

Highveld Steel and Vanadium Corporation Limited  
(Incorporated in the Republic of South Africa)  
(Registration No. 1960/001900/06)  
Share code: HVL      ISIN: ZAE000003422  
("the Corporation" or "Highveld" or "the Group")

## **Group Reviewed Financial Results for the period ended 30 September 2009**

### **Chairman and CEO's Review**

- **Group revenue from operations decreased by 61% from R7 664 million to R3 019 million**
- **Headline earnings per share from operations decreased from 2 124.2 cents to 105.4 cents**
- **Uncertain market conditions remain**
- **Competition commission found no collusion of Highveld in the long product steel market**

### **Business environment**

Since the beginning of the second quarter, the market has shown a certain degree of improvement, albeit less than anticipated. Despite some opinions that South Africa will exit the recession in the fourth quarter, it would appear that the recovery is more likely to be punctuated by a series of growth and relapses, as opposed to a smooth and gradual improvement. Internationally, a similar trend is evident.

Sales volumes in the domestic market during the third quarter increased by 54%, compared to the second quarter. This increase is mainly due to an improvement in the demand for rolled products in the domestic market, which consequently resulted in a decrease in sales of semi products to the export market.

Compared to the second quarter, total export revenue decreased by 61% in the third quarter, as a consequence of a 67% decrease in sales volume, mainly due to increased sales in the improved domestic market. The impact could have been much more severe had it not been softened by a 16% increase in the average export sales price, due to, inter alia, product mix.

### **Financial results**

The operating profit before depreciation (EBITDA) for the nine months ended 30 September 2009 was R294 million, with a profit for the period of R105 million. This compares to an EBITDA of R3 260 million and a profit of R2 107 million for the same period last year. Consequently earnings per share reduced from 2 124.2 cents to 105.4 cents.

The Group's profit was negatively affected by the reversal of the deferred tax asset of R66 million in its subsidiary, Hochvanadium Holdings, as a consequence of weakening vanadium prices, which did not allow full depreciation of the procurement right.

## **Business risks**

The recent rise in energy tariffs and the indication of substantial future increases, together with the continuing challenges of rail transport, further aggravates the consequences of the weak market. This makes it more difficult for the Corporation, in the short term, to efficiently manage its costs downwards.

## **Operations**

### ***Steel***

Despite growing Chinese output, global crude steel production still declined by 16.4% to 866 million tons, with South Africa's output declining by 26% during the first nine months of the year. During this period, the Corporation's gross steel output decreased by 21%, slightly lower than the country average.

### ***Vanadium***

A total of 2 285 tons of V in vanadium slag was produced during the period, compared to 3 324 tons of V in vanadium slag in the same period last year.

The average price achieved during the period was US\$31.3 per kg V. The lowest price was US\$26.38 kg V and the highest, US\$35.5 kg V. At the end of the third quarter, prices were showing signs of weakening.

## **Safety, health, environment and quality**

Following the renewed focus on health and safety, the lost time injury frequency rate dropped from 0.41 as at 1 July 2009 to 0.31 as at 30 September 2009. During the period under review the Corporation, as well as the Contractors, achieved 2 million lost time injury free hours.

## **Competition Commission allegations of price fixing**

During June 2008 the Competition Commission investigated allegations of prohibited practices relating to price fixing in the flat and long product steel market. Following an extensive investigative process, the Competition Commission informed Highveld that it found no irregular dealings and that the matter relating to the alleged collusion in the long product steel market was no longer pursued.

## **Change in directorate**

We are pleased to announce that Mr Bheki Shongwe was appointed as Chairman of the Highveld Board with effect from 15 October 2009. Bheki initially joined the Board on 1 September 1994. He also serves as Chairman of the Transformation Committee. Mrs Bernie de Beer was appointed Financial Director on 26 August 2009.

## **Outlook for the last quarter of 2009**

Outlook for the domestic steel market for the remainder of the year looks fairly stable, subject to seasonally weaker demand at year end. This is partially due to merchants as well as the construction industry closing for the festive season.

A strong Rand will influence both the domestic and international markets, by opening the domestic market to cheap imported steel, thereby putting pressure on prices as well as limiting export opportunities.

