

# Company statement of financial position

as at 30 June 2018

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	Notes	2018 Rm	2017 Rm
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investments in associates and joint venture	2	1 064	639
Investments in subsidiaries	3	3 281	3 621
Loans to subsidiaries	3	16 868	16 583
Loan to Impala	4	6 276	6 280
Other financial assets	5	75	44
Deferred tax	6	—	11
		<b>27 564</b>	<b>27 178</b>
<b>Current assets</b>			
Trade and other receivables		207	129
Loan to Impala	4	7 883	344
Current tax receivable		33	9
Cash and cash equivalents	7	1 415	5 328
		<b>9 538</b>	<b>5 810</b>
<b>Total assets</b>		<b>37 102</b>	<b>32 988</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital	8	22 557	22 107
Retained earnings		6 192	3 742
Other components of equity		11	1
<b>Total equity</b>		<b>28 760</b>	<b>25 850</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Deferred tax	6	245	—
Borrowings	9	5 405	5 105
Derivative financial instrument	10	50	1 233
		<b>5 700</b>	<b>6 338</b>
<b>Current liabilities</b>			
Trade and other payables		29	33
Current tax payable		—	—
Borrowings	9	2 613	767
		<b>2 642</b>	<b>800</b>
<b>Total liabilities</b>		<b>8 342</b>	<b>7 138</b>
<b>Total equity and liabilities</b>		<b>37 102</b>	<b>32 988</b>

The notes on pages 86 to 94 are an integral part of these financial statements.

# Company statement of profit or loss and other comprehensive income

for the year ended 30 June 2018

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	Notes	2018 Rm	2017 Rm
<b>Revenue</b>	11	<b>3 457</b>	1 357
Finance cost		<b>(675)</b>	(449)
Other income	12	<b>509</b>	355
Other expenses	13	<b>(735)</b>	(729)
<b>Profit before tax</b>		<b>2 556</b>	534
Income tax expense	14	<b>(106)</b>	(58)
<b>Profit for the year</b>		<b>2 450</b>	476
<b>Other comprehensive income, comprising items subsequently reclassified to profit or loss:</b>			
<b>Available-for-sale financial assets</b>		<b>10</b>	1
<b>Total comprehensive income for the year</b>		<b>2 460</b>	477

The notes on pages 86 to 94 are an integral part of these financial statements.

# Company statement of changes in equity

for the year ended 30 June 2018

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	Ordinary shares Rm	Share premium Rm	Share-based payment reserve Rm	Total share capital Rm	Retained earnings Rm	Other components of equity Rm	Total equity Rm
<b>Balance at 30 June 2017</b>	<b>18</b>	<b>20 195</b>	<b>1 894</b>	<b>22 107</b>	<b>3 742</b>	<b>1</b>	<b>25 850</b>
Bond conversion option (note10.3)	—	450	—	450	—	—	450
Total comprehensive income	—	—	—	—	2 450	10	2 460
Profit for the year	—	—	—	—	2 450	—	2 450
Other comprehensive income	—	—	—	—	—	10	10
<b>Balance at 30 June 2018</b>	<b>18</b>	<b>20 645</b>	<b>1 894</b>	<b>22 557</b>	<b>6 192</b>	<b>11</b>	<b>28 760</b>
<b>Balance at 30 June 2016</b>	18	20 274	1 894	22 186	3 266	—	25 452
Conversion option settlement	—	(79)	—	(79)	—	—	(79)
Total comprehensive income	—	—	—	—	476	1	477
Profit for the year	—	—	—	—	476	—	476
Other comprehensive income	—	—	—	—	—	1	1
<b>Balance at 30 June 2017</b>	18	20 195	1 894	22 107	3 742	1	25 850

The notes on pages 86 to 94 are an integral part of these financial statements.

# Company statement of cash flows

for the year ended 30 June 2018

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	Notes	2018 Rm	2017 Rm
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash used in operations	16	(67)	(171)
Dividends received	11	2 621	382
Finance income		669	543
Finance cost		(686)	(327)
Income tax paid		(48)	(176)
<b>Net cash from operating activities</b>		<b>2 489</b>	<b>251</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of interest in associate – Waterberg		(425)	–
Advances subsidiaries loans		(7 782)	(2 486)
<b>Net cash used in investing activities</b>		<b>(8 207)</b>	<b>(2 486)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		2 465	6 278
Repayments of borrowings		(660)	(4 557)
Cash from CCIRS		–	727
<b>Net cash from financing activities</b>		<b>1 805</b>	<b>2 448</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(3 913)</b>	<b>213</b>
Cash and cash equivalents at the beginning of the year		5 328	5 115
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>		<b>1 415</b>	<b>5 328</b>

The notes on pages 86 to 94 are an integral part of these financial statements.

