HALF YEAR FINANCIAL REPORT

for the six months ended 30 June 2016

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28 July 2016

Anglo American Interim Results 2016

Balance sheet strengthened through capital and cost discipline – expected to deliver net debt of less than $10 billion at end 2016.

- Net debt at 30 June 2016 decreased to $11.7 billion (vs. $12.9 billion as at 31 December 2015) through cost discipline and working capital and capex reductions:
  - Attributable free cash flow of $1.1 billion (vs. $0.2 billion in H1 2015)
  - Disposal proceeds of $1.5 billion agreed and expect to be completed in H2 2016
- Group underlying EBIT[(1)] of $1.4 billion, a 27% decrease, due to lower commodity prices ($1.2 billion underlying EBIT impact), partially offset by weaker producer country currencies ($0.9 billion underlying EBIT benefit) and incremental cost reductions
- Operating performance and associated cost and capex reductions mitigating headwinds:
  - Unit costs decreased by 19% (vs. H1 2015) in US dollar terms (Cu eq.)[(2)]
  - Expect to deliver $1.6 billion[(3)] of cost and volume improvements in 2016
    - $1.9 billion target included $300 million now reclassified as capex and working capital reduction
    - $0.3 billion of cost and volume improvements delivered in H1 2016[(4)]
- Commodity price-driven impairment of $1.2 billion relating to Moranbah and Grosvenor coal assets contributing to a loss before tax of $364 million

Financial highlights US$ million, unless otherwise stated	**6 months ended 30 June 2016**	6 months ended 30 June 2015	Change
Underlying EBIT[(1)]	**1,382**	1,883	(27)%
Underlying earnings[(5)]	**698**	904	(23)%
Group revenue[(6)]	**10,617**	13,346	(20)%
Underlying EBITDA[(7)]	**2,450**	3,280	(25)%
Loss before tax[(8)]	**(364)**	(1,920)	81%
Loss for the financial period attributable to equity shareholders of the Company[(8)]	**(813)**	(3,015)	73%
Underlying earnings per share (US$)[(5)]	**0.54**	0.70	(23)%
Dividend per share (US$)	**–**	0.32	–
Attributable ROCE%[(9)]	**8%**	8%	–

Notes to the highlights and table are shown at the bottom of this section.

Mark Cutifani, Chief Executive of Anglo American, said: “The decisive actions we have taken to strengthen the balance sheet put us well on track to achieve our net debt target of less than $10 billion at the end of 2016 – both through stringent capital and cost discipline and improved operational performance – and assuming the completion of announced non-core asset divestments. We are transforming Anglo American to be a more resilient business, with a core portfolio of world class assets in products where we are developing a sustainable competitive advantage – in De Beers, PGMs and copper.

“Sharply lower prices across our products were mitigated by our self-help actions on costs, volumes, working capital and capital expenditure, together contributing to the $1.1 billion of attributable free cash flow generated in the first half of 2016. Across the business, our copper equivalent unit costs have reduced by 19% in US dollar terms, representing a 36% total reduction since 2012.

“We have agreed $1.5 billion of non-core disposals in H1 2016, including the Niobium and Phosphates businesses in Brazil. We will continue to divest non-core assets using strict value thresholds as we continue to reduce our debt levels and position the core business on a foundation to deliver sustainably positive cash flows.

“Keeping our people safe at work has always been my absolute priority. Despite continued good progress across all recordable cases, we have tragically lost six colleagues in five separate incidents in South Africa in the first six months of the year. We are determined that our goal of zero harm is achievable and we are working with every employee to deliver that future.”

(1) Underlying EBIT is operating profit presented before special items and remeasurements, and includes the Group's attributable share of associates' and joint ventures' underlying EBIT. See notes 4 and 6 to the Condensed financial statements for underlying EBIT. For the definition of special items and remeasurements, see note 7 to the Condensed financial statements.
(2) Copper equivalent unit cost shown on a reported basis.
(3) The $1.9 billion target has been reduced by $0.3 billion due to $0.1 billion working capital reclass and $0.2 billion capital expenditure reclass.
(4) The $0.3 billion is shown gross of a $0.1 billion downside relating to a Platinum stock adjustment recognised in 2015. Q2 2016 run-rate achieved of $0.6 billion.
(5) See notes 6 and 10 to the Condensed financial statements for basis of calculation of underlying earnings.
(6) Includes the Group's attributable share of associates' and joint ventures' revenue of $681 million (H1 2015: $1,788 million). See note 4 to the Condensed financial statements.
(7) Underlying EBITDA is underlying EBIT before depreciation and amortisation in subsidiaries and joint operations, and includes the Group's attributable share of associates' and joint ventures' underlying EBIT before depreciation and amortisation.
(8) Stated after special items and remeasurements. See note 7 to the Condensed financial statements.
(9) Attributable ROCE is defined as the return on the capital employed attributable to the equity shareholders of Anglo American plc. It is calculated based on achieved prices and foreign exchange.

Financial review of Group results for the six months ended 30 June 2016

Summary

Anglo American reported underlying earnings of $0.7 billion (H1 2015: $0.9 billion), with underlying EBIT decreasing by 27% to $1.4 billion.

Falling realised prices were seen across most products compared with the prior year ($1.2 billion impact on underlying EBIT), with the platinum US$ basket price down 24%, metallurgical coal down 23%, copper down 15%, diamonds down 14% and Kumba's iron ore down 10%. This was only partly offset by weaker producer country currencies ($0.9 billion impact), in particular a 29% weakening of the South African rand against the US dollar.

Expected lower Kumba Iron Ore volumes as a result of the pit reconfiguration at Sishen, and lower Copper volumes due to expected lower grades, negatively affected underlying EBIT, although this was partially offset by increased sales volumes at De Beers. Underlying EBIT in H1 2015 also benefitted from a stock gain of $181 million following the annual inventory count in Platinum, compared to a gain of $38 million in the current period.

Net debt reduced to $11.7 billion from $12.9 billion at year-end due to continued focus on capital discipline, strong EBITDA performance, the realisation of working capital improvements and a successful bond buy-back process. In response to current conditions, capital expenditure (before capitalised operating cash flows) has reduced further to $1.2 billion (H1 2015: $2.0 billion).

Operational performance

Operational performance was mixed across the business. Iron ore production from Minas-Rio increased by 128% as the operation continues its ramp-up. Total production from Coal South Africa's Export mines was 7% higher as a result of productivity improvements. Total platinum production (metal in concentrate) rose by 2%, driven by continued strong performance at Amandelbult and Mogalakwena.

Rough diamond production decreased by 15%, reflecting the decision to reduce production in response to prevailing trading conditions in H2 2015. Iron ore production at Sishen decreased by 28% in line with the reconfiguration of the pit to a lower-cost shell. Run rates in H1 2016 were affected by the significant restructuring process and exacerbated by higher levels of rainfall and by safety stoppages. The successful restructuring has reduced mining costs and increased mine flexibility. Production is expected to increase in H2 2016 to achieve the full year production target of 27 Mt. Copper production for the retained portfolio decreased by 4%, with Los Bronces 16% lower, driven by significantly lower expected grades. This was partly offset by Collahuasi, where attributable production increased due to strong plant performance and higher grades. In Australia, coal production decreased by 5% as a result of a longwall move at both underground operations in 2016, whereas there was only a single move at Grasstree in H1 2015, and the ramp-down of production at Drayton which will cease mining activity later this year. Grosvenor produced its first longwall coal in May 2016, seven months ahead of schedule.

The Group achieved a favourable cost performance in H1 2016, primarily as a result of cost reduction initiatives and the benefits of weaker producer country currencies. Consolidated unit cash costs at De Beers declined by 21% as a result of cost savings, supported by favourable exchange rate movements and portfolio changes. Unit costs at Coal Australia decreased by 14% (8% in A$), also following significant cost reduction initiatives, particularly in the open cut operations. The flat on-mine local currency unit costs at Coal South Africa benefited from the increase in production in the Export mines, driven by productivity improvements across all operations. At Copper, C1 unit costs decreased by 18%, which included the benefit resulting from the divestment of Anglo American Norte (AA Norte), in addition to cost reduction initiatives which more than compensated for the effects of lower output. FOB cash costs at Kumba Iron Ore were 18% lower, primarily due to a weaker South African rand and savings in operating costs mainly from the reduced mining profile at Sishen mine following the restructuring to the smaller pit design, as well as productivity gains in mining and processing operations. At Platinum, year-on-year cash operating costs per unit of platinum production (metal in concentrate) also decreased by 21% owing primarily to a weaker South African rand and cost containment.

Income statement

Underlying EBIT

Group underlying EBIT decreased by 27% to $1.4 billion (H1 2015: $1.9 billion).

US$ million	**6 months ended 30 June 2016**	6 months ended 30 June 2015
Platinum	**134**	272
De Beers	**585**	576
Copper	**113**	174
Nickel	**(12)**	–
Niobium and Phosphates	**60**	73
Iron Ore and Manganese	**390**	510
Coal	**160**	267
Corporate and other	**(48)**	11
Total	**1,382**	1,883

Underlying earnings

Group underlying earnings decreased by 23% to $0.7 billion (H1 2015: $0.9 billion).

	6 months ended 30 June 2016			
US$ million	**Underlying EBIT**	**Net finance costs and income tax expense**	**Non-controlling interests**	**Underlying earnings**
Platinum	**134**	**(51)**	**(15)**	**68**
De Beers	**585**	**(144)**	**(62)**	**379**
Copper	**113**	**(88)**	**57**	**82**
Nickel	**(12)**	**(4)**	**–**	**(16)**
Niobium and Phosphates	**60**	**6**	**–**	**66**
Iron Ore and Manganese	**390**	**(97)**	**(138)**	**155**
Coal	**160**	**(37)**	**(3)**	**120**
Corporate and other	**(48)**	**(112)**	**4**	**(156)**
Total	**1,382**	**(527)**	**(157)**	**698**

Net finance costs

Net finance costs, before special items and remeasurements, excluding associates and joint ventures, were $109 million (H1 2015: $161 million). The decrease was driven by a net foreign exchange gain of $36 million in the current period compared to a loss of $45 million in the previous period, primarily due to the strengthening of the Brazilian real.

Tax

The effective tax rate, before special items and remeasurements, including attributable share of associates' and joint ventures' tax, was 32.2% for the six months ended 30 June 2016. This is higher than the equivalent rates of 28.0% for the six months ended 30 June 2015 and 31.0% for the year ended 31 December 2015. This increased rate was due to the net impact of certain prior year adjustments, the remeasurement of withholding tax provisions across the Group and the relative levels of profits arising in our operating jurisdictions. In future periods, it is expected that the effective tax rate will remain above the United Kingdom statutory tax rate (20%).

The tax charge for the period, before special items and remeasurements and excluding associates and joint ventures, was $390 million (H1 2015: $408 million).

Reconciliation to loss for the period attributable to equity shareholders from underlying earnings

US$ million	**6 months ended 30 June 2016**	6 months ended 30 June 2015
Underlying earnings	**698**	904
Operating special items	**(1,360)**	(3,319)
Operating remeasurements	**12**	(109)
Non-operating special items	**(34)**	(155)
Financing special items and remeasurements	**(236)**	69
Special items and remeasurements tax	**72**	(413)
Non-controlling interests on special items and remeasurements	**24**	49
Share of associates' and joint ventures' special items and remeasurements	**11**	(41)
Loss for the financial period attributable to equity shareholders of the Company	**(813)**	(3,015)
Underlying earnings per share (US$)	**0.54**	0.70

Special items and remeasurements

Special items and remeasurements principally relate to an impairment of $1.2 billion of the Moranbah-Grosvenor operation. Full details of the special items and remeasurements charges are to be found in note 7 to the Condensed financial statements.

Group ROCE

Attributable ROCE was in line with H1 2015 at 8%, primarily as a consequence of weaker commodity prices, offset by improved operational performance, the benefit of weaker producer country currencies, and a lower proportion of post-tax earnings attributable to non-controlling interests. In addition, average attributable capital employed was lower at $27.4 billion (H1 2015: $35.5 billion), driven by impairments and partially offset by ongoing capital expenditure.

Attributable ROCE is the primary return measure used in the Group. It is defined as the return on the capital employed attributable to equity shareholders of Anglo American plc, and therefore excludes the portion of underlying EBIT and capital employed attributable to non-controlling interests in operations where Anglo American plc has control, but does not hold 100% of the equity. Joint operations, associates and joint ventures are included in their proportionate interest and in line with appropriate accounting treatment. ROCE is calculated as underlying attributable EBIT divided by average attributable capital employed and is based on achieved prices and foreign exchange.

