HALF YEAR FINANCIAL REPORT

for the six months ended 30 June 2011

AngloAmerican

NEWS RELEASE

29 July 2011

Anglo American announces 45% increase in half year core operating profit to $5.9 billion

Financial highlights for the six months ended 30 June 2011

- Group operating profit[(1)] of $6.0 billion ($5.9 billion from core operations[(2)], up 45%)
- Underlying earnings[(3)] of $3.1 billion and underlying EPS of $2.58, up 40%
- Profit attributable to equity shareholders[(4)] of $4.0 billion, up 93%
- Net debt[(5)] of $6.8 billion at 30 June 2011

Operational performance and strategic delivery

- Kumba sales levels maintained to take advantage of record export iron ore prices, despite Q1 rains
- Metallurgical Coal production recovered strongly from severe flooding to benefit from record pricing, while export Thermal Coal production increased by 5% in South Africa
- Nickel production enhanced by successful delivery of Barro Alto project
- Platinum refined production increased 17% to 1.2 million ounces
- $1.3 billion of benefit from asset optimisation and supply chain, having already exceeded $2 billion target in 2010
- Divestment programme of non-core businesses largely complete
  - $3.3 billion of cumulative announced proceeds[(6)]
  - Tarmac and Lafarge UK joint venture progressing through regulatory process

Production growth already being delivered

- Barro Alto 41 ktpa[(7)] nickel project – delivered on schedule; ramp-up under way
- Los Bronces 278 ktpa[(8)] copper expansion – on schedule for Q4 2011
- Kolomela 9 Mtpa iron ore project – 94% complete and on schedule to produce 4-5 Mt in 2012; hot commissioning to take place during H2 2011
- Minas-Rio 26.5 Mtpa iron ore project – on track for first ore on ship in H2 2013
- $66 billion of unapproved projects across core commodities provides growth optionality for the long term

Safety

- Continued drive towards zero harm to address disappointing safety performance
  - Ten lives lost in first six months

Dividend

- Interim dividend increased by 12% to $0.28 per share

HIGHLIGHTS *US$ million, except per share amounts*	**6 months ended 30 June 2011**	6 months ended 30 June 2010	Change
Group revenue including associates[9]	**18,294**	15,015	22%
Operating profit including associates before special items and remeasurements – core operations[1][2]	**5,923**	4,071	45%
Operating profit including associates before special items and remeasurements[1]	**6,024**	4,361	38%
Underlying earnings[3]	**3,120**	2,212	41%
EBITDA[10]	**7,112**	5,414	31%
Net cash inflows from operating activities	**3,986**	2,686	48%
Profit before tax[4]	**6,571**	3,903	68%
Profit for the financial period attributable to equity shareholders[4]	**3,988**	2,061	93%
Earnings per share (US$):			
Basic earnings per share[4]	**3.30**	1.71	93%
Underlying earnings per share[3]	**2.58**	1.84	40%
Dividend per share	**0.28**	0.25	12%

(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 2 and 3 to the Condensed financial statements. For the definition of special items and remeasurements see note 4 to the Condensed financial statements.

(2) Operations considered core to the Group are Iron Ore and Manganese (Kumba Iron Ore, Iron Ore Brazil and Samancor), Metallurgical Coal, Thermal Coal, Copper, Nickel, Platinum, 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.

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

(4) Stated after special items and remeasurements.

(5) Net debt includes related hedges and net debt in disposals groups. See note 12 to the Condensed financial statements.

(6) Consideration on a debt and cash free basis, as announced.

(7) Additional capacity over first five years.

(8) Additional capacity over first three years.

(9) Includes the Group's attributable share of associates' revenue of $3,057 million (six months ended 30 June 2010: $2,425 million). See note 2 to the Condensed financial statements.

(10) Earnings before interest, tax, depreciation and amortisation (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 5 to the Condensed financial statements.

Cynthia Carroll, Chief Executive, said: "Anglo American's strong financial performance in the first half is reflective of the operational and business improvement foundations put in place over the last three years which have enabled us to capture the maximum benefit of increased commodity prices. Furthermore, our commitment to sustain investment in our growth projects through the downturn is now paying dividends; that new production is already coming on stream and will drive very substantial incremental cash flows as the projects ramp up from this year onwards. For the first six months, we have reported a 45% increase in operating profit from our core businesses, generating $5.9 billion, with EBITDA of $7.1 billion, and underlying earnings of $3.1 billion. All of our core segments reported an increase in operating profit.

We have achieved asset optimisation and procurement benefits of $1.3 billion from our core businesses during the first six months of the year, having already exceeded our full year 2011 target of $2 billion of benefits during 2010. As we have seen across many major mining regions, there were also a number of factors that negatively affected performance, including weather conditions in Australia and South Africa, further dollar weakness, input cost pressures and lower ore grades. However, I am pleased to report that where we are able to mitigate against these factors, we have done so and we expect a stronger second half to the year to build upon the momentum of the second quarter. Our post-flood production recovery plan for our Metallurgical Coal business in Australia and the firmly embedded practices of our global supply chain have shown particular success, to name just two examples.

Anglo American's delivery of substantial near term production growth in nickel, copper and iron ore at attractive cash cost positions, clearly sets us apart. We are now in a position to take full advantage of the robust demand environment as we deliver some of the lowest capital intensity and operating cost volumes to fundamentally attractive markets. Our four major projects have all made excellent progress, Barro Alto began production on schedule in March and will more than double our Nickel business' production when it reaches full capacity in 2012. In the fourth quarter of this year, the expansion of our Los Bronces copper operation will begin production on schedule, more than doubling the mine's production over the first three years to 490,000 tonnes per year and will have highly attractive cash operating costs.

Looking to the first half of next year, 2012, the 9 million tonnes per year Kolomela iron ore project in South Africa will ramp-up production, again with a very competitive cost position. The development progress of Kolomela has been outstanding, it is 94% complete and certain elements of the plant are already being handed over for commissioning. We have also extended the life of the mine by eight years, now giving us a 28-year life of mine. In Brazil, our 26.5 million tonnes per year Minas-Rio iron ore project continues to make good progress, with civil works for the beneficiation plant and construction works for the tailings dam all getting under way since March. The project is on track to deliver first ore on ship in the second half of 2013 at a first quartile cost position and we have begun the pre-feasibility work for the project's very significant expansion potential to 80-90 million tonnes per year.

Looking further out, our $66 billion pipeline of unapproved projects presents tremendous opportunities and optionality from our world class resource base, which itself has been significantly increased due to our many exploration successes. However, while we expect to approve a number of major projects over the next 12 months, including Quellaveco (copper) and Grosvenor (metallurgical coal), we are not immune from the industry-wide challenges in delivering new supply to the market.

I have always made it clear that safety is my absolute priority and I am saddened by the disappointing safety performance in the first half of this year, following five years of consistent safety improvement. Ten employees lost their lives in work related incidents and there is another such incident under investigation. Furthermore, our lost time injury rates have plateaued following a long period of significant and sustained improvements. While there are a great many examples of continued safety excellence across our businesses, most notably in Copper, we have taken swift action to review, refocus and reprioritise our safety related initiatives to ensure we continue to move towards zero harm.

The economic outlook remains robust for the mining industry and in particular for Anglo American's well balanced and diversified portfolio. While there undoubtedly remain a number of headwinds affecting the global economy in the near term, the long term healthy demand growth from the major emerging economies, together with widespread supply constraints, continues to support highly attractive market dynamics."

Review of the six months ended 30 June 2011

Financial results

Anglo American's underlying earnings for the first half of 2011 were $3.1 billion, 41% higher than the same period in 2010, with an operating profit of $6.0 billion, up 38% from $4.4 billion. Robust demand and disruption to supply resulted in higher prices across the Group's portfolio of commodities. Copper reached a nominal record of 460 c/lb during February, while the iron ore market saw record quarterly contract and index prices. A record metallurgical coal price settlement was concluded for the second quarter at $330/t for high quality hard coking coal, reflecting reduced availability of supply. Export thermal prices also increased significantly, with export prices FOB South Africa up 39% compared with the first half of 2010.

Iron Ore and Manganese recorded an operating profit of $2,507 million, 54% higher than the corresponding period in 2010. This was supported by strong iron ore prices, which increased by 56% at Kumba Iron Ore (Kumba), offsetting the impact of higher costs as a result of increased waste removal activity, the stronger rand, and lower operating profits from the Manganese operations. Kumba generated an operating profit of $2,437 million, 66% higher than in the same period during 2010.

Metallurgical Coal delivered an operating profit of $491 million, an 87% increase on the first half of 2010, primarily due to the impact of higher realised export prices driven by weather induced supply constraints, offsetting the impact of a 22% decrease in export metallurgical sales and a stronger Australian dollar. Recovery actions initiated in the first quarter resulted in export metallurgical coal sales increasing by 79% in the second quarter compared to the first quarter.

Thermal Coal's operating profit of $521 million was 48% higher than the equivalent period in 2010 as a result of stronger realised prices more than offsetting the impact of lower railings to the Richards Bay Coal Terminal following derailments in the first quarter, and an extended maintenance shutdown between May and June. Cerrejón provided a strong financial performance, driven by higher export prices into the Atlantic markets.

Copper delivered an operating profit of $1,401 million, 18% higher than the first half of 2010, underpinned by a record average realised copper price. Sales volumes were 12% lower than the same period in 2010 owing to lower production as a result of anticipated lower grades and rain disruption, and the impact of the Patache port closure throughout the first half of the year.

Nickel reported an operating profit of $93 million, 37% higher than the equivalent period in 2010, principally as a result of a 21% increase in sales volumes from Codemin and Loma de Níquel and a higher nickel price.

Platinum generated an operating profit of $542 million, 30% higher than the corresponding period in 2010, driven by a 13% increase in sales volume and a 15% increase in the overall average realised basket price.

Diamonds recorded an attributable operating profit of $450 million, 72% higher than the first half of 2010, reflecting record rough diamond prices with production in line with the first half of 2010.

Other Mining and Industrial's operating profit was $101 million, 65% lower, attributable to the sale of Scaw International, the Skorpion Zinc mine and Tarmac European businesses in 2010, and the Lisheen and Black Mountain Zinc operations in 2011. The businesses that Anglo American has decided to retain (Peace River Coal, Copebrás and Catalão), delivered a 118% increase in operating profit, driven by higher demand and prices for fertiliser products, and higher metallurgical coal prices and sales volumes. This was offset by Tarmac's operating loss of $22 million, compared to an operating profit of $29 million in the first half of 2010, following rising input costs and difficult market conditions as well as the sale of its European businesses. Operating profit in the Scaw South Africa business was 15% lower due to difficult trading conditions in the Rolled Products operation.

Production

Production across the Group's operations was negatively affected by significant increases in rainfall relative to the same period in 2010. At Kumba's Sishen mine in South Africa, production from the Dense Medium Separation plant was down 16%, driven by the impact of feedstock availability constraints owing to rain restricting activity in the pit and wet feedstock causing blockages in the plant. Jig plant production was 2%

lower than the first half of 2010, but the plant achieved a run rate in excess of design capacity during the second quarter, which offset the shortfall of the first quarter. Kumba's Sishen Mine saw an 18% increase in production during the second quarter of 2011 as operations recovered from the rain-disrupted first quarter. In Australia, the Group's Metallurgical Coal operations were affected by the widespread flooding. Metallurgical coal production was down 19% versus the first half of 2010, but in the second quarter increased by 77% against the first quarter.

Production of export thermal coal from South Africa increased by 5%, driven by the ramp up at Zibulo. The first half production for both Cerrejón and Australian thermal coal has been reduced by heavy rainfall, with production down by 3% and 17% respectively. Copper production was 8% lower than the first half of 2010 owing to the impact of heavy rains at Collahuasi, lower grades, a temporary failure in the return solutions pipeline at Los Bronces, and lower throughput and recoveries at El Soldado. Nickel production from the Nickel Business Unit in South America was 26% higher than the same period in 2010, driven by higher production at Loma de Níquel and delivery of the Barro Alto project, while nickel output from Platinum's South African mines increased by 12%.

Equivalent refined platinum production decreased by 3% from first half of 2010, as a result of safety related stoppages, both regulated and self-imposed. Platinum refined production was 17% higher than the first half of 2010.

Production at De Beers was in line with the first half of 2010.

Capital structure

Net debt, including related hedges, of $6,794 million was $590 million lower than at 31 December 2010, and $4,136 million lower than at 30 June 2010.

Cash flows from operations of $5,233 million funded capital investment of $2,328 million (net of related derivatives) principally in the Group's core assets, including combined investment of $1,083 million in the Los Bronces, Barro Alto, Minas-Rio and Kolomela growth projects during the first six months of the year. The disposal of the remaining Zinc businesses in February 2011 resulted in a net cash inflow of $499 million.

Dividends

An interim dividend of 28 US cents per share has been declared.

Significant project growth already being delivered

Anglo American has a clear strategy of deploying its capital in those commodities with strong fundamentals and the most attractive risk-return profiles that deliver long term, through-the-cycle returns for its shareholders.

Anglo American has developed a portfolio of world class operating assets and development projects with the benefits of scale, expansion potential and attractive cost position.

The Group's pipeline of projects spans its core commodities and is expected to deliver organic production growth of 35% by 2014 from approved projects alone. Beyond the near term, Anglo American has a world class pipeline of projects across its selected commodities and 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 once the necessary water permits have been obtained and for the Grosvenor project in 2012. Together with a number of other medium and longer term projects, Anglo American has the potential to double production over the next decade through its $85 billion pipeline of more than 100 projects.

Anglo American's project management systems and processes ensure close collaboration between the Group's technical and project teams to execute projects effectively. The four largest near term strategic growth projects are all well placed on their respective industry cost curves, have long resource lives and the first of those projects has already entered production.

Barro Alto – delivered

The Barro Alto nickel project in Brazil, a greenfield nickel project approved for development in December 2006, delivered its first metal in March 2011. Barro Alto is ramping up towards full production capacity, which it is expected to reach in the second half of 2012. This project makes use of a proven technology and will produce an average of 36 ktpa of nickel in full production (41 ktpa over the first five years), more than doubling production from Anglo American's Nickel business, with a competitive cost position in the lower half of the cost curve.

Los Bronces – on track

The Los Bronces copper expansion project in Chile is 97% complete and is on schedule for first production in the fourth quarter of 2011. Production at Los Bronces is scheduled to more than double (increase by 278 ktpa) to 490 ktpa over the first three years of full production following project completion and to average 400 ktpa over the first 10 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, reserves and resources that support a mine life of over 30 years and with further expansion potential.

Kolomela – on track

Kumba's Kolomela project in South Africa is well advanced and overall project progress reached 94% by 30 June 2011. With construction substantially complete, various systems of the plant have been handed over for cold commissioning. Hot commissioning of the plant is anticipated to commence during the third quarter of 2011. During the process, ore will be fed through the plant, resulting in work in progress stock and some saleable product being produced in 2011. Significant progress has been made by Transnet, with the construction of the direct rail link from the mine to the Sishen-Saldahna iron ore export channel likely to be finalised by the fourth quarter of 2011. 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 seaborne iron ore, with further potential for expansion. Kolomela's life of mine has been extended by eight years to 28 years since the initial investment decision was made in 2008.

Minas-Rio – on track

The Minas-Rio iron ore project in Brazil continues to make progress and is expected to produce 26.5 Mtpa of iron ore in its first phase. The award of the second part of the mine, beneficiation plant and tailings dam installation licence (LI part 2) in December 2010, being the primary installation licence, enabled the start of

the civil works for the beneficiation plant and tailings dam construction in March 2011, after the rainy season. This licence followed the award of the mining permit in August 2010. During the first half of 2011, licence and permit receipts continued, including securing the Mineral Easement and progressing land access, though there are still a number of other licenses and permits to be secured. At the beneficiation plant, 73% of earthworks are complete and 15% of the civil works have been concluded. The project remains on track to deliver first ore on ship during the second half of 2013.

Divestment programme largely complete

Anglo American's programme to divest of its non-core businesses is largely complete. Scaw South Africa, the remaining extent of the Scaw Metals Group, is the last such business to be sold and that sales process is under way. During 2010, Anglo American announced the sale of a number of businesses for a total consideration of $3.3 billion on a debt and cash free basis, completed in a manner and on a timetable to maximise value to Anglo American's shareholders.

On 18 February 2011, Anglo American and Lafarge announced their agreement to combine their cement, aggregates, ready-mixed concrete, asphalt and contracting businesses in the United Kingdom; Tarmac, Lafarge Cement UK, Lafarge Aggregates and Concrete UK. The 50:50 joint venture will create a leading UK construction materials company, with a portfolio of high quality assets drawing on the complementary geographical distribution of operations and assets, the skills of two experienced management teams and a portfolio of well-known and innovative brands. This transaction is progressing through the regulatory clearance processes.

As part of Anglo American's strategy to grow its Metallurgical Coal business, Anglo American has decided to retain, invest in and grow the Peace River Coal asset in British Columbia. Peace River Coal will be managed as part of Anglo American's Metallurgical Coal business.

Anglo American has decided to retain its Copebrás phosphates business in Brazil and will further assess its potential for additional investment.

Outlook

Anglo American believes that demand for commodities remains healthy, driven by the resources intensive growth in the emerging economies, particularly in China and India. However, the unfolding of sovereign debt crises in Europe and the United States, and policy tightening in the major emerging economies is expected to generate short-term volatility. In spite of that volatility, prices for commodities are expected to be robust as widespread supply constraints and the challenges producers face in bringing new supply into production will lead to tighter market fundamentals.

Costs will continue to be impacted by strong producer currencies and increasing prices for key inputs.

For further information, please contact:

Media

UK
James Wyatt-Tilby
Tel: +44 (0)20 7968 8759

Emily Blyth
Tel: +44 (0)20 7968 8481

South Africa
Pranill Ramchander
Tel: +27 (0)11 638 2592

Investors

UK
Leng Lau
Tel: +44 (0)20 7968 8540

Caroline Metcalfe
Tel: +44 (0)20 7968 2192

Leisha Wemyss
Tel: +44 (0)20 7968 8607

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. Anglo American's 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 29 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 4 to the Condensed financial statements. Underlying earnings unless otherwise stated are calculated as set out in note 9 to the Condensed financial statements. Earnings before interest, tax, depreciation and amortisation (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 5 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 for the first half of 2011 was $6,024 million, with operating profit from core operations of $5,923 million, 45% higher than the first half of 2010.

Operating profit $ million	**6 months ended 30 June 2011**	6 months ended 30 June 2010
Iron Ore and Manganese	**2,507**	1,628
Metallurgical Coal	**491**	263
Thermal Coal	**521**	351
Copper	**1,401**	1,185
Nickel	**93**	68
Platinum	**542**	418
Diamonds	**450**	261
Exploration	**(46)**	(57)
Corporate Activities and Unallocated costs	**(36)**	(46)
Operating profit including associates before special items and remeasurements – core operations	**5,923**	4,071
Other Mining and Industrial	**101**	290
Operating profit including associates before special items and remeasurements	**6,024**	4,361
Underlying earnings – core operations[1]	**3,058**	1,994

[1] See note 3 to the Condensed financial statements

This improvement in operating profit was primarily driven by increases in realised prices of commodities. These included a 70% rise in achieved Australian export metallurgical coal prices, a 56% increase in achieved FOB iron ore prices, a 48% increase in realised South African export thermal coal prices, a 37% improvement in realised copper prices, and a 12% increase in platinum prices. Production across the Group's operations was negatively affected by heavy rainfall and flooding, adversely affecting operating profit. Lower production volumes and mining cost pressures affecting the industry resulted in higher unit costs of production across the Group.

The Group's results are influenced by a variety of currencies owing to the geographic diversity of the Group. For the first half of 2011, there was a negative exchange variance in operating profit of $527 million compared to the first half of 2010. The Group results were affected negatively by the weakening of the US dollar versus the South African rand, Chilean peso, Brazilian real, and Australian dollar relative to the first half of 2010.

Towards the beginning of this document, reference has been made to core operations. Operations considered core to the Group are Iron Ore and Manganese (Kumba Iron Ore, Iron Ore Brazil and Samancor), Metallurgical Coal, Thermal Coal, Copper, Nickel, Platinum, and Diamonds. During the first half of 2011 the Group decided to retain the Peace River Coal, Catalão and Copebrás assets (Other Mining and Industrial segment). These retained assets delivered a combined increase in operating profit of 118% compared with the same period of the prior year. This was driven by operational improvements at Peace River Coal and an increase in sales volumes and prices at Copebrás owing to high demand for fertilisers.

Group underlying earnings were $3,120 million, a 41% increase on 2010. Group underlying earnings per share were $2.58 compared with $1.84 in the first half of 2010.