The Board, having taken all relevant factors into account, concluded that the Corporation remains a going concern.

With the uncertainty of the current economic climate, the Board resolved not to declare a dividend.

**B J T Shongwe**

*(Chairman)*

20 November 2009

**W G Ballandino**

*(Chief Executive Officer)*

## GROUP REVIEWED FINANCIAL RESULTS

### Basis of preparation

The Group's interim condensed consolidated financial statements for the nine months ended 30 September 2009 set out below have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2008.

### Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2008, except for the adoption of new Standards and Interpretations as of 1 January 2009, noted below:

\* **IFRS 2 - Share-based Payment - Vesting Conditions and Cancellations**

The Standard has been amended to clarify the definition of vesting conditions and to prescribe the accounting treatment of an award that is effectively cancelled because a non-vesting condition is not satisfied. The adoption of this amendment did not have any impact on the financial position or performance of the Group.

\* **IFRS 7 - Financial Instruments: Disclosures**

The amended Standard requires additional disclosure about fair value measurement and liquidity risk. These amendments did not have any significant impact on the Group's results.

\* **IAS 1 - Revised Presentation of Financial Statements**

The revised Standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with non-owner changes in equity presented as a single line. In addition, the Standard introduces the statement of comprehensive income: it presents all items of recognised income and expense, either in one single statement, or in two linked statements. The Group has elected to present two statements.

\* **IAS 39 and IFRS 7 - Amendment – Reclassification of Financial Assets**

The Standards have been amended to permit an entity to reclassify non-derivative financial assets (other than those designated at fair value through profit or loss by the entity upon initial recognition) out of the fair value through profit or loss category in particular circumstances. The amendment also permits an entity to transfer from the available-for-sale category to the loans and receivables category a financial asset that would have met the definition of loans and receivables (if the financial asset had not been designated as available-for-sale), if the entity has the intention and ability to hold that financial asset for the foreseeable future. The adoption of these amendments did not have any impact on the financial position or performance of the Group.

\* **IAS 32 - Financial Instruments: Presentation and IAS 1 - Puttable Financial Instruments and Obligations Arising on Liquidation**

The Standards have been amended to allow a limited scope exception for puttable financial instruments to be classified as equity if they fulfill a number of specific criteria. The adoption of these amendments did not have any impact on the financial position or performance of the Group.

\* **IFRIC 13 - Customer Loyalty Programmes**

This interpretation requires customer loyalty credits to be accounted for as a separate component of the sales transaction in which they are granted. As the Group has no customer loyalty programmes, this interpretation had no impact on the Group.

\* **IFRIC 9 - Reassessment of Embedded Derivatives and IAS 39 - Financial Instruments: Recognition and Measurement**

These amendments to IFRIC 9 require an entity to assess whether an embedded derivative must be separated from a host contract when the entity reclassifies a hybrid financial asset out of the fair value through profit or loss category. This assessment is to be made on circumstances that existed on the later of the date the entity first became party to the contract and the date of any contract amendments that significantly change the cash flows of the contract. IAS 39 now states that if an embedded derivative cannot be reliably measured, the entire hybrid instrument must remain classified as at fair value through profit or loss. As the Group has no embedded derivatives, these amendments had no impact on the Group's results.

\* **IFRIC 15 - Agreement for the Construction of Real Estate**

This interpretation clarifies when and how revenue and related expenses from the sale of a real estate unit should be recognised if an agreement between a developer and a buyer is reached before the construction of the real estate is completed. As the Group has no real estate under construction, this interpretation has had no impact in the financial position or results.

\* **IFRIC 16 - Hedges of a Net Investment in a Foreign Operation**

IFRIC 16 provides guidance on the accounting for a hedge of a net investment in terms of identifying the foreign currency risks that qualify for hedge accounting in the hedge of a net investment. As the Group does not hedge any net investment in a foreign operation, this interpretation had no impact on the financial position or results.