Balance sheet

Net assets of the Group remained flat at $21.4 billion (31 December 2015: $21.3 billion). Capital expenditure of $1.1 billion, including capitalised operating cash flows, was largely offset by depreciation of $1.0 billion, while the strengthening of the South African rand and Australian dollar since 31 December 2015 increased the value of operating assets denominated in these currencies. This was offset by the impairment of the Moranbah and Grosvenor assets and reductions in working capital.

Net debt

Net debt (including related hedges) of $11.7 billion was $1.2 billion lower than at 31 December 2015 and $1.8 billion lower than at 30 June 2015, representing gearing of 35.4% (31 December 2015: 37.7%). Net debt is made up of cash and cash equivalents of $5.8 billion (31 December 2015: $6.9 billion) and gross debt including related derivatives of $17.5 billion (31 December 2015: $19.8 billion). Net debt has continued to reduce in 2016, driven by stable operating cash inflows, working capital improvements, including a significant reduction in inventories at De Beers, gains from the bond buy-back process and falling capital expenditure.

Cash flows from operations

Cash flows from operations remains in line with H1 2015 at $2.8 billion. The price-driven 25% decrease in underlying EBITDA has been partly offset by cash inflows on operating working capital of $498 million (H1 2015: outflows of $15 million). These were primarily driven by De Beers, where total inventories (including Element Six and consumables) reduced by $0.5 billion, from $1.5 billion at December 2015 to $1.0 billion, Kumba Iron Ore, with a reduction in finished goods volumes from $119 million to $59 million, and Platinum, where combined pipeline and finished stock volumes reduced, excluding the non-cash stock adjustment, in spite of challenges at the Precious Metals Refinery (PMR). There was also a drive in cash collection for operating receivables primarily in Copper, Kumba Iron Ore and Platinum offsetting pressure on working capital from rising prices.

Attributable free cash flow

Attributable free cash flow of $1.1 billion was primarily driven by EBITDA generation and working capital improvements, as well as a reduction in capital expenditure (including capitalised operating cash flows) of $1.0 billion to $1.1 billion (H1 2015: $2.1 billion).

Liquidity and funding

At 30 June 2016, the Group had undrawn committed bank facilities of $9.9 billion and cash of $5.8 billion. The Group's liquidity position has been maintained in the period, while gross debt has declined by $2.3 billion to $17.5 billion (31 December 2015: $19.8 billion) primarily due to the successful bond repurchase. The Group's forecasts and projections, taking account of reasonable possible changes in trading performance, indicate the Group's ability to operate within the level of its current facilities. The Group has certain financial covenants in place in relation to external debt which are not expected to be breached in the foreseeable future.

Dividends

No interim dividend was declared for 2016 (H1 2015: 32 US cents per ordinary share).

In order to further protect its balance sheet and cash position, Anglo American plc announced in December 2015 its decision to suspend dividend payments. The commitment to a dividend during the ordinary course of business remains a core part of the Group's overall capital allocation approach and the Board has recommended that, upon resumption, Anglo American plc should adopt a payout-ratio-based dividend policy in order to provide shareholders with exposure to improvements in commodity prices, while retaining cash flow flexibility during periods of weaker pricing.

Projects and capital expenditure[(1)]

Following a continued focus on capital discipline and in response to current conditions, excluding capitalised operating cash flows, capital expenditure has reduced further to $1.2 billion (H1 2015: $2.0 billion). The reduction was driven by a 43% decline in expansionary capital expenditure, chiefly as a result of the Minas-Rio iron ore project in Brazil moving into its ramp-up phase and a 45% fall in stay-in-business expenditure as a result of lower spend at Kumba Iron Ore, Copper and De Beers.

Expansionary capital expenditure remains focused on the delivery of our portfolio of existing major projects, including the Gahcho Kué and Grosvenor projects in De Beers and Coal respectively. As these projects transition into production, expansionary capital expenditure will continue to decrease, enabling the Group to further align such expenditure with prevailing commodity market conditions.

Projects in ramp-up in 2016

In Nickel, the rebuild of the two furnaces at Barro Alto was concluded, with commercial production being reached in October 2015 and full capacity in H1 2016.

[(1)] Capital expenditure is defined as cash expenditure on property, plant and equipment, including related derivatives less proceeds from disposal of property, plant and equipment and direct funding for capital expenditure from non-controlling interests.

Niobium's Boa Vista Fresh Rock project reached commercial production in March 2016, and is expected to reach full nameplate capacity in H2 2016.

The Minas-Rio iron ore operation continued to ramp up in H1 2016, with increases in quarter-on-quarter production. The operation will remain in ramp up throughout the year.

Grosvenor metallurgical coal longwall operation started production of longwall coal in May 2016 and is expected to reach commercial production in H2 2016.

No new major growth projects have been initiated in H1 2016, in line with the Group's focus on improving cash flows.

Disposals update

The evaluation and sales processes for a number of Anglo American's major assets are progressing. During H1 2016, Anglo American plc agreed and announced the sale of Niobium and Phosphates (total cash consideration of $1.5 billion - the transaction is dependent on a number of conditions and is expected to close in the second half of 2016), Callide, the remaining Tarmac Middle East businesses and Foxleigh.

As indicated on 16 February 2016, Anglo American plc is progressing a number of processes to assess the potential disposal value of certain of its non-core assets, including the Nickel business and the Moranbah and Grosvenor metallurgical coal assets. Any final decisions on sale will depend on value.

The Board

Ray O'Rourke resigned as an independent non-executive director with effect from 25 July 2016 in order to concentrate on his business commitments as chairman and chief executive of Laing O'Rourke. Mr O'Rourke brought a significant range of business experience along with specialist knowledge of complex projects. The Board is grateful for his commitment and valuable contributions over the past six years.

René Médori, Finance Director, informed the Board in April of his decision to retire when he reaches the age of 60 in 2017, in order to enable an orderly succession. The Board has initiated a formal process to appoint a successor. Mr Médori will continue to serve in role until the appropriate time to ensure a smooth transition.

Principal risks and uncertainties

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

The principal risks and uncertainties facing the Group at the year-end were set out in detail in the strategic report section of the Annual Report 2015 and have not changed significantly since. The principal risks relate to the following:

- Safety
- Commodity prices
- Political and regulatory
- Organisation change
- Portfolio restructuring
- Minas-Rio
- South Africa power
- Tailings dam failure
- Slope wall failure
- Mineshaft failure
- Fire and/or explosion

Two new principal risks have been included in the 2016 risk profile as follows:

- Reduction in future demand for core commodities as a result of shifts in market forces.
- Inability to deliver the 2016 and 2017 cash improvement targets.

The Group is exposed to changes in the economic environment, as with any other business. Details of any key risks and uncertainties specific to the period are covered in the Operations review section.

The Annual Report 2015 is available on the Group's website **www.angloamerican.com.**

Operations review for the six months ended 30 June 2016

PLATINUM

Key performance indicators

	Production volume	Sales volume	Price	Unit cost	Revenue	Underlying EBITDA	Underlying EBIT	Capex	ROCE
	koz[1]	koz	$/Pt oz[2]	$/Pt oz[3]	$m	$m	$m	$m	
Platinum	**1,153**	**1,221**	**1,632**	**1,262**	**2,041**	**290**	**134**	**125**	**6%**
Prior period	*1,125*	*1,159*	*2,157*	*1,603*	*2,612*	*521*	*272*	*179*	*7%*
Mogalakwena	**208**	**214**	**2,168**	**1,145**	**462**	**190**	**134**	**73**	**–**
Prior period	*204*	*208*	*2,903*	*1,363*	*606*	*307*	*241*	*83*	*–*
Amandelbult	**217**	**238**	**1,417**	**1,195**	**336**	**45**	**19**	**7**	**–**
Prior period	*189*	*185*	*1,859*	*1,598*	*344*	*51*	*22*	*32*	*–*
Other operations	**728**	**769**	**n/a**	**n/a**	**1,243**	**76**	**2**	**45**	**–**
Prior period	*732*	*766*	*n/a*	*n/a*	*1,662*	*186*	*32*	*64*	*–*
Projects and corporate	**–**	**–**	**–**	**–**	**–**	**(21)**	**(21)**	**–**	**–**
Prior period	*–*	*–*	*–*	*–*	*–*	*(23)*	*(23)*	*–*	*–*

(1) In keeping with industry benchmarks, production disclosure has been amended to reflect own mine production and purchases of metal in concentrate. Previous disclosure of own mine production and purchases of metal in concentrate was converted to equivalent refined production using standard smelting and refining recoveries.
(2) Average US$ basket price.
(3) Total cash operating costs.

Financial and operating overview

Underlying EBIT decreased by $138 million to $134 million (H1 2015: $272 million). This was due to lower sales volumes of palladium, rhodium and minor metals, the weakening of dollar metal prices, and a lower stock gain of $38 million (H1 2015: $181 million) from an annual inventory count[1].

Year-on-year cash operating costs per unit of platinum production (metal in concentrate) decreased by 21% to $1,262 per ounce, owing primarily to a weaker South African rand.

Markets

	H1 2016	H1 2015
Average platinum market price ($/oz)	**959**	1,160
Average palladium market price ($/oz)	**546**	773
Average rhodium market price ($/oz)	**672**	1,111
Average gold market price ($/oz)	**1,221**	1,206
US$ realised basket price ($/Pt oz)	**1,632**	2,157
Rand realised basket price (ZAR/Pt oz)	**25,100**	25,748

The average US dollar basket price per platinum ounce sold for H1 2016 was $1,632 per ounce, down 24% on the H1 2015 average achieved price of $2,157 per ounce. Despite the lower average platinum market price, the platinum price increased over the first six months in 2016. Fundamentals are generally supportive for platinum and palladium.

(1) Refer to note 2 to the Condensed financial statements for further details.

Global production of the platinum group metals has fallen in the first six months of 2016, with exports of these metals from South Africa underperforming previous year levels. The recovery of platinum from end-of-life automotive catalysts continued to be weak in the first half despite improving economic fundamentals for the recycling industry.

In H1 2016, platinum demand was relatively robust. Light-duty vehicle sales grew strongly in Western Europe, rising 9% year on year. Autocatalyst platinum demand was further supported by the impact of the introduction of Euro 6b emissions rules in late 2015, which raised catalyst loadings and have offset a small decline in the market share of the diesel engine. There were also some signs of the Chinese platinum jewellery market stabilising over this period, with sales of platinum on the Shanghai Gold Exchange 2% above H1 2015 levels. Industrial demand for platinum remains healthy despite widespread concerns over the state of the global economy.

Operating performance

Total platinum production (metal in concentrate) rose by 2% to 1,152,700 ounces (H1 2015: 1,125,000 ounces). Production increases generated by Amandelbult, joint operations, Union and Unki were partially offset by lower production from Rustenburg.

Mogalakwena mine increased production by 2% to 207,800 ounces, including 15,400 ounces (H1 2015: 11,200 ounces) processed at the Baobab concentrator. Mogalakwena had a strong mining performance, with tonnes milled up 6% year on year, though this was partly offset by a return to normalised grades in Q2 2016.

Production at Amandelbult increased by 15% to 217,100 ounces. Strong output was attributable to a new opencast area which produced 18,000 ounces, as well as to operational efficiency improvements from underground operations.

Production from Unki mine in Zimbabwe increased by 13% to 36,400 ounces. This was driven mainly by an increase in milled volumes resulting from mining production efficiency improvements, as well as an improvement in recovered grade through better mining height control.

Platinum production from Rustenburg, including Western Limb Tailings Retreatment, decreased by 10% year on year to 218,700 ounces. Lower output was attributable to a Section 54 safety stoppage associated with a fatal incident at Khuseleka shaft in June 2016 and the mining of difficult ground areas, as well as a marginally lower grade. This was partly compensated by a 13% improvement in production from tailings, which increased to 25,800 ounces.

Platinum production from Union increased 15% to 75,500 ounces, the mine's best performance since 2013, as a result of implementation of the optimised mine plan and productivity improvements. This was achieved despite the closure of the decline sections which removed approximately 60 koz of annual production and closure of marginal production areas.