Reconciliation of profit for the period to Underlying earnings $ million	**6 months ended 30 June 2011**	6 months ended 30 June 2010
Profit for the financial period attributable to equity shareholders of the Company	**3,988**	2,061
Operating special items	**25**	104
Operating remeasurements	**(336)**	41
Net (profit)/loss on disposals	**(423)**	88
Financing special items	**–**	13
Financing remeasurements	**(49)**	(154)
Special items and remeasurements tax	**(136)**	56
Non-controlling interests on special items and remeasurements	**51**	3
Underlying earnings	**3,120**	2,212
Underlying earnings per share ($)	**2.58**	1.84

Summary income statement $ million	**6 months ended 30 June 2011**	6 months ended 30 June 2010
Operating profit from subsidiaries and joint ventures before special items and remeasurements	**5,180**	3,715
Operating special items	**(25)**	(93)
Operating remeasurements	**328**	(33)
Operating profit from subsidiaries and joint ventures	**5,483**	3,589
Net profit/(loss) on disposals	**417**	(92)
Share of net income from associates *(see reconciliation below)*	**605**	384
Total profit from operations and associates	**6,505**	3,881
Net finance income/(costs) before remeasurements	**20**	(130)
Financing remeasurements	**46**	152
Profit before tax	**6,571**	3,903
Income tax expense	**(1,556)**	(1,216)
Profit for the financial period	**5,015**	2,687
Non-controlling interests	**(1,027)**	(626)
Profit for the financial period attributable to equity shareholders of the Company	**3,988**	2,061
Basic earnings per share ($)	**3.30**	1.71
Group operating profit including associates before special items and remeasurements[1]	**6,024**	4,361

Operating profit from associates before special items and remeasurements	**844**	646
Operating special items and remeasurements	**8**	(19)
Net profit on disposals	**6**	4
Net finance costs (before special items and remeasurements)	**(26)**	(56)
Financing special items and remeasurements	**3**	(11)
Income tax expense (after special items and remeasurements)	**(221)**	(171)
Non-controlling interests (after special items and remeasurements)	**(9)**	(9)
Share of net income from associates	**605**	384

[1] Operating profit before special items and remeasurements from subsidiaries and joint ventures was $5,180 million (six months ended 30 June 2010: $3,715 million) and the attributable share from associates was $844 million (six months ended 30 June 2010: $646 million). For special items and remeasurements, see note 4 to the Condensed financial statements.

Special items and remeasurements

$ million	6 months ended 30 June 2011			6 months ended 30 June 2010		
	Subsidiaries and joint ventures	**Associates**	**Total**	Subsidiaries and joint ventures	Associates	Total
Operating special items	**(25)**	**–**	**(25)**	(93)	(11)	(104)
Operating remeasurements	**328**	**8**	**336**	(33)	(8)	(41)
Operating special items and remeasurements	**303**	**8**	**311**	(126)	(19)	(145)
Net profit on disposals	**417**	**6**	**423**	(92)	4	(88)
Financing special items	**-**	**-**	**-**	-	(13)	(13)
Financing remeasurements	**46**	**3**	**49**	152	2	154
Special items and remeasurements tax	**140**	**(4)**	**136**	(57)	1	(56)

Operating special items and remeasurements, including associates, amounted to a gain of $311 million, principally in respect of non-hedge derivatives of capital expenditure in Iron Ore Brazil (IOB). Derivatives which have been realised during the period resulted in a net operating remeasurement gain since their inception of $224 million.

Net profit on disposals of $423 million, including associates, principally relates to the $397 million profit on the Group's disposal of its 100% interest in the Lisheen zinc mine and its 74% interest in Black Mountain Mining (Proprietary) Limited, which holds 100% of the Black Mountain mine and the Gamsberg project. These disposals were completed in February 2011 and resulted in a net cash inflow of $499 million.

Financing remeasurements, including associates, reflect a net gain of $49 million relating to gains on embedded and non-hedge derivatives and other remeasurements.

Special items and remeasurements tax, including associates, amounted to a credit of $136 million relating to a credit for one-off tax items of $154 million, a tax remeasurement credit of $126 million and a tax charge on special items and remeasurements of $144 million. One-off tax items principally relate to the recognition of deferred tax assets in IOB originally written off as part of the impairment charges which related to the Amapá iron ore system in 2009, and a capital gains tax refund which related to a prior year disposal.

Net finance income

Net finance income, before remeasurements, excluding associates, was $20 million (compared to a charge of $130 million in the six months ended 30 June 2010). This was primarily due to increased interest income on investments and an increase in interest capitalised.

Tax

$ million (unless otherwise stated)	6 months ended 30 June 2011			6 months ended 30 June 2010		
	Before special items and remeasurements	**Associates' tax and non-controlling interests**	**Including associates**	Before special items and remeasurements	Associates' tax and non-controlling interests	Including associates
Profit before tax	**5,793**	**225**	**6,018**	3,991	184	4,175
Tax	**(1,696)**	**(217)**	**(1,913)**	(1,159)	(172)	(1,331)
Profit for the financial period	**4,097**	**8**	**4,105**	2,832	12	2,844
Effective tax rate including associates (%)			**31.8**			31.9

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 2011 is $221 million. Excluding special items and remeasurements, this becomes $217 million.

The effective rate of tax before special items and remeasurements including attributable share of associates' tax for the six months ended 30 June 2011 was 31.8%. This was in line with the equivalent effective rate of 31.9% in the six months ended 30 June 2010. 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 $37,697 million at 30 June 2011, up on the $34,239 million at 31 December 2010, mainly due to the profit for the period of $3,988 million. Investments in associates were $401 million higher than at 31 December 2010, principally as a result of a significant improvement in earnings at De Beers. Property, plant and equipment increased by $1,623 million compared to 31 December 2010, due to the ongoing progress of projects during the half year. There were no assets classified as held for sale at 30 June 2011 (compared to assets, net of associated liabilities, of $188 million at 31 December 2010) due to the sale of the remaining Zinc assets during the period. An increase of $865 million in inventories and current trade and other receivables was driven by the impact of higher commodity prices and a weaker dollar during the first half of 2011.

Cash flow

Net cash inflows from operating activities were $3,986 million compared with $2,686 million in the six months ended 30 June 2010. EBITDA was $7,112 million, an increase of 31% from $5,414 million in the prior period, reflecting strong prices across the Group's core commodities.

Net cash used in investing activities was $1,682 million compared with $2,397 million in the six months ended 30 June 2010. Purchases of property, plant and equipment, net of related derivative cash flows, amounted to $2,328 million, an increase of $335 million, reflecting major spend on the Group's strategic growth projects. In the first half of 2011, proceeds from disposals, principally of the Group's remaining Zinc portfolio (net of cash and cash equivalents disposed) were $505 million (proceeds from disposals six months ended 30 June 2010: $160 million).

Net cash used in financing activities was $1,909 million compared with $616 million in the six months ended 30 June 2010. During the period the Group paid the 2010 final dividend of $495 million to shareholders, and an additional $461 million in dividends to non-controlling interests compared with the same period in 2010.

Liquidity and funding

Net debt, including related hedges, was $6,794 million, a decrease of $590 million from $7,384 million at 31 December 2010. The decrease in net debt reflects strong operating cash flows.

Net debt at 30 June 2011 comprised $13,558 million of debt, partly offset by $6,805 million of cash and cash equivalents, and the current position of derivative liabilities related to net debt of $41 million. Net debt to total capital(1) at 30 June 2011 was 14.0%, compared with 16.3% at 31 December 2010.

At 30 June 2011, the Group had undrawn bank facilities of $9.0 billion.

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.

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(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

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.

Dividends

An interim dividend of 28 US cents per share has been declared.

Related party transactions

Related party transactions are disclosed in note 16 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 2010, and remain appropriate in 2011. Key headline risks relate to the following:

- Commodity prices
- Liquidity risk
- Counterparty risk
- Currency risk
- Inflation
- Health and safety
- Environment
- Exploration
- Political, legal and regulatory
- Climate change
- Supply risk
- Reserves and resources
- Operational performance and project delivery
- Event risk
- Employees
- Contractors
- Business integrity
- Joint ventures
- Acquisitions and divestments
- Infrastructure
- Community relations

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 2010 is available on the Group's website www.angloamerican.com.

Operations review for the six months ended 30 June 2011

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 property, plant and equipment (net of related derivatives).

IRON ORE AND MANGANESE

$ million (unless otherwise stated)	**6 months ended 30 June 2011**	6 months ended 30 June 2010
Operating profit	**2,507**	1,628
Kumba Iron Ore	**2,437**	1,470
Iron Ore Brazil	**(36)**	(51)
Samancor	**106**	209
EBITDA	**2,611**	1,711
Net operating assets	**12,877**	10,679
Capital expenditure	**595**	467
Share of Group operating profit	**42%**	37%
Share of Group net operating assets	**28%**	27%

Operating profit before special items and remeasurements increased by 54% from $1,628 million to $2,507 million, principally due to strong export prices, with a year-on-year weighted average price increase of 56% in export iron ore for Kumba offsetting lower export sales volumes and the impact of stronger exchange rates.

Markets

Total world crude steel production continued to grow and reached 760 Mt for the first six months of 2011, up from 717 Mt in 2010, a 6% increase. China's crude steel production during the first six months of 2011 increased 9% year-on-year to 352 Mt despite monetary tightening policies. Crude steel production in Japan has remained flat year-on-year, in spite of production disruptions caused by the earthquake and tsunami in March. Global seaborne iron ore imports rose by 5% year-on-year to 515 Mt, driven mainly by an 11% increase in demand in China. With adverse weather and logistics constraints impacting seaborne iron ore supply, the market has remained tight, which incentivised Chinese steel mills to source domestically produced iron ore. While Chinese domestic iron ore production increased, the average implied grade continued to fall.

Iron ore index prices peaked during the first quarter and, although retreating from these levels, have remained high, underpinned by high cost Chinese domestic iron ore production. On average, realised quarterly contract and index prices were aligned for the first half of 2011.

Despite global steel production rebounding above pre-Financial Crisis levels, prices for manganese ores have been held in check at the current levels on the back of an even stronger response in supply growth and a build up of port inventories in China that approached the 4.0 Mt level before dropping back to 3.6 Mt at the end of June. Alloy conversion capacity continued to grow through the year, placing additional pressure on margins for all alloys, with some higher cost producers eventually idling capacity to cut losses.

Operating performance

Kumba Iron Ore

Total tonnes mined at Sishen mine increased by 6% from 72.1 Mt in 2010 to 76.7 Mt, of which waste mined was 51.8 Mt, an increase of 12% over the first six months of 2010. This planned increase in mining activity was negatively affected by wet pit conditions resulting from excessive rainfall. As a result of the wet pit conditions, run of mine material supplied to the Dense Media Separation plant reduced, causing total production at Sishen Mine to decrease by 12% from 21.1 Mt in 2010 to 18.6 Mt. Production from the Dense Media Separation plant decreased by 2.4 Mt to 12.3 Mt, which was also reduced by maintenance downtime

and wet feedstock causing blockages in the plant. The jig plant achieved a run rate in excess of design capacity during the second quarter which offset the shortfall of the first quarter. The contribution by the jig plant to Sishen mine's production decreased to 6.3 Mt in the period (30 June 2010: 6.4 Mt).

Total sales volumes for Kumba were maintained at approximately 22.0 Mt for the six months (2010: 21.9 Mt). Export sales volumes from Sishen Mine for the first six months decreased by 0.4 Mt to 18.4 Mt. Kumba's export sales volumes to China increased by 1.9 Mt to 12.7 Mt which represented 69% of total export volumes for the six months, compared with 57% in the prior period. This was driven by a 1.1 Mt reduction in export sales to Japan as a result of the earthquake and tsunami and the rescheduling of vessels from June 2011 to July 2011. 2.8 Mt of stock was used to supplement the lower production from the mine.

Iron Ore Brazil

Iron Ore Brazil generated an operating loss of $36 million, largely reflecting the pre-operational state of the Minas-Rio project.

The Amapá operation contributed an operating profit of $45 million for the period, compared with an operating loss of $7 million in the first half of 2010, reflecting a strong production performance and continued cost containment during a period of elevated prices. Production totalled 2.33 Mt in the period, a 26% increase, including 939,000 tonnes of higher priced pellet feed, a 37% increase.

Samancor

Operating profit of $106 million is $103 million lower than the prior period, driven mainly by lower prices and stronger local currencies.

Mine shutdowns in South Africa following the fatality in February 2011 resulted in lower production volumes in South Africa. In addition, production was lower at Gemco in Australia due to concentrator downtime as well as conveyor slippages, mainly due to unusually heavy rainfall. Ore production of 3.1 Mt (100% basis) is 8% lower than the prior year and alloy production of 362,000 tonnes (100% basis) is marginally lower than the prior year.

In 2010, high pricing drove a stimulation of domestic Chinese production which resulted in a stockpile build up. In 2011, the ore sales price has softened by 11% and, consequently, production levels have fallen and stockpiles have started to reduce.

Projects

The development of the 9 Mtpa Kolomela Mine continues and overall project progress reached 94%. Construction is substantially complete and various systems of the plant have been handed over for cold commissioning. Transnet has made significant progress in the construction of the direct rail link from the mine to the Sishen-Saldanha iron export channel. Hot commissioning of the plant is expected to start during the third quarter of 2011. During the process, ore will be fed through the plant, resulting in work in process stock and some saleable product being produced during 2011.

For the six months ended 30 June 2011, 15.3 Mt of material was mined at Kolomela at a cost of $73 million, bringing the total waste mined as part of the mine's development since 2008 to 37.3 Mt (Total cost - 2008 to 2010: $189 million). 600,000 tonnes of ore has been mined and stockpiled for the commissioning of the plant. The life of mine has been extended by eight years to 28 years since the initial investment decision. At this stage of the project, it is anticipated that the mine will be ramped up to produce 4 Mt to 5 Mt during 2012 and to produce at design capacity of 9 Mtpa in 2013.

At the 26.5 Mtpa Minas-Rio iron ore project, civil works commenced, on schedule, at the beneficiation plant during March. Construction is under way for the tailings dam and earthworks continue in order to support the continuation of civil works (including the completion of earthworks associated with the primary crusher). The pipeline element of the project is continuing, with 25% of pipeline construction completed. At the port, offshore works have continued, with the final piles of the iron ore pier driven in June and the access bridge and tug boat pier completed, while onshore civil works have continued in line with the schedule during the period.

Anglo American continues to work closely with the state and federal authorities towards the receipt of all relevant licences and permits. The project remains on target to deliver first ore on ship in the second half of

2013. During the first half of 2011, licence and permit receipts continued, including securing the Mineral Easement and progressing land access, though there are still a number of other licences and permits to be secured in relation to the pipeline and the beneficiation plant during the remaining period of project development.

Pre-feasibility studies for the second phase of the Minas-Rio iron ore project commenced during 2011 and, while ongoing, these studies, together with the current resource statement (total resource volume (measured, indicated and inferred)) of 5.8 billion tonnes, support the expansion of the project.

The second expansion of the GEMCO operation in the Northern Territory of Australia was recently approved. This follows the successful completion of the GEMCO Expansion Phase 1 (GEEP1) project in January 2010.

The $279 million GEEP2 project (Anglo American's 40% share $112 million) will increase GEMCO's beneficiated product capacity from 4.2 Mtpa to 4.8 Mtpa through the introduction of a dense media circuit by-pass facility. The project is expected to be completed in late 2013. The expansion will also address infrastructure constraints by increasing road and port capacity to 5.9 Mtpa, creating 1.1 Mtpa of latent capacity for future expansions.

The first phase expansion confirmed GEMCO's status as the world's largest and lowest cost producer of manganese ore. This second expansion will further enhance GEMCO's competitive advantages and create additional options for growth.

At the Hotazel Manganese mines, the central block development project at Wessels will increase production by between 0.5 Mtpa to 1.5 Mtpa. This will be completed in 2013 and is expected to require approximately $43 million (on a 100% basis) of investment to complete.

The High Carbon Ferro Manganese furnace M14 at the Metalloys smelter in Meyerton, South Africa will add an additional 75,000 tonnes per annum capacity to the smelter at a cost of $90 million (on a 100% basis) and will take two years to complete.

Outlook

Kumba Iron Ore

Chinese crude steel production is expected to increase by around 8% from 2010 levels. World steel production, however, is expected to ease back in the coming months owing to stock cycle turns, with global crude steel production anticipated to increase by about 6%. Crude steel production during the second half of the year is seasonally lower than the first half. This is expected to put modest downward pressure on iron ore prices in the final quarter of 2011.

Kumba has implemented focused plans to recover the majority of the first half's production shortfall by the end of 2011. Waste mining at Sishen Mine is anticipated to increase as pit conditions that hampered mining during the first six months subside. Export sales for 2011 are expected to remain in line with 2010 levels.

Samancor

Prices have held steady at current levels ($5.30/dmtu CIF China), as port inventories have declined in nine out of the last 10 weeks – however they remain well above normal levels as the market moves into the traditionally slower summer months. Alloy markets remain mixed with Asian markets below $1,200/t for silico manganese and high carbon ferro manganese, while the US market is slightly firmer at the $1,250/t to $1,275/t range. Latent capacity, power costs and strong competition from exports in Korea and India in particular may impact prices achieved for Samancor's products over the remainder of the year.

METALLURGICAL COAL

$ million (unless otherwise stated)	**6 months ended 30 June 2011**	6 months ended 30 June 2010
Operating profit	**491**	263
EBITDA	**663**	416
Net operating assets	**4,263**	3,172
Capital expenditure	**206**	21
Share of Group operating profit	**8%**	6%
Share of Group net operating assets	**9%**	8%

Metallurgical Coal generated an operating profit of $491 million, an 87% increase, primarily due to higher realised export prices, which more than offset the impact of heavy rain and a strong Australian dollar. Production at the Queensland operations was affected by heavy rainfall and subsequent flooding in late 2010 and in the first quarter of 2011. In June 2011, production returned to normal operating levels as a result of proactive recovery actions put in place in the first quarter with previously announced *force majeure* declarations removed from the Queensland export operations.

Insurance claims are currently being prepared but recoveries are not expected to be significant in the context of the Group's results.

Markets

Anglo American weighted average achieved FOB sales prices ($/tonne)	**6 months ended 30 June 2011**	6 months ended 30 June 2010
Australian export metallurgical coal	**251**	148
Australian export thermal coal	**103**	83
Australian domestic thermal coal	**35**	29

Attributable sales volumes ('000 tonnes)	**6 months ended 30 June 2011**	6 months ended 30 June 2010
Australian export metallurgical coal	**5,737**	7,345
Australian export thermal coal	**2,547**	3,182
Australian domestic thermal coal	**3,759**	4,267

The market experienced a shortage of metallurgical coal in the first quarter due to supply disruptions resulting from the severe flooding in Queensland. Metallurgical coal sales decreased by 22% from 7.3 Mt to 5.7 Mt. The shortages resulted in record quarterly price settlements in the second quarter across all metallurgical coal products, with Metallurgical Coal being the first producer to settle quarterly pricing arrangements. Early engagement with customers allowed the business to effectively manage the impacts of the floods.

Global steel production continued to grow, but developed economies are still producing at below pre-recession levels with steel prices being supported by escalated raw material costs rather than a recovery in steel demand.

Operating performance

Attributable production ('000 tonnes)	**6 months ended 30 June 2011**	6 months ended 30 June 2010
Export metallurgical coal	**5,699**	7,080
Thermal coal	**6,090**	7,320

Saleable production across all coal products decreased by 18%. Export metallurgical coal production decreased by 19% to 5.7 Mt and thermal coal production decreased by 17% to 6.1 Mt, both owing to the weather. The recovery actions initiated in the first quarter resulted in export metallurgical coal sales increasing by 79% in the second quarter compared to the first quarter.

Projects

Studies continue at the greenfield projects of Grosvenor, Moranbah South, Dartbrook and Drayton South 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 within the next 12 months.

Outlook

Production volumes are expected to increase in the second half of the year as operations return to normal levels of activity and the recovery initiatives deliver some of the lost volumes. Significant progress has been made in embedding longwall productivity improvement. A comprehensive programme to reduce the impact of rain on the open cut operations ahead of the next wet season has been implemented.

The global market outlook for hard coking coal remains strong, driven by continued demand from India and China. A gradual price decline from record levels is expected in the second half of 2011 as Australian metallurgical coal supply recovers from the disruptions in the early part of the year. A continued focus on longwall productivity and asset optimisation programmes is expected to increase production in 2012.

THERMAL COAL

$ million (unless otherwise stated)	**6 months ended 30 June 2011**	6 months ended 30 June 2010
Operating profit	**521**	351
South Africa	**319**	220
Colombia	**212**	143
Projects and corporate	**(10)**	(12)
EBITDA	**611**	433
Net operating assets	**2,080**	1,740
Capital expenditure	**31**	140
Share of Group operating profit	**9%**	8%
Share of Group net operating assets	**5%**	4%

Thermal Coal generated an operating profit of $521 million, a 48% increase on the equivalent period of 2010, driven by higher export thermal coal prices for both South African and Colombian coal. Profits have been put under pressure by the strong rand, lower South African export sales volumes, and above inflation cost increases.

