

FERROUS METALS AND INDUSTRIES

Presentation to analysts
30 March 2006

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- Business overview
- Strategy
- Iron ore market overview
- Conclusion



An aerial photograph of the Sishen Plant, showing a complex network of iron ore conveyors. The foreground features a wide conveyor belt filled with dark, crushed iron ore, supported by a metal structure with railings. In the background, there are several large industrial buildings with reddish-brown roofs, smaller structures, and a dirt road. The landscape is arid with some sparse vegetation and a clear blue sky. The overall scene depicts a large-scale industrial mining operation.

1. Business overview

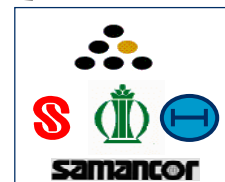
- EBIT of \$1.5 billion
- Employees > 35 000
- Operations on 6 continents and in 26 countries
- Positive outlook for key markets
- Attractive growth opportunities

Long-life, high quality ore resources

- Iron ore
- Manganese

Leading market positions

- Iron ore
- Manganese
- Beneficiated steels



Strong management systems



Strategy

Budgets

KPA's

CIP & procurement

Talent management

Capital discipline

- Mergers and acquisitions
- Greenfield and brownfield expansions
- Working capital

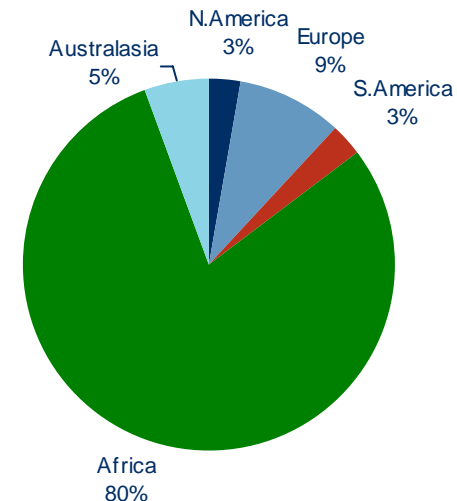
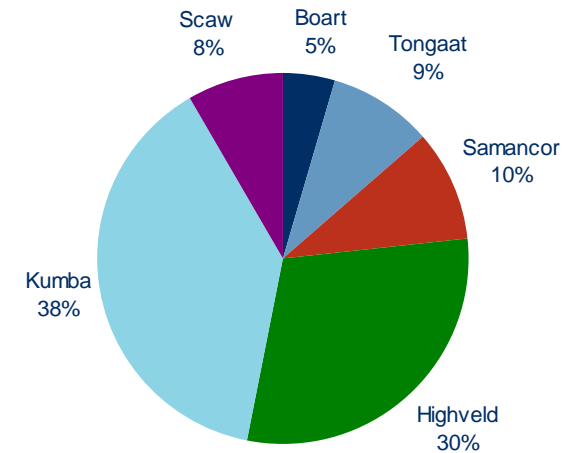
Centre initiatives

