HALF YEAR FINANCIAL REPORT

for the six months ended 30 June 2010

AngloAmerican

NEWS RELEASE

30 July 2010

Anglo American announces operating profit of $4.4 billion and reinstates dividend

Financial highlights

- Group operating profit[(1)] of $4.4 billion ($4.1 billion from core operations[(2)])
- Underlying earnings[(3)] of $2.2 billion and underlying earnings per share of $1.84
- Profit attributable to equity shareholders of $2.1 billion
- Net debt[(4)] at $10.9 billion at 30 June 2010
- Committed undrawn bank facilities and cash of over $12 billion at 30 June 2010

Operational performance and strategic delivery

- Asset optimisation and procurement programmes ahead of expectations, with run rate of $1 billion from core businesses for the six month period
  - Asset optimisation: $796 million, including one-off benefits
  - Procurement: $205 million
- Platinum operational turnaround to position in lower half of cost curve – cash operating costs controlled; full year production of 2.5 million ounces on track; labour productivity increased 11%
- $2.2 billion of expected proceeds from agreed divestments announced to date
  - $1.3 billion sale of zinc business
  - $0.5 billion sale of undeveloped Australian coal assets
  - $0.4 billion sale of Tarmac's European businesses

Near term growth a clear differentiator

- Barro Alto 36 ktpa nickel project – to more than double nickel production – on budget and on schedule for first production in Q1 2011
- Los Bronces 200 ktpa copper expansion on budget and on schedule for first production in Q4 2011
- Kolomela 9 Mtpa iron ore project on budget and on schedule for first production in Q2 2012
- Minas Rio 26.5 Mtpa iron ore project – good progress; key regulatory approvals remain outstanding, impacting timing and capital expenditure
- Further growth projects pending approval: Quellaveco (Peru, 225 ktpa copper) and Grosvenor (Australia, 4.3 Mtpa metallurgical coal)

Further safety achievements

- New safety practices embedded and delivering further improved results
  - 38% reduction in fatalities vs. H1 2009
  - 30% improvement in lost time injury rates vs. H1 2009

Dividend reinstated

- Interim dividend of $0.25 per share
- Progressive dividend policy to maintain or steadily increase dividends in dollar terms

HIGHLIGHTS FOR SIX MONTHS ENDED 30 JUNE 2010 *US$ million, except per share amounts*	**6 months ended 30 June 2010**	**6 months ended 30 June 2009**	**Change**
Group revenue including associates[5]	**15,015**	11,132	35%
Operating profit including associates before special items and remeasurements – core operations[1][2]	**4,071**	1,900	114%
Operating profit including associates before special items and remeasurements[1]	**4,361**	2,136	104%
Underlying earnings[3]	**2,212**	1,096	102%
EBITDA[6]	**5,414**	2,985	81%
Net cash inflows from operating activities	**2,686**	1,520	77%
Profit before tax[7]	**3,903**	3,626	8%
Profit for the financial period attributable to equity shareholders[7]	**2,061**	2,970	(31)%
Earnings per share (US$):			
Basic earnings per share[7]	**1.71**	2.47	(31)%
Underlying earnings per share[3]	**1.84**	0.91	102%

[1] Operating profit includes attributable share of associates' operating profit (before attributable share of associates' interest, tax and non-controlling interests) and is before special items and remeasurements, unless otherwise stated. See notes 3 and 4 to the Condensed financial statements. For the definition of special items and remeasurements see note 6 to the Condensed financial statements.

[2] Operations considered core to the Group are Copper, Nickel, Platinum, Iron Ore and Manganese (Kumba Iron Ore, Iron Ore Brazil and Samancor), Metallurgical Coal, Thermal Coal, Diamonds, Exploration and Corporate Activities. See the Financial review of Group results section for a reconciliation of operating profit from core operations to Group operating profit. Due to the portfolio and management structure changes announced in October 2009, operations considered core have changed from those reported at 30 June 2009. The comparatives have been adjusted accordingly.

[3] See note 9 to the Condensed financial statements for basis of calculation of underlying earnings.

[4] Net debt includes related hedges and net debt in disposals groups. In the current period net debt has been updated to include related hedges, being derivative instruments that provide an economic hedge of assets and liabilities included in net debt. The comparative has been adjusted accordingly. See note 12 to the Condensed financial statements.

[5] Includes the Group's attributable share of associates' revenue of $2,425 million (six months ended 30 June 2009: $1,840 million). See note 3 to the Condensed financial statements.

[6] EBITDA is operating profit before special items, remeasurements, depreciation and amortisation in subsidiaries and joint ventures and includes the attributable share of EBITDA of associates. See note 14 to the Condensed financial statements.

[7] Stated after special items and remeasurements, the six months ended 30 June 2009 includes the profit on the disposal of the Group's interest in AngloGold Ashanti of $1,139 million.

Cynthia Carroll, Chief Executive, said, "Anglo American has made further significant progress during the first six months of 2010, delivering on our strategic objectives. Our businesses are operating strongly under our new organisational structure, our cost and efficiency programmes continue to deliver ahead of expectations, our divestment programme is well under way and we continue to make further progress on our safety performance. We achieved a strong operating performance across our businesses against still uncertain global economic conditions, with operating profit of $4.4 billion and underlying earnings of $2.2 billion.

We continue to extract substantial synergies as a result of our organisational structure and scale. By the end of June, our asset optimisation and procurement programmes had achieved a run rate of $1 billion of benefits, well ahead of expectations, and are making excellent progress towards our stated target of $2 billion from our core businesses alone by 2011.

The restructuring of both Platinum and De Beers is generating a new level of operational performance in both businesses. Platinum has achieved labour productivity gains of 11%, is showing a 27% increase in productivity since the first half of 2008 and continues to control its cash operating unit costs, despite high energy and wage inflation. At De Beers, significant sustainable cost savings have been embedded, enabling the company to benefit fully from the improved demand and pricing environment for diamonds.

Our near term production growth is a clear differentiator for Anglo American and will be delivered by four major strategic projects that we are developing. The first of these is the Barro Alto nickel project in Brazil, which is on schedule for first production in the first quarter of 2011 and will more than double our nickel production capacity when it reaches full production of 36,000 tonnes per year. The expansion of our Los Bronces copper operation in Chile is also on schedule for first production in the fourth quarter of next year, increasing our low cost production at this world class mine to 490,000 tonnes per year over the first three years. Furthermore, as we announced last year, two recent discoveries nearby are expected to enable considerable further expansion in due course. In South Africa, the 9 million tonne per annum Kolomela iron ore project is making excellent progress towards first production in the second quarter of 2012.

At Minas Rio, our 26.5 million tonne per annum phase one iron ore project in Brazil, we have made good progress on those areas of the project where the necessary approvals have been secured, in the context of what has become an increasingly rigorous and more complex environmental permitting process in Brazil in recent years. A number of key approvals remain outstanding and these are on the critical path of the project, therefore impacting the time and cost to complete. We have considerable resource deployed to resolve these issues, including constructive high level dialogue with the authorities in Brazil. Once the remaining initial approvals are granted, we believe it will take 27 to 30 months to construct and commission the mine and plant and to deliver the first ore on ship.

Following our initial announcement in October, the divestment of our non-core businesses is well under way. The announced sales of our zinc portfolio, several of Tarmac's European businesses and five undeveloped coal assets in Australia are expected to generate proceeds in excess of $2.2 billion. As we stated from the outset, we will sell the balance of our divestment portfolio in a manner and on a timetable that maximises value for our shareholders. We have seen a lot of interest in these assets.

I am pleased to announce the resumption of dividend payments with an interim dividend of 25 cents per share, reflecting the Group's improved operating performance and financial position, as well as progress on non-core asset sales and a supportive medium term outlook.

Our safety performance has shown further considerable improvement in the first half, with both fatality and lost time injury rates continuing to reduce. While these results represent a step change from the position in 2007, we will continue to strive to achieve our goal of zero harm.

The short term outlook for the world economy has become more uncertain in recent months, with certain less favourable leading economic indicators. However, in the medium to long term, we remain confident about prospects for Anglo American with the process of industrialisation and urbanisation in China, India, Brazil and other emerging countries continuing to drive demand for our key commodities."

Review of the six months ended 30 June 2010

Financial results

Anglo American's underlying earnings for the first half of 2010 were $2.2 billion, double the $1.1 billion for the same period in 2009, with operating profit of $4.4 billion, up from $2.1 billion. Strong demand for steel raw materials, driven by Chinese led consumption, resulted in favourable demand environments in the iron ore and metallurgical coal markets, where the Group realised the benefit of meaningful production increases. Earnings were further supported by a resurgence of demand and prices for base metals, most notably in the copper market, where Anglo American's portfolio of world class assets delivered substantial earnings. Demand recovery in the Platinum Group Metal (PGM) and rough diamond markets, where the Group holds market leadership positions, further bolstered earnings. The Group realised the benefit of a continued focus on cost reduction, most notably through the significant restructuring initiatives in the Platinum, Metallurgical Coal and Diamond businesses, while asset optimisation initiatives across all businesses continued to improve the effectiveness and efficiency of operations, and to drive down costs.

Copper delivered an operating profit of $1,185 million, 96% higher than the first half of 2009 as a result of stronger prices, while volumes were in line with the same period in 2009.

Nickel reported an operating profit of $68 million, $79 million higher principally as a result of higher prices. Volumes remained in line despite the adverse impact on production of power restrictions on the Venezuelan operation.

Platinum generated an operating profit of $418 million, $431 million higher, driven by a 67% increase in the dollar basket price of metals sold, and the on-going benefits of restructuring.

Iron Ore and Manganese recorded an operating profit of $1,628 million, 126% higher. Kumba Iron Ore delivered a strong operating performance, increasing production to meet higher demand from its traditional markets of Europe, Japan and South Korea, with continued strong demand from China, during a period of high market prices. Kumba Iron Ore generated an operating profit of $1,470 million, 103% higher than in the same period during 2009.

Metallurgical Coal delivered an operating profit of $263 million, an 18% decrease on the first half of 2009, primarily due to the impact of lower realised prices and a strong Australian dollar. A focus on delivery of core high quality coal products resulted in increased production, despite the negative impact of the Queensland cyclone. Asset optimisation and cost reduction initiatives continued to improve operational effectiveness.

Thermal Coal's operating profit of $351 million was 10% lower, as a result of the stronger rand, and lower volumes due to challenging weather-related and geological conditions facing South African operations. Cerrejón provided a strong operating performance, despite lower prices in the Med-Atlantic market.

Diamonds recorded an attributable operating profit of $261 million, $257 million higher, reflecting improved trading conditions, with higher production in response to an improvement in demand for diamonds, as well as the ongoing benefit of cost restructuring initiatives.

Other Mining and Industrial generated an operating profit of $290 million, 23% higher, despite the sale of the Group's shareholdings in Tongaat Hulett and Hulamin in 2009. The zinc business delivered an operating profit of $150 million, 275% higher, mainly due to higher zinc and lead prices, but also through improved zinc production and tightly controlled costs. There were further strong performances from the Scaw Metals and Copebrás businesses. Catalão's operating profit decreased 45% to $28 million, primarily due to the impact of lower grades on niobium production.

Production

The first half of 2010 saw strong demand across Anglo American's core commodity markets. In response to continued robust demand from the steel sector in particular, the Group markedly increased its output of steel-making raw materials. Iron ore production from the Sishen mine in South Africa increased by 17% as the Jig plant continued to ramp up. Production of metallurgical coal in Australia increased by 25%, driven by a strong supply response from the Capcoal and Moranbah complexes.

Production of export thermal coal from South Africa decreased by 6% as a result of heavy rains and geological challenges, while Cerrejón production was in line with 2009 and Australia increased thermal coal production by 5%.

Copper production was maintained at 2009 levels. The earthquake in Chile caused a brief loss of power supply to those operations close to the epicentre, but did not materially impact operating performance. Nickel production from the Nickel Business Unit in South America was also flat, whilst nickel output from Platinum's South African mines increased by 6%. Zinc production increased by 5% compared to the first half of 2009.

Equivalent refined platinum production decreased by 4% from 2009, largely attributable to the closure of three high cost shafts at the Rustenburg operations during 2009.

The recovery in demand for diamonds continued and, accordingly, De Beers increased output by 134% compared to the first half of 2009.

Capital structure

Net debt, including related hedges, of $10,930 million was $350 million lower than at 31 December 2009, and $672 million lower than at 30 June 2009.

Cash flows from operations of $3.7 billion funded capital investment of $2.1 billion principally in the Group's core assets, including combined investment in excess of $1.0 billion in the Los Bronces, Barro Alto, Minas Rio and Kolomela near-term strategic growth projects during the first six months of the year. In February, the Group participated in the De Beers rights issue, resulting in a $0.5 billion increase in net debt. This was offset by $0.4 billion of cash inflows from non-controlling investors participating in Anglo Platinum Limited's rights issue.

Special items and remeasurements

Operating special items and remeasurements, including associates, amounted to a charge of $145 million. This principally related to a net loss on non-hedge derivatives of $100 million, restructuring costs of $59 million and accelerated depreciation in Loma de Níquel of $36 million. This was partially offset by a net realised gain on derivatives relating to capital expenditure of $69 million.

The net loss on disposals of $88 million, including associates, comprises a $86 million charge recognised on disposal of a 27% interest in Anglo Inyosi Coal (Proprietary) Limited in a black economic empowerment transaction, a loss of $81 million on the disposal of Tarmac's French and Belgian concrete products business, partially offset by a profit of $107 million on the disposal of Platinum's 37% interest in the Western Bushveld joint venture.

Financing special items, including associates, relate to costs of $13 million associated with the De Beers refinancing.

Financing remeasurements, including associates, include an unrealised net gain of $130 million on non-hedge derivatives, principally comprising an unrealised gain on an embedded interest rate derivative.

Tax remeasurements amounted to a loss of $62 million related to the foreign currency impact on deferred tax balances.

Dividends

An interim dividend of 25 US cents per share has been declared. Anglo American intends to follow a progressive dividend policy which seeks to maintain or steadily increase dividends in dollar terms over time, taking into account the earnings potential, investment needs and resultant cash flows of the Group.

Delivering value through operational performance

Anglo American continues to realise significant benefits from its global scale and new organisational structure, striving for best in class operating efficiencies across all its operations. Two specific and Group-wide initiatives, namely the asset optimisation and global procurement programmes, are well advanced and continue to deliver very significant value ahead of expectations, and are targeted to deliver $2 billion in benefits by 2011, from Anglo American's core businesses alone.

At the end of the first six months of 2010, a run rate benefit of $1 billion was achieved from the core businesses ($1.2 billion from the total Group), including one-off benefits. Of that amount, asset optimisation contributed $720 million of sustainable value ($840 million from the total Group) towards its $1 billion target. In addition, one-off benefits of $95 million were reported ($76 million from the core businesses). Global procurement contributed $205 million from the core businesses ($242 million from the total Group).

Near term growth from strategic projects

Anglo American has a clear strategy of deploying its capital in those commodities that deliver long term, through-the-cycle returns for its shareholders, and which have strong fundamentals and the most attractive risk-return profiles. Those commodities are copper, diamonds, iron ore, manganese, metallurgical coal, nickel, platinum and thermal coal.

Anglo American has developed a portfolio of world class operating assets and development projects focused on these commodities, with the benefits of scale, expansion potential and cost position. Anglo American's project management systems and processes have been further enhanced to ensure closer collaboration between the Group's technical and project teams, thereby creating improved oversight of project execution and future capital allocation.

The Group's pipeline of approved projects spans its core commodities and is expected to deliver significant organic production growth by 2013. In addition, Anglo American is progressing towards approval decisions in relation to the development of two further high quality growth projects – the 225 ktpa Quellaveco copper project in Peru and the 4.3 Mtpa Grosvenor metallurgical coal project in Australia. Submission to the Board for approval is expected for the Quellaveco project in the second half of 2010 and for the Grosvenor project in the second half of 2011.

Anglo American's four largest near term strategic growth projects are all well placed on their respective industry cost curves, have long resource lives and are set to enter production from early 2011 onwards, in what is expected to be a growing commodity demand environment.

Barro Alto

The Barro Alto nickel project in Brazil is on schedule towards first production in the first quarter of 2011, with the overall development 94% complete at 30 June. This project, which has further potential from an extensive resource base, leverages an existing operation and proven technology and is positioned in the lower half of the cost curve. Barro Alto will produce an average of 41 ktpa of nickel over the first five years of full production and 36 ktpa of nickel over the life of the mine.

Los Bronces

Anglo American's Los Bronces copper expansion project in Chile remains on schedule for commissioning in the fourth quarter of 2011, despite the impact of the Chilean earthquake in February 2010. Production at Los Bronces is scheduled to increase to 490 ktpa over the first three years of full production following project completion and average 400 ktpa over the first ten years. At peak production levels, Los Bronces is expected to be the fifth largest producing copper mine in the world, with highly attractive cash operating costs and reserves and resources that support a mine life of over 30 years, with further expansion potential. In 2009, Anglo American also announced two very significant and high quality new discoveries at Los Sulfatos and San Enrique Monolito close to its Los Bronces mine in Chile. These two new copper prospects together increase the Group's copper resources (excluding reserves) by approximately 50%.

Kolomela

Kumba Iron Ore's Kolomela project in South Africa continues to make good progress and remains on budget and on schedule to deliver initial production during the first half of 2012. Kolomela is situated 80 km to the south of Kumba's world class Sishen mine and, when full production is achieved in 2013, will produce 9 Mtpa of high quality iron ore, with further potential for expansion.

Minas Rio

At the 26.5 Mtpa Minas Rio iron ore project, progress continues to be well executed on those areas of the project where the necessary approvals have been secured. The development of the port at Açu, for example, is ahead of schedule and the installation of the pipeline from the mine site to the port is under way. However, a number of key approvals remain outstanding, principally the award of the second part of the Installation licence, which would enable the construction of the beneficiation plant to begin, the land clearance permit for a section of the pipeline and land access for certain areas around the mine site and at specific sections along the pipeline route.

It is clear that the environmental permitting processes and standards in Brazil have become increasingly rigorous and more complex in recent years. Considerable resource has been deployed to resolve these issues, in addition to ongoing constructive high level dialogue with local and federal authorities in Brazil.

Given the stage of development that the project has reached, the grant of the approvals affects the critical path of the project towards the delivery of first ore. Following a thorough review of the project, Anglo American estimates that from the date of securing the remaining initial approvals, it should take between 27 and 30 months to construct and commission the mine and plant, complete the project and deliver the first ore on ship.

Due to the inherent uncertainty around the timing of the award of key licences and permits, it is not possible at this stage to forecast an accurate final capital expenditure figure for the project. However, it is expected that there will be an increase in cost to the project relating to changes in scope and licensing conditions of $210 million. In addition, based on a range of potential outcomes and in order to give as complete a picture as possible, it is currently estimated that on the basis of initial approvals being awarded within a nine month period from June 2010, increased schedule-related costs to the project will be incurred, equivalent to a quarterly amount of approximately $180 million. As further clarity on licensing is achieved, an updated capital expenditure figure and final completion date will be published, in line with normal practice.

Divestment portfolio update

In October 2009, Anglo American announced that it would further sharpen the focus of the Group onto the most attractive commodities and, building on the programme of non-core shareholding sales completed over the last three years, the Group's portfolio of zinc assets, Scaw Metals, Copebrás and Catalão would be divested, together with Tarmac.

During the first six months of 2010, Anglo American announced a number of divestments, with expected total proceeds of $2.2 billion.

During the first quarter of 2010, Anglo American agreed the sales of Tarmac's aggregates businesses in France, Germany, Poland and the Czech Republic and its Polish, and French and Belgian concrete products businesses, with expected total proceeds of more than $400 million.

In May 2010, Anglo American announced the sale of its portfolio of zinc assets to Vedanta for $1,338 million on an attributable, debt and cash free basis. Of the total consideration, $698 million relates to the Skorpion mine, $308 million relates to the Lisheen mine and $332 million relates to Anglo American's 74% interest in Black Mountain Mining (Proprietary) Limited (which holds 100% of the Black Mountain mine and the Gamsberg project). The customary regulatory approval and competition clearance processes to complete this transaction are under way. Completion of the transaction is expected to be in stages, with separate completion dates for Skorpion, Lisheen and Black Mountain Mining (Proprietary) Limited.[1]

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[1] The agreed consideration is based on profits and cash flows for the zinc businesses being for the benefit of the purchaser from 1 January 2010, subject to completion.

In early July 2010, Anglo American announced that it had entered into an agreement with a consortium to sell its interests in five undeveloped coal assets in Australia, with expected proceeds of approximately $500 million. The transaction is subject to satisfaction of certain conditions and is expected to be completed in stages from the fourth quarter of 2010.

The preparatory work to separate the remaining businesses for divestment from the Group is under way and the divestments will be carried out in a manner and to a timetable that maximises value for Anglo American's shareholders. It is envisaged that there will be a different divestment timetable for each of the businesses.

Outlook

The near term outlook for the world economy has become more uncertain in recent months. In 2009, there was a rapid bounce in global industrial activity in response to the unprecedented policy stimulus and a turn in the inventory cycle. More recently, leading indicators have indicated less favourable conditions. Inevitably, there will be some consolidation after the initial bounce-back, as the positive effects from the stimulus and inventory cycle fade.

Anglo American remains confident about the outlook for the industry in the medium to long term, with the process of industrialisation and urbanisation in China, India, Brazil and other emerging countries continuing to drive demand for its key commodities.

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Anglo American plc is one of the world's largest mining companies, is headquartered in the UK and listed on the London and Johannesburg stock exchanges. Its portfolio of mining businesses spans precious metals and minerals – in which it is a global leader in both platinum and diamonds; base metals – copper and nickel; and bulk commodities – iron ore, metallurgical coal and thermal coal. Anglo American is committed to the highest standards of safety and responsibility across all its businesses and geographies and to making a sustainable difference in the development of the communities around its operations. The company's mining operations and extensive pipeline of growth projects are located in southern Africa, South America, Australia, North America and Asia.

Webcast of presentation:
A live webcast of the results presentation, starting at 9.00am UK time on 30 July, can be accessed through the Anglo American website at www.angloamerican.com.

Note: Throughout this results announcement, '$' denotes United States dollars and 'cents' refers to United States cents; operating profit includes attributable share of associates' operating profit and is before special items and remeasurements, unless otherwise stated; special items and remeasurements are defined in note 6 to the Condensed financial statements. Underlying earnings unless otherwise stated are calculated as set out in note 9 to the Condensed financial statements. EBITDA is operating profit before special items and remeasurements, depreciation and amortisation in subsidiaries and joint ventures and includes attributable share of EBITDA of

associates. EBITDA is reconciled to 'Total profit from operations and associates' and to 'Cash flows from operations' in note 14 to the Condensed financial statements. Tonnes are metric tons, 'Mt' denotes million tonnes and 'kt' denotes thousand tonnes unless otherwise stated.

Forward-looking statements

This announcement includes forward-looking statements. All statements other than statements of historical facts included in this announcement, including, without limitation, those regarding Anglo American's financial position, business and acquisition strategy, plans and objectives of management for future operations (including development plans and objectives relating to Anglo American's products, production forecasts and reserve and resource positions), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Anglo American, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Such forward-looking statements are based on numerous assumptions regarding Anglo American's present and future business strategies and the environment in which Anglo American will operate in the future. Important factors that could cause Anglo American's actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, levels of actual production during any period, levels of global demand and commodity market prices, mineral resource exploration and development capabilities, recovery rates and other operational capabilities, the availability of mining and processing equipment, the ability to produce and transport products profitably, the impact of foreign currency exchange rates on market prices and operating costs, the availability of sufficient credit, the effects of inflation, political uncertainty and economic conditions in relevant areas of the world, the actions of competitors, activities by governmental authorities such as changes in taxation or safety, health, environmental or other types of regulation in the countries where Anglo American operates, conflicts over land and resource ownership rights and such other risk factors identified in Anglo American's most recent Annual Report. Forward-looking statements should, therefore, be construed in light of such risk factors and undue reliance should not be placed on forward-looking statements. These forward-looking statements speak only as of the date of this announcement. Anglo American expressly disclaims any obligation or undertaking (except as required by applicable law, the City Code on Takeovers and Mergers (the "Takeover Code"), the UK Listing Rules, the Disclosure and Transparency Rules of the Financial Services Authority, the Listings Requirements of the securities exchange of the JSE Limited in South Africa, the SWX Swiss Exchange, the Botswana Stock Exchange and the Namibian Stock Exchange and any other applicable regulations) to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in Anglo American's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Nothing in this announcement should be interpreted to mean that future earnings per share of Anglo American will necessarily match or exceed its historical published earnings per share.

Certain statistical and other information about Anglo American included in this announcement is sourced from publicly available third party sources. As such it presents the views of those third parties, but may not necessarily correspond to the views held by Anglo American.

Financial review of Group results

Group operating profit was $4,361 million, with operating profit from core operations of $4,071 million, 114% higher than the first half of 2009. This improvement in operating profit was driven primarily by significant increases in realised prices of most commodities. Price increases included a 67% increase in the platinum basket, a 44% increase in realised copper, a weighted average 73% increase in realised export iron ore prices, a 93% increase in average realised nickel and a 25% increase in realised South African export thermal coal.

Copper's operating profit was 96% higher than 2009, with production maintained at 2009 levels and a 44% increase in the realised price of copper. Nickel's profits increased by $79 million driven by increased prices, while Platinum benefited from significantly higher average prices compared to the first half of 2009. Kumba Iron Ore doubled operating profit, driven by a combination of production increases at Sishen and a higher realised export price for iron ore. Samancor's profits increased due to higher production in response to growing demand. Metallurgical Coal's operating profits were lower due to the stronger Australian dollar and lower average benchmark coking coal prices in the period, and Thermal Coal's profits decreased as a result of the stronger rand, and a decline in South African production, coupled with lower prices in Colombia. De Beers performed strongly, recording an attributable $257 million increase in operating profit on the back of significantly stronger sight revenue relative to the first half of 2009.

Other Mining and Industrial's operating profit increased overall driven by increases at the zinc operations, which recorded a more than three-fold increase in operating profit, and at Scaw Metals.

Group underlying earnings were $2,212 million, a 102% increase on 2009. This includes a net finance costs charge, before remeasurements, of $130 million, which was $68 million lower than the first half of 2009. The effective tax rate, before special items and remeasurements and including attributable share of associates' tax, marginally increased in the period from 31.8% to 31.9%.

Group underlying earnings per share were $1.84 compared with $0.91 in the first half of 2009.