Markets

Anglo American weighted average achieved FOB sales prices ($/tonne)	**6 months ended 30 June 2011**	6 months ended 30 June 2010
South Africa export thermal coal	**120**	81
South Africa domestic thermal coal	**26**	23
Colombia export thermal coal	**101**	68

Attributable sales volumes ('000 tonnes)	**6 months ended 30 June 2011**	6 months ended 30 June 2010
South Africa export thermal coal[1]	**6,781**	7,689
South Africa domestic thermal coal[1] [2]	**2,602**	2,613
Colombia export thermal coal	**5,000**	5,026

[1] Includes the capitalised sales from Zibulo mine, which is currently not in commercial production

[2] Includes domestic metallurgical coal of 172 kt (six months ended 30 June 2010: 219 kt)

The first half of 2011 saw strong growth in US thermal coal exports to around 15 Mt, more than double the same period last year, driven by diminished domestic requirements and the attraction of strong export prices, predominantly into Europe. South African thermal coal exports were 0.9 Mt lower, mainly owing to poor performance by Transnet adversely affecting railings to the Richards Bay Coal Terminal (RBCT). Indonesian exports continued to increase during the first half of 2011 to satisfy both Chinese demand and increased imports of low calorific value thermal coal into India. Strong market fundamentals resulted in South African (RBCT) and Australian (Newcastle) FOB prices averaging $121 per tonne and $124 per tonne respectively for the period, an increase of approximately $30 per tonne (33%) over the same period in 2010.

Operating performance

Attributable production ('000 tonnes)	**6 months ended 30 June 2011**	6 months ended 30 June 2010
RSA thermal coal [(1)] [(2)]	**10,507**	10,135
RSA Eskom coal [(2)]	**17,058**	16,487
Colombian export thermal coal	**5,147**	5,318

[(1)] Includes domestic metallurgical coal of 163 kt (six months ended 30 June 2010: 222 kt)

[(2)] Includes the capitalised production from Zibulo mine, which is currently not in commercial production

South Africa
Operating profit from South African sourced coal increased by 45% to $319 million, driven by higher export thermal coal prices. Production for the first half of the year increased by 4% to 27.6 Mt. The ramp-up of Zibulo has proceeded well with some sections opening ahead of schedule; however, these gains have been partly offset by geological issues at some of the underground operations and heavy rainfall at the opencast operations. Costs were impacted by above-inflation increases in labour, power and fuel, as well as additional stock management costs resulting from an increase in stock levels at the operations following train derailments during the first quarter, as well as the 20-day extended maintenance stoppage during May and June 2011 on the railway line to RBCT. Export sales volumes were also similarly affected.

Colombia
At Cerrejón, operating profit of $212 million was 48% higher. This performance was principally due to higher thermal coal prices in the European and American markets arising from a gradual recovery in demand, underpinned by supply constraints following the extreme rainfall experienced globally in the fourth quarter of 2010. Production was negatively affected by the increase in rain related stoppages during the period, but this impact was mitigated by mining efficiencies and scheduling resulting in production being only 3% lower than the first six months of 2010.

Projects

The 6.6 Mtpa Zibulo project in South Africa produced its first coal in the third quarter of 2009. Full production is expected to be achieved during the fourth quarter of 2012.

The New Largo Coal Project, which is currently in feasibility stage, has two main elements: a conveyor which will run from an existing coal plant to an Eskom power station and a new opencast mine. The operation is planned to mine domestic thermal coal and Thermal Coal is currently negotiating a coal supply agreement with Eskom for delivery into its Kusile power station. Feasibility studies commenced in August 2010 and are expected to be completed by the third quarter of 2011, for the conveyor and the first quarter of 2012 for the mine. Anglo American Board approval is anticipated to be sought by the third quarter 2012. First coal on conveyor is expected in the fourth quarter of 2013 and first coal from the mine is planned for 2015. The current life of mine is approximately 50 years.

The Cerrejón P500 Phase1 expansion project, to increase production at Cerrejón by 8 Mtpa, is targeting final approval from its shareholders in the third quarter of 2011. First coal is targeted during the fourth quarter in 2013 and the project is expected to achieve full production at the end of 2015.

Outlook

The thermal coal market is expected to be tighter in the second half of 2011 as increased supply from Indonesia, Australia and Americas is not expected to satisfy stronger seaborne demand. The Asian markets are likely to remain strong particularly in India and China. In addition, Japanese demand is expected to recover following the earthquake and tsunami. In Germany, thermal coal is expected to be a substitute for nuclear power generation, which has been reduced in response to the Fukushima disaster.

COPPER

$ million (unless otherwise stated)	**6 months ended 30 June 2011**	6 months ended 30 June 2010
Operating profit	**1,401**	1,185
EBITDA	**1,527**	1,312
Net operating assets	**7,050**	5,152
Capital expenditure	**831**	601
Share of Group operating profit	**23%**	27%
Share of Group net operating assets	**15%**	13%

Copper generated an operating profit of $1,401 million, an increase of 18%, underpinned by a record average copper price. This benefit was partially offset by a weaker US dollar, which had a material impact on Chilean peso denominated input costs, and higher power and fuel related costs. The decision to incur additional logistics costs at Collahuasi to maximise sales whilst the Patache port shiploader was being repaired also had an impact on unit costs.

Markets

	6 months ended 30 June 2011	6 months ended 30 June 2010
Average market prices (c/lb)	**426**	323
Average realised prices (c/lb)	**422**	308

Copper prices increased strongly during the first two months of the year to a new nominal record high of 460 c/lb, reflecting expectations of improving global economic conditions. Despite these positive signs, the global economic recovery began to lose momentum during the second quarter, as higher oil prices and the impact of the Japanese earthquake curtailed global manufacturing activity. An intensification of the sovereign debt crisis in Europe, further tightening of monetary policy in China and other emerging economies and concerns over the end of quantitative easing in the US, all contributed to downward pressure on many commodity prices.

The copper price ended the half year period at 422 c/lb despite such pressures, with the realised price averaging 422 c/lb over the first six months, a 37% increase compared with the same period in 2010. The negative provisional price adjustment of $36 million was 69% lower than the first half of 2010.

Operating performance

	6 months ended 30 June 2011	6 months ended 30 June 2010
Attributable copper production (tonnes)	**289,100**	315,500

Total copper production of 289,100 tonnes was 8% lower than the same period in 2010.

Attributable production from Collahuasi was 12% lower at 103,200 tonnes, principally due to abnormally high rainfall in the first quarter, which affected throughput and also resulted in mining areas with lower than anticipated grades. Los Bronces' production was 9% lower at 101,700 tonnes, also due to anticipated lower grades and a temporary failure in a return-solutions pipeline impacting cathode production, partly offset by higher throughput as a result of asset optimisation and more favourable ore characteristics. El Soldado's production was 11% lower at 17,900 tonnes due to lower throughput and recoveries, although partly offset by the implementation of an asset optimisation project which allows additional copper to be recovered by processing slag from the Chagres smelter. Mantos Blancos' production was 2% lower at 36,100 tonnes as a result of lower grades.

Mantoverde's production was 2% higher than prior year at 30,200 tonnes owing to significantly higher throughput, partially offset by lower grades.

The impact on sales volumes at Collahuasi resulting from the December 2010 shiploader failure at the Patache port was largely negated by the successful implementation of a contingency plan that included shipping copper concentrate via the Arica, Iquique and Antofagasta ports. Remaining stocks of concentrate are expected to be sold in the second half with the shiploader now repaired and in use.

Projects

Construction of the $2.8 billion Los Bronces expansion project continues to progress and remains on schedule for first production in the fourth quarter of 2011. 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 10 years. Despite the current industry-wide cost pressures, Los Bronces is expected to have highly attractive cash operating costs, and reserves and resources that support a mine life of more than 30 years, with further expansion potential.

At Collahuasi, an expansion project to increase concentrator plant capacity to 150,000 tonnes of ore per day, an annual average production increment of 19,000 tonnes per year of copper over the estimated life of mine, will be commissioned in the third quarter of 2011 and a further project to increase throughput to 160,000 tonnes of ore per day, an annual average production increment of 20,000 tonnes per year of copper over the estimated life of mine, in the first half of 2013 was recently approved. A pre-feasibility study has also recently commenced to evaluate the next phases of expansion at Collahuasi, with options to ultimately increase annual production to at least 1 Mt of copper.

In Peru, Anglo American is focusing on obtaining the necessary water permits for the Quellaveco project to progress to Board approval for the construction. Also in Peru, early-stage work continues at the Michiquillay project. Drilling relating to the geological exploration programme will restart once discussions with the local communities have been completed. It is currently envisaged that the project will move to the pre-feasibility stage following the completion of drilling analysis and ore body modelling.

Activity at the Pebble project in Alaska continues with the focus on completing a pre-feasibility study by late 2012. An environmental baseline document and a project update will be released in the second half of 2011. Ongoing efforts include an independent scientific review of the project's Environmental Baseline Studies facilitated by the Keystone Center.

Outlook

Operational improvements and the scheduled commissioning of the Los Bronces expansion project in the fourth quarter are expected to lead to marginally higher full year production levels compared with 2010. Copper production is expected to increase significantly in 2012 as the Los Bronces expansion project ramps up towards full capacity.

Industry wide input cost pressures are expected to remain tight in the short term, particularly in relation to power and fuel related costs, although these will be partially mitigated by the increased production from the expanded Los Bronces operation.

Ongoing market concerns arising from uncertainties over the near-term outlook for the global economy may lead to relatively pronounced short-term volatility in commodity prices, including copper. However, the medium-to long-term fundamentals for copper remain strong, predominantly driven by robust demand from the emerging economies and the lack of new supply.

NICKEL

$ million (unless otherwise stated)	**6 months ended 30 June 2011**	6 months ended 30 June 2010
Operating profit	**93**	68
EBITDA	**106**	81
Net operating assets	**2,526**	1,988
Capital expenditure	**177**	223
Share of Group operating profit	**2%**	2%
Share of Group net operating assets	**5%**	5%

Nickel generated an operating profit of $93 million, a 37% increase, driven by 21% higher sales volumes from Codemin and Loma de Níquel and a higher nickel price. Operating profit was net of $11 million project costs, a $10 million increase compared with the same period in 2010.

Markets

	6 months ended 30 June 2011	6 months ended 30 June 2010
Average market prices (c/lb)	**1,159**	962
Average realised prices (c/lb)	**1,105**	969

The average nickel market price was 20% higher than for the same period in 2010, supported by growth in the stainless steel industry. Nickel demand growth was not matched by growth in industry supply which was affected by delays to a number of projects.

During the first half of 2011, LME nickel stocks decreased by 22% from a high of 137,766 tonnes on 14 January, to 107,148 tonnes on 30 June, indicative of the underlying physical demand for nickel. After a strong beginning to the year, however, nickel prices moved downwards in the second quarter, which may be attributed to uncertainty around the European economy, softer summer demand, the arrival of production from new projects, including Barro Alto, to the market and an increase in nickel pig iron production in China.

Operating performance

	6 months ended 30 June 2011	6 months ended 30 June 2010
Attributable nickel production (tonnes)	**12,700**	10,100

Nickel production increased by 26% to 12,700 tonnes owing to higher output at Loma de Níquel and delivery of the Barro Alto project.

In the first half of the year there were two additional months of production from Loma de Níquel's Electric Furnace 2, which had been restarted from March 2010, while the power rationing imposed by the Venezuelan government in the first half of 2010 did not apply in the first half of 2011. However, in June, the Venezuelan government announced that power rationing would be imposed in the second half of 2011. The Loma de Níquel operation is pursuing a mitigation process and has hired on-site generators.

The newly commissioned Barro Alto operation produced 1,100 tonnes during the first half and is expected to produce around 12,000 tonnes to 14,000 tonnes in 2011.

Production levels at Codemin were in line with 2010.

Projects

First metal from the Barro Alto ferronickel project was produced on schedule in March 2011. The new nickel plant is expected to reach full production capacity in the second half of 2012. Barro Alto will have a competitive cost position and is expected to produce an average of 36 ktpa of nickel at full production, and 41 ktpa during the first five years.

Outlook

Production of nickel during the second half of the year is expected to be significantly higher, reflecting the ramp-up of Barro Alto. In Venezuela, production will be affected by power rationing, despite mitigation measures.

In the short-to mid-term, nickel prices will be heavily influenced by the successful delivery of new projects, some of which are using unproven processing technology, as well as the introduction to the market of physically backed Exchange Traded Funds (ETFs). The long term outlook for nickel, however, remains positive, underpinned by stainless steel demand growth, estimated at more than 5% per annum, driven by industrialisation and urbanisation in emerging economies.

PLATINUM

$ million (unless otherwise stated)	**6 months ended 30 June 2011**	6 months ended 30 June 2010
Operating profit	**542**	418
EBITDA	**931**	785
Net operating assets	**13,258**	12,169
Capital expenditure	**410**	431
Share of Group operating profit	**9%**	10%
Share of Group net operating assets	**29%**	31%

Platinum recorded an operating profit of $542 million, a 30% increase, primarily due to higher sales volumes during a period of robust pricing.

Sales volumes of refined platinum and the overall average realised basket price increased by 13% and 15% respectively, the benefits of which were partially offset by a stronger rand on average. Cash operating costs per equivalent refined platinum ounce increased by 13% compared with the first half of 2010.

Markets

The average dollar realised price for platinum was $1,782 per ounce for the period, a 12% increase compared with $1,593 per ounce in the comparable period. The average realised prices for palladium and rhodium sales were $775 per ounce (six months ended June 2010: $462) and $2,266 per ounce (six months ended June 2010: $2,600) respectively. The average realised price on nickel sales was $11.55 per pound (six months ended June 2010: $9.52). The overall average realised dollar basket price was 15% higher at $2,927 per platinum ounce sold.

Anglo American Platinum (Platinum) maintains its view that the platinum market will remain in balance in 2011 owing to continued recovery in the autocatalyst and industrial segments and the sustained strength of the jewellery segment, particularly in China. Platinum expects primary supply to improve from 2010 levels, implying underlying growth in demand markets. Primary supply growth will be challenged by safety-related and other labour issues.

Autocatalysts
Global vehicle production in 2011 is expected to reach in excess of 75 million vehicles, implying a 3% growth from 2010 levels. The earthquake in Japan resulted in supply disruption for the Japanese auto manufacturers, with estimates that the disaster resulted in a worldwide production loss of approximately 2.8 million vehicles. Most of this loss is expected to be recovered by the second quarter of 2012. Sales volumes across all major markets, with the exception of Japan, have been higher in the period compared with 2010 levels. This trend is expected to continue as the market continues to recover towards pre-crisis levels.

Industrial
Following the recovery from the previous year, demand from the industrial sector is expected to remain strong in the near to medium term. Demand for PGM-related consumer goods, including electronics, packaging and other chemicals, continues to show strong growth, particularly in Asian markets. The fuel cell industry continues to develop in a commercial capacity, with significant fuel cell unit growth in the stationary power sector, driven by demand in residential units and off-grid mobile base stations.

Jewellery
The platinum jewellery market benefited from relative price stability and higher gold prices. The developed jewellery markets have remained healthy, with some regional variation on performance. Jewellery purchases in China have increased by almost 20% in the first half of 2011 compared with the same period in 2010. The Indian jewellery market development programme continues to show success.

Investment
Overall platinum holdings in ETFs have increased by approximately 15% in the first half of 2011. Net long speculative positions have declined by 36% over the same period, exhibiting a lack of general confidence in the markets. Despite this reduction, the platinum price remains resilient and has been supported above $1,700 per ounce.

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 2011 was 1.16 million ounces, a slight decrease of 3% when compared to the first half of 2010.

Wholly owned mines produced 763,100 equivalent refined platinum ounces, an increase of 2% compared with the first half of 2010. The majority of this increase was from Mogalakwena, Unki and Thembelani. Unki was delivered successfully, on schedule and within budget in January 2011 and contributed 22,400 additional equivalent refined platinum ounces. In addition, Mogalakwena open-pit mine continued to perform strongly providing Platinum with a flexible production source. This was however, partly offset by lower volumes from Bathopele, Khuseleka and Union mines.

Refined platinum production of 1.2 million ounces for the first half of 2011 represents an increase of 17% in comparison with the same period in 2010.

Eight employees lost their lives during the period and Platinum extends its sincere condolences to their families, friends and colleagues. Platinum had 33 safety stoppages in the first half of 2011 compared to 17 in the first half of 2010, which was in line with the rest of the industry. Platinum is continuing to work with Government and Labour towards zero harm.

Projects

Capital expenditure for the first half of 2011, excluding capitalised interest, amounted to $410 million, of which $223 million was spent on projects, $138 million on stay-in-business capital and $49 million on waste stripping at Mogalakwena Mine.

Project capital expenditure for the first half of 2011 was mostly spent on the Thembelani 2 shaft replacement project ($36 million), the Mortimer Furnace Upgrade ($35 million), the Twickenham Platinum Mine project ($34 million), the base metal refinery 33,000 tonnes nickel expansion project ($32 million), the Unki Platinum mine project ($18 million), and the Khuseleka ore replacement project ($13 million).

The Unki Platinum Mine Project was handed over to operations in January 2011 and is expected to reach steady state production of 120,000 tonnes milled per month about a year ahead of schedule. The Base Metal Refinery 33,000 tonnes nickel expansion project has produced first metal in line with expectations. It is expected to reach steady state by the end of the year, as planned.

Outlook

Platinum is expecting a stronger second half for the year and maintained an expected refined production target of 2.6 million ounces of platinum for 2011. This implies production volume of 1.4 million ounces of platinum in the second half of 2011 given that we produced 1.2 million ounces in the first half.

Platinum maintains a relentless focus on mitigating industry-wide cost pressures by improving productivity, increasing efficiency and managing supply chain and procurement costs, benefiting from Anglo American's global initiatives. These initiatives are expected to improve unit costs in the second half of the year.

Platinum's project ranking and prioritisation to focus on less capital intensive projects in the near term, is expected to reduce capital expenditure for 2011 from $1.16 billion to $1.1 billion, excluding capitalised interest.

DIAMONDS

$ million (unless otherwise stated)	**6 months ended 30 June 2011**	6 months ended 30 June 2010
Share of associate's operating profit	**450**	261
EBITDA	**517**	340
Group's associate investment in De Beers(1)	**2,234**	1,783
Share of Group operating profit	**7%**	6%

(1) Excludes shareholder loans of $315 million (30 June 2010: $367 million)

Anglo American's record share of operating profit from De Beers of $450 million, an increase of 72%, reflected the impact of significant price growth during the first half of 2011.

Markets

Sales during the period were driven mainly by continued growth mainly in the Middle East and Asian retail markets and their impact on rough price growth. Sales of rough diamonds by the Diamond Trading Company (DTC) in the first half of 2011 were $3.5 billion (including those through joint ventures), a 33% increase compared with 2010, driven by price growth of approximately 35%. This is the highest ever sales figure recorded by De Beers for the first half of the year since privatisation, buoyed by continued retail demand from the Indian and Chinese consumer markets and stronger than expected demand in American.

Forevermark (a diamond brand owned by the De Beers Group) continues its expansion into core retail markets of China, Hong Kong and Japan and has recently launched in India, Singapore and the Caribbean. The Forevermark brand is now available from a small number of stores in the US, with further expansion planned later this year. During the first half of the year, De Beers Diamond Jewellers (De Beers' joint venture with LVMH) announced the strategic launch of the brand in China with the opening of its first mainland China store in Beijing, its first store in Kazakhstan in Almaty and a new store in Dubai at Dubai Mall. The company will continue its expansion in 2011 with the opening of further stores in mainland China, a second store in Hong Kong.

Operating performance

De Beers has continued to focus on efficiency improvements and on maintaining a lower sustainable level of overhead base, which has resulted in a favourable impact on earnings. In the first six months of 2011, De Beers' production totalled 15.53 million carats, in line with the first half of 2010, reflecting the impact of maintenance and asset management difficulties and, to an extent, excessive rainfall in southern Africa.

Element Six recorded a good first half performance in respect of both sales and profitability, with robust demand across its product ranges. Operating performance was impacted by, inter alia, operating challenges and a weak US dollar, but Element Six is well positioned for the remainder of the year.

Commitment to safety remains De Beers' most important priority. There have been three loss of life incidents at De Beers during the first half – two at Namdeb and one at Debswana. Sincere condolences are expressed to the families of those concerned. Comprehensive safety reviews are being carried out at all De Beers operations.

Projects and restructuring

Debswana's Jwaneng mine Cut-8 extension project is progressing satisfactorily, on schedule and on budget. De Beers Canada recently completed a six month optimisation study on the Snap Lake Mine to more economically extract this complicated, but promising ore body that has a forecast 20-year life-of-mine.

