

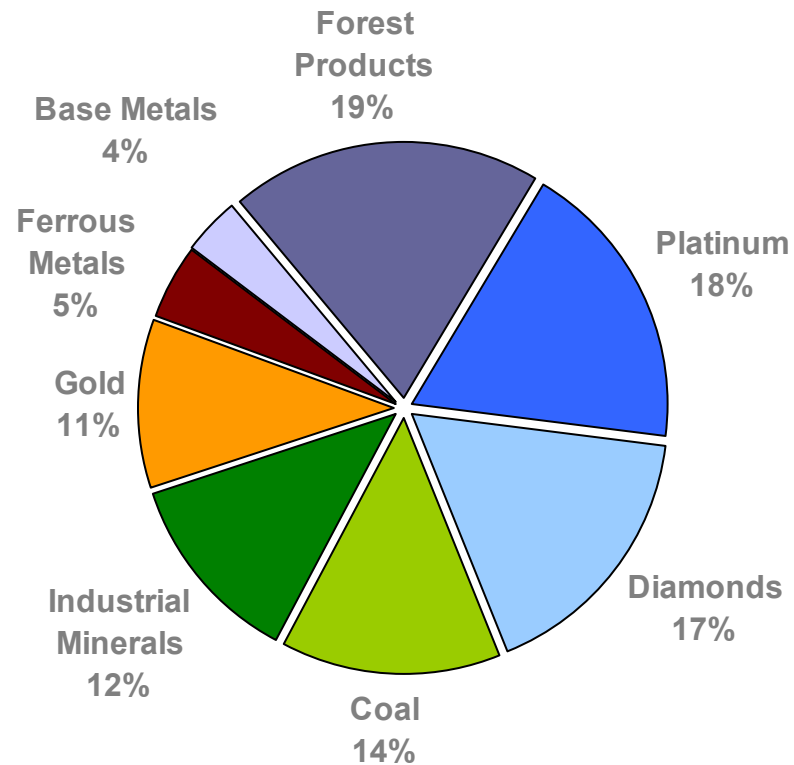
ANGLO AMERICAN ADDING VALUE TO NATURAL RESOURCES