- SHEQ
- Procurement
- Information technology
- Human resources

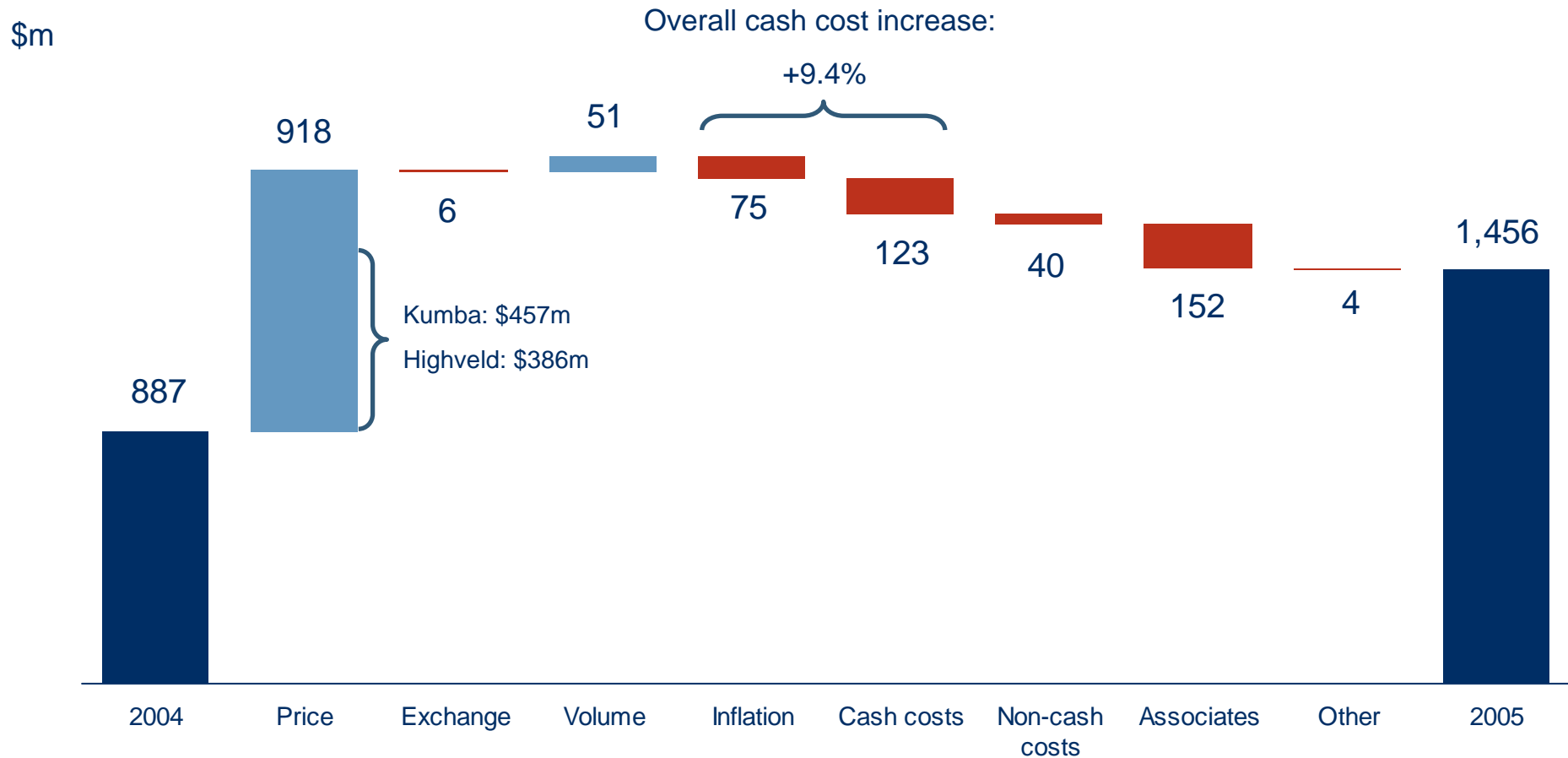
2005 Highlights

- Record EBIT of \$1 456m (2004: \$887m); second largest in Anglo Group (23%)
- Return on capital in 2005 of 33% (2004:18%)
- Cash generation (EBITDA) up \$548m to \$1 779m
- Efficiency improvements and cost savings initiatives realised \$149m
- Sishen Expansion Project approved, will increase production by 10 Mtpa by 2009 (\$559m). Further studies underway

2005 EBIT of \$1,456m by operation and country



EBIT variance analysis



Safety

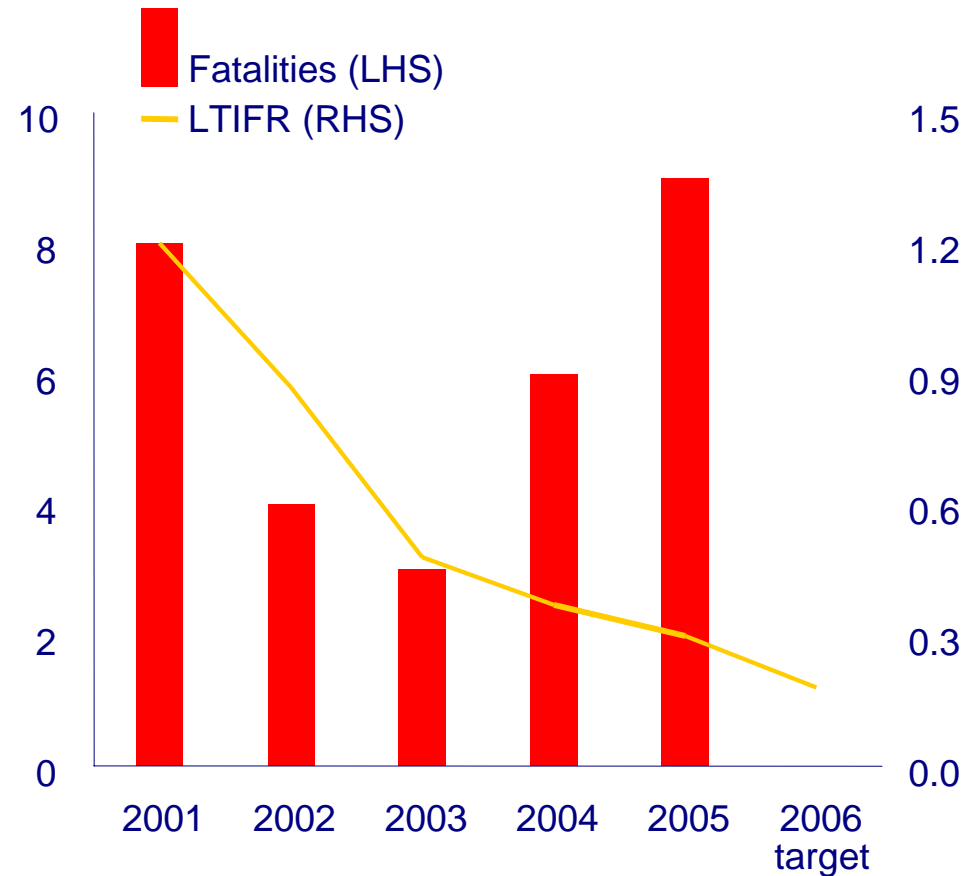
- Injury frequency rate continuing to improve
- Zero fatalities and zero lost time injuries are the objective
- Safety pre-eminence continues to be driven through Visible Felt Leadership, Behaviour Based Safety initiatives and Du Pont Training

