



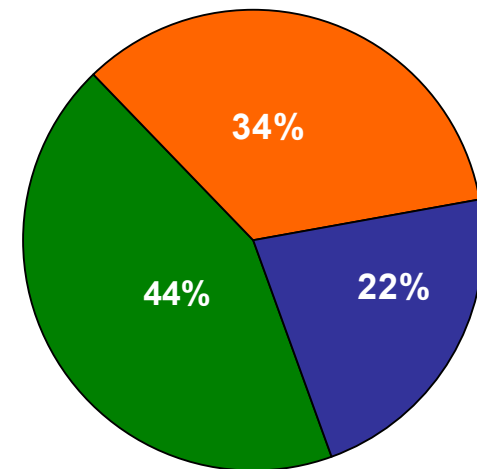
ANGLO AMERICAN A WORLD OF DIFFERENCE

Anglo Coal Investor Roadshow
November 2004

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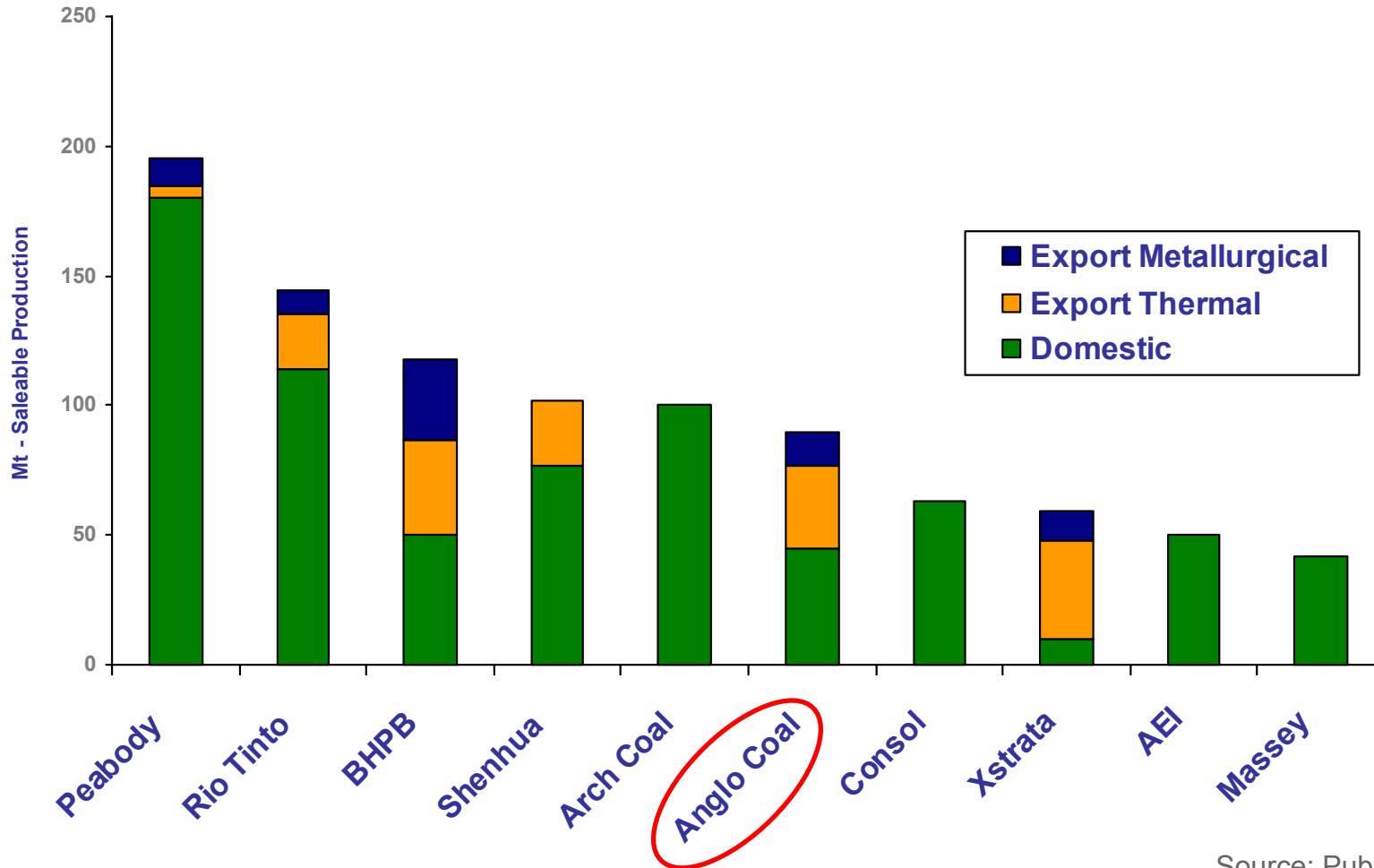
- ▶ **14% of AA plc's 2003 Headline earnings, 11% (H1 2004)**
- ▶ **Geographically diverse earnings base**
- ▶ **EBITDA US\$500 m (2003), US\$280 m (H1 2004)**
- ▶ **Total free cash generated since 1999 US\$1.5 bn**

