

HARMONY GOLD MINING CO LTD

Form 6-K

May 08, 2015

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO

RULE 13a-16 OR 15d-16 UNDER THE SECURITIES

EXCHANGE ACT OF 1934

For 8 May 2015

Harmony Gold Mining Company

Limited

Randfontein Office Park

Corner Main Reef Road and Ward Avenue

Randfontein, 1759

South Africa

(Address of principal executive offices)

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.)

Form 20-F ☒ X

Form 40-F ☐

(Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

Yes ☐

No ☒ X

**RESULTS
FOR THE THIRD QUARTER
AND NINE MONTHS
ENDED**

31 MARCH 2015

Q3 FY15

Harmony Gold Mining Company Limited

("Harmony" or "Company")

Incorporated in the Republic of South Africa

Registration number 1950/038232/06

JSE share code: HAR

NYSE share code: HMY

ISIN: ZAE000015228

FORWARD-LOOKING STATEMENTS

This quarterly report contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 with respect to Harmony's financial condition, results of operations, business strategies, operating efficiencies, competitive positions, growth opportunities for existing services, plans and objectives of management, markets for stock and other matters. Statements in this quarter that are not historical facts are "forward-looking statements" for the purpose of the safe harbour provided by Section 21E of the U.S. Securities Exchange Act of 1934, as amended, and Section 27A of the U.S. Securities Act of 1933, as amended. Forward-looking statements are statements that are not historical facts. These statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future operations, products and services, and statements regarding future performance. Forward-looking statements are generally identified by the words "expect", "anticipates", "believes", "intends", "estimates" and similar expressions. These statements are only predictions. All forward-looking statements involve a number of risks, uncertainties and other factors and we cannot assure you that such statements will prove to be correct. Risks, uncertainties and other factors could cause actual events or results to differ from those expressed or implied by the forward-looking statements. These forward-looking statements, including, among others, those relating to the future business prospects, revenues and income of Harmony, wherever they may occur in this quarterly report and the exhibits to this quarterly report, are necessarily estimates reflecting the best judgement of the senior management of Harmony and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. As a consequence, these forward-looking statements should be considered in light of various important factors, including those set forth in this quarterly report. Important factors that could cause actual results to differ materially from estimates or projections contained in the forward-looking statements include, without limitation: overall economic and business conditions in the countries in which we operate; the ability to achieve anticipated efficiencies and other cost savings in connection with past and future acquisitions; increases or decreases in the market price of gold; the occurrence of hazards associated with underground and surface gold mining; the occurrence of labour disruptions; availability, terms and deployment of capital; changes in government regulations, particularly mining rights and environmental regulations; fluctuations in exchange rates; currency devaluations and other macro-economic monetary policies; and socio-economic instability in the countries in which we operate.

Harmony's Integrated Annual Report and the Form 20-F filed with the United States' Securities and Exchange Commission for the financial year ended 30 June 2014 are available on our website at

<http://www.harmony.co.za/investors/reporting/annual-reports>.

Quarter

**March
2015**

Quarter
December
2014

Q-on-Q
variance
%

**Nine
months
ended
March 2015**

Nine
months
ended
March 2014
Variance
%

Gold produced
– kg

7 642

8 459

(10)

25 536

27 518

(7)

– oz

245 697

271 963

(10)

821 001

884 721

(7)

Cash operating costs

– R/kg

377 901

357 111

(6)

362 809

324 731

(12)

– US\$/oz

1 001

990

(1)

1 004

981

(2)

Gold sold

– kg

7 444

8 580
 (13)
26 011
 27 653
 (6)
 – oz
239 330
 275 851
 (13)
836 270
 889 061
 (6)
 Underground grade
 – g/t
4.75
 4.78
 (1)
4.79
 4.81
 –
 Total costs and capital
 – R/kg
454 211
 437 708
 (4)
435 701
 391 622
 (11)
 – US\$/oz
1 203
 1 213
 1
1 206
 1 183
 (2)
 All-in sustaining costs
 – R/kg
474 873
 455 202
 (4)
451 564
 408 768
 (10)
 – US\$/oz
1 258
 1 262
 –
1 250
 1 234
 (1)
 Gold price received

– R/kg

460 569

432 963

6

444 982

431 038

3

– US\$/oz

1 220

1 200

2

1 232

1 302

(5)

Production profit

– R million

643

618

4

2 174

2 946

(26)

– US\$ million

55

55

–

194

287

32

Basic loss per share

– SAc/s

(61)

(197)

69

(319)

(11)

>(100)

– USc/s

(5)

(18)

72

(28)

(1)

>(100)

Headline loss

– Rm

(262)

(496)

47

(1 023)

(19)

>(100)

– US\$m

(22)

(44)

50

(91)

(2)

>(100)

Headline loss per share

– SAc/s

(60)

(114)

(47)

(236)

(4)

>(100)

– USc/s

(5)

(10)

50

(21)

–

(100)

Exchange rate

– R/US\$m

11.74

11.22

5

11.24

10.30

9

“ We have responded to a lower gold price, first by rationalising our assets and then restructuring our portfolio – cutting costs, reducing labour numbers and focusing on mining only safe, profitable ounces. During the next couple of months we will continue to improve the performance of our assets and restructure Masimong, Doornkop and Hidden Valley for profitability. We are assessing ways of funding Golpu and unlocking the true value of each of our assets, which will ensure shareholder returns in the long term.”

Graham Briggs

Chief Executive Officer

1

CONTACT DETAILS

COMPETENT PERSON'S DECLARATION

Harmony reports in terms of the South African Code for the Reporting of Exploration results, Mineral Resources and Ore Reserves (SAMREC).

In South Africa, Harmony appoints an ore reserve manager at each of its operations who takes responsibility for the compilation and reporting of

mineral resources and mineral reserves at their operations. In Papua New Guinea, competent persons are appointed for the mineral resources and

mineral reserves for specific projects and operations.

The mineral resources and mineral reserves in this report are based on information compiled by the following competent persons:

Resources and Reserves South Africa: Jaco Boshoff, BSc (Hons), MSc, MBA, Pr. Sci. Nat., who has 19 years' relevant experience and is registered

with the South African Council for Natural Scientific Professions (SACNASP) and a member of the South African Institute of Mining and Metallurgy (SAIMM).

Resources and Reserves Papua New Guinea: Gregory Job, BSc, MSc, who has 26 years' relevant experience and is a member of the Australian

Institute of Mining and Metallurgy (AusIMM). Mr Job has sufficient experience relevant to the styles of mineralisation and types of deposits under

consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code

for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code").

Mr Boshoff and Mr Job are full-time employees of Harmony Gold Mining Company Limited. These competent persons consent to the inclusion in

the report of the matters based on the information in the form and context in which it appears.

Mineral Resource and Reserve information as at 30 June 2014 has not changed.

Corporate Office

Randfontein Office Park

PO Box 2, Randfontein, 1760, South Africa

Corner Main Reef Road/Ward Avenue

Randfontein, 1759, South Africa

Telephone: +27 11 411 2000

Website: www.harmony.co.za

Directors

P T Motsepe* *Chairman*

M Motloba*^ *Deputy Chairman*

G P Briggs *Chief Executive Officer*

F Abbott *Financial Director*

H E Mashego *Executive Director*

F F T De Buck*^ *Lead independent director*

J A Chissano*

1

^, K V Dicks*^, Dr D S S Lushaba*^,

C Markus*^, M Msimang*^, K T Nondumo*^,

V P Pillay *^, J L Wetton*^, A J Wilkens*

* Non-executive

^ Independent

1

Mozambican

Investor relations team

Email: HarmonyIR@harmony.co.za

Marian van der Walt

Executive: Corporate and Investor Relations

Tel: +27 (0)11 411 2037

Mobile: +27 (0)82 888 1242

Email: marian@harmony.co.za

Bobo Ndinisa

Investor Relations

Tel: +27 (0)11 411 2137 / 057 904 4023

Mobile: +27 (0)79 783 2051

Email: bobo@harmony.co.za

Company Secretary

Riana Bisschoff

Telephone: +27 (0)11 411 6020

Mobile: +27 (0)83 629 4706

E-mail: riana.bisschoff@harmony.co.za

South African Share Transfer Secretaries

Link Market Services South Africa (Proprietary) Limited

(Registration number 2000/007239/07)

13th Floor, Rennie House

19 Ameshoff Street

Braamfontein, 2001

PO Box 4844, Johannesburg, 2000, South Africa

Telephone: +27 86 154 6572

Fax: +27 86 674 2450

Email: meetfax@linkmarketservices.co.za

ADR

2

Depositary

Deutsche Bank Trust Company Americas

c/o American Stock Transfer and Trust Company

Peck Slip Station

PO Box 2050, New York, NY 10272-2050

Email queries: db@amstock.com

Toll Free: +1-800-937-5449

Intl: +1-718-921-8137

Fax: +1-718-921-8334

2

ADR: American Depositary Receipts

Sponsor

J.P. Morgan Equities South Africa (Pty) Ltd

1 Fricker Road, corner Hurlingham Road

Illovo

Johannesburg, 2196

Private Bag X9936, Sandton, 2146, South Africa

Telephone: +27 11 507 0300

Fax: +27 11 507 0503

Trading Symbols

JSE Limited: HAR

New York Stock Exchange, Inc: HMY

Berlin Stock Exchange: HAM1

Registration number

1950/038232/06

Incorporated in the Republic of South Africa

ISIN

ZAE000015228

Harmony Gold Mining Company Limited

Results for the third quarter FY15 and nine months ended 31 March 2015

2

CONTENTS

Contact details and competent persons' declaration

1

Chief executive officer's review

3

Operational results – quarter on quarter (Rand/Metric)
(US\$/Imperial)