Reconciliation of profit for the period to Underlying earnings $ million	**6 months ended 30 June 2010**	6 months ended 30 June 2009
Profit for the financial period attributable to equity shareholders of the Company	**2,061**	2,970
Operating special items including associates	**104**	87
Operating remeasurements including associates	**41**	(544)
Net loss/(profit) on disposals including associates	**88**	(1,441)
Financing special items including associates	**13**	–
Financing remeasurements including associates:		
Exchange (gain)/loss on De Beers preference shares	**(3)**	17
Net (gain)/loss on non-hedge derivatives	**(130)**	60
Other financing remeasurements	**(21)**	–
Tax remeasurements	**62**	(309)
Tax on special items and remeasurements including associates	**(6)**	178
Non-controlling interests on special items and remeasurements including associates	**3**	78
Underlying earnings	**2,212**	1,096
Underlying earnings per share ($)	**1.84**	0.91

The Group's results are influenced by a variety of currencies owing to the geographic diversity of the Group. For the first half of 2010, there was a negative exchange variance in underlying earnings of $399 million compared to the first half of 2009. The Group results were impacted negatively by the strengthening of the South African rand, Chilean peso, Brazilian real and Australian dollar, relative to the first half of 2009.

Summary income statement $ million	6 months ended 30 June 2010	6 months ended 30 June 2009
Operating profit from subsidiaries and joint ventures before special items and remeasurements	**3,715**	1,824
Operating special items	**(93)**	(87)
Operating remeasurements	**(33)**	456
Operating profit from subsidiaries and joint ventures	**3,589**	2,193
Net (loss)/profit on disposals	**(92)**	1,442
Share of net income from associates *(see reconciliation below)*	**384**	266
Total profit from operations and associates	**3,881**	3,901
Net finance costs before remeasurements	**(130)**	(198)
Financing remeasurements	**152**	(77)
Profit before tax	**3,903**	3,626
Income tax expense	**(1,216)**	(355)
Profit for the financial period	**2,687**	3,271
Non-controlling interests	**(626)**	(301)
Profit for the financial period attributable to equity shareholders of the Company	**2,061**	2,970
Basic earnings per share ($)	**1.71**	2.47
Group operating profit including associates before special items and remeasurements[1]	**4,361**	2,136

Operating profit from associates before special items and remeasurements	**646**	312
Operating special items and remeasurements	**(19)**	88
Net profit/(loss) on disposals	**4**	(1)
Net finance (costs)/income (before special items and remeasurements)	**(56)**	23
Financing special items	**(13)**	–
Financing remeasurements	**2**	–
Income tax expense (after special items and remeasurements)	**(171)**	(137)
Non-controlling interests (after special items and remeasurements)	**(9)**	(19)
Share of net income from associates	**384**	266

[1] Operating profit before special items and remeasurements from subsidiaries and joint ventures was $3,715 million and the attributable share from associates was $646 million. For special items and remeasurements, see note 6 to the Condensed financial statements.

Towards the beginning of this document, reference has been made to core operations. Operations considered core to the Group are Copper, Nickel, Platinum, Iron Ore and Manganese (Kumba Iron Ore, Iron Ore Brazil and Samancor), Metallurgical Coal, Thermal Coal and Diamonds. The table below reconciles operating profit from core operations to total Group operating profit.

Operating profit $ million	6 months ended 30 June 2010	6 months ended 30 June 2009
Copper	**1,185**	606
Nickel	**68**	(11)
Platinum	**418**	(13)
Iron Ore and Manganese	**1,628**	720
Metallurgical Coal	**263**	321
Thermal Coal	**351**	388
Diamonds	**261**	4
Exploration	**(57)**	(70)
Corporate Activities and Unallocated costs	**(46)**	(45)
Operating profit including associates before special items and remeasurements – core operations	**4,071**	1,900
Other Mining and Industrial	**290**	236
Operating profit including associates before special items and remeasurements	**4,361**	2,136
Underlying earnings – core operations[1]	**1,994**	927

[1] See note 4 to the Condensed financial statements

Special items and remeasurements

$ million	6 months ended 30 June 2010			6 months ended 30 June 2009		
	Excluding associates	**Associates**	**Total**	Excluding associates	Associates	Total
Operating special items	**(93)**	**(11)**	**(104)**	(87)	–	(87)
Operating remeasurements	**(33)**	**(8)**	**(41)**	456	88	544
Operating special items and remeasurements	**(126)**	**(19)**	**(145)**	369	88	457

Operating special items and remeasurements, including associates, amounted to a charge of $145 million. Operating special items include restructuring costs in Other Mining and Industrial of $44 million and $15 million within Platinum, as well as accelerated depreciation of $36 million at Loma de Níquel.

Operating remeasurements, including associates, of $41 million principally related to a net loss of $100 million on non-hedge derivatives, partially offset by a net realised gain of $69 million on derivatives relating to capital expenditure. The net loss on non-hedge derivatives includes a net unrealised loss on derivatives relating to capital expenditure at Iron Ore Brazil (Iron Ore and Manganese segment) and Los Bronces (Copper segment). The net gain of $69 million was realised in the period principally in respect of the Iron Ore Brazil and Los Bronces capital expenditure derivative portfolios.

The net loss on disposals of $88 million, including associates, comprises a $86 million charge recognised on disposal of a 27% interest in Anglo Inyosi Coal (Proprietary) Limited (Thermal Coal segment) in a black economic empowerment transaction, a loss of $81 million on the disposal of Tarmac's French and Belgian concrete products business (Other Mining and Industrial segment), partially offset by a profit of $107 million on the disposal of the 37% interest in the Western Bushveld joint venture (Platinum segment).

A loss on financing special items of $13 million, including associates, relates to costs associated with the De Beers refinancing.

Financing remeasurements, including associates, totalled a net gain of $154 million. This amount includes a net gain of $130 million on non-hedge derivatives, principally comprising an unrealised gain on an embedded interest rate derivative.

Tax remeasurements amounted to a loss of $62 million related to the foreign currency impact on deferred tax balances.

Net finance costs

Net finance costs, before remeasurements, excluding associates, decreased to $130 million (six months ended 30 June 2009: $198 million). This was primarily due to reduced interest expense on borrowings, partially offset by lower interest capitalised.

Tax

$ million (unless otherwise stated)	**6 months ended 30 June 2010** Before special items and remeasurements	Associates' tax and non-controlling interests	Including associates	6 months ended 30 June 2009 Before special items and remeasurements	Associates' tax and non-controlling interests	Including associates
Profit before tax	**3,991**	**184**	**4,175**	1,819	142	1,961
Tax	**(1,159)**	**(172)**	**(1,331)**	(493)	(130)	(623)
Profit for the financial period	**2,832**	**12**	**2,844**	1,326	12	1,338
Effective tax rate including associates (%)			**31.9**			31.8

IAS 1 (Revised) *Presentation of Financial Statements* requires income from associates to be presented net of tax on the face of the income statement. Associates' tax is therefore not included within the Group's income tax expense. Associates' tax included within 'Share of net income from associates' for the six months ended 30 June 2010 was $171 million (six months ended 30 June 2009: $137 million; year ended 31 December 2009: $286 million). Excluding special items and remeasurements, this becomes $172 million (six months ended 30 June 2009: $130 million; year ended 31 December 2009: $235 million).

The effective rate of tax before special items and remeasurements including attributable share of associates' tax for the six months ended 30 June 2010 was 31.9%. This was in line with the equivalent effective rate of 31.8% in the six months ended 30 June 2009. In future periods it is expected that the effective tax rate, including associates' tax, will remain above the United Kingdom statutory tax rate.

Balance sheet

Equity attributable to equity shareholders of the Company was $27,362 million at 30 June 2010, increased from $26,121 million at 31 December 2009, reflecting increased profitability in the underlying businesses. Investments in associates were $715 million higher than at 31 December 2009 principally as a result of the Group's $450 million contribution towards De Beers' $1 billion rights issue in March 2010, and a significant improvement in earnings at both De Beers and Samancor. Tangible assets decreased by $495 million compared to 31 December 2009, due to the significant progress made in the Group's divestment programme during the half year. Assets classified as held for sale, net of associated liabilities, were $804 million at 30 June 2010 compared to $429 million at 31 December 2009 principally due to the classification of zinc assets as held for sale in the period. The $547 million increase in inventories and current receivables combined was driven by the impact of higher commodity prices and a weaker dollar during the first half of 2010.

Cash flow

Net cash inflows from operating activities were $2,686 million compared with $1,520 million in the six months ended 30 June 2009. EBITDA was $5,414 million, an increase of 81% from $2,985 million in the six months ended 30 June 2009.

Net cash used in investing activities was $2,397 million compared to $554 million in the six months ended 30 June 2009. In the first half of 2009, proceeds from sale of financial asset investments were $1,988 million (six months ended 30 June 2010: $4 million), principally from the sale of the Group's residual interest in AngloGold Ashanti. During the six months ended 30 June 2010 $504 million was paid with respect to investment in associates which mainly relates to the Group's share of the De Beers rights issue. This is partially offset by cash inflows from derivatives of $77 million compared to outflows of $172 million in the equivalent period in 2009 and $160 million proceeds from disposals (six months ended 30 June 2009: $1 million). Proceeds in the current period are from disposals in the Platinum and Other Mining and Industrial segments.

Purchases of tangible assets amounted to $2,065 million, a decrease of $75 million, with major spend on the Group's strategic projects in development.

Net cash used in financing activities was $616 million compared to $1,252 million in the six months ended 30 June 2009. During the period the Group repaid $634 million of short term borrowings compared to $4,150

million in the prior period and the Group received $355 million proceeds from non-controlling interests for Anglo Platinum Limited's rights issue. In the first half of 2009, $3,677 million net proceeds were received on issue of convertible and US bonds.

Liquidity and funding

Net debt, including related hedges, was $10,930 million, a decrease of $350 million from $11,280 million at 31 December 2009. The decrease in net debt, excluding the impact of exchange rates, reflects strong operating cash flows, partially offset by the Group's subscription to the De Beers rights issue, capital expenditures and movement in financing activities as detailed in the cash flow.

Net debt at 30 June 2010 comprised $13,197 million of debt, partly offset by $2,956 million of cash and cash equivalents (net of bank overdrafts), $6 million current financial asset investments, and the current position of derivative liabilities related to net debt of $695 million. Refer to note 12c of the Condensed financial statements. Net debt to total capital[1] at 30 June 2010 was 26.6%, compared with 28.7% at 31 December 2009.

At 30 June 2010, Anglo American had undrawn bank facilities of $9.5 billion. In addition, the Group has a dedicated, committed financing facility for Minas Rio of $1.3 billion, subject to certain disbursement conditions and the granting of the remaining Installation Licence.

In the six months ended 30 June 2010 the Group raised $100 million through the issuance of a floating rate note, due April 2012, under the Euro Medium Term Note programme, Rand 1 billion ($131 million) through the issuance of a bond, due in May 2015, under the South African Domestic Medium Term Note programme (DMTN) and Rand 392 million ($51 million) from the issuance of commercial paper under the DMTN programme.

In July 2010 the Group replaced a $2.5 billion facility maturing in March 2012 with a $3.5 billion facility maturing in July 2015.

The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, indicate the Group's ability to operate within the level of its current facilities for the foreseeable future.

[1] Net debt to total capital is calculated as net debt divided by total capital. Total capital is net assets excluding net debt.

Group corporate cost allocation

As a result of the Group's restructuring announced in October 2009 certain activities previously performed within the divisions are now undertaken at the corporate centre, certain are undertaken in the new business units and the remainder are no longer performed. Consequently those corporate costs which are considered to be value-adding to the business units are allocated to each business unit and costs reported externally as Group corporate costs only comprise costs associated with parental or direct shareholder related activities. The Group corporate costs, as included within the notes to the accounts, can be reconciled to the historical basis of presentation as shown in the table below.

Group corporate costs **$ million**	**6 months ended 30 June 2010**	6 months ended 30 June 2009
Corporate costs as previously reported	**–**	105
Costs previously reported within divisional results	**–**	41
Corporate costs as reported under new structure before costs allocation	**154**	146
Corporate costs allocated to business units	**(108)**	(101)
Corporate costs as reported under new structure after costs allocation	**46**	45

Dividends

An interim dividend of 25 US cents per share has been declared. Anglo American intends to follow a progressive dividend policy which seeks to maintain or steadily increase dividends in dollar terms over time, taking into account the earnings potential, investment needs and resultant cash flows of the Group.

Related party transactions

Related party transactions are disclosed in note 19 to the Condensed financial statements.

Principal risks and uncertainties

Anglo American is exposed to a variety of risks and uncertainties which may have a financial, operational or reputational impact on the Group and which may also impact the achievement of social, economic and environmental objectives.

The principal risks and uncertainties facing the Group at the year end were set out in detail in the Operating and financial review section of the Annual Report 2009, and remain appropriate in 2010. Key headline risks relate to the following:

- Commodity prices
- Liquidity and counterparty risk
- Currency risk
- Inflation
- Health and safety
- Environment
- Political, legal and regulatory
- Supplier risk
- Reserves and resources
- Exploration
- Natural events and damage to assets by fire or machinery breakdown
- Employees
- Contractors
- Business integrity
- Operational performance and project delivery
- Acquisitions
- Infrastructure
- Community relations
- Joint venture relationships
- Critical accounting judgements and key sources of estimation and uncertainty

The Group is exposed to changes in the economic environment, as with any other business.

Details of any key risks and uncertainties specific to the period are covered in the Operations review section.

The Annual Report 2009 is available on the Group's website www.angloamerican.com.

Operations review for the six months ended 30 June 2010

In the operations review on the following pages, operating profit includes the attributable share of associates' operating profit and is before special items and remeasurements unless otherwise stated. Capital expenditure relates to cash expenditure on tangible assets. Due to the portfolio and management structure changes announced in October 2009, the segments have changed from those reported at 30 June 2009. Comparatives have been reclassified to align with current presentation.

COPPER

$ million (unless otherwise stated)	**6 months ended 30 June 2010**	6 months ended 30 June 2009
Operating profit	**1,185**	606
EBITDA	**1,312**	715
Net operating assets	**5,152**	4,185
Capital expenditure	**615**	561
Share of Group operating profit	**27%**	28%
Share of Group net operating assets	**13%**	11%

Copper generated an operating profit of $1,185 million, an increase of 96% compared to the same period in 2009, underpinned by higher prices and sales, and the benefit of increased molybdenum by-product revenues. Unit costs increased only marginally despite a 10% strengthening of the Chilean peso.

Markets

	6 months ended 30 June 2010	6 months ended 30 June 2009
Average market prices (c/lb)	**323**	184
Average realised prices (c/lb)	**308**	214

Copper prices rose strongly for much of the first six months of the year, reflecting improving global economic conditions. However, despite this, there was high price volatility in the period as risk aversion increased in the market, most notably in February and then again in late May and into June. This followed specific concerns over sovereign debt (especially in Europe), the tightening of Chinese policy to rein in the property sector and the softening of certain leading economic indicators. The copper price at the end of June 2010 was 295 c/lb, while the LME cash price averaged 323 c/lb over the first half, a 76% increase compared to the first half of 2009.

The decline in price towards the end of the period and the resulting adjustments to provisional pricing, meant that the average realised price of 308 c/lb was 5% lower than the LME average price. This is in contrast to the prior period, when rising prices throughout the period had a positive impact on provisional pricing, delivering an average realised price of 214 c/lb, being 16% higher than the LME average price during that period.

Operating performance

	6 months ended 30 June 2010	6 months ended 30 June 2009
Attributable copper production (tonnes)	**315,500**	315,900

Total copper production of 315,500 tonnes was in line with production for the same period in the prior year. The earthquake in Chile in February caused brief loss or reduction of power supply to those operations closest to the epicentre – Los Bronces, El Soldado and Chagres – but did not materially impact operating performance.

At Collahuasi, attributable production increased by 8% to 117,400 tonnes, mainly as a result of higher grades, recovery and throughput, aided by improved concentrator plant performance. Collahuasi's higher production level was achieved in spite of industrial action by contract workers which led to the operation being shut down for a number of days and a consequent loss of 5,000 tonnes of attributable production.

Los Bronces delivered marginally higher production of 111,200 tonnes due to higher grades and recoveries. Production at El Soldado and Mantoverde was marginally lower, at 20,200 tonnes and 29,700 tonnes respectively, while Mantos Blancos production was 17% lower at 37,000 tonnes following a conveyor belt failure.

While a stronger Chilean peso and higher fuel and power costs impacted unit operating costs, their effect was offset by higher by-product revenues, lower prices achieved on key consumables, such as sulphuric acid, and the ongoing benefits being delivered by the asset optimisation and Group procurement programmes. The improved agility and reach of the supply chain function facilitated securing alternative sources of key consumables such as grinding media, which were in short supply immediately following the Chilean earthquake in February.

Projects

Construction of the $2.5 billion Los Bronces expansion project remains on schedule for commissioning in the fourth quarter of 2011 despite the impact from the Chilean earthquake. Production at Los Bronces is scheduled to increase to 490 ktpa over the first three years of full production following project completion and to average 400 ktpa over the first ten years. At peak production levels, Los Bronces is expected to be the fifth largest producing copper mine in the world, with highly attractive cash operating costs and reserves and resources that support a mine life of over 30 years, with further expansion potential.

At Collahuasi, an expansion project to increase sulphide processing capacity to 150,000 tonnes per day by early 2011 continues. Collahuasi has announced the increase of its copper reserves and resources (combined) by 40%, or by more than 2 billion tonnes, to 7.094 billion tonnes at 0.82% copper. A concept study to evaluate the next phases of expansion at Collahuasi, to ultimately increase production to at least 1 Mt of copper per annum, is expected to be completed in the first quarter of 2011.

At Mantos Blancos, studies to evaluate an extension to the life of the operation continue.

In Peru, good progress was made towards completing the feasibility study for the Quellaveco project prior to expected submission of the project for Board approval in the second half of 2010. The Engineering Procurement and Construction Management contract negotiation is in progress, as well as preparations for works to commence, to ensure that the scheduled project completion date of the second half of 2014 is maintained.

Early stage work continues at the Michiquillay project, also in Peru. Drilling relating to the geological exploration programme remains on hold pending resolution of certain social agreement issues under discussion with the local communities.

Activity at the Pebble project in Alaska has continued in 2010, with the focus on engineering work to advance towards a pre-feasibility study, further environmental study work towards completion of an environmental baseline document, and additional geological exploration drilling.

Outlook

Lower ore grades forecast for the second half of the year are expected to lead to lower full year production levels compared to 2009, despite targeted improvements in plant throughput. Copper production levels are then expected to see a step increase in late 2011 following the commissioning of the Los Bronces expansion project.

Ongoing market uncertainty from concerns over the global economic recovery and sovereign debt issues in a number of countries may lead to continued price volatility in the short term. However, the medium to long term fundamentals for copper remain strong.

NICKEL

$ million (unless otherwise stated)	**6 months ended 30 June 2010**	6 months ended 30 June 2009
Operating profit/(loss)	**68**	(11)
EBITDA	**81**	2
Net operating assets	**1,988**	1,671
Capital expenditure	**223**	251
Share of Group operating profit	**2%**	(1)%
Share of Group net operating assets	**5%**	4%

Nickel generated operating profit of $68 million, compared to a loss of $11 million in 2009. This increase was driven largely by a higher nickel price in the first half of 2010.

Markets

	6 months ended 30 June 2010	6 months ended 30 June 2009
Average market prices (c/lb)	**962**	531
Average realised prices (c/lb)	**969**	502

The average nickel price was 81% higher than the same period in 2009. However, nickel prices fell sharply towards the end of the second quarter of 2010 to a low of 814 c/lb during June, after reaching a peak of more than 1,250 c/lb in April, amid European sovereign risk concerns.

Global nickel supply remained constrained during the first half of the year due to strike action and delays to new supply projects experienced by a number of nickel producers.

LME nickel stocks decreased by 23% from a high of 166,000 tonnes at the end of January to approximately 129,000 tonnes in June, indicative of the underlying physical demand for nickel. This was one of the key, visible fundamental indicators that helped to support the nickel price rally during March and April, as well as stainless steel restocking.

Operating performance

	6 months ended 30 June 2010	6 months ended 30 June 2009
Attributable nickel production (tonnes)	**10,100**	10,100

Nickel production of 10,100 tonnes was in line with 2009 owing to marginally higher production at Codemin, partly offset by marginally lower production at Loma de Níquel.

Loma de Níquel produced 5,500 tonnes of nickel, a decrease of 2%. The EF2 furnace, which was shut down in May 2009 due to a metal run out, restarted operations in the first quarter after the rebuild was completed. However, production was impacted by electricity rationing imposed by the Venezuelan government as a result of significant shortfalls in power generation. The operation is pursuing a staged mitigation process, initially with the hiring of on site generators, with a further phase planned if severe rationing persists.

Due to uncertainty over the renewal of three mining concessions, which have not been cancelled but which will expire in 2012, and over the renewal of 13 concessions that were cancelled in 2008, an accelerated depreciation charge of $36 million has been recorded in the current year against Loma de Níquel mining properties. This has been recognised as an operating special item. Refer to note 6 to the Condensed financial statements.

Production at Codemin increased by 2% to 4,600 tonnes. Production in the first half of 2009 was impacted by maintenance stoppages at a reduction furnace.

Projects

The world class Barro Alto ferronickel project in Brazil was 94% complete at the end of the first half of 2010 and is on schedule for first production in the first quarter of 2011, and full production in the second half of 2012. The Barro Alto project will produce an average 36 ktpa of nickel at full production, and 41 ktpa during the first five years.

A conceptual study began on the unapproved Jacaré project during the first half of 2010 and a pre-feasibility study of the unapproved Morro Sem Boné project will begin in the second half of 2010. These two projects have the potential to significantly further strengthen Anglo American's position in the nickel market, with the potential to add at least 66 ktpa to nickel production.

Outlook

Production of nickel is expected to be higher in the second half of the year, reflecting an increase at Loma de Níquel due to the use of on site power generators, partially offset by a decrease in production at Codemin due to the shutdown of an electric furnace for planned maintenance.

For the full year, forecast global refined nickel primary consumption is estimated to be 10% higher than in 2009, mostly because of improved stainless steel melt rates put in place at the mills since the beginning of the year. While there are short term concerns about the sustainability of current stainless steel demand strength, nickel's fundamentals remain attractive.

PLATINUM

$ million (unless otherwise stated)	**6 months ended 30 June 2010**	6 months ended 30 June 2009
Operating profit/(loss)	**418**	(13)
EBITDA	**785**	263
Net operating assets	**12,169**	11,658
Capital expenditure	**431**	579
Share of Group operating profit	**10%**	(1)%
Share of Group net operating assets	**31%**	30%

Platinum recorded an operating profit of $418 million, compared to an operating loss of $13 million in the comparative period in 2009. The increase in operating profit is attributable to significantly higher metal prices, offset by lower sales volumes and a stronger rand / dollar exchange rate.

Markets

The achieved dollar price for platinum, averaging $1,593 per ounce for the period, was $508 per ounce higher than the $1,085 per ounce achieved in 2009. The average prices achieved for palladium and rhodium sales for the half year were $462 and $2,600 per ounce respectively. The average price achieved on nickel sales in the first six months of 2010 was $9.52 per pound. The overall basket price achieved was 67% higher at $2,540 per platinum ounce sold.

The platinum market is expected to remain in balance in 2010 due to continued strength from the autocatalyst and industrial segments. Interest in applications for the PGMs remains buoyant as global pressures on environmental issues, energy security and diversification retain political and consumer interest.

Autocatalysts

Auto production consensus forecasts suggest a return to 2008 levels during 2010. During the first half of the year, recovery in diesel auto production in European markets supported platinum demand which was also supported by high growth rates in the Chinese and other international markets. The market has seen a shift towards smaller vehicles across most regions but this is more than offset by the implementation of tighter legislation. Vehicle inventory levels remain lower than historic averages due to higher than predicted sales volumes. This continues to offer upside potential for PGM demand as rebuilding continues. Sales volumes across all other major markets have been significantly higher in the period compared with 2009 levels. This trend is expected to be dampened somewhat in the second half of 2010 as scrappage schemes are phased out and economic uncertainty keeps consumers from making expensive purchases, but growth is expected when compared with the second half of 2009.

Jewellery

Jewellery purchases in China declined in the first half of 2010, compared with the first half of 2009, as inventory levels in the supply chain were at an adequate level following the rebuilding in 2009. The sudden decrease in the platinum price in the second quarter of 2010 saw significant increases in purchases in most markets, as jewellers took advantage of the price opportunity. The increased demand was most notable in the unsaturated Chinese market. Mature markets continue to see growth as economic conditions have improved.

Industrial

Demand for platinum in the industrial sector has recovered during the first half, with capacity utilisation rates in the chemical and petroleum sectors having improved and all major indices seeing significant recovery. Demand for consumer goods has shown a strong rebound in the period as improvements in economic conditions led to greater demand for televisions and electronic goods. Continued focus on cleaner and more sustainable technologies has seen more demand for fuel cell technologies across portable, niche transport and stationery segments.

Investment
The launch of the US-based ETFs supported firm investment demand in the first quarter of 2010 with over 200,000 ounces of additional demand. Despite the recent price correction, ETF holdings for both platinum and palladium held up well.

Operating performance

Equivalent refined platinum production (equivalent ounces are mined ounces expressed as refined ounces) from the mines managed by Platinum and its joint venture partners for the first half of 2010 was 1.196 million ounces, a decrease of 4% when compared to the first half of 2009.

The 73,100 ounce reduction in equivalent refined platinum ounces from Platinum's wholly owned mines (including Union Mine) was primarily due to:

- A 58,000 ounce decrease as a result of placing three Rustenburg shafts onto care and maintenance in 2009; and
- A 15,000 ounce decrease due to:
    - the simultaneous intersection of five major potholes at Khomanani Mine during the first quarter of 2010;
    - geological conditions at Union Mine's Richard shaft and the implementation of a new shift cycle, cleaning method and changeover to owner maintenance of equipment at Union Mine's decline section;
    - shaft and haulage failures and safety stoppages at Tumela Mine; and
    - a reduction in mining and stockpile grades at Mogalakwena as mining moves from the Zwartfontein to the North pit.

These events were partly offset by higher output from Bathopele and Thembelani mines, and the joint venture mines BRPM, Mototolo, Kroondal and Marikana and Bokoni associate.

Planned furnace maintenance at the Polokwane and Waterval smelters was carried out during the first quarter of 2010. The Polokwane smelter furnace was rebuilt and the hearth extended, resulting in a shutdown from late December 2009, until first tap in early April. The rebuild was completed within budget and on schedule. Repairs at Waterval smelter were carried out between February and May, with first slag tapped in late June.