15 May 2003

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Unique Product Portfolio

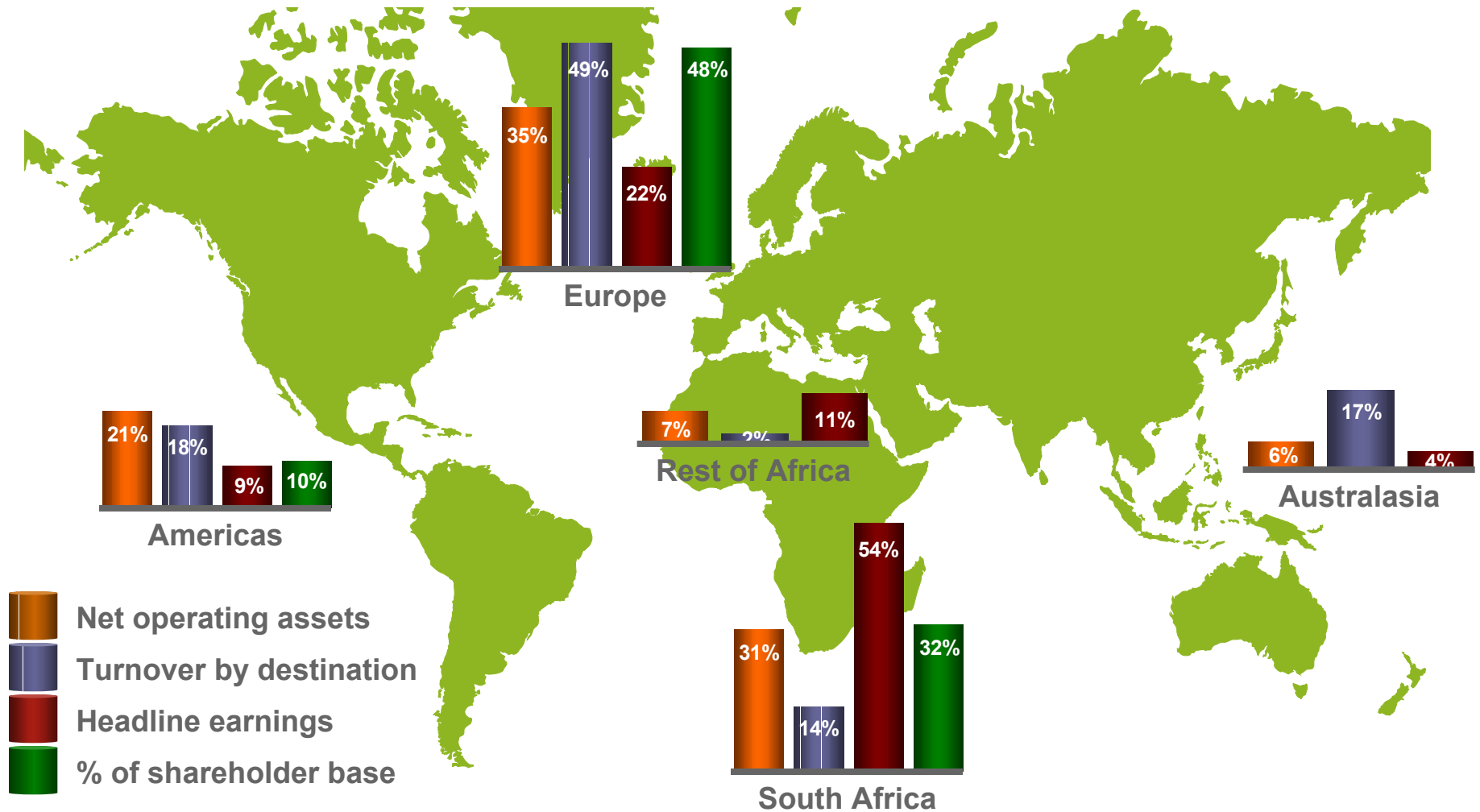
- ❖ A diverse mining & natural resource group
- ❖ Unique exposure to precious metals & diamonds
- ❖ Forest Products & Industrial Minerals provide a steady platform