Platinum production from joint operations, inclusive of both mined and purchased production, increased by 8% year on year to 388,300 ounces. All mines showed year-on-year improvements, with the exception of Bokoni. Kroondal mine achieved its best H1 performance since inception by producing 137,300 ounces. Production at Bokoni was down 16% owing to the closures of UM2 and Vertical shafts in Q4 2015, safety stoppages relating to fatal incidents in January and February 2016, and to disruption in the surrounding community.

Refined platinum production decreased by 9% to 1,008,400 ounces owing to a planned stocktake and the impact of a Section 54 safety stoppage at the precious metal refinery (PMR) in Q1 2016, which halted production for 12 days and affected production build-up for a further 37 days. The PMR has recovered to steady state, and made up most of the shortfall in production. The remainder of the shortfall in refined production will be caught up in Q3 2016.

Despite lower refined production, platinum sales volumes increased by 5% to 1,221,200 platinum ounces, drawing down from refined metal inventory.

Operational outlook

It is anticipated that platinum production guidance (metal in concentrate) is unchanged at between 2.3-2.4 million ounces in 2016. The Twickenham project will be placed on care and maintenance in H2 2016.

It is estimated that cash unit costs will be ZAR19,250-ZAR19,750 per platinum ounce (metal in concentrate) for 2016.

DE BEERS

Key performance indicators[1]

	Production volume	Sales volume	Price	Unit cost	Revenue	Underlying EBITDA	Underlying EBIT	Capex	ROCE[6]
	'000 carats	'000 carats[2]	$/ct[3]	$/ct[4]	$m[5]	$m	$m	$m	
De Beers	**13,314**	**17,210**	**177**	**65**	**3,270**	**766**	**585**	**240**	**7%**
Prior period	*15,628*	*13,323*	*206*	*82*	*3,021*	*792*	*576*	*363*	*12%*
Debswana	**10,512**	**–**	**146**	**24**	**–**	**283**	**270**	**43**	**–**
Prior period	*11,545*	*–*	*171*	*25*	*–*	*260*	*248*	*46*	*–*
Namdeb Holdings	**740**	**–**	**519**	**240**	**–**	**131**	**121**	**19**	**–**
Prior period	*893*	*–*	*593*	*244*	*–*	*113*	*96*	*11*	*–*
South Africa	**1,753**	**–**	**114**	**50**	**–**	**150**	**111**	**83**	**–**
Prior period	*2,178*	*–*	*131*	*56*	*–*	*192*	*143*	*146*	*–*
Canada	**309**	**–**	**370**	**207**	**–**	**50**	**18**	**89**	**–**
Prior period	*1,012*	*–*	*292*	*189*	*–*	*104*	*58*	*144*	*–*
Trading	**–**	**–**	**–**	**–**	**–**	**186**	**182**	**1**	**–**
Prior period	*–*	*–*	*–*	*–*	*–*	*151*	*147*	*1*	*–*
Other[7]	**–**	**–**	**–**	**–**	**–**	**(34)**	**(117)**	**5**	**–**
Prior period	*–*	*–*	*–*	*–*	*–*	*(28)*	*(116)*	*15*	*–*

(1) Prepared on a consolidated accounting basis, except for production which is stated on a 100% basis.
(2) Sales volumes on a 100% basis were 18.3 million carats (H1 2015: 14.0 million carats).
(3) Pricing for the mining business units is based on 100% selling value post-aggregation of goods. The group realised price includes the price impact of the sale of non-equity product and, as a result, is not directly comparable to group unit costs, which relate to equity production only.
(4) Total cost per carat recovered calculated as total production and operating costs before operating special items (excluding depreciation), divided by carats recovered.
(5) Includes rough diamond sales of $3.1 billion (H1 2015: $2.7 billion).
(6) Underlying EBIT used in the calculation of De Beers' attributable return on capital employed is based on the last 12 months rather than the first six months of performance. This is due to the seasonal sales and underlying EBIT profile of De Beers.
(7) Other includes Element Six, downstream, acquisition accounting adjustments, and projects and corporate.

Financial and operational overview

Underlying EBIT increased by 2% to $585 million (H1 2015: $576 million). This was the result of higher revenues from stronger rough diamond demand, tight operating cost control and favourable exchange rates. As a result of cost-saving programmes and portfolio changes, supported by favourable exchange rate movements, consolidated unit costs declined from $82/carat to $65/carat.

Total revenue increased by 8% to $3.3 billion (H1 2015: $3.0 billion), mainly driven by higher rough diamond sales, which increased by 11% to $3.1 billion. This was due to a 29% increase in consolidated sales volumes to 17.2 million carats (H1 2015: 13.3 million carats), partly offset by a 14% decrease in average realised rough diamond prices to $177/carat (H1 2015: $206/carat) which reflected the 16% lower average rough price index for the period.

Markets

Preliminary data indicate that during H1 2016, the US market showed positive growth overall, while the Chinese market was broadly stable. Japan demonstrated modest growth in local currency, whereas consumer demand in India was hampered by a month-long jewellers' strike in March 2016 against new government regulations.

Sentiment in the Midstream improved during the period under review, as good year-end holiday sales, particularly in the US, necessitated retailer inventory restocking, which enabled the cutting centres to rebalance their polished stock. At the same time, rough inventories in the midstream were lower, after materially restrained buying in H2 2015. The significant midstream restocking, when combined with the contribution of positive holiday sales, resulted in positive growth in demand for rough diamonds in H1 2016.

Operating performance

Mining and manufacturing

Rough diamond production decreased by 15% to 13.3 million carats (H1 2015: 15.6 million carats), reflecting the decision to reduce production in response to prevailing trading conditions in H2 2015.

Debswana's production decreased by 9% to 10.5 million carats, with Orapa down by 25% compared with H1 2015 and Damtshaa (a satellite operation of Orapa) placed on care and maintenance from 1 January 2016. Jwaneng Cut-8 continues to progress and, by the end of June 2016, 77% of the 500 million tonnes of waste stripping required to expose the ore had been mined. The first Cut-8 ore to the processing plant remains scheduled for 2017.

Production at Namdeb Holdings decreased by 17% to 0.7 million carats, with reduced output at Debmarine Namibia (as a result of the Mafuta vessel undergoing extended planned in-port maintenance) and lower grades at Namdeb's land operations. In South Africa, production declined by 20% to 1.8 million carats, mainly due to the completion of the sale of Kimberley Mines in January 2016. Construction of the Venetia Underground mine continues to progress, with the decline advanced to more than 1,550 metres. First production from the underground operation is scheduled for 2022. In Canada, production fell by 69% to 0.3 million carats owing to Snap Lake being placed on care and maintenance in December 2015. In early July 2016, approval was granted to flood the Snap Lake mine. Production at Victor was 8% lower than in H1 2015 (0.3 million carats in both periods). The Gahcho Kué project in Canada is progressing according to plan. The project is 96% complete and remains on track for first production during H2 2016, with commercial production expected to be reached in Q1 2017.

Owing to continuing depressed markets in key industrial sectors (principally oil and gas), Element Six experienced a challenging first six months. The reduction in contribution arising from lower sales has been partially offset by a comprehensive cost-reduction programme.

Brands

Forevermark™ continues to expand its retailer network and is available in 1,874 outlets (a 6.5% increase since the end of 2015) in 38 countries, including the new markets of Hungary, Thailand and South Korea. In June 2016, Forevermark™ announced the launch of the *Black Label* collection (an innovative collection of fancy-shape diamonds with unrivalled sparkle in every cut) and announced a Q4 2016 US national television campaign featuring the *Ever Us*™ two-stone diamond collection. In Q1 2016, De Beers also invested in additional Chinese New Year marketing campaigns to further stimulate diamond jewellery gift giving, which was received positively by the industry.

De Beers Diamond Jewellers maintained its focus on fast-growing markets, with 35 stores in 16 key consumer markets around the world. Growth in mainland China sales helped to offset the significant impact of lower Chinese tourist levels in Europe.

Namibia sales agreement

In May 2016, the Government of the Republic of Namibia and De Beers signed a new 10-year sales agreement for the sorting, valuing and sale of Namdeb Holdings' diamonds. This represents the longest sales agreement ever concluded between the parties.

Outlook

Macro-economic conditions underpinning consumer demand for diamonds remain broadly stable in aggregate, but with persistent downside risks looking into H2 2016 (including recent social and political instability). Rough diamond revenues are expected to be weighted towards H1 2016, consistent with prior years and typical of the seasonal drivers.

In the Midstream, caution in rough diamond buying is expected to prevail, as the supplies bought by diamantaires in H1 2016 are gradually converted into polished.

Forecast diamond production (on a 100% basis) for 2016 remains unchanged and is expected to be in the range of 26-28 million carats, subject to trading conditions. Consistent with this level of production, plans are in place to deliver approximately $200 million of cash savings in production costs, overheads, capital expenditure and disposal proceeds in 2016.

BASE METALS AND MINERALS

COPPER

Key performance indicators

	Production volume	Sales volume	Price	C1 Unit cost	Revenue	Underlying EBITDA	Underlying EBIT	Capex	ROCE
	kt	kt[1]	c/lb	c/lb[2]	$m	$m	$m	$m	
Copper	**291**	**281**	**215**	**136**	**1,351**	**424**	**113**	**238**	**6%**
Prior period	*356*	*344*	*253*	*166*	*1,836*	*537*	*174*	*309*	*5%*
Los Bronces	**161**	**156**	**–**	**152**	**678**	**181**	**(5)**	**90**	**–**
Prior period	*192*	*190*	*–*	*156*	*951*	*357*	*173*	*109*	*–*
Collahuasi[3]	**107**	**102**	**–**	**118**	**512**	**231**	**127**	**59**	**–**
Prior period	*95*	*91*	*–*	*153*	*451*	*214*	*107*	*55*	*–*
Other operations	**23**	**23**	**–**	**–**	**161**	**46**	**25**	**89**	**–**
Prior period	*69*	*63*	*–*	*–*	*434*	*22*	*(50)*	*145*	*–*
Projects and corporate	**–**	**–**	**–**	**–**	**–**	**(34)**	**(34)**	**–**	**–**
Prior period	*–*	*–*	*–*	*–*	*–*	*(56)*	*(56)*	*–*	*–*

[1] Excludes 16 kt third-party sales.
[2] C1 unit cost including by-product credits.
[3] 44% share of Collahuasi production, sales and financials.

Financial and operating overview

Underlying EBIT decreased by 35% to $113 million. This was largely due to a 21% decline in the average LME copper price, lower by-product prices (molybdenum was approximately 20% down year on year), and an 18% decline in sales volumes (in part due to the sale of AA Norte in September 2015). The decrease in underlying EBIT was mitigated by a $155 million reduction in cash costs. These were largely driven by cost-reduction initiatives and productivity improvements across all operations, as well as by the implementation of an optimised mine plan at El Soldado (where mining activities were reduced to a one-phase operation). At 30 June 2016, 155,300 tonnes of copper were provisionally priced at 220 c/lb. Provisional pricing of copper sales resulted in an underlying EBIT gain of $23 million (H1 2015: loss of $133 million), bringing the realised copper price to 215 c/lb for the period.

Markets

	H1 2016	H1 2015
Average market price (c/lb)	213	269
Average realised price[1] (c/lb)	215	253

[1] Differences between market prices and realised prices are largely a function of timing of sales and final settlements.

The average LME copper price was 21% lower at 213 c/lb compared with H1 2015. Sentiment has been dominated by key macro-economic and geopolitical events, with concerns over China's economic outlook particularly weighing on the copper market. There were some positive developments, however, in the first six months of this year. Construction activity in China displayed a marked improvement, while investment in the power grid has accelerated sharply. These two sectors directly account for more than 40% of copper use in China which, in turn, accounts for almost half of global copper consumption.

Globally, despite excess capacity in some manufacturing sectors, consumption patterns appear to have stabilised following some weakening in 2015. However, despite cuts in spending, mine-through-refined production growth has outpaced demand with a small number of major mine expansions, predominantly in Peru, and additions to smelter-refinery capacity in China, keeping the market well supplied.

Operating performance

Production at Los Bronces was 16% lower at 160,800 tonnes, driven by significantly lower grades (H1 2016 0.68% vs. H1 2015 1.02%), partly offset by improved throughput performance following the lifting of water restrictions during H1 2016. Severe weather conditions, including significant snowfall (with more than six metres of snow recorded by 30 June 2016, around double that of an average year) hampered operations at the mine during Q2 2016, interrupting ore extraction and the operation's ability to mine higher-altitude, higher-grade areas. In addition, the occurrence of late snow in 2015 and its subsequent melting have caused dewatering issues in the pit. C1 unit costs were 3% lower than prior year at 152 c/lb, however, as cost-reduction initiatives across all areas of the mine, plant and services and support more than compensated for the effects of lower output.