7

Condensed consolidated income statements (Rand)

9

Condensed consolidated statements of
comprehensive income (Rand)

10

Condensed consolidated statements of changes in
equity (Rand)

10

Condensed consolidated balance sheets (Rand)

11

Condensed consolidated cash flow statements (Rand)

12

Notes to the condensed consolidated financial
statements

13

Segment report (Rand/Metric)

17

Condensed consolidated income statements (US\$)

19

Condensed consolidated statements of
comprehensive income (US\$)

20

Condensed consolidated statements of changes in
equity (US\$)

20

Condensed consolidated balance sheets (US\$)

21

Condensed consolidated cash flow statements (US\$)

22

Segment report (US\$/Imperial)

23

Development results – Metric and Imperial

24

SHAREHOLDER INFORMATION

Issued ordinary share capital at 31 March 2015

436 094 323

Issued ordinary share capital at 31 December 2014

436 094 323

Market capitalisation

At 31 March 2015 (ZARm)

9 219

At 31 March 2015 (US\$m)

761

At 31 December 2014 (ZARm)

9 424

At 31 December 2014 (US\$m)

815

Harmony ordinary shares and ADR prices

12-month high (1 April 2014 – 31 March 2015)

for ordinary shares

35.60

12-month low (1 April 2014 – 31 March 2015)

for ordinary shares

17.00

12-month high (1 April 2014 – 31 March 2015)

for ADRs

3.34

12-month low (1 April 2014 – 31 March 2015)

for ADRs

1.56

Free float

100%

ADR ratio

1:1

JSE Limited

HAR

Range for quarter

(2 January – 31 March 2015 closing prices)

R20.47 – R35.50

Average daily volume for the quarter

(2 January – 31 March 2015)

1 473 990 shares

Range for quarter

(1 October– 31 December 2014 closing prices)

R17.00 – R24.15

Average daily volume for the quarter

(1 October– 31 December 2014)

2 977 951 shares

New York Stock Exchange including other

US trading platforms

HMY

Range for quarter

(2 January 2015 – 31 March 2015 closing prices)

US\$1.69 – US\$3.14

Average daily volume for the quarter

(2 January– 31 March 2015)

3 473 101

Range for quarter

(1 October– 31 December 2014 closing prices)

US\$1.56 – US\$2.20

Average daily volume for the quarter

(1 October– 31 December 2014)

4 492 693

Investors' calendar

2015

Q3 FY15 presentation

(webcast and conference call only)

8 May 2015

Q4 FY15 live presentation from Johannesburg

18 August 2015

Q1 FY15 presentation

(webcast and conference call only)

5 November 2015

Annual General Meeting

26 November 2015

3

CHIEF EXECUTIVE OFFICER'S REVIEW

1. Safety

Following a fatality free December 2014 quarter in South Africa, it is with regret that I report two fatalities at our South African operations during the March 2015 quarter. Our sincere condolences go to the families and friends of Mosoeu Ntsutheleng (contractor team leader at Kusasalethu) and Michael Chobeng (development team leader at Masimong).

On 22 February 2015 we had an underground fire at Kusasalethu. I am grateful to report that all of the 486 underground employees were safely brought to surface.

2. Gold market

During the March 2015 quarter the average US dollar gold price received increased by 2% to US\$1 220/oz (Dec 14: US\$1 200/oz). The increase in the gold price during the March 2015 quarter combined with the weakening of the rand against the dollar to R11.74/US\$ (Dec 14: R11.22/US\$), resulted in an increase in the rand gold price received to R460 569/kg (Dec 14: R432 963/kg). We believe that the gold price will remain at current levels for some time to come.

3. Operational results

Gold production for the March 2015 quarter was impacted by slow start-ups after the December 2014 holidays, as well as safety stoppages. As a result, gold production was 10% (817 kilograms) lower at 7 642 kilograms in the March 2015 quarter compared to the December 2014 quarter (8 459 kilograms).

Our focus is on ensuring that our mines are safe and profitable. Target 3 has been closed, we have stopped the Phakisa decline, the restructuring of Kusasalethu was completed during the quarter and we continue to monitor each of our mines closely.

During the March 2015 quarter Kusasalethu showed an increase in grade and a reduction in costs. Tonnes mined were less than planned due to a fatal accident and a fire during the quarter.

A fatal accident early in the quarter and an underground fire at Masimong impacted negatively on volume. Following two loss-making quarters, it was decided to scale down ore body development at Masimong in an effort to restore the mine to profitability. The plan has already been partially implemented and will impact on the life of mine - we expect that the life of mine will be shortened to about 2 years.

Doornkop's performance was disappointing due to grade and volume constraints. Doornkop posted a net loss in the last three quarters and we are investigating alternatives to return the mine to profitability, which includes restructuring.

At Hiddden Valley a revised life of mine plan is being considered with reduced stripping requirements, which will enhance cash generation in the short term. Cost reduction initiatives being pursued at the mine includes revising the organisational structure. An operational improvement program has also been launched, with a specific focus on mining and maintenance discipline.

After recording three very good production quarters, unexpected low grades and poor ground conditions at Tshepong resulted in lower production during the March 2015 quarter. The crews had to be moved to mainly ledging and over-stoping areas. During the quarter new stope faces were established and the outlook for the June 2015 quarter on both volume and grade is positive.

4. Financial results

Despite lower gold production, production profit increased by 4% to R643 million in the March 2015 quarter compared to R618 million in the previous quarter, mainly due to a 10% decrease in operating costs supported by a 6% increase in the average gold price received.

Cash operating cost for the March 2015 quarter decreased by 4% when compared to the previous quarter, as a result of a decrease in the costs of consumables and labour. The restructuring at Kusasalethu was completed and the full cost saving will be realised in the June 2015 quarter. Kusasalethu's cost for the March 2015 quarter decreased by 8% when compared to the December 2014 quarter. Total capital expenditure for the March 2015 quarter decreased by 15% to R583 million.

Revenue

Revenue decreased by R287 million (8%) to R3 428 million as a result of the 13% decrease in gold sold to 7 444kg, which was partially offset by a 6% increase in the rand gold price received at R460 569/kg in the March 2015 quarter.

Production costs

The decrease in production costs in the March 2015 quarter is mainly as a result of the gold stock increase of R178 million, a decrease in consumables of R91 million due to lower production and a decrease in labour costs of R26 million as a result of the restructuring of our South African operations during the quarter.

Other items

Other items included in cost of sales decreased to R63 million in the March 2015 quarter. Restructuring cost related to employee termination was largely accounted for in the December 2014 quarter.

Exploration expenditure

The decrease in exploration expenditure in the March 2015 quarter is due to the capitalisation of the Golpu feasibility study costs, following the approval of the updated prefeasibility by the Harmony board in December 2014. The

project has progressed to the final feasibility study stage.

Other expenses – net

The increase to R127 million in expenses in the March 2015 quarter is mainly due to the foreign exchange translation loss of R118 million recorded on the US\$ borrowings. The rand weakened from US\$/R11.57 at 31 December 2014 to US\$/R12.17 at 31 March 2015.

Harmony Gold Mining Company Limited

Results for the third quarter FY15 and nine months ended 31 March 2015

4

Borrowings

Borrowings decreased by R261 million. The US\$300 million syndicated loan (US\$270 million drawn) was refinanced by a new revolving credit facility of up to US\$250 million, of which US\$205 million was committed and utilised at 31 March 2015. R400 million was drawn down on the R1.3 billion Nedbank facility.

5. Employee relations

We live our 5 values – safety, accountability, achievement, being connected and being honest. Our pro-active communication campaign is focused on keeping our employees informed about the state of the mine they work at as well as the health of Harmony. We engage with all the unions – whether formally recognised or not.

5.1 Section 189A restructuring processes

The Kusasalethu Section 189A process was concluded in February 2015.

Action

Employees

Transfer to other operations

359

Voluntary retrenchments

223

Compulsory retrenchments

224

Outside contractors replacements

227

Retained to fill vacancies on the mine

195

Medical cases and other

43

Total

1 271

During the June 2015 quarter operational restructuring will take place at Masimong, Doornkop and Hidden Valley. These processes will most likely include a Section 189A process. Labour will be reduced by approximately 400 employees at Masimong during the June 2015 quarter.

5.2 Preparations for the 2015 wage negotiations

As the current wage agreement concludes at the end of June 2015, preparations for wage negotiations are well underway, with the primary gold producers (representing close on 80% of employees in the gold industry) bargaining centrally under the auspices of the Chamber of Mines. In addition to centralised negotiations, much emphasis has been placed on direct engagement with employees and unions during the past two years and particularly in fostering an understanding of the economic circumstances of the sector as a whole and

Harmony's mines specifically.