Health

- Target is to eliminate all new cases of occupational diseases
- All employees are actively encouraged to participate in company wellness programmes

Environment and social

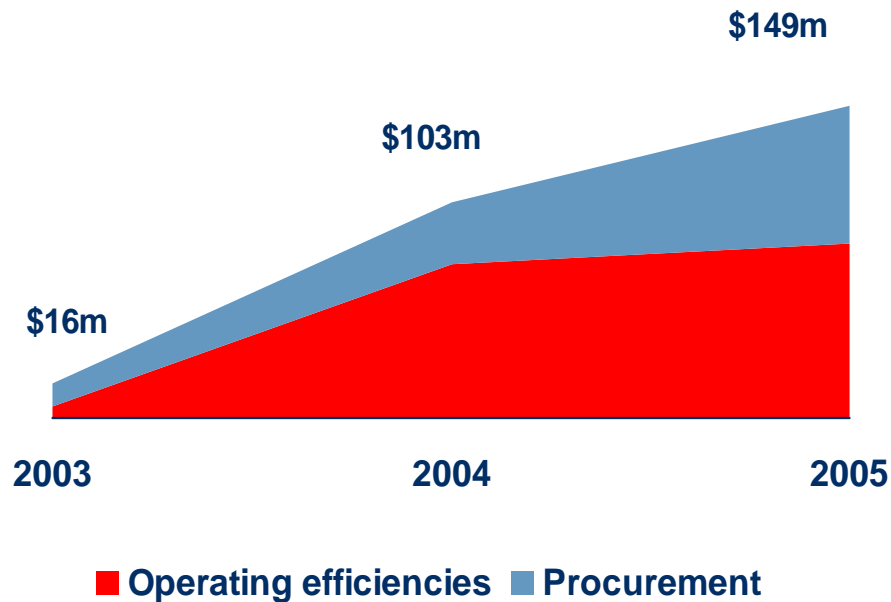
- Targeted annual reduction in energy usage
- All operations have Community Engagement Programmes – SEAT in place



Cost savings initiatives

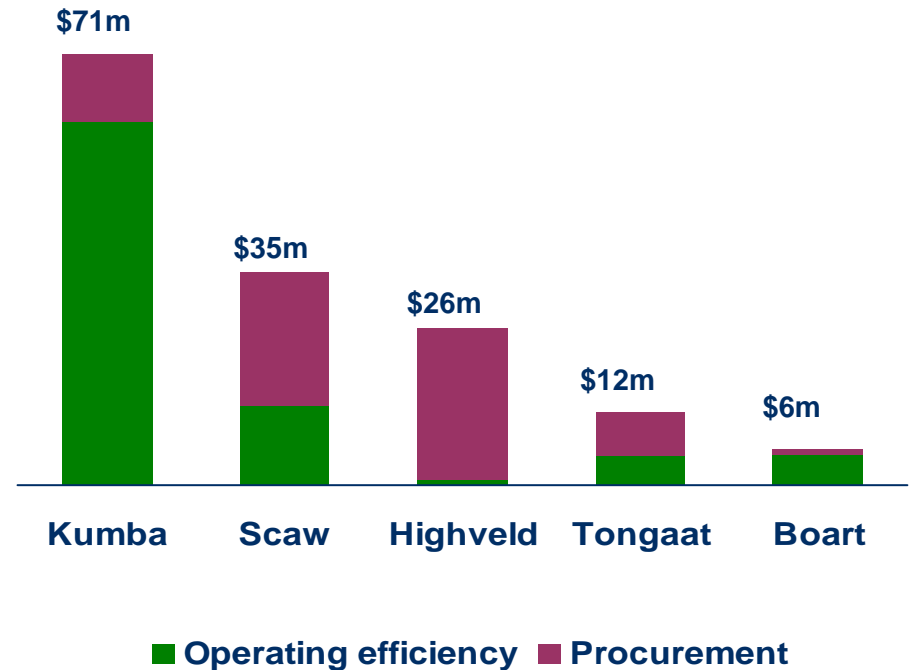
Efficiency improvements and cost savings initiatives realised \$149m in 2005:

- Operating efficiency - \$83m
- Procurement - \$66m



YTD December 2005

\$149m - offsetting real cash cost increases



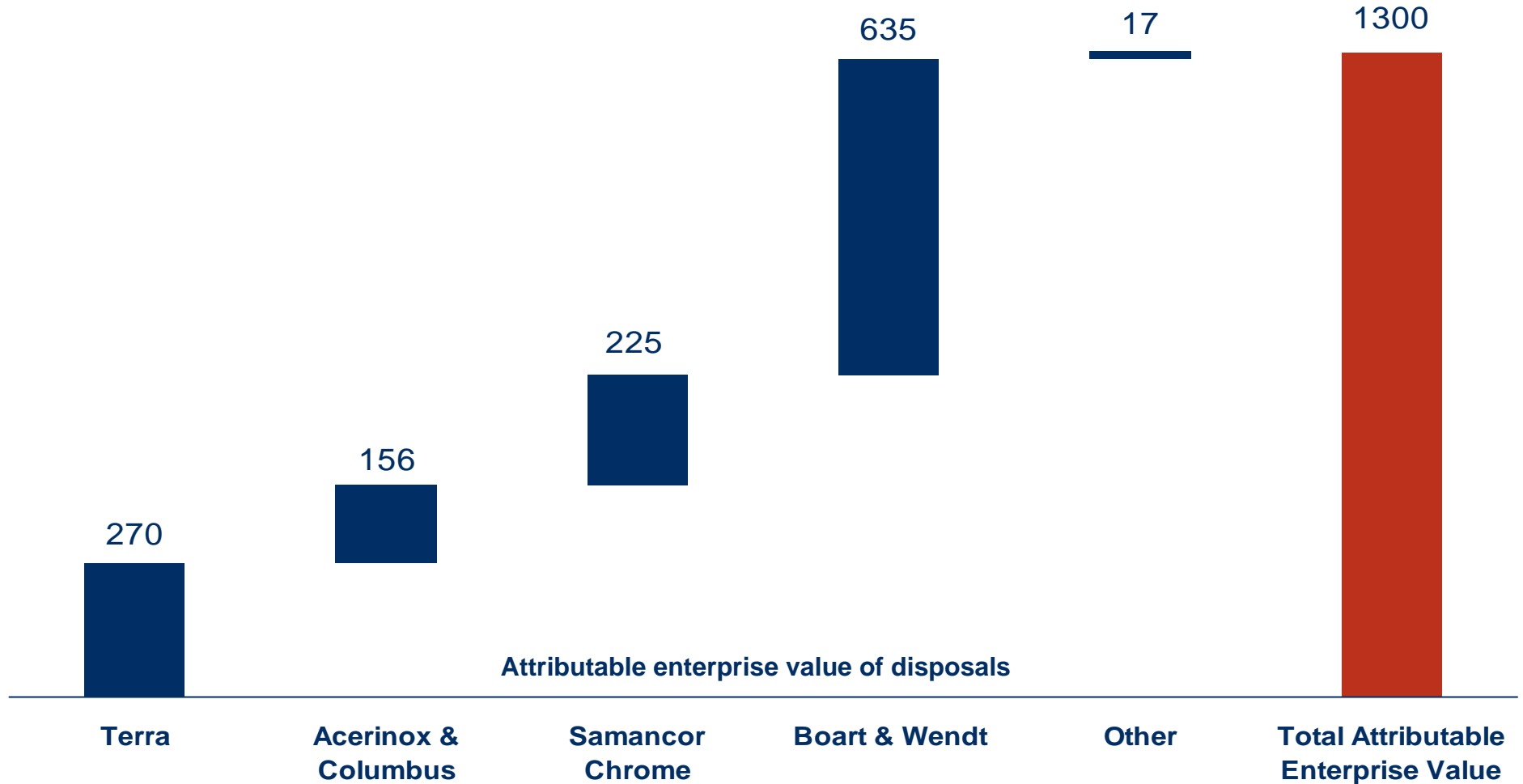
2. Divisional strategy

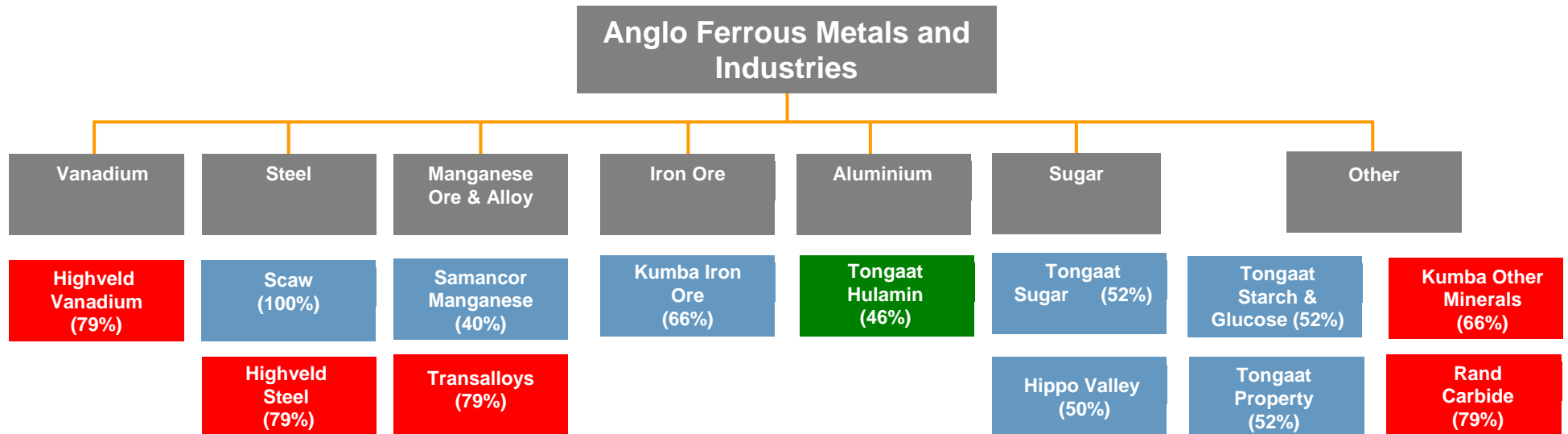


Open pit iron ore mining operation

- Boart Longyear and Wendt sold for a combined enterprise value of \$635m
- Samancor Chrome sold for an attributable enterprise value of \$225m
- Kumba sold Hope Downs Project for \$176m after arbitration process
- Acerinox and Columbus shareholdings sold for an attributable enterprise value of \$156m
- Kumba announces unbundling of Kumba Iron Ore in October 2005
- Intention to sell Highveld announced in October 2005