The IASB has issued *Improvements to IFRS - a collection of amendments to International Financial Reporting Standards* in line with their annual improvement project. It deals with amendments to certain accounting standards contained in this document which are effective to annual periods beginning on or after 1 January 2009, except for IFRS 5 amendment which is effective 1 July 2009. The Group adopted the amendments which are effective 1 January 2009 with no material impact on the results of the Group. The financial information has been reviewed by Ernst & Young Inc. in accordance with ISRE 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", whose unmodified review report is available for inspection at the Corporation's registered office.

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	Notes	Reviewed as at 30 Sep 2009 Rm	Reviewed as at 30 Sep 2008 Rm	Audited as at 31 Dec 2008 Rm
<b>ASSETS</b>				
<b>Non-current assets</b>		<b>1 915</b>	1 881	1 956
Property, plant and equipment		<b>1 915</b>	1 881	1 956
<b>Current assets</b>		<b>2 870</b>	4 403	3 381
Inventories		<b>1 171</b>	565	831
Trade and other receivables		<b>625</b>	1 700	769
Prepaid expenditure		<b>16</b>	-	180
Cash and cash equivalents	5	<b>1 058</b>	2 138	1 601
<b>TOTAL ASSETS</b>		<b>4 785</b>	6 284	5 337
<b>EQUITY AND LIABILITIES</b>				
<b>Total equity</b>		<b>2 900</b>	2 364	2 842
<b>Non-current liabilities</b>		<b>769</b>	741	739
Provisions		<b>452</b>	374	422
Deferred tax liability		<b>317</b>	367	317
<b>Current liabilities</b>		<b>1 116</b>	3 179	1 756
Trade and other payables		<b>864</b>	1 059	804
Interest-bearing loans and borrowings		-	119	-
Short-term provisions		<b>16</b>	17	230
Shareholders for dividends		-	1 388	-
Income tax payable		<b>236</b>	596	722
<b>TOTAL LIABILITIES</b>		<b>1 885</b>	3 920	2 495
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4 785</b>	6 284	5 337
<b>Net cash</b>	5	<b>1 058</b>	2 019	1 601
<b>Net asset value - cents per share</b>		<b>2 925</b>	2 385	2 866

**CONDENSED CONSOLIDATED INCOME STATEMENTS**

Notes	Reviewed for the	Unaudited for the	Reviewed for the	Reviewed for the	Audited for the year	
	three months ended 30 Sep 2009	three months ended 30 Sep 2008	nine months ended 30 Sep 2009	nine months ended 30 Sep 2008	ended 31 Dec 2008	
	Rm	Rm	Rm	Rm	Rm	
<b>CONTINUING OPERATIONS</b>						
	Revenue from the sale of goods	1 114	2 461	3 019	6 376	8 022
	Operating profit before depreciation (EBITDA)	112	1 010	294	2 647	3 321
	Depreciation, scrapping and changes in estimated useful lives of property, plant and equipment	(64)	(64)	(181)	(193)	(252)
	Operating profit	48	946	113	2 454	3 069
	Interest and investment income received	11	40	60	123	161
	Finance costs	(15)	(8)	(48)	(23)	(39)
	Profit before tax	44	978	125	2 554	3 191
7	Income tax expense	(85)	(457)	(20)	(1 010)	(1 015)
	(Loss)/Profit for the period/year from continuing operations	(41)	521	105	1 544	2 176
<b>DISCONTINUED OPERATIONS</b>						
	Revenue from the sale of goods	-	386	-	1 288	1 288
	Operating profit before depreciation (EBITDA)	-	239	-	613	610
	Depreciation, scrapping and changes in estimated useful lives of property, plant and equipment	-	-	-	-	-
	Operating profit	-	239	-	613	610
6	(Loss)/Profit on disposal of discontinued operations	-	(55)	-	162	13
	Interest and investment income received	-	2	-	5	8
	Finance costs	-	(4)	-	(14)	(16)
	Profit before tax	-	182	-	766	615
7	Income tax expense	-	(61)	-	(203)	(252)
	Profit for the period/year from discontinued operations	-	121	-	563	363
<b>TOTAL OPERATIONS</b>						
	Revenue from the sale of goods	1 114	2 847	3 019	7 664	9 310
	Operating profit before depreciation (EBITDA)	112	1 249	294	3 260	3 931
	Depreciation, scrapping and changes in estimated useful lives of property, plant and equipment	(64)	(64)	(181)	(193)	(252)
	Operating profit	48	1 185	113	3 067	3 679
6	(Loss)/Profit on disposal of discontinued operations	-	(55)	-	162	13
	Interest and investment income received	11	42	60	128	169
	Finance costs	(15)	(12)	(48)	(37)	(55)
	Profit before tax	44	1 160	125	3 320	3 806
7	Income tax expense	(85)	(518)	(20)	(1 213)	(1 267)
	(Loss)/Profit for the period/year	(41)	642	105	2 107	2 539
<b>(Loss)/Earnings per share - basic and diluted</b>						
		Cents	Cents	Cents	Cents	Cents
	From continuing operations	(41.5)	525.5	105.4	1 556.4	2 194.6
	From discontinued operations	-	122.0	-	567.9	366.1
	From total operations	(41.5)	647.5	105.4	2 124.2	2 560.7