# Notes to the Company financial statements

for the year ended 30 June 2018

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## 1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The basis of preparation and principal accounting policies are disclosed on pages 21 to 30.

Subsidiaries, associated undertakings and joint venture are accounted for at cost less any impairment provision in the Company financial statements.

Revenue of the Company comprises mainly dividend income and finance income. Dividend income is recognised when the shareholder's right to receive payment is established. Interest income is recognised on a time-proportion basis using the effective interest method.

## 2. INVESTMENTS IN ASSOCIATES AND JOINT VENTURE

	2018 Rm	2017 Rm
<b>Associates</b>		
Two Rivers Platinum (note 6 of the Group annual financial statements)	202	202
Makgomo Chrome (note 6 of the Group annual financial statements)	61	61
Waterberg (note 6 of the Group annual financial statements)	425	—
<b>Joint venture</b>		
Mimosa (note 6 of the Group annual financial statements)	376	376
<b>Total investments in associates and joint venture</b>	<b>1 064</b>	639

# Notes to the Company financial statements

for the year ended 30 June 2018

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## 3. INVESTMENTS IN SUBSIDIARIES

(All amounts in rand millions unless otherwise stated)	Issued share capital	Carrying amount					
		% interest		Investment		Loans	
		2018	2017	2018	2017	2018	2017
<b>Company and description</b>							
Impala Holdings Limited	*	100	100	—	—	12 426	12 449
Investment holding company							
Impala Platinum Limited	*	100	100	—	—	(note 4)	(note 4)
Mines, refines and markets PGMs							
Impala Platinum Investments (Pty) Limited	*	100	100	—	—	—	—
Impala Platinum Properties (Rustenburg) (Pty) Limited	*	100	100	—	—	—	—
Impala Platinum Properties (Johannesburg) (Pty) Limited	*	100	100	—	—	—	—
Own properties							
Biz Afrika 1866 (Pty) Limited	*	—	—	—	—	—	—
Afplats (Pty) Limited		74	74	1 647	1 987	—	—
Owns mineral rights							
Imbasa Platinum (Pty) Limited	*	60	60	—	—	47	47
Owns mineral rights							
Inkosi Platinum (Pty) Limited	*	49	49	—	—	133	120
Owns mineral rights							
Gazelle Platinum Limited	*	100	100	—	—	220	220
Investment holding company							
Impala Refining Services Limited	*	100	100	—	—	—	—
Provides toll refining services							
Impala Platinum Japan Limited <sup>1</sup>	¥10m	100	100	2	2	—	—
Marketing representative							
Impala Platinum Zimbabwe (Pty) Limited	*	100	100	73	73	351	351
Investment holding company							
Impala Platinum BV <sup>2</sup>	€0.02	100	100	900	900	—	—
Investment holding company							
Zimplats Holdings Limited <sup>**3</sup>	US\$10.8m	87	87	—	—	—	—
Investment holding company							
Zimbabwe Platinum Mines (Pvt) Limited <sup>4</sup>	US\$30.1m	87	87	—	—	—	—
Owns mineral rights and mines PGMs							
Marula Platinum (Pty) Limited	*	73	73	607	607	3 691	3 396
Owns mineral rights and mines PGMs							
Impala Chrome (Pty) Limited	*	65	65	52	52	—	—
Sundry and dormant companies	*	77	77	—	—	—	—
<b>Total</b>				<b>3 281</b>	<b>3 621</b>	<b>16 868</b>	<b>16 583</b>
<b>Total investments at cost</b>						<b>20 149</b>	<b>20 204</b>

\* Share capital less than R50 000

\*\* Listed on the Australian Securities Exchange

<sup>1</sup> Incorporated in Japan

<sup>2</sup> Incorporated in the Netherlands

<sup>3</sup> Incorporated in Guernsey

<sup>4</sup> Incorporated in Zimbabwe

# Notes to the Company financial statements

for the year ended 30 June 2018

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## 4. LOAN TO IMPALA

	Notes	2018 Rm	2017 Rm
Loan – convertible bonds 2018	4.1	–	308
Loan – convertible bonds 2022	4.2	6 350	6 316
Intra-group loan	4.3	7 809	–
		<b>14 159</b>	6 624
Current		<b>7 883</b>	344
Non-current		<b>6 276</b>	6 280

### 4.1 Loan – convertible bonds 2018

The Company made a loan to Impala Platinum Ltd in respect of the cash obtained from the 2018 convertible bonds. Interest on the loan is charged at 5.7%. The loan was repaid on 21 February 2018.