2003 EBITDA by Region



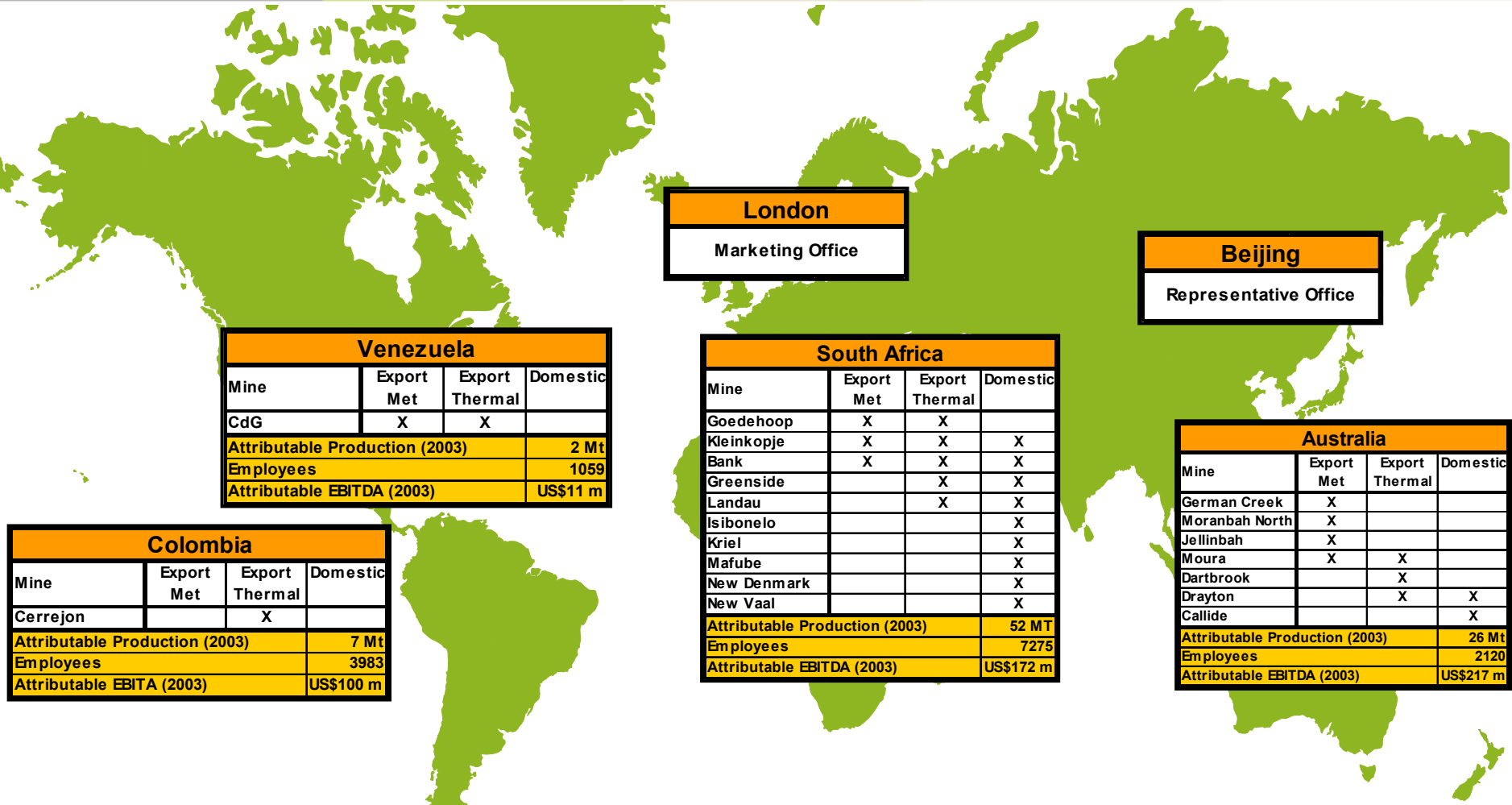
■ Australia
■ South Africa
■ South America