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Reviewed for the	Unaudited for the	Reviewed for the	Reviewed for the	Audited for the year
	three months ended 30 Sep 2009	three months ended 30 Sep 2008	nine months ended 30 Sep 2009	nine months ended 30 Sep 2008	ended 31 Dec 2008
	Rm	Rm	Rm	Rm	Rm
(Loss)/Profit for the period/year	(41)	642	105	2 107	2 539
<b>Other comprehensive (loss)/income:</b>					
Exchange differences on translation of foreign operations	(2)	(12)	(47)	52	97
Fair value reserves	-	(1)	-	(1)	-
<b>TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD/YEAR</b>	<b>(43)</b>	<b>629</b>	<b>58</b>	<b>2 158</b>	<b>2 636</b>

## HEADLINE EARNINGS PER SHARE

	Reviewed for the three months ended 30 Sep 2009 Rm	Unaudited for the three months ended 30 Sep 2008 Rm	Reviewed for the nine months ended 30 Sep 2009 Rm	Reviewed for the nine months ended 30 Sep 2008 Rm	Audited for the year ended 31 Dec 2008 Rm
<b>Reconciliation of headline (loss)/earnings</b>					
(Loss)/Profit for the period/year	( 41)	642	105	2 107	2 539
Add/(Deduct) after tax effect of:					
Loss/(Profit) on disposal of discontinued operations	-	137	-	( 41)	73
Impairment losses recognised	-	-	-	-	5
(Profit)/Loss on disposal and scrapping of property, plant and equipment	( 1)	-	( 2)	-	11
Headline (loss)/earnings	( 42)	779	103	2 066	2 628
<b>Headline (loss)/earnings</b>	<b>Rm</b>	<b>Rm</b>	<b>Rm</b>	<b>Rm</b>	<b>Rm</b>
From continuing operations	(42.0)	525.5	103.0	1 556.4	2 192.0
From discontinued operations	-	260.2	-	526.1	436.0
From total operations	(42.0)	785.7	103.0	2 082.5	2 628.0
<b>(Loss)/Earnings per share - headline and diluted</b>	<b>Cents</b>	<b>Cents</b>	<b>Cents</b>	<b>Cents</b>	<b>Cents</b>
From continuing operations	( 42.8)	525.5	103.5	1 556.4	2 210.6
From discontinued operations	-	122.0	-	567.9	439.5
From total operations	( 42.8)	647.5	103.5	2 124.2	2 650.1
<b>Number of shares</b>	<b>Million</b>	<b>Million</b>	<b>Million</b>	<b>Million</b>	<b>Million</b>
Ordinary shares in issue as at end date *	99.2	99.2	99.2	99.2	99.2
Weighted average number of ordinary shares *	99.2	99.2	99.2	99.2	99.2
Diluted number of ordinary shares *	99.2	99.2	99.2	99.2	99.2

