

## NEWS RELEASE

7 July 2014

**Anglo American announces its intention to sell its 50% interest in Lafarge Tarmac to Lafarge for a minimum value of £885 million (\$1.5 billion) (subject to Lafarge / Holcim merger related conditions, including Lafarge Tarmac being deemed an acceptable divestment remedy by the regulators)**

Anglo American plc ("Anglo American") announces that it has reached an agreement in principle for the sale of its 50% ownership interest in Lafarge Tarmac Holdings Limited ("Lafarge Tarmac" or the "JV") to Lafarge SA ("Lafarge") for a minimum value of £885 million (approximately \$1.5 billion) in cash, on a debt and cash free basis and subject to other customary working capital adjustments.

An announcement is being made at this stage as Lafarge intends to offer a full divestment of the JV to the European Commission as a remedy for the UK market in respect of the proposed merger of Lafarge and Holcim Ltd ("Holcim"). Under the terms of the in principle agreement, which is not legally binding, the sale will be subject to a number of conditions including the completion of the Lafarge /Holcim merger, the divestment of Lafarge Tarmac being accepted as a suitable remedy and approval of this sale transaction by the necessary regulators. Lafarge and Holcim have announced that they expect the merger to be completed in the first half of 2015. Anglo American and Lafarge will work towards finalising the terms of a definitive agreement in Q3 2014.

In the event that a subsequent divestment of Lafarge Tarmac is agreed within 18 months of this sale being completed, then Anglo American will participate in a minority proportion of the upside beyond a small premium to the terms of this proposed transaction.

Anglo American expects to use the proceeds to pay down debt.

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**Notes to editors:**

Aside from this proposed transaction, Anglo American expects to receive additional cash proceeds of between £57 million and £67 million (approximately \$98 million to \$115 million) as a result of prior transactions involving the formation of the JV and the transfer of Tarmac Building Products assets to the JV.

**Lafarge Tarmac** was formed in January 2013 following the merger of Anglo American and Lafarge's cement, aggregates, ready-mixed concrete, asphalt and asphalt surfacing and maintenance services, and waste services businesses in the United Kingdom. As at 31 December 2013, Anglo American's 50% reported interest in Lafarge Tarmac's gross assets was £1,430 million, including goodwill. For the period ending 31 December 2013, prior to any Anglo American Group adjustments, the loss before tax attributable to 50% of Lafarge Tarmac was £33m.

**Anglo American** is one of the world's largest mining companies, is headquartered in the UK and listed on the London and Johannesburg stock exchanges. Our portfolio of mining businesses meets our customers' changing needs and spans bulk commodities – iron ore and manganese, metallurgical coal and thermal coal; base metals and minerals – copper, nickel, niobium and phosphates; and precious metals and minerals – in which we are a global leader in both platinum and diamonds. At Anglo American, we are committed to working together with our stakeholders – our investors, our partners and our employees – to create sustainable value that makes a real difference, while upholding the highest standards of safety and responsibility across all our businesses and geographies. The company's mining operations, pipeline of growth projects and exploration activities span southern Africa, South America, Australia, North America, Asia and Europe.

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