Disposals of assets have continued in the period, and in January, De Beers Consolidated Mines (DBCM) announced that it had entered into an agreement with Petra Diamonds to sell Finsch mine as a going concern for a consideration of R1.425 billion ($210 million), plus assumption of rehabilitation liabilities. In

May, DBCM announced that it had entered into an agreement to sell Namaqualand Mines to Trans Hex in a transaction valued at R225 million. This completes the De Beers asset disposal programme.

In May, De Beers and the Government of the Republic of Namibia (GRN) announced a new agreement which will allow GRN to increase its effective shareholding in De Beers Marine Namibia from 15% to 50% through the establishment of a new 50:50 joint venture holding company. This will not change marketing arrangements and all diamond production from Namdeb will continue to be sorted, valued and marketed exclusively by the DTC together with Namibia Diamond Trading Company, which is also a 50:50 joint venture between the GRN and De Beers.

Outlook

Despite the ongoing turmoil with the global economy, De Beers is encouraged by the continued strong growth in price and demand during the first six months of 2011 is highly encouraging. De Beers is confident that the exceptional growth in retail markets in India and Asia will continue to drive demand for diamonds. Reports from the recent Jewelers' Circular Keystone (JCK) tradeshow indicate that the all important Christmas season in the US and Diwali are expected to be strong.

OTHER MINING AND INDUSTRIAL

$ million (unless otherwise stated)	**6 months ended 30 June 2011**	6 months ended 30 June 2010
Operating profit	**101**	290
Tarmac	**(22)**	29
Scaw Metals	**27**	83
Copebrás	**54**	12
Catalão	**21**	28
Peace River Coal	**10**	(1)
Zinc	**20**	150
Other	**(9)**	(11)
EBITDA	**210**	427
Net operating assets	**4,048**	4,213
Capital expenditure	**72**	104
Share of Group operating profit	**2%**	7%
Share of Group net operating assets	**9%**	11%

Tarmac

Tarmac reported an operating loss of $22 million, compared to a profit of $29 million in the first half of 2010. However, on a directly comparable basis, taking into consideration the impact of European businesses that were sold in 2010, Tarmac's operating profit showed a reduction of $38 million. Tarmac's directly comparable EBITDA performance was 45% lower.

Quarry materials

The UK Quarry Materials business experienced strong first-half volumes, as severe weather conditions towards the end of 2010 generated significant carry-over of demand, particularly asphalt volumes on major trunk road schemes, and on Local Authority schemes. Concrete volumes decreased due to difficult trading conditions arising from the implementation of various government austerity measures. The high cost of oil, its impact on input costs, and the recovery of such costs through price increases remain the key challenges for the business.

The 2011 outlook in the UK is characterised by impending government spending cuts, rising cost inflation and fragile private sector recovery.

Building products

Housing, retail and commercial markets have all experienced a decline, affecting all products. Volumes have suffered as a result of the general market decline and a more competitive pricing environment, where customers and competitors have become more focussed on price and less on other value drivers. The Precast Solutions business, which supplies the commercial market, is in the process of closure.

Cost reduction initiatives continue to be high on the agenda.

Although a number of initiatives are in progress to improve performance, the short term market outlook remains difficult.

Scaw Metals

The sale of the Moly-Cop and AltaSteel operations of the Scaw Metals Group was completed on 31 December 2010.

Scaw Metals generated an operating profit of $27 million, a 67% decrease, largely as a result of the above disposal. Strong performances were recorded by the Grinding Media and Wire Rod Product operations, which benefited from improved demand from mining and offshore customers as well as a turnaround in business performance, partly offset by the difficult trading conditions in the Rolled Products operation. Weak demand within the construction sector has resulted in selling prices not fully reflecting rapidly rising input costs, resulting in reduced margins. However, a strong focus by management on cost saving initiatives in all operations and sales to downstream businesses has mitigated the effects of weak margins to some extent.

Total production of steel products was 356,300 tonnes.

Copebrás

Copebrás generated a $54 million operating profit, a 350% increase on the previous period. Sales volumes of low analysis fertilisers and DCP (animal feed supplement) increased, largely as a result of a very strong Brazilian 'mini crop' which generated unusually high demand for fertiliser products in the period. The strong performance was partially offset by increased input costs, particularly from the key non-controllable elements of sulphur, ammonia and energy and the strength of the Brazilian real.

Domestic soybean and grain industries continue to drive local demand and the outlook for the product markets continues to be positive, with international benchmark fertiliser products prices expected to remain strong for the balance of 2011. The fundamentals for soft commodities remain positive for the medium term, characterised by the continuing high demand for grains worldwide that is underpinning an anticipated strong demand for fertilisers.

The Goiás 2 project presents an opportunity for future expansion.

Catalão

Catalão generated an operating profit of $21 million, a 25% decrease. Sales of niobium were 7% lower, mostly attributable to the lower metallurgical recovery of niobium resulting from the treatment of refractory oxide ore remnants, ahead of the planned transition to unweathered ore in 2013. Lower sales volumes were partially offset by higher niobium prices and the market continues to show steady growth in both demand and price, particularly in the high strength, low alloy steel sector. The longer term market outlook remains strong.

Following the positive results of a drilling campaign in 2010, design and engineering work has commenced on the project for the treatment of unweathered ore. This is expected to increase production volumes substantially, with commissioning expected to start in late 2013.

Peace River Coal

Peace River Coal delivered export sales of 515,300 tonnes of hard coking coal, a 26% increase over the total coal sales tonnes in the equivalent prior year period, partly driven by operational improvements and shipping timing differences.

AngloAmerican

CONDENSED FINANCIAL STATEMENTS

for the six months ended 30 June 2011

Consolidated income statement
for the six months ended 30 June 2011

US$ million	Note	**6 months ended 30.06.11** Before special items and remeasure-ments	Special items and remeasure-ments (note 4)	Total	6 months ended 30.06.10 Before special items and remeasure-ments	Special items and remeasure-ments (note 4)	Total	Year ended 31.12.10 Before special items and remeasure-ments	Special items and remeasure-ments (note 4)	Total
Group revenue	2	**15,237**	**–**	**15,237**	12,590	–	12,590	27,960	–	27,960
Total operating costs		**(10,057)**	**303**	**(9,754)**	(8,875)	(126)	(9,001)	(19,452)	158	(19,294)
Operating profit from subsidiaries and joint ventures	2	**5,180**	**303**	**5,483**	3,715	(126)	3,589	8,508	158	8,666
Net profit/(loss) on disposals	4	**–**	**417**	**417**	–	(92)	(92)	–	1,579	1,579
Share of net income from associates	2	**593**	**12**	**605**	406	(22)	384	845	(23)	822
Total profit from operations and associates		**5,773**	**732**	**6,505**	4,121	(240)	3,881	9,353	1,714	11,067
Investment income		**340**	**–**	**340**	273	–	273	568	–	568
Interest expense		**(348)**	**–**	**(348)**	(403)	–	(403)	(801)	–	(801)
Other financing gains/(losses)		**28**	**46**	**74**	–	152	152	(11)	105	94
Net finance income/(costs)	7	**20**	**46**	**66**	(130)	152	22	(244)	105	(139)
Profit before tax		**5,793**	**778**	**6,571**	3,991	(88)	3,903	9,109	1,819	10,928
Income tax expense	8	**(1,696)**	**140**	**(1,556)**	(1,159)	(57)	(1,216)	(2,699)	(110)	(2,809)
Profit for the financial period		**4,097**	**918**	**5,015**	2,832	(145)	2,687	6,410	1,709	8,119
Attributable to:										
Non-controlling interests		**977**	**50**	**1,027**	620	6	626	1,434	141	1,575
Equity shareholders of the Company		**3,120**	**868**	**3,988**	2,212	(151)	2,061	4,976	1,568	6,544
Earnings per share (US$)										
Basic	9	**2.58**	**0.72**	**3.30**	1.84	(0.13)	1.71	4.13	1.30	5.43
Diluted	9	**2.47**	**0.68**	**3.15**	1.76	(0.11)	1.65	3.96	1.22	5.18

Consolidated statement of comprehensive income
for the six months ended 30 June 2011

US$ million	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10
Profit for the financial period	**5,015**	2,687	8,119
Net gain on revaluation of available for sale investments	**237**	54	316
Net loss on cash flow hedges	**(64)**	(78)	(14)
Net exchange (loss)/gain on translation of foreign operations (including associates)	**(283)**	(891)	2,431
Actuarial net (loss)/gain on post employment benefit schemes	**(18)**	(59)	131
Share of associates' net expense recognised directly in equity	**(5)**	(3)	(50)
Tax on items recognised directly in equity	**(48)**	63	(149)
Net (expense)/income recognised directly in equity	**(181)**	(914)	2,665
Transferred to income statement: sale of available for sale investments	**(11)**	–	–
Transferred to income statement: cash flow hedges	**2**	2	4
Transferred to initial carrying amount of hedged items: cash flow hedges	**35**	31	20
Transferred to income statement: exchange differences on disposal of foreign operations	**42**	3	(40)
Share of associates' net income transferred from equity	**–**	–	(8)
Tax on items transferred from equity	**(12)**	(4)	1
Total transferred from equity	**56**	32	(23)
Total comprehensive income for the financial period	**4,890**	1,805	10,761
Attributable to:			
Non-controlling interests	**921**	545	1,885
Equity shareholders of the Company	**3,969**	1,260	8,876

Consolidated balance sheet
as at 30 June 2011

US$ million	Note	**30.06.11**	30.06.10	31.12.10
Intangible assets		**2,341**	2,551	2,316
Property, plant and equipment		**41,433**	34,703	39,810
Environmental rehabilitation trusts		**385**	299	379
Investments in associates		**5,301**	4,027	4,900
Financial asset investments		**3,555**	2,918	3,220
Trade and other receivables		**340**	264	321
Deferred tax assets		**534**	285	389
Other financial assets (derivatives)		**509**	511	465
Other non-current assets		**191**	103	178
Total non-current assets		**54,589**	45,661	51,978
Inventories		**3,770**	3,368	3,604
Trade and other receivables		**4,430**	3,745	3,731
Current tax assets		**270**	147	235
Other financial assets (derivatives)		**488**	204	377
Cash and cash equivalents	12b	**6,805**	2,868	6,401
Total current assets		**15,763**	10,332	14,348
Assets classified as held for sale	14	**–**	1,146	330
Total assets		**70,352**	57,139	66,656
Trade and other payables		**(5,068)**	(4,169)	(4,950)
Short term borrowings	11,12b	**(1,061)**	(3,121)	(1,535)
Provisions for liabilities and charges		**(318)**	(224)	(446)
Current tax liabilities		**(749)**	(536)	(871)
Other financial liabilities (derivatives)		**(57)**	(114)	(80)
Total current liabilities		**(7,253)**	(8,164)	(7,882)
Medium and long term borrowings	11,12b	**(12,497)**	(10,076)	(11,904)
Retirement benefit obligations		**(566)**	(705)	(591)
Deferred tax liabilities		**(6,059)**	(4,989)	(5,641)
Other financial liabilities (derivatives)		**(508)**	(1,065)	(755)
Provisions for liabilities and charges		**(1,747)**	(1,488)	(1,666)
Other non-current liabilities		**(83)**	(113)	(104)
Total non-current liabilities		**(21,460)**	(18,436)	(20,661)
Liabilities directly associated with assets classified as held for sale	14	**–**	(342)	(142)
Total liabilities		**(28,713)**	(26,942)	(28,685)
Net assets		**41,639**	30,197	37,971
Equity				
Called-up share capital	10	**738**	738	738
Share premium account		**2,714**	2,713	2,713
Other reserves		**3,548**	587	3,642
Retained earnings		**30,697**	23,324	27,146
Equity attributable to equity shareholders of the Company		**37,697**	27,362	34,239
Non-controlling interests		**3,942**	2,835	3,732
Total equity		**41,639**	30,197	37,971

The Condensed financial statements of Anglo American plc, registered number 3564138, were approved by the Board of directors on 28 July 2011 and signed on its behalf by:

Cynthia Carroll
Chief executive

René Médori
Finance director

Consolidated cash flow statement
for the six months ended 30 June 2011

US$ million	Note	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10
Cash flows from operations	12a	**5,233**	3,729	9,924
Dividends from associates		**165**	72	255
Dividends from financial asset investments		**32**	15	30
Income tax paid		**(1,444)**	(1,130)	(2,482)
Net cash inflows from operating activities		**3,986**	2,686	7,727
Cash flows from investing activities				
Purchase of property, plant and equipment	2	**(2,595)**	(2,065)	(5,280)
Cash flows from derivatives related to capital expenditure	2	**267**	72	286
Investments in associates[1]		**(23)**	(504)	(519)
Purchase of financial asset investments		**(2)**	(123)	(134)
Net (advance)/repayment of loans granted		**(24)**	(75)	18
Interest received and other investment income		**169**	102	235
Disposal of subsidiaries, net of cash and cash equivalents disposed	13	**486**	130	2,539
Sale of interests in joint ventures	13	**19**	30	256
Repayment of capitalised loans by associates		**2**	28	33
Proceeds from disposal of property, plant and equipment		**33**	10	64
Other investing activities		**(14)**	(2)	32
Net cash used in investing activities		**(1,682)**	(2,397)	(2,470)
Cash flows from financing activities				
Interest paid		**(424)**	(425)	(837)
Cash flows from derivatives related to financing activities		**53**	238	217
Dividends paid to Company shareholders		**(495)**	–	(302)
Dividends paid to non-controlling interests		**(686)**	(225)	(617)
Repayment of short term borrowings		**(691)**	(634)	(2,338)
Net receipt/(repayment) of medium and long term borrowings		**457**	(79)	1,194
Movements in non-controlling interests		**7**	589	356
Sale of shares under employee share schemes		**14**	11	42
Purchase of shares by subsidiaries for employee share schemes[2]		**(132)**	(91)	(106)
Other financing activities		**(12)**	–	(9)
Net cash used in financing activities		**(1,909)**	(616)	(2,400)
Net increase/(decrease) in cash and cash equivalents		**395**	(327)	2,857
Cash and cash equivalents at start of period	12c	**6,460**	3,319	3,319
Cash movements in the period		**395**	(327)	2,857
Effects of changes in foreign exchange rates		**(50)**	(36)	284
Cash and cash equivalents at end of period	12c	**6,805**	2,956	6,460

[1] Includes $450 million cash paid, in the six months ended 30 June 2010 and the year ended 31 December 2010, to subscribe to the Group's share of De Beers' rights issue.
[2] Includes purchase of Kumba Iron Ore Limited and Anglo American Platinum Limited shares for their respective employee share schemes.

Consolidated statement of changes in equity
for the six months ended 30 June 2011

US$ million	Total share capital[1]	Retained earnings	Share-based payment reserve	Cumulative translation adjustment reserve	Fair value and other reserves	Total equity attributable to equity shareholders of the Company	Non-controlling interests	Total equity
Balance at 1 January 2010	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)
Issue of shares to non-controlling interests	–	90	–	–	–	90	570	660
Consolidation by De Beers of non-controlling interest	–	(128)	–	–	–	(128)	–	(128)
Equity settled share-based payment schemes	–	53	(24)	–	–	29	2	31
Other	–	3	(7)	–	(6)	(10)	(5)	(15)
Balance at 30 June 2010	3,451	23,324	370	(1,314)	1,531	27,362	2,835	30,197
Total comprehensive income	–	4,580	–	2,767	269	7,616	1,340	8,956
Dividends paid	–	(302)	–	–	–	(302)	–	(302)
Dividends paid to non-controlling interests	–	–	–	–	–	–	(392)	(392)
Issue of shares to non-controlling interests	–	–	–	–	–	–	2	2
Changes in ownership interest in subsidiaries	–	(471)	–	21	(107)	(557)	(112)	(669)
Equity settled share-based payment schemes	–	11	110	–	–	121	11	132
Other	–	4	(4)	–	(1)	(1)	48	47
Balance at 31 December 2010	3,451	27,146	476	1,474	1,692	34,239	3,732	37,971
Total comprehensive income	–	3,969	–	(167)	167	3,969	921	4,890
Dividends paid	–	(495)	–	–	–	(495)	–	(495)
Dividends paid to non-controlling interests	–	–	–	–	–	–	(664)	(664)
Issue of shares to non-controlling interests	–	–	–	–	–	–	7	7
Equity settled share-based payment schemes	–	77	(88)	–	–	(11)	(12)	(23)
Other	1	–	(6)	–	–	(5)	(42)	(47)
Balance at 30 June 2011	**3,452**	**30,697**	**382**	**1,307**	**1,859**	**37,697**	**3,942**	**41,639**

[1] Total share capital comprises called-up share capital of $738 million (30 June 2010: $738 million; 31 December 2010: $738 million) and the share premium account of $2,714 million (30 June 2010: $2,713 million; 31 December 2010: $2,713 million).

Dividends

	6 months ended 30.06.11	6 months ended 30.06.10	Year ended 31.12.10
Proposed ordinary dividend per share (US cents)	**28**	25	40
Proposed ordinary dividend (US$ million)	**339**	302	483
Ordinary dividends paid during the period per share (US cents)	**40**	–	25
Ordinary dividends paid during the period (US$ million)	**495**	–	302

Notes to the Condensed financial statements

1. Basis of preparation

The Condensed financial statements for the six month period ended 30 June 2011 have been prepared in accordance with 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 2010, which were prepared in accordance with International Financial Reporting Standards (IFRS) adopted for use by the European Union. The financial information for the year ended 31 December 2010 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 2010, a copy of which has been delivered to the Registrar of Companies. The auditor's 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.

Accounting policies

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 2010, with the exception of certain amendments to accounting standards or new interpretations issued by the International Accounting Standards Board, which were applicable from 1 January 2011. These have not had 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 15. The Group's net debt at 30 June 2011 was $6.8 billion (including related hedges) (31 December 2010: $7.4 billion) representing a gearing level of 14.0% (31 December 2010: 16.3%). Further analysis of net debt is set out in note 12 and details of borrowings and facilities are set out in note 11.

The directors have considered the Group's cash flow forecasts for the period to 31 December 2012. The Board is satisfied that the Group's forecasts and projections, taking account of reasonably possible changes in trading performance show that the Group will be able 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 in preparing the Condensed financial statements.

Non-GAAP measures

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 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 2, 5 and 9 to the Condensed financial statements.

2. Segmental information

The Group's segments are aligned to the structure of business units based around core commodities. Each business unit has a management team that is accountable to the Chief executive. 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).

Assets originally identified for divestment as part of the restructuring programme announced in October 2009, are managed as a separate business unit, Other Mining and Industrial, and accordingly presented as a separate segment. In 2011 the Group decided to retain Catalão, Copebrás and Peace River Coal. As these businesses continued to be managed within the Other Mining and Industrial business unit during the six month period, they are presented within Other Mining and Industrial in the segmental analysis.

2. Segmental information (continued)

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 – Iron Ore and Manganese: iron ore, manganese ore and alloys; Metallurgical Coal: metallurgical coal; Thermal Coal: thermal coal; Copper and Nickel: base metals; Platinum: platinum group metals; Diamonds: rough and polished diamonds and diamond jewellery; and Other Mining and Industrial: heavy building materials, steel products, phosphates, ferroniobium and, until February 2011, zinc.

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.

Analysis by segment

Revenue and operating profit

	Revenue[1]			Operating profit/(loss)[2]		
US$ million	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10
Iron Ore and Manganese	**4,196**	3,005	6,612	**2,507**	1,628	3,681
Metallurgical Coal	**1,812**	1,444	3,377	**491**	263	783
Thermal Coal	**1,693**	1,317	2,866	**521**	351	710
Copper	**2,609**	2,142	4,877	**1,401**	1,185	2,817
Nickel	**293**	209	426	**93**	68	96
Platinum	**3,760**	2,870	6,602	**542**	418	837
Diamonds	**1,750**	1,340	2,644	**450**	261	495
Other Mining and Industrial	**2,179**	2,686	5,520	**101**	290	661
Exploration	**–**	–	–	**(46)**	(57)	(136)
Corporate Activities and Unallocated Costs	**2**	2	5	**(36)**	(46)	(181)
Segment measure	**18,294**	15,015	32,929	**6,024**	4,361	9,763
Reconciliation:						
Less: Associates	**(3,057)**	(2,425)	(4,969)	**(844)**	(646)	(1,255)
Operating special items and remeasurements	**–**	–	–	**303**	(126)	158
Statutory measure	**15,237**	12,590	27,960	**5,483**	3,589	8,666

[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.

