



**HARMONY™**

**June quarter and 2008  
financial year-end results**

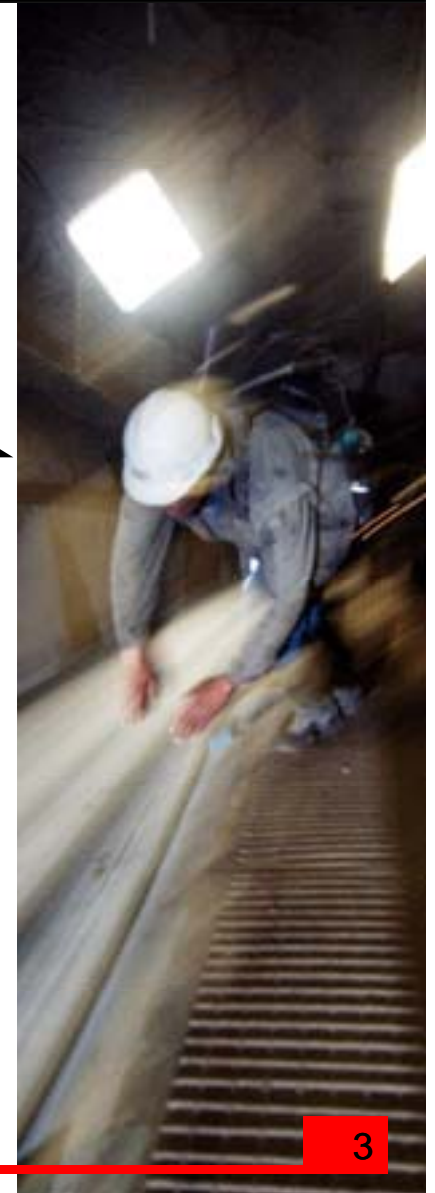
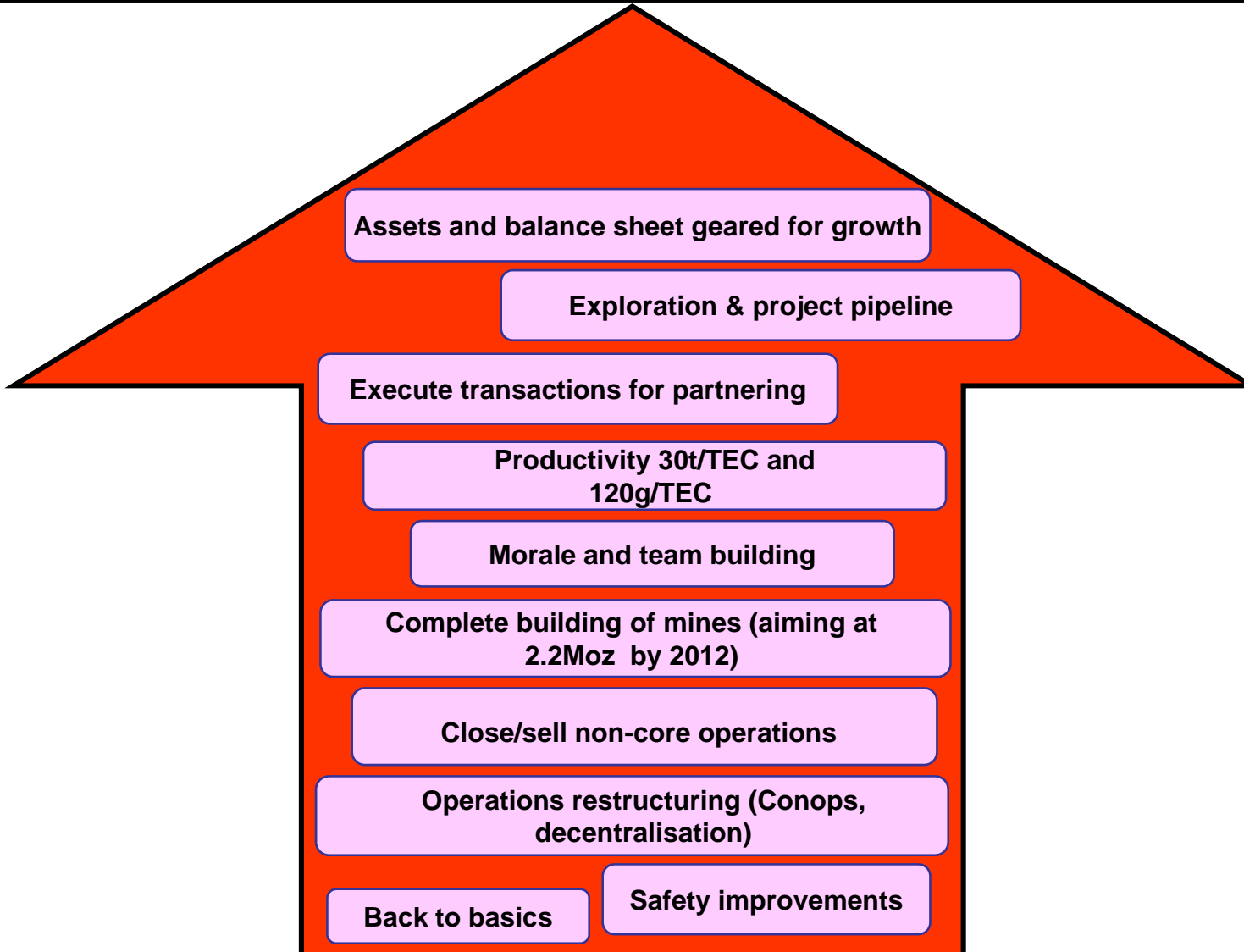
**Graham Briggs  
Chief Executive Officer  
15 August 2008**

