HALF YEAR FINANCIAL REPORT

for the six months ended 30 June 2010

CONDENSED FINANCIAL STATEMENTS

for the six months ended 30 June 2010

Consolidated income statement
for the six months ended 30 June 2010

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

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

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

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

Consolidated balance sheet
as at 30 June 2010

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

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

Cynthia Carroll
Chief executive

René Médori
Finance director

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

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

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

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

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

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

Dividends

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

Notes to the Condensed financial statements

1. General information

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

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

2. Basis of preparation

Condensed financial statements and accounting policies

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

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

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

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

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

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

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

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

Going concern

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

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

2. Basis of preparation (continued)

Going concern (continued)

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

3. Segmental information

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

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

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

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

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

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

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

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

Associates' revenue and operating profit are as follows:

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

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

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

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

(1) The Group's attributable share of depreciation and amortisation in associates is $134 million (six months ended 30 June 2009: $115 million; year ended 31 December 2009: $248 million) and is split by segment as follows: Platinum $9 million (six months ended 30 June 2009: nil; year ended 31 December 2009: $9 million), Iron Ore and Manganese $17 million (six months ended 30 June 2009: $10 million; year ended 31 December 2009: $23 million), Metallurgical Coal $5 million (six months ended 30 June 2009: $3 million; year ended 31 December 2009: $6 million), Thermal Coal $24 million (six months ended 30 June 2009: $23 million; year ended 31 December 2009: $47 million), Diamonds $79 million (six months ended 30 June 2009: $71 million; year ended 31 December 2009: $151 million) and Other Mining and Industrial nil (six months ended 30 June 2009: $8 million; year ended 31 December 2009: $12 million).
(2) Other non-cash expenses include equity settled share-based payment charges and amounts included in operating costs in respect of provisions, excluding amounts recorded within special items. Comparatives have been reclassified to align with current period presentation.
(3) In addition $36 million of accelerated depreciation at Loma de Níquel has been recorded within operating special items (refer to note 6).

3. **Segmental information** (continued)

Balance sheet measures are as follows:

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

(1) Capital expenditure is segmented on a cash basis and is reconciled to balance sheet additions. Cash capital expenditure excludes cash flows on related derivatives.
(2) Segment net debt includes related hedges and excludes net debt in disposal groups. Comparatives have been adjusted to include related hedges (refer to note 12c). For a reconciliation of net debt to the balance sheet refer to note 12b.
(3) Includes movements on tangible asset accruals and the impact of cash flow hedges.
(4) Capital expenditure on an accruals basis and including additions resulting from acquisitions of interests in subsidiaries and joint ventures is split by segment as follows: Copper $700 million (30 June 2009: $503 million; 31 December 2009: $1,186 million), Nickel $272 million (30 June 2009: $253 million; 31 December 2009: $570 million), Platinum $417 million (30 June 2009: $691 million; 31 December 2009: $1,445 million), Iron Ore and Manganese $504 million (30 June 2009: $407 million; 31 December 2009: $1,157 million), Metallurgical Coal $57 million (30 June 2009: $47 million; 31 December 2009: $173 million), Thermal Coal $140 million (30 June 2009: $175 million; 31 December 2009: $409 million), Other Mining and Industrial $90 million (30 June 2009: $131 million; 31 December 2009: $323 million) and Corporate Activities and Unallocated Costs $17 million (30 June 2009: $10 million; 31 December 2009: $47 million).

The following balance sheet segment measures are provided for information:

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

(1) Segment assets at 30 June 2010 are operating assets and consist of intangible assets of $2,551 million (30 June 2009: $3,108 million; 31 December 2009: $2,776 million), tangible assets of $34,703 million (30 June 2009: $34,237 million; 31 December 2009: $35,198 million), biological assets of $3 million (30 June 2009: $3 million; 31 December 2009: $4 million), environmental rehabilitation trusts of $299 million (30 June 2009: $292 million; 31 December 2009: $342 million), retirement benefit assets of $41 million (30 June 2009: $23 million; 31 December 2009: $54 million), inventories of $3,368 million (30 June 2009: $3,165 million; 31 December 2009: $3,212 million) and operating receivables of $3,302 million (30 June 2009: $2,733 million; 31 December 2009: $2,850 million).
(2) Segment liabilities at 30 June 2010 are operating liabilities and consist of non-interest bearing current liabilities of $3,316 million (30 June 2009: $3,367 million; 31 December 2009: $3,447 million), restoration and decommissioning provisions of $1,106 million (30 June 2009: $1,079 million; 31 December 2009: $1,175 million) and retirement benefit obligations of $705 million (30 June 2009: $573 million; 31 December 2009: $706 million).
(3) Investments in associates are split by segment as follows: Platinum $516 million (30 June 2009: $306 million; 31 December 2009: $447 million), Iron Ore and Manganese $813 million (30 June 2009: $771 million; 31 December 2009: $658 million), Metallurgical Coal $156 million (30 June 2009: $115 million; 31 December 2009: $146 million), Thermal Coal $740 million (30 June 2009: $677 million; 31 December 2009: $689 million), Diamonds $1,783 million (30 June 2009: $1,640 million; 31 December 2009: $1,353 million) and Other Mining and Industrial $19 million (30 June 2009: $555 million; 31 December 2009: $19 million).

3. Segmental information (continued)

Entity wide information

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

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

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

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

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

3. Segmental information (continued)

Entity wide information (continued)

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

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

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

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

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

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

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

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

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

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

See following page for footnotes.

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

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

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

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

5. Exploration expenditure

Exploration expenditure is stated before special items.

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

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

6. Special items and remeasurements

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

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

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

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

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

Subsidiaries' and joint ventures' special items and remeasurements

Operating special items

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

Restructuring costs principally relate to retrenchment and consultancy costs.

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

6. Special items and remeasurements (continued)

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

Operating remeasurements

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

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

Profits and losses on disposals

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

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

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

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

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

Financing remeasurements

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

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

6. Special items and remeasurements (continued)

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

Tax special item and tax remeasurements

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

Total special items and remeasurements

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

Associates' special items and remeasurements

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

Total associates' special items and remeasurements

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

6. Special items and remeasurements (continued)

Operating special items and remeasurements

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

7. Net finance income/(costs)

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

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

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

8. Tax on profit on ordinary activities

a) Analysis of charge for the period

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

b) Factors affecting tax charge for the period

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

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

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

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

9. Earnings per share

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

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

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

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

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

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

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

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

9. Earnings per share (continued)

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

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

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

10. Called-up share capital

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

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

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

11. Consolidated equity analysis

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

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

Fair value and other reserves comprise:

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

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

12. Consolidated cash flow analysis

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

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

b) Reconciliation to the balance sheet

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

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

12. Consolidated cash flow analysis (continued)

c) Movement in net debt

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

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

13. Financial liabilities analysis

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

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

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

13. Financial liabilities analysis (continued)

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

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

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

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

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

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

14. EBITDA by segment

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

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

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

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

14. EBITDA by segment (continued)

EBITDA is reconciled to ‘Cash flows from operations’ as follows:

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

15. Acquisitions

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

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

16. Disposals

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

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

16. Disposals (continued)

Disposals in the six months ended 30 June 2010

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

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

Disposals in 2009

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

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

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

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

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

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

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

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

18. Contingent liabilities and contingent assets

i) Contingent liabilities

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

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

ii) Contingent assets

Kumba Iron Ore Limited

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

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

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

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

iii) Other

Kumba Iron Ore Limited

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

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

Anglo American Sur

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

18. Contingent liabilities and contingent assets (continued)

iii) Other (continued)

Anglo American South Africa Limited

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

19. Related party transactions

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

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

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

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

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

Related party transactions with De Beers

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

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

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

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

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

19. Related party transactions (continued)

Related party transactions with De Beers (continued)

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

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

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

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

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

20. Events occurring after the period end

Sale of undeveloped coal assets in Australia

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

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

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

Kumba Iron Ore Limited

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

Responsibility statements

We confirm that to the best of our knowledge:

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

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

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

By order of the Board

Cynthia Carroll
Chief executive

René Médori
Finance director

INDEPENDENT REVIEW REPORT TO ANGLO AMERICAN PLC

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

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

Directors' responsibilities

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

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

Our responsibility

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

Scope of Review

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

Conclusion

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

Deloitte LLP
Chartered Accountants and Statutory Auditors
London, United Kingdom

29 July 2010