What is clear is that high increases and indeed industrial action will lead to downscaling of operations and even closure of vulnerable mines. Job losses would be inevitable.

In engaging with unions in the coming months, we will be proposing an Economic and Social Compact, the fundamental principles of which are partnerships, sustainability and job retention. Rather than simply tabling and acceding to demands which typically characterises positional bargaining, we will be seeking to agree a set of mutually binding principles that spells out the obligations, rights and responsibilities of the companies and organised labour. Wages and conditions of service will be only one aspect of this Compact. Stakeholders will be apprised of progress as negotiations progress.

6. Mining Charter

On 31 March 2015 the Minister of Mineral Resources (DMR), Minister Advocate Ngoako Ramatlhodi, announced the Department of Mineral Resources' assessment of the mining industry's compliance with the Mining Charter.

Harmony acknowledges the DMR's account of the mining industry's success in achieving these targets and recognises the role of the mining industry as a driver of growth and development in South Africa. There is a difference of opinion, however, between the mining companies and the DMR in how some black economic empowerment (BEE) transactions are recognised. To this end, the DMR and the mining industry have agreed to jointly seek a 'declaratory order' from a South African court to ensure the correct interpretation of the rules governing the BEE component of the Charter. This is a proactive and necessary step to promote regulatory certainty for the mining industry and commenced in April 2015.

Harmony will continue its journey to cement its future in South Africa – pro-actively participating in transforming the South African mining industry – committed to identifying other opportunities to further facilitate HDSA (Historically disadvantaged South Africans) ownership, transform our workforce, invest in developing South Africans and create opportunities for small business entrepreneurs. Harmony's presence in South Africa is real and lasting and so will our legacy be.

Harmony believes that its performance in terms of each of the nine pillars set out in the Mining Charter illustrates that it does more than just comply. The nine pillars of the Charter are: reporting, ownership, housing and living conditions, procurement and enterprise development, employment equity, human resources development, mine community development, sustainable development and growth and beneficiation.

7. Golpu

Work on both the Feasibility Study for stage one and the Prefeasibility Study for stage two continued during the quarter. Stage one targets the upper higher value portion of the ore body. Stage two will encompass the rest of the ore reserve. Both studies are scheduled to be completed by the end of calendar year 2015.

5

The organisation structure for the Wafi-Golpu team has been completed and recruitment has commenced. Negotiation of the terms of a Pre Mine Development Agreement (PDMA) is in progress with the government and is intended to cover fiscal stability, regulatory stability and a framework for the mine development contract. Commencement of advanced exploration is dependent on PDMA progress and board approval.

8. Conclusion

We have responded to a lower gold price, first by rationalising our assets and then restructuring our portfolio – cutting costs, reducing labour numbers and focusing on mining only safe, profitable ounces. During the next couple of months we will continue to improve the performance of our assets and restructure Masimong, Doornkop and Hidden Valley for profitability. We are assessing ways of funding Golpu and unlocking the true value of each of our assets, which will ensure shareholder returns in the long term.

Graham Briggs

Chief Executive Officer

Harmony Gold Mining Company Limited

Results for the third quarter FY15 and nine months ended 31 March 2015

6

SA RAND RESULTS

**FOR THE THIRD QUARTER AND NINE
MONTHS ENDED**

31 MARCH 2015

Q3 FY15

Harmony Gold Mining Company Limited

Results for the third quarter FY15 and nine months ended 31 March 2015

8

7

OPERATING RESULTS (RAND/METRIC) (US\$/IMPERIAL)

Three

months

ended

South Africa

Hidden

Valley

Total

Harmony

Underground production

Surface production

Total

South

Africa

Kusasaletu

Doornkop

Phakisa

Tshepong

Masimong

Target 1

Bambanani

Joel

Unisel

Target 3

Total

Underground

Phoenix

Dumps

Kalgold

Total

Surface

Ore milled

– t'000

Mar-15

197

156

158

211

144

175

55

127

96

–

1 319

1 500

751

346
2 597
3 916
469
4 385
Dec-14
186
162
142
269
188
203
56
139
111
9
1 465
1 555
666
366
2 587
4 052
384
4 436
Gold produced
– kg
Mar-15
929
650
760
869
528
827
748
563
387
–
6 261
204
222
270
696
6 957
685
7 642
Dec-14
775
727
773
1 210
705

1 010

664

629

471

41

7 005

223

218

343

784

7 789

670

8 459

Gold produced

– oz

Mar-15

29 868

20 898

24 435

27 939

16 976

26 589

24 049

18 101

12 442

–

201 297

6 559

7 137

8 681

22 377

223 674

22 023

245 697

Dec-14

24 917

23 374

24 852

38 902

22 666

32 472

21 348

20 223

15 143

1 318

225 215

7 170

7 009

11 028

25 207

250 422

21 541

271 963

Yield

– g/tonne

Mar-15

4.72

4.17

4.81

4.12

3.67

4.73

13.60

4.43

4.03

–

4.75

0.14

0.30

0.78

0.27

1.78

1.46

1.74

Dec-14

4.17

4.49

5.44

4.50

3.75

4.98

11.86

4.53

4.24

4.56

4.78

0.14

0.33

0.94

0.30

1.92

1.74

1.91

Cash operating

costs

– R/kg

Mar-15

453 214

407 286

377 879

438 522

436 333

336 706
227 365
311 538
435 292
 –
379 620
340 902
394 122
386 496
375 565
379 214
364 561
377 901
 Dec-14
 590 241
 360 688
 369 639
 327 527
 351 210
 283 716
 252 893
 294 693
 346 295
 386 049
 352 329
 317 238
 376 101
 362 942
 353 601
 352 457
 411 216
 357 111
Cash operating
costs
 – \$/oz
Mar-15
1 201
1 079
1 001
1 162
1 156
892
602
825
1 153
 –
1 006
903
1 044
1 024
995

1 005

966

1 001

Dec-14

1 636

1 000

1 025

908

973

786

701

817

960

1 071

977

879

1 042

1 006

980

977

1 140

990

Cash operating

costs

– R/tonne

Mar-15

2 137

1 697

1 818

1 806

1 600

1 591

3 092

1 381

1 755

–

1 802

46

117

302

101

674

532

659

Dec-14

2 459

1 619

2 012

1 473

1 317

1 412

2 999

1 334

1 469

1 759

1 685

45

123

340

107

678

717

681

Gold sold

– Kg

Mar-15

976

625

755

864

524

834

743

467

384

–

6 172

194

216

274

684

6 856

588

7 444

Dec-14

844

716

774

1 211

705

992

665

655

472

40

7 074

221

215

324

760

7 834

746

8 580

Gold sold

– oz

Mar-15

31 379

20 094

24 274

27 778

16 847

26 814

23 888

15 014

12 346

–

198 434

6 237

6 945

8 809

21 991

220 425

18 905

239 330

Dec-14

27 135

23 020

24 885

38 934

22 666

31 893

21 380

21 059

15 175

1 286

227 433

7 105

6 912

10 417

24 434

251 867

23 984

275 851

Revenue

(R'000)

Mar-15

449 192

286 954

347 963

397 885

241 539

383 403

342 479

215 451

177 009

—

2 841 875

89 524

99 852

126 033

315 409

3 157 284

271 190

3 428 474

Dec-14

368 922

310 710

334 833

523 472

305 679

428 602

288 451

283 735

204 258

17 519

3 066 181

95 610

92 441

139 917

327 968

3 394 149

320 670

3 714 819

Cash operating

costs

(R'000)

Mar-15

421 036

264 736

287 188

381 076

230 384

278 456

170 069

175 396

168 458

—

2 376 799

69 544

87 495

104 354

261 393

2 638 192

249 724

2 887 916

Dec-14

457 437

262 220

285 731

396 308

247 603

286 553

167 921

185 362

163 105

15 828

2 468 068

70 744

81 990

124 489

277 223

2 745 291

275 515

3 020 806

**Inventory
movement**

(R'000)

Mar-15

22 301

(12 984)

(5 512)

405

(366)

(1 941)

(7 424)

(33 009)

(1 209)

—

(39 739)

(4 194)

(2 922)

(307)

(7 423)

(47 162)

(55 513)

(102 675)

Dec-14

24 957

(5 034)

5 278

1 831

2 797

(2 277)

4 359

11 097

2 143

(321)

44 830

(319)

(393)

(4 271)

(4 983)

39 847

35 755

75 602

Operating costs

(R'000)

Mar-15

443 337

251 752

281 676

381 481

230 018

276 515

162 645

142 387

167 249

—

2 337 060

65 350

84 573

104 047

253 970

2 591 030

194 211

2 785 241

Dec-14

482 394

257 186

291 009

398 139

250 400

284 276

172 280

196 459

165 248

15 507

2 512 898

70 425

81 597

120 218

272 240

2 785 138

311 270

3 096 408

Production profit (R'000)