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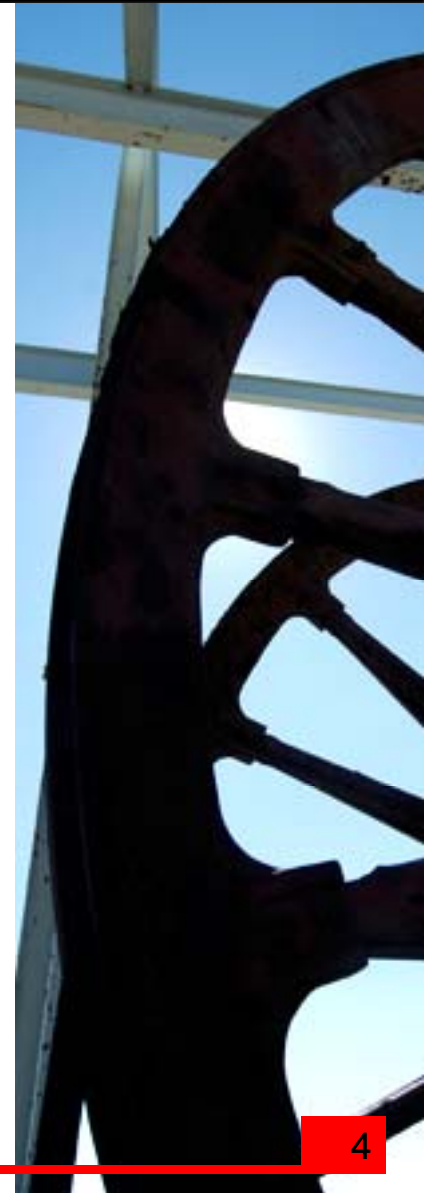