Anglo Coal relative to its peers



Source: Publicly available data

Anglo Coal is 6th largest.....but 4th largest of the “global” players



London	
Marketing Office	

Beijing	
Representative Office	

Venezuela			
Mine	Export Met	Export Thermal	Domestic
CdG	X	X	
Attributable Production (2003)			2 Mt
Employees			1059
Attributable EBITDA (2003)			US\$11 m

South Africa			
Mine	Export Met	Export Thermal	Domestic
Goedehoop	X	X	
Kleinkopje	X	X	X
Bank	X	X	X
Greenside		X	X
Landau		X	X
Isibonelo			X
Kriel			X
Mafube			X
New Denmark			X
New Vaal			X
Attributable Production (2003)			52 MT
Employees			7275
Attributable EBITDA (2003)			US\$172 m

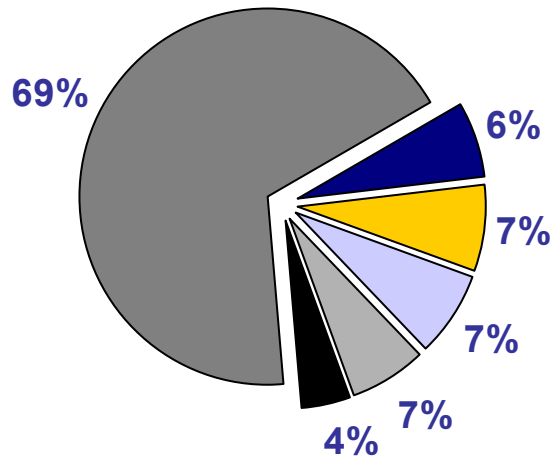
Australia			
Mine	Export Met	Export Thermal	Domestic
German Creek	X		
Moranbah North	X		
Jellinbah	X		
Moura	X	X	
Dartbrook		X	
Drayton		X	X
Callide			X
Attributable Production (2003)			26 Mt
Employees			2120
Attributable EBITDA (2003)			US\$217 m

Colombia			
Mine	Export Met	Export Thermal	Domestic
Cerrejon		X	
Attributable Production (2003)			7 Mt
Employees			3983
Attributable EBITA (2003)			US\$100 m

An increasingly GLOBAL footprint.....