At Collahuasi, Anglo American's attributable production increased by 13% to 107,300 tonnes. Strong plant performance following rectification work undertaken in 2015 was supported by higher grades (H1 2016 1.18% vs. H1 2015 1.12%), offset by reduced cathode production with the closure of the oxide plant at the end of 2015. C1 unit costs were 23% lower at 118 c/lb, benefiting from the higher production and an ongoing focus on reducing costs at both the mine and the plant.

Production at El Soldado increased by 40% to 22,600 tonnes on the back of improved throughput and higher grades. C1 unit costs positively reflected the higher production as well as the benefits resulting from implementation of the optimised mine plan. On 8 July 2016 the unionised workforce at El Soldado went on strike after rejecting the offer made by the company as part of the collective bargaining process.

Operational outlook

Production for the year as a whole is expected to be below that of 2015, after adjusting for the disposal of AA Norte and the curtailment of oxide production at Collahuasi, together accounting for approximately 120,000 tonnes. Because of the severe weather experienced at Los Bronces during Q2 2016, which negatively affected mine extraction and the ability to mine the higher-altitude, higher-grade areas, full-year production guidance has been revised down to 570,000-600,000 tonnes for 2016 (previously 600,000-630,000 tonnes) and 2017 (previously 590,000-620,000 tonnes).

NICKEL

Key performance indicators

	Production volume	Sales volume	Price	Unit cost	Revenue	Underlying EBITDA	Underlying EBIT	Capex	ROCE
	t	t	c/lb	c/lb	$m	$m[1]	$m[1]	$m	
Nickel segment	**22,300**	**21,900**	**387**	**323**	**187**	**24**	**(12)**	**14**	**(1)%**
Prior period	*13,000*	*16,100*	*578*	*494*	*61*	*4*	*–*	*(17)*	*0%*

[1] Nickel segment includes $(4) million and $(7) million of projects and corporate costs for H1 2016 and H1 2015, respectively.

Financial and operating overview

The underlying EBIT loss of $12 million was $12 million down on that for H1 2015, driven by the lower nickel price, partially offset by a favourable exchange rate and the benefit of the rebuild.

Underlying EBIT generated by the Barro Alto project was capitalised during H1 2015, with capitalisation ending with effect from the end of October 2015 as the project entered commercial operation. Before capitalisation, Barro Alto's underlying operating loss of $8 million had improved by $4 million (H1 2015: $12 million loss), owing to lower cash costs driven by efficiency gains arising from higher production volumes and lower maintenance and energy costs, as well as a favourable exchange rate. This was partially offset by the decline in nickel prices, lower energy surplus sales and cost inflation.

Nickel C1 unit costs decreased by 35% to 323 c/lb, mainly attributable to volume improvements from the ramp-up of Barro Alto and the weaker Brazilian real, partly offset by inflation.

Markets

	H1 2016	H1 2015
Average market price[1] (c/lb)	**393**	620
Average realised price[2] (c/lb)	**387**	578

[1] The average market price is the LME nickel price, from which ferro-nickel pricing is derived. Ferro-nickel is traded based on discounts or premiums to the LME price, depending on market conditions, supplier products and consumer preferences.
[2] Differences between market prices and realised prices are largely a function of variations in volumes of sales.

The average LME nickel cash settlement price of 393 c/lb for H1 2016 was 37% lower than the average price in H1 2015.

H1 2016 was characterised by concerns about world and Chinese economic growth, which put downward pressure on metal prices. There was however a marked improvement in demand in Q2 2016 and a reduction in LME nickel stocks, which led to increases in the LME nickel price and the ferro-nickel premium. World stainless steel production (the primary end-use for all ferro-nickel and for more than 65% of total nickel) increased by 4.7% compared with H1 2015, driven mainly by China. With Chinese nickel pig iron (NPI) production declining, price-led cutbacks at other nickel producers and lower availability of nickel-bearing stainless steel scrap, there was a tight market for nickel and a shortage of nickel-iron units (ferro-nickel, NPI and stainless steel scrap).

Operating performance

Nickel output increased by 72% to 22,300 tonnes following the successful rebuild of the Barro Alto furnaces, which are now producing at close to nameplate capacity. Codemin's production was in line with the previous year's at approximately 4,600 tonnes.

Operational outlook

Following the successful Barro Alto furnace rebuilds in 2015, full-year nickel production in 2016 remains unchanged at an expected 45,000-47,000 tonnes.

NIOBIUM AND PHOSPHATES

Key performance indicators

	Production volume	Sales volume	Price	Unit Cost	Revenue	Underlying EBITDA	Underlying EBIT	Capex	ROCE
	kt	kt	$/t	$/t	$m	$m[(1)]	$m[(1)]	$m	
Niobium and Phosphates	**–**	**–**	**–**	**–**	**304**	**85**	**60**	**(1)**	**14%**
Prior period	*–*	*–*	*–*	*–*	*294*	*87*	*73*	*25*	*16%*
Niobium	**2.6**	**3.0**	**–**	**–**	**86**	**33**	**20**	**(15)**	**6%**
Prior period	*2.9*	*2.8*	*–*	*–*	*79*	*35*	*32*	*13*	*12%*
Phosphates	**561**	**610**	**354**	**–**	**218**	**54**	**42**	**14**	**32%**
Prior period	*513*	*526*	*486*	*–*	*215*	*53*	*42*	*12*	*24%*

(1) Niobium and Phosphates also include $(2) million and $(1) million of projects and corporate costs for H1 2016 and H1 2015, respectively.

Financial and operating overview

Niobium

Underlying EBIT decreased by 38% to $20 million (H1 2015: $32 million), as a result of lower prices and inflation, partly offset by the benefit of the weaker Brazilian real and higher sales volumes. Underlying EBIT of $8 million from Boa Vista Fresh Rock (BVFR) was capitalised during January and February 2016, with commercial production achieved in March 2016.

Phosphates

Underlying EBIT of $42 million was in line with H1 2015, reflecting the benefit of the weaker Brazilian real and underlying reductions in operating costs, together with higher sales volumes, offset by lower pricing and inflation.

Markets

Niobium

Worldwide demand for ferro-niobium has remained soft, with lower average niobium prices across all regions as a result. This is attributable to challenging conditions in the steel industry in China, with the country only returning to the market in early February 2016 following Chinese New Year, and weaker demand in North America. However, there was an increase in demand in India.

Phosphates

The average MAP CFR Brazil price of $354/tonne was 27% lower than for H1 2015 as a result of surplus global supply and weaker demand in key markets. In Brazil, demand for phosphate fertilisers in H1 2016 was approximately 5.1 million tonnes, a 10% increase on H1 2015. This reflected higher demand and earlier purchasing of the main crop, boosted by an attractive barter ratio which incentivised purchasing.

Operating performance

Niobium

Production decreased by 10% to 2,600 tonnes. This was mainly due to a shutdown at the start of the year, in order to reduce stock levels and facilitate site maintenance and work on residue disposal, and to a planned stoppage in May 2016 to implement the downstream metallurgy project. Subsequent plant performance has been strong, with an all-time production record achieved in June 2016. The BVFR plant reached 82% of nameplate capacity on average in Q2 2016, with continued improvements in plant stability.

Phosphates

Fertiliser production rose by 9% to 560,800 tonnes owing to strong granulation plant performance at both sites and favourable operational conditions, which allowed two planned maintenance stoppages, scheduled for January and March 2016, to be combined. Phosphoric acid production increased by 22%, due to increased plant stability and higher equipment availability at both sites. Dicalcium phosphate (DCP) production was 3% lower as a result of the stoppage at Cubatão which took place in March 2016 (takes place every 18 months) combined with lower demand at Catalão.

Update on sales process

During H1 2016, Anglo American plc agreed and announced the sale of Niobium and Phosphates, for a total cash consideration of $1.5 billion to China Molybdenum Co Ltd. The transaction is dependent on a number of conditions and is expected to close in the second half of 2016.

IRON ORE AND MANGANESE

Key performance indicators

	Production volume	Sales volume	Price	Unit cost	Revenue	Underlying EBITDA	Underlying EBIT	Capex	ROCE
	Mt[1]	Mt	$/tonne[2]	$/t	$m	$m	$m	$m	
Iron Ore and Manganese	**–**	**–**	**–**	**–**	**1,433**	**512**	**390**	**221**	**7%**
Prior period	*–*	*–*	*–*	*–*	*2,013*	*693*	*510*	*829*	*8%*
Kumba Iron Ore	**17.8**	**20.2**	**55**	**27**	**1,185**	**484**	**387**	**84**	**37%**
Prior period	*22.6*	*26.0*	*61*	*33*	*1,723*	*654*	*513*	*274*	*32%*
Iron Ore Brazil	**6.8**	**6.9**	**44**	**32**	**–**	**(9)**	**(10)**	**137**	**(1)%**
Prior period	*3.0*	*2.6*	*50*	*86*	*–*	*(10)*	*(11)*	*555*	*(1)%*
Samancor[3]	**1.6**	**1.8**	**–**	**–**	**248**	**62**	**38**	**–**	**25%**
Prior period	*1.7*	*1.7*	*–*	*–*	*290*	*77*	*36*	*–*	*11%*
Projects and corporate	**–**	**–**	**–**	**–**	**–**	**(25)**	**(25)**	–	–
Prior period	*–*	*–*	*–*	*–*	*–*	*(28)*	*(28)*	*–*	*–*

(1) Iron Ore Brazil production is Mt (wet basis).
(2) Prices for Kumba Iron Ore are the average realised export basket price (FOB Saldanha). Prices for Iron Ore Brazil are average realised export basket price (FOB Açu) (wet basis).
(3) Production, sales and financials include ore and alloy.

Financial and operating overview

Kumba Iron Ore (Kumba)

Underlying EBIT decreased by 25% to $387 million (H1 2015: $513 million), mainly due to the fall in the iron ore benchmark price to an average of $52/tonne (H1 2015: $60/tonne), and 22% lower sales volumes. Realised FOB export prices averaged $55/tonne, 10% lower than in H1 2015.

Total cash costs declined by 34%, driven principally by the 36% decrease in planned waste mined following the Sishen pit redesign, lower input costs on diesel and overhead cost savings, aided by the further weakening of the South African rand against the US dollar. FOB cash costs decreased by 18% to $27/tonne (H1 2015: $33/tonne). This was primarily due to the weaker rand and savings in operating costs mainly as a result of the reduced mining profile at Sishen mine following the restructuring to the smaller pit design, and productivity gains in mining and processing operations. The restructuring is substantially complete and is expected to contribute to annual savings from 2017.

Sales decreased by 22% to 20.2 Mt (H1 2015: 26.0 Mt) following a 28% reduction in production at Sishen as a result of the restructuring and reconfiguration of the Sishen mine to a lower production profile in order to lower the cost base. Kumba's logistics volumes were hampered by low stock levels through the logistics chain. At the mines, finished product stock reduced to 1.1 Mt and port stockpiles to 1.2 Mt, while total finished-product stock decreased to 2.3 Mt by end-June 2016 (30 June 2015: 3.8 Mt, excluding Thabazimbi).

Iron Ore Brazil

The underlying EBIT loss amounted to $10 million (H1 2015: $11 million loss). Minas-Rio continues to capitalise its operating results as the asset is not yet deemed to be in commercial production and is currently in the ramp-up phase. Minas-Rio's capitalised operating loss was $17 million, $128 million lower than prior year (H1 2015: $145 million loss). This reflected higher sales volumes and lower unit costs as the operation ramps up, partly offset by lower realised iron ore prices.

Samancor

Underlying EBIT increased by $2 million to $38 million with the benefits of 10% higher ore sales through stock drawdown and the restructuring of the South African Manganese operations offsetting lower Australian alloy production due to power shortages and a 15% realised price reduction.

The South African Manganese operations restructuring was completed in Q1 2016. This reduced the operating cost base and increased production flexibility in reaction to the sharply declining price through 2015, which has continued into 2016.