Mar-15

5 855

35 202

66 287

16 404

11 521

106 888

179 834

73 064

9 760

—

504 815

24 174

15 279

21 986

61 439

566 254

76 979

643 233

Dec-14

(113 472)

53 524

43 824

125 333

55 279

144 326

116 171

87 276

39 010

2 012

553 283

25 185

10 844

19 699

55 728

609 011

9 400

618 411

Production profit (\$'000)

Mar-15

499

2 999

5 646

1 397

981

9 103

15 316

6 223

831

—

42 995

2 058
 1 302
 1 873
 5 233
 48 228
 6 556
 54 784
 Dec-14
 (10 112)
 4 770
 3 905
 11 170
 4 927
 12 862
 10 353
 7 777
 3 476
 179
 49 307
 2 244
 967
 1 756
 4 967
 54 274
 838
 55 112
Capital
expenditure
(R'000)
Mar-15
102 713
58 658
93 945
69 942
42 563
73 715
23 860
41 929
18 591
 –
525 916
1 450
1 592
13 519
16 561
542 477
40 685
583 162
 Dec-14
 122 185
 73 259

127 836
87 070
48 441
69 120
39 338
59 654
31 380

—

658 283
414
2 487
8 770
11 671
669 954
11 814
681 768

**Capital
expenditure**

(\$'000)

Mar-15

8 748

4 996

8 001

5 957

3 625

6 278

2 032

3 571

1 583

—

44 791

123

136

1 151

1 410

46 201

3 465

49 666

Dec-14

10 888

6 528

11 392

7 759

4 317

6 160

3 506

5 316

2 796

—

58 662

37

222

782

1 041

59 703

1 053

60 756

**Cash operating
cost and capital**

– R/kg

Mar-15

563 777

497 529

501 491

519 008

516 945

425 842

259 263

386 012

483 331

–

463 618

348 010

401 293

436 567

399 359

457 190

423 955

454 211

Dec-14

747 899

461 457

535 016

399 486

419 921

352 151

312 137

389 533

412 919

386 049

446 303

319 094

387 509

388 510

368 487

438 470

428 849

437 708

**Cash operating
cost and capital**

– \$/oz

Mar-15

1 493

1 318

1 328

1 375

1 369

1 128

687

1 022

1 280

—

1 228

922

1 063

1 156

1 058

1 211

1 123

1 203

Dec-14

2 073

1 279

1 483

1 107

1 164

976

865

1 080

1 144

1 071

1 237

884

1 074

1 077

1 021

1 215

1 189

1 213

All-in sustaining

costs

– R/kg

Mar-15

580 834

506 937

505 086

541 040

543 497

428 593

257 253

365 686

506 655

—

474 925

344 328

405 970

446 887

404 878

467 456

561 306

474 873

Dec-14

743 336

470 383

503 210

416 470

443 880

374 820

303 254

376 107

435 600

405 170

454 139

320 538

404 276

414 402

384 243

447 513

535 921

455 202

All-in sustaining

costs

– \$/oz

Mar-15

1 539

1 343

1 338

1 433

1 440

1 135

681

969

1 342

–

1 258

912

1 075

1 184

1 073

1 238

1 482

1 258

Dec-14

2 060

1 304
1 395
1 154
1 230
1 039
841
1 042
1 207
1 123
1 259
889
1 121
1 149
1 065
1 240
1 486
1 262

9

CONDENSED CONSOLIDATED INCOME STATEMENTS (RAND)

Figures in million

Note

Quarter ended

Nine months ended

30 June

2014

(Audited)

31 March

2015

(Unaudited)

31 December

2014

(Unaudited)

31 March

2014

(Unaudited)

31 March

2015

(Unaudited)

31 March

2014

(Unaudited)

Revenue

3 428

3 715

3 830

11 574

11 919

15 682

Cost of sales

2

(3 444)

(3 970)

(3 595)

(11 735)

(11 147)

(16 088)

Production costs

(2 785)

(3 096)

(2 906)

(9 400)

(8 973)

(11 888)

Amortisation and depreciation

(596)

(602)

(475)

(1 848)

(1 617)

(2 143)

Impairment of assets

—

—

(29)

—

(29)

(1 439)

Other items

(63)

(272)

(185)

(487)

(528)

(618)

Gross (loss)/profit

(16)

(255)

235

(161)

772

(406)

Corporate, administration and other
expenditure

(90)

(83)

(109)

(284)

(319)

(430)

Social investment expenditure

(20)

(15)

(8)

(59)

(67)

(88)

Exploration expenditure

4

(39)

(95)

(90)

(219)

(344)

(458)

(Loss)/profit on sale of property,
plant and equipment

(1)

1

—

-	
-	
30	
Loss on scrapping of property, plant and equipment	
5	
-	
(430)	
-	
(430)	
-	
-	
Other expenses (net)	
7	
(127)	
(52)	
(22)	
(366)	
(161)	
(208)	
Operating (loss)/profit	
(293)	
(929)	
6	
(1 519)	
(119)	
(1 560)	
Profit/(loss) from associates	
6	
-	
-	
10	
-	
17	
(109)	
(Impairment)/profit on disposal of investments	
-	
-	
-	
-	
(7)	
7	
Net gain on financial instruments	
7	
8	
25	
24	
138	
170	
Investment income	

61
59
64
171
159
220
Finance cost
(71)
(67)
(59)
(202)
(176)
(277)
(Loss)/profit before taxation
(296)
(929)
46
(1 526)
12
(1 549)
Taxation
33
73
(15)
142
(59)
279
Normal taxation
3
(4)
24
—
(25)
(24)
Deferred taxation
30
77
(39)
142
(34)
303
Net (loss)/profit for the period
(263)
(856)
31
(1 384)
(47)
(1 270)
Attributable to:
Owners of the parent
(263)

(856)

31

(1 384)

(47)

(1 270)

(Loss)/earnings per ordinary share

(cents)

3

Basic (loss)/earnings

(61)

(197)

7

(319)

(11)

(293)

Diluted (loss)/earnings

(61)

(197)

7

(319)

(11)

(293)

The accompanying notes are an integral part of these condensed consolidated financial statements.

Harmony Gold Mining Company Limited

Results for the third quarter FY15 and nine months ended 31 March 2015

10

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (RAND)

The condensed consolidated financial statements for the nine months ended 31 March 2015 have been prepared by Harmony Gold Mining Company Limited's corporate reporting team headed by Herman Perry. This process was supervised

by the financial director,

Frank Abbott and approved by the board of Harmony Gold Mining Company Limited. These financial statements have not

been audited or independently reviewed.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (RAND)

for the nine months ended 31 March 2015 (unaudited)

Figures in million

Quarter ended

Nine months ended

30 June

2014

(Audited)

31 March

2015

(Unaudited)

31 December

2014

(Unaudited)

31 March

2014

(Unaudited)

31 March

2015

(Unaudited)

31 March

2014

(Unaudited)

Net (loss)/profit for the period

(263)

(856)

31

(1 384)

(47)

(1 270)

Other comprehensive income/(loss) for the period, net of income tax

73

(114)

(416)

138

(733)

(140)

Items that may be reclassified subsequently to profit or loss:

73	
(114)	
(416)	
138	
(733)	
(109)	
Foreign exchange translation	
73	
(114)	
(421)	
138	
(745)	
(108)	
Movements on investments	
—	
—	
5	
—	
12	
(1)	
Items that will not be reclassified to profit	
or loss:	
—	
—	
—	
—	
—	
(31)	
Actuarial loss recognised during the year	
—	
—	
—	
—	
—	
(38)	
Deferred taxation thereon	
—	
—	
—	
—	
—	
7	
Total comprehensive loss for the period	
(190)	
(970)	
(385)	
(1 246)	
(780)	
(1 410)	
<i>Attributable to:</i>	
Owners of the parent	

(190)
 (970)
 (385)
(1 246)
 (780)
(1 410)

The accompanying notes are an integral part of these condensed consolidated financial statements.

Figures in million

**Share
 capital**

**Other
 reserves**

**(Accumulated
 loss)/retained
 earnings**

Total

Balance – 30 June 2014

28 325

3 539

(822)

31 042

Share-based payments

–

156

–

156

Net loss for the period

–

–

(1 384)

(1 384)

Other comprehensive income for the period

–

138

–

138

Balance – 31 March 2015

28 325

3 833

(2 206)

29 952

Balance – 30 June 2013

28 325

3 442

448

32 215

Share-based payments

–

198

–

198

Net loss for the period

—

—

(47)

(47)

Other comprehensive loss for the period

—

(733)

—

(733)

Balance – 31 March 2014

28 325

2 907

401

31 633

The accompanying notes are an integral part of these condensed consolidated financial statements.