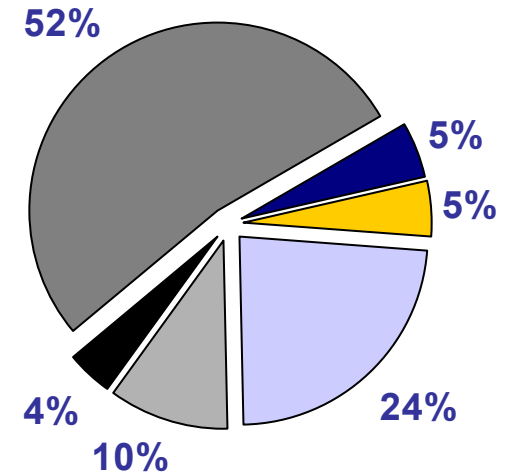
Market shares of 5 largest suppliers

Export Thermal Coal



- Anglo Coal
- Xstrata
- BHPB
- PT Bumi
- Rio Tinto
- Others

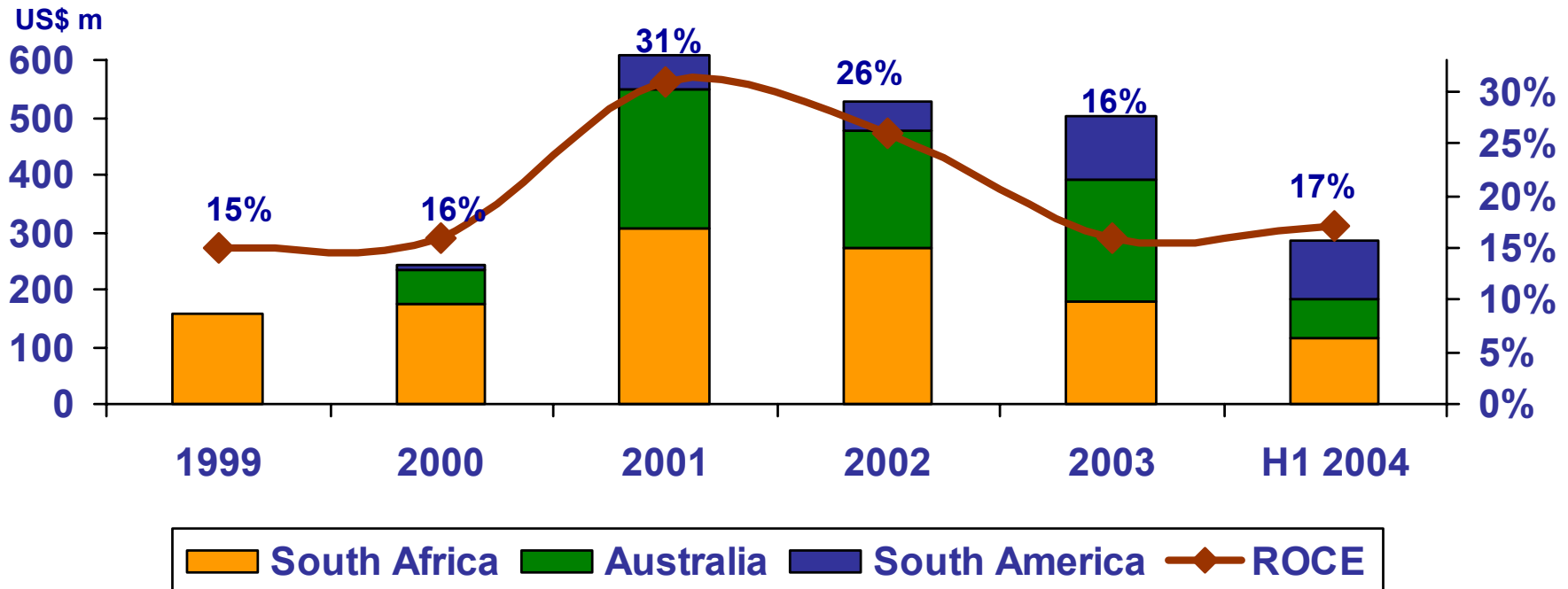
Export Metallurgical Coal



- Anglo Coal
- Xstrata
- BHPB (includes Mitsubishi)
- Canada (Fording & Teck)
- Rio Tinto
- Others

Source: Publicly available data & Anglo Coal analysis

Anglo Coal has a competitive share in both markets



EBITDA

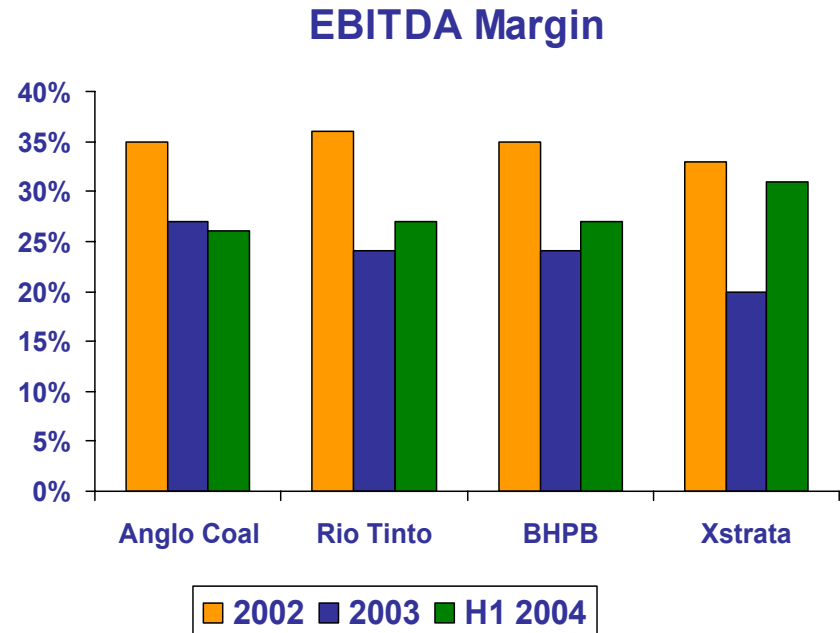
- ▶ CAGR 26%
- ▶ EBITDA return (1999 to H1 2004) ~ 28%
- ▶ Average EBITDA return on acquisitions ~ 18%

ROCE

- ▶ ROCE affected by – coal prices, FX rates and production
- ▶ Target for Anglo Coal to achieve minimum ROCE of 15% over rolling 3-year period