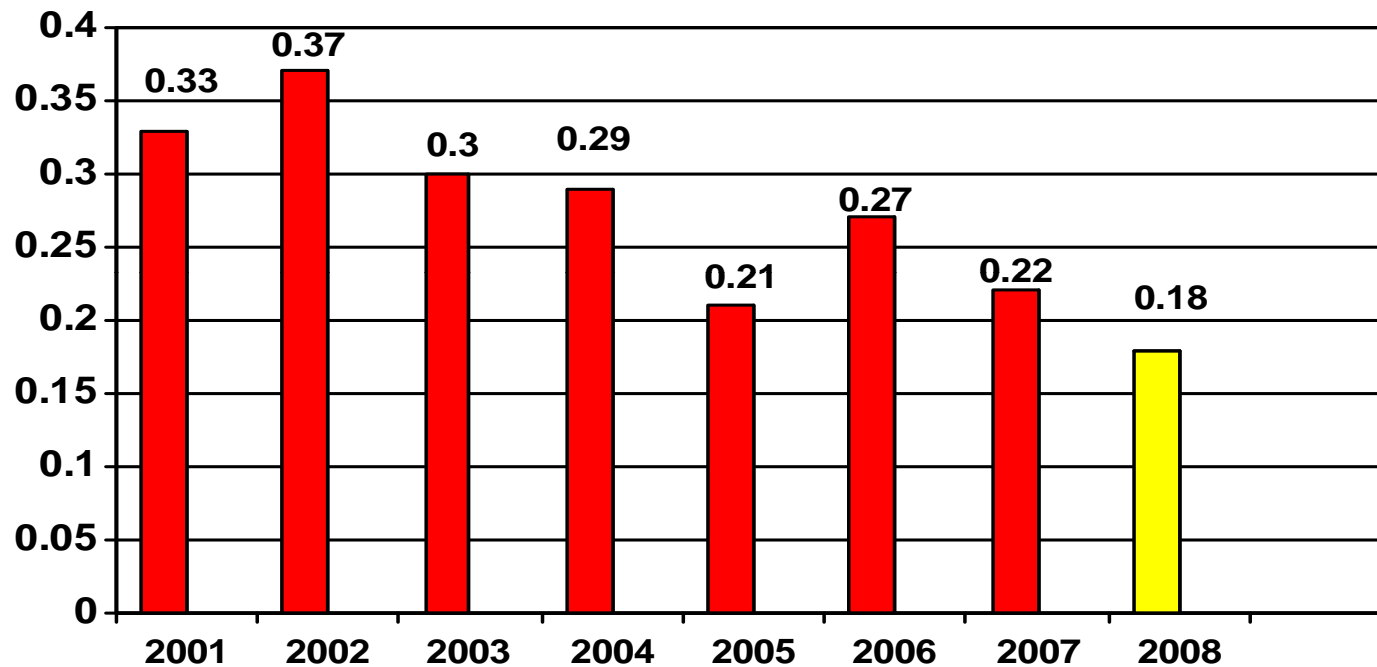
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- Cash operating profit up 26%
- First production from Phakisa Mine
- Tshepong Sub 66 Decline completed
- Restructuring of operations successfully completed
- Improved safety for FY08
- Harmony PNG-Newcrest Stage 1 (30.01%) of partnership finalised





- Harmony recorded an improved safety performance for FY2008
- Target achieved three and a half years of fatality free shifts
- Evander Mines achieved 1 500 000 Fatality Free shifts
- Tshepong Mine achieved 500 000 Fatality Free shifts
- Virginia operations achieved One Million Fatality Free shifts



# Group operating results – FY08

(continuing operations)

Rand/Metric

		<b>FY08</b>	<b>FY07</b>
Gold produced	- kg	<b>48 227</b>	54 340
Revenue	- R/kg	<b>190 958</b>	147 808
Exchange rate	- USD/ZAR	<b>7.26</b>	7.20
Cash costs	- R/kg	<b>138 319</b>	110 785
Cash operating profit	- R (m)	<b>2 537</b>	2 016
Operating margin	- (%)	<b>27.6</b>	25.1



## Cash operating profit year-on-year (continuing operations)

	% VAR	FY08 Rm	FY07 Rm
SA underground operations	10	2 059	1 878
SA Surface operations	246	478	138
<b>Total Harmony</b>	<b>26</b>	<b>2 537</b>	<b>2 016</b>