- Scaw acquired AltaSteel in January 2006 for \$83m
- Tongaat-Hulett announces unbundling of Hulett Aluminium in February 2006

\$1.3 billion of non-core asset disposals in 2004 and 2005





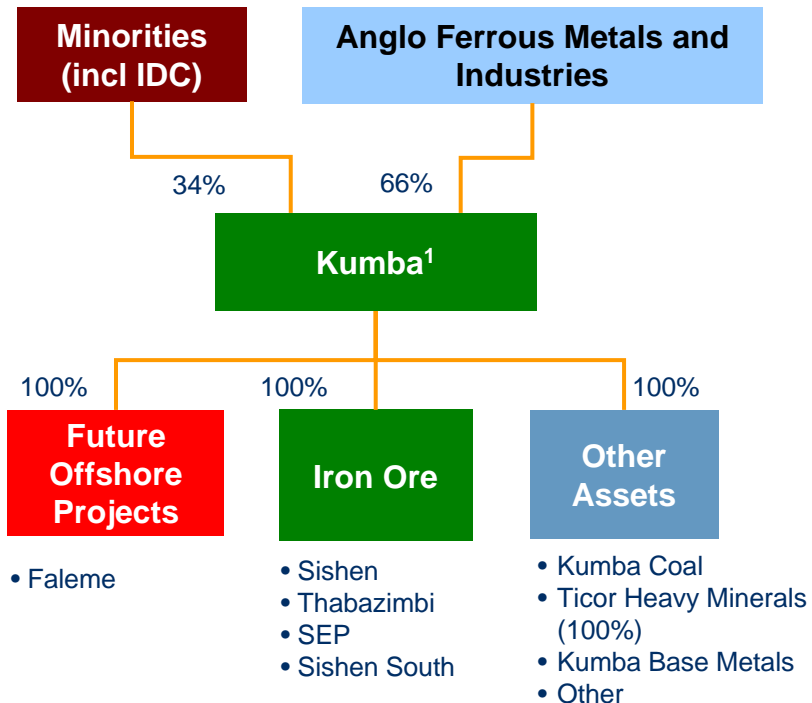
■ Targeted disposals
■ Unbundling to Tongaat-Hulett shareholders

Key strategic actions

- Grow Anglo's position in iron ore with a view to consolidating it as the cornerstone of the reconfigured Ferrous Metals portfolio
- Complete the reorganisation of Kumba to achieve BEE status for its mining businesses and provide Anglo with a direct controlling shareholding in Kumba's iron ore assets and greater access to its cash flows