Both smelters resumed normal operations in the second quarter. Higher than normal refined metal stocks at the start of the period provided the flexibility to carry out the furnace maintenance.

Refined platinum production at 1 million ounces for the first half of 2010 represents a decrease of 5% when compared to the same period in 2009. The target of 2.5 million ounces of refined platinum production for the full year remains in place.

The cash operating costs per equivalent refined platinum ounce increased by 6.7% but decreased 2.1% compared with cash operating costs in the second half of 2009.

Projects

As announced in 2009, the following projects have been delayed as a result of the global economic downturn: the Amandelbult Number 4 Shaft, the Twickenham Platinum Mine, the Number 2 Slag Cleaning Furnace, the Base Metals Refinery project and the Styldrift Merensky Phase 1 project.

The first phase of the $80 million MC Plant capacity expansion, which will increase the current MC Plant capacity from 64 ktpa Waterval Converter Matte to 75 ktpa, was commissioned during the period and the Unki mine in Zimbabwe is on track to be commissioned in the third quarter of this year. Both the $224 million Dishaba East Upper UG2 project and the $316 million Thembelani 2 shaft replacement project are on track to complete on time and within budget.

Outlook

For the remainder of 2010, the platinum price is expected to average at least $1,500 per ounce if the economic recovery continues, and at that price level, Platinum expects to refine and sell a total of 2.5 million ounces of platinum in 2010 – thereby expecting a stronger second half to the year.

Costs will continue to be managed as a priority by further improving productivity, increasing efficiency and managing supply chain and procurement costs. The cost improvements achieved to date are expected to be sustained and Platinum aims to maintain the unit cash costs per equivalent refined platinum ounce for the year at around the same level as in 2008 and 2009, at just above R11,000 per equivalent refined platinum ounce. Productivity, measured as square metres per total operating employee per month, is expected to increase to an average of 7.0m^2 for 2010 and an average of 7.3m^2 for 2011.

Platinum's strategy, based on its current view that the market is adequately supplied, is expected to improve its cost position from the upper half to the lower half of the cost curve. Platinum is in the process of improving the reliability of its production capacity and entrenching cost management as a long term and sustainable culture. This will ensure that Platinum is well positioned to extract full value from its assets as the market recovery continues.

IRON ORE AND MANGANESE

$ million (unless otherwise stated)	**6 months ended 30 June 2010**	6 months ended 30 June 2009
Operating profit	**1,628**	720
Kumba Iron Ore	**1,470**	723
Iron Ore Brazil	**(51)**	(82)
Samancor	**209**	79
EBITDA	**1,711**	753
Net operating assets	**10,679**	11,048
Capital expenditure	**525**	412
Share of Group operating profit	**37%**	34%
Share of Group net operating assets	**27%**	29%

Operating profit before special items and remeasurements increased by 126% from $720 million to $1,628 million, principally as a result of increased export sales volumes, and the year-on-year weighted average price increase of 73% in export iron ore prices. This was partially offset by a decrease in profit from shipping operations, and the strengthening of the rand.

Markets

The increased demand for iron ore during 2010 is underpinned by higher world crude steel production, which is estimated to increase to 1.37 billion tonnes in 2010, a 4.6% increase. China's crude steel production during the first five months of 2010 increased by 21%, whilst iron ore imports into China over the same period increased by 4.1%. This relatively lower increase in iron ore imports was mainly due to the re-opening of many domestic iron ore mines in China, driven by higher iron ore spot prices, higher freight rates and an increasing demand for iron ore in the traditional markets of Europe, Japan and South Korea, which further reduced the seaborne iron ore available to China.

Having assessed industry developments, Kumba Iron Ore has moved to implement quarterly pricing for its long term contracts. The majority of export sales volumes are currently committed to long term contracts and the remainder is sold at index prices, mainly to annual customers and as additional volume to long term customers in China. Quarterly benchmark prices for the April-June quarter have been negotiated on the basis of average index prices in the period December 2009 to February 2010, and have increased on average by 100% compared to 2009/10 iron ore year benchmark prices. However, a pricing mechanism for future quarters is still under negotiation with customers and changing market conditions have led to significant uncertainty in iron ore prices in the short term.

Operating performance

Kumba Iron Ore
Kumba Iron Ore delivered a strong financial and operating performance, achieved by a 10% increase in total sales volumes and an average increase in contract iron ore export prices of 100% for the second quarter relative to contract prices during the first quarter of 2010. Operating profit before special items and remeasurements increased by 103% to $1,470 million.

Mining activity increased at Kumba Iron Ore's Sishen Mine with a 23% increase in waste mined to mitigate for decreasing geological qualities in the pit and to cater for increased production. Total production at Sishen Mine increased by 17% from 18.0 Mt to 21.1 Mt. Production from the Dense Media Separation (DMS) plant increased by 1.0 Mt or 8%. The Jig plant's production increased by 7% from the 6.0 Mt achieved in the second half of 2009 to 6.4 Mt, and now contributes 30% of Sishen's Mine production.

Kumba Iron Ore increased total sales volumes by 10% from 20.0 Mt to 21.9 Mt. Export sales volumes from Sishen Mine for the period increased by 1.7 Mt or 10% from 17.1 Mt to 18.8 Mt. During the first half of 2010, Kumba Iron Ore sold 5.2 Mt (or 28% of export sales volumes) at index prices, taking advantage of higher prices during this period. Aggregate domestic sales volumes of 3.1 Mt increased by 0.2 Mt.

Iron Ore Brazil
Iron Ore Brazil made an operating loss of $51 million in the first half of 2010, the first financial year that Amapá is considered to be operating commercially. Amapá produced 1.85 Mt, 57% ahead of production in the same period last year. The operation benefited from strong first half iron ore prices and the sale of lower grade sinter feed stockpiles, partly offset by changes in the expected production mix owing to issues experienced with the ore quality, which resulted in a lower proportion of pellet feed production.

The operational issues experienced in the early part of the year at Amapá have been resolved and therefore production volumes in the second half are expected to be higher than those of the first half; however, the change in product mix referred to above will continue to impact the price that can be obtained in the market.

Samancor
Samancor achieved an operating profit of $209 million, a 165% increase, mainly due to a deliberate reduction of output in 2009 due to prevailing economic conditions. Samancor is now operating at near full capacity. Demand from the steel industry for manganese alloy is expected to grow over the next 18 months and to place upward pressure on prices.

Projects

The development of Kumba Iron Ore's 9 Mtpa Kolomela Mine continues and overall project progress remains on budget and on schedule to deliver initial production during the first half of 2012. To date, 8.2 Mt of waste material has been moved and significant key deliverables and major construction elements are well advanced. $579 million of capital expenditure has been incurred to date, of which $153 million was incurred during the first half of 2010.

At the 26.5 Mtpa Minas Rio iron ore project, progress continues to be well executed on those areas of the project where the necessary approvals have been secured. The development of the port at Açu, for example, is ahead of schedule and the installation of the pipeline from the mine site to the port is under way. However, a number of key approvals remain outstanding, principally the award of the second part of the Installation licence, which would enable the construction of the beneficiation plant to begin, the land clearance permit for a section of the pipeline and land access for certain areas around the mine site and at specific sections along the pipeline route.

It is clear that the environmental permitting processes and standards in Brazil have become increasingly rigorous and more complex in recent years. Considerable resource has been deployed to resolve these issues, in addition to ongoing constructive high level dialogue with local and federal authorities in Brazil.

Given the stage of development that the project has reached, the grant of the approvals affects the critical path of the project towards the delivery of first ore. Following a thorough review of the project, Anglo American estimates that from the date of securing the remaining initial approvals, it should take between 27 and 30 months to construct and commission the mine and plant, complete the project and deliver the first ore on ship.

Due to the inherent uncertainty around the timing of the award of key licences and permits, it is not possible at this stage to forecast an accurate final capital expenditure figure for the project. However, it is expected that there will be an increase in cost to the project relating to changes in scope and licensing conditions of $210 million. In addition, based on a range of potential outcomes and in order to give as complete a picture as possible, it is currently estimated that on the basis of initial approvals being awarded within a nine month period from June 2010, increased schedule-related costs to the project will be incurred, equivalent to a quarterly amount of approximately $180 million. As further clarity on licensing is achieved, an updated capital expenditure figure and final completion date will be published, in line with normal practice.

Outlook

Waste mining at all the operational sites is anticipated to increase, which is expected to put upward pressure on unit cash costs of production. Kumba remains committed to a 5% increase in annual production volumes during 2010, with the continued ramp-up of the Jig plant.

Due to the large gap between current index prices which are lower than the implied July-September 2010 quarterly benchmark prices, uncertainty exists around future export iron ore pricing mechanisms and price levels for iron ore. In an operating environment where steel production rates are being reduced, it is uncertain whether increased iron ore prices under the quarterly pricing mechanism can be passed on to customers. Chinese steel production and iron ore imports in the second half of 2010 are expected to be marginally below levels achieved during the first half as Chinese steel mills prioritise cost over productivity and therefore focus on the use of domestic iron ore. The momentum of the recovery of Kumba Iron Ore's traditional markets is slowing. Export sales volumes into China are expected to normalise at around 60% of the geographical sales mix.

Kumba Iron Ore's Sishen Iron Ore Company (SIOC) and ArcelorMittal reached an interim pricing agreement on 21 July 2010 in respect of the supply of iron ore to ArcelorMittal from Sishen Mine. The duration of the interim agreement will be retrospective to 1 March 2010, and will endure until 31 July 2011. ArcelorMittal will pay to SIOC a fixed price of $50 per ton of iron ore deliverable to ArcelorMittal's Saldanha Steel plant, and $70 per ton of iron ore deliverable to ArcelorMittal's inland plants, which price is calculated on a free on rail ex-Sishen Mine gate basis. The Group has recognised revenue at cost plus 3% in preparing the financial results for the period ended 30 June 2010. Upon completion of documentation, revenue will be recognised under the interim pricing arrangement for ore supplied since 1 March 2010. For the period ended 30 June 2010, the difference between revenue recognised and amounts outstanding under the interim arrangement amounted to $53 million.

Events occurring after 30 June 2010

On 27 July 2010, Anglo American increased its shareholding in Kumba Iron Ore Limited by 2.8% through the exercise of options purchased in 2008 for $301 million, thereby increasing its shareholding from 62.5% to 65.3%.

METALLURGICAL COAL

$ million (unless otherwise stated)	**6 months ended 30 June 2010**	6 months ended 30 June 2009
Operating profit	**263**	321
EBITDA	**416**	422
Net operating assets	**3,172**	3,096
Capital expenditure	**21**	47
Share of Group operating profit	**6%**	15%
Share of Group net operating assets	**8%**	8%

Metallurgical Coal delivered an operating profit of $263 million, an 18% decrease on the first half of 2009, primarily due to the impact of lower realised prices and a strong Australian dollar. A focus on delivery of core high quality coal products resulted in increased production, despite the negative impact of the Queensland cyclone. Asset optimisation and cost reduction initiatives continued to improve operational effectiveness.

Markets

Anglo American weighted average achieved FOB sales prices ($/tonne)	**6 months ended 30 June 2010**	6 months ended 30 June 2009
Australian export metallurgical coal	**148**	161
Australian export thermal coal	**83**	78
Australian domestic thermal coal	**29**	25

Attributable sales volumes ('000 tonnes)	**6 months ended 30 June 2010**	6 months ended 30 June 2009
Australian export metallurgical coal	**7,345**	5,138
Australian export thermal coal	**3,182**	3,099
Australian domestic thermal coal	**4,267**	4,149

An improved global steel outlook, supply constraints due to infrastructure and weather disruptions in Queensland drove a strong metallurgical coal market in the first six months of 2010. World steel production recovered to pre-global financial crisis levels due to higher blast furnace utilisation rates, increased production in China and restocking. The metallurgical coal market was underpinned by continued high levels of metallurgical coal imports by Chinese mills and sustained high demand from India. Metallurgical coal suppliers appear to have responded strongly to the increased demand and new trade flows emerged, such as significant tonnages of US coal being delivered into China.

Cyclone Ului severely disrupted production and seaborne coal exports in the first quarter and spot prices peaked due to concerns over Australian coal supply. Despite the above challenges, Metallurgical Coal increased its high margin metallurgical coal sales by 43% to 7.3 million tonnes through asset optimisation initiatives and coal logistics chain management.

Operating performance

Attributable production ('000 tonnes)	**6 months ended 30 June 2010**	6 months ended 30 June 2009
Export metallurgical coal	**7,080**	5,669
Thermal coal	**7,320**	6,950

Metallurgical Coal delivered record half year saleable production across all coal products and record half year sales for export metallurgical coal. Production of metallurgical coal of 7.1 million tonnes was 25% higher than the prior year in response to stronger demand and the benefits of asset optimisation plans. Thermal coal production of 7.3 million tonnes was 5% higher than the prior year. Successful stock management and asset rotation were key to ensuring that production targets were achieved following the weather disruption.

Australian dollar FOB unit costs reduced by 7% compared to the first half of 2009, but increased by 16% in US dollar terms over the same period as a result of the stronger Australian dollar.

Having assessed the market transition to shorter term pricing, a number of commercial agreements have been agreed. The majority of Metallurgical Coal's sales for 2010 are priced quarterly, though there is some volume with favourable longer term pricing arrangements.

Projects

At the greenfield projects of Grosvenor, Moranbah South, Dartbrook and Drayton South, studies continue in order to meet expectations of growing demand for both metallurgical and thermal coal. It is expected that a Board approval decision in relation to the development of the 4.3 Mtpa Grosvenor metallurgical coal project in Australia will be taken in late 2011.

Outlook

Production volumes are forecast to increase in the second half of the year as asset optimisation programmes ramp up.

The global outlook for hard coking coal remains firm, in particular with 2010 steel output growth of approximately 10% in China and India. Price increases were secured for the third quarter of 2010 under fixed volume agreements, while operational improvements are under way in coal logistics chain management to deliver additional sales in the second half of the year.

THERMAL COAL

$ million (unless otherwise stated)	6 months ended 30 June 2010	6 months ended 30 June 2009
Operating profit	**351**	388
South Africa	**220**	233
Colombia	**143**	171
Projects and corporate	**(12)**	(16)
EBITDA	**433**	456
Net operating assets	**1,740**	1,279
Capital expenditure	**140**	169
Share of Group operating profit	**8%**	18%
Share of Group net operating assets	**4%**	3%

Thermal Coal generated an operating profit of $351 million, a 10% decrease, primarily as a result of lower production volumes in South Africa caused by heavy rains that continued through to the middle of the second quarter, challenging geological conditions and the impact of the stronger rand. These effects were partially offset by higher South African export thermal coal prices. Pricing for Cerrejón's coal was affected by weaker demand in the European and American markets.

Markets

Anglo American weighted average achieved FOB sales prices ($/tonne)	6 months ended 30 June 2010	6 months ended 30 June 2009
South Africa export thermal coal	**81**	65
South Africa domestic thermal coal	**23**	20
Colombia export thermal coal	**68**	77

Attributable sales volumes ('000 tonnes)	6 months ended 30 June 2010	6 months ended 30 June 2009
South Africa export thermal coal [(1) (2)]	**7,689**	7,710
South Africa domestic thermal coal[(1) (2)]	**2,613**	3,485
Colombia export thermal coal	**5,026**	5,033

(1) Includes metallurgical coal

(2) Includes sales from Zibulo mine

South African and Colombian coal exports were in line with the prior year at 7.7 Mt and 5.0 Mt respectively.

In 2010, India is expected to import around 67 Mt of thermal coal, a significant increase from the 57 Mt imported in 2009. In May alone, an additional 550 MW of electricity generation capacity was added to the Indian power grid as the government pursued its target of electrification for all by 2015. The majority of imports into India are sourced from Indonesia and South Africa. In the year to date, a higher than usual proportion of exports from South Africa landed in India.

Operating performance

Attributable production ('000 tonnes)	**6 months ended 30 June 2010**	6 months ended 30 June 2009
RSA thermal coal [3]	**9,913**	10,807
RSA Eskom coal [3]	**16,487**	17,377
Columbian export thermal coal	**5,318**	5,352

[3] Includes production from Zibulo mine

South Africa

Operating profit from South Africa sourced coal decreased by 6% to $220 million, mainly due to the stronger rand and lower volumes, partially offset by higher South African export coal prices. Costs were impacted by the new royalty bill coming into effect from March 2010, as well as higher than inflation cost increases for power and labour. Production for the first half of the year decreased by 7% to 27 Mt, partially due to high rainfall affecting opencast operations, and adverse geological conditions. Export prices for the first half at $81.05 per tonne were 25% higher than the prices achieved in the first half of 2009.

Columbia

At Cerrejón, operating profit of $143 million was 16% lower, principally due to lower thermal coal prices in the European and American markets as a result of weaker demand, leading to considerable supply-side pressure, as well as the continuation of low gas and energy pricing in the United States. These effects were partially offset by cost reductions and operational efficiencies.

Projects

The 6.6 Mtpa Zibulo project (previously known as Zondagsfontein) in South Africa produced its first coal from the opencast mine in the third quarter of 2009. The project will continue to ramp up during the course of 2010 and is expected to reach full production in 2012.

Outlook

For the full year, Thermal Coal anticipates South African production levels broadly in line with 2009, with increasing contributions from the Mafube and Zibulo operations. Colombian production is expected to increase through the remainder of the year. Market demand continues to be driven by Asia, with India in particular the focus for South African exports. Colombian sales are expected to continue to be supported by opportunities in Asia.

DIAMONDS

$ million (unless otherwise stated)	**6 months ended 30 June 2010**	6 months ended 30 June 2009
Share of associate's operating profit	**261**	4
EBITDA	**340**	75
Group's associate investment in De Beers[1]	**1,783**	1,640
Share of Group operating profit	**6%**	0.2%

[1] Excludes shareholder loans of $367 million and preference shares of $88 million (2009: $367 million and $88 million respectively)

Anglo American's first half attributable operating profit from De Beers increased by $257 million to $261 million due to the stabilisation of, and improvement in, trading conditions compared to the first half of 2009.

Markets

The first half of the year saw strong double digit growth in consumer demand from China and India and a modest improvement in demand from the US. Since the 2008 launch, Forevermark (a diamond brand from the De Beers Group) has expanded rapidly across Asia, with 289 doors in China, Hong Kong and Japan. Much of this growth can be attributed to mainland China where the brand has been rolled out to 10 cities with plans for further expansion this year. After a difficult 2009, De Beers Diamond Jewellers, De Beers' joint venture with LVMH, has seen a healthy rebound in sales in the first half of 2010. Element Six had a strong first half with all business lines contributing to the improved performance and profitability. Element Six is also benefiting from restructuring and commercial measures implemented in 2009 and early 2010.

Operating performance

Diamond operations generated an attributable operating profit of $261 million, due to the improvement in trading conditions during the first half of 2010. Attributable sales of rough diamonds by the Diamond Trading Company (DTC), the marketing arm of De Beers, including those through joint ventures, were $1.2 billion, an increase of 84%, as a result of increased demand from retail markets, particularly India and China, and restocking by the trade. Carats recovered amounted to 15.4 million, a 134% increase (2009: 6.6 million carats) in order to meet increased demand from the DTC Sightholders.

Attributable production and operating costs were $315 million (2009: $216 million) as a result of increased production across the Group. However, the focus remains on cash management and continuing the efficiency improvements achieved in 2009. After reducing its cost base globally by 45%, and staffing levels by 25% in 2009, many of those gains are expected to remain permanent without stifling growth.

De Beers' commitment to safety remains the company's most important priority. After a fatality-free year in 2009, there were no fatalities during the first half of 2010.

Projects

Debswana's Cut-8, the major expansion project at Jwaneng mine, has commenced. The Group continues to focus on highly prospective target areas in Canada and Angola, while reconnaissance prospecting for new kimberlite discoveries in Botswana and India is ongoing.

Outlook

While the strengthening demand during the first half of 2010 was encouraging, the global economic climate remains fragile, especially in the important diamond markets of the US, Japan and Europe, and the view for the remainder of the year incorporates a balance of caution and measured optimism. A period of market stabilisation is expected in the second half of the year. With most restocking activity by the trade now largely completed, further demand growth is dependent upon increases in consumer demand, and De Beers remains encouraged by the strength of demand in the emerging markets of Asia, particularly China and India.

OTHER MINING AND INDUSTRIAL

$ million (unless otherwise stated)	6 months ended 30 June 2010	6 months ended 30 June 2009
Operating profit	**290**	236
Tarmac	**29**	28
Zinc	**150**	40
Scaw Metals	**83**	71
Copebrás	**12**	5
Catalão	**28**	51
Coal Americas	**(1)**	(4)
Other	**(11)**	45
EBITDA	**427**	402
Net operating assets	**4,213**	5,667
Capital expenditure	**104**	115
Share of Group operating profit	**7%**	11%
Share of Group net operating assets	**11%**	15%

Tarmac

Tarmac's operating profit of $29 million was 4% higher than the first half of 2009, however on a directly comparable basis (taking into consideration the impact of suspending depreciation on assets classified as held for sale and disposals) was $9 million lower. Tarmac's directly comparable EBITDA performance, taking into consideration the impact of businesses that have been disposed, was 10% lower. This reflects a resilient performance in a difficult market where European, and in particular UK macroeconomic conditions, continue to be challenging for the industry.

The UK Quarry Materials business experienced robust demand in the first half, with the effect of the adverse weather conditions in the first two months of the year partially mitigated in later months. Volumes increased, with overall demand showing a 5% increase. Pricing pressures remain a key issue for the business, though their effect has been mitigated by continued success in cost saving initiatives.

The UK Building Products business saw a significant turnaround, with EBITDA ahead of 2009, reflecting the results of a major restructuring programme in 2009. The impact of weak demand was partially mitigated by cost reduction initiatives.

The 2010 outlook in the UK remains weak, but further clarity is expected when government spending plans are set out in the coming months.

Zinc

	6 months ended 30 June 2010	6 months ended 30 June 2009
Attributable zinc production (tonnes)	**178,700**	169,900
Attributable lead production (tonnes)	**30,800**	31,000
Average market price – zinc (c/lb)	**98**	60
Average market price – lead (c/lb)	**95**	60

Zinc generated a 275% increase in operating profit to $150 million, mainly due to higher zinc and lead prices during the year, as well as improved zinc production and tightly controlled costs.

Skorpion produced 75,700 tonnes of zinc in the first half of 2010, in line with production levels in the first half of 2009.

At Lisheen, zinc metal production increased by 6% to 87,300 tonnes, primarily due to an increase in ore tonnes milled, which more than offset lower feed grades. Lead metal production decreased by 700 tonnes as lower feed grades outweighed the favourable throughput.

Black Mountain produced 15,700 tonnes of zinc and 22,600 tonnes of lead, an increase of 29% and 2% respectively compared to the prior year. Tonnes mined increased by 7% as a result of higher machine hours and an increase in workable faces. The increase in contained metal production (metal-in-concentrate production) was primarily due to higher zinc and lead grades. Tonnes milled were lower due to scheduled mill maintenance.

Scaw Metals

The Scaw Metals Group generated an operating profit of $83 million, 17% higher than the 2009 operating profit of $71 million. Revenue increased 4% to $767 million. The main contributors to the improved profitability were the MolyCop and South African Grinding Media operations which benefited from improved demand from mining customers. This was partially offset by the challenging trading conditions in the Cast and Wire Rod products operations, primarily due to weaker demand within the construction sector, a stronger rand and rising production costs. Margins in the South African and Canadian rolling mills remained under pressure as the result of rising input costs. However, a strong focus by management on cost saving initiatives and sales to down-stream businesses mitigated the effects of weak margins. Both performed marginally better than the prior year.

Total production of steel products was 757,800 tonnes, with 379,000 tonnes produced by South African operations and 378,800 tonnes from the international operations.

Copebrás

Copebrás achieved an operating profit of $12 million, a 140% increase, due to higher sales volumes of phosphoric acid, sulphuric acid and animal feed, as well as lower mining costs. This was partially offset by lower achieved prices for certain fertiliser products which were negotiated in late 2009. Prices for high analysis fertilisers and sulphuric acid were strong as a result of higher international index prices for benchmark fertiliser products and sulphur respectively.

Non-fertiliser products, such as acids and animal feed, were important contributors to volume for the first half of 2010 compared with 2009, with higher seasonal fertiliser sales expected in the second half.

Catalão

Catalão achieved an operating profit of $28 million, a 45% decrease, primarily due to reduced niobium output as a result of lower than expected grades compared with 2009, exacerbated by unexpected lower recoveries and grades at Boa Vista mine resulting from changes to the 2010 mine plan after the slope failure towards the end of 2009. The Boa Vista mine revamp project was consequently launched to increase production, which has shown significant improvement in the second quarter of 2010.

Coal – Americas

Canada – Peace River Coal recorded an operating loss of $1 million. Clean metallurgical coal production, at 401,400 tonnes, was 21% higher compared to the first six months of 2009. This reflected the steadier production arising from the new site infrastructure and the transition to owner mining, the implementation of key systems and the further development of the management team. The first phase of the Plant Upgrade Project to stabilise throughput was successfully commissioned in May. The second and third phases of the Plant Upgrade Project commenced in June and are expected to be commissioned by the second quarter of 2011. Environmental approval and mine permitting are progressing on the Roman Mountain deposit, adjacent to Trend Mine, where an integrated 4-5 Mtpa Trend/Roman mining operation is targeted. Relationships continue to be developed and improved with the communities in the area.

Venezuela – Carbones del Guasare continued to be impacted by operational and management issues, which hampered performance in the six months to June 2010. Production volumes of 262,900 tonnes were 12% lower than the first six months of 2009 and remain significantly below the performance potential of the mine.