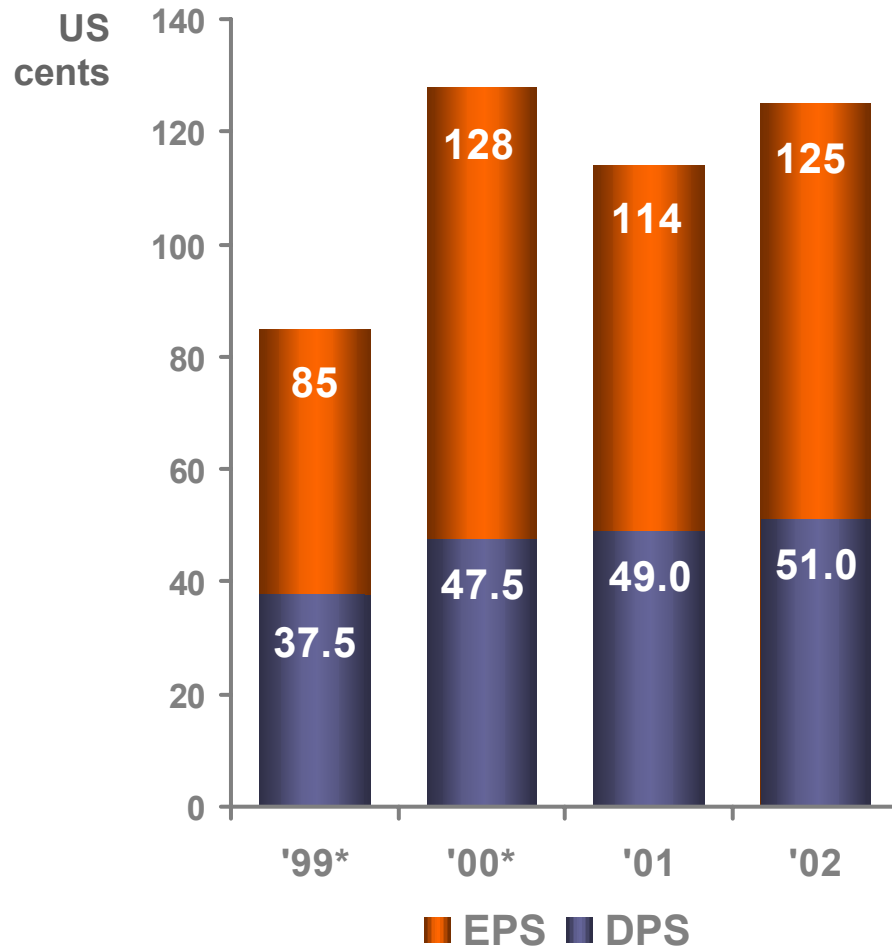
2002 Headline Earnings

Geographic Diversity

An Increasingly Balanced Asset Base



EPS: A Steady Performance

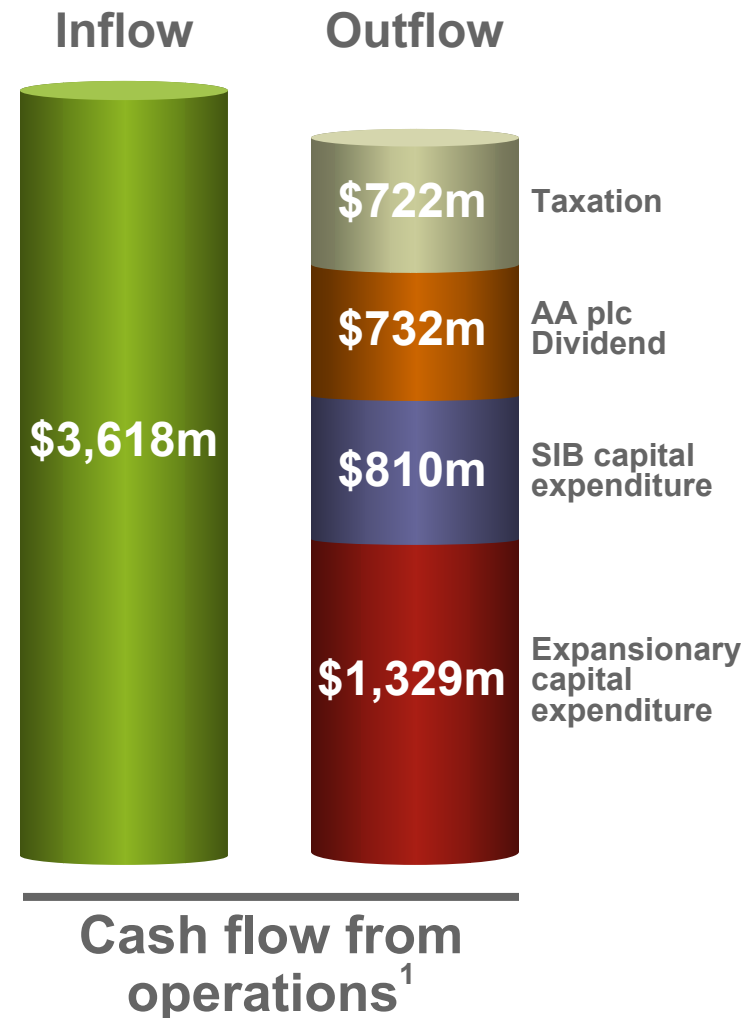


- ❖ Consistent EPS growth*
- ❖ Progressive & sustainable dividend yield
- ❖ Dividend cover: 2.5x
- ❖ Dividend yield: 3.4%