\* Rounded to nearest hundred thousand

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

	Share capital and share premium Rm	Translation and other reserves Rm	Fair value reserves Rm	Retained earnings Rm	Total Rm
<b>2008</b>					
Balance at 1 January 2008 - Audited	585	94	-	2 700	3 379
Total comprehensive income for the quarter		62		644	706
<b>Balance at 31 March 2008 - Unaudited</b>	<b>585</b>	<b>156</b>	<b>-</b>	<b>3 344</b>	<b>4 085</b>
Total comprehensive income for the quarter		2		821	823
Dividends				(1 785)	(1 785)
<b>Balance at 30 June 2008 - Reviewed</b>	<b>585</b>	<b>158</b>	<b>-</b>	<b>2 380</b>	<b>3 123</b>
Total comprehensive (expense)/income for the quarter		( 12)	( 1)	642	629
Dividends				(1 388)	(1 388)
<b>Balance at 30 September 2008 - Unaudited</b>	<b>585</b>	<b>146</b>	<b>( 1)</b>	<b>1 634</b>	<b>2 364</b>
Total comprehensive income for the quarter		45	1	432	478
<b>Balance at 31 December 2008 - Audited</b>	<b>585</b>	<b>191</b>	<b>-</b>	<b>2 066</b>	<b>2 842</b>
<b>2009</b>					
Total comprehensive (expense)/income for the quarter		( 10)		130	120
<b>Balance at 31 March 2009 - Reviewed</b>	<b>585</b>	<b>181</b>	<b>-</b>	<b>2 196</b>	<b>2 962</b>
Total comprehensive (expense)/income for the quarter		( 35)		16	( 19)
<b>Balance at 30 June 2009 - Reviewed</b>	<b>585</b>	<b>146</b>	<b>-</b>	<b>2 212</b>	<b>2 943</b>
Total comprehensive expense for the quarter		( 2)		( 41)	( 43)
<b>Balance at 30 September 2009 - Reviewed</b>	<b>585</b>	<b>144</b>	<b>-</b>	<b>2 171</b>	<b>2 900</b>

	Reviewed for the three months ended 30 Sep 2009 Cents	Unaudited for the three months ended 30 Sep 2008 Cents	Reviewed for the nine months ended 30 Sep 2009 Cents	Reviewed for the nine months ended 30 Sep 2008 Cents	Audited for the year ended 31 Dec 2008 Cents
<b>Dividends per share</b>					
Dividends declared and paid	-	1 400	-	3 200	3 200

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Reviewed for the three months ended 30 Sep 2009	Unaudited for the three months ended 30 Sep 2008	Reviewed for the six months ended 30 Jun 2009	Reviewed for the nine months ended 30 Sep 2009	Unaudited for the nine months ended 30 Sep 2008	Audited for the year ended 31 Dec 2008
Note	Rm	Rm	Rm	Rm	Rm	Rm
<b>Cash flows from operating activities</b>						
Cash generated by operations before taxation paid	74	1 198	58	132	2 878	3 994
Income tax paid	( 24)	( 320)	( 474)	( 498)	( 548)	( 530)
<b>Net cash (used in) / from operating activities</b>	<b>50</b>	<b>878</b>	<b>( 416)</b>	<b>( 366)</b>	<b>2 330</b>	<b>3 464</b>
<b>Cash flows from investing activities</b>						
Proceeds from disposal of discontinued operations	-	771	-	-	1 068	1 055
Additions to property, plant and equipment	( 57)	( 146)	( 89)	( 146)	( 386)	( 543)
<b>Net cash (used in) / from investing activities</b>	<b>( 57)</b>	<b>625</b>	<b>( 89)</b>	<b>( 146)</b>	<b>682</b>	<b>512</b>
<b>Cash flows from financing activities</b>						
Decrease in loan to joint venture	-	( 32)	-	-	136	17
Dividends paid	-	-	-	-	( 1 784)	( 3 173)
<b>Net cash used in financing activities</b>	<b>-</b>	<b>( 32)</b>	<b>-</b>	<b>-</b>	<b>( 1 648)</b>	<b>( 3 156)</b>
Effects of exchange rate changes on cash held in foreign currencies	( 3)	( 3)	( 28)	( 31)	6	13
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>( 10)</b>	<b>1 468</b>	<b>( 533)</b>	<b>( 543)</b>	<b>1 370</b>	<b>833</b>
<b>Cash and cash equivalents at the beginning of the period / year</b>	<b>1 068</b>	<b>670</b>	<b>1,601</b>	<b>1 601</b>	<b>768</b>	<b>768</b>
<b>Cash and cash equivalents at the end of the period / year</b>	<b>5</b>	<b>1 058</b>	<b>2 138</b>	<b>1 058</b>	<b>2 138</b>	<b>1 601</b>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**1 Companies Act and JSE Limited Listings Requirements**