11

CONDENSED CONSOLIDATED BALANCE SHEETS (RAND)

Figures in million

Note

At

31 March

2015

(Unaudited)

At

31 December

2014

(Unaudited)

At

30 June

2014

(Audited)

At

31 March

2014

(Unaudited)

ASSETS

Non-current assets

Property, plant and equipment

5

33 018

32 843

33 069

32 400

Intangible assets

885

883

886

2 194

Restricted cash

45

42

42

40

Restricted investments

2 375

2 366

2 299

2 225

Deferred tax assets

66

71

81

84

Investments in associates

6

—

—
—
125
Loan to associate
6
124
120
—
—
Investments in financial assets
5
5
4
4
Inventories
50
50
50
57
Total non-current assets
36 568
36 380
36 431
37 129
Current assets
Inventories
1 453
1 337
1 534
1 306
Trade and other receivables
854
822
951
900
Income and mining taxes
28
43
110
141
Restricted cash
15
15
15
15
Cash and cash equivalents
701
1 374
1 829
2 008
3 051

3 591

4 439

4 370

Non-current assets and assets of disposal groups classified as held for sale

—

—

—

51

Total current assets

3 051

3 591

4 439

4 421

Total assets

39 619

39 971

40 870

41 550

EQUITY AND LIABILITIES

Share capital and reserves

Share capital

28 325

28 325

28 325

28 325

Other reserves

3 833

3 733

3 539

2 907

(Accumulated loss)/retained earnings

(2 206)

(1 944)

(822)

401

Total equity

29 952

30 114

31 042

31 633

Non-current liabilities

Deferred tax liabilities

2 528

2 562

2 680

3 029

Provision for environmental rehabilitation

2 216

2 170

2 098

2 020

Retirement benefit obligation

258

255

247

205

Other non-current liabilities

33

42

95

67

Borrowings

7

2 860

—

2 860

2 843

Total non-current liabilities

7 895

5 029

7 980

8 164

Current liabilities

Borrowings

7

—

3 121

—

—

Income and mining taxes

8

—

—

3

Trade and other payables

1 764

1 707

1 848

1 750

Total current liabilities

1 772

4 828

1 848

1 753

Total equity and liabilities

39 619

39 971

40 870

41 550

The accompanying notes are an integral part of these condensed consolidated financial statements.

Harmony Gold Mining Company Limited

Results for the third quarter FY15 and nine months ended 31 March 2015

12

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS (RAND)

Figures in million

Quarter ended

Nine months ended

Year ended

30 June

2014

(Audited)

31 March

2015

(Unaudited)

31 December

2014

(Unaudited)

31 March

2014

(Unaudited)

Restated*

31 March

2015

(Unaudited)

31 March

2014

(Unaudited)

Restated

#

Cash flow from operating activities

Cash generated/(utilised) by operations

353

(64)

783

1 360

1 814

2 247

Interest and dividends received

21

30

34

76

92

139

Interest paid

(14)

(23)

(39)

(60)

(89)

(121)

Income and mining taxes refunded/(paid)

26

39

—

90

(28)

3

**Cash generated/(utilised) by
operating activities**

386

(18)

778

1 466

1 789

2 268

Cash flow from investing activities

Decrease/(increase) in restricted cash

12

(4)

(3)

12

(3)

(6)

Decrease/(increase) in restricted investments

19

—

—

20

—

(24)

Proceeds on disposal of investments

—

—

—

—

—

51

Loan to associate

—

(120)

—

(120)

—

—

Other investing activities

—

—

—

—

(10)

—

Net additions to property,
plant and equipment

1

(710)

(748)

(627)

(2 109)

(1 962)

(2 661)

Cash utilised by investing activities

(679)

(872)

(630)

(2 197)

(1 975)

(2 640)

Cash flow from financing activities

Borrowings raised

400

—

—

400

612

612

Borrowings repaid

(782)

—

(462)

(782)

(468)

(468)

**Cash (utilised)/generated by
financing activities**

(382)

—

(462)

(382)

144

144

**Foreign currency translation
adjustments**

2

(17)

(1)

(15)

(39)

(32)

Net decrease in cash and cash equivalents

(673)

(907)

(315)

(1 128)

(81)

(260)

Cash and cash equivalents

– beginning of period

1 374

2 281

2 323

1 829

2 089

2 089

Cash and cash equivalents

– end of period

701

1 374

2 008

701

2 008

1 829

1

Net additions to property, plant and equipment includes:

Figures in million

Quarter ended

Nine months ended

Year ended

30 June

2014

31 March

2015

31 December

2014

31 March

2014

31 March

2015

31 March

2014

Capital and capitalised exploration and evaluation
expenditure for Wafi-Golpu

40

–

–

54

–

12

Additions resulting from stripping activities
at Hidden Valley

85

65

28

183

112

120

** For the March 2014 quarter: Cash generated by operating activities previously reported as R750 million restated to R778 million. Cash utilised by investing activities previously reported as (R602 million) restated to (R630 million). This is mainly related to the change in accounting policy for IFRIC 20.*

#

For the nine months ended 31 March 2014: Cash generated by operating activities previously reported as R1 668 million restated to R1 789 million. Cash utilised by investing activities previously reported as (R1 854 million) restated to (R1 975 million). This is mainly related to the change in accounting policy for IFRIC 20.

The accompanying notes are an integral part of these condensed consolidated financial statements.

13

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the nine months ended 31 March 2015 (Rand)

1.

Accounting policies

Basis of accounting

The condensed consolidated financial statements for the nine months ended 31 March 2015 have been prepared in accordance

with IAS 34, Interim Financial Reporting, JSE Listings Requirements, SAICA Financial Reporting Guides as issued by the Accounting

Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council, and in the manner

required by the Companies Act of South Africa. They should be read in conjunction with the annual financial statements for the

year ended 30 June 2014, which have been prepared in accordance with International Financial Reporting Standards as issued by

the International Accounting Standards Board (IFRS). The accounting policies are consistent with those described in the annual

financial statements, except for the adoption of applicable revised and/or new standards issued by the International Accounting

Standards Board.

The following accounting standards, amendments to standards and new interpretations have been adopted with effect from

1 July 2014 and had no impact on the financial results of the group:

IFRSs

Annual Improvements 2010 – 2012 Cycle

IAS 32

Amendment – Presentation – Offsetting Financial Assets and Financial Liabilities

IAS 36

Amendment – Impairment of Assets – Recoverable amount disclosures for non-financial assets

IFRIC 21

Levies

2.

Cost of sales

Figures in million

Quarter ended

Nine months ended

Year ended

30 June

2014

(Audited)

31 March

2015

(Unaudited)

31 December

2014

(Unaudited)

31 March

2014

(Unaudited)

31 March

2015

(Unaudited)

31 March

2014

(Unaudited)

Production costs – excluding royalty

2 759

3 074

2 881

9 320

8 871

11 761

Royalty expense

26

22

25

80

102

127

Amortisation and depreciation

596

602

475

1 848

1 617

2 143

Impairment of assets

–

–

29

–

29

1 439

Rehabilitation expenditure

1

15

5

17

34

17

8

Care and maintenance cost of
restructured shafts

20

20

16

57

51

66

Employment termination and
restructuring (credit)/costs

2
(3)
182
90
227
234
274
Share-based payments
32
66
62
171
227
270
Other
(1)
(1)
—
(2)
(1)
—
Total cost of sales
3 444
3 970
3 595
11 735
11 147
16 088

1

Included in the December 2014 quarter is a credit of R11 million as a result of work performed in the Free State and at Deelkraal, resulting in a reduction in the rehabilitation liability.

2

The March 2015 quarter total includes a credit for Kusasalethu following the conclusion of the Section 189A process during the quarter. The December 2014 quarter total includes amounts relating to management retrenchments and retrenchment of employees at Target 3, Ernest Oppenheimer Hospital and a provision for Kusasalethu.

Harmony Gold Mining Company Limited

Results for the third quarter FY15 and nine months ended 31 March 2015

14

3.

(Loss)/earnings per share

Quarter ended

Nine months ended

Year ended

30 June

2014

(Audited)

31 March

2015

(Unaudited)

31 December

2014

(Unaudited)

31 March

2014

(Unaudited)

31 March

2015

(Unaudited)

31 March

2014

(Unaudited)

Weighted average number of shares

(million)

434.4

434.2

433.3

434.2

433.0

433.2

Weighted average number of diluted

shares (million)

439.5

435.2

434.3

437.3

434.4

434.7

Total (loss)/earnings per share

(cents):

Basic (loss)/earnings

(61)

(197)

7

(319)

(11)

(293)

Diluted (loss)/earnings

(61)

(197)

7

(319)

(11)

(293)

Headline (loss)/earnings

(60)

(114)

12

(236)

(4)

26

Diluted headline (loss)/earnings

(60)

(114)

12

(236)

(4)

26

Figures in million

Reconciliation of headline

(loss)/earnings:

Net (loss)/profit

(263)

(856)

31

(1 384)

(47)

(1 270)

Adjusted for:

Impairment/(profit on disposal)

of investments

1

—

—

—

—

7

(7)

Impairment of assets

—

—

29

—

29

1 439

Taxation effect on impairment

of assets

—

—	
(8)	
—	
(8)	
(24)	
Loss/(profit) on sale of property, plant and equipment	
1	
(1)	
—	
—	
—	
(30)	
Taxation effect of profit on sale of property, plant and equipment	
—	
—	
—	
—	
—	
6	
Loss on scrapping of property, plant and equipment	
—	
430	
—	
430	
—	
—	
Taxation effect on loss of scrapping of property, plant and equipment	
—	
(69)	
—	
(69)	
—	
—	
Headline (loss)/earnings	
(262)	
(496)	
52	
(1 023)	
(19)	
114	
<i>1</i>	

There is no taxation effect on these items.