* 1999 & 2000 have not been restated for FRS19

Strong Cash Generation

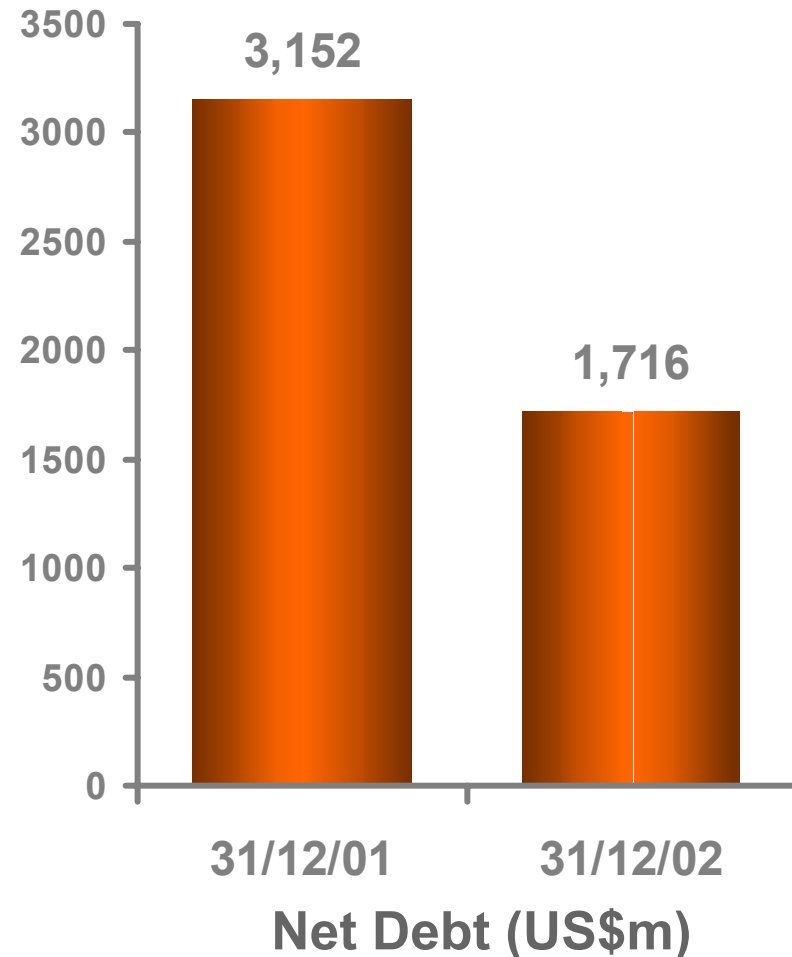
- ❖ Expansionary capex more than covered by cash inflows
- ❖ Cash flow set to increase with DBI debt reduction