Associates' revenue and operating profit

	Associates' revenue			Associates' operating profit/(loss)[1]		
US$ million	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10
Iron Ore and Manganese	**491**	505	983	**106**	209	382
Metallurgical Coal	**172**	103	258	**115**	49	122
Thermal Coal	**507**	344	761	**212**	143	308
Platinum	**136**	91	237	**(39)**	(19)	(59)
Diamonds	**1,750**	1,340	2,644	**450**	261	495
Other Mining and Industrial	**1**	42	86	**–**	3	7
	3,057	2,425	4,969	**844**	646	1,255
Reconciliation:						
Associates' net finance costs				**(26)**	(56)	(88)
Associates' income tax expense				**(217)**	(172)	(313)
Associates' non-controlling interests				**(8)**	(12)	(9)
Share of net income from associates (before special items and remeasurements)				**593**	406	845
Associates' special items and remeasurements				**17**	(26)	(22)
Associates' special items and remeasurements tax				**(4)**	1	(2)
Associates' non-controlling interests on special items and remeasurements				**(1)**	3	1
Share of net income from associates				**605**	384	822

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

2. Segmental information (continued)

Non-cash items

Significant non-cash items included within operating profit before special items and remeasurements are as follows:

US$ million	Depreciation and amortisation[1] **6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10	Other non-cash expenses[2] **6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10
Iron Ore and Manganese	**89**	66	142	**63**	38	90
Metallurgical Coal	**165**	148	322	**39**	2	75
Thermal Coal	**65**	58	113	**13**	14	40
Copper	**126**	127	269	**49**	43	97
Nickel	**13**	13	26	**2**	2	23
Platinum	**364**	358	750	**36**	56	57
Other Mining and Industrial	**109**	137	251	**3**	19	16
Exploration	**–**	–	–	**1**	2	4
Corporate Activities and Unallocated Costs	**18**	12	46	**24**	30	61
	949[3]	919[3]	1,919[3]	**230**	206	463

[1] The Group's attributable share of depreciation and amortisation in associates is $139 million (six months ended 30 June 2010: $134 million; year ended 31 December 2010: $301 million) and is split by segment as follows: Iron Ore and Manganese $15 million (six months ended 30 June 2010: $17 million; year ended 31 December 2010: $33 million), Metallurgical Coal $7 million (six months ended 30 June 2010: $5 million; year ended 31 December 2010: $11 million), Thermal Coal $25 million (six months ended 30 June 2010: $24 million; year ended 31 December 2010: $49 million), Platinum $25 million (six months ended 30 June 2010: $9 million; year ended 31 December 2010: $37 million) and Diamonds $67 million (six months ended 30 June 2010: $79 million; year ended 31 December 2010: $171 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.

[3] In addition $42 million (six months ended 30 June 2010: $36 million; year ended 31 December 2010: $97 million) of accelerated depreciation has been recorded within operating special items (see note 4).

Capital expenditure and net debt

US$ million	Capital expenditure[1] **6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10	Net debt[2] **30.06.11**	30.06.10	31.12.10
Iron Ore and Manganese	**595**	467	1,195	**689**	246	89
Metallurgical Coal	**206**	21	217	**(601)**	(42)	(615)
Thermal Coal	**31**	140	274	**28**	74	(50)
Copper	**831**	601	1,530	**(562)**	(396)	(243)
Nickel	**177**	223	525	**547**	481	561
Platinum	**410**	431	1,011	**(77)**	(53)	(65)
Other Mining and Industrial	**72**	104	224	**437**	394	365
Exploration	**–**	–	–	**(2)**	(1)	(2)
Corporate Activities and Unallocated Costs	**6**	6	18	**6,335**	10,315	7,403
	2,328	1,993	4,994	**6,794**	11,018	7,443
Reconciliation:						
Remove: Cash flows from derivatives relating to capital expenditure	**267**	72	286			
Purchase of property, plant and equipment	**2,595**	2,065	5,280			
Interest capitalised	**152**	113	247			
Non-cash movements[3]	**30**	5	305			
Property, plant and equipment additions[4]	**2,777**	2,183	5,832			
Amounts related to disposal groups	**(2)**	(19)	(46)	**–**	(88)	(59)
	2,775	2,164	5,786	**6,794**	10,930	7,384

[1] Capital expenditure is segmented on a cash basis and is reconciled to balance sheet additions. Cash capital expenditure includes cash flows on related derivatives.

[2] Segment net debt includes related hedges and excludes net debt in disposal groups. For a reconciliation of net debt to the balance sheet see note 12b.

[3] Includes movements on capital expenditure accruals, movements relating to deferred stripping and the impact of realised cash flow hedges.

[4] Capital expenditure on an accruals basis is split by segment as follows: Iron Ore and Manganese $859 million (30 June 2010: $503 million; 31 December 2010: $1,536 million), Metallurgical Coal $186 million (30 June 2010: $57 million; 31 December 2010: $297 million), Thermal Coal $37 million (30 June 2010: $140 million; 31 December 2010: $297 million), Copper $975 million (30 June 2010: $700 million; 31 December 2010: $1,820 million), Nickel $201 million (30 June 2010: $272 million; 31 December 2010: $602 million), Platinum $445 million (30 June 2010: $417 million; 31 December 2010: $1,043 million), Other Mining and Industrial $68 million (30 June 2010: $88 million; 31 December 2010: $216 million), Exploration nil (30 June 2010: nil; 31 December 2010: $1 million) and Corporate Activities and Unallocated Costs $6 million (30 June 2010: $6 million; 31 December 2010: $20 million).

2. Segmental information (continued)

Segment assets and liabilities

The following balance sheet segment measures are provided for information:

	Segment assets[1]			Segment liabilities[2]			Net segment assets/(liabilities)		
US$ million	**30.06.11**	30.06.10	31.12.10	**30.06.11**	30.06.10	31.12.10	**30.06.11**	30.06.10	31.12.10
Iron Ore and Manganese	**13,451**	11,073	12,333	**(574)**	(394)	(632)	**12,877**	10,679	11,701
Metallurgical Coal	**5,353**	4,020	4,711	**(1,090)**	(848)	(793)	**4,263**	3,172	3,918
Thermal Coal	**2,864**	2,395	2,897	**(784)**	(655)	(786)	**2,080**	1,740	2,111
Copper	**8,112**	5,938	7,300	**(1,062)**	(786)	(1,009)	**7,050**	5,152	6,291
Nickel	**2,630**	2,096	2,443	**(104)**	(108)	(109)	**2,526**	1,988	2,334
Platinum	**14,408**	13,131	14,701	**(1,150)**	(962)	(1,223)	**13,258**	12,169	13,478
Other Mining and Industrial	**4,898**	5,332	4,596	**(850)**	(1,119)	(789)	**4,048**	4,213	3,807
Exploration	**4**	4	3	**(6)**	(1)	(12)	**(2)**	3	(9)
Corporate Activities and Unallocated Costs	**405**	278	402	**(363)**	(254)	(377)	**42**	24	25
	52,125	44,267	49,386	**(5,983)**	(5,127)	(5,730)	**46,142**	39,140	43,656
Other assets and liabilities									
Investments in associates[3]	**5,301**	4,027	4,900	**–**	–	–	**5,301**	4,027	4,900
Financial asset investments	**3,555**	2,918	3,220	**–**	–	–	**3,555**	2,918	3,220
Deferred tax assets/(liabilities)	**534**	285	389	**(6,059)**	(4,989)	(5,641)	**(5,525)**	(4,704)	(5,252)
Other financial assets/(liabilities) – derivatives	**997**	715	842	**(565)**	(1,179)	(835)	**432**	(464)	7
Cash and cash equivalents	**6,805**	2,868	6,401	**–**	–	–	**6,805**	2,868	6,401
Other non-operating assets/(liabilities)	**1,035**	2,059	1,518	**(1,841)**	(1,844)	(2,233)	**(806)**	215	(715)
Borrowings	**–**	–	–	**(13,558)**	(13,197)	(13,439)	**(13,558)**	(13,197)	(13,439)
Other provisions	**–**	–	–	**(707)**	(606)	(807)	**(707)**	(606)	(807)
Net assets	**70,352**	57,139	66,656	**(28,713)**	(26,942)	(28,685)	**41,639**	30,197	37,971

[1] Segment assets at 30 June 2011 are operating assets and consist of intangible assets of $2,341 million (30 June 2010: $2,551 million; 31 December 2010: $2,316 million), property, plant and equipment of $41,433 million (30 June 2010: $34,703 million; 31 December 2010: $39,810 million), biological assets of $4 million (30 June 2010: $3 million; 31 December 2010: $2 million), environmental rehabilitation trusts of $385 million (30 June 2010: $299 million; 31 December 2010: $379 million), retirement benefit assets of $127 million (30 June 2010: $41 million; 31 December 2010: $112 million), inventories of $3,770 million (30 June 2010: $3,368 million; 31 December 2010: $3,604 million) and operating receivables of $4,065 million (30 June 2010: $3,302 million; 31 December 2010: $3,163 million).

[2] Segment liabilities at 30 June 2011 are operating liabilities and consist of non-interest bearing current liabilities of $4,059 million (30 June 2010: $3,316 million; 31 December 2010: $3,834 million), restoration and decommissioning provisions of $1,358 million (30 June 2010: $1,106 million; 31 December 2010: $1,305 million) and retirement benefit obligations of $566 million (30 June 2010: $705 million; 31 December 2010: $591 million).

[3] Investments in associates are split by segment as follows: Iron Ore and Manganese $925 million (30 June 2010: $813 million; 31 December 2010: $880 million), Metallurgical Coal $284 million (30 June 2010: $156 million; 31 December 2010: $223 million), Thermal Coal $837 million (30 June 2010: $740 million; 31 December 2010: $749 million), Platinum $1,021 million (30 June 2010: $516 million; 31 December 2010: $1,112 million), Diamonds $2,234 million (30 June 2010: $1,783 million; 31 December 2010: $1,936 million) and Other Mining and Industrial nil (30 June 2010: $19 million; 31 December 2010: nil).

Revenue by product

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

US$ million	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10
Iron ore	**3,535**	2,282	5,234
Manganese ore and alloys	**491**	505	983
Metallurgical coal	**1,497**	1,128	2,711
Thermal coal	**2,136**	1,721	3,707
Copper	**2,536**	2,085	4,782
Nickel	**567**	414	824
Platinum	**2,251**	1,706	4,053
Palladium	**561**	278	697
Rhodium	**395**	367	782
Diamonds	**1,750**	1,340	2,644
Heavy building materials	**1,197**	1,254	2,376
Steel products	**483**	760	1,568
Zinc	**37**	291	584
Other	**858**	884	1,984
	18,294	15,015	32,929

2. Segmental information (continued)

Geographical analysis

Revenue by destination and non-current segment assets by location

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 30.06.11**	6 months ended 30.06.10[2]	Year ended 31.12.10	**30.06.11**	30.06.10	31.12.10
South Africa	**1,799**	1,571	3,307	**17,194**	14,807	17,389
Other Africa	**321**	246	502	**390**	309	373
Brazil	**571**	496	1,135	**11,957**	10,208	11,159
Chile	**1,143**	799	1,940	**6,358**	4,763	5,628
Other South America	**38**	106	207	**645**	602	589
North America	**1,040**	858	1,805	**569**	709	540
Australia	**200**	226	474	**4,219**	3,293	4,022
China	**3,109**	2,398	5,075	**5**	4	5
India	**1,084**	924	2,021	**–**	–	–
Japan	**2,381**	1,805	4,198	**–**	–	–
Other Asia	**1,624**	1,358	2,818	**38**	45	42
United Kingdom (Anglo American plc's country of domicile)	**1,952**	1,592	3,980	**2,348**	2,455	2,331
Other Europe	**3,032**	2,636	5,467	**51**	59	48
	18,294	15,015	32,929	**43,774**	37,254	42,126

(1) Non-current segment assets are non-current operating assets and consist of intangible assets and property, plant and equipment.
(2) Comparatives have been reclassified to align with current presentation.

Revenue and operating profit by origin

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

	Revenue			Operating profit/(loss) before special items and remeasurements		
US$ million	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10
South Africa	**9,099**	6,849	15,711	**3,322**	2,190	5,001
Other Africa	**1,440**	1,216	2,329	**371**	265	501
South America	**3,956**	3,280	7,492	**1,777**	1,452	3,416
North America	**271**	329	679	**72**	47	14
Australia and Asia	**2,319**	2,006	4,141	**603**	429	911
Europe	**1,209**	1,335	2,577	**(121)**	(22)	(80)
	18,294	15,015	32,929	**6,024**	4,361	9,763

Segment assets and liabilities by location

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	**30.06.11**	30.06.10	31.12.10	**30.06.11**	30.06.10	31.12.10	**30.06.11**	30.06.10	31.12.10
South Africa	**20,746**	18,495	21,294	**(2,717)**	(2,186)	(2,815)	**18,029**	16,309	18,479
Other Africa	**393**	314	377	**(37)**	(34)	(26)	**356**	280	351
South America	**20,632**	16,920	18,982	**(1,396)**	(1,115)	(1,384)	**19,236**	15,805	17,598
North America	**640**	865	611	**(46)**	(117)	(38)	**594**	748	573
Australia and Asia	**6,014**	4,140	4,849	**(1,158)**	(888)	(851)	**4,856**	3,252	3,998
Europe	**3,700**	3,533	3,273	**(629)**	(787)	(616)	**3,071**	2,746	2,657
	52,125	44,267	49,386	**(5,983)**	(5,127)	(5,730)	**46,142**	39,140	43,656

(1) Investments in associates of $5,301 million (30 June 2010: $4,027 million; 31 December 2010: $4,900 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 $2,233 million (30 June 2010: $1,868 million; 31 December 2010: $2,334 million), Other Africa $1,043 million (30 June 2010: $1,030 million; 31 December 2010: $1,220 million), South America $817 million (30 June 2010: $722 million; 31 December 2010: $729 million), North America $342 million (30 June 2010: $422 million; 31 December 2010: $376 million), Australia and Asia $788 million (30 June 2010: $470 million; 31 December 2010: $698 million) and Europe $78 million (30 June 2010: $(485) million; 31 December 2010: $(457) million).

3. Operating profit and underlying earnings by segment

The following tables analyse operating profit (including attributable share of associates' operating profit) for the financial period by segment and reconciles it to underlying earnings by segment. Underlying earnings is an alternative earnings measure which the directors consider to be a useful additional measure of the Group's performance. Underlying earnings is profit for the financial period attributable to equity shareholders of the Company before special items and remeasurements and is therefore presented after non-controlling interests. 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.

3. Operating profit and underlying earnings by segment (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 (note 4)	Net interest, tax and non-controlling interests	Underlying earnings
					6 months ended 30.06.11
Iron Ore and Manganese	**2,507**	**2,792**	**(285)**	**(1,605)**	**902**
Metallurgical Coal	**491**	**491**	**–**	**(140)**	**351**
Thermal Coal	**521**	**519**	**2**	**(136)**	**385**
Copper	**1,401**	**1,406**	**(5)**	**(559)**	**842**
Nickel	**93**	**89**	**4**	**(35)**	**58**
Platinum	**542**	**563**	**(21)**	**(257)**	**285**
Diamonds	**450**	**458**	**(8)**	**(151)**	**299**
Exploration	**(46)**	**(46)**	**–**	**1**	**(45)**
Corporate Activities and Unallocated Costs	**(36)**	**(38)**	**2**	**17**	**(19)**
Core operations	**5,923**	**6,234**	**(311)**	**(2,865)**	**3,058**
Other Mining and Industrial	**101**	**101**	**–**	**(39)**	**62**
	6,024	**6,335**	**(311)**	**(2,904)**	**3,120**

US$ million	Operating profit/(loss) before special items and remeasurements[1]	Operating profit/(loss) after special items and remeasurements	Operating special items and remeasurements (note 4)	Net interest, tax and non-controlling interests	Underlying earnings
					6 months ended 30.06.10
Iron Ore and Manganese	1,628	1,623	5	(1,014)	614
Metallurgical Coal	263	281	(18)	(86)	177
Thermal Coal	351	350	1	(93)	258
Copper	1,185	1,154	31	(479)	706
Nickel	68	31	37	(4)	64
Platinum	418	393	25	(196)	222
Diamonds	261	242	19	(113)	148
Exploration	(57)	(57)	–	2	(55)
Corporate Activities and Unallocated Costs	(46)	(47)	1	(94)	(140)
Core operations	4,071	3,970	101	(2,077)	1,994
Other Mining and Industrial	290	246	44	(72)	218
	4,361	4,216	145	(2,149)	2,212

US$ million	Operating profit/(loss) before special items and remeasurements[1]	Operating profit/(loss) after special items and remeasurements	Operating special items and remeasurements (note 4)	Net interest, tax and non-controlling interests	Underlying earnings
					Year ended 31.12.10
Iron Ore and Manganese	3,681	4,037	(356)	(2,258)	1,423
Metallurgical Coal	783	806	(23)	(198)	585
Thermal Coal	710	708	2	(198)	512
Copper	2,817	2,832	(15)	(1,096)	1,721
Nickel	96	45	51	(21)	75
Platinum	837	765	72	(412)	425
Diamonds	495	466	29	(193)	302
Exploration	(136)	(136)	–	8	(128)
Corporate Activities and Unallocated Costs	(181)	(192)	11	(280)	(461)
Core operations	9,102	9,331	(229)	(4,648)	4,454
Other Mining and Industrial	661	561	100	(139)	522
	9,763	9,892	(129)	(4,787)	4,976

[1] Operating profit includes attributable share of associates' operating profit which is reconciled to 'Share of net income from associates' in note 2.

Underlying earnings by origin

US$ million	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10
South Africa	**1,503**	989	2,218
Other Africa	**246**	191	350
South America	**1,110**	910	2,154
North America	**57**	32	(12)
Australia and Asia	**456**	288	668
Europe	**(252)**	(198)	(402)
	3,120	2,212	4,976

4. 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 certain adjustments 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:

- unrealised gains and losses on 'non-hedge' derivative instruments open at the period end (in respect of future transactions) and the reversal of the historical marked to market value of such instruments settled in the period. Where the underlying transaction is recorded in the income statement, the 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 operating when the underlying exposure is in respect of the operating performance of the Group and otherwise as financing.
- foreign exchange impact arising in US dollar functional currency entities where tax calculations are generated based on local currency financial information and hence deferred tax is susceptible to currency fluctuations. Such amounts are included within income tax expense.

	6 months ended 30.06.11			6 months ended 30.06.10[1]			Year ended 31.12.10		
US$ million	**Subsidiaries and joint ventures**	**Associates[2]**	**Total**	Subsidiaries and joint ventures	Associates[2]	Total	Subsidiaries and joint ventures	Associates[2]	Total
Impairment and related charges	**(15)**	**–**	**(15)**	(32)	(11)	(43)	(107)	(15)	(122)
Restructuring costs	**(10)**	**–**	**(10)**	(61)	–	(61)	(121)	(10)	(131)
Operating special items	**(25)**	**–**	**(25)**	(93)	(11)	(104)	(228)	(25)	(253)
Operating remeasurements	**328**	**8**	**336**	(33)	(8)	(41)	386	(4)	382
Operating special items and remeasurements	**303**	**8**	**311**	(126)	(19)	(145)	158	(29)	129
Disposal of Lisheen and Black Mountain	**397**	**–**	**397**	–	–	–	–	–	–
Disposal of Moly-Cop and AltaSteel	**–**	**–**	**–**	–	–	–	555	–	555
Gain on Bafokeng-Rasimone Platinum mine transaction	**–**	**–**	**–**	–	–	–	546	–	546
Disposal of undeveloped coal assets	**–**	**–**	**–**	–	–	–	505	–	505
Disposal of Skorpion	**–**	**–**	**–**	–	–	–	244	–	244
Disposals of Tarmac businesses	**–**	**–**	**–**	(81)	–	(81)	(294)	–	(294)
Other	**20**	**6**	**26**	(11)	4	(7)	23	19	42
Net profit/(loss) on disposals[3]	**417**	**6**	**423**	(92)	4	(88)	1,579	19	1,598
Financing special items	**–**	**–**	**–**	–	(13)	(13)	–	(13)	(13)
Financing remeasurements	**46**	**3**	**49**	152	2	154	105	1	106
Total special items and remeasurements before tax and non-controlling interests	**766**	**17**	**783**	(66)	(26)	(92)	1,842	(22)	1,820
Special items and remeasurements tax	**140**	**(4)**	**136**	(57)	1	(56)	(110)	(2)	(112)
Non-controlling interests on special items and remeasurements	**(50)**	**(1)**	**(51)**	(6)	3	(3)	(141)	1	(140)
Net total special items and remeasurements attributable to equity shareholders of the Company	**856**	**12**	**868**	(129)	(22)	(151)	1,591	(23)	1,568

(1) Presentation of special items and remeasurements has been simplified. Comparatives have been reclassified to align with current presentation.
(2) Relates to the Diamonds segment.
(3) Of this, $397 million (six months ended 30 June 2010: $25 million; year ended 31 December 2010: $1,246 million) relates to disposals of subsidiaries and consolidated businesses and nil (six months ended 30 June 2010: nil; year ended 31 December 2010: $440 million) relates to fair value gains on retained investments (see note 13).