Excellent returns on capital

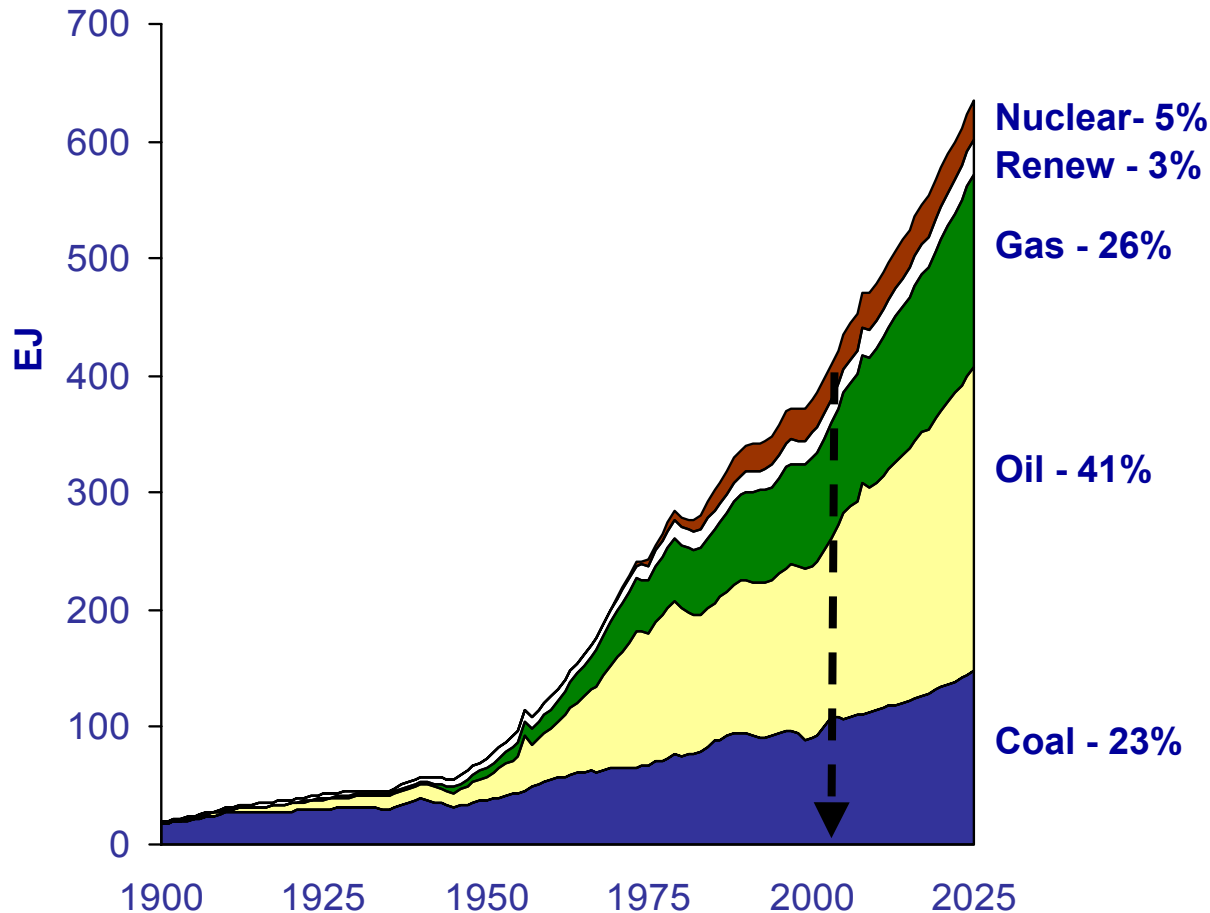
- ▶ **EBITDA Margin comparable with competitors**
- ▶ **35% (2002), 28% (2003), 26% (H1 2004)**
- ▶ **Margins in 2003 were negatively impacted by lower coal prices & stronger FX rates**
- ▶ **2004 margin impacted by production problems at Moranbah North**



Source: Publicly available data

Competitive EBITDA margin

World Energy Consumption - by Fuel



In 2003....

