



Delivering our strategy

Merrill Lynch Conference

Cynthia Carroll

May 2008

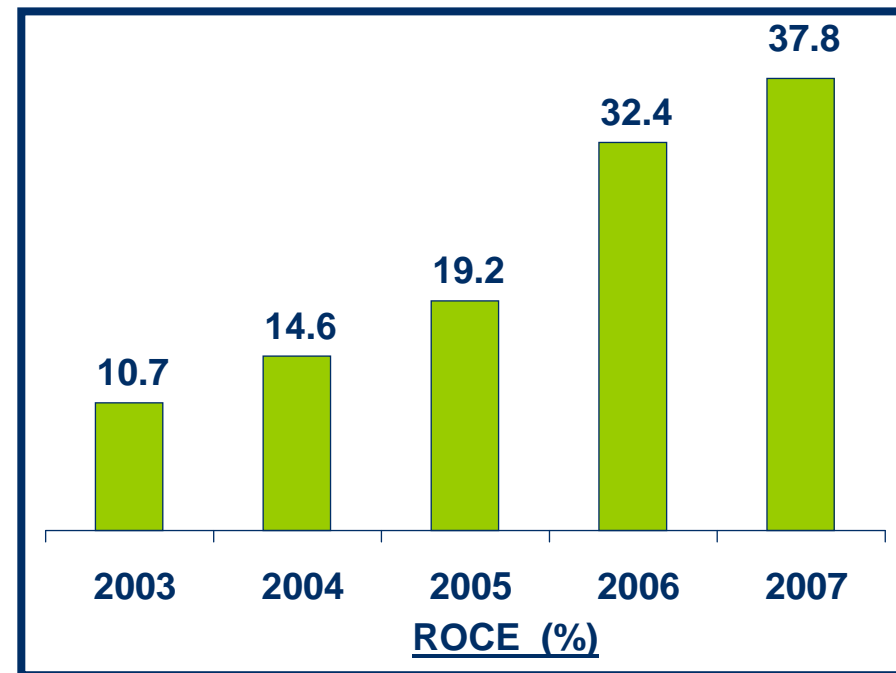
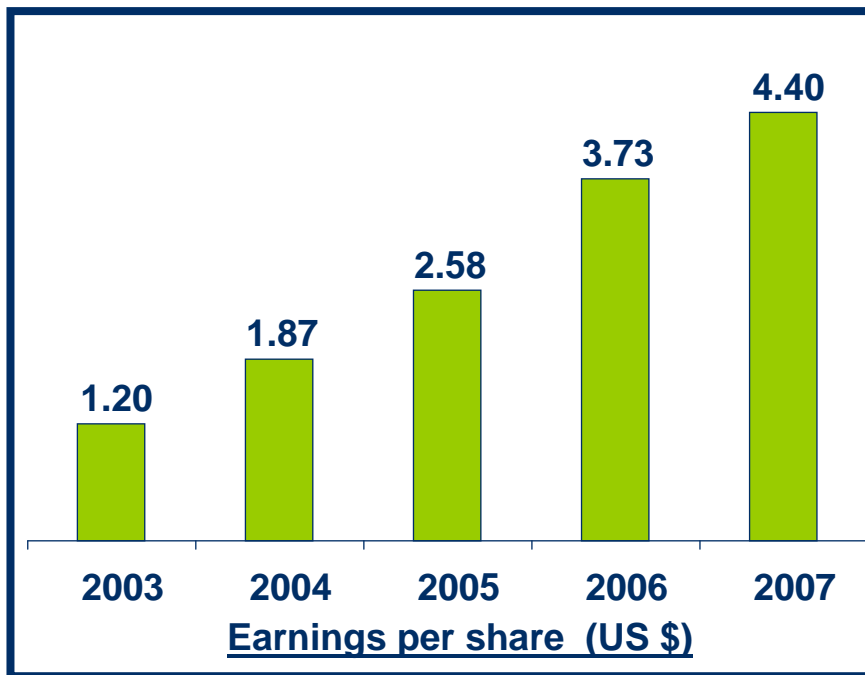
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Operations across 40+ countries
Market Capitalisation: \$90 billion
FTSE 100 Ranking: 9th