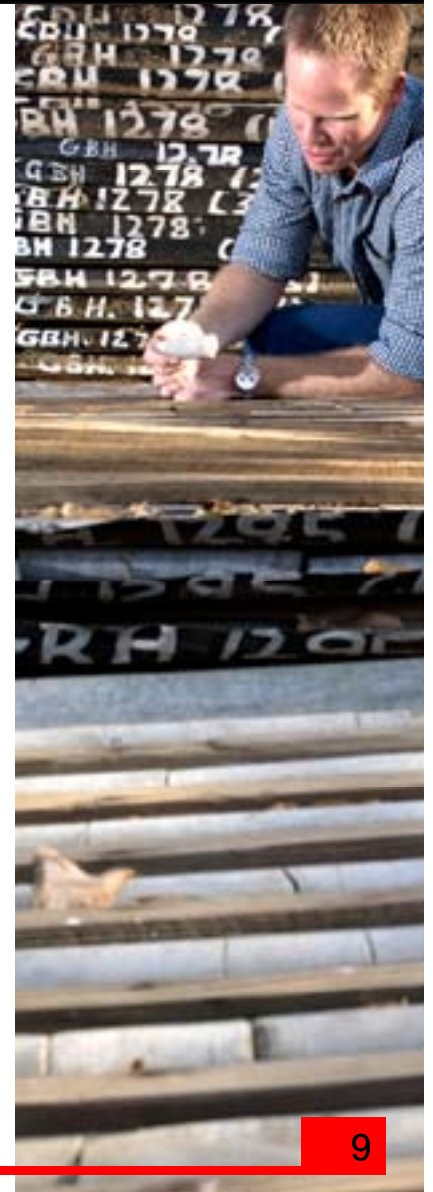
# Group operating results – FY08

(continuing operations)  
US\$/Imperial

		FY08	FY07
Gold produced	- oz	1 550 527	1 747 071
Revenue	- US\$/oz	818	636
Exchange rate	- R/US\$	7.26	7.20
Cash costs	- \$/oz	591	479
Cash operating profit	- US\$ (m)	351	280
Operating margin	- (%)	27.6	25.1



- **Ore reserves**
  - Declaration of 50.5Moz of reserves
  - Year-on-year depletion of 2Moz
  - Decrease of 5.6Moz of reserves due to corporate activity, restructuring and geological changes
  - Net addition of 4.5Moz of reserves from surface stockpiles
- **Mineral resources**
  - Declaration of 253.6Moz mineral resources
  - Year-on-year negative variance of 28Moz from corporate activity relating to Papua New Guinea, Australia and the Randfontein Cooke shafts.





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**Operational review  
Quarter June 2008**

- Cash operating profit up 22%
- Underground tonnage up 18%
- Gold up 11.8%
- Underground grade at 4.55g/t
- Improvements in safety



# Group operating results June Q08

(continuing operations)

Rand/Metric

		<b>Jun 2008</b>	<b>Mar 2008</b>
Gold produced	- kg	<b>11 694</b>	10 347
Revenue	- R/kg	<b>224 036</b>	225 544
Exchange rate	- USD/ZAR	<b>7.77</b>	7.43
Cash costs	- R/kg	<b>138 940</b>	146 620
Cash operating profit	- R (m)	<b>995</b>	817
Operating margin	- (%)	<b>38</b>	35



## Cash operating profit quarter-on-quarter (continuing operations)

	% VAR	Jun 2008 Rm	Mar 2008 Rm
SA underground operations	19%	814.3	684.5
SA Surface operations	36%	180.8	132.1
<b>Total Harmony</b>	<b>22%</b>	<b>995.1</b>	<b>816.6</b>