### 4.2 Loan – convertible bonds 2022

The Company made a new loan to Impala Platinum Ltd in respect of the cash obtained from the 2022 convertible bonds issue. Interest on the loan is charged at 9% with bi-annual payments ending on 7 June 2022.

### 4.3 Intra-group loan

The Company made a loan to Impala Platinum Ltd, the loan is unsecured and bears interest at rates agreed upon from time to time by the parties. There are no fixed terms of repayment.

## 5. OTHER FINANCIAL ASSETS

	Notes	2018 Rm	2017 Rm
Available-for-sale investment	5.1	15	4
Loans	5.2	39	40
Derivative financial instruments	5.3	21	–
		<b>75</b>	44

### 5.1 Available-for-sale investment

The Company holds shares in Guardrisk, an insurance cell captive. The fair value of these shares is equal to the underlying net value of assets in the cell.

### 5.2 Loans

Loans granted to Tubatse Platinum (Pty) Limited, Marula Community Trust and Mmakau Platinum Mining (Pty) Limited in terms of a BEE transaction. The loan is repayable on approval and adoption by the board of directors of Marula of a feasibility study on any aspect and/or portion of the non-cash producing portion of the Marula Mine.

### 5.3 Derivative financial instruments

Implats entered into a CCIRS amounting to \$250 million to hedge the foreign exchange risk on the US\$ convertible bond, being: exchange rate risk on the dollar interest payments and the risk of a future cash settlement of the bonds at a rand-dollar exchange rate weaker than R13.025/US\$. US\$250 million was swapped for R3 256 million on which Implats pays a fixed interest rate to Standard Bank of 9.8%. Implats receives the 3.25% coupon on the US\$250 million on the same date which Implats pays on externally to the bond holders and the interest thereon. In June 2022, Implats will receive \$250 million for a payment of R3 256 million.

The CCIRS is carried at its fair value of R21 million asset (2017: R49 million liability – note 10). No hedge accounting has been applied.

Refer notes 9 and 17 of the Group annual financial statements.

# Notes to the Company financial statements

for the year ended 30 June 2018

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## 6. DEFERRED TAX

	2018 Rm	2017 Rm
The analysis of the deferred tax assets and deferred tax liabilities presented in the statement of financial position is as follows:		
<b>Deferred tax asset</b>		
Deferred tax assets to be recovered within 12 months	—	11
Deferred tax assets to be recovered after 12 months	—	—
	—	11
<b>Deferred tax liability</b>		
Deferred tax liabilities to be settled within 12 months	(64)	—
Deferred tax liabilities to be settled after 12 months	(181)	—
	(245)	—
<b>Total</b>	<b>(245)</b>	<b>11</b>

Deferred income taxes are calculated at the prevailing tax rates.

Deferred tax movements are attributable to the following temporary differences (assets/(liabilities)) and unused tax losses:

	Opening balance	Recognised in profit or loss	Recognised in equity	Closing balance
<b>2018</b>				
Equity portion of bonds	—	—	(175)	(175)
Fair value of assets and liabilities	11	(81)	—	(70)
	11	(81)	(175)	(245)
<b>2017</b>				
Equity portion of bonds	(35)	35	—	—
Fair value of assets and liabilities	(46)	57	—	11
	(81)	92	—	11

## 7. CASH AND CASH EQUIVALENTS

	2018 Rm	2017 Rm
Cash at bank	1 415	5 328
Bank balances (US\$ million)	28	52
Refer note 12 of the Group annual financial statements for detailed disclosure relating to cash and cash equivalents.		

## 8. SHARE CAPITAL

Ordinary shares	18	18
Share premium	20 645	20 195
Share-based payment reserve	1 894	1 894
<b>Total share capital</b>	<b>22 557</b>	<b>22 107</b>

The authorised share capital of the holding company consist of 944.01 (2017: 844.01) million ordinary no par value shares.

