(2 147)
Adjusted for:				
Impairment charges			1 950	1 950
Loss/(profit) on disposal or scrapping of assets	**2**	7	7	(37)
Tax effect	**(1)**	(2)	(2)	10
Headline earnings/(loss)	**323**	(270)	(301)	(224)
Headline earnings/(loss) per share (cents)	**81**	(67)	(75)	(56)
Reconciliation of earnings before interest, taxation, depreciation and amortisation ("EBITDA")				
Profit/(loss) from operations	**395**	(208)	(387)	47
Adjusted for:				
Depreciation	**353**	373	433	1 544
Amortisation of intangible assets	**6**	4	7	19
Tshikondeni mine closure costs			158	158
EBITDA	**754**	169	211	1 768

Condensed group statement of financial position

In millions of rand	**As at 31 March 2014**	As at 31 March 2013	As at 31 December 2013 Audited
Assets			
Non-current assets	**18 504**	19 520	18 602
Property, plant and equipment	**14 514**	16 039	14 702
Intangible assets	**145**	118	146
Equity accounted investments	**3 834**	3 343	3 737
Other financial assets	**11**	20	17
Current assets	**14 826**	12 133	14 113
Inventories	**10 724**	8 463	10 553
Trade and other receivables	**2 907**	2 399	2 194
Taxation	**51**	150	51
Other financial assets	**5**	7	17
Cash and bank balances	**1 139**	1 114	1 298
Total assets	**33 330**	31 653	32 715
Equity and liabilities			
Shareholders' equity	**21 053**	22 155	20 694
Stated capital	**37**	37	37
Non-distributable reserves	**(1 517)**	(2 072)	(1 614)
Retained income	**22 533**	24 190	22 271
Non-current liabilities	**4 029**	3 921	4 099
Finance lease obligations	**313**	453	757
Provisions	**1 700**	1 376	1 328
Deferred income tax liability	**1 782**	1 849	1 747
Other payables	**234**	243	267
Current liabilities	**8 248**	5 577	7 922
Trade payables	**5 627**	4 224	5 720
Taxation	**19**	205	6
Bank overdraft			107
Borrowings	**1 330**	10	906
Finance lease obligations	**94**	63	95
Provisions	**394**	316	408
Other payables	**775**	759	680
Other financial liabilities	**9**		
Total equity and liabilities	**33 330**	31 653	32 715

Condensed group statement of cash flows

In millions of rand	Quarter ended **31 March 2014**	Quarter ended 31 March 2013	Quarter ended 31 December 2013	Year ended 31 December 2013 Audited
Cash (outflows)/inflows from operating activities	**(259)**	592	366	1 084
Cash (utilised in)/generated from operations	**(166)**	594	521	1 595
Interest income	**4**	2	2	7
Finance cost	**(73)**	(29)	(56)	(169)
Income tax paid	**(17)**	(1)	(99)	(221)
Realised foreign exchange movement	**(7)**	26	(2)	(128)
Cash outflows from investing activities	**(193)**	(271)	(660)	(1 545)
Investment to maintain operations	**(187)**	(221)	(692)	(1 500)
Investment to expand operations	**(6)**	(18)	(31)	(69)
Shares acquired in associate and equity accounted investment	**(1)**	(34)	(9)	(53)
Proceeds on scrapping of assets		1	71	72
Investment income – interest	**1**	1	1	5
Cash inflows/(outflows) from financing activities	**363**	(103)	886	674
Increase/(repayment) of borrowings, finance lease obligations and other payables	**363**	(103)	886	674
(Decrease)/increase in cash and cash equivalents	**(89)**	218	592	213
Effect of foreign exchange rate changes	**37**	12	24	94
Cash and cash equivalents at beginning of period	**1 191**	884	575	884
Cash and cash equivalents at end of period	**1 139**	1 114	1 191	1 191