Compliance with the Companies Act, No. 61 of 1973 as well as the Listings Requirements of the JSE Limited has been maintained throughout the reporting periods.

**2 Related party transactions**

Transactions entered into between the Group and its related parties during the reporting periods were arms length transactions between knowledgeable, willing parties at fair value.

Steel sales to East Metals S.A. (a fellow subsidiary of Mastercroft Limited) amounted to R403 million for the nine months ended 30 September 2009. This constitutes 18% of total steel revenue for the year to date, compared to 0.59% for the year ended 31 December 2008.

**3 Segment Information**

The Group is organised into business units based on their products and has three reportable segments as follows:

**Steelworks**

The major products of the steel segment are magnetite iron ore, vanadium slag, structural steel, plate and coil.

**Vanadium**

The major product of the continuing vanadium segment is ferrovandium. Vanadium pentoxide, ferrovandium and various vanadium chemicals are included in the discontinued vanadium segment.

**Ferro-alloys**

The major products of the ferro-alloys segment are ferrosilicon, char, ferromanganese and silicomanganese and this segment is included under discontinued operations.

No operating segments have been aggregated to form the above reportable operating segments. Management monitors the operating results of its business units separately for the purposes of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit.

The following tables present the revenue, operating profit and total assets information regarding the Group's operating segments:

	Reviewed for the three months ended 30 Sep 2009				Reviewed for the three months ended 30 Sep 2008		
	Continuing operations				Discontinued operations		
	Steelworks Rm	Vanadium Rm	Total Rm		Vanadium Rm	Ferro-alloys Rm	Total Rm
<b>Revenue from the sale of goods</b>							
Revenue from external customers	853	261	1 114				-
Intersegment revenue	28	-	28				
<b>Total segment revenue</b>	<b>881</b>	<b>261</b>	<b>1 142</b>				

	Reviewed for the nine months ended 30 Sep 2009				Reviewed for the nine months ended 30 Sep 2008		
	Continuing operations				Discontinued operations		
	Steelworks Rm	Vanadium Rm	Total Rm		Vanadium Rm	Ferro-alloys Rm	Total Rm
<b>Revenue from the sale of goods</b>							
Revenue from external customers	2 265	754	3 019				
Intersegment revenue	140	-	140				
<b>Total segment revenue</b>	<b>2 405</b>	<b>754</b>	<b>3 159</b>				

	Reviewed for the nine months ended 30 Sep 2009				Reviewed for the nine months ended 30 Sep 2008		
	Continuing operations				Discontinued operations		
	Steelworks Rm	Vanadium Rm	Total Rm		Vanadium Rm	Ferro-alloys Rm	Total Rm
<b>Revenue from the sale of goods</b>							
Revenue from external customers	4 341	2 035	6 376	1 268	20	1 288	
Intersegment revenue	481	-	481	4	6	10	
<b>Total segment revenue</b>	<b>4 822</b>	<b>2 035</b>	<b>6 857</b>	<b>1 272</b>	<b>26</b>	<b>1 298</b>	

	Reviewed for the nine months ended 30 Sep 2009				Reviewed for the nine months ended 30 Sep 2008		
	Continuing operations				Discontinued operations		
	Steelworks Rm	Vanadium Rm	Total Rm		Vanadium Rm	Ferro-alloys Rm	Total Rm
<b>Revenue from the sale of goods</b>							
Revenue from external customers	5 542	2 480	8 022	1 268	20	1 288	
Intersegment revenue	529	-	529	4	6	10	
<b>Total segment revenue</b>	<b>6 071</b>	<b>2 480</b>	<b>8 551</b>	<b>1 272</b>	<b>26</b>	<b>1 298</b>	