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AngloAmerican

CONDENSED FINANCIAL STATEMENTS

for the six months ended 30 June 2010

Consolidated income statement
for the six months ended 30 June 2010

US$ million	Note	6 months ended 30.06.10 Before special items and remeasurements	6 months ended 30.06.10 Special items and remeasurements (note 6)	6 months ended 30.06.10 Total	6 months ended 30.06.09 Before special items and remeasurements	6 months ended 30.06.09 Special items and remeasurements (note 6)	6 months ended 30.06.09 Total	Year ended 31.12.09 Before special items and remeasurements	Year ended 31.12.09 Special items and remeasurements (note 6)	Year ended 31.12.09 Total
Group revenue	3	**12,590**	**–**	**12,590**	9,292	–	9,292	20,858	–	20,858
Total operating costs		**(8,875)**	**(126)**	**(9,001)**	(7,468)	369	(7,099)	(16,481)	(1,637)	(18,118)
Operating profit from subsidiaries and joint ventures	3	**3,715**	**(126)**	**3,589**	1,824	369	2,193	4,377	(1,637)	2,740
Net (loss)/profit on disposals	6	**–**	**(92)**	**(92)**	–	1,442	1,442	–	1,612	1,612
Share of net income from associates	3	**406**	**(22)**	**384**	193	73	266	318	(234)	84
Total profit from operations and associates		**4,121**	**(240)**	**3,881**	2,017	1,884	3,901	4,695	(259)	4,436
Investment income		**273**	**–**	**273**	253	–	253	514	–	514
Interest expense		**(403)**	**–**	**(403)**	(404)	–	(404)	(780)	–	(780)
Other financing gains/(losses)		**–**	**152**	**152**	(47)	(77)	(124)	(7)	(134)	(141)
Net finance income/(costs)	7	**(130)**	**152**	**22**	(198)	(77)	(275)	(273)	(134)	(407)
Profit before tax		**3,991**	**(88)**	**3,903**	1,819	1,807	3,626	4,422	(393)	4,029
Income tax expense	8	**(1,159)**	**(57)**	**(1,216)**	(493)	138	(355)	(1,305)	188	(1,117)
Profit for the financial period		**2,832**	**(145)**	**2,687**	1,326	1,945	3,271	3,117	(205)	2,912
Attributable to:										
Non-controlling interests		**620**	**6**	**626**	230	71	301	548	(61)	487
Equity shareholders of the Company	4	**2,212**	**(151)**	**2,061**	1,096	1,874	2,970	2,569	(144)	2,425
Earnings per share (US$)										
Basic	9			**1.71**			2.47			2.02
Diluted	9			**1.65**			2.42			1.98

Underlying earnings and underlying earnings per share are set out in note 9.

Consolidated statement of comprehensive income
for the six months ended 30 June 2010

US$ million	Note	6 months ended 30.06.10	6 months ended 30.06.09	Year ended 31.12.09
Profit for the financial period		**2,687**	3,271	2,912
Net gain on revaluation of available for sale investments		**54**	383	741
Net (loss)/gain on cash flow hedges		**(78)**	120	122
Net loss on cash flow hedges – associates		**–**	(3)	(2)
Net exchange (loss)/gain on translation of foreign operations		**(849)**	2,432	3,819
Actuarial net loss on post retirement benefit schemes		**(59)**	(105)	(217)
Actuarial net loss on post retirement benefit schemes – associates		**(3)**	(1)	(5)
Deferred tax	11	**21**	(70)	(74)
Net (expense)/income recognised directly in equity		**(914)**	2,756	4,384
Transferred to income statement: sale of available for sale investments		**–**	(1,323)	(1,554)
Transferred to income statement: cash flow hedges		**2**	(7)	162
Transferred to initial carrying amount of hedged items: cash flow hedges		**31**	32	30
Transferred to income statement: exchange differences on disposal of foreign operations		**3**	(2)	(2)
Tax on items transferred from equity	11	**(4)**	130	77
Total transferred from equity		**32**	(1,170)	(1,287)
Total comprehensive income for the financial period		**1,805**	4,857	6,009
Attributable to:				
Non-controlling interests		**545**	539	783
Equity shareholders of the Company		**1,260**	4,318	5,226

Consolidated balance sheet
as at 30 June 2010

US$ million	Note	**30.06.10**	30.06.09	31.12.09
Intangible assets		**2,551**	3,108	2,776
Tangible assets		**34,703**	34,237	35,198
Environmental rehabilitation trusts		**299**	292	342
Investments in associates		**4,027**	4,064	3,312
Financial asset investments		**2,918**	2,113	2,726
Trade and other receivables		**264**	290	206
Deferred tax assets		**285**	264	288
Other financial assets (derivatives)		**511**	241	238
Other non-current assets		**103**	133	191
Total non-current assets		**45,661**	44,742	45,277
Inventories		**3,368**	3,165	3,212
Trade and other receivables		**3,739**	3,232	3,348
Current tax assets		**147**	318	214
Other financial assets (derivatives)		**204**	134	365
Financial asset investments	12b	**6**	–	3
Cash and cash equivalents	12b	**2,868**	2,626	3,269
Total current assets		**10,332**	9,475	10,411
Assets classified as held for sale	17	**1,146**	–	620
Total assets		**57,139**	54,217	56,308
Trade and other payables		**(4,169)**	(4,171)	(4,395)
Short term borrowings	12b,13	**(3,121)**	(3,304)	(1,499)
Provisions for liabilities and charges		**(224)**	(188)	(209)
Current tax liabilities		**(536)**	(739)	(566)
Other financial liabilities (derivatives)		**(114)**	(211)	(76)
Total current liabilities		**(8,164)**	(8,613)	(6,745)
Medium and long term borrowings	12b,13	**(10,076)**	(10,657)	(12,816)
Retirement benefit obligations		**(705)**	(573)	(706)
Deferred tax liabilities		**(4,989)**	(4,924)	(5,192)
Other financial liabilities (derivatives)		**(1,065)**	(654)	(583)
Provisions for liabilities and charges		**(1,488)**	(1,429)	(1,583)
Other non-current liabilities		**(113)**	(410)	(423)
Total non-current liabilities		**(18,436)**	(18,647)	(21,303)
Liabilities directly associated with assets classified as held for sale	17	**(342)**	–	(191)
Total liabilities		**(26,942)**	(27,260)	(28,239)
Net assets		**30,197**	26,957	28,069
Equity				
Called-up share capital	10	**738**	738	738
Share premium account		**2,713**	2,713	2,713
Other reserves		**587**	(271)	1,379
Retained earnings		**23,324**	21,901	21,291
Equity attributable to equity shareholders of the Company		**27,362**	25,081	26,121
Non-controlling interests		**2,835**	1,876	1,948
Total equity		**30,197**	26,957	28,069

The Condensed financial statements of Anglo American plc, registered number 3564138, were approved by the Board of directors on 29 July 2010.

Cynthia Carroll
Chief executive

René Médori
Finance director

Consolidated cash flow statement
for the six months ended 30 June 2010

US$ million	Note	6 months ended 30.06.10	6 months ended 30.06.09	Year ended 31.12.09
Cash flows from operations	12a	**3,729**	1,676	4,904
Dividends from associates		**72**	340	616
Dividends from financial asset investments		**15**	14	23
Income tax paid		**(1,130)**	(510)	(1,456)
Net cash inflows from operating activities		**2,686**	1,520	4,087
Cash flows from investing activities				
Acquisition of subsidiaries, net of cash and cash equivalents acquired[1]	15	**–**	(67)	(79)
Investment in joint ventures		**–**	–	(5)
Investment in associates		**(504)**[2]	–	(31)
Purchase of tangible assets	3	**(2,065)**	(2,140)	(4,607)
Purchase of financial asset investments		**(123)**	(266)	(269)
Loans granted		**(75)**	(62)	(134)
Interest received and other investment income		**102**	141	244
Disposal of subsidiaries, net of cash and cash equivalents disposed	16	**130**	1	69
Sale of interests in joint ventures	16	**30**	–	–
Sale of interests in associates		**–**	–	662
Repayment of loans and capital by associates		**28**	2	–
Proceeds from disposal of tangible assets		**10**	17	46
Proceeds from sale of financial asset investments		**4**	1,988	2,041
Cash flows from derivatives related to investing activities		**77**	(172)	(150)
Other investing activities		**(11)**	4	(10)
Net cash used in investing activities		**(2,397)**	(554)	(2,223)
Cash flows from financing activities				
Issue of shares by subsidiaries to non-controlling interests		**234**	40	96
Proceeds from non-controlling interests for Anglo Platinum Limited's rights issue		**355**	–	–
Sale of shares under employee share schemes		**11**	21	29
Purchase of shares by subsidiaries for employee share schemes[3]		**(91)**	(63)	(75)
Interest paid		**(425)**	(421)	(741)
Dividends paid to non-controlling interests		**(225)**	(279)	(472)
Repayment of short term borrowings		**(634)**	(4,150)	(6,624)
Net proceeds from issue of convertible bond		**–**	1,685	1,685
Net proceeds from issue of US bond		**–**	1,992	1,992
Net proceeds from bonds issued under EMTN programme		**100**	–	2,215
(Repayment)/receipt of medium and long term borrowings		**(179)**	(41)	361
Cash flows from derivatives related to financing activities		**238**	(45)	(85)
Other financing activities		**–**	9	14
Net cash used in financing activities		**(616)**	(1,252)	(1,605)
Net (decrease)/increase in cash and cash equivalents		**(327)**	(286)	259
Cash and cash equivalents at start of period	12c	**3,319**	2,744	2,744
Cash movements in the period		**(327)**	(286)	259
Effects of changes in foreign exchange rates		**(36)**	145	316
Cash and cash equivalents at end of period	12c	**2,956**	2,603	3,319

[1] Includes amounts paid to acquire non-controlling interests in subsidiaries.
[2] Includes $450 million cash paid to subscribe to the Group's share of De Beers' rights issue. Refer to note 19.
[3] Includes purchase of Kumba Iron Ore Limited and Anglo Platinum Limited shares for their respective employee share schemes.

Consolidated statement of changes in equity
for the six months ended 30 June 2010

US$ million	Total share capital[1]	Retained earnings	Share-based payment reserve	Cumulative translation adjustment reserve	Fair value and other reserves (note 11)	Total equity attributable to equity shareholders of the Company	Non-controlling interests	Total equity
Balance at 1 January 2009	3,451	18,827	288	(4,077)	1,732	20,221	1,535	21,756
Total comprehensive income	–	2,895	–	2,191	(768)	4,318	539	4,857
Dividends paid to non-controlling interests	–	–	–	–	–	–	(279)	(279)
Acquisition and disposal of businesses (including issue of shares to non-controlling interests)	–	–	–	–	–	–	43	43
Purchase of shares for employee share schemes	–	(32)	–	–	–	(32)	–	(32)
Share-based payment charges on equity settled schemes	–	–	84	–	–	84	8	92
Issue of shares under employee share schemes	–	85	(78)	–	–	7	–	7
Issue/purchase of shares in listed subsidiaries for employee share schemes	–	(16)	–	–	–	(16)	(6)	(22)
Issue of convertible bond	–	–	–	–	355	355	–	355
Other	–	142	2	–	–	144	36	180
Balance at 30 June 2009	3,451	21,901	296	(1,886)	1,319	25,081	1,876	26,957
Total comprehensive income	–	(638)	–	1,335	211	908	244	1,152
Dividends paid to non-controlling interests	–	–	–	–	–	–	(193)	(193)
Acquisition and disposal of businesses (including issue of shares to non-controlling interests)	–	–	(14)	–	(1)	(15)	14	(1)
Share-based payment charges on equity settled schemes	–	–	110	–	–	110	8	118
Issue of shares under employee share schemes	–	23	(9)	–	–	14	–	14
Issue/purchase of shares in listed subsidiaries for employee share schemes	–	5	–	–	–	5	21	26
Other	–	–	18	–	–	18	(22)	(4)
Balance at 31 December 2009	3,451	21,291	401	(551)	1,529	26,121	1,948	28,069
Total comprehensive income	–	2,015	–	(763)	8	1,260	545	1,805
Dividends paid to non-controlling interests	–	–	–	–	–	–	(225)	(225)
Anglo Platinum Limited rights issue	–	12	–	–	–	12	343	355
Anglo Inyosi Coal BEE transaction	–	78	–	–	–	78	7	85
Other issues of shares to non-controlling interests	–	–	–	–	–	–	220	220
Consolidation by De Beers of non-controlling interest	–	(128)	–	–	–	(128)	–	(128)
Disposal of businesses	–	6	–	–	(6)	–	–	–
Purchase of shares for employee share schemes	–	(43)	–	–	–	(43)	–	(43)
Share-based payment charges on equity settled schemes	–	–	92	–	–	92	11	103
Issue of shares under employee share schemes	–	127	(116)	–	–	11	–	11
Issue/purchase of shares in listed subsidiaries for employee share schemes	–	(31)	–	–	–	(31)	(9)	(40)
Other	–	(3)	(7)	–	–	(10)	(5)	(15)
Balance at 30 June 2010	**3,451**	**23,324**	**370**	**(1,314)**	**1,531**	**27,362**	**2,835**	**30,197**

[1] Total share capital comprises called-up share capital of $738 million (30 June 2009: $738 million; 31 December 2009: $738 million) and the share premium account of $2,713 million (30 June 2009: $2,713 million; 31 December 2009: $2,713 million).

Dividends

	6 months ended 30.06.10	6 months ended 30.06.09	Year ended 31.12.09
Proposed ordinary dividend per share (US cents)	**25**	–	–
Proposed ordinary dividend (US$ million)	**302**	–	–

Notes to the Condensed financial statements

1. General information

Investors should consider non-GAAP financial measures in addition to, and not as a substitute for or as superior to, measures of financial performance reported in accordance with International Financial Reporting Standards (IFRS). The IFRS results reflect all items that affect reported performance and therefore it is important to consider the IFRS measures alongside the non-GAAP measures. Reconciliations of key non-GAAP data to directly comparable IFRS financial measures are presented in notes 3, 4, 9 and 14 to these interim consolidated financial statements (the Condensed financial statements).

The financial information for the year ended 31 December 2009 does not constitute statutory accounts as defined in sections 435 (1) and (2) of the Companies Act 2006. This information was derived from the statutory accounts for the year ended 31 December 2009, a copy of which has been delivered to the Registrar of Companies. The auditors' report on those accounts was unqualified, did not include a reference to any matters to which the auditors drew attention by way of emphasis of matter and did not contain a statement under sections 498 (2) or (3) of the Companies Act 2006.

2. Basis of preparation

Condensed financial statements and accounting policies

The Condensed financial statements are for the six months ended 30 June 2010 and have been prepared in accordance with IFRS adopted for use by the European Union, including International Accounting Standard (IAS) 34 *Interim Financial Reporting* and the requirements of the Disclosure and Transparency Rules (DTR) of the Financial Services Authority (FSA) in the United Kingdom as applicable to interim financial reporting.

The Condensed financial statements represent a 'condensed set of financial statements' as referred to in the DTR issued by the FSA. Accordingly, they do not include all of the information required for a full annual financial report and are to be read in conjunction with the Group's financial statements for the year ended 31 December 2009.

The Condensed financial statements have been prepared under the historical cost convention as modified by the revaluation of pension assets and liabilities and certain financial instruments.

The accounting policies applied are consistent with those adopted and disclosed in the Group's financial statements for the year ended 31 December 2009, with the exception of the adoption of IFRS 3 (Revised) *Business Combinations* and IAS 27 (Revised) *Consolidated and Separate Financial Statements*, which applied prospectively from 1 January 2010.

IFRS 3 (Revised) makes a number of changes to the accounting for and disclosure of business combinations. The revised standard introduces changes to the accounting for contingent consideration and transaction costs, as well as allowing an option to calculate goodwill based on the parent's share of net assets only or including goodwill relating to non-controlling interests. There have been no material acquisitions in the six months ended 30 June 2010.

IAS 27 (Revised) requires the effects of all transactions with non-controlling interests to be recognised in equity where there is no change in control. Transactions within the scope of this revision have been accounted for accordingly, effective from 1 January 2010.

The adoption of the revised standards has resulted in references to minority interests being amended to non-controlling interests. There has been no impact on the Group apart from terminology.

Other amendments to accounting standards or new interpretations issued by the International Accounting Standards Board, which were applicable from 1 January 2010, do not have a material impact on the Group.

Going concern

The financial position of the Group, its cash flows, liquidity position and borrowing facilities are set out in the Financial review of Group results on pages 11 to 16. The Group's gross debt at 30 June 2010 was $13.9 billion (including related hedges) and gearing was 26.6%. Net debt is set out in note 12 and details of borrowings and facilities are set out in note 13. In the six months ended 30 June 2010 the Group has benefited from stronger commodity prices and stronger cash flows from operations.

At 30 June 2010 the Group had undrawn bank facilities of $9.5 billion and cash deposits of $3.0 billion. The Group's significant debt facilities maturing in the next 18 months are a £300 million (approximately $450 million) Eurobond maturing in December 2010 and a $4.5 billion facility maturing in June 2011 ($2.25 billion drawn at 30 June 2010). The directors have considered the Group's cash flow forecasts for the period to 31 December 2011. The Board is satisfied that the Group's forecasts and projections, taking account of reasonably possible changes in trading performance, indicate the

2. Basis of preparation (continued)

Going concern (continued)

Group's ability to operate within the level of its current facilities for the foreseeable future. For this reason the Group continues to adopt the going concern basis (as interpreted by the Guidance on Going Concern and Liquidity Risk: Guidance for Directors of UK Companies 2009, published in October 2009) in preparing the Condensed financial statements.

3. Segmental information

The Group's segments are aligned to the structure of Business Units based around core commodities. In addition assets identified for divestment are managed as a separate Business Unit, Other Mining and Industrial. The Kumba Iron Ore, Iron Ore Brazil and Samancor Business Units have been aggregated as the Iron Ore and Manganese segment on the basis of the ultimate product produced (ferrous metals). Each Business Unit has a management team that is accountable to the Chief executive.

The Group's Executive Committee evaluates the financial performance of the Group and its segments principally with reference to operating profit before special items and remeasurements which includes the Group's attributable share of associates' operating profit before special items and remeasurements.

Segments predominantly derive revenue as follows – Copper and Nickel: base metals; Platinum: platinum group metals; Iron Ore and Manganese: iron ore, manganese ore and alloys; Metallurgical Coal: metallurgical coal; Thermal Coal: thermal coal; Diamonds: rough and polished diamonds and diamond jewellery; and Other Mining and Industrial: heavy building materials, zinc and steel products.

The Exploration segment includes the cost of the Group's exploration activities across all segments, excluding Diamonds.

The segment results are stated after elimination of inter-segment transactions and include an allocation of corporate costs.

Due to the portfolio and management structure changes announced in October 2009, the segments have changed from those reported at 30 June 2009. Comparatives have been reclassified to align with current presentation.

	Revenue[1]			Operating profit/(loss)[2]		
US$ million	**6 months ended 30.06.10**	6 months ended 30.06.09	Year ended 31.12.09	**6 months ended 30.06.10**	6 months ended 30.06.09	Year ended 31.12.09
Copper	**2,142**	1,472	3,967	**1,185**	606	2,010
Nickel	**209**	113	348	**68**	(11)	2
Platinum	**2,870**	1,905	4,535	**418**	(13)	32
Iron Ore and Manganese	**3,005**	1,576	3,419	**1,628**	720	1,489
Metallurgical Coal	**1,444**	1,139	2,239	**263**	321	451
Thermal Coal	**1,317**	1,222	2,490	**351**	388	721
Diamonds	**1,340**	770	1,728	**261**	4	64
Other Mining and Industrial	**2,686**	2,933	5,908	**290**	236	506
Exploration	**–**	–	–	**(57)**	(70)	(172)
Corporate Activities and Unallocated Costs	**2**	2	3	**(46)**	(45)	(146)
Segment measure	**15,015**	11,132	24,637	**4,361**	2,136	4,957
Reconciliation:						
Less: Associates	**(2,425)**	(1,840)	(3,779)	**(646)**	(312)	(580)
Operating special items and remeasurements	**–**	–	–	**(126)**	369	(1,637)
Statutory measure	**12,590**	9,292	20,858	**3,589**	2,193	2,740

(1) Segment revenue includes the Group's attributable share of associates' revenue. This is reconciled to Group revenue from subsidiaries and joint ventures as presented in the Consolidated income statement.
(2) Segment operating profit is revenue less operating costs before special items and remeasurements, and includes the Group's attributable share of associates' operating profit. This is reconciled to Operating profit from subsidiaries and joint ventures after special items and remeasurements as presented in the Consolidated income statement.

3. **Segmental information** (continued)

Associates' revenue and operating profit are as follows:

US$ million	Associates' revenue			Associates' operating profit/(loss)[1]		
	6 months ended 30.06.10	6 months ended 30.06.09	Year ended 31.12.09	**6 months ended 30.06.10**	6 months ended 30.06.09	Year ended 31.12.09
Platinum	**91**	9	47	**(19)**	(2)	(26)
Iron Ore and Manganese	**505**	248	603	**209**	79	143
Metallurgical Coal	**103**	66	164	**49**	8	48
Thermal Coal	**344**	389	742	**143**	170	303
Diamonds	**1,340**	770	1,728	**261**	4	64
Other Mining and Industrial	**42**	358	495	**3**	53	48
	2,425	1,840	3,779	**646**	312	580
Reconciliation:						
Associates' net finance (costs)/income (before special items and remeasurements)				**(56)**	23	(28)
Associates' income tax expense (before special items and remeasurements)				**(172)**	(130)	(235)
Associates' non-controlling interests (before special items and remeasurements)				**(12)**	(12)	1
Share of net income from associates (before special items and remeasurements)				**406**	193	318
Associates' special items and remeasurements				**(26)**	87	(184)
Associate's tax special item				**–**	–	(45)
Associates' tax on special items and remeasurements				**1**	(7)	(6)
Associates' non-controlling interests on special items and remeasurements				**3**	(7)	1
Share of net income from associates				**384**	266	84

[1] Associates' operating profit is the Group's attributable share of associates' revenue less operating costs before special items and remeasurements.

Significant non-cash items included within operating profit are as follows:

US$ million	Depreciation and amortisation[1]			Other non-cash expenses[2]		
	6 months ended 30.06.10	6 months ended 30.06.09	Year ended 31.12.09	**6 months ended 30.06.10**	6 months ended 30.06.09	Year ended 31.12.09
Copper	**127**	109	244	**43**	8	71
Nickel	**13**[3]	13	26	**2**	4	9
Platinum	**358**	276	636	**56**	42	92
Iron Ore and Manganese	**66**	23	81	**38**	(7)	4
Metallurgical Coal	**148**	98	249	**2**	7	26
Thermal Coal	**58**	45	107	**14**	17	13
Other Mining and Industrial	**137**	158	360	**19**	(8)	34
Exploration	**–**	–	–	**2**	2	4
Corporate Activities and Unallocated Costs	**12**	12	22	**30**	31	64
	919	734	1,725	**206**	96	317

[1] The Group's attributable share of depreciation and amortisation in associates is $134 million (six months ended 30 June 2009: $115 million; year ended 31 December 2009: $248 million) and is split by segment as follows: Platinum $9 million (six months ended 30 June 2009: nil; year ended 31 December 2009: $9 million), Iron Ore and Manganese $17 million (six months ended 30 June 2009: $10 million; year ended 31 December 2009: $23 million), Metallurgical Coal $5 million (six months ended 30 June 2009: $3 million; year ended 31 December 2009: $6 million), Thermal Coal $24 million (six months ended 30 June 2009: $23 million; year ended 31 December 2009: $47 million), Diamonds $79 million (six months ended 30 June 2009: $71 million; year ended 31 December 2009: $151 million) and Other Mining and Industrial nil (six months ended 30 June 2009: $8 million; year ended 31 December 2009: $12 million).

[2] Other non-cash expenses include equity settled share-based payment charges and amounts included in operating costs in respect of provisions, excluding amounts recorded within special items. Comparatives have been reclassified to align with current period presentation.

[3] In addition $36 million of accelerated depreciation at Loma de Níquel has been recorded within operating special items (refer to note 6).

3. Segmental information (continued)

Balance sheet measures are as follows:

US$ million	6 months ended 30.06.10	6 months ended 30.06.09	Year ended 31.12.09	30.06.10	30.06.09	31.12.09
	Capital expenditure[1]			Net debt[2]		
Copper	**615**	561	1,068	**(396)**	56	(187)
Nickel	**223**	251	554	**481**	163	380
Platinum	**431**	579	1,150	**(53)**	894	196
Iron Ore and Manganese	**525**	412	1,044	**246**	582	874
Metallurgical Coal	**21**	47	96	**(42)**	(18)	(9)
Thermal Coal	**140**	169	400	**74**	(138)	23
Other Mining and Industrial	**104**	115	268	**394**	405	341
Exploration	**–**	–	–	**(1)**	(1)	–
Corporate Activities and Unallocated Costs	**6**	6	27	**10,315**	9,659	9,710
	2,065	2,140	4,607	**11,018**	11,602	11,328
Reconciliation:						
Interest capitalised	**113**	156	246			
Non-cash movements[3]	**5**	(98)	379			
Tangible asset additions	**2,183**	2,198	5,232			
Tangible assets acquired through business combinations	**2**	15	28			
Intangible asset additions	**12**	4	50			
Net cash in disposal groups				**(88)**	–	(48)
	2,197[4]	2,217[4]	5,310[4]	**10,930**	11,602	11,280

(1) Capital expenditure is segmented on a cash basis and is reconciled to balance sheet additions. Cash capital expenditure excludes cash flows on related derivatives.

(2) Segment net debt includes related hedges and excludes net debt in disposal groups. Comparatives have been adjusted to include related hedges (refer to note 12c). For a reconciliation of net debt to the balance sheet refer to note 12b.

(3) Includes movements on tangible asset accruals and the impact of cash flow hedges.

(4) Capital expenditure on an accruals basis and including additions resulting from acquisitions of interests in subsidiaries and joint ventures is split by segment as follows: Copper $700 million (30 June 2009: $503 million; 31 December 2009: $1,186 million), Nickel $272 million (30 June 2009: $253 million; 31 December 2009: $570 million), Platinum $417 million (30 June 2009: $691 million; 31 December 2009: $1,445 million), Iron Ore and Manganese $504 million (30 June 2009: $407 million; 31 December 2009: $1,157 million), Metallurgical Coal $57 million (30 June 2009: $47 million; 31 December 2009: $173 million), Thermal Coal $140 million (30 June 2009: $175 million; 31 December 2009: $409 million), Other Mining and Industrial $90 million (30 June 2009: $131 million; 31 December 2009: $323 million) and Corporate Activities and Unallocated Costs $17 million (30 June 2009: $10 million; 31 December 2009: $47 million).