4.

Exploration expenditure

The Harmony board approved the updated Golpu project prefeasibility study in December 2014. The approval and the progression to the final feasibility study stage, demonstrates the technical and commercial viability of the Golpu project and as a

result Harmony

started capitalising project exploration and evaluation expenditure in respect of the Golpu project in the March 2015 quarter.

5.

Loss on scrapping of property, plant and equipment

As reported last quarter, management embarked on a life-of-mine optimisation process in respect of the South African operations

which was finalised at the end of the December 2014 quarter. The optimisation ensured greater focus on mining profitable and

higher grade areas at our operations and therefore resulted in the abandonment of lower grade and unprofitable areas from the

life-of-mine plan for most of the operations.

In the case of Kusasalethu and Masimong, the optimisation led to the abandonment of levels and areas with a carrying value. The

abandonment of these areas resulted in the derecognition of property, plant and equipment as no future economic benefits are

expected from their use or disposal and a loss on scrapping of property, plant and equipment of R214 million on Kusasalethu and

R216 million on Masimong was recorded in the December 2014 quarter.

6.

Investment in associate

Harmony holds a 10.38% share in Rand Refinery Proprietary Limited (Rand Refinery). Due to the issues experienced at Rand Refinery

following the implementation of a new Enterprise Resource Planning (ERP) system on 1 April 2013, Harmony provided for its full

share of loss for the inventory discrepancy and recognised a R127 million loss in the June 2014 quarter.

As a precautionary measure following the challenges experienced by the implementation of the software system, Rand Refinery's

shareholders have extended Rand Refinery an irrevocable, subordinated loan facility of up to R1.2 billion. The facility is convertible

to equity after a period of two years. The agreements relating to the facility were signed on 23 July 2014.

During the December 2014 quarter, Rand Refinery Proprietary Limited drew down R1.02 billion on the shareholders loan. Harmony's

portion of the shareholders' loan was R120 million. Interest on the facility is JIBAR plus a margin of 3.5%.

15

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the nine months ended 31 March 2015 (Rand)

7. Borrowings

During the March 2015 quarter, the US\$300 million syndicated revolving credit facility (US\$270 million drawn) was refinanced by a

new revolving credit facility of US\$250 million. R400 million was drawn down on the R1.3 billion Nedbank revolving credit facility

during the March 2015 quarter.

US\$ facility

Rand facility

Figures in million

US dollar

SA rand

Borrowings summary

Facility

250

1 300

Drawn down

205

400

Undrawn committed borrowing facilities

45

900

Maturity

February 2018

December 2016

A foreign exchange translation loss of R118 million was recorded in the March 2015 quarter (December 2014 quarter: R69 million)

increasing the borrowings balance and Other expenses (net).

8.

Financial risk management activities

Fair value determination

The following table presents the group's assets and liabilities that are measured at fair value by level within the fair value hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets;

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset, either directly or indirectly (that

is, as prices) or indirectly (that is, derived from prices);

Level 3: Inputs for the asset that are not based on observable market data (that is, unobservable inputs).

Figures in million

At

31 March

2015

(Unaudited)

At

31 December

2014

(Unaudited)

At

30 June

2014

(Audited)

At

31 March

2014

(Unaudited)

Available-for-sale financial assets

1

Level 1

—

—

—

51

Level 2

—

—

—

—

Level 3

5

5

4

4

Fair value through profit or loss

2

Level 1

—

—

—

—

Level 2

155

375

798

768

Level 3

—

—

—

—

1

Level 1 fair values are directly derived from actively traded shares on the JSE.

Level 3 fair values have been valued by the directors by performing independent valuations on an annual basis.

2

The majority of the level 2 fair values are directly derived from the Shareholders Weighted Top 40 index (SWIX 40) on the JSE, and are discounted at market interest rate.

9.

Commitments and contingencies

Figures in million

At

31 March
2015
(Unaudited)

At
 31 December
 2014
 (Unaudited)

At
 30 June
 2014
 (Audited)

At
31 March
2014
(Unaudited)

Capital expenditure commitments:

Contracts for capital expenditure

196

172

157

245

Authorised by the directors but not contracted for

877

1 646

519

491

1 073

1 818

676

736

This expenditure will be financed from existing resources and, where appropriate, borrowings.

Contingent liabilities

For a detailed disclosure on contingent liabilities refer to Harmony's annual financial statements for the financial year ended

30 June 2014, available on the group's website (www.harmony.co.za). There were no significant changes in contingencies since

30 June 2014.

Harmony Gold Mining Company Limited

Results for the third quarter FY15 and nine months ended 31 March 2015

16

10. Related parties

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the group, directly or indirectly, including any director (whether executive or otherwise) of the group. There were no transactions with related parties during the nine months ended 31 March 2015.

11. Subsequent events

There were no subsequent events to report.

12. Segment report

The segment report follows on page 17.

13. Reconciliation of segment information to condensed consolidated income statements and balance sheets

Figures in million

Nine months ended

31 March

2015

(Unaudited)

31 March

2014

(Unaudited)

The “Reconciliation of segment information to condensed consolidated financial statements”

line item in the segment report is broken down in the following elements, to give a better understanding of the differences between the financial statements and segment report:

Reconciliation of production profit to gross (loss)/profit

Total segment revenue

11 574

11 919

Total segment production costs

(9 400)

(8 973)

Production profit per segment report

2 174

2 946

Depreciation

(1 848)

(1 617)

Other cost of sales items

(487)

(557)

Gross (loss)/profit as per income statements

1

(161)

772

1

The reconciliation was done up to the first recognisable line item on the income statement. The reconciliation will follow the income statement after that.

Figures in million

At

31 March

2015

(Unaudited)

At

31 March

2014

(Unaudited)

**Reconciliation of total segment mining assets to consolidated property,
plant and equipment**

Property, plant and equipment not allocated to a segment

Mining assets

765

821

Undeveloped property

5 139

5 139

Other non-mining assets

194

133

Wafi-Golpu assets

1 155

971

7 253

7 064

17

SEGMENT REPORT (RAND/METRIC)

for the nine months ended 31 March 2015 (unaudited)

Revenue

31 March

Production cost

31 March

Production

(loss)/profit

31 March

Mining assets

31 March

Capital

expenditure

#

31 March

Kilograms

produced

31 March

Tonnes milled

31 March

2015

2014

2015

2014

2015

2014

2015

2014

2015

2014

2015

2014

2015

2014

R million

R million

R million

R million

R million

kg

t'000

South Africa

Underground

Kusasaletu

1 454

1 466

1 508

1 363

(54)

103

3 583

3 539

349

366

3 038

3 341

673

857

Doornkop

907

930

818

854

89

76

3 304

3 385

187

178

1 996

2 071

454

576

Phakisa

1 068

952

871

786

197

166

4 609

4 622

307

264

2 388

2 213

458

431

Tshepong

1 408

1 305

1 187

1 024

221

281

4 022

3 914

241

218

3 157

3 035

739
700
Masimong
862
903
738
742
124
161
900
1 040
132
122
1 931
2 102
517
514
Target 1
1 296
1 466
872
747
424
719
2 816
2 736
216
214
2 879
3 495
561
565
Bambanani
(a)
959
1 040
509
513
450
527
839
844
88
88
2 139
2 419
170
190
Joel
779
756

561
508
218
248
539
379
132
108
1 725
1 716
412
396
Unisel
597
622
510
452
87
170
608
662
79
62
1 335
1 446
321
310
Target 3
(b)
222
459
177
407
45
52
540
525
20
99
483
1 102
90
230
Surface
All other surface operations
1 022
961
837
735
185
226

481
 469
36
 33
2 261
 2 215
7 822
 7 841
Total South Africa
10 574
 10 860
8 588
 8 131
1 986
 2 729
22 241
 22 115
1 787
 1 752
23 332
 25 155
12 217
 12 610
International
 Hidden Valley
1 000
 1 059
812
 842
188
 217
3 524
 3 221
74
 89
2 204
 2 363
1 374
 1 476
Total international
1 000
 1 059
812
 842
188
 217
3 524
 3 221
74
 89
2 204

2 363

1 374

1 476

Total operations

11 574

11 919

9 400

8 973

2 174

2 946

25 765

25 336

1 861

1 841

25 536

27 518

13 591

14 086

Reconciliation of the segment
information to the condensed
consolidated financial statements
(refer to note 13)

7 253

7 064

11 574

11 919

9 400

8 973

33 018

32 400

#

Capital expenditure for international operations excludes expenditure spend on Wafi-Golpu of R54 million (2014: Rnil).

(a)

Includes Steyn 2 for the March 2014 amounts.

(b)

Target 3 was placed on care and maintenance at the beginning of the December 2014 quarter.