Condensed group statement of changes in equity

In millions of rand	Stated capital	Treasury share equity reserve	Other reserves	Retained earnings	Total
Quarter ended 31 March 2013					
Balance as at 31 December 2012	37	(3 918)	1 740	24 383	22 242
Total comprehensive income			183	(275)	(92)
Share-based payment reserve			5		5
Transfer of equity accounted earnings			(82)	82	
Balance as at 31 March 2013	37	(3 918)	1 846	24 190	22 155
Quarter ended 31 December 2013					
Balance as at 30 September 2013	37	(3 918)	2 166	24 548	22 833
Total comprehensive loss			111	(2 255)	(2 144)
Management share trust: net of treasury share purchases			5		5
Transfer of equity accounted earnings			22	(22)	
Balance as at 31 December 2013	37	(3 918)	2 304	22 271	20 694
Quarter ended 31 March 2014					
Balance as at 31 December 2013	37	(3 918)	2 304	22 271	20 694
Total comprehensive loss			33	322	355
Share-based payment reserve			4		4
Transfer of equity accounted earnings			60	(60)	
Balance as at 31 March 2014	37	(3 918)	2 401	22 533	21 053

Segment information

	Quarter ended		
	31 March 2014	31 March 2013	31 December 2013
Flat Steel Products			
Revenue (R million)	**6 157**	4 929	5 036
– External	**5 924**	4 735	4 856
– Internal	**233**	194	180
EBITDA (R million)	**214**	(315)	(156)
Depreciation and amortisation (R million)	**(284)**	(306)	(354)
(Loss) from operations (R million)	**(70)**	(621)	(510)
Liquid steel production ('000 tonnes)	**818**	565	815
Steel sales ('000 tonnes)	**775**	702	654
– Local	**475**	557	409
– Export	**300**	145	245
Capacity utilisation(%)	**79**	54	77
Long Steel Products			
Revenue (R million)	**3 114**	2 885	2 545
– External	**2 769**	2 665	2 332
– Internal	**345**	220	213
EBITDA (R million)	**320**	315	193
Depreciation and amortisation (R million)	**(73)**	(70)	(84)
Profit from operations (R million)	**247**	245	109
Liquid steel production ('000 tonnes)	**423**	463	439
Steel sales ('000 tonnes)	**359**	383	319
– Local	**297**	315	234
– Export	**62**	68	85
Capacity utilisation (%)	**75**	81	76
Coke and Chemicals			
Revenue (R million)	**479**	380	567
– External	**465**	366	551
– Internal	**14**	14	16
EBITDA (R million)	**109**	147	132
Depreciation and amortisation (R million)	**(9)**	(9)	(9)
Profit from operations (R million)	**100**	138	123
Commercial coke produced ('000 tonnes)	**85**	91	72
Commercial coke sales ('000 tonnes)	**91**	85	182
Tar sales ('000 tonnes)	**26**	28	25
Corporate and other			
EBITDA (R million)	**111**	22	42
Tshikondeni mine closure costs			(158)
Depreciation and amortisation (R million)	**7**	8	7
Profit/(loss) from operations (R million)	**118**	30	(109)

Forward-looking statements

Certain statements in this release that are neither reported financial results nor other historical information, are forward-looking statements, including but not limited to statements that are predictions of or indicate future earnings, savings, synergies, events, trends, plans or objectives. Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors, which could cause actual results and company plans and objectives to differ materially from those expressed or implied in the forward-looking statement.

Registered office: ArcelorMittal South Africa Limited, Room N3-5, Main Building Delfos Boulevard, Vanderbijlpark, 1911

Directors: *Non-executive:* PM Makwana* (Chairman), DK Chugh†, FA du Plessis*, S Maheshwari†, JRD Modise*, LP Mondi, NP Mnxasana*, DCG Murray*, GI Urquijo°

†Citizen of India °Citizen of Spain *Independent non-executive

Executive: Dr HL Rosenstock (Acting Chief Executive Officer and Chief Operating Officer), MJ Wellhausen# (Chief Financial Officer)

#Citizen of Germany

Company Secretary: Premium Corporate Consulting Services Proprietary Limited

Sponsor: JP Morgan Equities South Africa Proprietary Limited, 1 Fricker Road, Illovo, 2196, Private Bag X9936, Sandton, 2146

9 May 2014

Transfer secretaries: Computershare Investor Services Proprietary Limited, 70 Marshall Street, Johannesburg, 2001, PO Box 61051, Marshalltown, 2107

BASTION GRAPHICS