The issued share capital of the holding company consists of 734.78 (2017: 734.78) million ordinary no par value shares.

At the shareholders' meeting, the shareholders approved the conversion of the ordinary par value shares to ordinary no par value shares. The authorised share capital was also increased by 100 million shares from 844.01 million to 944.01 million. The authorised but unissued share capital of the Company increased to 209.23 million from 109.23 million. The issued share capital remained unchanged at 734.78 million.



# Notes to the Company financial statements

for the year ended 30 June 2018

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## 9. BORROWINGS

	Notes	2018 Rm	2017 Rm
Convertible bonds – ZAR (2018)	9.1	–	303
Convertible bonds – US\$ (2018)	9.2	–	380
Convertible bonds – ZAR (2022)	9.3	2 630	2 515
Convertible bonds – US\$ (2022)	9.4	2 858	2 609
Intra-group borrowing	9.5	1 020	65
Revolving credit facility	9.6	1 510	–
		<b>8 018</b>	5 872
Current		<b>2 613</b>	767
Non-current		<b>5 405</b>	5 105
Beginning of the year		<b>5 873</b>	5 477
Proceeds		<b>2 465</b>	6 297
Interest accrued		<b>606</b>	326
Interest repayment		<b>(367)</b>	(205)
Repayments		<b>(660)</b>	(4 565)
Conversion option on 2022 bonds		–	(1 156)
Loss on settlement of 2018 bonds		–	8
Exchange adjustment		<b>101</b>	(309)
End of the year		<b>8 018</b>	5 873

### 9.1 Convertible bonds – ZAR (2018)

The ZAR denominated bonds have a par value of R2 672 million and carry a coupon of 5% (R133.6 million) per annum. The coupon is payable semi-annually for a period of five years ending 21 February 2018. The bond holder has the option to convert the bonds to Implats shares at a price of R214.90. The value of this compound instrument's equity portion relating to conversion was R319 million (before tax) on issue. During the year Implats called 89% of the bonds. The effective interest rate of the bond is 8.5% (2017: 8.5%).

### 9.2 Convertible bonds – US\$ (2018)

The US\$ denominated bonds have a par value of US\$200 million and carry a coupon of 1% (US\$2 million) per annum. The coupon is payable semi-annually for a period of five years ending 21 February 2018. The bond holder has the option to convert the bonds to Implats shares at a price of US\$24.13. The value of this conversion option derivative was R106 million at initial recognition. During the year Implats called 85% of the bonds. The effective interest rate is 3.1% (2017: 3.1%). (Refer note 9 of the Group financial statements for information regarding the CCIRS entered into, to hedge certain aspects of the foreign exchange risk on this bond.)

### 9.3 Convertible bonds – ZAR (2022) (note 10.3)

The ZAR denominated bonds have a par value of R3 250 million and carry a coupon of 6.375% (R207.2 million) per annum. The coupon is payable semi-annually for a period of five years ending 7 June 2022. The bond holder has the option to convert the bonds to Implats shares at a price of R50.01. The value of this conversion option derivative was R676 million on issue. Implats has the option to call the bonds at par plus accrued interest at any time if the aggregate value of the underlying shares per bond for a specified period of time is 130% or more of the principal amount of that bond. The effective interest rate of the bond is 12.8%.

### 9.4 Convertible bonds – US\$ (2022) (note 10.2)

The US\$ denominated bonds have a par value of US\$250 million and carry a coupon of 3.25% (US\$8.1 million) per annum. The coupon is payable semi-annually for a period of five years ending 7 June 2022. The bond holder has the option to convert the bonds to Implats shares at a price of US\$3.89. The value of this conversion option derivative was R559 million at initial recognition. Implats has the option to call the bonds at par plus accrued interest at any time if the aggregate value of the underlying shares per bond for a specified period of time is 130% or more of the principal amount of that bond. The effective interest rate is 8.38%. (Refer note 9 of the Group financial statements for information regarding the conversion option and the CCIRS entered into, to hedge certain aspects of the foreign exchange risk on this bond.)

### 9.5 Intra-group borrowing

The borrowings are from subsidiaries and interest is charged at the Company's overdraft borrowing rate which varied between 5.5% and 6.3% per annum. The loan is unsecured and has no fixed term of repayment.

### 9.6 Revolving credit facility

During the current year, Implats drew down R1 500 million on the Standard bank facility. The facility bears interest at 10.2%. The facility expires end of 2021.