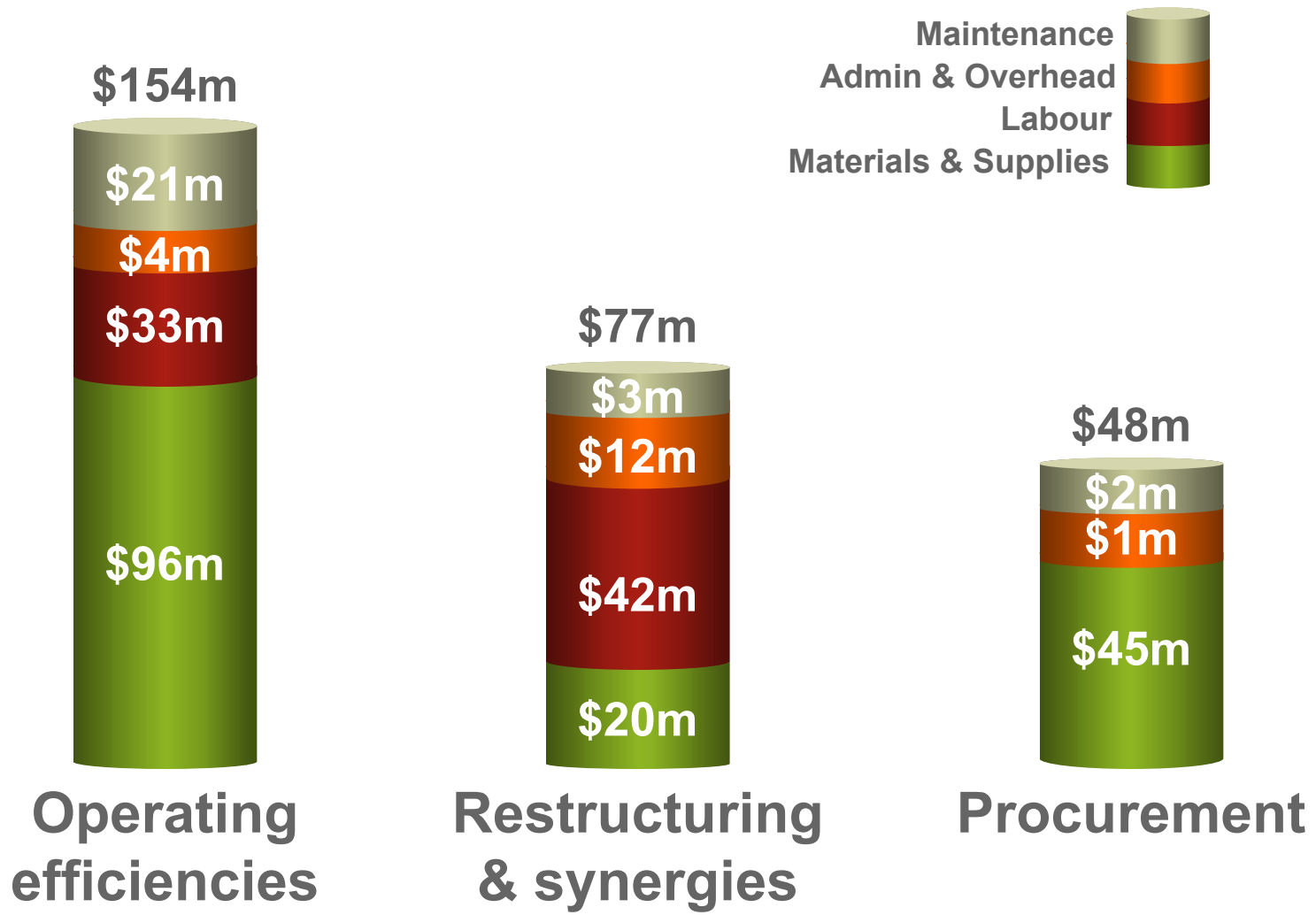
¹ Cash flow for subsidiaries, excludes associates & JVs

De Beers Cash Generation

- ❖ De Beers senior debt at 30/06/01: \$3,550m
- ❖ Strong operating cash flow of \$1.6bn in 2002
- ❖ To date \$710m senior debt repaid & \$710 voluntary pre-payment



Pre-tax Cost Savings: \$279m



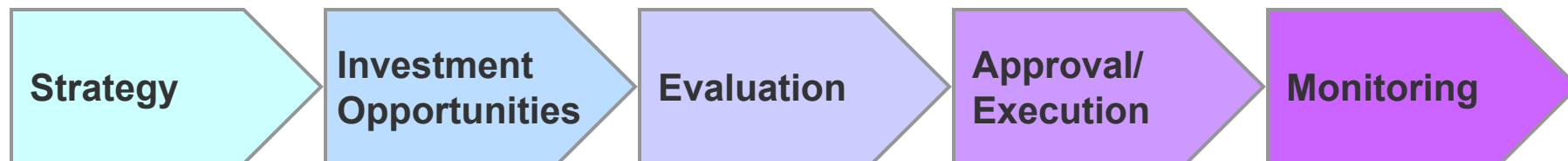
Balance Sheet

\$m	31/12/2002		31/12/2001	
Shareholders' Funds	16,261		12,856	
Net Debt/(Funds):				
South Africa	12	(1,571)		
Rest of World	<u>5,566</u>	5,578	<u>3,589</u>	2,018
Minority Interests	<u>2,304</u>		<u>1,607</u>	
Total Capital	<u>24,143</u>		<u>16,481</u>	
Net Debt/Total Capital	23.1%		12.2%	
ROCE	17.5%		19.0%	
EBITDA/Total Capital	23.6%		25.0%	