The following balance sheet segment measures are provided for information:

US$ million	30.06.10	30.06.09	31.12.09	30.06.10	30.06.09	31.12.09	30.06.10	30.06.09	31.12.09
	Segment assets[1]			Segment liabilities[2]			Net segment assets		
Copper	**5,938**	4,847	5,643	**(786)**	(662)	(880)	**5,152**	4,185	4,763
Nickel	**2,096**	1,794	1,888	**(108)**	(123)	(101)	**1,988**	1,671	1,787
Platinum	**13,131**	12,492	13,082	**(962)**	(834)	(941)	**12,169**	11,658	12,141
Iron Ore and Manganese	**11,073**	11,381	10,758	**(394)**	(333)	(388)	**10,679**	11,048	10,370
Metallurgical Coal	**4,020**	3,837	4,176	**(848)**	(741)	(769)	**3,172**	3,096	3,407
Thermal Coal	**2,395**	1,977	2,343	**(655)**	(698)	(636)	**1,740**	1,279	1,707
Other Mining and Industrial	**5,332**	6,973	6,231	**(1,119)**	(1,306)	(1,202)	**4,213**	5,667	5,029
Exploration	**4**	7	4	**(1)**	(2)	(2)	**3**	5	2
Corporate Activities and Unallocated Costs	**278**	253	311	**(254)**	(320)	(409)	**24**	(67)	(98)
	44,267	43,561	44,436	**(5,127)**	(5,019)	(5,328)	**39,140**	38,542	39,108
Other assets and liabilities									
Investments in associates[3]	**4,027**	4,064	3,312	**–**	–	–	**4,027**	4,064	3,312
Financial asset investments	**2,924**	2,113	2,729	**–**	–	–	**2,924**	2,113	2,729
Deferred tax assets/(liabilities)	**285**	264	288	**(4,989)**	(4,924)	(5,192)	**(4,704)**	(4,660)	(4,904)
Cash and cash equivalents	**2,868**	2,626	3,269	**–**	–	–	**2,868**	2,626	3,269
Other financial assets/(liabilities) – derivatives	**715**	375	603	**(1,179)**	(865)	(659)	**(464)**	(490)	(56)
Other non-operating assets/(liabilities)	**2,053**	1,214	1,671	**(1,844)**	(1,953)	(2,128)	**209**	(739)	(457)
Other provisions	**–**	–	–	**(606)**	(538)	(617)	**(606)**	(538)	(617)
Borrowings	**–**	–	–	**(13,197)**	(13,961)	(14,315)	**(13,197)**	(13,961)	(14,315)
Net assets	**57,139**	54,217	56,308	**(26,942)**	(27,260)	(28,239)	**30,197**	26,957	28,069

(1) Segment assets at 30 June 2010 are operating assets and consist of intangible assets of $2,551 million (30 June 2009: $3,108 million; 31 December 2009: $2,776 million), tangible assets of $34,703 million (30 June 2009: $34,237 million; 31 December 2009: $35,198 million), biological assets of $3 million (30 June 2009: $3 million; 31 December 2009: $4 million), environmental rehabilitation trusts of $299 million (30 June 2009: $292 million; 31 December 2009: $342 million), retirement benefit assets of $41 million (30 June 2009: $23 million; 31 December 2009: $54 million), inventories of $3,368 million (30 June 2009: $3,165 million; 31 December 2009: $3,212 million) and operating receivables of $3,302 million (30 June 2009: $2,733 million; 31 December 2009: $2,850 million).

(2) Segment liabilities at 30 June 2010 are operating liabilities and consist of non-interest bearing current liabilities of $3,316 million (30 June 2009: $3,367 million; 31 December 2009: $3,447 million), restoration and decommissioning provisions of $1,106 million (30 June 2009: $1,079 million; 31 December 2009: $1,175 million) and retirement benefit obligations of $705 million (30 June 2009: $573 million; 31 December 2009: $706 million).

(3) Investments in associates are split by segment as follows: Platinum $516 million (30 June 2009: $306 million; 31 December 2009: $447 million), Iron Ore and Manganese $813 million (30 June 2009: $771 million; 31 December 2009: $658 million), Metallurgical Coal $156 million (30 June 2009: $115 million; 31 December 2009: $146 million), Thermal Coal $740 million (30 June 2009: $677 million; 31 December 2009: $689 million), Diamonds $1,783 million (30 June 2009: $1,640 million; 31 December 2009: $1,353 million) and Other Mining and Industrial $19 million (30 June 2009: $555 million; 31 December 2009: $19 million).

3. Segmental information (continued)

Entity wide information

The Group's analysis of segment revenue by product (including attributable share of revenue from associates) is as follows:

US$ million	**6 months ended 30.06.10**	6 months ended 30.06.09	Year ended 31.12.09
Copper	**2,085**	1,403	3,783
Nickel	**414**	215	625
Platinum	**1,706**	1,313	3,101
Palladium	**278**	145	361
Rhodium	**367**	234	527
Iron ore	**2,282**	1,135	2,330
Manganese ore and alloys	**505**	248	603
Metallurgical coal	**1,128**	838	1,693
Thermal coal	**1,721**	1,576	3,197
Diamonds	**1,340**	770	1,728
Heavy building materials	**1,254**	1,370	2,870
Zinc	**291**	171	445
Steel products	**760**	732	1,371
Other	**884**	982	2,003
	15,015	11,132	24,637

The Group's geographical analysis of segment revenue (including attributable share of revenue from associates) allocated based on the country in which the customer is located, and non-current segment assets, allocated based on the country in which the assets are located, is as follows:

	Revenue			Non-current segment assets[1]		
US$ million	**6 months ended 30.06.10**	6 months ended 30.06.09	Year ended 31.12.09	**30.06.10**	30.06.09	31.12.09
South Africa	**1,565**	1,110	2,567	**14,810**	13,874	15,161
Other Africa	**246**	102	139	**309**	573	599
United Kingdom (Anglo American plc's country of domicile)	**1,592**	1,615	3,850	**2,455**	2,777	2,686
Other Europe	**2,607**	2,230	5,014	**59**	702	241
North America	**815**	516	1,297	**709**	561	698
Brazil	**494**	288	662	**10,208**	10,994	10,105
Chile	**799**	480	1,229	**4,763**	3,829	4,280
Other South America	**106**	101	190	**602**	727	574
Australia	**460**	201	427	**3,293**	3,261	3,584
China	**2,337**	1,555	3,469	**4**	3	4
India	**904**	493	1,222	**–**	–	–
Japan	**1,805**	1,410	2,697	**–**	–	–
Other Asia	**1,285**	1,031	1,874	**45**	47	46
	15,015	11,132	24,637	**37,257**	37,348	37,978

[1] Non-current segment assets are non-current operating assets and consist of tangible assets, intangible assets and biological assets.

3. Segmental information (continued)

Entity wide information (continued)

Segment revenue and operating profit/(loss) before special items and remeasurements by origin (including attributable share of revenue and operating profit/(loss) from associates) has been provided for information:

	Revenue			Operating profit/(loss) before special items and remeasurements		
US$ million	**6 months ended 30.06.10**	6 months ended 30.06.09	Year ended 31.12.09	**6 months ended 30.06.10**	6 months ended 30.06.09	Year ended 31.12.09
South Africa	**6,849**	4,734	10,293	**2,190**	974	2,023
Other Africa	**1,216**	720	1,539	**265**	37	78
Europe	**1,335**	1,382	2,976	**(22)**	(63)	(54)
North America	**329**	225	510	**47**	10	(20)
South America	**3,280**	2,453	6,040	**1,452**	772	2,310
Australia and Asia	**2,006**	1,618	3,279	**429**	406	620
	15,015	11,132	24,637	**4,361**	2,136	4,957

The Group's geographical analysis of segment assets and liabilities, allocated based on where assets and liabilities are located, has been provided for information:

	Segment assets[1]			Segment liabilities			Net segment assets		
US$ million	**30.06.10**	30.06.09	31.12.09	**30.06.10**	30.06.09	31.12.09	**30.06.10**	30.06.09	31.12.09
South Africa	**18,495**	16,952	18,309	**(2,186)**	(1,976)	(2,148)	**16,309**	14,976	16,161
Other Africa	**314**	643	664	**(34)**	(52)	(66)	**280**	591	598
Europe	**3,533**	4,390	3,820	**(787)**	(1,022)	(907)	**2,746**	3,368	2,913
North America	**865**	694	805	**(117)**	(104)	(132)	**748**	590	673
South America	**16,920**	16,902	16,528	**(1,115)**	(1,085)	(1,262)	**15,805**	15,817	15,266
Australia and Asia	**4,140**	3,980	4,310	**(888)**	(780)	(813)	**3,252**	3,200	3,497
	44,267	43,561	44,436	**(5,127)**	(5,019)	(5,328)	**39,140**	38,542	39,108

[1] Investments in associates of $4,027 million (30 June 2009: $4,064 million; 31 December 2009: $3,312 million) are not included in segment assets. The geographical distribution of these investments, based on the location of the underlying assets, is as follows: South Africa $1,868 million (30 June 2009: $2,075 million; 31 December 2009: $1,934 million), Other Africa $1,030 million (30 June 2009: $994 million; 31 December 2009: $914 million), Europe $(485) million (30 June 2009: $(626) million; 31 December 2009: $(957) million), North America $422 million (30 June 2009: $443 million; 31 December 2009: $320 million), South America $722 million (30 June 2009: $681 million; 31 December 2009: $675 million) and Australia and Asia $470 million (30 June 2009: $497 million; 31 December 2009: $426 million).

4. Reconciliation of Underlying earnings to Profit for the financial period attributable to equity shareholders of the Company

The table below analyses the contribution of each segment to the Group's operating profit (including attributable share of operating profit from associates) for the financial period and Underlying earnings, which the directors consider to be a useful additional measure of the Group's performance. A reconciliation from 'Profit for the financial period attributable to equity shareholders of the Company' to 'Underlying earnings for the financial period' is provided in note 9.

Due to the portfolio and management structure changes announced in October 2009, the segments have changed from those reported at 30 June 2009. Comparatives have been reclassified to align with current presentation.

Operating profit (including attributable share of operating profit from associates) is reconciled to 'Underlying earnings' and 'Profit for the financial period attributable to equity shareholders of the Company' in the table below:

	6 months ended 30.06.10						
US$ million	**Operating profit/(loss) before special items and remeasurements[1]**	**Operating profit/(loss) after special items and remeasurements**	**Operating special items and remeasurements[2]**	**Net profit/(loss) on disposals[2]**	**Financing special items and remeasurements[2]**	**Net interest, tax and non-controlling interests**	**Total**
By segment							
Copper	**1,185**	**1,154**	**31**	**–**	**–**	**(479)**	**706**
Nickel	**68**	**31**	**37**	**–**	**–**	**(4)**	**64**
Platinum	**418**	**393**	**25**	**107**	**–**	**(196)**	**222**
Iron Ore and Manganese	**1,628**	**1,623**	**5**	**–**	**–**	**(1,014)**	**614**
Metallurgical Coal	**263**	**281**	**(18)**	**–**	**–**	**(86)**	**177**
Thermal Coal	**351**	**350**	**1**	**(86)**	**–**	**(93)**	**258**
Diamonds	**261**	**242**	**19**	**4**	**–**	**(113)**	**148**
Exploration	**(57)**	**(57)**	**–**	**–**	**–**	**2**	**(55)**
Corporate Activities and Unallocated Costs	**(46)**	**(47)**	**1**	**5**	**–**	**(94)**	**(140)**
Core operations	**4,071**	**3,970**	**101**	**30**	**–**	**(2,077)**	**1,994**
Other Mining and Industrial	**290**	**246**	**44**	**(118)**	**–**	**(72)**	**218**
Total/Underlying earnings	**4,361**	**4,216**	**145**	**(88)**	**–**	**(2,149)**	**2,212[3]**
Underlying earnings adjustments			**(145)**	**(88)**	**141**	**(59)**	**(151)**
Profit for the financial period attributable to equity shareholders of the Company							**2,061**

See following page for footnotes.

4. Reconciliation of Underlying earnings to Profit for the financial period attributable to equity shareholders of the Company (continued)

US$ million	Operating profit/(loss) before special items and remeasurements[(1)]	Operating profit/(loss) after special items and remeasurements	Operating special items and remeasurements[(2)]	Net profit/(loss) on disposals[(2)]	Financing special items and remeasurements[(2)]	Net interest, tax and non-controlling interests	Total
							6 months ended 30.06.09
By segment							
Copper	606	691	(85)	–	–	(223)	383
Nickel	(11)	25	(36)	–	–	(10)	(21)
Platinum	(13)	(6)	(7)	289	–	22	9
Iron Ore and Manganese	720	1,035	(315)	3	–	(470)	250
Metallurgical Coal	321	307	14	–	–	(97)	224
Thermal Coal	388	382	6	–	–	(119)	269
Diamonds	4	92	(88)	(1)	–	(71)	(67)
Exploration	(70)	(70)	–	10	–	3	(67)
Corporate Activities and Unallocated Costs	(45)	(69)	24	–	–	(8)	(53)
Core operations	1,900	2,387	(487)	301	–	(973)	927
Other Mining and Industrial	236	206	30	1,140	–	(67)	169
Total/Underlying earnings	2,136	2,593	(457)	1,441	–	(1,040)	1,096[(3)]
Underlying earnings adjustments			457	1,441	(77)	53	1,874
Profit for the financial period attributable to equity shareholders of the Company							2,970

US$ million	Operating profit/(loss) before special items and remeasurements[(1)]	Operating profit/(loss) after special items and remeasurements	Operating special items and remeasurements[(2)]	Net profit/(loss) on disposals[(2)]	Financing special items and remeasurements[(2)]	Net interest, tax and non-controlling interests	Total
							Year ended 31.12.09
By segment							
Copper	2,010	2,114	(104)	–	–	(809)	1,201
Nickel	2	(86)	88	–	–	(15)	(13)
Platinum	32	(72)	104	323	–	12	44
Iron Ore and Manganese	1,489	350	1,139	6	–	(918)	571
Metallurgical Coal	451	423	28	33	–	(129)	322
Thermal Coal	721	715	6	21	–	(204)	517
Diamonds	64	(139)	203	20	–	(154)	(90)
Exploration	(172)	(172)	–	10	–	5	(167)
Corporate Activities and Unallocated Costs	(146)	(377)	231	–	–	(73)	(219)
Core operations	4,451	2,756	1,695	413	–	(2,285)	2,166
Other Mining and Industrial	506	361	145	1,219	–	(103)	403
Total/Underlying earnings	4,957	3,117	1,840	1,632	–	(2,388)	2,569[(3)]
Underlying earnings adjustments			(1,840)	1,632	(135)	199	(144)
Profit for the financial year attributable to equity shareholders of the Company							2,425

(1) Operating profit includes attributable share of associates' operating profit which is reconciled to 'Share of net income from associates' in note 3.
(2) Special items and remeasurements are set out in note 6.
(3) This represents Underlying earnings for the financial period and is equal to profit for the financial period attributable to equity shareholders of the Company before special items and remeasurements.

5. Exploration expenditure

Exploration expenditure is stated before special items.

US$ million	**6 months ended 30.06.10**	6 months ended 30.06.09[(1)]	Year ended 31.12.09
By commodity			
Copper	**8**	17	43
Nickel	**10**	9	22
Platinum group metals	**4**	10	17
Iron ore	**3**	4	8
Metallurgical coal	**3**	3	10
Thermal coal	**9**	8	25
Zinc	**3**	3	10
Central exploration activities	**17**	16	37
	57	70	172

(1) Following the portfolio and management structure changes announced in October 2009, exploration expenditure is presented by commodity. Comparatives have been adjusted accordingly.

6. Special items and remeasurements

'Special items' are those items of financial performance that the Group believes should be separately disclosed on the face of the income statement to assist in the understanding of the underlying financial performance achieved by the Group. Such items are material by nature or amount to the period's results and require separate disclosure in accordance with IAS 1 (Revised) *Presentation of Financial Statements* paragraph 97. Special items that relate to the operating performance of the Group are classified as operating special items and include impairment charges and reversals and other exceptional items, including restructuring costs. Non-operating special items include profits and losses on disposals of investments and businesses as well as transactions relating to business combinations.

'Remeasurements' comprise other items which the Group believes should be reported separately to aid an understanding of the underlying financial performance of the Group. This category includes:

(i) unrealised gains and losses on 'non-hedge' derivative instruments open at period end (in respect of future transactions) and the reversal of the historical marked to market value of such instruments settled in the period. The full realised gains or losses are recorded in underlying earnings in the same period as the underlying transaction for which such instruments provide an economic, but not formally designated, hedge (if the underlying transaction is recorded in the balance sheet, e.g. capital expenditure, the realised amount remains in remeasurements on settlement of the derivative). Such amounts are classified in the income statement as financing when the underlying exposure is in respect of net debt and otherwise as operating.

(ii) foreign exchange gains and losses arising on the retranslation of dollar denominated De Beers preference shares held by a rand functional currency subsidiary of the Group. This is classified as financing.

(iii) foreign exchange impact arising in US dollar functional currency entities where tax calculations are based on local currency financial information (and hence deferred tax is susceptible to currency fluctuations). Such amounts are included within income tax expense.

Subsidiaries' and joint ventures' special items and remeasurements

Operating special items

US$ million	**6 months ended 30.06.10**	6 months ended 30.06.09	Year ended 31.12.09
Restructuring costs:			
Other Mining and Industrial	**(44)**	(14)	(78)
Platinum	**(15)**	–	(37)
Corporate	**–**	–	(47)
Metallurgical Coal and Thermal Coal	**–**	(18)	(21)
Accelerated depreciation at Loma de Níquel	**(36)**	–	–
Impairment of Loma de Níquel	**–**	–	(114)
Platinum assets written off	**(12)**	–	(51)
Costs associated with 'One Anglo' initiatives	**(2)**	(39)	(148)
Dawson Seamgas impairment reversal	**17**	–	–
Impairment of Amapá system	**–**	–	(1,667)
Impairment of Tarmac assets	**–**	(5)	(50)
Bid defence costs	**–**	–	(45)
Impairment of Iron Ore Brazil transshipping vessel	**–**	(27)	(27)
Provisions for onerous contracts	**–**	–	15
Other	**(1)**	16	(5)
Total operating special items	**(93)**	(87)	(2,275)
Tax	**10**	13	107
Non-controlling interests	**9**	7	107
Net total attributable to equity shareholders of the Company	**(74)**	(67)	(2,061)

Restructuring costs principally relate to retrenchment and consultancy costs.

In the year ended 31 December 2009 an impairment with associated adjustments of $114 million was recorded at Loma de Níquel due to increased uncertainty over the renewal of three concessions that expire in 2012 and over the restoration of 13 concessions that have been cancelled. As a result, in the six months ended 30 June 2010, accelerated depreciation of $36 million has been recorded.

6. Special items and remeasurements (continued)

Subsidiaries' and joint ventures' special items and remeasurements (continued)

Operating remeasurements

US$ million	**6 months ended 30.06.10**	6 months ended 30.06.09	Year ended 31.12.09
Net (loss)/gain on non-hedge derivatives	**(100)**	628	757
Net realised gain/(loss) on derivatives relating to capital expenditure	**69**	(169)	(105)
Other remeasurements	**(2)**	(3)	(14)
Total operating remeasurements	**(33)**	456	638
Tax	**6**	(142)	(207)
Non-controlling interests	**–**	(2)	2
Net total attributable to equity shareholders of the Company	**(27)**	312	433

The net loss on non-hedge derivatives includes a net unrealised loss on derivatives relating to capital expenditure at Iron Ore Brazil (Iron Ore and Manganese segment) and Los Bronces (Copper segment). A net gain of $69 million was realised in the period principally in respect of the Iron Ore Brazil and Los Bronces capital expenditure derivative portfolios.

Profits and losses on disposals

US$ million	**6 months ended 30.06.10**	6 months ended 30.06.09	Year ended 31.12.09
Disposal of interest in Western Bushveld joint venture	**107**	–	–
Anglo Inyosi Coal BEE transaction	**(86)**	–	–
Disposal of interest in Tarmac's French and Belgian concrete products business	**(81)**	–	–
Partial reversal of Copebrás property compensation	**(36)**	–	–
Disposal of interest in AngloGold Ashanti	**–**	1,139	1,139
Disposal of interest in Booysendal joint venture	**–**	247	247
Disposal of interest in Lebowa Platinum Mines Limited(1)	**–**	42	69
Disposal of financial asset investments	**–**	–	54
Disposal of interest in Tongaat Hulett and Hulamin	**–**	–	53
Disposal of Silangan exploration asset	**–**	10	10
Other	**4**	4	40
Net (loss)/profit on disposals	**(92)**	1,442	1,612
Tax	**(2)**	(40)	(76)
Non-controlling interests	**(12)**	(65)	(66)
Net total attributable to equity shareholders of the Company	**(106)**	1,337	1,470

(1) The profit on disposal was revised after finalisation of the valuations of financial instruments and loan commitments.

In April 2010 the Group sold its 37% interest in the Western Bushveld joint venture (Platinum segment) for consideration of $107 million. This investment had a nominal carrying value.

In June 2010 completion occurred of the previously announced black economic empowerment (BEE) transaction to dispose of a 27% interest in Anglo Inyosi Coal (Proprietary) Limited (Thermal Coal segment). The amount recognised on disposal principally relates to an IFRS 2 *Share-based Payment* charge of $78 million.

In May 2010 the Group sold Tarmac's French and Belgian concrete products business (Other Mining and Industrial segment) for proceeds of $86 million.

Financing remeasurements

US$ million	**6 months ended 30.06.10**	6 months ended 30.06.09	Year ended 31.12.09
Net gain/(loss) on non-hedge derivatives	**128**	(60)	(100)
Foreign exchange gain/(loss) on De Beers preference shares	**3**	(17)	(21)
Other remeasurements	**21**	–	(13)
Total financing remeasurements	**152**	(77)	(134)
Tax	**(9)**	(2)	2
Non-controlling interests	**(3)**	–	(2)
Net total attributable to equity shareholders of the Company	**140**	(79)	(134)

The net gain on non-hedge derivatives principally comprises an unrealised gain on an embedded interest rate derivative.

6. Special items and remeasurements (continued)

Subsidiaries' and joint ventures' special items and remeasurements (continued)

Tax special item and tax remeasurements

US$ million	**6 months ended 30.06.10**	6 months ended 30.06.09	Year ended 31.12.09
Tax special item			
Write off of deferred tax asset related to Amapá	**–**	–	(107)
Non-controlling interest	**–**	–	32
Net total attributable to equity shareholders of the Company	**–**	–	(75)
Tax remeasurements			
Foreign currency impact on deferred tax balances	**(62)**	309	469
Non-controlling interests	**–**	(11)	(12)
Net total attributable to equity shareholders of the Company	**(62)**	298	457

Total special items and remeasurements

US$ million	**6 months ended 30.06.10**	6 months ended 30.06.09	Year ended 31.12.09
Total special items and remeasurements before tax and non-controlling interests	**(66)**	1,734	(159)
Tax special item	**–**	–	(107)
Tax remeasurements	**(62)**	309	469
Tax on special items and remeasurements	**5**	(171)	(174)
Non-controlling interests	**(6)**	(71)	61
Net total special items and remeasurements attributable to equity shareholders of the Company	**(129)**	1,801	90

Associates' special items and remeasurements

US$ million	**6 months ended 30.06.10**	6 months ended 30.06.09	Year ended 31.12.09
Associates' operating special items and remeasurements			
Impairment of De Beers' Canadian assets	**–**	–	(267)
Other impairments	**(11)**	–	(5)
Share of De Beers' restructuring costs	**–**	–	(27)
Net (loss)/gain on non-hedge derivatives	**(6)**	88	96
Other remeasurements	**(2)**	–	–
Total associates' operating special items and remeasurements	**(19)**	88	(203)
Tax	**1**	(7)	(6)
Non-controlling interests	**3**	(7)	1
Net total associates' operating special items and remeasurements	**(15)**	74	(208)
Associates' profits and losses on disposals			
Disposal of AK06 diamond deposit	**–**	–	22
Other	**4**	(1)	(2)
Associates' net profit/(loss) on disposals	**4**	(1)	20
Associates' financing special items and remeasurements			
Costs associated with refinancing	**(13)**	–	(7)
Net gain on non-hedge derivatives	**2**	–	6
Total associates' financing special items and remeasurements	**(11)**	–	(1)
Associate's tax special item			
Write off of deferred tax asset related to De Beers' Canadian assets	**–**	–	(45)

Total associates' special items and remeasurements

US$ million	**6 months ended 30.06.10**	6 months ended 30.06.09	Year ended 31.12.09
Total associates' special items and remeasurements before tax and non-controlling interests	**(26)**	87	(184)
Tax special item	**–**	–	(45)
Tax on special items and remeasurements	**1**	(7)	(6)
Non-controlling interests	**3**	(7)	1
Net total associates' special items and remeasurements	**(22)**	73	(234)

6. Special items and remeasurements (continued)

Operating special items and remeasurements

US$ million	**6 months ended 30.06.10**	6 months ended 30.06.09	Year ended 31.12.09
Operating special items	**(93)**	(87)	(2,275)
Operating remeasurements	**(33)**	456	638
Total operating special items and remeasurements (excluding associates)	**(126)**	369	(1,637)
Associates' operating special items	**(11)**	–	(299)
Associates' operating remeasurements	**(8)**	88	96
Total associates' operating special items and remeasurements	**(19)**	88	(203)
Total operating special items and remeasurements (including associates)	**(145)**	457	(1,840)
Operating special items (including associates)	**(104)**	(87)	(2,574)
Operating remeasurements (including associates)	**(41)**	544	734
Total operating special items and remeasurements (including associates)	**(145)**	457	(1,840)

7. Net finance income/(costs)

Finance costs and exchange gains/(losses) are presented net of effective hedges for respective interest bearing and foreign currency borrowings.

The weighted average capitalisation rate applied to qualifying capital expenditure was 5.5% (six months ended 30 June 2009: 8.7%; year ended 31 December 2009: 6.5%). Financing remeasurements are set out in note 6.