Harmony Gold Mining Company Limited

Results for the third quarter FY15 and nine months ended 31 March 2015

18

US\$ RESULTS

FOR THE THIRD QUARTER

AND NINE MONTHS

ENDED

31 MARCH 2015

Q3 FY15

19

CONDENSED CONSOLIDATED INCOME STATEMENTS (US\$)

(Convenience translation)

Figures in million

Quarter ended

Nine months ended

Year ended

30 June

2014

(Audited)

31 March

2015

(Unaudited)

31 December

2014

(Unaudited)

31 March

2014

(Unaudited)

31 March

2015

(Unaudited)

31 March

2014

(Unaudited)

Revenue

292

327

354

1 030

1 158

1 515

Cost of sales

(293)

(354)

(332)

(1 043)

(1 082)

(1 549)

Production costs

(237)

(276)

(268)

(836)

(871)

(1 148)

Amortisation and depreciation

(51)

(54)

(44)

(164)

(157)

(207)

Impairment of assets

—

—

(3)

—

(3)

(135)

Other items

(5)

(24)

(17)

(43)

(51)

(59)

Gross (loss)/profit

(1)

(27)

22

(13)

76

(34)

Corporate, administration and
other expenditure

(8)

(8)

(10)

(25)

(31)

(42)

Social investment expenditure

(2)

(1)

(1)

(5)

(7)

(9)

Exploration expenditure

(3)

(8)

(8)

(19)

(33)

(44)

Profit on sale of property,
plant and equipment

—

—

—

—

—	
3	
Loss on scrapping of property, plant and equipment	
—	
(38)	
—	
(38)	
—	
—	
Other expenses (net)	
(11)	
(5)	
(2)	
(33)	
(16)	
(20)	
Operating (loss)/profit	
(25)	
(87)	
1	
(133)	
(11)	
(146)	
Profit/(loss) from associates	
—	
—	
1	
—	
2	
(10)	
(Impairment)/profit on disposal of investments	
—	
—	
—	
—	
(1)	
1	
Net gain on financial instruments	
1	
1	
2	
2	
13	
16	
Investment income	
5	
6	
6	
15	

15

21

Finance cost

(6)

(6)

(5)

(18)

(17)

(27)

(Loss)/profit before taxation

(25)

(86)

5

(134)

1

(145)

Taxation

3

7

(2)

13

(5)

27

Normal taxation

—

—

2

—

(2)

(2)

Deferred taxation

3

7

(4)

13

(3)

29

Net (loss)/profit for the period

(22)

(79)

3

(121)

(4)

(118)

Attributable to:

Owners of the parent

(22)

(79)

3

(121)

(4)

(118)

(Loss)/profit per ordinary share (cents)

Basic (loss)/earnings

(5)

(18)

1

(28)

(1)

(27)

Diluted (loss)/earnings

(5)

(18)

1

(28)

(1)

(27)

The currency conversion average rates for the quarter ended: March 2015: US\$1 = R11.74 (December 2014: US\$1 = R11.22,

March 2014: US\$1 = R10.83). For year ended: June 2014: US\$1 = R10.35. Nine months ended: March 2015: US\$1 = R11.24

(March 2014: US\$1 = R10.30).

The income statement for the year ended 30 June 2014 has been extracted from the 2014 annual financial statements.

Harmony Gold Mining Company Limited

Results for the third quarter FY15 and nine months ended 31 March 2015

20

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (US\$)

(Convenience translation)

Note on convenience translations

Except where specific statements have been extracted from 2014 annual financial statements, the requirements of IAS 21,

The Effects of the Changes in Foreign Exchange Rates, have not necessarily been applied in the translation of the US Dollar financial statements presented on pages 19 to 23.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (US\$)

for the nine months ended 31 March 2015 (Convenience translation) (unaudited)

Figures in million

Quarter ended

Nine months ended

Year ended

30 June

2014

(Audited)

31 March

2015

(Unaudited)

31 December

2014

(Unaudited)

31 March

2014

(Unaudited)

31 March

2015

(Unaudited)

31 March

2014

(Unaudited)

Net (loss)/profit for the period

(22)

(79)

3

(121)

(4)

(118)

Other comprehensive income/(loss)

for the period, net of income tax

6

(11)

(39)

12

(71)

(209)

Items that may be reclassified

subsequently to profit or loss:

6

(11)

(39)

12

(71)

(206)

Foreign exchange translation

6

(11)

(39)

12

(72)

(206)

Movements on investments

—

—

—

—

1

—

Items that will not be reclassified to
profit or loss:

—

—

—

—

—

(3)

Actuarial loss recognised during the year

—

—

—

—

—

(4)

Deferred taxation thereon

—

—

—

—

—

1

**Total comprehensive
loss for the period**

(16)

(90)

(36)

(109)

(75)

(327)

Attributable to:

Owners of the parent

(16)

(90)

(36)

(109)

(75)

(327)

The currency conversion average rates for the quarter ended: March 2015: US\$1 = R11.74 (December 2014: US\$1 = R11.22,

March 2014: US\$1 = R10.83). For year ended: June 2014: US\$1 = R10.35. Nine months ended: March 2015: US\$1 = R11.24

(March 2014: US\$1 = R10.30).

The statement of comprehensive income for the year ended 30 June 2014 has been extracted from the 2014 annual financial statements.

Figures in million

Share

capital

Other

reserves

(Accumulated

loss)/retained

earnings

Total

Balance – 30 June 2014

2 327

291

(68)

2 550

Share-based payments

–

13

–

13

Net loss for the period

–

–

(114)

(114)

Other comprehensive income for the period

–

11

–

11

Balance – 31 March 2015

2 327

315

(182)

2 460

Balance – 30 June 2013

2 682

326	
42	
3 050	
Share-based payments	
—	
19	
—	
19	
Net loss for the period	
—	
—	
(4)	
(4)	
Other comprehensive loss for the period	
—	
(69)	
—	
(69)	
Balance – 31 March 2014	
2 682	
276	
38	
2 996	
The currency conversion closing rates for the nine months ended 31 March 2015: US\$1 = R12.17 (March 2014: US\$1 = R10.56).	

21

CONDENSED CONSOLIDATED BALANCE SHEETS (US\$)

(Convenience translation)

Figures in million

At

31 March

2015

(Unaudited)

At

31 December

2014

(Unaudited)

At

30 June

2014

(Audited)

At

31 March

2014

(Unaudited)

ASSETS

Non-current assets

Property, plant and equipment

2 712

2 839

3 116

3 068

Intangible assets

73

76

84

208

Restricted cash

4

4

4

4

Restricted investments

195

205

217

211

Deferred tax assets

5

6

8

8

Investments in associates

—

—

—

12

Loan to associate

10

10

—

—

Inventories

4

4

5

5

Total non-current assets

3 003

3 144

3 434

3 516

Current assets

Inventories

119

116

145

124

Trade and other receivables

70

71

90

85

Income and mining taxes

2

4

10

13

Restricted cash

1

1

1

1

Cash and cash equivalents

58

119

172

190

250

311

418

413

Non-current assets and assets of disposal groups classified as held for sale

—

—

—

5

Total current assets

250

311

418

418

Total assets

3 253

3 455

3 852

3 934

EQUITY AND LIABILITIES

Share capital and reserves

Share capital

2 327

2 448

4 035

2 682

Other reserves

315

323

(887)

276

(Accumulated loss)/retained earnings

(182)

(168)

(223)

38

Total equity

2 460

2 603

2 925

2 996

Non-current liabilities

Deferred tax liabilities

207

221

253

287

Provision for environmental rehabilitation

182

188

198

191

Retirement benefit obligation

21

22

23

19

Other non-current liabilities

2

4

9
6
Borrowings
235
—
270
269
Total non-current liabilities
647
435
753
772
Current liabilities
Borrowings
—
270
—
—
Income and mining taxes
1
—
—
—
Trade and other payables
145
147
174
166
Total current liabilities
146
417
174
166
Total equity and liabilities
3 253
3 455
3 852
3 934

The balance sheet for March 2015 converted at a conversion rate of US\$1 = R12.17 (December 2014 : US\$1 = R11.57, June 2014:

US\$1 = R10.61, March 2014 : US\$1 = R10.56).

The balance sheet at 30 June 2014 has been extracted from the 2014 annual financial statements.