Subsidiaries' and joint ventures' special items and remeasurements

Operating special items

Impairment and related charges of $15 million in the six months ended 30 June 2011 (six months ended 30 June 2010: $32 million; year ended 31 December 2010: $107 million) principally relate to accelerated depreciation of $42 million (six months ended 30 June 2010: $36 million; year ended 31 December 2010: $97 million), mainly arising at Loma de Níquel, partially offset by the reversal of a provision recorded as part of a previous impairment. The accelerated depreciation charge at Loma de Níquel has arisen due to ongoing uncertainty over the renewal of three concessions that expire in 2012 and over the restoration of 13 concessions that have been cancelled.

4. Special items and remeasurements (continued)

Restructuring costs principally relate to retrenchment and consultancy costs within the Platinum segment (2010: Other Mining and Industrial and Platinum segments).

Operating remeasurements
Operating remeasurements reflect a net gain of $328 million (six months ended 30 June 2010: loss of $33 million; year ended 31 December 2010: gain of $386 million) principally in respect of non-hedge derivatives of capital expenditure in Iron Ore Brazil. Derivatives which have been realised during the period resulted in a net operating remeasurement gain since their inception of $224 million (six months ended 30 June 2010: gain of $69 million; year ended 31 December 2010: gain of $255 million).

Profit on disposals
In February 2011 the Group completed the disposal of its 100% interest in the Lisheen zinc mine (Lisheen) and its 74% interest in Black Mountain Mining (Proprietary) Limited (Black Mountain), which holds 100% of the Black Mountain mine and the Gamsberg project, resulting in a net cash inflow of $499 million, generating a profit on disposal of $397 million. Lisheen and Black Mountain were included in the Other Mining and Industrial segment.

Financing remeasurements
Financing remeasurements reflect a net gain of $46 million (six months ended 30 June 2010: gain of $152 million; year ended 31 December 2010: gain of $105 million) and relate to an embedded interest rate derivative, non-hedge derivatives of debt and other financing remeasurements.

Special items and remeasurements tax
Special items and remeasurements tax amounted to a credit of $140 million (six months ended 30 June 2010: charge of $57 million; year ended 31 December 2010: charge of $110 million). This relates to a credit for one-off tax items of $154 million (six months ended 30 June 2010: nil; year ended 31 December 2010: nil), a tax remeasurement credit of $126 million (six months ended 30 June 2010: charge of $62 million; year ended 31 December 2010: credit of $122 million) and a tax charge on special items and remeasurements of $140 million (six months ended 30 June 2010: credit of $5 million; year ended 31 December 2010: charge of $232 million).

One-off tax items principally relate to the recognition of deferred tax assets in Iron Ore Brazil which were originally written off as part of the impairment charges related to the Amapá iron ore system in 2009, and a capital gains tax refund related to a prior year disposal.

5. EBITDA

Earnings before interest, tax, depreciation and amortisation (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.

US$ million	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10
By segment			
Iron Ore and Manganese	**2,611**	1,711	3,856
Metallurgical Coal	**663**	416	1,116
Thermal Coal	**611**	433	872
Copper	**1,527**	1,312	3,086
Nickel	**106**	81	122
Platinum	**931**	785	1,624
Diamonds	**517**	340	666
Other Mining and Industrial	**210**	427	912
Exploration	**(46)**	(57)	(136)
Corporate Activities and Unallocated Costs	**(18)**	(34)	(135)
EBITDA	**7,112**	5,414	11,983

5. **EBITDA** (continued)

EBITDA 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 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10
Total profit from operations and associates	**6,505**	3,881	11,067
Operating special items and remeasurements (including associates)	**(311)**	145	(129)
Net (profit)/loss on disposals (including associates)	**(423)**	88	(1,598)
Associates' financing special items and remeasurements	**(3)**	11	12
Share of associates' interest, tax and non-controlling interests	**256**	236	411
Operating profit, including associates, before special items and remeasurements	**6,024**	4,361	9,763
Depreciation and amortisation: subsidiaries and joint ventures	**949**	919	1,919
Depreciation and amortisation: associates	**139**	134	301
EBITDA	**7,112**	5,414	11,983

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

US$ million	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10
EBITDA	**7,112**	5,414	11,983
Share of operating profit of associates before special items and remeasurements	**(844)**	(646)	(1,255)
Cash element of operating special items	**(31)**	(44)	(94)
Share of associates' depreciation and amortisation	**(139)**	(134)	(301)
Share-based payment charges	**115**	103	219
Provisions	**(116)**	59	(37)
Increase in inventories	**(176)**	(386)	(309)
Increase in operating receivables	**(725)**	(671)	(587)
Increase in operating payables	**119**	140	516
Deferred stripping	**(78)**	(100)	(196)
Other adjustments	**(4)**	(6)	(15)
Cash flows from operations	**5,233**	3,729	9,924

6. Exploration expenditure

US$ million	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10
By commodity			
Iron ore	**1**	3	14
Metallurgical coal	**1**	3	3
Thermal coal	**4**	9	21
Copper	**10**	8	19
Nickel	**9**	10	27
Platinum group metals	**2**	4	11
Zinc	**–**	3	3
Central exploration activities	**19**	17	38
	46	57	136

7. Net finance income/(costs)

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

The weighted average capitalisation rate applied to qualifying capital expenditure was 4.4% (six months ended 30 June 2010: 5.5%; year ended 31 December 2010: 4.8%).

US$ million	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10
Investment income			
Interest and other financial income	**220**	159	342
Expected return on defined benefit arrangement assets	**100**	104	205
Dividend income from financial asset investments	**32**	15	30
	352	278	577
Less: Interest capitalised	**(12)**	(5)	(9)
Total investment income	**340**	273	568
Interest expense			
Interest and other finance expense	**(305)**	(314)	(632)
Interest payable on convertible bond	**(34)**	(34)	(68)
Unwinding of discount on convertible bond	**(34)**	(31)	(65)
Interest cost on defined benefit arrangements	**(103)**	(112)	(219)
Unwinding of discount relating to provisions and other non-current liabilities	**(36)**	(30)	(73)
	(512)	(521)	(1,057)
Less: Interest capitalised	**164**	118	256
Total interest expense	**(348)**	(403)	(801)
Other financing gains/(losses)			
Net foreign exchange gains	**32**	20	17
Net fair value gains/(losses) on fair value hedges	**1**	3	(7)
Other net fair value losses	**(5)**	(23)	(21)
Total other financing gains/(losses)	**28**	–	(11)
Net finance income/(costs) before remeasurements	**20**	(130)	(244)
Remeasurements			
Net gain on embedded and non-hedge derivatives	**22**	128	72
Foreign exchange gain/(loss) on De Beers preference shares	**–**	3	(9)
Other remeasurements	**24**	21	42
Total remeasurements	**46**	152	105
Net finance income/(costs) after remeasurements	**66**	22	(139)

8. Income tax expense

a) Analysis of charge for the period

US$ million	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10
United Kingdom corporation tax at 26.5% (2010: 28%)	**8**	19	24
South Africa tax	**721**	473	1,199
Other overseas tax	**608**	625	1,333
Prior year adjustments	**(61)**	(26)	(7)
Current tax	**1,276**	1,091	2,549
Deferred tax	**420**	68	150
Income tax expense before special items and remeasurements	**1,696**	1,159	2,699
Special items and remeasurements tax	**(140)**	57	110
Income tax expense	**1,556**	1,216	2,809

8. Income tax expense (continued)

b) Factors affecting tax charge for the period

The effective tax rate for the period of 23.7% (six months ended 30 June 2010: 31.2%; year ended 31 December 2010: 25.7%) is lower (six months ended 30 June 2010: higher; year ended 31 December 2010: lower) than the applicable weighted average statutory rate of corporation tax in the United Kingdom of 26.5% (six months ended 30 June 2010: 28%; year ended 31 December 2010: 28%). The reconciling items are:

US$ million	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10
Profit on ordinary activities before tax	**6,571**	3,903	10,928
Less: Share of net income from associates	**(605)**	(384)	(822)
Group profit on ordinary activities before tax	**5,966**	3,519	10,106
Tax on profit on ordinary activities calculated at United Kingdom corporation tax rate of 26.5% (2010: 28%)	**1,581**	985	2,830
Tax effects of:			
Special items and remeasurements	**(343)**	75	(406)
Items not taxable/deductible for tax purposes			
Exploration expenditure	**10**	10	13
Non-deductible/taxable net foreign exchange loss/(gain)	**6**	5	(3)
Non-taxable/deductible net interest (income)/expense	**(19)**	(4)	2
Other non-deductible expenses	**72**	62	125
Other non-taxable income	**(27)**	(19)	(40)
Temporary difference adjustments			
Movements in tax losses	**(5)**	(7)	(50)
Enhanced tax depreciation	**–**	–	(41)
Other temporary differences	**(13)**	15	(69)
Other adjustments			
Secondary tax on companies and dividend withholding taxes	**328**	265	657
Effect of differences between local and United Kingdom rates	**(1)**	(139)	(218)
Prior year adjustments to current tax	**(61)**	(26)	(7)
Other adjustments	**28**	(6)	16
Income tax expense	**1,556**	1,216	2,809

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 2011 is $221 million (six months ended 30 June 2010: $171 million; year ended 31 December 2010: $315 million). Excluding special items and remeasurements this becomes $217 million (six months ended 30 June 2010: $172 million; year ended 31 December 2010: $313 million).

The effective rate of tax before special items and remeasurements including attributable share of associates' tax for the six months ended 30 June 2011 was 31.8%. This was in line with the equivalent effective rate of 31.9% in the six months ended 30 June 2010 and in the year ended 31 December 2010. 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 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10
Profit for the financial period attributable to equity shareholders of the Company			
Basic earnings per share	**3.30**	1.71	5.43
Diluted earnings per share	**3.15**	1.65	5.18
Headline earnings for the financial period[1]			
Basic earnings per share	**2.96**	1.74	4.27
Diluted earnings per share	**2.84**	1.68	4.09
Underlying earnings for the financial period[1]			
Basic earnings per share	**2.58**	1.84	4.13
Diluted earnings per share	**2.47**	1.76	3.96

[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.

9. Earnings per share (continued)

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

US$ million (unless otherwise stated)	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10
Earnings			
Basic earnings, being profit for the financial period attributable to equity shareholders of the Company	**3,988**	2,061	6,544
Effect of dilutive potential ordinary shares			
Interest payable on convertible bond (net of tax)	**25**	24	49
Unwinding of discount on convertible bond (net of tax)	**25**	22	47
Diluted earnings	**4,038**	2,107	6,640
Number of shares (million)			
Basic number of ordinary shares outstanding[1]	**1,209**	1,205	1,206
Effect of dilutive potential ordinary shares[2]			
Share options and awards	**10**	14	14
Convertible bond	**62**	61	61
Diluted number of ordinary shares outstanding[1]	**1,281**	1,280	1,281

[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 2011 there were 188,733 share options (six months ended 30 June 2010: nil; year ended 31 December 2010: nil) which were potentially dilutive but were not included in the calculation of diluted earnings per share because they were anti-dilutive.

The Group has $1.7 billion of senior convertible notes in issue (see note 11). The impact of the potential conversion of these notes has been included in diluted earnings and the diluted number of ordinary shares outstanding.

Underlying earnings is presented after non-controlling interests and excludes special items and remeasurements (see note 4). Underlying earnings is distinct from 'Headline earnings', which is a JSE Limited defined performance measure.

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

US$ million	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10
Profit for the financial period attributable to equity shareholders of the Company	**3,988**	2,061	6,544
Operating special items	**–**	7	14
Operating special items – tax	**–**	1	–
Operating special items – non-controlling interests	**–**	(2)	(3)
Net (profit)/loss on disposals	**(423)**	2	(1,684)
Net (profit)/loss on disposals – tax	**40**	4	123
Net (profit)/loss on disposals – non-controlling interests	**2**	12	138
Financing special items	**–**	13	13
Tax special items	**(24)**	–	–
Headline earnings for the financial period	**3,583**	2,098	5,145
Operating special items[1]	**25**	97	239
Operating remeasurements	**(336)**	41	(382)
Net loss on disposals[2]	**–**	86	86
Financing remeasurements	**(49)**	(154)	(106)
Special items and remeasurements tax[3]	**(152)**	51	(11)
Non-controlling interests on special items and remeasurements	**49**	(7)	5
Underlying earnings for the financial period	**3,120**	2,212	4,976

[1] Includes restructuring costs, accelerated depreciation and related charges.
[2] Includes amounts related to the Anglo American Inyosi Coal black economic empowerment transaction.
[3] Includes certain tax special items.

10. Called-up share capital

	30.06.11		30.06.10		31.12.10	
	Number of shares	**US$ million**	Number of shares	US$ million	Number of shares	US$ million
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	**1,342,964,288**	**738**	1,342,929,799	738	1,342,932,714	738
		738		738		738

In the six months ended 30 June 2011 2,317 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 2010: 2,661 ordinary shares; year ended 31 December 2010: 5,576 ordinary shares).

In addition, 29,257 ordinary shares of $54^{86}/_{91}$ US cents each were allotted upon the conversion of Anglo American plc convertible bonds due 2014 (30 June 2010: nil; 31 December 2010: nil), see note 11.

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. Financial liabilities analysis

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

	30.06.11			30.06.10			31.12.10		
US$ million	**Due within one year**	**Due after one year**	**Total**	Due within one year	Due after one year	Total	Due within one year	Due after one year	Total
Secured									
Bank loans and overdrafts	**59**	**362**	**421**	36	398	434	57	404	461
Obligations under finance leases	**3**	**3**	**6**	7	7	14	5	5	10
	62	**365**	**427**	43	405	448	62	409	471
Unsecured									
Bank loans and overdrafts	**743**	**1,972**	**2,715**	2,394	1,374	3,768	1,276	1,536	2,812
Bonds issued under EMTN programme	**100**	**4,501**	**4,601**	513	4,028	4,541	62	4,346	4,408
US bonds	**–**	**3,300**	**3,300**	–	2,051	2,051	–	3,249	3,249
Convertible bond[(1)]	**–**	**1,467**	**1,467**	–	1,400	1,400	–	1,434	1,434
Commercial paper	**–**	**–**	**–**	50	–	50	–	–	–
Other loans	**156**	**892**	**1,048**	121	818	939	135	930	1,065
	999	**12,132**	**13,131**	3,078	9,671	12,749	1,473	11,495	12,968
Total	**1,061**	**12,497**	**13,558**	3,121	10,076	13,197	1,535	11,904	13,439

(1) The debt component of the convertible bond includes cumulative unwinding of discount of $138 million (six months ended 30 June 2010: $70 million; year ended 31 December 2010: $104 million) and the effect of conversions during the period of $1 million (six months ended 30 June 2010: nil; year ended 31 December 2010: nil).

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

US$ million	**30.06.11**	30.06.10	31.12.10
Expiry date			
Within one year[(1)]	**2,072**	4,442	3,781
Greater than one year, less than two years	**1,907**	2,942	12
Greater than two years, less than five years	**4,904**	2,052	7,269
Greater than five years	**88**	54	58
	8,971	9,490	11,120

(1) Includes undrawn rand facilities equivalent to $1.7 billion (30 June 2010: $1.5 billion; 31 December 2010: $1.7 billion) in respect of a series of facilities with 364 day maturities which roll automatically on a daily basis, unless notice is served.

Convertible bond

In April 2009 the Group issued $1.7 billion of 4% senior convertible notes (the Notes) which, at the holders' election, could be exchanged for ordinary shares of Anglo American plc at a conversion price of £18.6370. The Group will have the option to call the Notes after three years from the date of issuance subject to certain conditions and, unless the Notes are redeemed, converted or cancelled, they will mature in 2014. Following the 2010 final dividend declaration and in accordance with the terms and conditions of the Notes, the conversion price was adjusted to £18.3600 with effect from 13 April 2011.

On issuance of the Notes, the fair values of the debt and equity conversion feature were $1,330 million and $355 million respectively. The equity conversion feature is presented in equity within 'Fair value and other reserves'.

11. Financial liabilities analysis (continued)

Derivative financial liabilities – Anglo American Sur

Anglo American inherited a 1978 agreement with Enami, a wholly owned Chilean state controlled minerals company, when it acquired Anglo American Sur in 2002. In 2008 this agreement was transferred by Enami to Codelco, the Chilean state copper company. Anglo American Sur is wholly owned by the Group and owns the Los Bronces and El Soldado copper mines and the Chagres smelter. 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 right to exercise the option is restricted to a window that occurs once every three years in the month of January until January 2027, with the next window in January 2012. The calculations of the price at which Codelco can exercise its rights are complex and confidential but do, inter alia, take account of company profitability over a five year period.

Under IAS 39 *Financial Instruments: Recognition and Measurement*, the fair valuation of the option is required to be performed from the perspective of a market participant in an arm's length transaction and does not take into account specific factors relevant to any individual counterparty. In particular, the IAS 39 valuation does not incorporate any capital gains tax payable by the Group on exercise of the option to Codelco's shareholder, the Chilean government. The option's fair value is calculated as the difference between the estimated fair value of the underlying assets to which the option relates and the estimated option price. The estimated fair value of the underlying assets may vary significantly based on a market participant's assumptions at any point in time, including, inter alia, commodity prices, foreign exchange rates and discount rates. In addition, the option price must be estimated based on current assumptions about inputs that cannot be finalised in advance of the option window and are subject to significant fluctuations. Given the sensitivity of the calculation to the assumptions made, differing assumptions result in a wide range of potential values for the option. Notwithstanding this wide range, based on valuations determined using assumptions considered within a reasonable range, it has been concluded that the option has insufficient value, as determined by the applicable accounting standard, to warrant recognition on the balance sheet at 30 June 2011.

12. Consolidated cash flow analysis

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

US$ million	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10
Profit before tax	**6,571**	3,903	10,928
Depreciation and amortisation	**949**	919	1,919
Share-based payment charges	**115**	103	219
Net (profit)/loss on disposals	**(417)**	92	(1,579)
Operating and financing remeasurements	**(374)**	(119)	(491)
Non-cash element of operating special items	**(6)**	49	134
Net finance (income)/costs before remeasurements	**(20)**	130	244
Share of net income from associates	**(605)**	(384)	(822)
Provisions	**(116)**	59	(37)
Increase in inventories	**(176)**	(386)	(309)
Increase in operating receivables	**(725)**	(671)	(587)
Increase in operating payables	**119**	140	516
Deferred stripping	**(78)**	(100)	(196)
Other adjustments	**(4)**	(6)	(15)
Cash flows from operations	**5,233**	3,729	9,924

b) Reconciliation of net debt classifications to the balance sheet

	Cash and cash equivalents[1]			Short term borrowings			Medium and long term borrowings			Current financial asset investments		
US$ million	**30.06.11**	30.06.10	31.12.10	**30.06.11**	30.06.10	31.12.10	**30.06.11**	30.06.10	31.12.10	**30.06.11**	30.06.10	31.12.10
Balance sheet	**6,805**	2,868	6,401	**(1,061)**	(3,121)	(1,535)	**(12,497)**	(10,076)	(11,904)	**–**	–	–
Balance sheet – trade and other receivables[2]	**–**	–	–	**–**	–	–	**–**	–	–	**–**	6	–
Balance sheet – disposal groups[3]	**–**	99	59	**–**	(1)	–	**–**	(1)	–	**–**	–	–
Bank overdrafts	**–**	(2)	–	**–**	2	–	**–**	–	–	**–**	–	–
Bank overdrafts – disposal groups[3]	**–**	(9)	–	**–**	–	–	**–**	–	–	**–**	–	–
Net debt classifications	**6,805**	2,956	6,460	**(1,061)**	(3,120)	(1,535)	**(12,497)**	(10,077)	(11,904)	**–**	6	–

[1] 'Short term borrowings' on the balance sheet include overdrafts which are included within cash and cash equivalents in determining net debt.
[2] Current financial asset investments of $6 million at 30 June 2010 have been reclassified on the balance sheet to other receivables.
[3] 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 2010	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 business	–	–	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)
Cash flow	3,184	1,704	(1,273)	(10)	3,605	21	3,626
Unwinding of discount on convertible bond	–	–	(34)	–	(34)	–	(34)
Disposal of business	–	1	1	–	2	–	2
Reclassifications	–	(49)	49	–	–	–	–
Movement in fair value	–	(14)	86	–	72	267	339
Other non-cash movements	–	–	(3)	3	–	–	–
Currency movements	320	(57)	(653)	1	(389)	2	(387)
Balance at 31 December 2010	6,460	(1,535)	(11,904)	–	(6,979)	(405)	(7,384)
Cash flow	395	691	(457)	–	629	(53)	576
Unwinding of discount on convertible bond	–	–	(34)	–	(34)	–	(34)
Reclassifications	–	(187)	187	–	–	–	–
Movement in fair value	–	–	(10)	–	(10)	418	408
Other non-cash movements	–	(10)	(11)	–	(21)	–	(21)
Currency movements	(50)	(20)	(268)	–	(338)	(1)	(339)
Balance at 30 June 2011	**6,805**	**(1,061)**	**(12,497)**	**–**	**(6,753)**	**(41)**	**(6,794)**

[1] The Group operates in certain countries where the existence of exchange controls may restrict the use of certain cash balances (principally South Africa and Venezuela). 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 assets of $91 million (30 June 2010: $37 million net liabilities; 31 December 2010: $2 million net assets) and net non-current derivative liabilities of $132 million (30 June 2010: $658 million net liabilities; 31 December 2010: $407 million net liabilities) which are classified within 'Other financial assets (derivatives)' and 'Other financial liabilities (derivatives)' on the balance sheet.