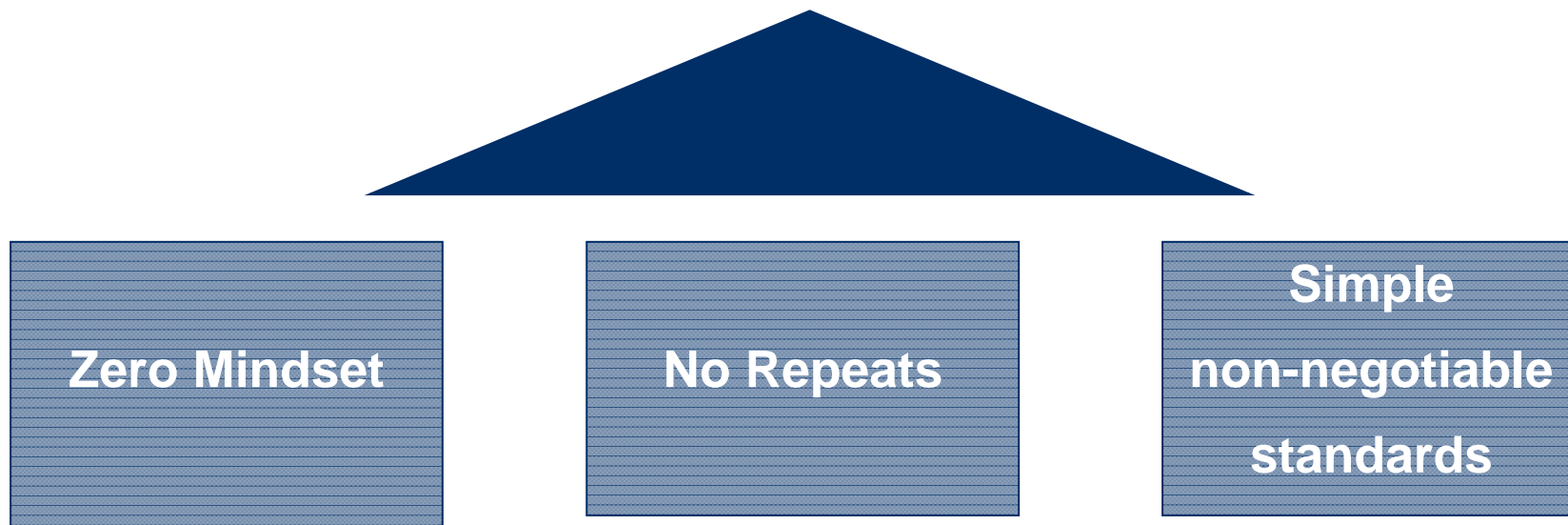
A strong 5 year performance

- Earnings per share: 30% CAGR
- Dividend per share: 18% CAGR
- Return on Capital Employed increased to 37.8%



Strong safety record = strong operating performance

- Step change in safety practices being applied
- Frequency of incidences trending down
- Continued drive towards zero-harm



1

A focused mining group: completing our restructuring

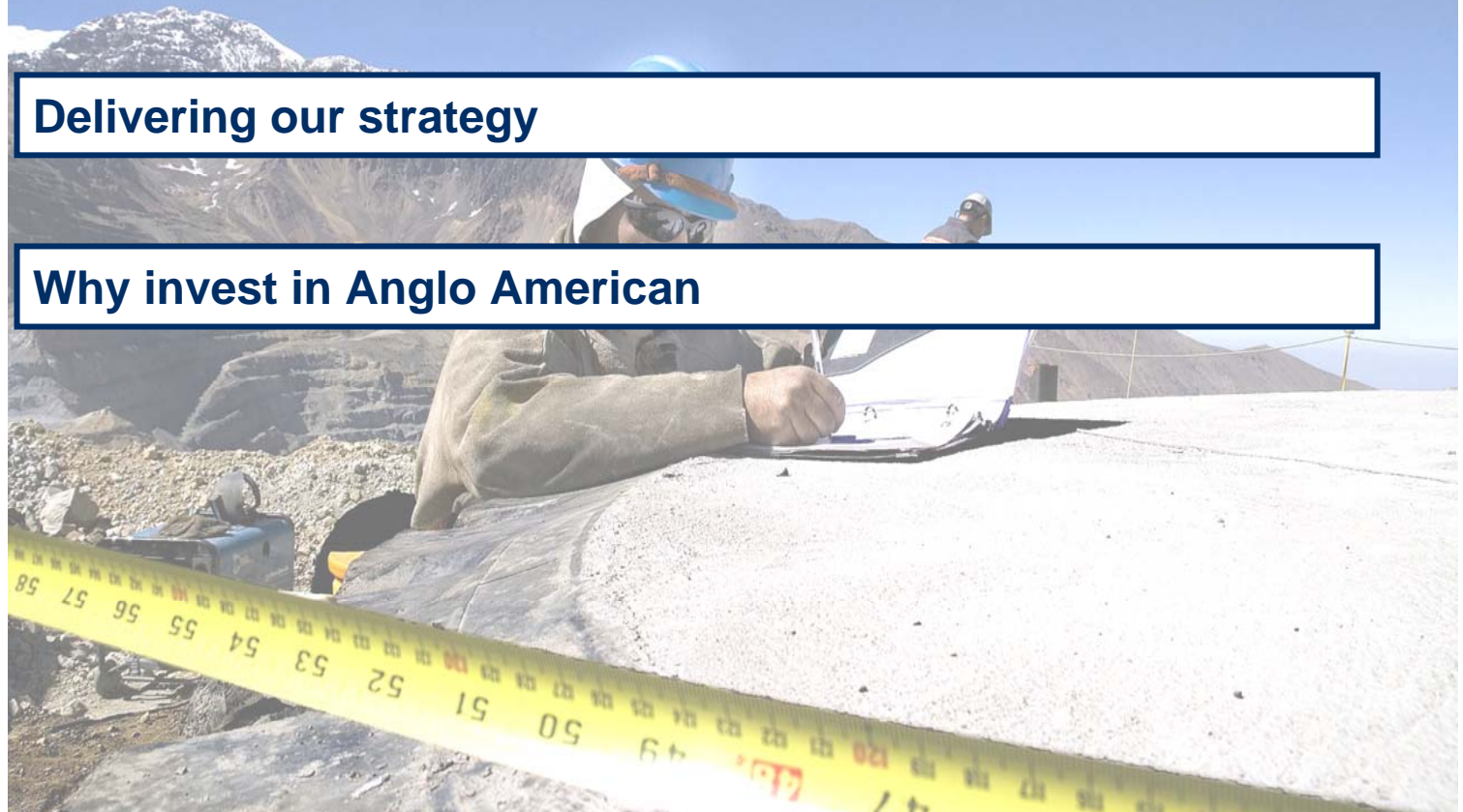
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Delivering our strategy