The Path to Growth

- ❖ **Rigorous capital allocation process**
- ❖ **Strong \$6bn project pipeline**
- ❖ **\$3.7bn in acquisitions in 2002**

Capital Allocation Process



- ❖ **Capital allocation is a process of ongoing evaluation and continuous improvement**
- ❖ **We are constantly looking at innovative new approaches to ensuring optimal capital allocation within the Group**

Capital Allocation Process



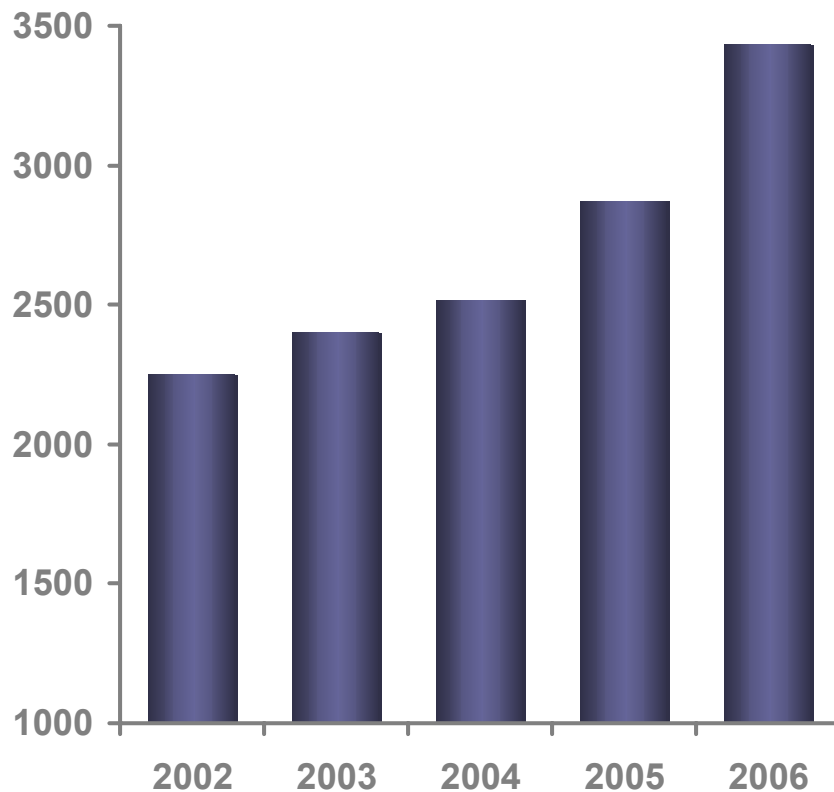
A Well-balanced \$6bn Project Portfolio

PROJECT PIPELINE	2002		2003		2004		2005 - 6	
PLATINUM	RUSTENBURG UG2 PHASE 1 \$203M	MODIKWA \$311M	ACP PROJECT \$250M	RUSTENBURG UG2 PHASE 2 \$444M	RPM TAILINGS TREATMENT \$186M		TWICKENHAM \$343M	STYLDRIFT MINE \$344M
GOLD	CRIPPLE CREEK & VICTOR \$194M		MOAB KHOTSONG \$419M		MPONENG \$152M	TAUTONA \$48M		
DIAMONDS	CTP KIMBERLEY \$44M		FINSCH \$107M		!GARIEP CONVERSION \$27M			
COAL	KRIEL SOUTH \$70M		SACE EXPANSION \$50M		CERREJÓN EXPANSION \$50M		CAPCOAL \$107M	
BASE METALS	COLLAHUASI \$286M COPPER		SKORPION \$454M ZINC	HBMS 777 \$276M ZINC/COPPER	BLACK MOUNTAIN \$110M ZINC/LEAD			
INDUSTRIAL MINERALS	GOIÁS \$147M		BUXTON CEMENT \$173M					
FOREST PRODUCTS	FRANTSCHACH \$20M	MEREBANK A4 \$12M	RUZOMBEROK PM18 \$104M	MEREBANK PM \$26M	RUZOMBEROK PULP \$129M		RICHARD'S BAY MILL \$220M	

Major authorised projects. 100% of subsidiaries and AA plc's share of JV's and associates. Date refers to commencement of production.