Markets

Iron ore

	H1 2016	H1 2015
Average market price (IODEX 62% Fe CFR China – $/tonne)	**52**	60
Average realised price (Kumba export – $/tonne) (FOB Saldanha)[1]	**55**	61
Average market price (MB 66% Fe Concentrate CFR – $/tonne)	**58**	74
Average realised price (Minas-Rio – $/tonne) (FOB wet basis)[2]	**44**	50

(1) Kumba's outperformance over the Platts 62% Fe CFR China index is primarily representative of the superior iron (Fe) content and the relatively high proportion (approximately 64%) of lumps in the overall product portfolio.
(2) Iron Ore Brazil produces a higher-grade product than the Platts 62% Fe indices, with pricing reflecting the increased Fe content and lower gangue. Platts 62% is referred to for comparison purposes only.

The IODEX 62% Fe CFR China spot price averaged $52/dmt in H1 2016, down 13% year on year. Despite the H1 2016 market price being lower than in H1 2015, seaborne iron ore prices have seen a strong recovery, rallying 29% through the first six months to $55/dmt by the end of June 2016. The improvement in downstream demand in China, driven by a record liquidity injection and accelerated infrastructure spending, has temporarily held off the overcapacity in the domestic steel sector, pushing steel prices higher. This positive demand environment and improved mill margins have driven up Chinese crude steel production, boosting demand for iron ore. In addition, the upturn in demand has coincided with reduced production increases, although the recent price rally has incentivised high-cost domestic and seaborne iron ore supply back into the market.

Manganese

Following a 57% reduction in the index ore price during 2015, the price has recovered by 33% in the first half of 2016 closing at $3.09/dmtu (44% Mn CIF China). The price recovery was driven by demand from China following an increase in infrastructure spending resulting in higher steel prices.

Operating performance

Kumba

Production at Sishen declined by 28% to 11.5 Mt (H1 2015: 16.1 Mt), while waste mined amounted to 64.9 Mt, a 40% reduction from H1 2015, in line with the reconfiguration of the pit to a lower-cost shell. Run rates for H1 2016 were affected by the significant restructuring process which commenced in the first quarter, which has now been substantially completed. Lower run rates were exacerbated by higher levels of rainfall and safety stoppages. The successful restructuring has increased mine flexibility, with run rates on key operating parameters improving from May to June 2016. Sishen production is now in line with full-year guided production of approximately 27 Mt.

Kolomela mine produced 5.9 Mt in H1 2016 (H1 2015: 5.9 Mt) from 26% lower ex-pit ore, benefiting from stockpiled material. Waste mining decreased to 20.2 Mt from 26.3 Mt in H1 2015. Operations were impacted by a safety stoppage early in the period following a fatal incident in January 2016.

Roll-out of the Anglo American Operating Model at Kolomela mine went live during H1 2016, with work-management processes being implemented at both the plant maintenance and plant operations. This work is currently in the stabilisation phase, and the mine has already seen significant benefits, most notably the reduction in plant throughput variation. At Sishen mine, implementation of the Anglo American Operating Model continues to support the operations post the restructuring.

At Thabazimbi, mining activities ceased on 30 September 2015 and processing activities ceased on 31 March 2016. Closure of the mine is proceeding according to plan.

Iron Ore Brazil

Iron ore production from Minas-Rio increased by 128% to 6.8 Mt (wet basis) during H1 2016, as the operation continues its ramp-up. The constrained pit and ongoing licence processes have resulted in lower

than anticipated quality run-of-mine material. A provisional approval has been granted for the next phase of licensing, which has allowed immediate access to the next tranche of reserves.

Samancor

Production of manganese ore was in line with prior year at 1.6 Mt (attributable basis). Production from the Australian operations was 3% higher following the completion of the Premium Concentrate Ore project in May. This offset an 8% reduction from the South African operations following a strategic review, completed in Q1 2016 in reaction to the challenging market conditions.

Production of manganese alloys decreased by 51% to 61,800 tonnes (attributable basis). This was due to power shortages in Tasmania resulting in production at 2 of the 4 furnaces being suspended. They are currently being brought back on line, with a return to full production rates expected in July. South African manganese alloy production decreased following the decision in May 2015 to suspend three of the four furnaces. The South African operations will continue to operate one of four furnaces until market conditions improve.

Operational outlook

Kumba

Despite rallying, iron ore prices are not expected to recover materially in the short or medium term. Kumba's ongoing priorities are to ensure a strong focus on operational delivery, and to lower production costs through productivity and efficiency gains.

Kumba is accelerating study work on its low grade beneficiation projects at Sishen to utilise spare plant capacity, which includes leveraging off low-grade technology to upgrade the DMS plant to UHDMS (Ultra High Dense Medium Separation), as well as the construction of a second modular plant at Sishen. Sishen's production guidance remains unchanged at approximately 27 Mt for 2016, while waste movement is expected to be 135-150 Mt.

At Kolomela, waste removal has been optimised, and is expected to increase annual production to 13 Mtpa from 2017, with an unchanged 12 Mt expected in 2016. The modular plant at Kolomela is expected to be commissioned in 2017, providing an additional 0.7 Mtpa.

Full year export sales volume guidance has been reduced to 38-39 Mt compared with previous guidance of 40 Mt. Kumba continues to target a cash break-even price of $32-$40/tonne CFR for 2016, and an FOB cash cost of $30/tonne.

Iron Ore Brazil

Due to pit constraints, full year 2016 production guidance for Iron Ore Brazil has been revised to 15-17 Mt (previously 15-18 Mt) (wet basis).

Iron Ore Brazil's FOB cash cost is expected to be $26-$28/tonne (wet basis). Unit costs have improved since H1 2015 due to the continued ramp up, and to the cost-efficiency and cost-reduction initiatives that are now in place.

Legal

In 2015, Sishen Iron Ore Company (Pty) Ltd (SIOC) received notice from the Department of Mineral Resources (DMR) that the Director General of the DMR had consented to the amendment of SIOC's mining right in respect of the Sishen Mine, by the inclusion of the residual 21.4% undivided share of the mining right for the Sishen mine, subject to certain conditions (which are described by the DMR as 'proposals'). The conditions were not capable of being accepted by SIOC as SIOC believes the Mineral and Petroleum Resources Development Act (MPRDA) does not provide for the imposition of such conditions, they are not practically implementable and they lack sufficient detail to provide the company with legal certainty.

SIOC submitted an internal appeal in terms of section 96 of the MPRDA to the Minister of Mineral Resources, which set out the basis of its objections to the proposals. SIOC has not yet received a response and will continue to engage with the DMR in this regard.

COAL

Key performance indicators

	Production volume	Sales volume	Price	Unit cost	Revenue	Underlying EBITDA	Underlying EBIT	Capex	ROCE
	Mt[1]	Mt[2]	$/t[3]	$/t[4]	$m	$m	$m	$m	
Coal	**45.7**	**46.0**	**–**	**–**	**2,029**	**389**	**160**	**274**	**9%**
Prior period	*47.9*	*49.3*	*–*	*–*	*2,608*	*589*	*267*	*416*	*10%*
Australia and Canada	**15.4**	**15.7**	**77**	**50**	**920**	**200**	**60**	**252**	**6%**
Prior period	*16.3*	*16.4*	*100*	*58*	*1,271*	*324*	*101*	*379*	*6%*
South Africa	**25.4**	**25.1**	**50**	**33**	**867**	**162**	**116**	**22**	**25%**
Prior period	*25.7*	*27.1*	*60*	*42*	*1,000*	*182*	*129*	*37*	*20%*
Colombia	**4.9**	**5.2**	**47**	**30**	**242**	**51**	**8**	**–**	**3%**
Prior period	*5.9*	*5.8*	*58*	*31*	*337*	*107*	*61*	*–*	*14%*
Projects and corporate	**–**	**–**	**–**	**–**	**–**	**(24)**	**(24)**	**–**	**–**
Prior period	*–*	*–*	*–*	*–*	*–*	*(24)*	*(24)*	*–*	*–*

(1) Production volumes are saleable tonnes.
(2) South African sales volumes exclude non-equity traded sales volumes of 3.2 Mt (2015: 1.4 Mt).
(3) Australia and Canada is the weighted average metallurgical coal sales price achieved. South Africa is the weighted average export thermal coal price achieved.
(4) FOB cost per saleable tonne, excluding royalties. Australia and Canada excludes study costs and Callide. South Africa unit cost is for the export operations.

Financial and operating overview

Australia and Canada

Underlying EBIT decreased by $41 million to $60 million (H1 2015: $101 million). This reflected a $203 million negative price impact from a 23% reduction in metallurgical coal realised price. The HCC benchmark price reduction of 27% was partially offset, however, by a change in mix to produce a higher proportion of benchmark quality coal. Unit costs also decreased by 14% (8% in A$) despite lower production following significant cost reduction initiatives, particularly in the open cut operations. The half year performance benefited too from a 6% weaker Australian dollar. Production was 5% lower than in H1 2015 for a number of reasons: there were two longwall moves, as opposed to only one in H1 2015; the ramping down of operations at Drayton, which will cease mining activities in 2016 following the New South Wales Planning Assessment Commission decision not to support approval of the Drayton South project; and a move to a five-day roster at Capcoal open cut to take out the highest-cost capacity.

Grosvenor produced its first longwall coal in May 2016, seven months ahead of schedule.

South Africa

Underlying EBIT declined by 10% to $116 million (H1 2015: $129 million) against a background of an $85 million negative price impact from a 17% reduction in the export thermal coal price and 11% lower export sales volumes as a result of planned de-stocking in 2015. On-mine local currency unit costs were flat year on year despite inflationary pressures, supported by a 7% increase in production in the Export mines. This was driven by productivity improvements across all operations, notably at Zibulo, where a new shift system and elements of the Anglo American Operating Model have been implemented which led to an increase in production of 14%. Together, these led to Export-mine US dollar unit costs being 21% lower, in line with the depreciation of the South African rand against the US dollar.

Colombia

Underlying EBIT decreased by 87% to $8 million (H1 2015: $61 million), attributable mainly to weaker prices. This was compensated by a planned reduction, in reaction to the falling price, in production to remove the highest-cost capacity, and by the sustained benefits of significant cost reduction programmes run in 2015.

Markets

Metallurgical coal

	H1 2016	H1 2015
Average market price ($/tonne)[1]	**83**	113
Average realised price ($/tonne)[2]	**77**	100

[1] Represents the quarterly average benchmark for premium low-volume hard coking coal.
[2] Average realised price of various grades of metallurgical coal, including hard and semi-soft coking coal and PCI coal.

Metallurgical coal prices started to see signs of recovery in H1 2016, supported by a balanced supply side and stronger demand from India and China. A sharp recovery in steel prices led to higher steel production and raw material restocking by mills that had run inventory down to low levels. The spot metallurgical coal price averaged $91/tonne (TSI Premium HCC FOB Australia East Coast Port $/tonne) in Q2 2016, up 19% on Q1 2016, though characterised by higher volatility. High-cost supply continues to exit the market, in particular from the US, and as marginal projects globally are being delayed or downgraded.

Thermal coal

	H1 2016	H1 2015
Average market price ($/t, FOB Australia)[1]	**51**	63
Average realised price – Export Australia ($/tonne, FOB)	**47**	61
Average realised price – Export South Africa ($/tonne, FOB)	**50**	60
Average realised price – Domestic South Africa ($/tonne)	**16**	18
Average realised price – Colombia ($/tonne, FOB)	**47**	58

[1] Thermal coal price and realised price will differ according to timing and quality differences.

Prices (Global Coal index Newcastle 6000kcal/kg FOB Australia) declined by 19% year on year. Nonetheless, Chinese import demand was not as weak as anticipated while Indian demand remained reasonably consistent. On the supply side, Indonesian volumes were down and have been constrained by financing and weather-related issues.

Operating performance

Australia and Canada

In Australia, production decreased by 5% as a result of a longwall move at both underground operations in 2016, whereas there was only a single move at Grasstree in H1 2015. Total production was also affected by the decision of the New South Wales Planning Assessment Commission not to recommend the approval of the Drayton South project and the resulting ramp down to cessation of mining activities at Drayton in 2016.

Australian export metallurgical coal production was 2% lower, reflecting the extra downtime incurred in the two longwall moves. This was partly compensated by the early start-up of the Grosvenor project in May 2016 and a deliberate change in mix at Dawson to produce higher-margin metallurgical coal.

Production at the Australian open cut operations decreased by 5%, all of which related to thermal coal; higher-margin metallurgical coal production was 2% higher. The declines in thermal coal production were experienced mainly at Drayton; at Dawson, where there was a change in mix to metallurgical coal; and at Capcoal open cut, which moved to a five-day operation in Q4 2015 in order to reduce costs and to prioritise higher-margin Grasstree production through the shared plant.