- World primary energy consumption increased by 2.9%
- For the second year running, coal was the fastest growing fuel, increasing by 6.9%, driven by China, Russia, Japan and North America

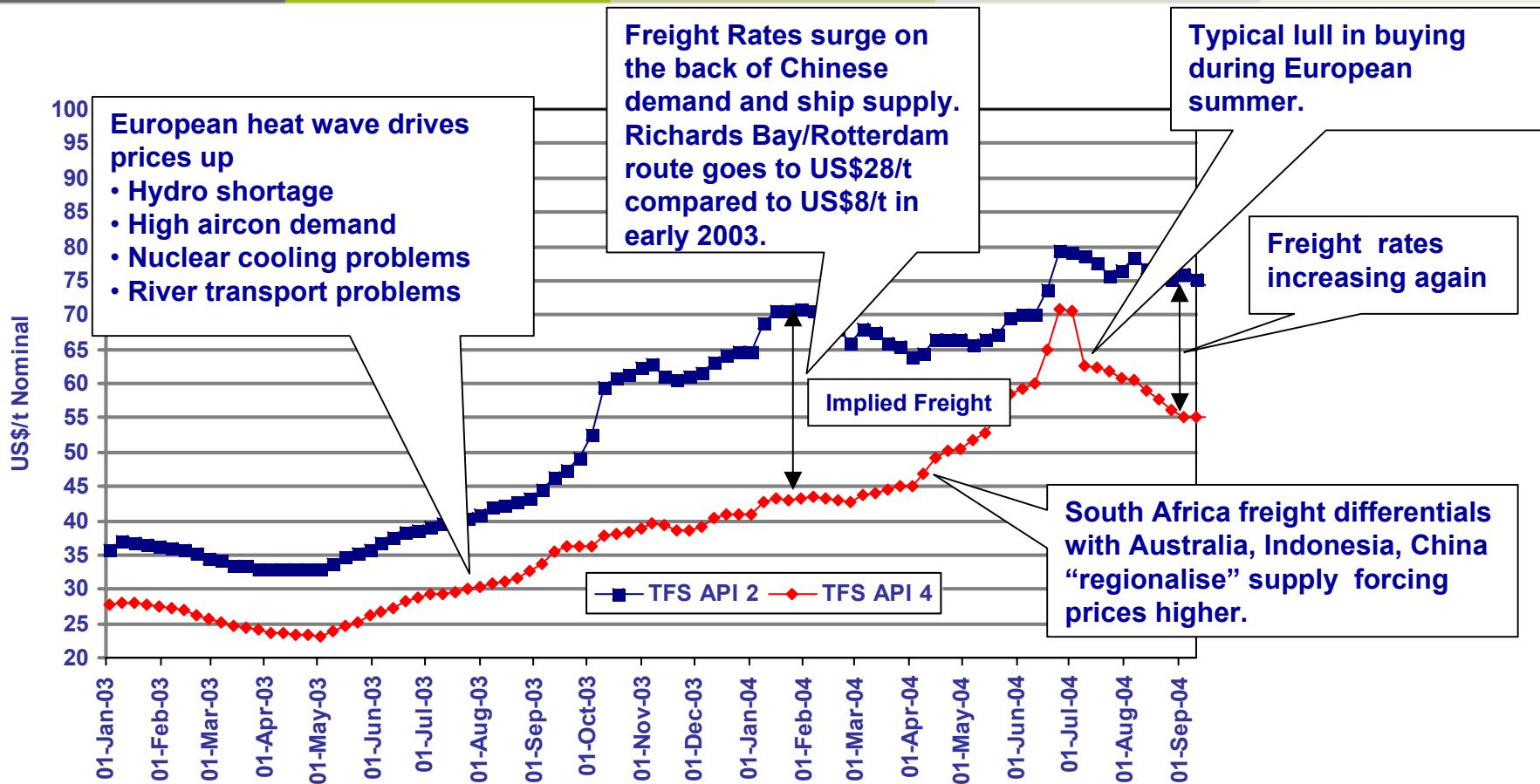
More generally.....

- Coal fuels almost 40% of the world's power generation
- Coal as a raw material underpins some 70% of the world's steel industry