	Reviewed for the nine months ended 30 Sep 2009				Reviewed for the nine months ended 30 Sep 2008			Audited for the year ended 31 Dec 2008		
	Continuing operations				Discontinued operations			Discontinued operations		
	Continuing operations Rm	Discontinued operations Rm	Total Rm		Continuing operations Rm	Discontinued operations Rm	Total Rm	Continuing operations Rm	Discontinued operations Rm	Total Rm
<b>Operating profit</b>										
Steelworks	45	-	45	664		664				
Vanadium	3	-	3	282	238	520				
Ferro-alloys	-	-	-		1	1				
<b>Total</b>	<b>48</b>	<b>-</b>	<b>48</b>	<b>946</b>	<b>239</b>	<b>1 185</b>				

Intersegment revenue are eliminated on consolidation.

	Reviewed for the nine months ended 30 Sep 2009				Reviewed for the nine months ended 30 Sep 2008			Audited for the year ended 31 Dec 2008		
	Continuing operations				Discontinued operations			Discontinued operations		
	Continuing operations Rm	Discontinued operations Rm	Total Rm		Continuing operations Rm	Discontinued operations Rm	Total Rm	Continuing operations Rm	Discontinued operations Rm	Total Rm
<b>Operating profit</b>										
Steelworks	61	-	61	1 659		1 659	2 105	-	2 105	
Vanadium	52	-	52	795	581	1 376	964	577	1 541	
Ferro-alloys	-	-	-		32	32		33	33	
<b>Total</b>	<b>113</b>	<b>-</b>	<b>113</b>	<b>2 454</b>	<b>613</b>	<b>3 067</b>	<b>3 069</b>	<b>610</b>	<b>3 679</b>	

	Reviewed for the nine months ended 30 Sep 2009				Reviewed for the nine months ended 30 Sep 2008			Audited for the year ended 31 Dec 2008		
	Continuing operations				Discontinued operations			Discontinued operations		
	Continuing operations Rm	Discontinued operations Rm	Total Rm		Continuing operations Rm	Discontinued operations Rm	Total Rm	Continuing operations Rm	Discontinued operations Rm	Total Rm
<b>Total assets</b>										
Steelworks	4 374	-	4 374	5 678	-	5 678	4 891	-	4 891	
Vanadium	411	-	411	606	-	606	446	-	446	
<b>Total</b>	<b>4 785</b>	<b>-</b>	<b>4 785</b>	<b>6 284</b>	<b>-</b>	<b>6 284</b>	<b>5 337</b>	<b>-</b>	<b>5 337</b>	

	Reviewed for the nine months ended 30 Sep 2009				Reviewed for the nine months ended 30 Sep 2008			Audited for the year ended 31 Dec 2008		
	Continuing operations				Discontinued operations			Discontinued operations		
	Continuing operations Rm	Discontinued operations Rm	Total Rm		Continuing operations Rm	Discontinued operations Rm	Total Rm	Continuing operations Rm	Discontinued operations Rm	Total Rm
<b>Total assets</b>										
Steelworks	4 374	-	4 374	5 678	-	5 678	4 891	-	4 891	
Vanadium	411	-	411	606	-	606	446	-	446	
<b>Total</b>	<b>4 785</b>	<b>-</b>	<b>4 785</b>	<b>6 284</b>	<b>-</b>	<b>6 284</b>	<b>5 337</b>	<b>-</b>	<b>5 337</b>	

#### 4 Supplementary revenue information - Unaudited

		For the three months ended 30 Sep 2009	For the three months ended 30 Sep 2008	For the nine months ended 30 Sep 2009	For the nine months ended 30 Sep 2008	For the year ended 31 Dec 2008
<b>Sales volumes of major products</b>						
Continuing operations						
Total steel	Tons	147 231	178 726	422 407	545 585	668 116
Ferrovandium	kg V	1 146 974	1 256 633	3 523 632	4 129 766	5 194 834
Vanadium slag	Tons V <sub>2</sub> O <sub>5</sub>	-	-	-	10 302	13 580
Fines ore	Tons	167 026	-	360 672	-	130 225
<b>Weighted average selling prices achieved for major products</b>						
Continuing operations						
Total steel	\$/t	695	942	591	947	953
Ferrovandium	\$/kg V	26	80	23	63	60
Fines ore	\$/t	40	-	26	-	42
Average R/\$ exchange rate		7.82	7.77	8.74	7.65	8.00