13. Disposals

US$ million	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10
Net assets disposed			
Property, plant and equipment	**110**	125	1,443
Other non-current assets	**53**	61	658
Current assets	**431**	123	852
Current liabilities	**(39)**	(45)	(240)
Non-current liabilities	**(100)**	(23)	(412)
Net assets	**455**	241	2,301
Non-controlling interests	**(42)**	–	(14)
Group's share of net assets immediately prior to disposal	**413**	241	2,287
Fair value adjustment to retained investments	**–**	–	440
Less: Retained investments	**–**	–	(826)
Net assets disposed	**413**	241	1,901
Cumulative translation differences recycled from reserves	**42**	(3)	(40)
Net profit on disposals (see note 4)	**397**	25	1,246
Net sale proceeds	**852**	263	3,107
Net cash and cash equivalents disposed	**(356)**	(20)	(280)
Non-cash/deferred consideration	**–**	(83)	(83)
Accrued transaction costs and similar items	**3**	–	51
Net cash inflow from disposals[1]	**499**	160	2,795

[1] In addition, in the six months ended 30 June 2011, there was a net cash inflow of $6 million in respect of disposals in 2010 resulting in a total net cash inflow from disposals of $505 million. Of this a net cash inflow of $486 million (six months ended 30 June 2010: $130 million; year ended 31 December 2010: $2,539 million) related to disposals of subsidiaries and $19 million (six months ended 30 June 2010: $30 million; year ended 31 December 2010: $256 million) related to the sale of interests in joint ventures.

13. Disposals (continued)

Disposals in the six months ended 30 June 2011

Disposals of subsidiaries during the six months ended 30 June 2011 related to the disposal of Lisheen and a 74% interest in Black Mountain (the Group's remaining zinc operating assets) in the Other Mining and Industrial segment.

The Group announced the sale of its zinc portfolio to Vedanta Resources plc on 10 May 2010, for a total consideration of $1,338 million on an attributable debt and cash free basis. Due to the regulatory approval and competition clearance processes, separate completion dates were expected for each of the businesses within the zinc portfolio. Following regulatory approval from the relevant authorities, the completion of the sale of Lisheen and Black Mountain took place in February 2011 for a combined net cash inflow of $499 million.

Disposals in 2010

Disposals of subsidiaries and joint ventures during 2010 mainly related to disposals in the Other Mining and Industrial, Platinum and Metallurgical Coal segments.

Disposals in the Other Mining and Industrial segment related to Moly-Cop and AltaSteel, the Skorpion zinc mine and Tarmac European businesses. Disposals in the Platinum segment mainly related to the Bafokeng-Rasimone Platinum mine transaction and disposals in the Metallurgical Coal segment mainly related to undeveloped coal assets.

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

There were no assets or liabilities in disposal groups or non-current assets classified as held for sale at 30 June 2011.

The following assets and liabilities relating to disposal groups were classified as held for sale at 30 June 2010 and 31 December 2010.

US$ million	30.06.10[1]	31.12.10[2]
Intangible assets	16	4
Property, plant and equipment	761	117
Other non-current assets	53	49
Total non-current assets	830	170
Inventories	110	26
Trade and other receivables	107	75
Cash and cash equivalents	99	59
Total current assets	316	160
Total assets	1,146	330
Trade and other payables	(111)	(40)
Short term borrowings	(10)	–
Provisions for liabilities and charges	(4)	–
Total current liabilities	(125)	(40)
Deferred tax liabilities	(66)	(23)
Provisions for liabilities and charges	(140)	(72)
Other non-current liabilities	(11)	(7)
Total non-current liabilities	(217)	(102)
Total liabilities	(342)	(142)
Net assets	804	188

(1) Relates principally to the Group's portfolio of zinc assets (comprising Skorpion, Lisheen and a 74% interest in Black Mountain) and certain of Tarmac's European businesses. These assets were included in the Other Mining and Industrial segment.
(2) Relates to the Group's portfolio of zinc assets for which disposal transactions had not completed at 31 December 2010 (Lisheen and a 74% interest in Black Mountain).

15. 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 the Mondi Group 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 2011 the Group and its subsidiaries had provided aggregate amounts of $992 million (30 June 2010: $757 million; 31 December 2010: $813 million) of loans and performance guarantees to banks and other third parties primarily in respect of environmental restoration and decommissioning obligations.

No contingent liabilities were secured on the assets of the Group at 30 June 2011, 30 June 2010 or 31 December 2010.

15. Contingent liabilities (continued)

Other

Kumba Iron Ore (Kumba)

Sishen Supply Agreement arbitration

Kumba's Sishen Iron Ore Company (SIOC) notified ArcelorMittal South Africa Limited (ArcelorMittal) on 5 February 2010, that it was no longer entitled to receive 6.25 Mtpa of iron ore contract 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. As a result of ArcelorMittal's failure to convert its old order mining right, the contract mining agreement automatically lapsed and became inoperative in its entirety as of 1 May 2009.

As a result, a dispute arose between SIOC and ArcelorMittal, which SIOC has referred to arbitration. Both parties have exchanged their respective pleadings, and the arbitration panel has been appointed.

SIOC and ArcelorMittal reached an interim pricing arrangement in respect of the supply of iron ore to ArcelorMittal from the Sishen Mine. This arrangement will endure until 31 July 2011. In view of the fact that the arbitration proceedings between the two companies is anticipated to take place in the first half of 2012, SIOC and ArcelorMittal have now agreed to an addendum to the current interim supply agreement which extends the terms and conditions of the current interim agreement to allow sufficient time for the arbitration process to be finalised. The new interim pricing agreement, which is on the same terms and conditions as the first interim pricing agreement, will commence on 1 August 2011 and endure to 31 July 2012.

21.4% undivided share of the Sishen Mine mineral rights

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 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. This review application is enrolled for determination in the High Court on 15 August 2011.

SIOC initiated an application on 14 December 2010 to interdict ICT from applying for a mining right in respect of the Sishen Mine and the DMR from accepting an application from ICT or granting such 21.4% mining right to ICT pending the final determination of the review application. This interdict application is currently pending.

The DMR informed SIOC on 12 January 2011 that ICT had applied for a 21.4% mining right over Sishen Mine on 9 December 2010, and that the DMR had accepted this application on 23 December 2010. The DMR's acceptance of the application means that the mining right application will now be evaluated according to the detailed process stipulated in the Mineral Resources & Petroleum Development Act 2004 before a decision is made as to whether or not to grant the mining right.

SIOC does not believe that it was lawful for the DMR to have accepted ICT's application pending the High Court Review initiated in May 2010, and has formally objected to, and appealed against, the DMR's acceptance of ICT's mining right application. SIOC's interdict application to prevent the DMR from considering ICT's mining rights application until the finalisation of the review proceedings is currently enrolled for determination on 15 August 2011.

In addition, SIOC has challenged the DMR's decision of 25 January 2011 to reject SIOC's May 2009 application to be granted the residual 21.4% mining right by lodging an appeal. No decision on this appeal has been received to date. Finally, on 26 January 2011, SIOC lodged a new application for the 21.4% mining right.

On 4 February 2011, SIOC successfully made an application to join ArcelorMittal as a respondent in the review process. The joinder application was granted by the High Court on 6 June 2011, and ArcelorMittal has submitted affidavits to the Court.

SIOC will continue to take the necessary steps to protect its shareholders' interests in this regard.

Anglo American South Africa Limited (AASA)

AASA, a wholly owned subsidiary of the Company, is a defendant in 24 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 24 claims is less than $5 million, although if these claims are determined adversely to AASA, there are a substantial number of additional former mineworkers (or their dependents or survivors) who may seek to bring similar claims. The first trials of these claims are not expected before 2013.

16. 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.

At 30 June 2011 the Group had provided loans to joint ventures of $331 million (30 June 2010: $284 million; 31 December 2010: $319 million). These loans are included in financial asset investments. Amounts payable to joint ventures at 30 June 2011 were $43 million (30 June 2010: nil; 31 December 2010: $59 million).

Dividends received from associates during the six months ended 30 June 2011 totalled $165 million (six months ended 30 June 2010: $72 million; year ended 31 December 2010: $255 million), as disclosed in the Consolidated cash flow statement.

In addition to the investments in associates disclosed on the Consolidated balance sheet, the Group had provided loans to associates at 30 June 2011 of $621 million (30 June 2010: $481 million; 31 December 2010: $531 million). These are included in financial asset investments.

At 30 June 2011 the directors of the Company and their immediate relatives controlled 0.1% (30 June 2010: 2.6%; 31 December 2010: 2.5%) of the voting shares of the Company.

Related party transactions with De Beers

As previously reported on, the Group has in prior financial periods entered into various transactions with DB Investments SA and De Beers SA (together De Beers) which were considered to be related party transactions for the purposes of the United Kingdom Listing Authority Listing Rules as a result of the interest in De Beers held by Central Holdings Limited and certain of its subsidiaries in which Mr N. F. Oppenheimer, a director of the Company at the time of these transactions, had a relevant interest for the purpose of the rules. The related party transactions entered into and which continue to be relevant in the current financial period are detailed below.

The Group has advanced various loans to De Beers and at 30 June 2011 the amount of outstanding loans owed by De Beers (and included in the loans to associates amount disclosed above) was $315 million (30 June 2010: $367 million; 31 December 2010: $358 million). These loans are subordinated in favour of third party lenders and include:

- dividend reinvestment loans of $133 million (30 June 2010: $142 million; 31 December 2010: $133 million) advanced during 2008 and 2009. These loans were interest free for two years from the date of advance and subsequently became interest bearing in line with market rates at the date of the initial reinvestment; and
- a further shareholder loan of $182 million (30 June 2010: $225 million; 31 December 2010: $225 million) advanced in 2009. This loan was interest free for two years after which it reverted 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. During the period, De Beers repaid $45 million of this loan, including accrued interest of $2 million.

In December 2010 De Beers redeemed all of its outstanding 10% non-cumulative redeemable preference shares held by the Group. At 30 June 2010 the Group held $88 million of these preference shares.

17. Events occurring after the period end

With the exception of the declaration of the 2011 interim dividend, there have been no material reportable events since 30 June 2011.

Responsibility statement

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	**René Médori**
Chief executive	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 2011 which comprise 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 17. 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. 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 1, 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 have 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 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. 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 2011 are 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 Auditor
London, United Kingdom

28 July 2011

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.

	6 months ended 30.06.11	6 months ended 30.06.10	Year ended 31.12.10
Iron Ore and Manganese segment (tonnes)			
Kumba Iron Ore			
Lump	**11,784,300**	13,214,000	25,922,300
Fines	**7,369,600**	8,721,400	17,462,600
Amapá			
Sinter feed	**641,600**	682,000	2,136,900
Pellet feed	**1,683,400**	1,170,000	1,892,500
Total iron ore production	**21,478,900**	23,787,400	47,414,300
Samancor[1]			
Manganese ore	**1,256,700**	1,372,400	2,952,800
Manganese alloys[2]	**144,900**	155,600	312,000

	6 months ended 30.06.11	6 months ended 30.06.10	Year ended 31.12.10
Coal (tonnes)			
Metallurgical Coal segment			
Australia			
Metallurgical	**5,699,000**	7,079,500	14,701,800
Thermal	**6,089,800**	7,320,000	14,460,500
Total Metallurgical Coal segment coal production	**11,788,800**	14,399,500	29,162,300
Thermal Coal segment			
South Africa			
Metallurgical	**163,300**	221,800	436,500
Thermal	**10,343,700**	9,913,300	21,612,000
Eskom	**17,057,600**	16,487,300	36,403,400
	27,564,600	26,622,400	58,451,900
Colombia			
Thermal	**5,147,200**	5,317,800	10,060,100
Total Thermal Coal segment coal production	**32,711,800**	31,940,200	68,512,000
Other Mining and Industrial segment			
Canada			
Metallurgical	**415,100**	401,400	868,000
South America			
Thermal	**–**	262,900	441,400
Total Other Mining and Industrial segment coal production	**415,100**	664,300	1,309,400
Total coal production	**44,915,700**	47,004,000	98,983,700
Coal (tonnes)			
Metallurgical Coal segment			
Australia			
Callide	**3,657,700**	4,377,900	8,515,600
Drayton	**1,808,500**	2,202,900	4,206,000
Capcoal	**2,017,800**	2,797,700	5,460,300
Jellinbah East	**844,400**	979,500	1,792,500
Moranbah North	**1,711,800**	1,727,400	3,937,800
Dawson Complex	**1,227,300**	1,505,900	3,584,400
Foxleigh	**521,300**	808,200	1,665,700
Total Metallurgical Coal segment coal production	**11,788,800**	14,399,500	29,162,300
Thermal Coal segment			
South Africa			
Greenside	**1,444,700**	1,655,100	3,425,000
Goedehoop	**2,702,100**	2,890,300	6,026,200
Isibonelo	**2,131,900**	2,040,400	4,569,100
Kriel	**3,942,500**	4,519,400	9,526,100
Kleinkopje	**2,136,000**	2,108,000	4,423,600
Landau	**1,929,000**	1,955,000	4,085,800
New Denmark	**2,331,600**	2,267,200	5,051,600
New Vaal	**8,503,800**	7,629,800	17,235,300
Mafube	**1,109,700**	1,097,000	2,447,700
Zibulo[3]	**1,333,300**	460,200	1,661,500
	27,564,600	26,622,400	58,451,900
Colombia			
Carbones del Cerrejón	**5,147,200**	5,317,800	10,060,100
Total Thermal Coal segment coal production	**32,711,800**	31,940,200	68,512,000

(1) Saleable production.
(2) Production includes Medium Carbon Ferro Manganese.
(3) Zibulo is currently not in commercial production and therefore all revenue and related costs associated with 1,333 kt (six months ended 30 June 2010: 460 kt; year ended 31 December 2010: 1,662 kt) of production have been capitalised. The 1,333 kt includes Eskom coal of 397 kt (six months ended 30 June 2010: 262 kt; year ended 31 December 2010: 765 kt) and export thermal coal production of 936 kt (six months ended 30 June 2010: 198 kt; year ended 31 December 2010: 897 kt).

Production statistics (continued)

			6 months ended 30.06.11	6 months ended 30.06.10	Year ended 31.12.10
Coal (tonnes) (continued)					
Other Mining and Industrial segment					
Canada					
Peace River Coal			**415,100**	401,400	868,000
South America					
Carbones del Guasare[(1)]			**–**	262,900	441,400
Total Other Mining and Industrial segment coal production			**415,100**	664,300	1,309,400
Total coal production			**44,915,700**	47,004,000	98,983,700
Total coal production by commodity (tonnes)					
Metallurgical					
South Africa			**163,300**	221,800	436,500
Australia			**5,699,000**	7,079,500	14,701,800
Canada			**415,100**	401,400	868,000
Total metallurgical coal production			**6,277,400**	7,702,700	16,006,300
Thermal					
South Africa – Thermal			**10,343,700**	9,913,300	21,612,000
South Africa – Eskom			**17,057,600**	16,487,300	36,403,400
Australia			**6,089,800**	7,320,000	14,460,500
South America			**5,147,200**	5,580,700	10,501,500
Total thermal coal production			**38,638,300**	39,301,300	82,977,400
Total coal production			**44,915,700**	47,004,000	98,983,700
Copper segment					
Collahuasi					
100% basis (Anglo American share 44%)					
Ore mined		tonnes	**23,224,200**	47,222,700	84,060,000
Ore processed	Oxide	tonnes	**3,686,900**	3,387,300	7,226,800
	Sulphide	tonnes	**24,387,700**	24,412,600	49,119,900
Ore grade processed	Oxide	% Cu	**0.5**	0.5	0.5
	Sulphide	% Cu	**1.0**	1.1	1.1
Production	Copper concentrate	dry metric tonnes	**801,600**	949,800	1,789,300
	Copper cathode	tonnes	**18,000**	19,900	38,800
	Copper in concentrate	tonnes	**216,500**	246,900	465,200
Total copper production for Collahuasi		tonnes	**234,500**	266,800	504,000
Anglo American's share of copper production for Collahuasi		tonnes	**103,200**	117,400	221,800
Anglo American Sur					
Los Bronces mine					
Ore mined		tonnes	**11,709,300**	9,608,200	20,021,600
Marginal ore mined		tonnes	**17,884,700**	21,744,400	43,266,400
Las Tortolas concentrator	Ore processed	tonnes	**10,539,200**	9,423,300	18,909,400
	Ore grade processed	% Cu	**0.9**	1.1	1.0
	Average recovery	%	**86.3**	87.8	88.2
Production	Copper concentrate	dry metric tonnes	**300,000**	296,600	598,300
	Copper cathode	tonnes	**18,100**	22,000	42,600
	Copper in sulphate	tonnes	**1,700**	2,100	4,100
	Copper in concentrate	tonnes	**81,900**	87,100	174,700
	Total	tonnes	**101,700**	111,200	221,400
El Soldado mine					
Ore mined	Open pit – ore mined	tonnes	**4,508,600**	2,507,500	4,890,400
	Open pit – marginal ore mined	tonnes	**–**	101,900	101,900
	Underground (sulphide)	tonnes	**–**	681,900	1,390,200
	Total	tonnes	**4,508,600**	3,291,300	6,382,500
Ore processed	Oxide	tonnes	**912,600**	770,600	1,532,200
	Sulphide	tonnes	**3,470,800**	3,638,700	7,176,100
Ore grade processed	Oxide	% Cu	**0.7**	0.7	0.7
	Sulphide	% Cu	**0.7**	0.6	0.6
Production	Copper concentrate	dry metric tonnes	**70,100**	91,600	174,000
	Copper cathode	tonnes	**2,500**	2,100	4,700
	Copper in concentrate	tonnes	**15,400**	18,100	35,700
	Total	tonnes	**17,900**	20,200	40,400

(1) At 31 December 2010 Carbones del Guasare had ceased to be an associate of the Group.

Production statistics (continued)

			6 months ended 30.06.11	6 months ended 30.06.10	Year ended 31.12.10
Copper segment (continued)					
Anglo American Sur (continued)					
Chagres Smelter					
	Copper concentrate smelted	tonnes	**66,700**	69,400	142,100
Production	Copper blister/anode	tonnes	**64,300**	67,600	137,900
	Acid	tonnes	**232,700**	224,900	466,700
Total copper production for Anglo American Sur[1]		tonnes	**119,600**	131,400	261,800
Anglo American Norte					
Mantos Blancos mine					
Ore processed	Oxide	tonnes	**2,203,700**	2,185,100	4,380,900
	Sulphide	tonnes	**1,997,300**	1,749,400	3,924,700
	Marginal ore mined	tonnes	**2,513,600**	2,649,700	5,628,900
Ore grade processed	Oxide	% Cu (soluble)	**0.5**	0.6	0.6
	Sulphide	% Cu (insoluble)	**1.1**	1.1	1.1
	Marginal ore	% Cu (soluble)	**0.2**	0.2	0.2
Production	Copper concentrate	dry metric tonnes	**62,300**	53,800	119,300
	Copper cathode	tonnes	**16,500**	19,300	39,100
	Copper in concentrate	tonnes	**19,600**	17,700	39,500
	Total	tonnes	**36,100**	37,000	78,600
Mantoverde mine					
Ore processed	Oxide	tonnes	**4,815,100**	4,474,200	9,223,200
	Marginal ore	tonnes	**3,957,200**	2,559,000	5,237,000
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	**30,200**	29,700	61,100
Total copper production for Anglo American Norte[1]		tonnes	**66,300**	66,700	139,700
Total Copper segment copper production[1]		tonnes	**289,100**	315,500	623,300
Platinum copper production		tonnes	**6,800**	5,600	10,900
Black Mountain copper production		tonnes	**300**	1,000	2,500
Total attributable copper production[1]		tonnes	**296,200**	322,100	636,700
Nickel segment					
Codemin					
Ore mined[2]		tonnes	**216,700**	336,600	493,900
Ore processed		tonnes	**270,900**	262,900	488,300
Ore grade processed		% Ni	**1.9**	1.9	1.9
Production		tonnes	**4,600**	4,600	8,500
Loma de Níquel					
Ore mined		tonnes	**679,800**	382,500	714,200
Ore processed		tonnes	**525,500**	356,100	798,000
Ore grade processed		% Ni	**1.5**	1.6	1.6
Production		tonnes	**7,000**	5,500	11,700
Barro Alto[3]					
Ore mined		tonnes	**618,200**	121,800	723,600
Ore processed		tonnes	**93,000**	–	–
Ore grade processed		% Ni	**1.9**	–	–
Production		tonnes	**1,100**	–	–
Total Nickel segment nickel production		tonnes	**12,700**	10,100	20,200
Platinum nickel production		tonnes	**10,300**	9,200	18,500
Total attributable nickel production		tonnes	**23,000**	19,300	38,700
Platinum segment[4]					
Platinum		troy ounces	**1,173,600**	1,000,500	2,569,900
Palladium		troy ounces	**662,000**	541,400	1,448,500
Rhodium		troy ounces	**165,600**	128,900	328,900
		troy ounces	**2,001,200**	1,670,800	4,347,300
Nickel[5]		tonnes	**10,300**	9,200	18,500
Copper[5]		tonnes	**6,800**	5,600	10,900
Gold		troy ounces	**60,000**	38,900	81,300
Equivalent refined platinum		troy ounces	**1,160,100**	1,195,700	2,484,000

[1] Includes total concentrate, cathode and copper in sulphate production.
[2] Represents ore mined at Barro Alto for processing at Codemin.
[3] Barro Alto is currently not in commercial production and therefore all revenue and related costs associated with 1,100 tonnes (six months ended 30 June 2010: nil; year ended 31 December 2010: nil) of production have been capitalised.
[4] See the published results of Anglo American Platinum Limited for further analysis of production information.
[5] Also disclosed within total attributable nickel and copper production.