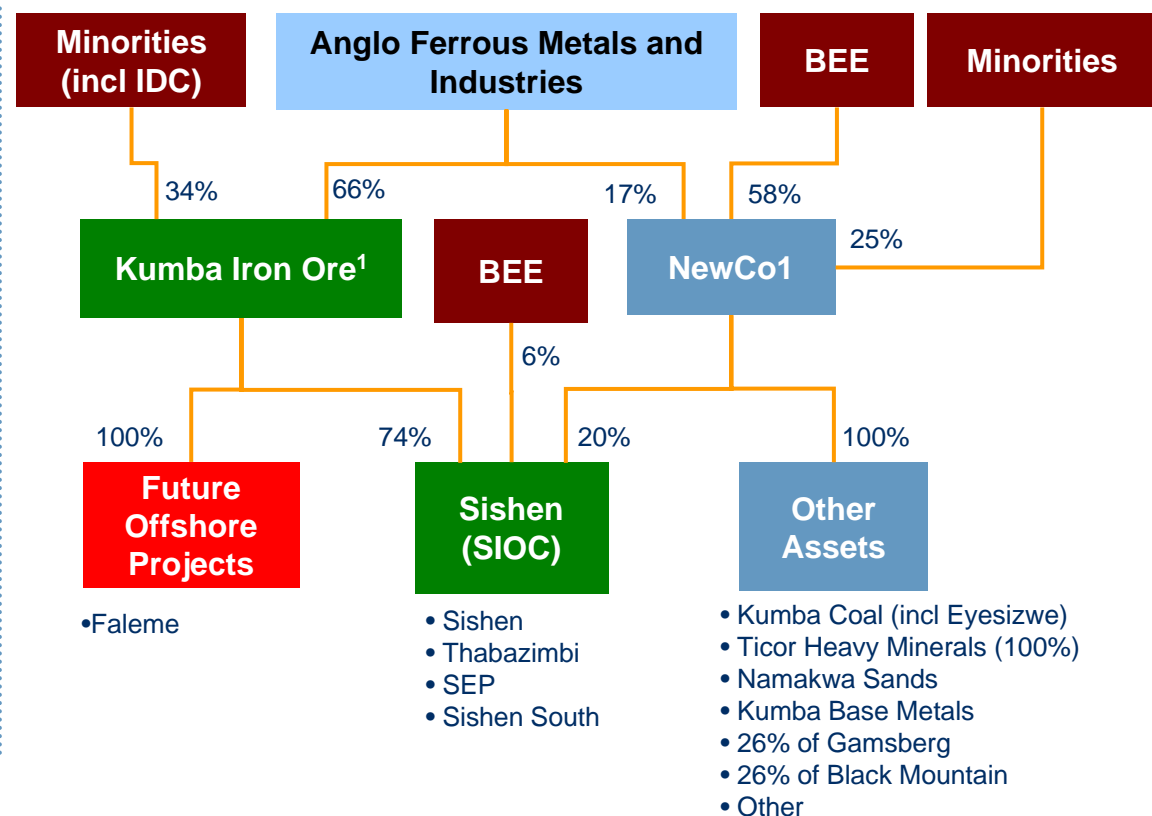
Kumba BEE

Current Structure



Note ⁽¹⁾ Listed on the JSE

Final Structure

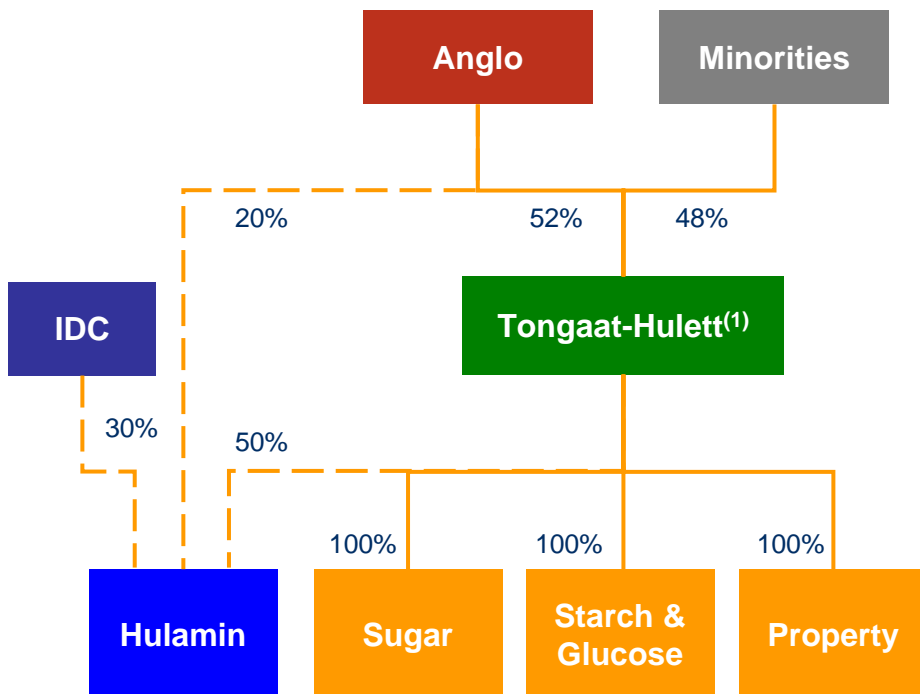


Key strategic actions (continued)