#### 5 Net cash

Net cash is calculated as follows:

	Reviewed as at 30 Sep 2009	Reviewed as at 30 Sep 2008	Audited as at 31 Dec 2008
	Rm	Rm	Rm
Cash and cash equivalents	1 058	2 138	1 601
Bank overdraft included in other current liabilities	-	( 119)	-
<b>Net cash</b>	<b>1 058</b>	<b>2 019</b>	<b>1 601</b>

#### 6 (Loss)/Profit on disposal of discontinued operations

	Reviewed for the three months ended 30 Sep 2009	Unaudited for the three months ended 30 Sep 2008	Reviewed for the nine months ended 30 Sep 2009	Reviewed for the nine months ended 30 Sep 2008	Audited for the year ended 31 Dec 2008
	Rm	Rm	Rm	Rm	Rm
Total proceeds on disposal of operations	-	991	-	1 296	1 244
Net asset value disposed of	-	( 1 046)	-	( 1 134)	( 1 231)
(Loss)/Profit on disposal before taxation	-	( 55)	-	162	13
Taxation charge	-	( 82)	-	( 121)	( 86)
<b>(Loss)/Profit on disposal after taxation</b>	<b>-</b>	<b>( 137)</b>	<b>-</b>	<b>41</b>	<b>( 73)</b>

#### 7 Income taxation

	Reviewed for the three months ended 30 Sep 2009	Unaudited for the three months ended 30 Sep 2008	Reviewed for the nine months ended 30 Sep 2009	Reviewed for the nine months ended 30 Sep 2008	Audited for the year ended 31 Dec 2008
	Rm	Rm	Rm	Rm	Rm
<b>South-African</b>					
<i>Normal</i>					
Current	32	339	18	789	883
Other	-	-	-	15	15
<i>Deferred</i>					
Current	-	-	-	-	( 44)
Prior year over provision	-	-	-	( 13)	( 13)
Other	-	-	-	-	( 5)
<i>Other</i>					
STC	-	139	-	316	316
<b>Non-South African</b>					
<i>Normal</i>					
Current	(13)	40	2	106	115
Reversal of deferred tax asset	66	-	-	-	-
<b>Income tax expense</b>	<b>85</b>	<b>518</b>	<b>20</b>	<b>1 213</b>	<b>1 267</b>
<b>Attributable to:</b>					
Continuing operations	85	457	20	1 010	1 015
Discontinued operations	-	61	-	203	252
	<b>85</b>	<b>518</b>	<b>20</b>	<b>1 213</b>	<b>1 267</b>

Based on information available at the time, the group recognised a deferred tax asset on losses arising in its foreign operations in quarter one and quarter two. As a result of a subsequent change in management's view of the recoverability of the tax losses resulting from the Procurement Right, the deferred tax asset (R66million) was reversed in quarter three.

#### 8 Financial ratios - Unaudited

Current ratio	2.57	1.93	2.57	1.39	1.93
Market capitalisation - Rm	7 387	6 345	7 387	12 890	6 345

#### 9 Retrenchment costs

The Corporation has incurred retrenchment costs of R31 million for the nine months ended 30 September 2009. Retrenchment costs for the quarter ended 30 September 2009 amounted to R4 million.

#### 10 Contingent liabilities

As required by the Mineral and Petroleum Resources Development Act, a guarantee amounting to R235 million (2008: R191 million) was issued in favour of the Department of Minerals and Energy for the unscheduled closure of Mapochs Mine.

In terms of the Corporation's employment policies, certain employees could become eligible for post-retirement medical aid benefits at any time in the future prior to their retirement subject to certain conditions. The potential liability, should they become medical scheme members in the future, is R64 million (2008: R57 million).

#### 11 Subsequent events

There have been no reportable events after the reporting period until the date of this announcement.