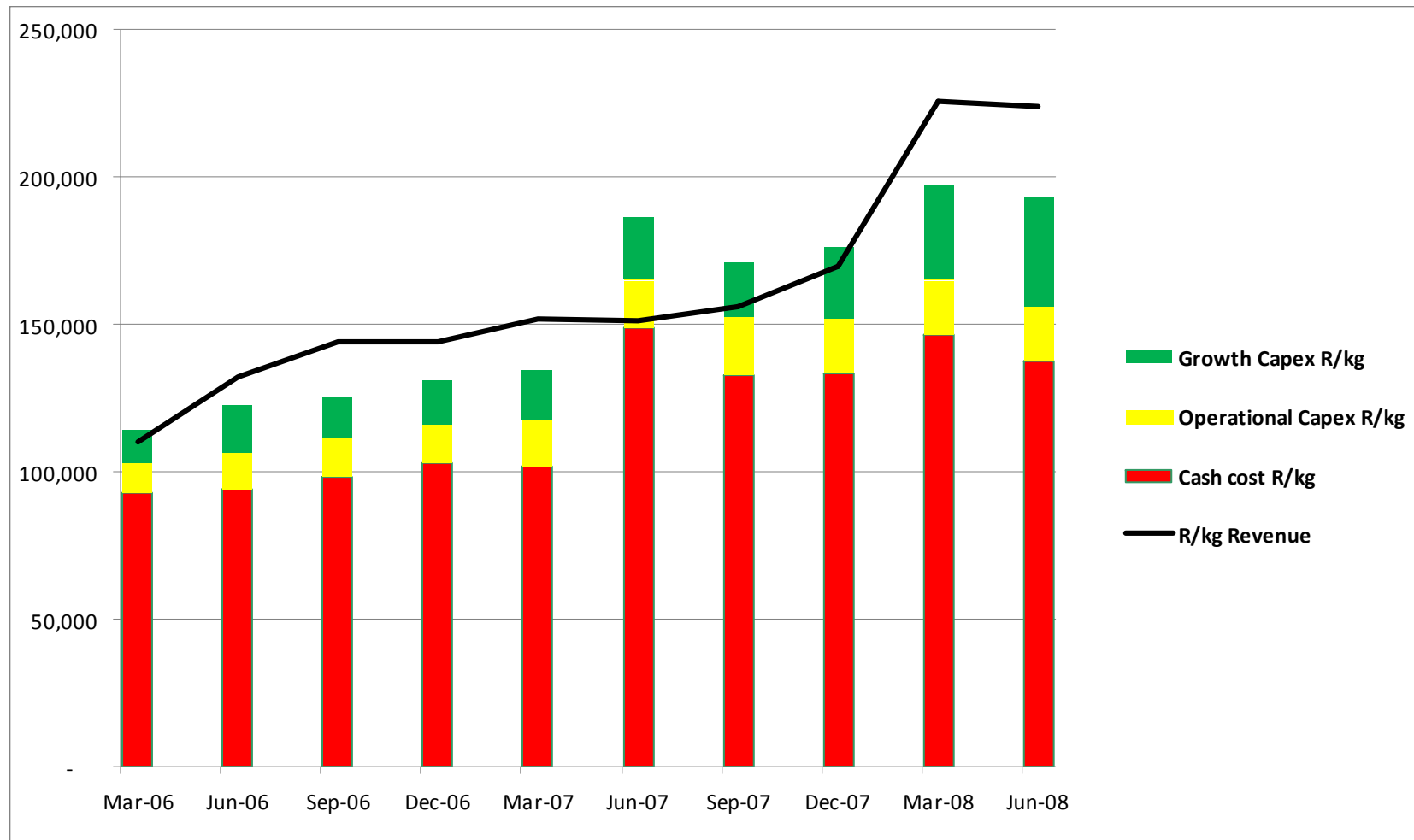


# Group operating results June Q08

(continuing operations)

US\$/Imperial

		<b>Jun 2008</b>	<b>Mar 2008</b>
Gold produced	- oz	<b>375 970</b>	332 662
Revenue	- US\$/oz	<b>897</b>	944
Exchange rate	- ZAR/US\$	<b>7.77</b>	7.43
Cash costs	- \$/oz	<b>556</b>	609
Cash operating profit	- US\$ (m)	<b>128</b>	111
Operating margin	- (%)	<b>38.0</b>	35.0





# Quarter-on-quarter cash operating profit variance analysis

Cash operating profit – Mar 2008 R 816.6 million

Variance attributed to change in:

- Volume increase R359.9 million
- Working cost increase (R107.9 million)
- Recovery grade reduction (R 51.2 million)
- Gold price reduction (R 22.3 million)
  
- Net variance R 178.5 million

Cash operating profit – Jun 2008 R 995.1 million





# SA underground operations

(continuing operations)

		<b>Jun 2008</b>	<b>Mar 2008</b>	<b>% VAR</b>
Tonnes milled	('000)	<b>2 283</b>	1 934	18.0%
Recovery grade	(g/t)	<b>4.55</b>	4.81	(5.4%)
Kilograms produced	(kg)	<b>10 396</b>	9 302	11.8%
Working costs	(R/kg)	<b>145 808</b>	152 026	4.1%
Working costs	(R/t)	<b>664</b>	731	9.2%



# SA underground operations

(continuing operations)

- Four days of lost production for public holidays (some unplanned)
- Increase in electricity cost affected all operations
- Bambanani re-sized to low-volume high-grade mine
- Joel and Masimong excellent overall improvements
- Phakisa 13% increase in gold production
- Tshepong grade down by 19%
- Target's vehicle replacement on track and a better quarter
- Virginia increased gold production by 5.2%
- Elandsrand productivity improves
- Evander returned a consistent delivery

		<b>Jun 2008</b>	<b>Mar 2008</b>	<b>% VAR</b>
Tonnes milled	('000)	<b>2 251</b>	2 191	2.7%
Recovery grade	(g/t)	<b>0.58</b>	0.48	20.8%
Kilograms produced	(kg)	<b>1 298</b>	1 045	24.2%
Working costs	(R/kg)	<b>83 935</b>	98 504	14.8%
Working costs	(R/t)	<b>48</b>	47	(2.1%)

- Kalgold's results weaker due to lower grade and delays caused by rain
- Phoenix delivered consistent results
- Other surface sources returned better grades

# Discontinued operations Operational results

		<b>Jun 2008</b>	<b>Mar 2008</b>	<b>% VAR</b>
Tonnes milled	('000)	<b>818</b>	1 064	(23.1%)
Recovery grade	(g/t)	<b>1.91</b>	1.87	2.1%
Kilograms produced	(kg)	<b>1 561</b>	1 985	(21.4%)
Working costs	(R/kg)	<b>125 650</b>	175 610	28.4%
Working costs	(R/t)	<b>240</b>	328	26.8%