Strong Platinum Growth

Refined Pt
Production
oz (000's)



- ❖ **Anglo Platinum to expand annual production from 2.3m oz ('02) to 3.5m oz ('06)**
- ❖ **Supply / demand fundamentals continue to support strong production growth**
- ❖ **Further growth potential beyond 2006**

Acquisitions in 2002

Flexing Our Balance Sheet: \$3.7bn in Acquisitions



Acquisition Track Record

- ❖ Industrial Minerals - Tarmac acquired in November 1999
 - ❖ Fully integrated & delivering strong cash flows
 - ❖ EBITDA/Total Capital: 16%¹
- ❖ Australian/South American Coal Acquisitions - since 2000
 - ❖ Global coal asset base established
 - ❖ EBITDA/Total Capital: 21%
- ❖ Syktyvkar - March 2002
 - ❖ Low cost producer integrated into European marketing network
 - ❖ EBITDA/Total Capital: 33%²
- ❖ Disputada - 13 November 2002
 - ❖ World class, low cost integrated copper producer
 - ❖ Corporate offices integrated

¹ EBITDA/Total Capital shown for Industrial Minerals as calculation for original Tarmac acquisition is not possible due to integration with previously held Industrial Minerals assets in the UK. Total Capital adjusted for projects in progress.

² Annualised.

Acquisition Track Record

Synergies realised

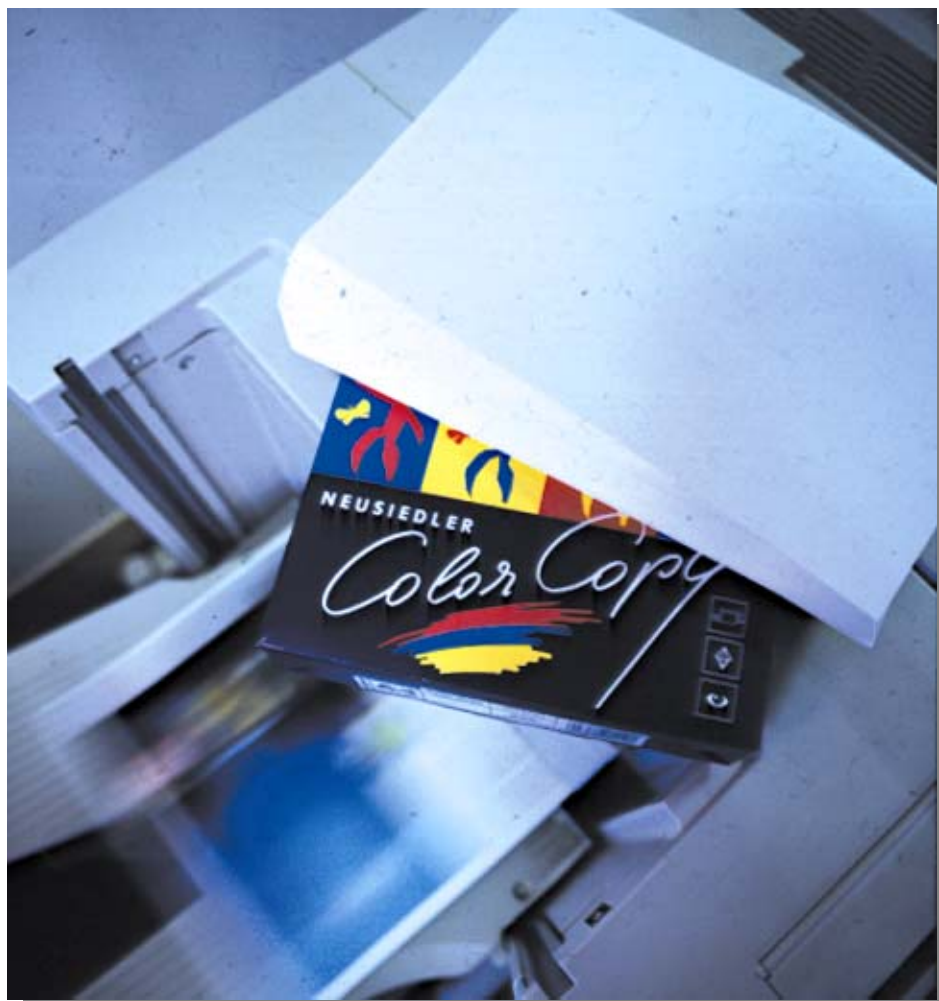
	Forecast	Achieved
Tarmac	\$45m pa	\$60m pa
Disputada	\$100m NPV	On Track
Coal: Australia	\$4m pa	\$12m pa
Coal: Cerrejón	-	\$40m pa¹