Harmony Gold Mining Company Limited

Results for the third quarter FY15 and nine months ended 31 March 2015

22

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS (US\$)

(Convenience translation)

Figures in million

Quarter ended

Nine months ended

Year ended

30 June

2014

(Audited)

31 March

2015

(Unaudited)

31 December

2014

(Unaudited)

31 March

2014

(Unaudited)

Restated*

31 March

2015

(Unaudited)

31 March

2014

(Unaudited)

Restated

#

Cash flow from operating activities

Cash generated/(utilised) by operations

30

(6)

73

121

176

218

Interest and dividends received

2

3

3

7

9

13

Interest paid

(1)

(2)

(4)

(5)

(9)

(12)

Income and mining taxes refunded/(paid)

2

3

—

8

(3)

—

Cash generated/(utilised)

by operating activities

33

(2)

72

131

173

219

Cash flow from investing activities

Decrease/(increase) in restricted cash

1

—

—

1

—

(1)

Decrease/(increase) in restricted
investments

2

—

—

2

—

(2)

Proceeds on disposal of investments

—

—

—

—

—

5

Loan to associate

—

(11)

—

(11)

—

—

Other investing activities

—

—

—

—

(1)	
—	
Net additions to property, plant and equipment	
1	
(60)	
(67)	
(58)	
(188)	
(191)	
(257)	
Cash utilised by investing activities	
(57)	
(78)	
(58)	
(196)	
(192)	
(255)	
Cash flow from financing activities	
Borrowings raised	
34	
—	
—	
36	
59	
60	
Borrowings repaid	
(67)	
—	
(43)	
(70)	
(45)	
(44)	
Cash (utilised)/generated by financing activities	
(33)	
—	
(43)	
(34)	
14	
16	
Foreign currency translation adjustments	
(4)	
(3)	
(3)	
(15)	
(14)	
(17)	
Net decrease in cash and cash equivalents	
(61)	

(83)

(32)

(114)

(19)

(37)

Cash and cash equivalents

– beginning of period

119

202

222

172

209

209

Cash and cash equivalents

– end of period

58

119

190

58

190

172

1

Net additions to property, plant and equipment includes:

Figures in million

Quarter ended

Nine months ended

Year ended

30 June

2014

31 March

2015

31 December

2014

31 March

2014

31 March

2015

31 March

2014

Capital and capitalised exploration and evaluation
expenditure for Wafi-Golpu

3

–

–

5

–

1

Additions resulting from stripping activities
at Hidden Valley

7

6

3
16
11
12

** For the March 2014 quarter: Cash generated by operating activities previously reported as US\$69 million restated to US\$72 million. Cash utilised by investing activities previously reported as (US\$55 million) restated to (US\$58 million). This is mainly related to the change in accounting policy for IFRIC 20.*

#

For the nine months ended 31 March 2014: Cash generated by operating activities previously reported as US\$161 million restated to US\$173 million. Cash utilised by investing activities previously reported as (US\$180 million) restated to (US\$192 million). This is mainly related to the change in accounting policy for IFRIC 20.

The currency conversion average rates for the quarter ended: March 2015: US\$1 = R11.74 (December 2014: US\$1 = R11.22, March 2014: US\$1 = R10.83). For year ended: June 2014: US\$1 = R10.35. Nine months ended: March 2015: US\$1 = R11.24 (March 2014: US\$1 = R10.30).

Closing balance translated at closing rates of: March 2015: US\$1 = R12.17 (December 2014: US\$1 = R11.57, June 2014: US\$1 = R10.61, March 2014: US\$1 = R10.56).

The cash flow statement for the year ended 30 June 2014 has been extracted from the 2014 annual financial statements.

23

SEGMENT REPORT (US\$/IMPERIAL)

for the nine months ended 31 March 2015 (unaudited)

Revenue

31 March

Production cost

31 March

Production

(loss)/profit

31 March

Mining assets

31 March

Capital

expenditure

#

31 March

Ounces

produced

31 March

Tons milled

31 March

2015

2014

2015

2014

2015

2014

2015

2014

2015

2014

2015

2014

2015

2014

US\$ million

US\$ million

US\$ million

US\$ million

US\$ million

oz

t'000

South Africa

Underground

Kusasaletu

129

142

134

132

(5)

10

294
335
30
36
97 674
107 416
742
945
Doornkop
81
90
73
83
8
7
271
320
17
17
64 173
66 583
501
634
Phakisa
95
92
77
76
18
16
379
438
27
26
76 776
71 149
505
475
Tshepong
125
127
106
99
19
28
330
371
21
21
101 499
97 577

816
772
Masimong
77
88
66
72
11
16
74
98
12
12
62 083
67 580
570
567
Target 1
115
142
78
73
37
69
231
259
19
21
92 562
112 367
619
624
Bambanani
(a)
85
101
45
50
40
51
69
80
8
9
68 771
77 773
188
209
Joel
69
73

50

49

19

24

44

36

12

10

55 460

55 171

454

436

Unisel

53

60

45

44

8

16

50

63

7

6

42 921

46 490

354

342

Target 3

(b)

20

45

16

40

4

5

44

50

2

10

15 529

35 430

99

254

Surface

All other surface operations

92

94

74

71

18

23

40
44
3
3
72 693
71 213
8 625
8 647
Total South Africa
941
1 054
764
789
177
265
1 826
2 094
158
171
750 141
808 749
13 473
13 905
International
Hidden Valley
89
104
72
82
17
22
289
305
7
9
70 860
75 972
1 515
1 628
Total international
89
104
72
82
17
22
289
305
7
9
70 860

75 972

1 515

1 628

Total operations

1 030

1 158

836

871

194

287

2 115

2 399

165

180

821 001

884 721

14 988

15 533

#

Capital expenditure for international operations excludes expenditure spend on Wafi-Golpu of US\$5 million (2014: US\$nil).

(a)

Includes Steyn 2 for the March 2014 amounts.

(b)

Target 3 was placed on care and maintenance at the beginning of the December 2014 quarter.

Harmony Gold Mining Company Limited

Results for the third quarter FY15 and nine months ended 31 March 2015

24

DEVELOPMENT RESULTS (METRIC)

Quarter ending March 2015

DEVELOPMENT RESULTS (IMPERIAL)

Quarter ending March 2015

Channel

Reef

Meters

Sampled

Meters

Width

(Cm's)

Value

(g/t)

Gold

(Cmg/t)

Tshepong

Basal

236

196

9.88

139.64

1 380

B Reef

173

178

129.31

4.82

624

All Reefs

409

374

66.72

15.29

1 020

Phakisa

Basal

520

540

60.13

21.45

1 290

All Reefs

520

540

60.13

21.45

1 290

Doornkop

Main Reef

—

72

66.00

3.41

226

South Reef

466

459

50.00

13.68

684

All Reefs

466

531

52.17

11.92

622

Kusasaletu

VCR Reef

328

292

89.00

6.19

551

All Reefs

328

292

89.00

6.19

551

Total Target

(Incl. Target 1 & Target 3)

Elsburg

103

120

243.00

3.03

737

All Reefs

103

120

243.00

3.03

737

Masimong 5

Basal

351

306

43.37

14.81

642
 B Reef
 123
 147
 55.59
 14.33
 797
All Reefs
474
453
47.34
14.62
692
 Unisel
 Basal
 317
 236
 181.67
 8.15
 1 481
 Leader
 451
 340
 226.82
 6.65
 1 509
All Reefs
768
576
208.32
7.19
1 497
 Joel
 Beatrix
 257
 276
 110.00
 11.99
 1 319
All Reefs
257
276
110.00
11.99
1 319
 Total Harmony
 Basal
 1 424
 1 278
 70.86
 16.71

1 184
 Beatrix
 257
 276
 110.00
 11.99
 1 319
 Leader
 451
 340
 226.82
 6.65
 1 509
 B Reef
 296
 325
 95.97
 7.31
 702
 Elsburg
 103
 120
 243.00
 3.03
 737
 South Reef
 466
 459
 50.00
 13.68
 684
 VCR
 328
 292
 89.00
 6.19
 551
 Main Reef
 —
 72
 66.00
 3.42
 226
All Reefs
3 325
3 162
98.70
10.25
1 011
Channel
Reef

Feet Sampled Feet Width (Inch) Value (oz/t) Gold (In.oz/t)
Tshepong
Basal
774
643
4.00
3.96
16
B Reef
566
584
51.00
0.14
7
All Reefs
1 341
1 227
26.00
0.45
12
Phakisa
Basal
1 707
1 772
24.00
0.62
15
All Reefs
1 707
1 772
24.00
0.62
15
Doornkop
Main Reef
—
236
26.00
0.10
3
South Reef
1 528
1 506

20.00

0.39

8

All Reefs

1 528

1 742

21.00

0.34

7

Kusasaletu

VCR Reef

1 075

958

35.00

0.18

6

All Reefs

1 075

958

35.00

0.18

6

Total Target

(Incl. Target 1 & Target 3)

Elsburg

337

394

96.00

0.09

8

All Reefs

337

394

96.00

0.09

8

Masimong 5

Basal

1 152

1 004

17.00

0.43

7

B Reef

405

482

22.00

0.42

9

All Reefs

1 556

1 486

19.00

0.42

8

Unisel

Basal

1 039

774

72.00

0.24

17

Leader

1 480

1 115

89.00

0.19

17

All Reefs

2 519

1 890

82.00

0.21

17

Joel

Beatrix

844

906

43.00

0.35

15

All Reefs

844

906

43.00

0.35

15

Total Harmony

Basal

4 672

4 193

28.00

0.49

14

Beatrix

844

906

43.00

0.35

15

Leader

1 480

1 115
 89.00
 0.19
 17
 B Reef
 971
 1 066
 38.00
 0.21
 8
 Elsburg
 337
 394
 96.00
 0.09
 8
 South Reef
 1 528
 1 506
 20.00
 0.39
 8
 VCR
 1 075
 958
 35.00
 0.18
 6
 Main Reef
 —
 236
 26.00
 0.10
 3
All Reefs
10 907
10 374
39.00
0.30
12

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: May 8, 2015

Harmony Gold Mining Company Limited

By:

/s/ Frank Abbott

Name: Frank Abbott

Title: Financial Director