	6 months ended 30.06.10		6 months ended 30.06.09		Year ended 31.12.09	
US$ million	**Before remeasure-ments**	**After remeasure-ments**	Before remeasure-ments	After remeasure-ments	Before remeasure-ments	After remeasure-ments
Investment income						
Interest and other financial income	**159**	**159**	164	164	334	334
Expected return on defined benefit arrangement assets	**104**	**104**	75	75	157	157
Dividend income from financial asset investments	**15**	**15**	14	14	23	23
	278	**278**	253	253	514	514
Less: interest capitalised	**(5)**	**(5)**	–	–	–	–
Total investment income	**273**	**273**	253	253	514	514
Interest expense						
Interest and other finance expense	**(314)**	**(314)**	(441)	(441)	(724)	(724)
Interest payable on convertible bond	**(34)**	**(34)**	(10)	(10)	(44)	(44)
Unwinding of discount on convertible bond	**(31)**	**(31)**	(8)	(8)	(39)	(39)
Interest cost on defined benefit arrangements	**(112)**	**(112)**	(84)	(84)	(174)	(174)
Unwinding of discount relating to provisions and other non-current liabilities	**(30)**	**(30)**	(17)	(17)	(45)	(45)
	(521)	**(521)**	(560)	(560)	(1,026)	(1,026)
Less: interest capitalised	**118**	**118**	156	156	246	246
Total interest expense	**(403)**	**(403)**	(404)	(404)	(780)	(780)
Other financing gains/(losses)						
Net foreign exchange gains/(losses)	**20**	**23**	(31)	(48)	(24)	(45)
Fair value gains/(losses) on non-hedge derivatives	**–**	**128**	–	(60)	–	(100)
Net fair value gains/(losses) on fair value hedges	**3**	**3**	(6)	(6)	29	29
Other net fair value losses	**(23)**	**(2)**	(10)	(10)	(12)	(25)
Total other financing gains/(losses)	**–**	**152**	(47)	(124)	(7)	(141)
Net finance income/(costs)	**(130)**	**22**	(198)	(275)	(273)	(407)

8. Tax on profit on ordinary activities

a) Analysis of charge for the period

US$ million	**6 months ended 30.06.10**	6 months ended 30.06.09	Year ended 31.12.09
United Kingdom corporation tax	**19**	7	50
South Africa tax	**473**	276	567
Other overseas tax	**625**	281	700
Prior year adjustments	**(26)**	(31)	(45)
Current tax (excluding special items and remeasurements tax)	**1,091**	533	1,272
Deferred tax (excluding special items and remeasurements tax)	**68**	(40)	33
Tax (excluding special items and remeasurements tax)	**1,159**	493	1,305
Special items and remeasurements tax	**57**	(138)	(188)
Income tax expense	**1,216**	355	1,117

b) Factors affecting tax charge for the period

The effective tax rate for the period of 31.2% (six months ended 30 June 2009: 9.8%; year ended 31 December 2009: 27.7%) is higher (six months ended 30 June 2009 and year ended 31 December 2009: lower) than the applicable standard rate of corporation tax in the United Kingdom (28%). The reconciling items are:

US$ million	**6 months ended 30.06.10**	6 months ended 30.06.09	Year ended 31.12.09
Profit on ordinary activities before tax	**3,903**	3,626	4,029
Tax on profit on ordinary activities calculated at United Kingdom corporation tax rate of 28%	**1,093**	1,015	1,128
Tax effect of share of net income from associates	**(108)**	(74)	(24)
Tax effects of:			
Special items and remeasurements			
Operating special items and remeasurements	**19**	26	558
Profits and losses on disposals and financing remeasurements	**(6)**	(340)	(340)
Tax special item	**–**	–	107
Tax remeasurements	**62**	(309)	(469)
Items not taxable/deductible for tax purposes			
Exploration expenditure	**10**	13	22
Non-deductible/taxable net foreign exchange loss/(gain)	**5**	(4)	6
Non-taxable net interest income	**(4)**	(10)	(2)
Other non-deductible expenses	**62**	30	65
Other non-taxable income	**(19)**	(13)	(39)
Temporary difference adjustments			
Movements in tax losses	**(7)**	49	5
Other temporary differences	**15**	10	(45)
Other adjustments			
Secondary tax on companies and dividend withholding taxes	**265**	53	356
Effect of differences between local and United Kingdom rates	**(139)**	(49)	(139)
Prior year adjustments to current tax	**(26)**	(31)	(45)
Other adjustments	**(6)**	(11)	(27)
Income tax expense	**1,216**	355	1,117

IAS 1 (Revised) requires income from associates to be presented net of tax on the face of the income statement. Associates' tax is therefore not included within the Group's income tax expense. Associates' tax included within 'Share of net income from associates' for the six months ended 30 June 2010 is $171 million (six months ended 30 June 2009: $137 million; year ended 31 December 2009: $286 million). Excluding special items and remeasurements this becomes $172 million (six months ended 30 June 2009: $130 million; year ended 31 December 2009: $235 million).

The effective rate of tax before special items and remeasurements including attributable share of associates' tax for the six months ended 30 June 2010 was 31.9%. This was in line with the equivalent effective rate of 31.8% in the six months ended 30 June 2009. In future periods it is expected that the effective tax rate, including associates' tax, will remain above the United Kingdom statutory tax rate.

9. Earnings per share

US$	**6 months ended 30.06.10**	6 months ended 30.06.09	Year ended 31.12.09
Profit for the financial period attributable to equity shareholders of the Company			
Basic earnings per share	**1.71**	2.47	2.02
Diluted earnings per share	**1.65**	2.42	1.98
Headline earnings for the financial period[1]			
Basic earnings per share	**1.74**	1.37	2.46
Diluted earnings per share	**1.68**	1.34	2.40
Underlying earnings for the financial period[1]			
Basic earnings per share	**1.84**	0.91	2.14
Diluted earnings per share	**1.76**	0.90	2.10

(1) Basic and diluted earnings per share are shown based on Headline earnings, a Johannesburg stock exchange (JSE Limited) defined performance measure, and Underlying earnings, which the directors consider to be a useful additional measure of the Group's performance. Both earnings measures are further explained below.

The calculation of basic and diluted earnings per share is based on the following data:

US$ million (unless otherwise stated)	**6 months ended 30.06.10**	6 months ended 30.06.09	Year ended 31.12.09
Earnings			
Basic earnings, being profit for the financial period attributable to equity shareholders of the Company	**2,061**	2,970	2,425
Effect of dilutive potential ordinary shares			
Interest payable on convertible bond (net of tax)	**24**	7	32
Unwinding of discount on convertible bond (net of tax)	**22**	6	28
Diluted earnings	**2,107**	2,983	2,485
Number of shares (million)			
Basic number of ordinary shares outstanding[1]	**1,205**	1,201	1,202
Effect of dilutive potential ordinary shares[2]			
Share options and awards	**14**	14	11
Convertible bond	**61**	18	40
Diluted number of ordinary shares outstanding[1]	**1,280**	1,233	1,253

(1) Basic and diluted number of ordinary shares outstanding represent the weighted average for the period. The average number of ordinary shares in issue excludes shares held by employee benefit trusts and Anglo American plc shares held by Group companies.
(2) Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares in issue on the assumption of conversion of all potentially dilutive ordinary shares.

In the six months ended 30 June 2010 and the six months ended 30 June 2009 there were no share options which were anti-dilutive. In the year ended 31 December 2009 there were 231,351 share options which were potentially dilutive but were not included in the calculation of diluted earnings per share because they were anti-dilutive.

In April 2009 the Group issued $1.7 billion senior convertible notes. The senior convertible notes were issued with a coupon of 4%, a conversion price of £18.6370 and unless redeemed, converted or cancelled, will mature in 2014. The Group will have the option to call the senior convertible notes after three years from the issuance date subject to certain conditions. The impact of this potential conversion has been included in diluted earnings and diluted number of ordinary shares outstanding.

Underlying earnings is an alternative earnings measure, which the directors believe provides a clearer picture of the underlying financial performance of the Group's operations. Underlying earnings is presented after non-controlling interests and excludes special items and remeasurements (see note 6). Underlying earnings is distinct from 'Headline earnings', which is a JSE Limited defined performance measure.

9. Earnings per share (continued)

The calculation of basic and diluted earnings per share, based on Headline and Underlying earnings, uses the following earnings data:

	Earnings (US$ million)			Basic earnings per share (US$)		
	6 months ended 30.06.10	6 months ended 30.06.09	Year ended 31.12.09	**6 months ended 30.06.10**	6 months ended 30.06.09	Year ended 31.12.09
Profit for the financial period attributable to equity shareholders of the Company	**2,061**	2,970	2,425	**1.71**	2.47	2.02
Operating special items	**(4)**	16	1,908	**–**	0.01	1.59
Operating special items – tax	**1**	–	(66)	**–**	–	(0.05)
Operating special items – non-controlling interests	**(2)**	(7)	(100)	**–**	–	(0.08)
Net loss/(profit) on disposals	**6**	(1,442)	(1,612)	**–**	(1.20)	(1.34)
Net loss/(profit) on disposals – tax	**4**	40	76	**–**	0.03	0.06
Net loss/(profit) on disposals – non-controlling interests	**12**	65	66	**0.01**	0.06	0.05
Associates' special items	**20**	1	259	**0.02**	–	0.21
Associates' special items – tax	**–**	–	(1)	**–**	–	–
Associates' special items – non-controlling interests	**–**	–	(2)	**–**	–	–
Headline earnings for the financial period	**2,098**	1,643	2,953	**1.74**	1.37	2.46
Operating special items[1]	**97**	71	367	**0.08**	0.06	0.30
Operating special items – tax	**(11)**	(13)	(41)	**(0.01)**	(0.01)	(0.03)
Operating special items – non-controlling interests	**(7)**	–	(7)	**–**	–	(0.01)
Operating remeasurements	**33**	(456)	(638)	**0.03**	(0.38)	(0.53)
Operating remeasurements – tax	**(6)**	142	207	**–**	0.12	0.17
Operating remeasurements – non-controlling interests	**–**	2	(2)	**–**	–	–
Anglo Inyosi Coal BEE transaction	**86**	–	–	**0.07**	–	–
Anglo Inyosi Coal BEE transaction – tax	**(2)**	–	–	**–**	–	–
Financing remeasurements	**(152)**	77	134	**(0.13)**	0.07	0.11
Financing remeasurements – tax	**9**	2	(2)	**0.01**	–	–
Financing remeasurements – non-controlling interests	**3**	–	2	**–**	–	–
Tax special item	**–**	–	107	**–**	–	0.09
Tax special item – non-controlling interest	**–**	–	(32)	**–**	–	(0.03)
Tax remeasurements	**62**	(309)	(469)	**0.05**	(0.26)	(0.39)
Tax remeasurements – non-controlling interests	**–**	11	12	**–**	0.01	0.01
Associates' special items[2]	**–**	–	72	**–**	–	0.06
Associates' special items – tax	**–**	–	(2)	**–**	–	–
Associates' special items – non-controlling interests	**–**	–	(7)	**–**	–	(0.01)
Associates' remeasurements	**6**	(88)	(102)	**–**	(0.07)	(0.08)
Associates' remeasurements – tax	**(1)**	7	9	**–**	–	0.01
Associates' remeasurements – non-controlling interests	**(3)**	7	8	**–**	–	0.01
Underlying earnings for the financial period	**2,212**	1,096	2,569	**1.84**	0.91	2.14

[1] Six months ended 30 June 2010: includes restructuring costs, accelerated depreciation at Loma de Níquel and costs associated with 'One Anglo' initiatives (six months ended 30 June 2009: includes restructuring costs and costs associated with 'One Anglo' initiatives; year ended 31 December 2009: includes restructuring costs, costs associated with 'One Anglo' initiatives, bid defence costs and provisions for onerous contracts).
[2] Year ended 31 December 2009: includes restructuring costs and the tax special item.

10. Called-up share capital

	30.06.10		30.06.09		31.12.09	
	Number of shares	**US$ million**	Number of shares	US$ million	Number of shares	US$ million
Authorised:						
5% cumulative preference shares of £1 each	**50,000**	**–**	50,000	–	50,000	–
Ordinary shares of $54^{86}/_{91}$ US cents each	**1,820,000,000**	**1,000**	1,820,000,000	1,000	1,820,000,000	1,000
		1,000		1,000		1,000
Called-up, allotted and fully paid:						
5% cumulative preference shares of £1 each	**50,000**	**–**	50,000	–	50,000	–
Ordinary shares of $54^{86}/_{91}$ US cents each	**1,342,929,799**	**738**	1,342,924,336	738	1,342,927,138	738
		738		738		738

In the six months ended 30 June 2010 2,661 ordinary shares of $54^{86}/_{91}$ US cents each were allotted to certain non-executive directors by subscription of their after tax directors' fees (six months ended 30 June 2009: 5,316 ordinary shares; year ended 31 December 2009: 8,118 ordinary shares).

In the event of winding up, the holders of the cumulative preference shares will be entitled to the repayment of a sum equal to the nominal capital paid up, or credited as paid up, on the cumulative preference shares held by them and any accrued dividend, whether such dividend has been earned or declared or not, calculated up to the date of the winding up.

11. Consolidated equity analysis

An analysis of deferred tax and tax on items transferred from equity by individual related item presented in the Consolidated statement of comprehensive income is presented below:

US$ million	**6 months ended 30.06.10**	6 months ended 30.06.09	Year ended 31.12.09
Deferred tax			
Revaluation of available for sale investments	**(9)**	(77)	(105)
Cash flow hedges	**14**	(24)	(22)
Actuarial net loss on post retirement benefit schemes	**16**	31	53
Net deferred tax recognised directly in equity	**21**	(70)	(74)
Tax on items transferred from equity			
Transferred to income statement: sale of available for sale investments	**–**	136	135
Transferred to income statement: cash flow hedges	**–**	2	(51)
Transferred to initial carrying amount of hedged items: cash flow hedges	**(4)**	(8)	(7)
Net tax on total transferred from equity	**(4)**	130	77

Fair value and other reserves comprise:

US$ million	Convertible debt reserve	Available for sale reserve	Cash flow hedge reserve	Other reserves[1]	Total fair value and other reserves
Balance at 1 January 2009	–	1,088	(194)	838	1,732
Total comprehensive income	–	(881)	113	–	(768)
Issue of convertible bond	355	–	–	–	355
Balance at 30 June 2009	355	207	(81)	838	1,319
Total comprehensive income	–	98	113	–	211
Disposal of businesses	–	–	(1)	–	(1)
Balance at 31 December 2009	355	305	31	838	1,529
Total comprehensive income	–	45	(37)	–	8
Disposal of businesses	–	–	–	(6)	(6)
Balance at 30 June 2010	**355**	**350**	**(6)**	**832**	**1,531**

[1] Other reserves comprise a legal reserve of $683 million (30 June 2009: $689 million; 31 December 2009: $689 million), a revaluation reserve of $34 million (30 June 2009: $34 million; 31 December 2009: $34 million) and a capital redemption reserve of $115 million (30 June 2009: $115 million; 31 December 2009: $115 million).

12. Consolidated cash flow analysis

a) Reconciliation of profit before tax to cash flows from operations

US$ million	**6 months ended 30.06.10**	6 months ended 30.06.09	Year ended 31.12.09
Profit before tax	**3,903**	3,626	4,029
Depreciation and amortisation	**919**	734	1,725
Share-based payment charges	**103**	117	204
Net loss/(profit) on disposals	**92**	(1,442)	(1,612)
Operating and financing remeasurements	**(119)**	(379)	(504)
Non-cash element of operating special items	**49**	18	1,981
Net finance costs before remeasurements	**130**	198	273
Share of net income from associates	**(384)**	(266)	(84)
Provisions	**59**	(33)	(46)
(Increase)/decrease in inventories	**(386)**	(37)	23
Increase in operating receivables	**(671)**	(202)	(360)
Increase/(decrease) in operating payables	**140**	(597)	(573)
Deferred stripping	**(100)**	(64)	(150)
Other adjustments	**(6)**	3	(2)
Cash flows from operations	**3,729**	1,676	4,904

b) Reconciliation to the balance sheet

	Cash and cash equivalents[1]			Short term borrowings			Medium and long term borrowings			Current financial asset investments		
US$ million	**30.06.10**	30.06.09	31.12.09	**30.06.10**	30.06.09	31.12.09	**30.06.10**	30.06.09	31.12.09	**30.06.10**	30.06.09	31.12.09
Balance sheet	**2,868**	2,626	3,269	**(3,121)**	(3,304)	(1,499)	**(10,076)**	(10,657)	(12,816)	**6**	–	3
Balance sheet – disposal groups[2]	**99**	–	64	**(1)**	–	–	**(1)**	–	(3)	**–**	–	–
Bank overdrafts	**(2)**	(23)	(1)	**2**	23	1	**–**	–	–	**–**	–	–
Bank overdrafts – disposal groups[2]	**(9)**	–	(13)	**–**	–	–	**–**	–	–	**–**	–	–
Net debt classifications	**2,956**	2,603	3,319	**(3,120)**	(3,281)	(1,498)	**(10,077)**	(10,657)	(12,819)	**6**	–	3

[1] 'Short term borrowings' on the balance sheet include overdrafts which are included within cash and cash equivalents in determining net debt.
[2] Disposal group balances are shown within 'Assets classified as held for sale' and 'Liabilities directly associated with assets classified as held for sale' on the balance sheet.

12. Consolidated cash flow analysis (continued)

c) Movement in net debt

US$ million	Cash and cash equivalents[1]	Debt due within one year	Debt due after one year	Current financial asset investments	Net debt excluding hedges	Hedges[2]	Net debt including hedges
Balance at 1 January 2009	2,744	(6,749)	(7,211)	173[3]	(11,043)	(297)	(11,340)
Cash flow[4]	(286)	4,150	(3,636)	(200)	28	45	73
Unwinding of discount on convertible bond	–	–	(8)	–	(8)	–	(8)
Equity component of convertible bond[4]	–	–	355	–	355	–	355
Reclassifications	–	(412)	412	–	–	–	–
Movement in fair value	–	–	45	–	45	(15)	30
Other non-cash movements	–	(1)	(31)	–	(32)	–	(32)
Currency movements	145	(269)	(583)	27	(680)	–	(680)
Balance at 30 June 2009	2,603	(3,281)	(10,657)	–	(11,335)	(267)	(11,602)
Cash flow	545	2,474	(2,617)	–	402	40	442
Unwinding of discount on convertible bond	–	–	(31)	–	(31)	–	(31)
Reclassifications	–	(505)	505	–	–	–	–
Movement in fair value	–	–	18	–	18	(58)	(40)
Other non-cash movements	–	(14)	5	3	(6)	–	(6)
Currency movements	171	(172)	(42)	–	(43)	–	(43)
Balance at 31 December 2009	3,319	(1,498)	(12,819)	3	(10,995)	(285)	(11,280)
Cash flow	(327)	634	79	3	389	(238)	151
Unwinding of discount on convertible bond	–	–	(31)	–	(31)	–	(31)
Disposal of businesses	–	–	1	–	1	–	1
Reclassifications	–	(2,310)	2,310	–	–	–	–
Movement in fair value	–	8	(266)	–	(258)	(172)	(430)
Other non-cash movements	–	–	(8)	–	(8)	–	(8)
Currency movements	(36)	46	657	–	667	–	667
Balance at 30 June 2010	**2,956**	**(3,120)**	**(10,077)**	**6**	**(10,235)**	**(695)**	**(10,930)**

[1] The Group operates in certain countries (principally South Africa and Venezuela) where the existence of exchange controls may restrict the use of certain cash balances. These restrictions are not expected to have a material effect on the Group's ability to meet its ongoing obligations.
[2] Derivative instruments that provide an economic hedge of assets and liabilities in net debt are included above to reflect the true net debt position of the Group at the period end. These consist of net current derivative liabilities of $37 million (30 June 2009: $27 million net liabilities; 31 December 2009: $41 million net assets) and net non-current derivative liabilities of $658 million (30 June 2009: $240 million net liabilities; 31 December 2009: $326 million net liabilities) which are classified within 'Other financial assets (derivatives)' and 'Other financial liabilities (derivatives)' on the balance sheet.
[3] Relates to amounts invested in unlisted preference shares (guaranteed by Nedbank Limited and Nedbank Group Limited) pending completion of the disposal of the Group's 50% interest in the Booysendal joint venture. This amount was received upon completion of the transaction in June 2009.
[4] The issue of the convertible bond had a net impact on debt due after one year of $1,330 million due to the conversion feature of $355 million which is presented separately in equity.

13. Financial liabilities analysis

An analysis of borrowings, as presented on the Consolidated balance sheet, is set out below:

			30.06.10			30.06.09			31.12.09
US$ million	**Due within one year[1]**	**Due after one year**	**Total**	Due within one year[1]	Due after one year	Total	Due within one year[1]	Due after one year	Total
Secured									
Bank loans and overdrafts	**36**	**398**	**434**	380	441	821	416	413	829
Obligations under finance leases	**7**	**7**	**14**	5	10	15	8	11	19
Other loans	**–**	**–**	**–**	–	2	2	–	–	–
	43	**405**	**448**	385	453	838	424	424	848
Unsecured									
Bank loans and overdrafts	**2,394**	**1,374**	**3,768**	2,363	3,636	5,999	351	3,982	4,333
Bonds issued under EMTN programme	**513**	**4,028**	**4,541**	92	2,757	2,849	572	4,410	4,982
US bond	**–**	**2,051**	**2,051**	–	1,948	1,948	–	1,935	1,935
Convertible bond[2]	**–**	**1,400**	**1,400**	–	1,338	1,338	–	1,369	1,369
Commercial paper	**50**	**–**	**50**	419	–	419	67	–	67
Obligations under finance leases	**–**	**–**	**–**	2	7	9	–	–	–
Other loans	**121**	**818**	**939**	43	518	561	85	696	781
	3,078	**9,671**	**12,749**	2,919	10,204	13,123	1,075	12,392	13,467
Total	**3,121**	**10,076**	**13,197**	3,304	10,657	13,961	1,499	12,816	14,315

[1] Bank loans and overdrafts due within one year include short term borrowings under long term committed facilities of $25 million (30 June 2009: $915 million; 31 December 2009: $48 million).
[2] Represents the fair value of the debt component of the convertible bond at the date of issue of $1,330 million (net of fees) adjusted for cumulative unwinding of discount of $70 million (six months ended 30 June 2009: $8 million; year ended 31 December 2009: $39 million). The fair value of the equity conversion feature was $355 million and is presented in equity (refer to the Consolidated statement of changes in equity).

13. Financial liabilities analysis (continued)

The Group had the following undrawn committed borrowing facilities at the period end:

US$ million	30.06.10	30.06.09	31.12.09
Expiry date			
Within one year[1]	**4,442**	1,838	2,247
Greater than one year, less than two years	**2,942**	1,376	3,090
Greater than two years, less than five years	**2,052**	4,490	4,093
Greater than five years	**54**	199	90
	9,490	7,903	9,520

[1] Includes undrawn rand facilities equivalent to $1.5 billion (30 June 2009: $1.5 billion; 31 December 2009: $1.5 billion) in respect of a series of facilities with 364 day maturities which roll automatically on a daily basis, unless notice is served.

In addition, the Group has a dedicated, committed financing facility for Minas Rio of $1.3 billion, subject to certain disbursement conditions and the granting of the remaining Installation licence (30 June 2009: $1.2 billion; 31 December 2009: $1.4 billion).

In the six months ended 30 June 2010 the Group raised $100 million through the issuance of a floating rate note, due April 2012, under the Euro Medium Term Note (EMTN) programme, Rand 1 billion ($131 million) through the issuance of a bond, due in May 2015, under the South African Domestic Medium Term Note (DMTN) programme and Rand 392 million ($51 million) from the issuance of commercial paper under the DMTN programme.

In July 2010 the Group replaced a $2.5 billion facility maturing in March 2012 with a $3.5 billion facility maturing in July 2015.

14. EBITDA by segment

US$ million	6 months ended 30.06.10	6 months ended 30.06.09[1]	Year ended 31.12.09
By segment			
Copper	**1,312**	715	2,254
Nickel	**81**	2	28
Platinum	**785**	263	677
Iron Ore and Manganese	**1,711**	753	1,593
Metallurgical Coal	**416**	422	706
Thermal Coal	**433**	456	875
Diamonds	**340**	75	215
Other Mining and Industrial	**427**	402	878
Exploration	**(57)**	(70)	(172)
Corporate Activities and Unallocated Costs	**(34)**	(33)	(124)
EBITDA	**5,414**	2,985	6,930

[1] Due to the portfolio and management structure changes announced in October 2009, the segments have changed from those reported at 30 June 2009. Comparatives have been reclassified to align with current presentation.

EBITDA is stated before special items and remeasurements and is reconciled to operating profit, including attributable share of associates, before special items and remeasurements and to 'Total profit from operations and associates' as follows:

US$ million	6 months ended 30.06.10	6 months ended 30.06.09	Year ended 31.12.09
Total profit from operations and associates	**3,881**	3,901	4,436
Operating special items and remeasurements (including associates)	**145**	(457)	1,840
Net loss/(profit) on disposals (including associates)	**88**	(1,441)	(1,632)
Associates' financing special items and remeasurements	**11**	–	1
Share of associates' interest, tax and non-controlling interests	**236**	133	312
Operating profit, including associates, before special items and remeasurements	**4,361**	2,136	4,957
Depreciation and amortisation: subsidiaries and joint ventures	**919**	734	1,725
Depreciation and amortisation: associates	**134**	115	248
EBITDA	**5,414**	2,985	6,930

14. EBITDA by segment (continued)

EBITDA is reconciled to 'Cash flows from operations' as follows:

US$ million	6 months ended 30.06.10	6 months ended 30.06.09	Year ended 31.12.09
EBITDA	**5,414**	2,985	6,930
Share of operating profit from associates before special items and remeasurements	**(646)**	(312)	(580)
Cash element of operating special items	**(44)**	(69)	(294)
Share of associates' depreciation and amortisation	**(134)**	(115)	(248)
Share-based payment charges	**103**	117	204
Provisions	**59**	(33)	(46)
(Increase)/decrease in inventories	**(386)**	(37)	23
Increase in operating receivables	**(671)**	(202)	(360)
Increase/(decrease) in operating payables	**140**	(597)	(573)
Deferred stripping	**(100)**	(64)	(150)
Other adjustments	**(6)**	3	(2)
Cash flows from operations	**3,729**	1,676	4,904

15. Acquisitions

The Group made no material acquisitions of subsidiaries or joint ventures in the six months ended 30 June 2010, the six months ended 30 June 2009 or the year ended 31 December 2009.

No cash was paid to acquire a controlling interest in the six months ended 30 June 2010 (six months ended 30 June 2009: $4 million; year ended 31 December 2009: $4 million). No cash was paid to acquire non-controlling interests in existing subsidiaries (six months ended 30 June 2009: $63 million; year ended 31 December 2009: $75 million). The prior period amounts principally related to Anglo Ferrous Brazil SA.