Production statistics (continued)

			6 months ended 30.06.11	6 months ended 30.06.10	Year ended 31.12.10
Diamonds segment (De Beers) (diamonds recovered – carats)					
100% basis (Anglo American share 45%)					
Debswana			**11,320,000**	10,267,000	22,218,000
Namdeb			**599,000**	794,000	1,472,000
De Beers Consolidated Mines			**2,798,000**	3,589,000	7,556,000
Canada			**817,000**	782,000	1,751,000
Total diamonds production for De Beers			**15,534,000**	15,432,000	32,997,000
Anglo American's share of diamonds production for De Beers			**6,990,000**	6,944,000	14,849,000
Other Mining and Industrial segment[1]					
Tarmac					
Aggregates		tonnes	**22,076,100**	33,527,600	58,875,600
Lime products		tonnes	**624,900**	628,600	1,255,900
Concrete		m^3	**1,691,000**	1,761,500	3,305,800
Scaw Metals					
South Africa Steel Products		tonnes	**356,300**	379,000	710,000
International Steel Products[2]		tonnes	**–**	378,800	794,200
Copebrás					
Phosphates		tonnes	**501,500**	471,100	1,002,000
Niobium					
Catalão					
Ore mined		tonnes	**335,700**	809,100	1,209,400
Ore processed		tonnes	**434,200**	451,600	909,300
Ore grade processed		Kg Nb/tonne	**7.4**	6.0	6.6
Production		tonnes	**1,800**	1,900	4,000
Zinc and lead					
Skorpion[3]					
Ore mined		tonnes	**–**	811,300	1,412,600
Ore processed		tonnes	**–**	739,200	1,358,000
Ore grade processed	Zinc	% Zn	**–**	11.4	11.2
Production	Zinc	tonnes	**–**	75,700	138,500
Lisheen[3]					
Ore mined		tonnes	**152,800**	765,300	1,531,700
Ore processed		tonnes	**156,200**	790,300	1,587,600
Ore grade processed	Zinc	% Zn	**13.4**	12.2	12.2
	Lead	% Pb	**2.7**	1.6	1.9
Production	Zinc in concentrate	tonnes	**19,200**	87,300	175,100
	Lead in concentrate	tonnes	**2,900**	8,200	20,600
Black Mountain[3]					
Ore mined		tonnes	**132,800**	641,500	1,415,500
Ore processed		tonnes	**126,200**	598,100	1,378,600
Ore grade processed	Zinc	% Zn	**3.4**	3.3	3.3
	Lead	% Pb	**4.5**	4.2	4.2
	Copper	% Cu	**0.4**	0.3	0.3
Production	Zinc in concentrate	tonnes	**3,300**	15,700	36,100
	Lead in concentrate	tonnes	**5,400**	22,600	50,600
	Copper in concentrate	tonnes	**300**	1,000	2,500
Total attributable zinc production		tonnes	**22,500**	178,700	349,700
Total attributable lead production		tonnes	**8,300**	30,800	71,200

(1) Production for Coal Americas is included in the Coal production section.
(2) Relates to production from Moly-Cop and AltaSteel. The Group sold its interests in Moly-Cop and AltaSteel in December 2010.
(3) The Group sold its interest in Skorpion in December 2010 and its interests in Lisheen and Black Mountain in February 2011.

Quarterly production statistics

					Quarter ended	% Change (Quarter ended)	
	30.06.11	**31.03.11**	31.12.10	30.09.10	30.06.10	30.06.11 v 31.03.11	30.06.11 v 30.06.10
Iron Ore and Manganese segment (tonnes)							
Iron ore	**11,534,100**	**9,944,800**	11,807,700	11,819,200	11,458,700	16%	1%
Manganese ore[(1)]	**716,100**	**540,600**	731,600	848,800	688,400	32%	4%
Manganese alloys[(1)(2)]	**76,100**	**68,800**	76,800	79,600	87,200	11%	(13)%
Metallurgical Coal segment (tonnes)							
Metallurgical	**3,642,700**	**2,056,300**	3,651,300	3,971,000	3,797,900	77%	(4)%
Thermal	**3,087,500**	**3,002,300**	3,727,500	3,413,000	3,970,200	3%	(22)%
Thermal Coal segment (tonnes)[(3)]							
Metallurgical	**83,800**	**79,500**	103,000	111,700	110,400	5%	(24)%
Thermal	**7,802,100**	**7,688,800**	8,200,700	8,240,300	7,813,000	1%	–
Eskom	**8,782,600**	**8,275,000**	9,484,800	10,431,300	8,275,300	6%	6%
Copper segment (tonnes)[(4)]	**150,300**	**138,800**	154,400	153,400	154,700	8%	(3)%
Nickel segment (tonnes)[(5)(6)]	**6,600**	**6,100**	4,400	5,700	5,300	8%	25%
Platinum segment							
Platinum (troy ounces)	**640,700**	**532,900**	872,400	697,000	553,800	20%	16%
Palladium (troy ounces)	**373,800**	**288,200**	502,600	404,500	294,400	30%	27%
Rhodium (troy ounces)	**79,900**	**85,700**	111,400	88,600	67,300	(7)%	19%
Nickel (tonnes)	**5,500**	**4,800**	5,000	4,300	4,800	15%	15%
Equivalent refined platinum (troy ounces)	**592,500**	**567,600**	640,100	648,300	601,000	4%	(1)%
Diamonds segment (De Beers) (diamonds recovered – carats)							
100% basis (Anglo American share 45%)							
Diamonds	**8,138,000**	**7,396,000**	8,532,000	9,033,000	8,420,000	10%	(3)%
Other Mining and Industrial segment (tonnes)[(7)]							
South Africa Steel Products	**183,100**	**173,200**	151,000	180,000	197,000	6%	(7)%
Metallurgical coal	**306,700**	**108,400**	240,200	226,400	206,700	183%	48%
Zinc[(8)]	**–**	**22,500**	77,300	93,700	91,000	–	–
Lead[(8)]	**–**	**8,300**	18,200	22,200	15,400	–	–
Coal production by commodity (tonnes)[(3)]							
Metallurgical	**4,033,200**	**2,244,200**	3,994,500	4,309,100	4,115,000	80%	(2)%
Thermal	**10,889,600**	**10,691,100**	11,928,200	11,653,300	11,783,200	2%	(8)%
Eskom	**8,782,600**	**8,275,000**	9,484,800	10,431,300	8,275,300	6%	6%

(1) Saleable production.
(2) Production includes Medium Carbon Ferro Manganese.
(3) Includes Zibulo which is currently not in commercial production and therefore all revenue and related costs associated with 1,333 kt (six months ended 30 June 2010: 460 kt; year ended 31 December 2010: 1,662 kt) of production have been capitalised. The 1,333 kt includes Eskom coal of 397 kt (six months ended 30 June 2010: 262 kt; year ended 31 December 2010: 765 kt) and export thermal coal production of 936 kt (six months ended 30 June 2010: 198 kt; year ended 31 December 2010: 897 kt).
(4) Excludes Platinum and Black Mountain mine copper production.
(5) Excludes Platinum nickel production.
(6) Includes Barro Alto which is currently not in commercial production and therefore all revenue and related costs associated with 1,100 tonnes (six months ended 30 June 2010: nil; year ended 31 December 2010: nil) of production have been capitalised.
(7) Excludes Tarmac, Copebrás and Catalão.
(8) Zinc and lead production related to the Group's portfolio of zinc assets, the sales of which completed in December 2010, in respect of Skorpion, and February 2011, in respect of Lisheen and Black Mountain.

Exchange rates and commodity prices

US$ exchange rates	30.06.11	30.06.10	31.12.10
Period end spot prices			
Rand	**6.78**	7.65	6.60
Sterling	**0.62**	0.67	0.64
Euro	**0.69**	0.82	0.75
Australian dollar	**0.93**	1.18	0.98
Chilean peso	**469**	547	468
Brazilian real	**1.56**	1.80	1.66
Average prices for the period			
Rand	**6.90**	7.53	7.32
Sterling	**0.62**	0.66	0.65
Euro	**0.71**	0.75	0.75
Australian dollar	**0.97**	1.12	1.09
Chilean peso	**475**	525	510
Brazilian real	**1.63**	1.80	1.76

Commodity prices		30.06.11	30.06.10	31.12.10
Period end spot prices				
Iron ore (FOB Australia)(1)	US$/tonne	**162**	125	163
Hard coking coal (FOB Australia)(2)	US$/tonne	**330**	200	209
Thermal coal (FOB South Africa)(3)	US$/tonne	**118**	92	129
Thermal coal (FOB Australia)(3)	US$/tonne	**120**	96	126
Copper(4)	US cents/lb	**422**	295	442
Nickel(4)	US cents/lb	**1,048**	881	1,132
Platinum(5)	US$/oz	**1,730**	1,533	1,755
Palladium(5)	US$/oz	**762**	455	797
Rhodium(5)	US$/oz	**2,000**	2,500	2,425
Average market prices for the period				
Iron ore (FOB Australia)(1)	US$/tonne	**171**	135	136
Hard coking coal (FOB Australia)(6)	US$/tonne	**278**	165	191
Thermal coal (FOB South Africa)(3)	US$/tonne	**121**	87	92
Thermal coal (FOB Australia)(3)	US$/tonne	**124**	97	99
Copper(4)	US cents/lb	**426**	323	342
Nickel(4)	US cents/lb	**1,159**	962	989
Platinum(5)	US$/oz	**1,792**	1,602	1,610
Palladium(5)	US$/oz	**779**	471	527
Rhodium(5)	US$/oz	**2,304**	2,631	2,453

(1) Source: Platts.
(2) Source: 30 June 2011 and 30 June 2010 represent the quarter two benchmarks; 31 December 2010 represents the quarter four benchmark.
(3) Source: McCloskey.
(4) Source: LME daily prices.
(5) Source: Johnson Matthey.
(6) Source: Six months ended June 2011 represent the average price of the quarter one and quarter two benchmarks. Six months ended June 2010 and year ended December 2010 represent the quarterly benchmark, with quarter one 2010 being the final quarter of the annual settlement for JFY 2009-2010.

Summary by business operation

	Revenue[1]			EBITDA[2]			Operating profit/(loss)[3]			Underlying earnings		
US$ million	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10
Iron Ore and Manganese	**4,196**	3,005	6,612	**2,611**	1,711	3,856	**2,507**	1,628	3,681	**902**	614	1,423
Kumba Iron Ore	**3,498**	2,375	5,310	**2,511**	1,526	3,514	**2,437**	1,470	3,396	**824**	520	1,210
Iron Ore Brazil	**207**	125	319	**(20)**	(40)	(73)	**(36)**	(51)	(97)	**(24)**	(42)	(77)
Samancor	**491**	505	983	**120**	225	415	**106**	209	382	**102**	136	290
Metallurgical Coal	**1,812**	1,444	3,377	**663**	416	1,116	**491**	263	783	**351**	177	585
Australia	**1,812**	1,444	3,377	**674**	427	1,147	**502**	274	814	**362**	188	616
Projects and corporate	**–**	–	–	**(11)**	(11)	(31)	**(11)**	(11)	(31)	**(11)**	(11)	(31)
Thermal Coal	**1,693**	1,317	2,866	**611**	433	872	**521**	351	710	**385**	258	512
South Africa	**1,186**	973	2,105	**384**	277	539	**319**	220	426	**249**	167	314
Colombia	**507**	344	761	**237**	168	358	**212**	143	309	**146**	103	223
Projects and corporate	**–**	–	–	**(10)**	(12)	(25)	**(10)**	(12)	(25)	**(10)**	(12)	(25)
Copper	**2,609**	2,142	4,877	**1,527**	1,312	3,086	**1,401**	1,185	2,817	**842**	706	1,721
Anglo American Sur	**1,071**	941	2,075	**596**	560	1,263	**532**	494	1,125	**318**	302	685
Anglo American Norte	**614**	477	1,073	**373**	293	661	**355**	272	624	**219**	170	419
Collahuasi	**924**	724	1,729	**625**	512	1,276	**581**	472	1,186	**374**	287	738
Projects and corporate	**–**	–	–	**(67)**	(53)	(114)	**(67)**	(53)	(118)	**(69)**	(53)	(121)
Nickel	**293**	209	426	**106**	81	122	**93**	68	96	**58**	64	75
Codemin	**108**	107	195	**51**	61	83	**49**	57	76	**32**	41	48
Loma de Níquel	**185**	102	231	**79**	36	82	**69**	26	65	**37**	32	55
Projects and corporate	**–**	–	–	**(24)**	(16)	(43)	**(25)**	(15)	(45)	**(11)**	(9)	(28)
Platinum	**3,760**	2,870	6,602	**931**	785	1,624	**542**	418	837	**285**	222	425
Diamonds	**1,750**	1,340	2,644	**517**	340	666	**450**	261	495	**299**	148	302
Other Mining and Industrial	**2,179**	2,686	5,520	**210**	427	912	**101**	290	661	**62**	218	522
Tarmac[4]	**1,197**	1,254	2,376	**47**	101	188	**(22)**	29	48	**(25)**	25	67
Scaw Metals[5]	**483**	767	1,579	**44**	104	213	**27**	83	170	**18**	52	119
Copebrás	**259**	165	461	**66**	22	104	**54**	12	81	**43**	5	48
Catalão	**69**	70	152	**22**	31	71	**21**	28	67	**13**	17	38
Coal Americas	**130**	90	179	**20**	9	18	**10**	(1)	(3)	**7**	1	1
Lisheen[6]	**36**	116	265	**17**	55	114	**17**	54	114	**14**	47	99
Black Mountain[6]	**5**	54	197	**3**	15	73	**3**	15	73	**1**	11	47
Skorpion[6]	**–**	170	311	**–**	101	154	**–**	81	134	**–**	79	133
Projects and corporate	**–**	–	–	**(9)**	(11)	(23)	**(9)**	(11)	(23)	**(9)**	(19)	(30)
Exploration	**–**	–	–	**(46)**	(57)	(136)	**(46)**	(57)	(136)	**(45)**	(55)	(128)
Corporate Activities and Unallocated Costs	**2**	2	5	**(18)**	(34)	(135)	**(36)**	(46)	(181)	**(19)**	(140)	(461)
	18,294	15,015	32,929	**7,112**	5,414	11,983	**6,024**	4,361	9,763	**3,120**	2,212	4,976

(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) Earnings before interest, tax, depreciation and amortisation (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) In the first half of 2010 Tarmac sold its Polish and French and Belgian concrete products businesses and in the second half of 2010, the majority of its European Aggregates businesses.
(5) Included Moly-Cop and AltaSteel, which were disposed of in December 2010.
(6) Skorpion, Lisheen and Black Mountain comprised the Group's portfolio of operating zinc assets. The Group sold its interest in Skorpion in December 2010 and its interests in Lisheen and Black Mountain in February 2011. See Disposals note 13.

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 2011

Only key reported lines are reconciled

Kumba Iron Ore Limited

US$ million	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10
IFRS headline earnings (US$ equivalent of published)	**1,319**	864	1,964
Exploration	**–**	3	9
Other adjustments	**1**	–	1
	1,320	867	1,974
Non-controlling interests	**(459)**	(325)	(710)
Elimination of intercompany interest	**(12)**	1	2
Depreciation on assets fair valued on acquisition (net of tax)	**(5)**	(4)	(9)
Corporate cost allocation	**(20)**	(19)	(47)
Contribution to Anglo American plc underlying earnings	**824**	520	1,210

Anglo American Platinum Limited

US$ million	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10
IFRS headline earnings (US$ equivalent of published)	**469**	340	674
Exploration	**2**	4	11
Operating and financing remeasurements (net of tax)	**(51)**	(17)	(21)
Restructuring costs included in headline earnings (net of tax)	**6**	11	28
Other adjustments	**2**	(3)	(1)
	428	335	691
Non-controlling interests	**(87)**	(68)	(140)
Elimination of intercompany interest	**(1)**	26	29
Depreciation on assets fair valued on acquisition (net of tax)	**(30)**	(47)	(102)
Corporate cost allocation	**(25)**	(24)	(53)
Contribution to Anglo American plc underlying earnings	**285**	222	425

De Beers Société Anonyme

US$ million	**6 months ended 30.06.11**	6 months ended 30.06.10	Year ended 31.12.10
De Beers underlying earnings (100%)	**666**	304	598
Difference in IAS 19 accounting policy	**(1)**	14	53
De Beers underlying earnings – Anglo American plc basis (100%)	**665**	318	651
Anglo American plc's 45% ordinary share interest	**299**	143	293
Income from preference shares	**–**	8	9
Other adjustments	**–**	(3)	–
Contribution to Anglo American plc underlying earnings	**299**	148	302

AngloAmerican

ANGLO AMERICAN plc

(Incorporated in England and Wales – Registered number 3564138)

(the Company)

Notice of Interim Dividend

(Dividend No. 22)

Notice is hereby given that an interim dividend on the Company's ordinary share capital in respect of the year to 31 December 2011 will be paid as follows:

Amount (United States currency)	28 cents per ordinary share (note 1)
Amount (South African currency)	R1.8598 per ordinary share
Last day to effect removal of shares between the UK and SA registers	Thursday 28 July 2011
Last day to trade on the JSE Limited (JSE) to qualify for dividend	Friday 12 August 2011
Ex-dividend on the JSE from the commencement of trading on	Monday 15 August 2011 (note 2)
Ex-dividend on the London Stock Exchange from the commencement of trading on	Wednesday 17 August 2011
Record date (applicable to both the United Kingdom principal register and South African branch register)	Friday 19 August 2011
Last day for receipt of US$:£/€ currency elections by the UK Registrars (note 1)	Wednesday 24 August 2011
Last day for receipt of Dividend Reinvestment Plan (DRIP) mandate forms by the UK Registrars (notes 3, 4 and 5)	Wednesday 24 August 2011
Currency conversion US$:£/€ rates announced on	Friday 2 September 2011
Removal of shares between the UK and SA registers permissible from	Friday 2 September 2011
Last day for receipt of DRIP mandate forms by Central Securities Depository Participants (CSDPs) (notes 3, 4 and 5)	Friday 2 September 2011
Last day for receipt of DRIP mandate forms by the South African Transfer Secretaries (notes 3, 4 and 5)	Monday 5 September 2011
Dividend warrants posted	Wednesday 14 September 2011
Payment date of dividend	Thursday 15 September 2011

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 Wednesday 24 August 2011. 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 15 August 2011 to Friday 19 August 2011 (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 Wednesday 21 September 2011 in the UK and Friday 23 September 2011 in South Africa. CREST accounts will be credited on Wednesday 21 September 2011.
5. Copies of the terms and conditions of the DRIP are available from the UK Registrars or the South African Transfer Secretaries.

Registered office
20 Carlton House Terrace
London
SW1Y 5AN
England

UK Registrars
Equiniti
Aspect House
Spencer Road
Lancing
West Sussex
BN99 6DA
England

South African Transfer Secretaries
Link Market Services South Africa (Pty) Limited
11 Diagonal Street
Johannesburg 2001
South Africa
(PO Box 4844, Johannesburg 2000)