South Africa

Total production from the Export operations was 7% higher at 11.7 Mt on the back of productivity improvements following the implementation of elements of the Anglo American Operating Model at all managed operations and a new shift system at Goedehoop and Zibulo. Export production totalled 8.6 Mt, in line with H1 2015, as additional production at Landau and Zibulo was switched to the domestic market, where it received a higher margin.

Export sales were 11% lower as a result of a planned drawdown of 1 Mt of stocks in 2015.

Colombia

Anglo American’s attributable output from its 33.3% shareholding in Cerrejón decreased by 17% to 4.9 Mt due to heavy rainfall in May and June 2016, and ongoing planned reductions to remove the highest-cost capacity in reaction to the falling price environment.

Operational outlook

Australia and Canada

Metallurgical coal production in 2016 is expected to be 21-22 Mt, in line with previous guidance. This is subject to the completion of any asset disposals.

Export Thermal Coal

In 2016, export production from South Africa and Colombia remains unchanged at 28-30 Mt.

CORPORATE AND OTHER

Key performance indicators

	Revenue	Underlying EBITDA	Underlying EBIT	Capex
	$m	**$m**	**$m**	**$m**
Corporate and other	**2**	**(40)**	**(48)**	**2**
Prior period	*901*	*57*	*11*	*9*

Financial and operating overview

The underlying EBIT loss of $48 million for Corporate and other compares with underlying EBIT of $11 million in H1 2015.

Underlying EBIT from Other Mining and Industrial fell from $62 million to $3 million following the disposal of Anglo American's interest in the Lafarge Tarmac joint venture in July 2015.

Exploration expenditure fell from $71 million to $53 million, reflecting reductions in iron ore, coal, polymetallics and central support costs. The decreases were mainly attributable to an overall reduction in drilling activities.

Corporate activities and unallocated costs made a net underlying EBIT contribution of $2 million (H1 2015: $20 million). Corporate costs fell by $39 million, which included a $34 million benefit from foreign exchange. This was partially offset by a $31 million reduction in the contribution from the Group's captive insurance company due to lower premium income and adjustments to provisions.

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Notes to editors:
Anglo American plc is a globally diversified mining business. Our portfolio of world-class competitive mining operations and undeveloped resources provides the raw materials to meet the growing consumer-driven demands of the world's developed and maturing economies. Our people are at the heart of our business. It is our people who use the latest technologies to find new resources, plan and build our mines and who mine, process and move and market our products – from diamonds (through De Beers) to platinum and other precious metals and copper – to our customers around the world.

As a responsible miner, we are the custodians of those precious resources. We work together with our key partners and stakeholders to unlock the long-term value that those resources represent for our shareholders, but also for the communities and countries in which we operate – creating sustainable value and making a real difference.
www.angloamerican.com

Webcast of presentation:
A live webcast of the results presentation, starting at 9.00am UK time on 28 July 2016, can be accessed through the Anglo American website at www.angloamerican.com

Note: Throughout this results announcement, '$' denotes United States dollars and 'cents' refers to United States cents; underlying EBIT is operating profit presented before special items and remeasurements and includes the Group's attributable share of associates' and joint ventures' underlying EBIT; special items and remeasurements are defined in note 7 to the Condensed financial statements. Underlying earnings, is calculated as set out in note 6 and note 10 to the Condensed financial statements. Underlying EBITDA is underlying EBIT before depreciation and amortisation in subsidiaries and joint operations and includes the Group's attributable share of underlying EBITDA of associates and joint ventures before depreciation and amortisation. Tonnes are metric tons, 'Mt' denotes million tonnes and 'kt' denotes thousand tonnes, unless otherwise stated.

Forward-looking statements:
This announcement includes forward-looking statements. All statements other than statements of historical facts included in this announcement, including, without limitation, those regarding Anglo American's financial position, business and acquisition strategy, plans and objectives of management for future operations (including development plans and objectives relating to Anglo American's products, production forecasts and reserve and resource positions), are forward-looking statements. By their nature, such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Anglo American, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding Anglo American's present and future business strategies and the environment in which Anglo American will operate in the future. Important factors that could cause Anglo American's actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, levels of actual production during any period, levels of global demand and commodity market prices, mineral resource exploration and development capabilities, recovery rates and other operational capabilities, the availability of mining and processing equipment, the ability to produce and transport products profitably, the impact of foreign currency exchange rates on market prices and operating costs, the availability of sufficient credit, the effects of inflation, political uncertainty and economic conditions in relevant areas of the world, the actions of competitors, activities by governmental authorities such as changes in taxation or safety, health, environmental or other types of regulation in the countries where Anglo American operates, conflicts over land and resource ownership rights and such other risk factors identified in Anglo American's most recent Annual Report. Forward-looking statements should, therefore, be construed in light of such risk factors and undue reliance should not be placed on forward-looking statements. These forward-looking statements speak only as of the date of this announcement. Anglo American expressly disclaims any obligation or undertaking (except as required by applicable law, the City Code on Takeovers and Mergers (the "Takeover Code"), the UK Listing Rules, the Disclosure and Transparency Rules of the Financial Conduct Authority, the Listings Requirements of the securities exchange of the JSE Limited in South Africa, the SWX Swiss Exchange, the Botswana Stock Exchange and the Namibian Stock Exchange and any other applicable regulations) to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in Anglo American's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

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

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

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AngloAmerican

CONDENSED FINANCIAL STATEMENTS

for the six months ended 30 June 2016

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Consolidated income statement
for the six months ended 30 June 2016

US$ million	Note	**6 months ended 30.06.16 unaudited** Before special items and remeasurements	Special items and remeasurements (note 7)	Total	6 months ended 30.06.15 unaudited Before special items and remeasurements	Special items and remeasurements (note 7)	Total	Year ended 31.12.15 audited Before special items and remeasurements	Special items and remeasurements (note 7)	Total
Group revenue	4	**9,936**	**–**	**9,936**	11,558	–	11,558	20,455	–	20,455
Operating costs		**(8,622)**	**(1,348)**	**(9,970)**	(9,840)	(3,428)	(13,268)	(18,417)	(6,150)	(24,567)
Operating loss	4	**1,314**	**(1,348)**	**(34)**	1,718	(3,428)	(1,710)	2,038	(6,150)	(4,112)
Non-operating special items	7	**–**	**(34)**	**(34)**	–	(155)	(155)	–	(1,278)	(1,278)
Share of net income/(loss) from associates and joint ventures	4	**38**	**11**	**49**	78	(41)	37	48	(269)	(221)
Loss before net finance (costs)/income and tax		**1,352**	**(1,371)**	**(19)**	1,796	(3,624)	(1,828)	2,086	(7,697)	(5,611)
Investment income		**87**	**–**	**87**	97	–	97	172	–	172
Interest expense	8	**(236)**	**(27)**	**(263)**	(240)	(28)	(268)	(489)	(54)	(543)
Other net financing (losses)/gains		**40**	**(209)**	**(169)**	(18)	97	79	(141)	669	528
Net finance (costs)/income		**(109)**	**(236)**	**(345)**	(161)	69	(92)	(458)	615	157
Loss before tax		**1,243**	**(1,607)**	**(364)**	1,635	(3,555)	(1,920)	1,628	(7,082)	(5,454)
Income tax expense	9	**(390)**	**72**	**(318)**	(408)	(413)	(821)	(435)	47	(388)
Loss for the financial period		**853**	**(1,535)**	**(682)**	1,227	(3,968)	(2,741)	1,193	(7,035)	(5,842)
Attributable to:										
Non-controlling interests		**155**	**(24)**	**131**	323	(49)	274	366	(584)	(218)
Equity shareholders of the Company		**698**	**(1,511)**	**(813)**	904	(3,919)	(3,015)	827	(6,451)	(5,624)
Loss per share (US$)										
Basic	10	**0.54**	**(1.17)**	**(0.63)**	0.70	(3.04)	(2.34)	0.64	(5.00)	(4.36)
Diluted	10	**0.54**	**(1.17)**	**(0.63)**	0.70	(3.04)	(2.34)	0.64	(5.00)	(4.36)

Consolidated statement of comprehensive income
for the six months ended 30 June 2016

US$ million	**6 months ended 30.06.16 unaudited**	6 months ended 30.06.15 unaudited	Year ended 31.12.15 audited
Loss for the financial period	**(682)**	(2,741)	(5,842)
Items that will not be reclassified to the income statement (net of tax)			
Remeasurement of net retirement benefit obligation	**25**	15	260
Net items that will not be reclassified to the income statement	**25**	15	260
Items that have been or may subsequently be reclassified to the income statement (net of tax)			
Net exchange differences:			
Net gain/(loss) (including associates and joint ventures)	**593**	(980)	(4,185)
Cumulative loss transferred to the income statement on disposal of foreign operations	**–**	–	101
Revaluation of available for sale investments:			
Net revaluation gain/(loss)	**77**	(50)	(203)
Impairment losses transferred to the income statement	**–**	–	52
Net gain/(loss) on revaluation of cash flow hedges	**6**	(1)	9
Net items that have been or may subsequently be reclassified to the income statement	**676**	(1,031)	(4,226)
Total comprehensive income/(expense) for the financial period	**19**	(3,757)	(9,808)
Attributable to:			
Non-controlling interests	**227**	140	(877)
Equity shareholders of the Company	**(208)**	(3,897)	(8,931)

Consolidated balance sheet
as at 30 June 2016

US$ million	Note	30.06.16 unaudited	31.12.15 audited	30.06.15 unaudited
ASSETS				
Non-current assets				
Intangible assets		**3,403**	3,394	3,802
Property, plant and equipment		**29,327**	29,621	35,067
Environmental rehabilitation trusts		**321**	290	371
Investments in associates and joint ventures		**1,893**	1,817	2,553
Financial asset investments	11	**1,065**	846	1,315
Trade and other receivables		**582**	539	660
Deferred tax assets		**969**	914	916
Derivative financial assets	11	**661**	460	477
Other non-current assets		**426**	335	209
Total non-current assets		**38,647**	38,216	45,370
Current assets				
Inventories		**3,571**	4,051	4,630
Trade and other receivables		**1,898**	1,983	2,326
Current tax assets		**337**	152	124
Derivative financial assets	11	**128**	689	568
Cash and cash equivalents	13	**5,761**	6,895	7,033
Total current assets		**11,695**	13,770	14,681
Assets classified as held for sale		**–**	27	1,562
Total assets		**50,342**	52,013	61,613
LIABILITIES				
Current liabilities				
Trade and other payables		**(2,690)**	(2,753)	(3,268)
Short term borrowings	13,14	**(1,395)**	(1,649)	(764)
Provisions for liabilities and charges		**(640)**	(620)	(575)
Current tax liabilities		**(323)**	(340)	(261)
Derivative financial liabilities	11	**(357)**	(477)	(201)
Total current liabilities		**(5,405)**	(5,839)	(5,069)
Non-current liabilities				
Trade and other payables		**(30)**	(26)	(27)
Medium and long term borrowings	13,14	**(14,546)**	(16,318)	(18,177)
Retirement benefit obligations		**(720)**	(667)	(968)
Deferred tax liabilities		**(3,678)**	(3,253)	(4,496)
Derivative financial liabilities	11	**(1,762)**	(1,986)	(2,508)
Provisions for liabilities and charges		**(2,773)**	(2,565)	(2,699)
Total non-current liabilities		**(23,509)**	(24,815)	(28,875)
Liabilities directly associated with assets classified as held for sale		**–**	(17)	(5)
Total liabilities		**(28,914)**	(30,671)	(33,949)
Net assets		**21,428**	21,342	27,664
EQUITY				
Called-up share capital		**772**	772	772
Share premium account		**4,358**	4,358	4,358
Own shares		**(6,034)**	(6,051)	(6,054)
Other reserves		**(10,260)**	(10,811)	(8,220)
Retained earnings		**27,577**	28,301	31,044
Equity attributable to equity shareholders of the Company		**16,413**	16,569	21,900
Non-controlling interests		**5,015**	4,773	5,764
Total equity		**21,428**	21,342	27,664

The Condensed financial statements, which include the accompanying notes found on pages 33 to 48, of Anglo American plc, registered number 03564138, were approved by the Board of directors on 27 July 2016 and signed on its behalf by:

Mark Cutifani
Chief Executive

René Médori
Finance Director

Consolidated cash flow statement
for the six months ended 30 June 2016

US$ million	Note	**6 months ended 30.06.16 unaudited**	6 months ended 30.06.15 unaudited	Year ended 31.12.15 audited
Cash flows from operating activities				
Loss before tax		**(364)**	(1,920)	(5,454)
Net finance costs/(income) including financing special items and remeasurements		**345**	92	(157)
Share of net (income)/loss from associates and joint ventures		**(49)**	(37)	221
Non-operating special items	7	**34**	155	1,278
Operating loss		**(34)**	(1,710)	(4,112)
Operating special items and remeasurements	7	**1,348**	3,428	6,150
Cash element of special items		**(137)**	(20)	(118)
Depreciation and amortisation	4	**989**	1,237	2,381
Share-based payment charges		**81**	76	151
Decrease in provisions		**(34)**	(203)	(239)
Decrease/(increase) in inventories		**551**	(59)	(84)
Decrease in operating receivables		**78**	109	187
Decrease in operating payables		**(131)**	(65)	(78)
Other adjustments		**39**	(8)	2
Cash flows from operations		**2,750**	2,785	4,240
Dividends from associates and joint ventures		**19**	260	324
Dividends from financial asset investments		**3**	8	9
Income tax paid		**(211)**	(338)	(596)
Net cash inflows from operating activities		**2,561**	2,715	3,977
Cash flows from investing activities				
Expenditure on property, plant and equipment	12	**(1,100)**	(2,035)	(4,053)
Cash flows from derivatives related to capital expenditure	12	**(35)**	(113)	(200)
Proceeds from disposal of property, plant and equipment	12	**9**	17	30
Investments in associates and joint ventures		**(6)**	(41)	(80)
Purchase of financial asset investments		**–**	(5)	(1)
Net repayment/(advance) of loans granted		**4**	(194)	(216)
Interest received and other investment income		**36**	47	101
Net cash flows on disposal of subsidiaries and joint ventures		**35**	(19)	1,745
Repayments of capitalised loans by associates		**–**	–	67
Other investing activities		**–**	–	(7)
Net cash used in investing activities		**(1,057)**	(2,343)	(2,614)
Cash flows from financing activities				
Interest paid		**(440)**	(456)	(810)
Cash flows from derivatives related to financing activities	13	**326**	(244)	(170)
Dividends paid to Company shareholders		**–**	(680)	(1,078)
Dividends paid to non-controlling interests		**(7)**	(196)	(242)
Proceeds from issuance of bonds	13	**–**	2,159	2,159
Proceeds from other borrowings	13	**534**	868	1,160
Repayment of borrowings	13	**(3,013)**	(1,413)	(1,987)
Issue of shares to non-controlling interests		**13**	19	46
Proceeds from sale of shares under employee share schemes		**1**	7	11
Purchase of shares by subsidiaries for employee share schemes[(1)]		**(53)**	(41)	(42)
Other financing activities		**(12)**	1	6
Net cash (used in)/from financing activities		**(2,651)**	24	(947)
Net (decrease)/increase in cash and cash equivalents		**(1,147)**	396	416
Cash and cash equivalents at start of period		**6,889**	6,747	6,747
Cash movements in the period		**(1,147)**	396	416
Effects of changes in foreign exchange rates		**19**	(110)	(274)
Cash and cash equivalents at end of period	13	**5,761**	7,033	6,889

(1) Includes purchase of Anglo American Platinum Limited and Kumba Iron Ore Limited shares (2015: Anglo American Platinum Limited) for their respective employee share schemes.

Consolidated statement of changes in equity
for the six months ended 30 June 2016

US$ million	Total share capital[1]	Own shares[2]	Retained earnings	Cumulative translation adjustment reserve	Fair value and other reserves[3]	Total equity attributable to equity shareholders of the Company	Non-controlling interests	Total equity
At 1 January 2015 (audited)	5,130	(6,359)	34,851	(8,343)	1,138	26,417	5,760	32,177
Total comprehensive (expense)/income	–	–	(3,008)	(840)	(49)	(3,897)	140	(3,757)
Dividends payable	–	–	(680)	–	–	(680)	(169)	(849)
Issue of shares to non-controlling interests	–	–	–	–	–	–	19	19
Equity settled share-based payment schemes	–	305	(119)	–	(126)	60	14	74
At 30 June 2015 (unaudited)	5,130	(6,054)	31,044	(9,183)	963	21,900	5,764	27,664
Total comprehensive expense	–	–	(2,375)	(2,564)	(95)	(5,034)	(1,017)	(6,051)
Dividends payable	–	–	(398)	–	–	(398)	(20)	(418)
Issue of shares to non-controlling interests	–	–	–	–	–	–	27	27
Equity settled share-based payment schemes	–	3	7	–	85	95	19	114
Other	–	–	23	–	(17)	6	–	6
At 31 December 2015 (audited)	**5,130**	**(6,051)**	**28,301**	**(11,747)**	**936**	**16,569**	**4,773**	**21,342**
Total comprehensive income/(expense)	**–**	**–**	**(777)**	**492**	**77**	**(208)**	**227**	**19**
Dividends payable	**–**	**–**	**–**	**–**	**–**	**–**	**(7)**	**(7)**
Issue of shares to non-controlling interests	**–**	**–**	**–**	**–**	**–**	**–**	**13**	**13**
Equity settled share-based payment schemes	**–**	**17**	**53**	**–**	**(18)**	**52**	**9**	**61**
At 30 June 2016 (unaudited)	**5,130**	**(6,034)**	**27,577**	**(11,255)**	**995**	**16,413**	**5,015**	**21,428**

[1] Includes share capital and share premium.
[2] Own shares comprise shares of Anglo American plc held by the Company (treasury shares), its subsidiaries and employee benefit trusts.
[3] Includes the share-based payment reserve, available for sale reserve, cash flow hedge reserve, legal reserve, capital redemption reserve and revaluation reserve.

Dividends

	6 months ended 30.06.16	6 months ended 30.06.15	Year ended 31.12.15
Proposed ordinary dividend per share (US cents)	**–**	32	–
Proposed ordinary dividend (US$ million)	**–**	411	–
Ordinary dividends payable during the period per share (US cents)	**–**	53	85
Ordinary dividends payable during the period (US$ million)	**–**	680	1,078

Notes to the Condensed financial statements

1. BASIS OF PREPARATION

The Condensed financial statements for the six month period ended 30 June 2016 have been prepared in accordance with International Accounting Standard (IAS) 34 *Interim Financial Reporting* and the requirements of the Disclosure and Transparency Rules (DTR) of the Financial Conduct Authority (FCA) 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 FCA. 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 Consolidated financial statements for the year ended 31 December 2015, which were prepared in accordance with International Financial Reporting Standards adopted for use by the European Union (IFRS). The Condensed financial statements are unaudited and do not constitute statutory accounts as defined in section 434 of the Companies Act 2006. This information was derived from the statutory accounts for the year ended 31 December 2015, a copy of which has been delivered to the Registrar of Companies. The auditor's report on these accounts was unqualified, did not include a reference to any matters to which the auditor drew attention by way of an emphasis of matter and did not contain a statement under sections 498 (2) or (3) of the Companies Act 2006.

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 for the six months ended 30 June 2016 on pages 3 to 7. The Group's net debt (including related hedges) at 30 June 2016 was $11.7 billion (30 June 2015: $13.5 billion; 31 December 2015: $12.9 billion) representing a gearing level of 35.4% (30 June 2015: 32.8%; 31 December 2015: 37.7%). Further analysis of net debt is set out in note 13 and details of borrowings and facilities are set out in note 14.

The directors have considered the Group's cash flow forecasts for the period to the end of 31 December 2017. The Board is satisfied that the Group's forecasts and projections, taking into account reasonably possible changes in trading performance, show that the Group will be able to operate within the level of its current facilities for the foreseeable future. For this reason the Group continues to adopt the going concern basis in preparing its Condensed financial statements.

Non-GAAP measures

Investors should consider non-GAAP financial measures in addition to, and not as a substitute for or as superior to, measures of financial performance reported in accordance with IFRS. The IFRS results reflect all items that affect reported performance and therefore it is important to consider the IFRS measures alongside the non-GAAP measures. Reconciliations of certain non-GAAP financial measures to directly comparable IFRS financial measures are presented in notes 4, 10, 12 and 13 to the Condensed financial statements.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the course of preparing financial statements, management necessarily makes judgements and estimates that can have a significant impact on the financial statements. The most critical accounting judgements relate to impairment of assets, taxation, contingent liabilities and classification of joint arrangements. Key sources of estimation uncertainty relate to estimation of Ore Reserves, the assessment of fair value, restoration, rehabilitation and environmental costs and deferred stripping. The use of inaccurate assumptions in assessments made for any of these judgements and estimates could result in a significant impact on financial results. The critical accounting judgements and key sources of estimation uncertainty are the same as those disclosed in the Group's Consolidated financial statements for the year ended 31 December 2015.

Changes in estimates

Due to the nature of Platinum in-process inventories being contained in weirs, pipes and other vessels, physical counts only take place annually, except in the Precious Metal Refinery which usually take place once every five years (the latest being in 2016). Consequently, the Platinum business runs a theoretical metal inventory system based on inputs, the results of previous physical counts and outputs. Once the results of the physical count are finalised, the variance between the theoretical count and actual count is investigated and recorded as a change in estimate. During the six month period to 30 June 2016, the change in estimate following the annual physical count has had the effect of increasing the value of inventory by $38 million (six months ended 30 June 2015 and year ended 31 December 2015: increase of $181 million), resulting in the recognition of a post-tax gain of $27 million (six months ended 30 June 2015 and year ended 31 December 2015: gain of $130 million).

Notes to the Condensed financial statements

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies applied are consistent with those adopted and disclosed in the Group's Consolidated financial statements for the year ended 31 December 2015. A number of new accounting pronouncements, principally minor amendments to existing standards, became effective on 1 January 2016 and have been adopted by the Group. The adoption of these new accounting pronouncements has not had a significant impact on the accounting policies, methods of computation or presentation applied by the Group.

The Group has not early adopted any amendment, standard or interpretation that has been issued but is not yet effective. It is expected that where applicable, these standards and amendments will be adopted on each respective effective date.

4. SEGMENTAL INFORMATION

Segment revenue includes the Group's attributable share of associates' and joint ventures' revenue.

Underlying EBIT is operating profit presented before special items and remeasurements and includes the Group's attributable share of associates' and joint ventures' underlying EBIT. Underlying EBIT of associates and joint ventures is the Group's attributable share of revenue less operating costs before special items and remeasurements of associates and joint ventures.

Underlying EBITDA is underlying EBIT before depreciation and amortisation in subsidiaries and joint operations and includes the Group's attributable share of associates' and joint ventures' underlying EBIT before depreciation and amortisation.

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

Segment results

	Revenue			Underlying EBIT		
US$ million	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15
Platinum	**2,041**	2,612	4,900	**134**	272	263
De Beers	**3,270**	3,021	4,671	**585**	576	571
Copper	**1,351**	1,836	3,539	**113**	174	228
Nickel	**187**	61	146	**(12)**	–	(22)
Niobium and Phosphates	**304**	294	544	**60**	73	119
Iron Ore and Manganese	**1,433**	2,013	3,390	**390**	510	671
Coal	**2,029**	2,608	4,888	**160**	267	457
Corporate and other	**2**	901	925	**(48)**	11	(64)
Segment measure	**10,617**	13,346	23,003	**1,382**	1,883	2,223
Reconciliation:						
Less: associates and joint ventures	**(681)**	(1,788)	(2,548)	**(68)**	(165)	(185)
Include: operating special items and remeasurements	**–**	–	–	**(1,348)**	(3,428)	(6,150)
Statutory measure	**9,936**	11,558	20,455	**(34)**	(1,710)	(4,112)

	Depreciation and amortisation			Underlying EBITDA		
US$ million	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15
Platinum	**156**	249	455	**290**	521	718
De Beers	**181**	216	419	**766**	792	990
Copper	**311**	363	714	**424**	537	942
Nickel	**36**	4	19	**24**	4	(3)
Niobium and Phosphates	**25**	14	27	**85**	87	146
Iron Ore and Manganese	**122**	183	355	**512**	693	1,026
Coal	**229**	322	589	**389**	589	1,046
Corporate and other	**8**	46	53	**(40)**	57	(11)
	1,068[(1)]	1,397[(1)]	2,631[(1)]	**2,450**	3,280	4,854
Less: associates and joint ventures	**(79)**	(160)	(250)	**(147)**	(325)	(435)
	989	1,237	2,381	**2,303**	2,955	4,419

(1) In addition $49 million (six months ended 30 June 2015: $56 million; year ended 31 December 2015: $99 million) of depreciation and amortisation charges arising due to the fair value uplift of the Group's pre-existing 45% shareholding in De Beers have been included within operating remeasurements (see note 7), and $77 million (six months ended 30 June 2015: $40 million; year ended 31 December 2015: $73 million) of pre-commercial production depreciation and amortisation has been capitalised.