16. Disposals

US$ million	6 months ended 30.06.10	6 months ended 30.06.09	Year ended 31.12.09
Net assets disposed			
Tangible assets	**125**	336	425
Other non-current assets	**61**	–	2
Current assets	**123**	11	48
Current liabilities	**(45)**	(24)	(34)
Non-current liabilities	**(23)**	(64)	(65)
Net assets	**241**	259	376
Non-controlling interests	**–**	–	(3)
Group's share of net assets immediately prior to disposal	**241**	259	373
Less: Retained investments in associates	**–**	(125)	(235)
Net assets disposed	**241**	134	138
Cumulative translation differences recycled from reserves	**(3)**	–	–
Net gain on disposals	**25**	289	316
Net sale proceeds	**263**	423	454
Net cash and cash equivalents disposed	**(20)**	(9)	(10)
Deferred consideration	**(19)**	–	–
Non-cash consideration	**(64)**[1]	(186)[2]	(212)[2]
Proceeds received in prior period[3]	**–**	(270)	(270)
Proceeds received after period end	**–**	(39)	(4)
Costs accrued	**–**	31	6
Deal facilitation charges	**–**	41	41
Net cash inflow/(outflow) from disposals[4]	**160**	(9)	5

(1) Represents ordinary shares in Wesizwe Platinum Limited received as consideration on disposal of the Western Bushveld joint venture.
(2) Represents an interest in Anooraq Resources Corporation and preference shares in Plateau Resources (Proprietary) Limited received from the Platinum disposals in 2009.
(3) Relates to the Platinum disposals in 2009. A portion of the proceeds was invested in unlisted preference shares when received. Following completion of the transaction in June 2009 these were sold and $200 million was included in the Consolidated cash flow statement within 'Proceeds from sale of financial asset investments'.
(4) No cash has been received in the six months ended 30 June 2010 in respect of deferred consideration for disposals in prior periods (six months ended 30 June 2009: $10 million in respect of disposals in 2008; year ended 31 December 2009: $64 million in respect of disposals in 2008). This resulted in a total net cash inflow of $160 million from disposals of subsidiaries and joint ventures in the six months ended 30 June 2010 (six months ended 30 June 2009: $1 million; year ended 31 December 2009: $69 million).

16. Disposals (continued)

Disposals in the six months ended 30 June 2010

Disposals of subsidiaries and joint ventures during the six months ended 30 June 2010 mainly related to disposals in the Platinum and Other Mining and Industrial segments.

In April 2010 Platinum sold its 37% interest in the Western Bushveld joint venture for consideration of $107 million. This investment had a nominal carrying value. In March 2010 Tarmac (included in the Other Mining and Industrial segment) sold its Polish concrete products business for proceeds of $65 million. In May 2010 Tarmac sold its French and Belgian concrete products business for proceeds of $86 million.

Disposals in 2009

Disposals of subsidiaries and joint ventures during 2009 mainly related to disposals in the Platinum segment.

In June 2009 Platinum disposed of a 50% interest in the Booysendal joint venture and a 51% interest in Lebowa Platinum Mines Limited (and certain other joint venture projects). These transactions were part of previously announced BEE deals.

17. Disposal groups and non-current assets held for sale

Tarmac's Polish concrete products business, which was previously classified as held for sale at 31 December 2009, was disposed of in 2010.

The following assets and liabilities relating to disposal groups were classified as held for sale at 30 June 2010 and 31 December 2009. There were no disposal groups or non-current assets held for sale at 30 June 2009. The Group expects to complete the sale of these businesses within 12 months of the period end.

				30.06.10	31.12.09
US$ million	Zinc disposal groups[1]	Tarmac disposal groups[2]	Other	**Total**	Total[2]
Intangible assets	5	11	–	**16**	13
Tangible assets	402	342	17	**761**	422
Deferred tax assets	–	–	–	**–**	5
Other non-current assets	45	8	–	**53**	2
Total non-current assets	452	361	17	**830**	442
Inventories	84	26	–	**110**	42
Trade and other receivables	51	56	–	**107**	72
Cash and cash equivalents	67	32	–	**99**	64
Total current assets	202	114	–	**316**	178
Total assets	654	475	17	**1,146**	620
Trade and other payables	(66)	(45)	–	**(111)**	(66)
Short term borrowings	–	(10)	–	**(10)**	(13)
Provisions for liabilities and charges	–	(4)	–	**(4)**	(4)
Total current liabilities	(66)	(59)	–	**(125)**	(83)
Medium and long term borrowings	–	(1)	–	**(1)**	(3)
Retirement benefit obligations	(7)	(1)	–	**(8)**	(1)
Deferred tax liabilities	(28)	(37)	(1)	**(66)**	(46)
Provisions for liabilities and charges	(93)	(47)	–	**(140)**	(55)
Other non-current liabilities	–	(2)	–	**(2)**	(3)
Total non-current liabilities	(128)	(88)	(1)	**(217)**	(108)
Total liabilities	(194)	(147)	(1)	**(342)**	(191)
Net assets	460	328	16	**804**	429

[1] Relates to the Group's portfolio of zinc assets comprising the Skorpion mine, the Lisheen mine and a 74% interest in Black Mountain Mining (Proprietary) Limited, which holds 100% of the Black Mountain mine and the Gamsberg project. These assets are included in the Other Mining and Industrial segment.
[2] Relates to certain of Tarmac's European businesses. Tarmac is included in the Other Mining and Industrial segment.

The net carrying amount of assets and associated liabilities classified as held for sale was written down by nil during the six months ended 30 June 2010 (six months ended 30 June 2009: nil; year ended 31 December 2009: $46 million).

18. Contingent liabilities and contingent assets

i) Contingent liabilities

The Group is subject to various claims which arise in the ordinary course of business. Additionally, and as set out in the 2007 demerger agreement, Anglo American and Mondi have agreed to indemnify each other, subject to certain limitations, against certain liabilities. Having taken appropriate legal advice, the Group believes that the likelihood of a material liability arising is remote. At 30 June 2010 contingent liabilities in respect of the Group's subsidiaries comprise aggregate amounts of $757 million (30 June 2009: $508 million; 31 December 2009: $704 million) in respect of loans and performance guarantees given to banks and other third parties and are primarily in respect of environmental restoration and decommissioning obligations.

No contingent liabilities were secured on the assets of the Group at 30 June 2010, 30 June 2009 or 31 December 2009.

ii) Contingent assets

Kumba Iron Ore Limited

On 26 February 2010 Kumba Iron Ore Limited (Kumba) issued an announcement indicating that its subsidiary, Sishen Iron Ore Company (Pty) Limited (SIOC) had notified ArcelorMittal on 5 February 2010, that it was no longer entitled to receive 6.25 Mtpa of iron ore mined by SIOC at cost plus 3% from Sishen Mine, as a result of the fact that ArcelorMittal had failed to convert its old order mining rights. This contract mining agreement, concluded in 2001, was premised on ArcelorMittal owning an undivided 21.4% interest in the mineral rights of Sishen Mine and as a result of ArcelorMittal's failure to convert its old order mining rights, accordingly the contract mining agreement became inoperative in its entirety as of 1 May 2009.

As a result, a dispute arose between SIOC and ArcelorMittal as to whether the contract mining agreement became inoperative, which SIOC has referred to arbitration. SIOC served its statement of claim on 19 April 2010. SIOC has continued to supply ArcelorMittal with iron ore from Sishen Mine and has invoiced ArcelorMittal for the delivery of 1.45 Mt of iron ore since March 2010 at commercial prices. The Group has recognised revenue at cost plus 3% in preparing the financial results for the period ended 30 June 2010.

SIOC and ArcelorMittal reached an interim pricing agreement on 21 July 2010 in respect of the supply of iron ore to ArcelorMittal from Sishen Mine. The duration of the interim agreement will be retrospective to 1 March 2010, and will endure until 31 July 2011. ArcelorMittal will pay to SIOC a fixed price of $50 per ton of iron ore deliverable to ArcelorMittal's Saldanha Steel plant, and $70 per ton of iron ore deliverable to ArcelorMittal's inland plants, which price is calculated on a free on rail ex-Sishen Mine gate basis. The difference between the revenue recognised and amounts outstanding under the interim agreement for the period ended 30 June 2010 amounted to $53 million. Upon completion of documentation, this amount will be recognised within Kumba's revenue in the second half of 2010.

There were no other significant contingent assets in the Group at 30 June 2010 (30 June 2009 and 31 December 2009: no significant contingent assets).

iii) Other

Kumba Iron Ore Limited

After ArcelorMittal failed to convert its old order rights, SIOC applied for the residual 21.4% mining right previously held by ArcelorMittal and its application was accepted by the Department of Mineral Resources (DMR) on 4 May 2009. A competing application for a prospecting right over the same area was also accepted by the DMR. SIOC objected to this acceptance. Notwithstanding this objection, a prospecting right over the 21.4% interest was granted by the DMR to Imperial Crown Trading 289 (Pty) Limited (ICT). SIOC has lodged an appeal against the grant of the prospecting right by the DMR. This appeal process remains ongoing.

In addition, SIOC initiated a review application in the North Gauteng High Court on 21 May 2010 in relation to the decision of the DMR to grant a prospecting right to ICT.

Anglo American Sur

Anglo American inherited a 1978 agreement with Codelco, the Chilean state mining company, when it acquired Disputada de Las Condes (since renamed Anglo American Sur) in 2002. The agreement grants Codelco the right, subject to certain conditions and limitations, to acquire up to a 49% non-controlling interest in Anglo American Sur, the wholly owned Group company that owns the Los Bronces and El Soldado copper mines and the Chagres smelter. These conditions include limiting the window for exercising the right to once every three years in the month of January until January 2027. The right was not exercised in 2009. The calculations of the price at which Codelco can exercise its right are complex and confidential but do, inter alia, take account of company profitability over a five year period.

18. Contingent liabilities and contingent assets (continued)

iii) Other (continued)

Anglo American South Africa Limited

Anglo American South Africa Limited (AASA), a wholly owned subsidiary of the Company, is a defendant in 25 separate lawsuits, each one on behalf of a former mineworker (or his dependents or survivors) who allegedly contracted silicosis working for gold mining companies in which AASA was a shareholder and to which AASA provided various technical and administrative services. The aggregate amount of the 25 claims is less than $5 million, although if these claims are determined adversely to AASA, there are a substantial number of additional former mineworkers who may seek to bring similar claims. The first trial of these claims is expected to be in 2011 or 2012.

19. Related party transactions

The Group has a related party relationship with its subsidiaries, joint ventures and associates.

The Company and its subsidiaries, in the ordinary course of business, enter into various sales, purchase and service transactions with joint ventures and associates and others in which the Group has a material interest. These transactions are under terms that are no less favourable than those arranged with third parties. These transactions are not considered to be significant.

Dividends received from associates during the six months ended 30 June 2010 totalled $72 million (six months ended 30 June 2009: $340 million; year ended 31 December 2009: $616 million), as disclosed in the Consolidated cash flow statement.

At 30 June 2010 the Group had provided loans to joint ventures of $284 million (30 June 2009: $201 million; 31 December 2009: $262 million). These loans are included in financial asset investments.

At 30 June 2010 the directors of the Company and their immediate relatives controlled 3% (30 June 2009: 3%; 31 December 2009: 3%) of the voting shares of the Company.

Related party transactions with De Beers

At 30 June 2010 the Group held $88 million (30 June 2009: $88 million; 31 December 2009: $88 million) of 10% non-cumulative redeemable preference shares in DB Investments, the holding company of De Beers Société Anonyme.

Set out below are details of certain transactions and arrangements entered into by the Group with, or for the benefit of, certain related parties of the Company for the purposes of the United Kingdom Listing Authority Listing Rules, being Central Holdings Limited (and certain of its subsidiaries, together 'CHL'), DB Investments SA and De Beers SA (together, 'De Beers') which are related parties for the purposes of such rules by virtue of being companies in which Mr N.F. Oppenheimer, a director of the Company, has a relevant interest for the purposes of such rules.

It was agreed that the dividends declared by De Beers to the Group and the other shareholders in De Beers (including CHL) would be exchanged for loan obligations. The cumulative amount of dividends exchanged amounted to $142 million as at 30 June 2010 (30 June 2009: $142 million; 31 December 2009: $142 million). The loans are subordinated and are interest free for two years from the date of initial reinvestment at which point they become interest bearing in line with market rates as at that date.

In April 2009 the shareholders of De Beers provided an additional loan to De Beers, proportionate to their shareholdings, totalling $500 million (the Group's share was $225 million). The loan is interest free for two years, at which point it reverts to a rate of interest equal to LIBOR plus 700 basis points until April 2016 and then, provided all interest payments are up to date, reduces to LIBOR plus 300 basis points. The loan is subordinated in favour of third party banks/lenders and preference shareholders (including Anglo American) and is repayable after ten years. These loans are included in financial asset investments.

In February 2010 the shareholders of De Beers agreed, as part of the De Beers group's refinancing, including third party debt refinancing, that additional equity was required by De Beers. The shareholders of De Beers (including CHL) have subscribed, in proportion to their shareholding, for $1 billion of additional equity in De Beers (the Group's share was $450 million; CHL's share was $400 million).

19. Related party transactions (continued)

Related party transactions with De Beers (continued)

Pursuant to the refinancing of De Beers and to satisfy the requirements of the lenders to De Beers, the shareholders of De Beers, including the Group, agreed to:

(i) defer the receipt of dividends or capital on their ordinary shares until certain financial tests ('Normalisation') are met and this is currently anticipated to be by 30 June 2011;

(ii) defer the receipt of dividends and mandatory redemption under the preference shares in De Beers SA until Normalisation. The total amount deferred by Anglo American at 30 June 2010 is $101 million. The dividends (or interest in respect of such dividends) will continue to accrue on the preference shares until they are paid and the preference shares redeemed; and

(iii) defer their rights to dividends or other distributions in respect of their respective ordinary shares, and, as applicable, preference shares and payments under the shareholder loans, until Normalisation; and the subordination thereof.

As part of the process of facilitating the agreed equity subscription by all the shareholders of De Beers, a temporary re-ranking of distribution rights was agreed which will result, following Normalisation, in a $20 million distribution to the shareholders of De Beers (including the Group and CHL), pro-rata to their individual equity subscriptions as referred to above, which will be paid in priority to existing preferences on distributions under the terms of the preference shares in De Beers. The net effect of this re-prioritisation on Anglo American, in the event of there being insufficient cash to pay all dividends then due, is a deferral of approximately $8 million of dividends, which will continue to accrue interest until paid.

20. Events occurring after the period end

Sale of undeveloped coal assets in Australia

On 5 July 2010 the Group announced it had entered into a conditional agreement with a consortium, composed of Korea Electric Power Corporation, Pohang Iron and Steel Company and Cockatoo Coal Limited, to sell its interests in five undeveloped coal assets in Australia for approximately $500 million in cash.

The assets comprise two wholly owned underground coal deposits in New South Wales (Bylong and Sutton Forest) and the Group's share in three open cut coal deposits in Queensland (Collingwood, Ownaview and Taroom, all of which are held 51% by the Group and 49% by Mitsui Moura Investment Pty Limited (Mitsui)). The assets have total estimated resources of 847 million tonnes.

The transaction is subject to customary regulatory approvals, Cockatoo Coal Limited obtaining necessary financing and Mitsui's pre-emptive rights over the Queensland assets. The transaction is expected to complete in stages from the fourth quarter of 2010.

Kumba Iron Ore Limited

On 27 July 2010 Anglo American increased its shareholding in Kumba Iron Ore Limited by 2.8% through the exercise of options purchased in 2008 for $301 million, thereby increasing its shareholding from 62.5% to 65.3%.

Responsibility statements

We confirm that to the best of our knowledge:

(a) the Condensed financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*, and give a true and fair view of the assets, liabilities, financial position and profit of the undertakings included in the consolidation as a whole;

(b) the Half year financial report includes a fair review of the information required by DTR 4.2.7 R (being an indication of important events that have occurred during the first six months of the financial year, and their impact on the Half year financial report, and a description of the principal risks and uncertainties for the remaining six months of the financial year); and

(c) the Half year financial report includes a fair review of the information required by DTR 4.2.8 R (being disclosure of related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or the performance of the Group during that period and any changes in the related party transactions described in the last annual report that could have a material effect on the financial position or performance of the Group in the first six months of the current financial year).

By order of the Board

Cynthia Carroll Chief executive	**René Médori** Finance director

INDEPENDENT REVIEW REPORT TO ANGLO AMERICAN PLC

We have been engaged by the Company to review the Condensed financial statements in the Half year financial report for the six months ended 30 June 2010 which comprises the Consolidated income statement, the Consolidated statement of comprehensive income, the Consolidated balance sheet, the Consolidated cash flow statement, the Consolidated statement of changes in equity and related notes 1 to 20. We have read the other information contained in the Half year financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the Condensed financial statements.

This report is made solely to the Company in accordance with International Standard on Review Engagements (UK and Ireland) 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Auditing Practices Board for use in the United Kingdom (ISRE 2410). Our work has been undertaken so that we might state to the Company those matters we are required to state to them in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our review work, for this report, or for the conclusions we have formed.

Directors’ responsibilities

The Half year financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the Half year financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom’s Financial Services Authority.

As disclosed in note 2, the annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the European Union. The Condensed financial statements included in this Half year financial report has been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting* (IAS 34), as adopted by the European Union.

Our responsibility

Our responsibility is to express to the Company a conclusion on the Condensed financial statements in the Half year financial report based on our review.

Scope of Review

We conducted our review in accordance with ISRE 2410 (UK and Ireland) issued by the Auditing Practices Board. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the Condensed financial statements in the Half year financial report for the six months ended 30 June 2010 is not prepared, in all material respects, in accordance with IAS 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom’s Financial Services Authority.

Deloitte LLP
Chartered Accountants and Statutory Auditors
London, United Kingdom

29 July 2010

Production statistics

The figures below include the entire output of consolidated entities and the Group's attributable share of joint ventures, joint arrangements and associates where applicable, except for Collahuasi in the Copper segment and De Beers which are quoted on a 100% basis.

Due to the portfolio and management structure changes announced in October 2009, the segments have changed from those reported at 30 June 2009. Comparatives have been reclassified to align with current presentation.

			6 months ended 30.06.10	6 months ended 30.06.09	Year ended 31.12.09
Copper segment					
Collahuasi					
100% basis (Anglo American 44%)					
Ore mined		tonnes	**47,222,700**	28,750,800	71,197,800
Ore processed	Oxide	tonnes	**3,387,300**	3,743,300	7,293,800
	Sulphide	tonnes	**24,412,600**	22,166,400	45,348,300
Ore grade processed	Oxide	% Cu	**0.5**	0.6	0.6
	Sulphide	% Cu	**1.1**	1.1	1.1
Production	Copper concentrate	dry metric tonnes	**949,800**	836,600	1,837,900
	Copper cathode	tonnes	**19,900**	21,700	43,100
	Copper in concentrate	tonnes	**246,900**	226,200	492,700
Total copper production for Collahuasi		tonnes	**266,800**	247,900	535,800
Anglo American's share of copper production for Collahuasi		tonnes	**117,400**	109,100	235,800
Anglo American Sur					
Los Bronces mine					
Ore mined		tonnes	**9,608,200**	10,191,300	21,115,900
Marginal ore mined		tonnes	**21,744,400**	10,717,400	19,368,700
Las Tortolas concentrator	Ore processed	tonnes	**9,423,300**	10,152,000	20,512,300
	Ore grade processed	% Cu	**1.1**	1.0	1.1
	Average recovery	%	**87.8**	83.7	86.3
Production	Copper concentrate	dry metric tonnes	**296,600**	330,800	676,100
	Copper cathode	tonnes	**22,000**	22,800	45,500
	Copper in sulphate	tonnes	**2,100**	1,200	2,900
	Copper in concentrate	tonnes	**87,100**	86,700	190,000
	Total	tonnes	**111,200**	110,700	238,400
El Soldado mine					
Ore mined	Open pit – ore mined	tonnes	**2,507,500**	3,769,000	7,348,500
	Open pit – marginal ore mined	tonnes	**101,900**	12,700	505,600
	Underground (sulphide)	tonnes	**681,900**	747,500	1,501,000
	Total	tonnes	**3,291,300**	4,529,200	9,355,100
Ore processed	Oxide	tonnes	**770,600**	640,700	1,689,700
	Sulphide	tonnes	**3,638,700**	3,714,200	7,481,500
Ore grade processed	Oxide	% Cu	**0.7**	0.7	0.7
	Sulphide	% Cu	**0.6**	0.7	0.7
Production	Copper concentrate	dry metric tonnes	**91,600**	75,900	158,700
	Copper cathode	tonnes	**2,100**	2,000	4,200
	Copper in concentrate	tonnes	**18,100**	18,900	37,200
	Total	tonnes	**20,200**	20,900	41,400
Chagres Smelter					
	Copper concentrate smelted	tonnes	**69,400**	64,600	140,900
Production	Copper blister/anode	tonnes	**67,600**	63,200	137,700
	Copper blister/anode (third party)	tonnes	**–**	–	2,500
	Acid	tonnes	**224,900**	222,200	457,600
Total copper production for Anglo American Sur[1]		tonnes	**131,400**	131,600	282,300

[1] Total copper production includes total concentrate, cathode and copper in sulphate production and blister/anode produced from third party purchased material.

Production statistics (continued)

			6 months ended 30.06.10	6 months ended 30.06.09	Year ended 31.12.09
Copper segment (continued)					
Anglo American Norte					
Mantos Blancos mine					
Ore processed	Oxide	tonnes	**2,185,100**	2,172,500	4,361,300
	Sulphide	tonnes	**1,749,400**	2,192,900	4,248,100
	Marginal ore mined	tonnes	**2,649,700**	1,640,000	3,360,000
Ore grade processed	Oxide	% Cu (soluble)	**0.6**	0.6	0.7
	Sulphide	% Cu (insoluble)	**1.1**	1.2	1.1
	Marginal ore	% Cu (soluble)	**0.2**	0.3	0.3
Production	Copper concentrate	dry metric tonnes	**53,800**	69,000	125,100
	Copper cathode (third party)	tonnes	**–**	4,500	8,600
	Copper cathode	tonnes	**19,300**	17,000	37,600
	Copper in concentrate	tonnes	**17,700**	23,200	44,000
	Total	tonnes	**37,000**	44,700	90,200
Mantoverde mine					
Ore processed	Oxide	tonnes	**4,474,200**	4,769,800	9,676,300
	Marginal ore	tonnes	**2,559,000**	2,296,200	4,058,000
Ore grade processed	Oxide	% Cu (soluble)	**0.7**	0.7	0.7
	Marginal ore	% Cu (soluble)	**0.3**	0.3	0.3
Production	Copper cathode	tonnes	**29,700**	30,500	61,500
Total copper production for Anglo American Norte[1]		tonnes	**66,700**	75,200	151,700
Total Copper segment copper production[1]		tonnes	**315,500**	315,900	669,800
Platinum copper production		tonnes	**5,600**	4,900	11,200
Black Mountain copper production		tonnes	**1,000**	1,100	2,200
Total attributable copper production[1]		tonnes	**322,100**	321,900	683,200
Nickel segment					
Codemin					
Ore mined		tonnes	**458,400**	235,200	547,700
Ore processed		tonnes	**262,900**	247,600	512,000
Ore grade processed		% Ni	**1.9**	2.0	2.1
Production		tonnes	**4,600**	4,500	9,500
Loma de Níquel					
Ore mined		tonnes	**382,500**	508,500	822,700
Ore processed		tonnes	**356,100**	373,100	641,800
Ore grade processed		% Ni	**1.6**	1.6	1.6
Production		tonnes	**5,500**	5,600	10,400
Total Nickel segment nickel production		tonnes	**10,100**	10,100	19,900
Platinum nickel production		tonnes	**9,200**	8,700	19,500
Total attributable nickel production		tonnes	**19,300**	18,800	39,400
Platinum segment[2]					
Platinum		troy ounces	**1,000,500**	1,056,400	2,451,600
Palladium		troy ounces	**541,400**	596,700	1,360,500
Rhodium		troy ounces	**128,900**	163,900	349,900
		troy ounces	**1,670,800**	1,817,000	4,162,000
Nickel[3]		tonnes	**9,200**	8,700	19,500
Copper[3]		tonnes	**5,600**	4,900	11,200
Gold		troy ounces	**38,900**	44,100	90,900
Equivalent refined platinum		troy ounces	**1,195,700**	1,243,900	2,464,300
Iron Ore and Manganese segment					
Kumba Iron Ore					
Lump		tonnes	**13,214,000**	11,671,000	25,300,000
Fines		tonnes	**8,720,000**	7,476,000	16,643,000
Amapá[4]					
Sinter feed		tonnes	**682,000**	191,000	576,100
Pellet feed		tonnes	**1,170,000**	990,000	2,077,100
Total iron ore production		tonnes	**23,786,000**	20,328,000	44,596,200
Samancor[5]					
Manganese ore		tonnes	**1,358,000**	493,000	1,570,000
Manganese alloys[6]		tonnes	**155,100**	52,000	129,000

(1) Total copper production includes total concentrate, cathode and copper in sulphate production and blister/anode produced from third party purchased material.
(2) See the published results of Anglo Platinum Limited for further analysis of production information.
(3) Also disclosed within total attributable nickel and copper production.
(4) At 31 December 2009 Amapá was not in commercial production and therefore to this date all revenue and related costs were capitalised. Commercial production commenced on 1 January 2010.
(5) Saleable production.
(6) Production includes Medium Carbon Ferro Manganese.

Production statistics (continued)

	6 months ended 30.06.10	6 months ended 30.06.09	Year ended 31.12.09
Coal (tonnes)			
Metallurgical Coal segment			
Australia			
Metallurgical	**7,079,500**	5,669,300	12,622,600
Thermal	**7,320,000**	6,950,100	14,051,800
Total Metallurgical Coal segment coal production	**14,399,500**	12,619,400	26,674,400
Thermal Coal segment			
South Africa			
Metallurgical	**221,800**	392,300	747,100
Thermal	**9,913,300**	10,806,800	22,185,900
Eskom	**16,487,300**	17,376,500	36,225,100
	26,622,400	28,575,600	59,158,100
South America			
Thermal	**5,317,800**	5,351,700	10,189,600
Total Thermal Coal segment coal production(1)	**31,940,200**	33,927,300	69,347,700
Other Mining and Industrial segment			
South America			
Thermal	**262,900**	299,000	750,700
Canada			
Metallurgical	**401,400**	330,500	645,300
Thermal	**–**	–	73,000
	401,400	330,500	718,300
Total Other Mining and Industrial segment coal production	**664,300**	629,500	1,469,000
Total coal production(1)	**47,004,000**	47,176,200	97,491,100
Coal (tonnes)			
Metallurgical Coal segment			
Australia			
Callide	**4,377,900**	4,386,500	8,766,400
Drayton	**2,202,900**	1,824,300	3,630,200
Capcoal	**2,797,700**	1,725,400	4,598,900
Jellinbah East	**979,500**	845,800	1,745,800
Moranbah	**1,727,400**	1,410,800	2,581,000
Dawson Complex	**1,505,900**	1,687,100	3,756,200
Foxleigh	**808,200**	739,500	1,595,900
Total Metallurgical Coal segment coal production	**14,399,500**	12,619,400	26,674,400
Thermal Coal segment			
South Africa			
Greenside	**1,655,100**	1,547,900	3,294,600
Goedehoop	**2,890,300**	3,416,800	6,905,000
Isibonelo	**2,040,400**	2,453,400	5,061,900
Kriel	**4,519,400**	5,211,000	11,161,700
Kleinkopje	**2,108,000**	2,267,100	4,414,000
Landau	**1,955,000**	2,139,100	4,231,500
New Denmark	**2,267,200**	1,810,000	3,728,900
New Vaal	**7,629,800**	8,584,900	17,553,700
Nooitgedacht	**–**	249,700	475,000
Mafube	**1,097,000**	895,700	2,212,800
Zibulo(1)	**460,200**	–	119,000
	26,622,400	28,575,600	59,158,100
South America			
Carbones del Cerrejón	**5,317,800**	5,351,700	10,189,600
Total Thermal Coal segment coal production(1)	**31,940,200**	33,927,300	69,347,700
Other Mining and Industrial segment			
South America			
Carbones del Guasare	**262,900**	299,000	750,700
Canada			
Peace River Coal	**401,400**	330,500	718,300
Total Other Mining and Industrial segment coal production	**664,300**	629,500	1,469,000
Total coal production(1)	**47,004,000**	47,176,200	97,491,100

(1) Includes 460 kt (six months ended 30 June 2009: nil; year ended 31 December 2009: 119 kt) of capitalised production from Zibulo (previously Zondagsfontein). The 460 kt includes Eskom coal production of 262 kt (six months ended 30 June 2009: nil; year ended 31 December 2009: 33 kt) and thermal coal production of 198 kt (six months ended 30 June 2009: nil; year ended 31 December 2009: 86 kt).