3

Why invest in Anglo American

4



Targets set



Exit holding

Action taken

**Reduced from
41.6% to 16.6%**



Demerge

Action taken

Demerged in 2007



Sale of stake

Action taken

Sold in 2007



Improve performance

Action taken

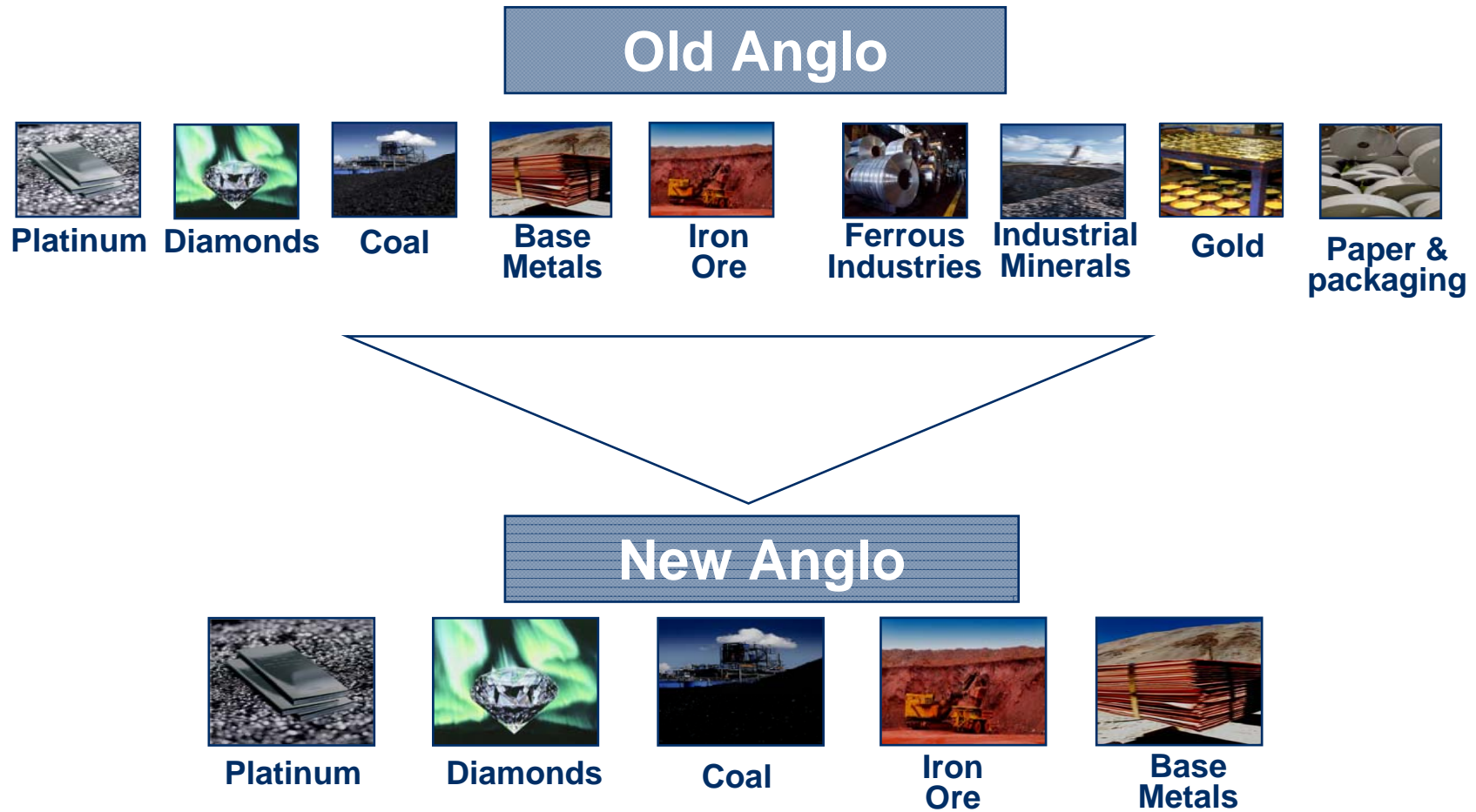
**Operating profit
up 51% in 2007**

Evaluating fit in portfolio

Action taken

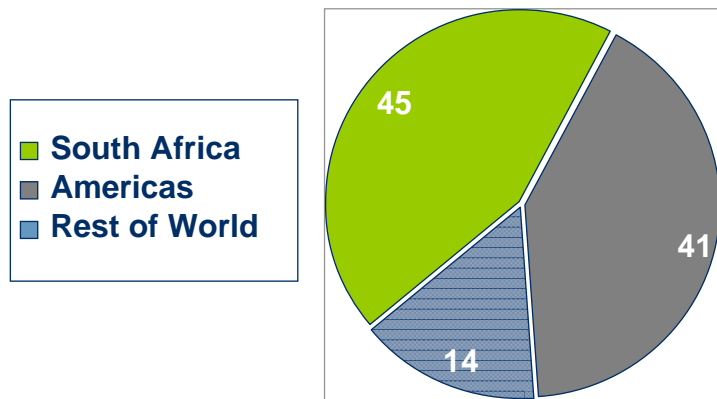
Sale announced

Creating a focused mining group

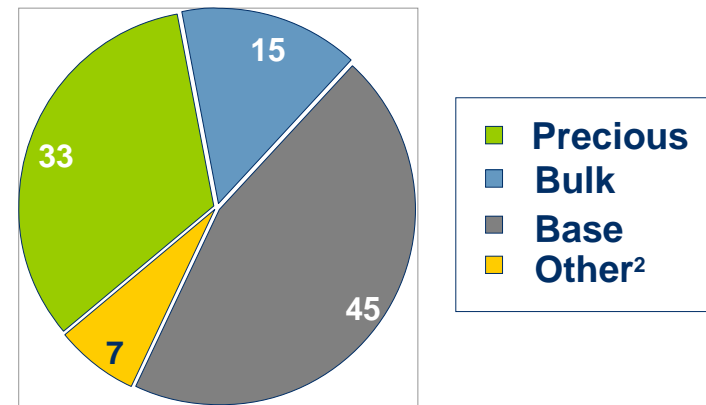


A unique portfolio across Precious, Bulks and Base

- **Platinum** - **World's largest producer**
- **Diamonds** - **World's largest producer**
- **Coal** - **Leading producer**
- **Copper** - **Major producer**
- **Iron Ore** - **Developing significant footprint**



2007 Operating profit by region (%)¹



2007 Operating profit by business unit (%)¹

¹Operating profit before special items / remeasurements – continuing operations

²Other: includes Tarmac

1

Cost and productivity improvements

2

Pursuing profitable growth opportunities

3

Stronger performance culture & streamlined management model



Major Optimisation underway: Initial \$1 bn savings target

Procurement

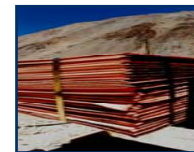
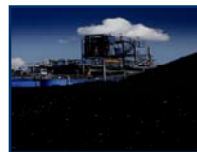
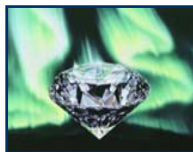
- Annualised savings of \$950 m in 3 years
- Centralisation of global procurement function