¹ 100% basis. Anglo Coal owns 33.3% of Cerrejón. \$18m pa realised to date. Further \$22m pa anticipated.

What does it mean?

- ❖ **Renewed efforts across the Group to capture a greater portion of the value chain**
- ❖ **Many of Anglo's businesses now involved in an array of value added products & services**
- ❖ **Includes branded goods & services as well as refining & smelting**

Value Added Products



Neusiedler:

- ❖ A strong brand image
- ❖ A leading producer of high-grade papers for the desktop publishing market in Europe
- ❖ Ability to obtain premium prices for much of its production
- ❖ Mondi's product range stretches from sophisticated packaging through paper to flexible packaging

Value Added Products

Tarmac:

- ❖ UK market leader in aggregates
- ❖ An unrivalled range of branded specialty asphalts
- ❖ Leading producer of ready-mixed concrete
- ❖ UK leader in dense & lightweight aggregate and aircrete blocks



Value Added Products



Anglo Platinum:

- ❖ Strategy of growing the market for platinum group metals
- ❖ A major supporter of the Platinum Guild International which drives platinum jewellery demand
- ❖ Fuel cells to be a major driver for long term platinum demand
- ❖ Anglo Platinum's 17.5% stake in Johnson Matthey Fuel Cells provides exposure to commercialisation of fuel cell technology

Value Added Products

- ❖ **De Beers'** involvement in the diamond pipeline now extends from mining through to the end consumer.
- ❖ **De Beers & LVMH** recently joined forces to develop the De Beers name as a luxury brand, with the first store opening in December 2002.



The Clouds are Beginning to Lift

- ❖ Minerals & Petroleum Resources Development Act signed and promulgated, will be effective at a future date
- ❖ Empowerment Charter & Scorecard finalised
- ❖ Money Bill published - consultation regarding royalties underway
- ❖ Anglo making good progress towards 5 year target of 15% HDSA involvement
- ❖ To date Anglo American has undertaken
 - › Over \$1.8bn of black empowerment transactions in SA
 - › Over \$800m of procurement from black-owned businesses

- ❖ Outlook remains mixed
- ❖ Current global political, economic and currency uncertainties
- ❖ Continued strength of SA rand: Group unlikely to repeat record '02 performance
- ❖ Anglo's commodity & geographic asset mix and strong project pipeline will underpin performance in years ahead

- ❖ Ongoing focus on efficiencies, cost savings & innovation
- ❖ Seeking acquisitions that meet our investment criteria, including new markets
- ❖ Developing the value chain in our businesses & to improve focus on marketing & customer relationships
- ❖ Continuing with a balanced portfolio of greenfield & brownfield projects - project pipeline of \$6bn

- ❖ **Product & geographic diversity**
- ❖ **Unique exposure to precious metals & diamonds**
- ❖ **Strength of project pipeline**
- ❖ **Strong cash generation**
- ❖ **Powerful balance sheet**

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