Production statistics (continued)

			6 months ended 30.06.10	6 months ended 30.06.09	Year ended 31.12.09
Coal (tonnes) (continued)					
Total coal production by commodity					
Metallurgical					
South Africa			**221,800**	392,300	747,100
Australia			**7,079,500**	5,669,300	12,622,600
Canada			**401,400**	330,500	645,300
Total metallurgical coal production			**7,702,700**	6,392,100	14,015,000
Thermal					
South Africa – Thermal			**9,913,300**	10,806,800	22,185,900
South Africa – Eskom			**16,487,300**	17,376,500	36,225,100
Australia			**7,320,000**	6,950,100	14,051,800
South America			**5,580,700**	5,650,700	10,940,300
Canada			**–**	–	73,000
Total thermal coal production[1]			**39,301,300**	40,784,100	83,476,100
Total coal production[1]			**47,004,000**	47,176,200	97,491,100
Diamonds segment (De Beers) (diamonds recovered – carats)					
100% basis (Anglo American 45%)					
Debswana			**10,267,000**	3,915,000	17,734,000
Namdeb			**794,000**	385,000	929,000
De Beers Consolidated Mines			**3,589,000**	1,655,000	4,797,000
Canada			**782,000**	636,000	1,140,000
			15,432,000	6,591,000	24,600,000
Other Mining and Industrial segment[2]					
Tarmac					
Aggregates		tonnes	**33,527,600**	34,449,700	70,437,100
Lime products		tonnes	**628,600**	585,700	1,214,400
Concrete		m^3	**1,761,500**	1,770,700	3,521,200
Zinc and lead					
Skorpion					
Ore mined		tonnes	**811,300**	733,000	1,495,900
Ore processed		tonnes	**739,200**	709,600	1,426,800
Ore grade processed	Zinc	% Zn	**11.4**	11.7	11.5
Production	Zinc	tonnes	**75,700**	75,700	150,400
Lisheen					
Ore mined		tonnes	**765,300**	759,300	1,534,500
Ore processed		tonnes	**790,300**	726,300	1,526,200
Ore grade processed	Zinc	% Zn	**12.2**	12.5	12.4
	Lead	% Pb	**1.6**	1.8	1.8
Production	Zinc in concentrate	tonnes	**87,300**	82,000	171,800
	Lead in concentrate	tonnes	**8,200**	8,900	19,200
Black Mountain					
Ore mined		tonnes	**641,500**	602,300	1,249,700
Ore processed		tonnes	**598,100**	616,900	1,293,200
Ore grade processed	Zinc	% Zn	**3.3**	2.6	2.8
	Lead	% Pb	**4.2**	3.9	4.0
	Copper	% Cu	**0.3**	0.3	0.3
Production	Zinc in concentrate	tonnes	**15,700**	12,200	28,200
	Lead in concentrate	tonnes	**22,600**	22,100	49,100
	Copper in concentrate	tonnes	**1,000**	1,100	2,200
Total attributable zinc production		tonnes	**178,700**	169,900	350,400
Total attributable lead production		tonnes	**30,800**	31,000	68,300
Scaw Metals					
South Africa Steel Products		tonnes	**379,000**	343,000	693,000
International Steel Products		tonnes	**378,800**	377,000	718,000
Copebrás					
Phosphates		tonnes	**471,100**	319,900	829,000
Niobium					
Catalão					
Ore mined		tonnes	**809,100**	376,300	906,700
Ore processed		tonnes	**451,600**	404,800	873,500
Ore grade processed		Kg Nb/tonne	**6.0**	10.6	9.3
Production		tonnes	**1,900**	2,600	5,100

[1] Includes 460 kt (six months ended 30 June 2009: nil; year ended 31 December 2009: 119 kt) of capitalised production from Zibulo (previously Zondagsfontein). The 460 kt includes Eskom coal production of 262 kt (six months ended 30 June 2009: nil; year ended 31 December 2009: 33 kt) and thermal coal production of 198 kt (six months ended 30 June 2009: nil; year ended 31 December 2009: 86 kt).

[2] Production for Coal Americas is included in the Coal production section.

Production statistics (continued)

Quarterly production statistics

				Quarter ended		% Change (Quarter ended)	
	30.06.10	31.03.10	31.12.09	30.09.09	30.06.09	30.06.10 v 31.03.10	30.06.10 v 30.06.09
Copper segment (tonnes)[(1)]	**154,700**	160,800	185,900	168,100	165,300	(4)%	(6)%
Nickel segment (tonnes)[(2)]	**5,300**	4,800	4,900	4,900	5,600	10%	(5)%
Platinum segment							
Platinum (troy ounces)	**553,800**	446,700	766,000	629,200	652,400	24%	(15)%
Palladium (troy ounces)	**294,400**	247,000	426,300	337,500	361,600	19%	(19)%
Rhodium (troy ounces)	**67,300**	61,600	93,900	92,100	90,100	9%	(25)%
Nickel (tonnes)	**4,800**	4,400	5,300	5,500	5,400	9%	(11)%
Equivalent refined platinum (troy ounces)	**601,000**	594,700	603,900	616,500	630,500	1%	(5)%
Iron Ore and Manganese segment (tonnes)							
Iron ore[(3)]	**11,458,000**	12,328,000	12,407,200	11,861,000	10,336,000	(7)%	11%
Manganese ore[(4)]	**674,000**	684,000	615,000	462,000	200,000	(1)%	237%
Manganese alloys[(4)(5)]	**87,000**	68,100	52,000	25,000	10,000	28%	770%
Metallurgical Coal segment (tonnes)							
Metallurgical	**3,797,900**	3,281,600	3,805,500	3,147,800	3,354,000	16%	13%
Thermal	**3,970,200**	3,349,800	3,487,400	3,614,300	3,738,600	19%	6%
Thermal Coal segment (tonnes)[(6)]							
Metallurgical	**110,400**	111,400	130,500	224,300	172,300	(1)%	(36)%
Thermal	**7,813,000**	7,418,100	7,785,400	8,431,600	8,429,300	5%	(7)%
Eskom	**8,275,300**	8,212,000	8,448,400	10,400,200	8,938,400	1%	(7)%
Diamonds segment (De Beers) (diamonds recovered – carats)							
100% basis (Anglo American 45%)							
Diamonds	**8,420,000**	7,012,000	10,124,000	7,885,000	5,509,000	20%	53%
Other Mining and Industrial segment (tonnes)[(7)]							
Metallurgical coal	**206,700**	194,700	149,900	164,900	152,600	6%	35%
Thermal coal	**89,900**	173,000	310,200	214,500	169,000	(48)%	(47)%
Zinc	**91,000**	87,700	86,500	94,000	87,100	4%	4%
Lead	**15,400**	15,400	18,900	18,400	16,400	–	(6)%
South Africa Steel Products	**197,000**	182,000	167,000	183,000	164,000	8%	20%
International Steel Products	**188,800**	190,000	177,000	164,000	158,000	(1)%	19%
Coal production by commodity (tonnes)[(6)]							
Metallurgical	**4,115,000**	3,587,700	4,085,900	3,537,000	3,678,900	15%	12%
Thermal	**11,873,100**	10,940,900	11,583,000	12,260,400	12,336,900	9%	(4)%
Eskom	**8,275,300**	8,212,000	8,448,400	10,400,200	8,938,400	1%	(7)%

(1) Excludes Platinum and Black Mountain mine copper production.
(2) Excludes Platinum nickel production.
(3) At 31 December 2009 Amapá was not in commercial production and therefore to this date all revenue and related costs were capitalised. Commercial production commenced on 1 January 2010.
(4) Saleable production.
(5) Production includes Medium Carbon Ferro Manganese.
(6) Includes 460 kt (six months ended 30 June 2009: nil; year ended 31 December 2009: 119 kt) of capitalised production from Zibulo (previously Zondagsfontein). The 460 kt includes Eskom coal production of 262 kt (six months ended 30 June 2009: nil; year ended 31 December 2009: 33 kt) and thermal coal production of 198 kt (six months ended 30 June 2009: nil; year ended 31 December 2009: 86 kt).
(7) Excludes Tarmac, Copebrás and Catalão.

Reconciliation of subsidiaries' and associate's reported earnings to the Underlying earnings included in the Condensed financial statements

for the six months ended 30 June 2010

Only key reported lines are reconciled

Anglo Platinum Limited

US$ million	**6 months ended 30.06.10**	6 months ended 30.06.09[1]	Year ended 31.12.09
IFRS headline earnings (US$ equivalent of published)	**340**	44	84
Exploration	**4**	10	17
Operating and financing remeasurements (net of tax)	**(17)**	–	27
Restructuring costs included in headline earnings (net of tax)	**11**	–	27
Other adjustments	**(3)**	–	2
	335	54	157
Non-controlling interests	**(68)**	(11)	(31)
Elimination of intercompany interest	**26**	26	47
Depreciation on assets fair valued on acquisition (net of tax)	**(47)**	(39)	(83)
Corporate cost allocation	**(24)**	(21)	(46)
Contribution to Anglo American plc underlying earnings	**222**	9	44

Kumba Iron Ore Limited

US$ million	**6 months ended 30.06.10**	6 months ended 30.06.09[1]	Year ended 31.12.09
IFRS headline earnings (US$ equivalent of published)[2]	**864**	379	845
Exploration	**3**	1	3
Other adjustments	**–**	(1)	(2)
	867	379	846
Non-controlling interests	**(325)**	(138)	(314)
Elimination of intercompany interest	**1**	(8)	(10)
Depreciation on assets fair valued on acquisition (net of tax)	**(4)**	(3)	(7)
Corporate cost allocation	**(19)**	(19)	(39)
Other adjustments	**–**	–	14
Contribution to Anglo American plc underlying earnings	**520**	211	490

DB Investments

US$ million	**6 months ended 30.06.10**	6 months ended 30.06.09	Year ended 31.12.09
De Beers underlying earnings (100%)	**304**	(164)	(220)
Difference in IAS 19 accounting policy	**14**	4	5
De Beers underlying earnings – Anglo American plc basis (100%)	**318**	(160)	(215)
Anglo American plc's 45% ordinary share interest	**143**	(72)	(97)
Income from preference shares	**8**	5	9
Other	**(3)**	–	(2)
Contribution to Anglo American plc underlying earnings	**148**	(67)	(90)

[1] Comparatives have been updated to include an allocation of corporate costs.
[2] Kumba's headline earnings for the six months ended 30 June 2010 assume a non-controlling interest of 20% in Kumba's underlying mining assets (six months ended 30 June 2009: 20%; year ended 31 December 2009: 20%).

Exchange rates and commodity prices

US$ exchange rates	30.06.10	30.06.09	31.12.09
Average prices for the period			
Rand	**7.53**	9.20	8.41
Sterling	**0.66**	0.67	0.64
Euro	**0.75**	0.75	0.72
Australian dollar	**1.12**	1.40	1.26
Chilean peso	**525**	586	559
Brazilian real	**1.80**	2.19	2.00
Period end spot prices			
Rand	**7.65**	7.74	7.38
Sterling	**0.67**	0.61	0.62
Euro	**0.82**	0.71	0.70
Australian dollar	**1.18**	1.24	1.11
Chilean peso	**547**	532	507
Brazilian real	**1.80**	1.96	1.74

Commodity prices		30.06.10	30.06.09	31.12.09
Average market prices for the period				
Copper(1)	US cents/lb	**323**	184	234
Nickel(1)	US cents/lb	**962**	531	667
Platinum(2)	US$/oz	**1,602**	1,103	1,211
Palladium(2)	US$/oz	**471**	218	266
Rhodium(2)	US$/oz	**2,631**	1,291	1,592
Zinc(1)	US cents/lb	**98**	60	75
Lead(1)	US cents/lb	**95**	60	78
Period end spot prices				
Copper(1)	US cents/lb	**295**	232	333
Nickel(1)	US cents/lb	**881**	726	838
Platinum(2)	US$/oz	**1,533**	1,204	1,475
Palladium(2)	US$/oz	**455**	253	402
Rhodium(2)	US$/oz	**2,500**	1,450	2,500
Zinc(1)	US cents/lb	**78**	71	117
Lead(1)	US cents/lb	**77**	78	109

(1) Source: LME daily prices.
(2) Source: Johnson Matthey.

Summary by business operation

US$ million	Revenue[1]			EBITDA[2]			Operating profit/(loss)[3]			Underlying earnings		
	6 months ended 30.06.10	6 months ended 30.06.09[4]	Year ended 31.12.09	**6 months ended 30.06.10**	6 months ended 30.06.09[4]	Year ended 31.12.09	**6 months ended 30.06.10**	6 months ended 30.06.09[4]	Year ended 31.12.09	**6 months ended 30.06.10**	6 months ended 30.06.09[4]	Year ended 31.12.09
Copper	**2,142**	1,472	3,967	**1,312**	715	2,254	**1,185**	606	2,010	**706**	383	1,201
Anglo American Sur	**941**	656	1,723	**560**	301	994	**494**	243	862	**302**	141	444
Anglo American Norte	**477**	323	833	**293**	142	408	**272**	125	369	**170**	79	197
Collahuasi	**724**	493	1,411	**512**	321	952	**472**	287	880	**287**	215	663
Projects and corporate	**–**	–	–	**(53)**	(49)	(100)	**(53)**	(49)	(101)	**(53)**	(52)	(103)
Nickel	**209**	113	348	**81**	2	28	**68**	(11)	2	**64**	(21)	(13)
Codemin	**107**	62	157	**61**	11	49	**57**	7	41	**41**	7	24
Loma de Níquel	**102**	51	191	**36**	4	11	**26**	(5)	(7)	**32**	(18)	17
Projects and corporate	**–**	–	–	**(16)**	(13)	(32)	**(15)**	(13)	(32)	**(9)**	(10)	(54)
Platinum	**2,870**	1,905	4,535	**785**	263	677	**418**	(13)	32	**222**	9	44
Iron Ore and Manganese	**3,005**	1,576	3,419	**1,711**	753	1,593	**1,628**	720	1,489	**614**	250	571
Kumba Iron Ore	**2,375**	1,328	2,816	**1,526**	749	1,562	**1,470**	723	1,487	**520**	211	490
Iron Ore Brazil	**125**	–	–	**(40)**	(85)	(135)	**(51)**	(82)	(141)	**(42)**	(94)	(119)
Samancor	**505**	248	603	**225**	89	166	**209**	79	143	**136**	133	200
Metallurgical Coal	**1,444**	1,139	2,239	**416**	422	706	**263**	321	451	**177**	224	322
Australia	**1,444**	1,139	2,239	**427**	435	729	**274**	334	474	**188**	237	345
Projects and corporate	**–**	–	–	**(11)**	(13)	(23)	**(11)**	(13)	(23)	**(11)**	(13)	(23)
Thermal Coal	**1,317**	1,222	2,490	**433**	456	875	**351**	388	721	**258**	269	517
South Africa	**973**	833	1,748	**277**	277	550	**220**	233	442	**167**	167	328
South America	**344**	389	742	**168**	195	352	**143**	171	305	**103**	118	215
Projects and corporate	**–**	–	–	**(12)**	(16)	(27)	**(12)**	(16)	(26)	**(12)**	(16)	(26)
Diamonds	**1,340**	770	1,728	**340**	75	215	**261**	4	64	**148**	(67)	(90)
Other Mining and Industrial	**2,686**	2,933	5,908	**427**	402	878	**290**	236	506	**218**	169	403
Tarmac[5]	**1,254**	1,369	2,870	**101**	123	313	**29**	28	101	**25**	19	81
Skorpion[6]	**170**	104	236	**101**	35	100	**81**	11	43	**79**	14	40
Lisheen[6]	**116**	69	208	**55**	17	74	**54**	17	73	**47**	18	67
Black Mountain[6]	**54**	49	148	**15**	12	59	**15**	12	59	**11**	12	60
Scaw Metals	**767**	738	1,384	**104**	89	172	**83**	71	131	**52**	40	70
Copebrás	**165**	151	320	**22**	17	(9)	**12**	5	(40)	**5**	11	7
Catalão	**70**	81	184	**31**	54	111	**28**	51	106	**17**	39	77
Coal Americas	**90**	54	165	**9**	3	6	**(1)**	(4)	(8)	**1**	(3)	(12)
Tongaat Hulett/Hulamin[7]	**–**	318	393	**–**	60	73	**–**	55	62	**–**	28	31
Projects and corporate	**–**	–	–	**(11)**	(8)	(21)	**(11)**	(10)	(21)	**(19)**	(9)	(18)
Exploration	**–**	–	–	**(57)**	(70)	(172)	**(57)**	(70)	(172)	**(55)**	(67)	(167)
Corporate Activities and Unallocated Costs	**2**	2	3	**(34)**	(33)	(124)	**(46)**	(45)	(146)	**(140)**	(53)	(219)
	15,015	11,132	24,637	**5,414**	2,985	6,930	**4,361**	2,136	4,957	**2,212**	1,096	2,569

(1) Revenue includes the Group's attributable share of revenue of joint ventures and associates. Revenue for copper and zinc operations is shown after deduction of treatment and refining charges (TC/RCs).

(2) EBITDA is operating profit before special items, remeasurements, depreciation and amortisation in subsidiaries and joint ventures and includes attributable share of EBITDA of associates.

(3) Operating profit includes operating profit before special items and remeasurements from subsidiaries and joint ventures and attributable share of operating profit (before interest, tax, non-controlling interests, special items and remeasurements) of associates.

(4) Due to the portfolio and management structure changes announced in October 2009, the segments have changed from those reported at 30 June 2009. Comparatives have been reclassified to align with current presentation. The segment results include an allocation of corporate costs. A reconciliation of operating profit and underlying earnings by segment, as reported in the 2009 Half year financial report, to the amounts reflected above is shown in the 'Reconciliation of earnings by segment'.

(5) Tarmac is made up of the former Industrial Minerals segment and Yang Quarry, which was previously included in the Coal segment. In the six months ended 30 June 2010 Tarmac has sold its Polish, French and Belgian concrete products businesses. See Disposals note 16.

(6) Skorpion, Lisheen and Black Mountain comprise the Group's portfolio of operating zinc assets which were classified as held for sale at 30 June 2010. See Disposal groups and non-current assets held for sale note 17.

(7) The Group's investments in Tongaat Hulett and Hulamin were disposed of in August 2009 and July 2009, respectively.

Reconciliation of earnings by segment

The following tables reconcile operating profit and underlying earnings by segment as reported in the 2009 Half year financial report to the comparative amounts reported in notes 3 and 4 respectively. The adjustments reflect the portfolio and management structure changes announced in October 2009.

Operating profit

US$ million	Pre-restructuring	Structural changes	Divisional cost apportionment	Corporate cost allocation	As reported (note 3)	
6 months ended 30.06.09						
Base Metals	**695**					
Copper	651	(12)	(3)	(30)	**606**	**Copper**
Codemin, Loma de Níquel	2	(7)	(4)	(2)	**(11)**	**Nickel**
Zinc, Copebrás, Catalão	96	(96)	–	–	**–**	
Other	(54)	22	32	–	**–**	
Platinum	**8**	–	–	(21)	**(13)**	**Platinum**
Ferrous Metals and Industries	**857**					
Kumba Iron Ore, Iron Ore Brazil, Samancor	739	–	–	(19)	**720**	**Iron Ore and Manganese**
Scaw, Tongaat Hulett/Hulamin	126	(126)	–	–	**–**	
Other	(8)	2	6	–	**–**	
Coal	**720**					
Australia	334	(1)	–	(12)	**321**	**Metallurgical Coal**
South Africa	233	169	(2)	(12)	**388**	**Thermal Coal**
South America	165	(165)	–	–	**–**	
Canada	2	(2)	–	–	**–**	
Projects and corporate	(14)	4	10	–	**–**	
Diamonds	**4**	–	–	–	**4**	**Diamonds**
Industrial Minerals	**27**	216	(2)	(5)	**236**	**Other Mining and Industrial**
Exploration	**(70)**	–	–	–	**(70)**	**Exploration**
Corporate Activities and Unallocated Costs	**(105)**	(4)	(37)	101	**(45)**	**Corporate Activities and Unallocated Costs**
	2,136	–	–	–	**2,136**	

Underlying earnings

US$ million	Pre-restructuring	Structural changes	Divisional cost apportionment	Corporate cost allocation	As reported (note 4)	
6 months ended 30.06.09						
Base Metals	**454**					
Copper	431	(15)	(3)	(30)	**383**	**Copper**
Codemin, Loma de Níquel	(11)	(4)	(4)	(2)	**(21)**	**Nickel**
Zinc, Copebrás, Catalão	94	(94)	–	–	**–**	
Other	(60)	28	32	–	**–**	
Platinum	**30**	–	–	(21)	**9**	**Platinum**
Ferrous Metals and Industries	**336**					
Kumba Iron Ore, Iron Ore Brazil, Samancor	269	–	–	(19)	**250**	**Iron Ore and Manganese**
Scaw, Tongaat Hulett/Hulamin	68	(68)	–	–	**–**	
Other	(1)	(5)	6	–	**–**	
Coal	**505**					
Australia	237	(1)	–	(12)	**224**	**Metallurgical Coal**
South Africa	167	116	(2)	(12)	**269**	**Thermal Coal**
South America	113	(113)	–	–	**–**	
Canada	2	(2)	–	–	**–**	
Projects and corporate	(14)	4	10	–	**–**	
Diamonds	**(67)**	–	–	–	**(67)**	**Diamonds**
Industrial Minerals	**18**	158	(2)	(5)	**169**	**Other Mining and Industrial**
Exploration	**(67)**	–	–	–	**(67)**	**Exploration**
Corporate Activities and Unallocated Costs	**(113)**	(4)	(37)	101	**(53)**	**Corporate Activities and Unallocated Costs**
	1,096	–	–	–	**1,096**	

AngloAmerican

ANGLO AMERICAN plc

(Incorporated in England and Wales – Registered number 3564138)

(the Company)

Notice of Interim Dividend

(Dividend No. 20)

Notice is hereby given that an interim dividend on the Company's ordinary share capital in respect of the year to 31 December 2010 will be paid as follows:

Amount (United States currency)	25 cents per ordinary share (note 1)
Amount (South African currency)	R1.8309 per ordinary share
Last day to effect removal of shares between the UK and SA registers	Thursday 29 July 2010
Last day to trade on the JSE Limited (JSE) to qualify for dividend	Friday 13 August 2010
Ex-dividend on the JSE from the commencement of trading on	Monday 16 August 2010 (note 2)
Ex-dividend on the London Stock Exchange from the commencement of trading on	Wednesday 18 August 2010
Record date (applicable to both the United Kingdom principal register and South African branch register)	Friday 20 August 2010
Last day for receipt of US$/€ currency elections by the UK Registrars (note 1)	Friday 20 August 2010
Last day for receipt of Dividend Reinvestment Plan (DRIP) mandate forms by the UK Registrars (notes 3, 4 and 5)	Friday 20 August 2010
Currency conversion US$:£/€ rates announced on	Tuesday 31 August 2010
Removal of shares between the UK and SA registers permissible from	Tuesday 31 August 2010
Last day for receipt of DRIP mandate forms by Central Securities Depository Participants (CSDPs) (notes 3, 4 and 5)	Tuesday 31 August 2010
Last day for receipt of DRIP mandate forms by the South African Transfer Secretaries (notes 3, 4 and 5)	Wednesday 1 September 2010
Dividend warrants posted	Wednesday 15 September 2010
Payment date of dividend	Thursday 16 September 2010

Notes

1. Shareholders on the United Kingdom register of members with an address in the United Kingdom will be paid in pounds sterling and those with an address in a country in the European Union which has adopted the euro, will be paid in euros. Such shareholders may, however, elect to be paid their dividends in US dollars provided the UK Registrars receive such election by Friday 20 August 2010. Shareholders with an address elsewhere will be paid in US dollars except those registered on the South African branch register who will be paid in South African rand.
2. Dematerialisation and rematerialisation of registered share certificates in South Africa will not be effected by CSDPs during the period from Monday 16 August 2010 to Friday 20 August 2010 (both days inclusive).
3. Those shareholders who already participate in the DRIP need not complete a DRIP mandate form for each dividend as such forms provide an ongoing authority to participate in the DRIP until cancelled in writing. Shareholders who wish to participate in the DRIP should obtain a mandate form from the UK Registrars, the South African Transfer Secretaries or, in the case of those who hold their shares through the STRATE system, their CSDP.
4. In terms of the DRIP, and subject to the purchase of shares in the open market, share certificates/CREST notifications are expected to be mailed and CSDP investor accounts credited/updated on Tuesday 21 September 2010 in the UK and Thursday 23 September 2010 in South Africa. CREST accounts will be credited on Wednesday 22 September 2010.
5. Copies of the terms and conditions of the DRIP are available from the UK Registrars or the South African Transfer Secretaries.

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South African Transfer Secretaries
Link Market Services South Africa (Pty) Limited
11 Diagonal Street
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South Africa
(PO Box 4844, Johannesburg 2000)