Shared Services

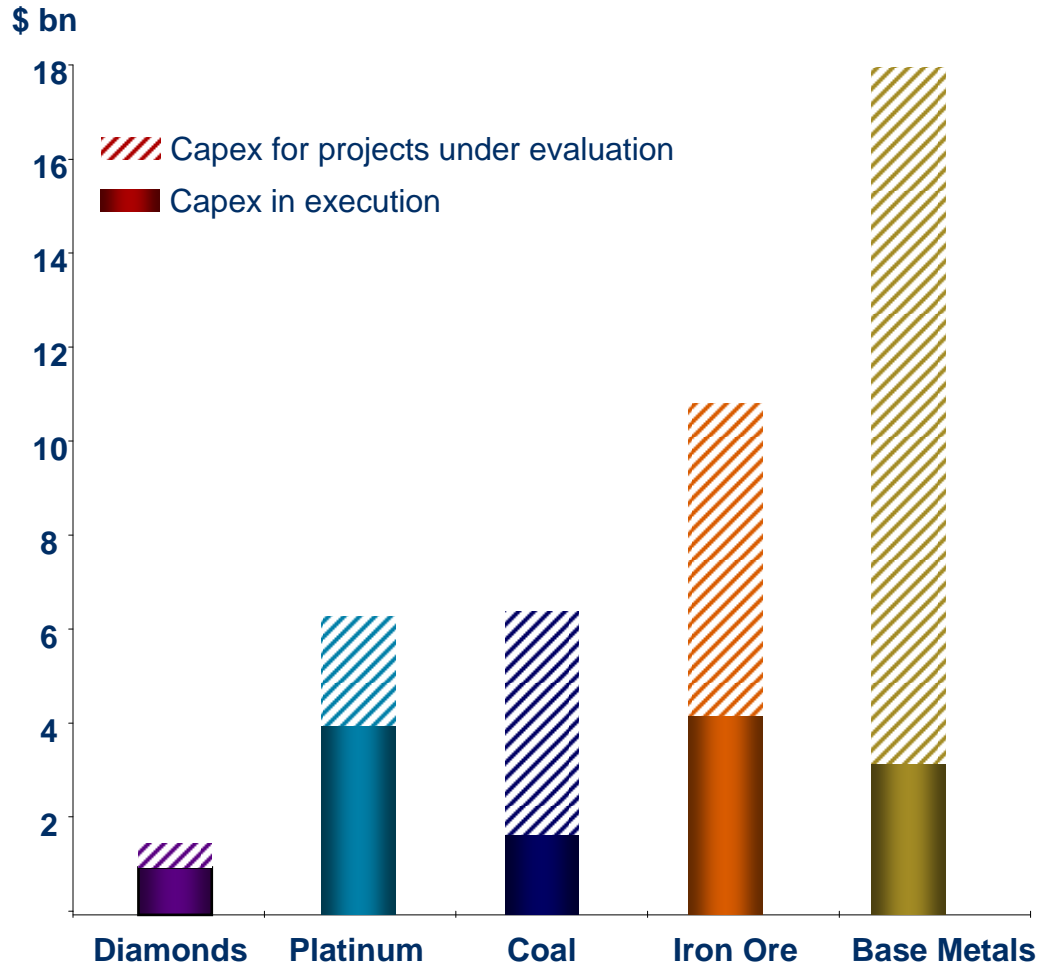
- Annualised savings of \$50 m in 2 years
- Establishment of shared service centers

Asset Optimisation

- Delivering full potential of assets & operational processes



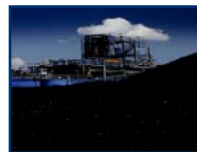
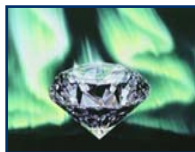
\$43 bn group project pipeline



- **Steady flow of incremental production expansion**
- **All projects have scale and are geographically spread**
- **Positioned on lower half of cash cost curve**

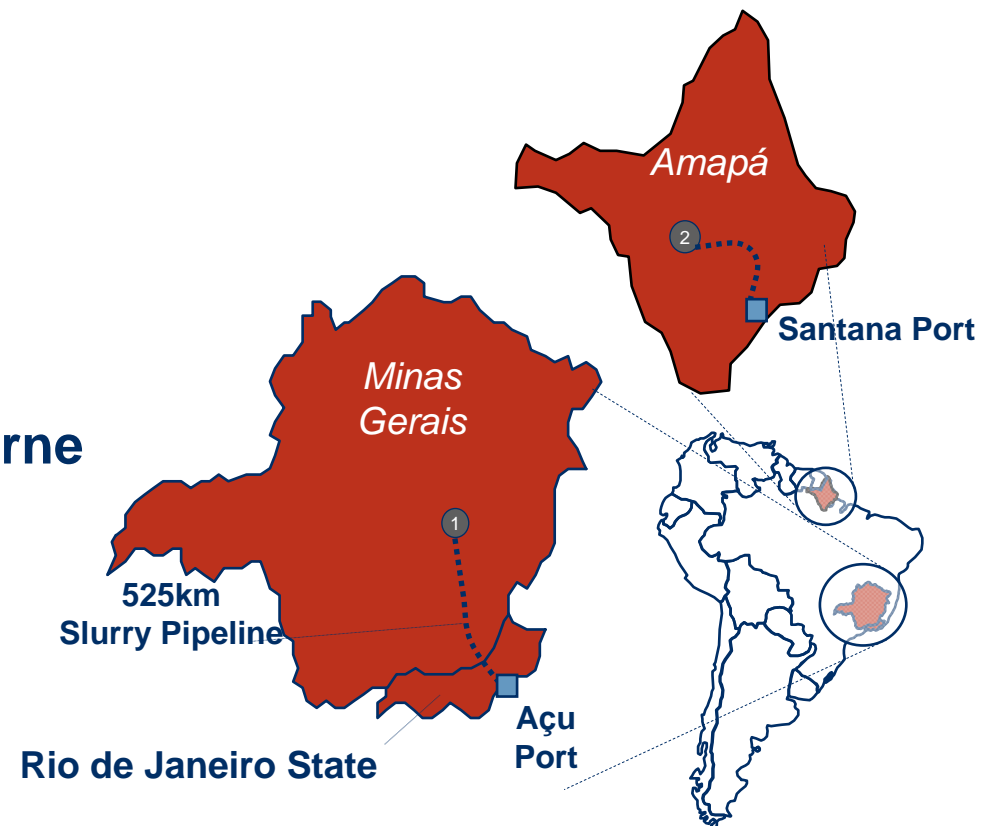
Our stringent criteria for assessing acquisition opportunities:

- Most attractive market segments
- Scale and growth options
- Low cash cost position
- Significant value creation potential



An example: Acquiring Minas-Rio

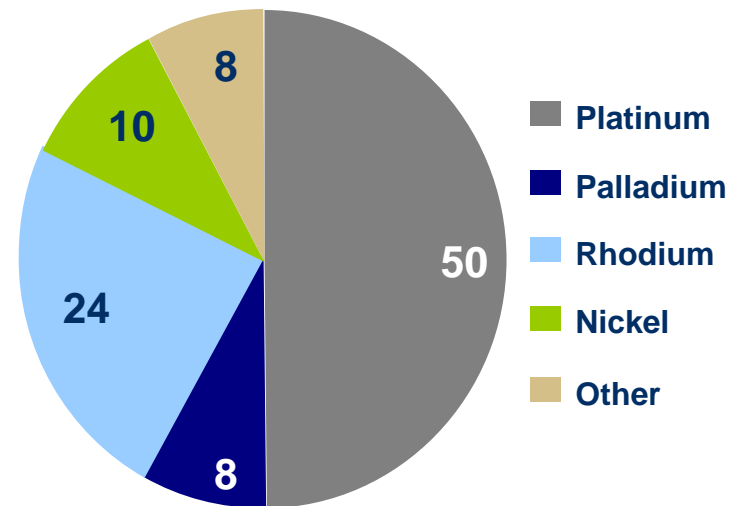
- Acquisition of world-class iron ore deposit
- Cost competitive position
- Significant expansion potential
- Provides Anglo with c.10% seaborne iron ore market share by 2017



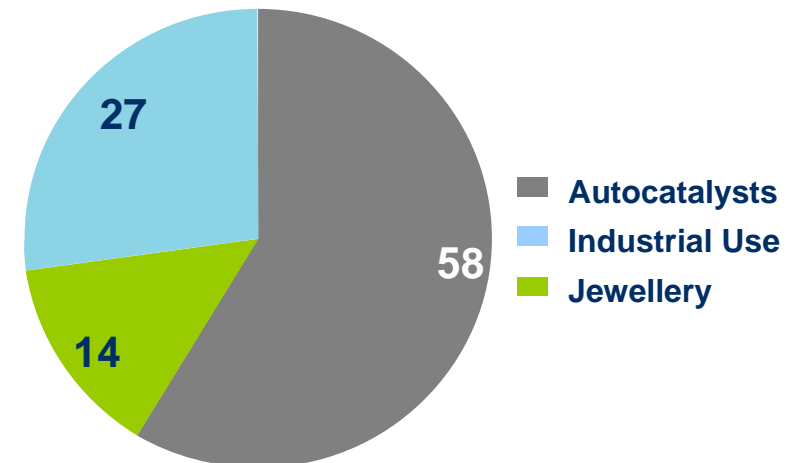
The market leader in PGMs

- Anglo Platinum the global leader with c.40% platinum market share
- Targeting 5% CAGR in production
- Structural market deficit over past decade supports strong growth in PGM profitability
- Platinum and palladium demand driven by environmental legislation