# Notes to the Company financial statements

for the year ended 30 June 2018

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## 10. DERIVATIVE FINANCIAL INSTRUMENTS

	Notes	2018 Rm	2017 Rm
Cross Currency Interest Rate Swap (CCIRS) (2022)	10.1	–	49
Conversion option – US\$ convertible bond (2022)	10.2	50	548
Conversion option – ZAR convertible bond (2022)	10.3	–	637
		<b>50</b>	1 233

### 10.1 Cross Currency Interest Rate Swap (CCIRS) (2022)

Implats entered into a CCIRS amounting to US\$250 million to hedge the foreign exchange risk on the US\$ convertible bond, being: exchange rate risk on the dollar interest payments and the risk of a future cash settlement of the bonds at a rand-dollar exchange rate weaker than R13.025/US\$. US\$250 million was swapped for R3 256 million on which Implats pays a fixed interest rate to Standard Bank of 9.8%. Implats receives the 3.25% coupon on the US\$250 million on the same date which Implats pays-on externally to the bond holders and the interest thereon. In June 2022, Implats will receive US\$250 million for a payment of R3 256 million.

The CCIRS is carried at its fair value of R21 million asset (note 5) (2017: R49 million liability). No hedge accounting has been applied.

### 10.2 Conversion option – US\$ convertible bond (2022) (note 9.4)

The US\$ bond holders have the option to convert the bonds to Implats shares at a price of US\$3.89. The conversion option was valued at its fair value of R50 million at year end, resulting in a R497 million profit for the period in other income.

The main inputs into this model are as follows:	2018	2017
Exercise price (US\$)	3.89	3.89
Share price on valuation date (US\$)	1.47	2.82
Volatility (%)	32.01	35.00
Risk-free US\$ interest rate (%)	2.65	1.84

### 10.3 Conversion option – ZAR convertible bond (2022) (note 9.3)

The ZAR bond holders have the option to convert the bonds to Implats shares at a price of R50.01. The conversion option was accounted for as equity upon shareholders' approval to settle this option by means of Implats shares at a fair value of R625 million, resulting in a R12 million profit for the period in other income.

## 11. REVENUE

	2018 Rm	2017 Rm
Finance income on cash and cash equivalents	172	268
Finance income on subsidiaries' shareholders' loans	622	663
Dividends received	2 621	382
Guarantee fees	38	39
Management fee	4	5
	<b>3 457</b>	1 357

# Notes to the Company financial statements

for the year ended 30 June 2018

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## 12. OTHER INCOME

	2018 Rm	2017 Rm
Derivative financial instruments – fair value movements		
– Other derivatives	509	51
Net foreign exchange transaction gains	–	304
	<b>509</b>	<b>355</b>

## 13. OTHER EXPENSES

Net foreign exchange transaction losses	188	–
Corporate costs	33	45
Exploration expenditure	–	2
Derivative financial instruments – fair value movements		
– Cross Currency Interest Rate Swap (2018 US\$ bond)	–	517
– Cross Currency Interest Rate Swap (2022 US\$ bond)	143	49
Service fee	4	5
Impairment of investment in Afplats <sup>#</sup>	339	–
Other	28	111
	<b>735</b>	<b>729</b>

<sup>#</sup> Refer notes 3.9 and 4 of the consolidated financial statements for detail disclosure relating to the impairment in Afplats.

## 14. INCOME TAX EXPENSE

### Current tax

South African company tax	34	150
Prior year over provision	(9)	–

### Deferred tax

Temporary differences	69	(92)
Prior year adjustment	12	–

### Income tax expense

	<b>106</b>	<b>58</b>
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The tax of the Company's profit differs as follows from the theoretical charge that would arise using the basic tax rate of 28% for South African companies:

### Normal tax for companies on (loss)/profit before tax

	<b>716</b>	<b>150</b>
Adjusted for:		
Disallowable expenditure	22	16
Exempt dividend income	(734)	(107)
Prior year adjustment	3	–
Deferred tax unrecognised	98	(3)
Taxable capital gain	1	2

### Tax expense

	<b>106</b>	<b>58</b>
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## 15. CONTINGENT LIABILITIES AND GUARANTEES

At year-end the Company had contingent liabilities in respect of guarantees and other matters arising in the ordinary course of business from which it is anticipated that no material liabilities will arise.