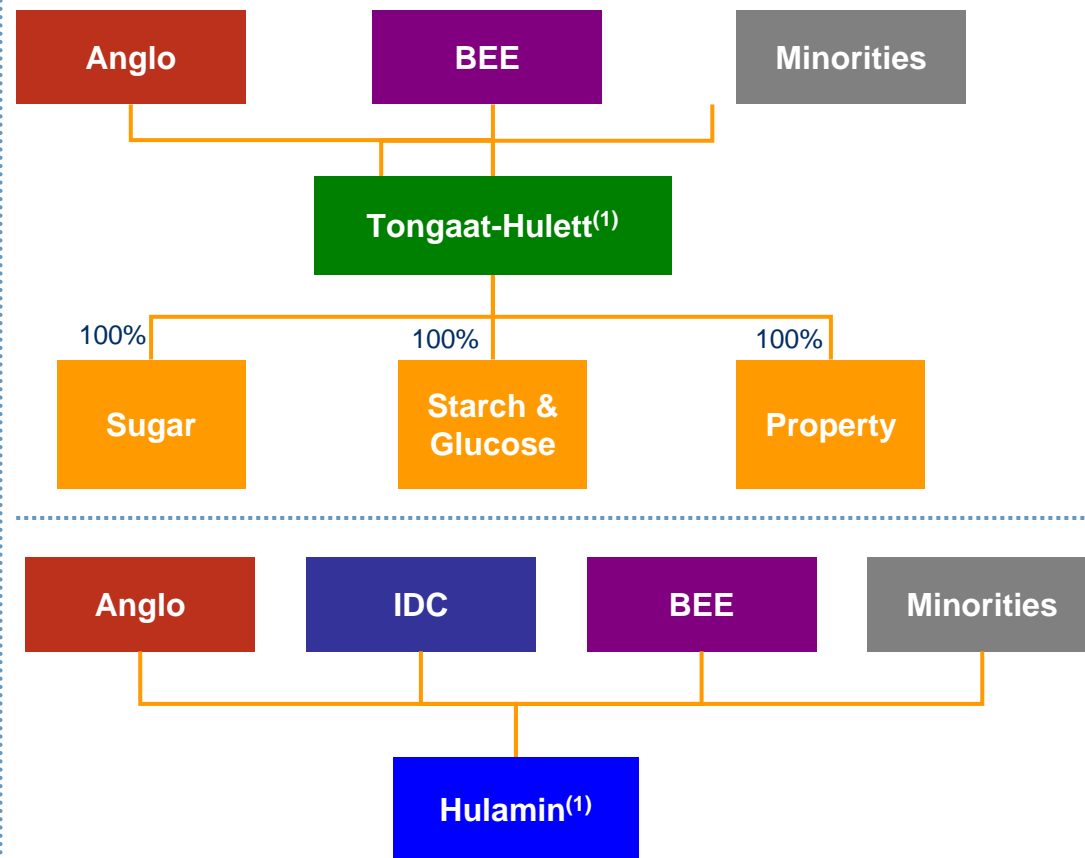
- Together with BHP Billiton complete the introduction of BEE at Samancor Manganese South Africa
- Continue to grow ore production at Samancor Manganese Australia
- Complete the disposal of Highveld for value
- Complete the introduction of BEE into Scaw South Africa
- Unbundle Hulett Aluminium to Tongaat-Hulett shareholders and introduce BEE into Tongaat-Hulett and Hulett Aluminium