Source: RMI analysis, IEA 2004, EIA IEO 2004, BP Statistical Review 2003, IFP

Coal is key source of energy – present & future

Seaborne Thermal Coal Market in 2003/2004



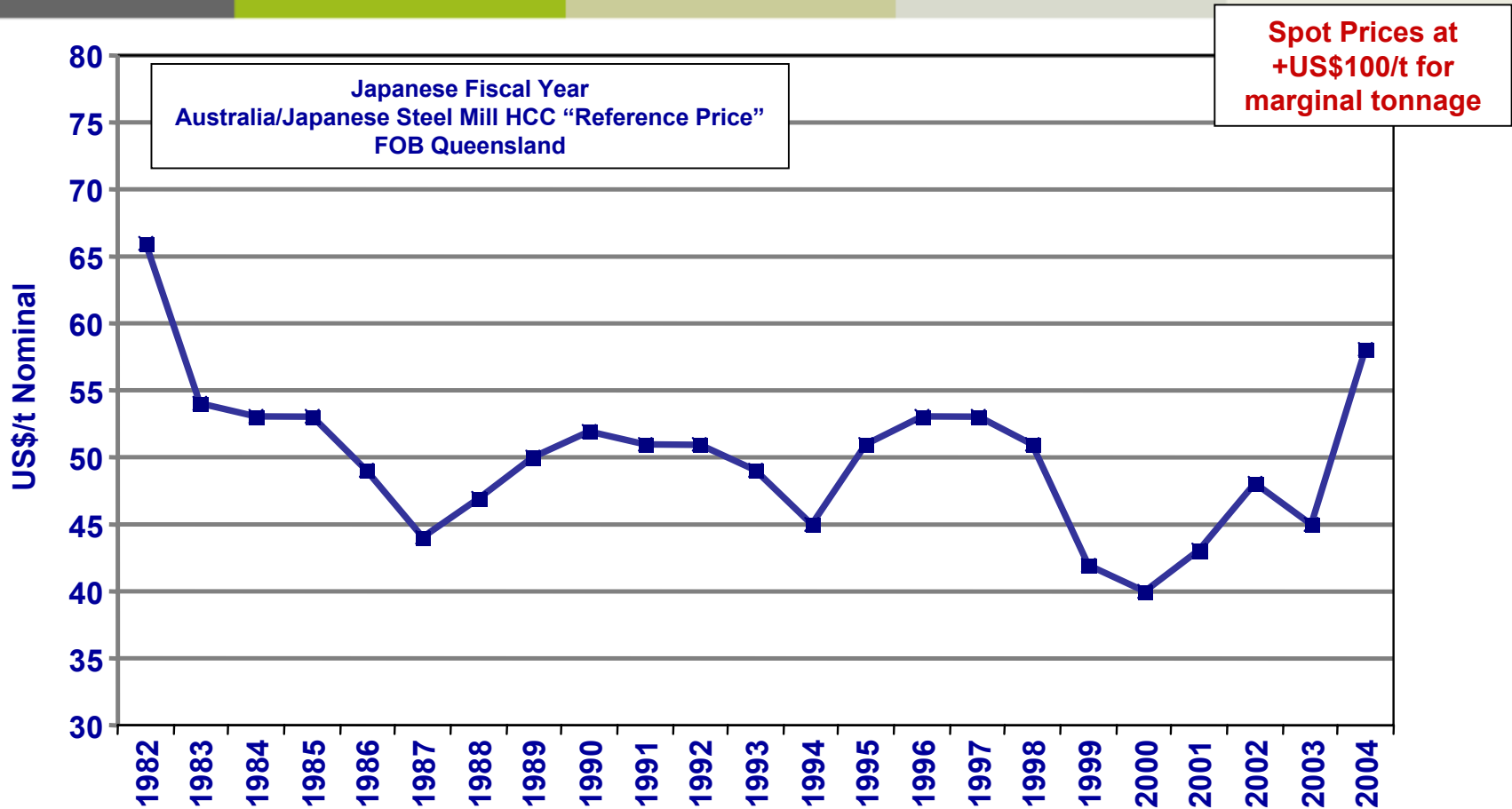
TFS API 2 = Price Index for CIF Rotterdam basis 6000 kcal/kg NAR