The Company has issued guarantees on behalf of companies within the Group to the following holders:

### Guarantees

Standard Bank – Marula BEE parties	887	889
Standard Bank – Zimplats Pvt Ltd	1 167	1 111
<b>Total guarantees</b>	<b>2 054</b>	<b>2 000</b>

# Notes to the Company financial statements

for the year ended 30 June 2018

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## 16. CASH GENERATED FROM OPERATIONS

	2018 Rm	2017 Rm
Profit before tax	2 556	534
Adjustment for:		
Foreign exchange loss/(gain)	101	(309)
Fair value adjustment on derivative	(366)	518
Impairment of investment in Afplats	339	—
Finance cost	606	449
Finance income	(600)	(913)
Loss with payment of bonds	—	8
Dividend income (note 11)	(2 621)	(382)
	15	(95)
Cash movements from changes in working capital:		
Increase in trade and other receivables	(78)	(79)
Decrease in trade and other payables	(4)	3
Cash (used in)/generated from operations	(67)	(171)

## 17. RELATED-PARTY TRANSACTIONS

### Associates and joint venture (note 2)

#### Two Rivers

##### Transactions with related parties:

Dividend received

253 279

#### Mokgomo Chrome

##### Transactions with related parties:

Dividend received

— —

#### Mimosa

##### Transactions with related parties:

Dividend received

— —

### Subsidiaries (notes 3 and 4)

#### Impala

##### Transactions with related parties:

Loans granted

— 6 278

Loan repayments

— 4 274

Interest income accrued

573 282

##### Balances arising from transactions with related parties:

Loans

1 080 1 080

Loans – Impala

6 350 6 648

#### Impala Holdings Limited

##### Transactions with related parties:

Loan granted

— —

##### Balances arising from transactions with related parties:

Loans

11 346 11 346

#### Marula Platinum Proprietary Limited

##### Transactions with related parties:

Loans granted

296 2 167

Loan repayments

— 1 695

Interest income accrued

— 209

##### Balances arising from transactions with related parties:

Loan

3 692 3 396

#### Impala Chrome

##### Transactions with related parties:

Dividend received

28 103

#### Share options granted to directors

The aggregate number of share options granted to key management (directors and executive management) is disclosed in note 36 of the Group annual financial statements.

# Notes to the Company financial statements

for the year ended 30 June 2018

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## 18. FINANCIAL RISK MANAGEMENT

The Company manages its risk on a Group-wide basis. Refer to note 21 of the Group annual financial statements.

### 18.1 Market risk

#### *Foreign exchange risk*

There are no significant concentrations of foreign exchange risk.

#### *Interest rate risk*

The Company is exposed to fair value interest rate risk in respect of fixed rate financial assets and liabilities. Movement in interest rates will have an impact on the fair value of these instruments but will not affect profit or loss as these financial assets and liabilities are carried at amortised cost using the effective interest method.

Fixed interest rate exposure:

	2018 Rm	2017 Rm
<b>Financial assets</b>		
Loans to subsidiaries (note 3)	13 177	13 187
Loan to Impala (note 4)	14 159	6 624
<b>Financial liabilities</b>		
Borrowings	(5 488)	(5 807)
	<b>21 848</b>	14 004

The carrying amount of other financial assets and liabilities which are not carried at fair value, is a reasonable approximation of their fair value.

### 18.2 Credit risk

Credit risk arises from the risk that the financial asset counterparty may default or not meet its obligations timeously. The maximum exposure to the credit risk is represented by the carrying amount of all the financial assets and the maximum amount the Company could have to pay if the guarantees are called on (note 15).

The potential concentration of credit risk could arise in loans to associates, loans to subsidiaries, receivables and prepayments and trade receivables. No financial assets were past due for the current or the comparative period under review. No terms relating to financial assets have been renegotiated resulting in assets not being past due.

#### *Loans to subsidiaries*

These loans are unsecured and have no fixed terms of repayment.

#### *Loans*

Credit risk relating to these loans consist of loans to BEE companies.

#### *Trade and trade receivables*

Trade and other receivables consist mainly of guarantee fees receivable from financial institutions with high credit ratings.

### 18.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and the availability of funding for its expected future cash flow. Impala Platinum Holdings Limited's cash requirements are met by Impala Platinum Limited.

Trade and other payables are all due within a 12-month period. Guarantees are further analysed in note 15.

### 18.4 Cash flow interest rate risk

The Company is not exposed to significant interest-bearing liabilities resulting in cash flow interest rate risk.