Tongaat-Hulett restructuring

Current Structure



Final Structure



Note⁽¹⁾ Listed on the JSE



3. Iron ore market overview

Iron ore loaded onto train, ready for railing to Saldanha

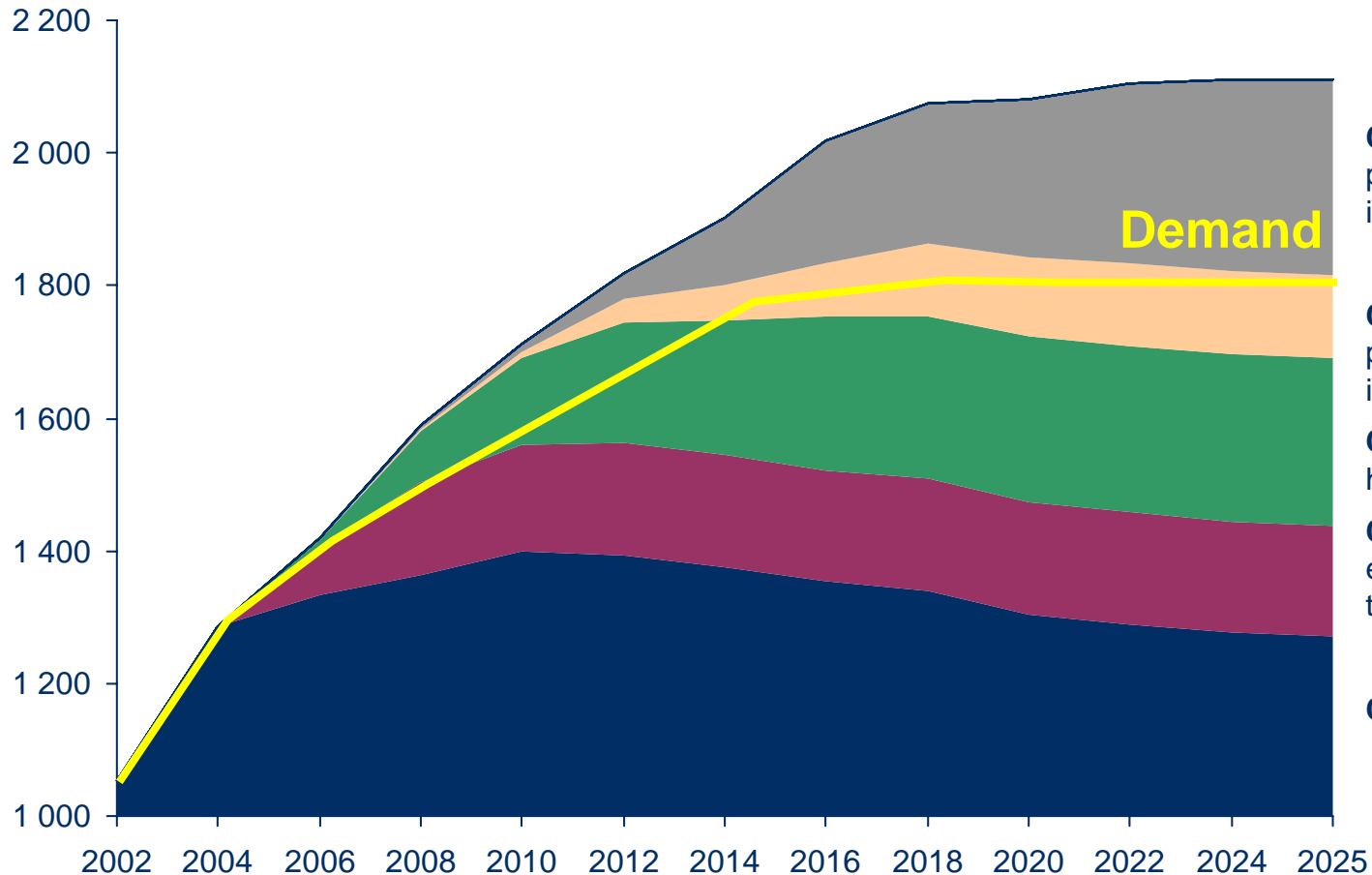
The iron ore industry remains fundamentally attractive

- 2005 Demand increase of 3.5% over 2004 to 1 330 Mt
- Steady growth in demand forecast until at least 2020 (25% growth from today's levels)
- Demand (particularly sea-borne) growing due to Chinese demand and reduced steel scrap availability
- CVRD, Rio Tinto and BHP Billiton will largely be responsible for future sea-borne expansions
- Greenfield incentive pricing is expected until at least 2015 and brownfield incentive pricing after 2025

Iron ore market overview

Required expansions to meet long-term demand in the base case

Iron ore supply and demand, Mt



Category 4: Uncertain future projects with no supporting infrastructure

Category 3: Uncertain future projects, close to existing infrastructure

Category 2: Projects likely to happen with possible delays

Category 1: Ongoing expansions and projects likely to happen in given time frame

Current Mines

Sishen produces high quality ore

- Lump to Fine ratio of 60% to 40%
- High grade in excess of 66% Fe
- Attracts premium price relative to benchmark

4. Conclusion

Iron ore train loading facility



- Record 2005 performance
- Strong iron ore and vanadium prices expected for 2006
- The Division will continue to reshape its portfolio around core businesses, focusing on increased iron ore output
- Drive to improve margins through greater operating efficiencies, increased volumes and cost saving initiatives
- Continued focus on safety and environment