TFS API 4 = Price Index for FOB Richards Bay basis 6000 kcal/kg NAR

Source: Argus/McCloskey's Coal Price Index Report

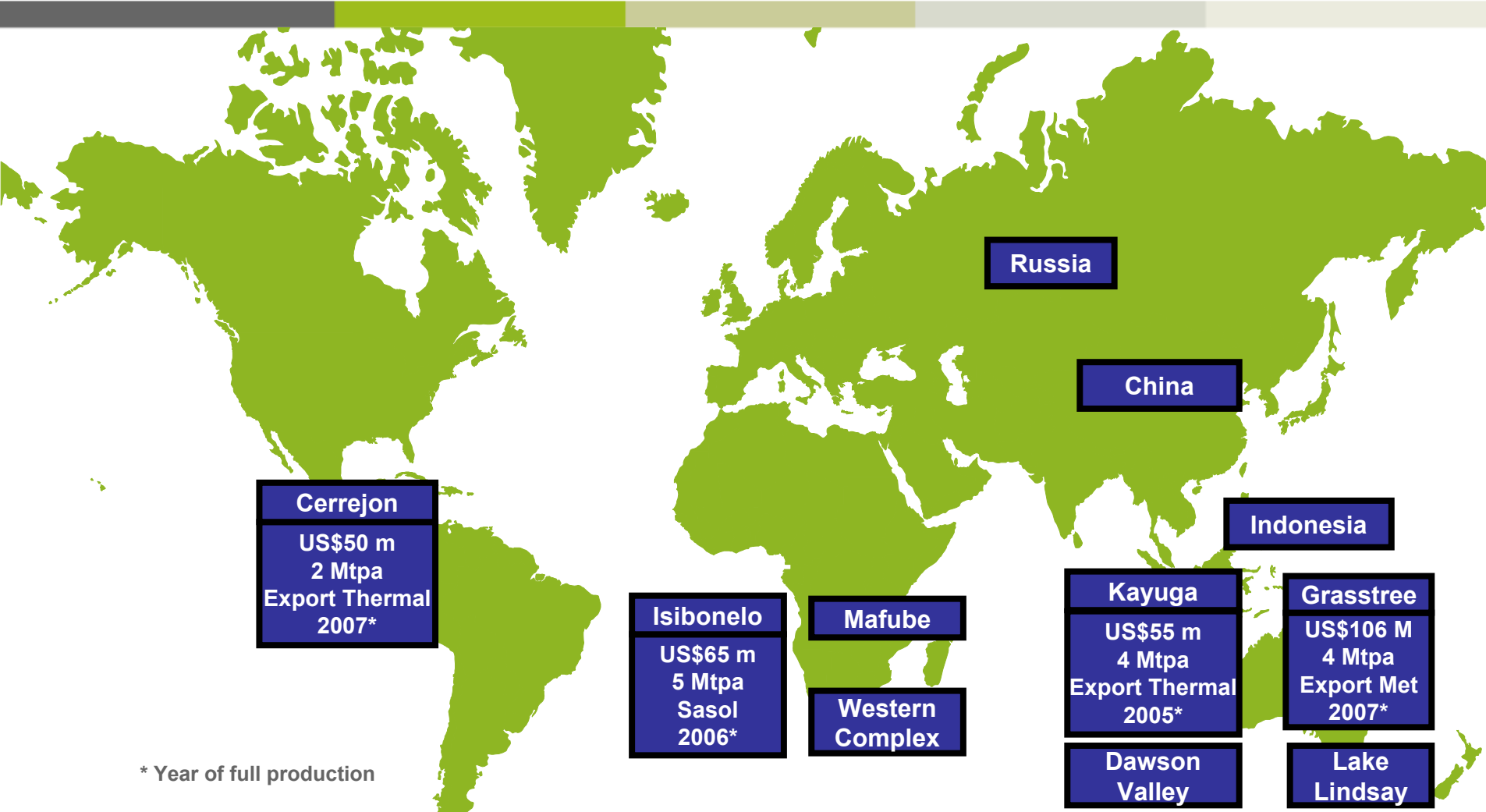
Uncharted territory.....

Seaborne Metallurgical Coal Price Evolution



Source: Publicly available data

Historic cyclicality.....future looks strong



* Year of full production

An exciting mix in existing and new geographies

- ▶ **Coal Bed/Mine Methane**
 - ▶ Moura (Australia)
 - ▶ Waterberg (South Africa)
 - ▶ German Creek (Australia)

- ▶ **VPLP**
 - ▶ Victorian Power & Liquids Project
 - ▶ Power and low sulphur diesel
 - ▶ Carbon capture & storage
 - ▶ Government support

- ▶ **Coal Gasification**
 - ▶ China – Xiwan
 - ▶ Chemical by-products
 - ▶ Emissions reduction

Long lead time

High capital

New skills

Potential high returns

Growth!

Operational Excellence!

Market Driven!

2004

- ▶ **Sound operating performance across operations in all regions**
- ▶ **Operational problems at Moranbah North**
- ▶ **Higher costs**
 - ▶ inflationary pressures
 - ▶ weaker US\$
- ▶ **Higher average realised prices versus 2003**

Thus, H2 2004 will be stronger than H1 2004

2005

- ▶ **Positive outlook – price & operating performance**

World Class Assets

Operational Excellence

Market Driven

People & Skills Development

New Business Development

Colombia

Venezuela

South Africa

Russia

China

Indonesia

Australia