2007 Gross sales revenue by metal (%)



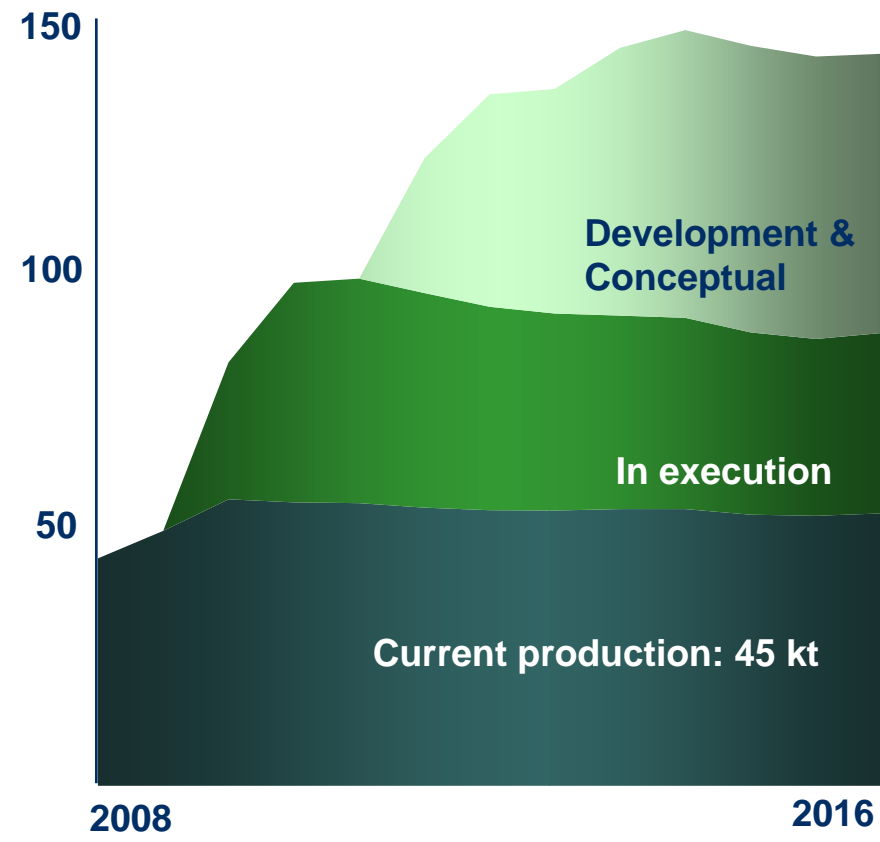
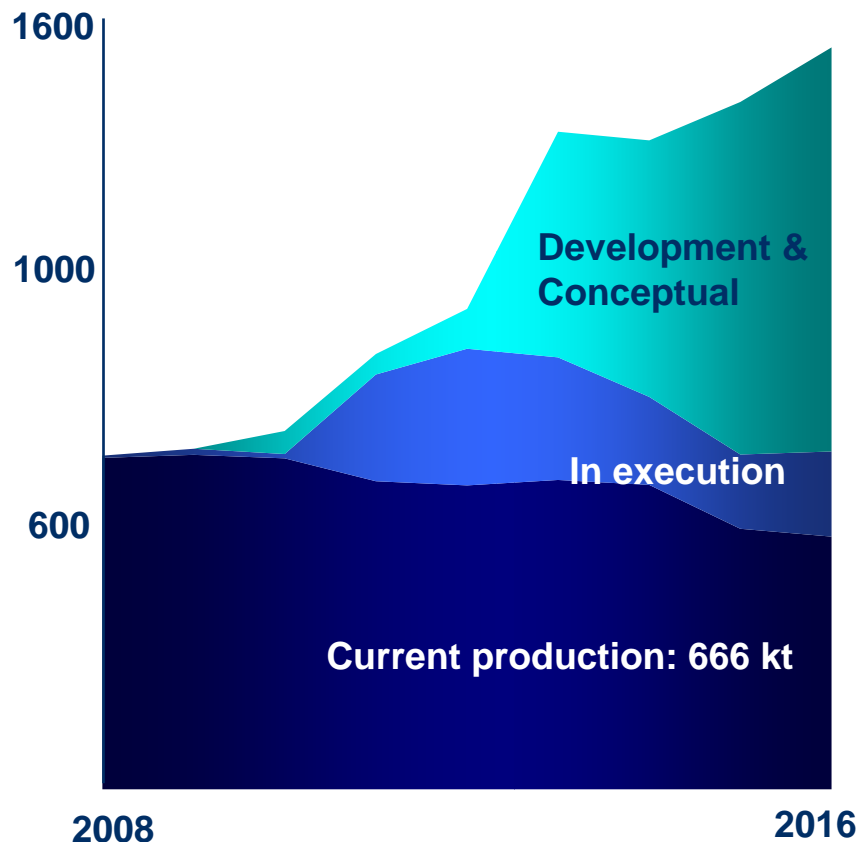
2007 PGM demand by end-use (%)