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# Financial review FY 2008

Frank Abbott  
Financial Director

# Extracts from Income Statement

	FY 2008 R million	FY 2007 R million
Revenue	9 210	8 037
Production costs	(6 673)	(6 021)
<b>Cash operating profit</b>	<b>2 537</b>	<b>2 016</b>
Amortisation and depreciation	(846)	(763)
Impairment of assets	(316)	123
Employment termination and restructuring	(212)	-
Impairment of investment in associate	(95)	-
Loss on listed investments	(459)	(35)
Finance costs	(514)	(454)
Taxation	(465)	(271)
Profit/(Loss) from discontinued operations	551	(438)
<b>Net (loss)/profit</b>	<b>(245)</b>	<b>382</b>
Headline earnings cps (continuing operations)	19	96
Total headline earnings cps (incl. discontinued)	127	53

# Extracts from Income Statement

	Q Jun 2008 R million	Q Mar 2008 R million
Revenue	2620	2 334
Production costs	(1 625)	(1 517)
<b>Cash operating profit</b>	<b>995</b>	<b>817</b>
Amortisation and depreciation	(222)	(189)
Impairment of assets	(316)	-
Employment termination and restructuring	(50)	(86)
Losses from associate	(68)	(10)
Impairment of investment in associate	(95)	-
Finance costs	(131)	(123)
Taxation	(246)	(156)
Profit/(Loss) from discontinued operations	170	192
<b>Net (loss)/profit</b>	<b>(71)</b>	<b>345</b>
Headline earnings cps (continuing operations)	38	39
Total headline earnings cps (incl. discontinued)	65	63

	30 June 2008 R million	30 June 2007 R million	Variance
Property plant and equipment	27 556	24 538	3 018
Cash and cash equivalents	413	711	(298)
<b>Borrowings</b>			
Non current	264	1 743	1 479
Current	3 835	2 855	(980)
	4 099	4 598	499



<b>OPERATIONAL CAPEX</b>	<b>ACTUAL Jun 2008 R million</b>	<b>ACTUAL Mar 2008 R million</b>	
South African Operations	470	346	
<b>Total Operational Capex</b>	<b>470</b>	<b>346</b>	
<b>PROJECT CAPEX</b>	<b>R million</b>	<b>R million</b>	<b>CAPITAL INVESTED TO DATE R million</b>
Doornkop South Reef	87	79	956
Elandsrand Mine	2	28	776
Tshepong North Decline	5	6	289
Phakisa Shaft	84	62	866
Hidden Valley, PNG	668	324	2 049
<b>Total Project Capex</b>	<b>846</b>	<b>499</b>	<b>4 936</b>
<b>TOTAL CAPEX</b>	<b>1 316</b>	<b>845</b>	



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# Outlook for FY 2009

- Proceeds from transactions used to repay debt
- Further transactions likely to be in the project growth area
- Joint ventures and partnerships are key elements in any transaction
- Offshore opportunities being pursued, exploration and project areas in South East Asia
- Potential for acquisitions will be continually evaluated



- **Mt Magnet**
  - Monarch under administration, assets on care-and-maintenance, exploration taking place, sales process resumed
- **Orkney**
  - Harmony owns 32% equity in Pamodzi Gold
- **Randfontein Uranium (Rand Uranium)**
  - Agreement extended, exclusivity and deal finalisation date 12 September
  - DME and NNR conditions precedent still outstanding
- **PNG/Newcrest**
  - All conditions precedent met
  - Signing ceremony took place on 7 August and marks end of stage 1 (30.01%) and commencement of Stage 2 (earn-in to 50%)
  - US\$ 229 million has been received



- Increasing production anticipated from Harmony's new mines
- Exploration of four tenements in PNG to continue to create shareholder value through possible pipeline of quality and diversified commodity projects; resource declaration at Nambonga orebody possible during the year
- Evander South offers new opportunities for additional reserves with commensurate exploration opportunities for adjacent Poplar and Rolspruit areas
- Strong gold price offers plenty growth opportunities from one billion tonnes of surface tailings in Free State with potential of 12Mt per year treated at St Helena plant
- Hidden Valley comes into production towards the end of the 2009 financial year



# QUESTIONS

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