Base Metals: Significant growth underway

Copper production to double in 5 years

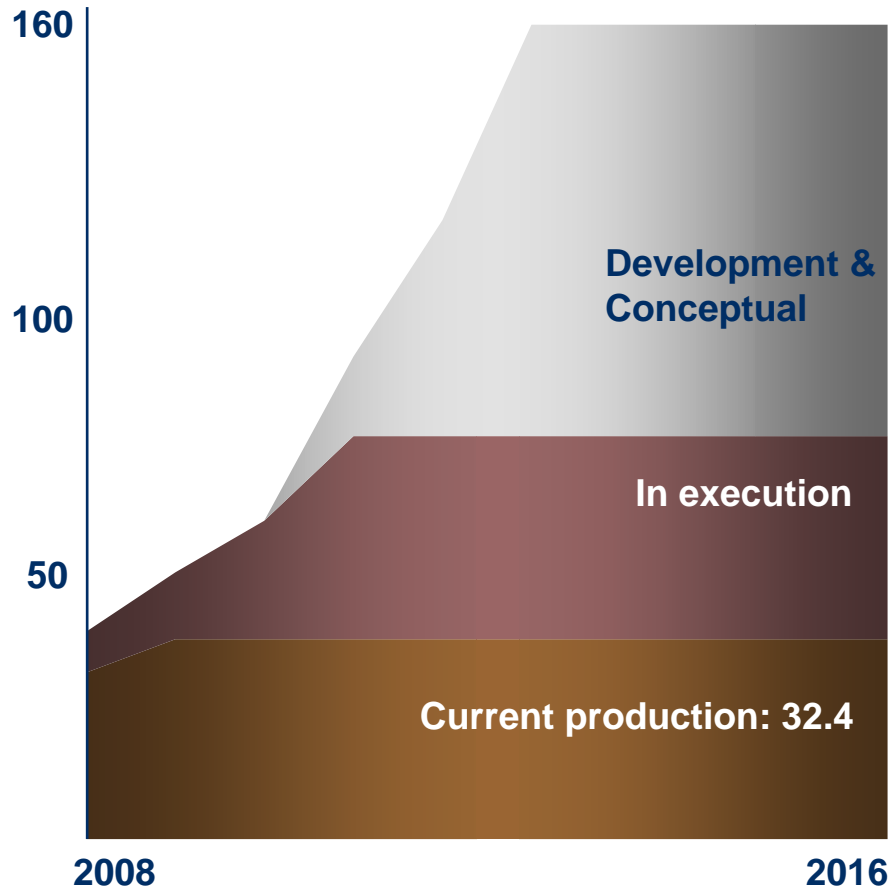
Nickel production to double in 3 years



Attributable production (ktpa)

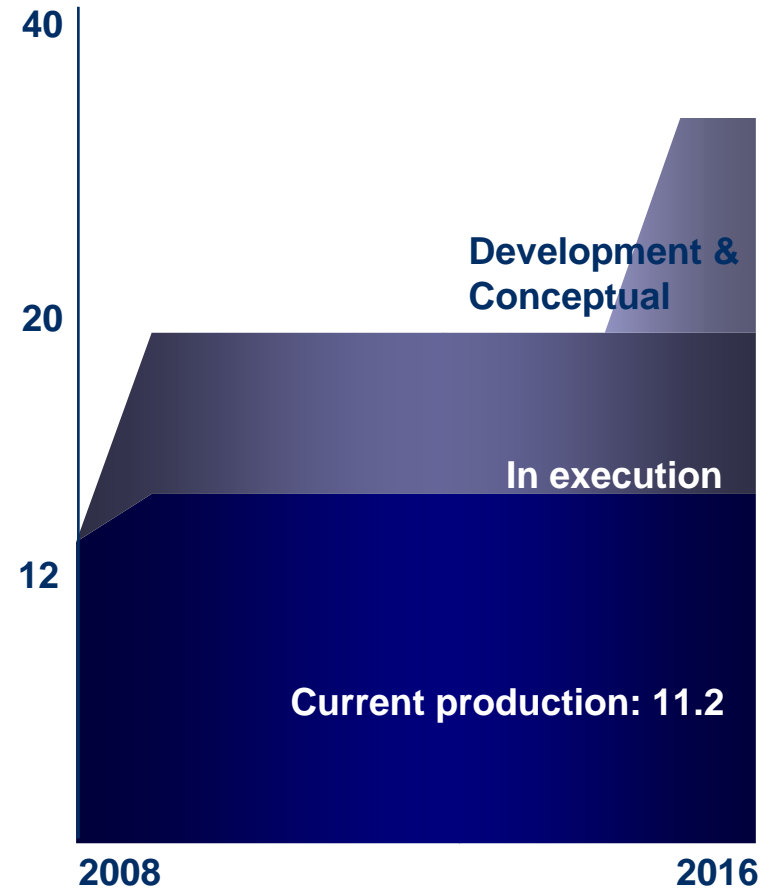
Bulks: Rapid expansion in Iron Ore & Met Coal

Iron Ore production to grow 5-fold in 5 years



Production on 100% basis (mtpa)

Met coal production to increase 70% in 2 years






Attributable production (mtpa)

Sustainable growth underpinned by strong stakeholder engagement

- Relations with South African government significantly uplifted
- 8 major BEE deals in 2007
- New Order Mining rights announced
- Strategic relationship established with China Development Bank

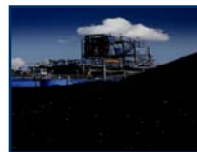
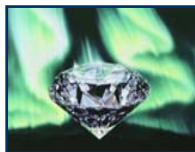


From 'Old Anglo' to 'One Anglo'

- Limited co-operation between business units 
 - Numerous standards and policies 
 - Limited exploitation of synergies 
- Increased integration and knowledge sharing
 - Common standards and policies
 - Development of shared services

Major management changes announced

- New CEOs of Base Metals, Coal, Platinum
- Numerous Senior Management changes



Why invest in Anglo American

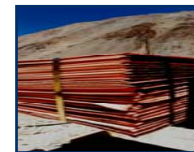
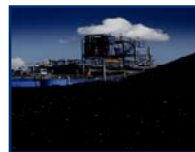
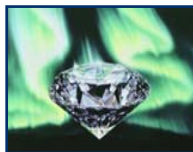
**Unique portfolio
of assets across
precious, bulks, base**

**\$43 bn growth
pipeline**

**Major cultural and
operational change
underway**



Superior Value Growth Potential





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