Notes to the Condensed financial statements

4. SEGMENTAL INFORMATION (continued)

Underlying EBITDA is reconciled to underlying EBIT and to 'Loss before net finance (costs)/income and tax':

US$ million	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15
Underlying EBITDA	**2,450**	3,280	4,854
Depreciation and amortisation: subsidiaries and joint operations	**(989)**	(1,237)	(2,381)
Depreciation and amortisation: associates and joint ventures	**(79)**	(160)	(250)
Underlying EBIT	**1,382**	1,883	2,223
Operating special items and remeasurements	**(1,348)**	(3,428)	(6,150)
Non-operating special items	**(34)**	(155)	(1,278)
Associates' and joint ventures' special items and remeasurements	**11**	(41)	(269)
Share of associates' and joint ventures' net finance costs, tax and non-controlling interests	**(30)**	(87)	(137)
Loss before net finance (costs)/income and tax	**(19)**	(1,828)	(5,611)

Associates' and joint ventures' results by segment

	Revenue			Underlying EBIT		
US$ million	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15
Platinum	**42**	108	187	**1**	(21)	(33)
De Beers	**36**	41	89	**3**	(3)	(9)
Iron Ore and Manganese	**248**	290	514	**38**	36	22
Coal	**355**	469	877	**26**	92	142
Corporate and other	**–**	880	881	**–**	61	63
	681	1,788	2,548	**68**	165	185

	Underlying EBITDA			Share of net income/(loss)		
US$ million	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15
Platinum	**5**	(4)	(5)	**2**	(22)	(42)
De Beers	**4**	(1)	(6)	**2**	(3)	(6)
Iron Ore and Manganese	**62**	77	104	**17**	(29)	(264)
Coal	**76**	145	233	**28**	41	40
Corporate and other	**–**	108	109	**–**	50	51
	147	325	435	**49**	37	(221)

The reconciliation of associates' and joint ventures' underlying EBIT to 'Share of net income/(loss) from associates and joint ventures' is as follows:

US$ million	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15
Associates' and joint ventures' underlying EBIT	**68**	165	185
Net finance costs	**(12)**	(21)	(40)
Income tax expense	**(16)**	(68)	(100)
Non-controlling interests	**(2)**	2	3
Share of net income from associates and joint ventures (before special items and remeasurements)	**38**	78	48
Special items and remeasurements	**–**	(27)	(226)
Special items and remeasurements tax	**11**	(14)	(43)
Share of net income/(loss) from associates and joint ventures	**49**	37	(221)

Capital employed by segment

Capital employed is defined as net assets excluding net debt (including related hedges and net debt in disposal groups) and financial asset investments.

	Capital employed		Attributable capital employed[1]	
US$ million	**30.06.16**	31.12.15	**30.06.16**	31.12.15
Platinum	**4,445**	4,392	**3,776**	3,726
De Beers	**8,339**	8,642	**7,139**	7,402
Copper	**6,184**	6,332	**4,114**	4,176
Nickel	**2,015**	1,968	**2,015**	1,968
Niobium and Phosphates	**896**	834	**896**	834
Iron Ore and Manganese	**7,072**	6,666	**6,157**	5,756
Coal	**2,950**	4,079	**2,864**	3,978
Corporate and other	**27**	(71)	**27**	(71)
Capital employed	**31,928**	32,842	**26,988**	27,769
Include:				
Net debt	**(11,717)**	(12,901)		
Debit valuation adjustment attributable to derivatives hedging net debt[2]	**152**	555		
Financial asset investments	**1,065**	846		
Net assets	**21,428**	21,342		

[1] Attributable capital employed is capital employed attributable to equity shareholders of the Company, and therefore excludes the portion of capital employed attributable to non-controlling interests in operations where the Group has control but does not hold 100% of the equity. Joint operations, associates and joint ventures are included in their proportionate interest and in line with appropriate accounting treatment.

[2] See note 11 for details of the debit valuation adjustment.

Notes to the Condensed financial statements

4. SEGMENTAL INFORMATION (continued)

Product analysis

Revenue by product

US$ million	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15
Platinum	**1,220**	1,411	2,720
Palladium	**430**	635	1,159
Rhodium	**99**	181	309
Diamonds	**3,266**	3,015	4,660
Copper	**1,293**	1,795	3,495
Nickel	**305**	236	450
Niobium	**86**	79	111
Phosphates	**218**	215	433
Iron ore	**1,117**	1,723	2,610
Manganese ore and alloys	**248**	290	514
Metallurgical coal	**729**	997	1,832
Thermal coal	**1,305**	1,616	3,068
Heavy building materials	**–**	899	921
Other	**301**	254	721
	10,617	13,346	23,003

Geographical analysis

Revenue by destination

The Group's geographical analysis of segment revenue allocated based on the country in which the customer is located is as follows:

US$ million	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15
South Africa	**789**	1,000	1,764
Other Africa	**853**	648	982
Brazil	**316**	355	745
Chile	**252**	229	500
Other South America	**6**	11	12
North America	**243**	530	855
Australia	**85**	106	214
China	**1,928**	2,407	4,662
India	**1,240**	1,557	2,421
Japan	**988**	1,269	2,325
Other Asia	**1,659**	1,750	3,199
United Kingdom (Anglo American plc's country of domicile)	**722**	1,618	2,220
Other Europe	**1,536**	1,866	3,104
	10,617	13,346	23,003

5. EXPLORATION AND EVALUATION EXPENDITURE

The Group's analysis of exploration and evaluation expenditure by product recognised in the Consolidated income statement is as follows:

	Exploration expenditure[1]			Evaluation expenditure[2]		
US$ million	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15
By commodity/product						
Platinum group metals	**3**	2	7	**1**	3	6
Diamonds	**13**	13	34	**10**	15	29
Copper	**19**	18	41	**19**	35	69
Nickel	**2**	6	9	**1**	2	4
Niobium	**–**	–	–	**–**	–	1
Phosphates	**–**	1	4	**1**	–	1
Iron ore	**4**	7	13	**1**	8	11
Metallurgical coal	**1**	3	7	**1**	6	14
Thermal coal	**1**	3	4	**5**	4	10
Central exploration activities	**10**	18	35	**–**	–	–
	53	71	154	**39**	73	145

[1] Exploration for Mineral Resources other than that occurring at existing operations and projects.
[2] Evaluation of Mineral Resources relates to projects in the conceptual or pre-feasibility stage or further evaluation of Mineral Resources at existing operations.

Notes to the Condensed financial statements

6. UNDERLYING EBIT AND UNDERLYING EARNINGS BY SEGMENT

The following table analyses underlying EBIT (including the Group's attributable share of associates' and joint ventures' underlying EBIT) by segment and reconciles it to underlying earnings by segment. Refer to note 4 for the definition of underlying EBIT.

Underlying earnings is an alternative earnings measure, which the directors consider to be a useful additional measure of the Group's performance. Underlying earnings is profit for the financial period attributable to equity shareholders of the Company before special items and remeasurements and is therefore presented after net finance costs, income tax expense and non-controlling interests. For a reconciliation from 'Loss for the financial period attributable to equity shareholders of the Company' to 'Underlying earnings for the financial period', see note 10.

						6 months ended 30.06.16
US$ million	**Underlying EBIT**	**Operating special items and remeasurements**	**EBIT after special items and remeasurements**	**Net finance costs and income tax expense**	**Non-controlling interests**	**Underlying earnings**
Platinum	**134**	**20**	**114**	**(51)**	**(15)**	**68**
De Beers	**585**	**59**	**526**	**(144)**	**(62)**	**379**
Copper	**113**	**–**	**113**	**(88)**	**57**	**82**
Nickel	**(12)**	**–**	**(12)**	**(4)**	**–**	**(16)**
Niobium and Phosphates	**60**	**–**	**60**	**6**	**–**	**66**
Iron Ore and Manganese	**390**	**(36)**	**426**	**(97)**	**(138)**	**155**
Coal	**160**	**1,304**	**(1,144)**	**(37)**	**(3)**	**120**
Corporate and other	**(48)**	**1**	**(49)**	**(112)**	**4**	**(156)**
	1,382	**1,348**	**34**	**(527)**	**(157)**	**698**

						6 months ended 30.06.15
US$ million	Underlying EBIT	Operating special items and remeasurements	EBIT after special items and remeasurements	Net finance costs and income tax expense	Non-controlling interests	Underlying earnings
Platinum	272	15	257	(55)	(42)	175
De Beers	576	56	520	(155)	(61)	360
Copper	174	–	174	(70)	(42)	62
Nickel	–	2	(2)	(2)	–	(2)
Niobium and Phosphates	73	(1)	74	(33)	–	40
Iron Ore and Manganese	510	2,582	(2,072)	(192)	(178)	140
Coal	267	793	(526)	(66)	(4)	197
Corporate and other	11	8	3	(85)	6	(68)
	1,883	3,455	(1,572)	(658)	(321)	904

						Year ended 31.12.15
US$ million	Underlying EBIT	Operating special items and remeasurements	EBIT after special items and remeasurements	Net finance costs and income tax expense	Non-controlling interests	Underlying earnings
Platinum	263	788	(525)	(56)	(39)	168
De Beers	571	709	(138)	(274)	(39)	258
Copper	228	282	(54)	(120)	(41)	67
Nickel	(22)	2	(24)	3	–	(19)
Niobium and Phosphates	119	(1)	120	(71)	–	48
Iron Ore and Manganese	671	3,314	(2,643)	(323)	(250)	98
Coal	457	1,235	(778)	(158)	(7)	292
Corporate and other	(64)	47	(111)	(34)	13	(85)
	2,223	6,376	(4,153)	(1,033)	(363)	827

Notes to the Condensed financial statements

7. SPECIAL ITEMS AND REMEASUREMENTS

Special items and remeasurements are those items of financial performance that, due to their size and nature, 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. Special items that relate to the operating performance of the Group are classified as operating special items and principally include impairment charges. Non-operating special items include costs in relation to closure of operations, profits and losses on disposal of investments and businesses as well as certain adjustments relating to business combinations. Remeasurements include:

- Unrealised gains and losses on financial assets and liabilities that represent economic hedges, including accounting hedges related to financing arrangements.
- The remeasurement and subsequent depreciation and amortisation of a previously held equity interest as a result of a business combination.
- Foreign exchange impacts arising in US dollar functional currency entities where tax calculations are generated based on local currency financial information and hence deferred tax is susceptible to currency fluctuations.

US$ million	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15
Subsidiaries and joint operations			
Coal impairments	**(1,248)**	(789)	(1,218)
Minas-Rio impairment	**–**	(2,503)	(2,503)
Platinum impairments	**–**	–	(720)
De Beers Snap Lake care and maintenance	**–**	–	(595)
Sishen impairment	**–**	–	(514)
El Soldado impairment	**–**	–	(274)
Restructuring costs	**(112)**	(27)	(148)
Operating special items	**(1,360)**	(3,319)	(5,972)
Operating remeasurements	**12**	(109)	(178)
Operating special items and remeasurements	**(1,348)**	(3,428)	(6,150)
Kumba Envision Trust	**(21)**	(23)	(40)
Disposal of Amapá	**14**	(16)	(35)
Write-down to fair value of Rustenburg mine	**–**	–	(728)
Disposal of Anglo American Norte	**–**	–	(287)
Disposal of Tarmac businesses	**–**	(100)	(172)
Other	**(27)**	(16)	(16)
Non-operating special items	**(34)**	(155)	(1,278)
Financing special items and remeasurements	**(236)**	69	615
Special items and remeasurements before tax and non-controlling interests	**(1,618)**	(3,514)	(6,813)
Special items and remeasurements tax	**72**	(413)	47
Non-controlling interests on special items and remeasurements	**24**	49	584
Share of associates' and joint ventures' special items and remeasurements[1]	**11**	(41)	(269)
Total special items and remeasurements	**(1,511)**	(3,919)	(6,451)

(1) Relates to the Coal segment (six months ended 30 June 2015: Iron Ore and Manganese and Coal segments; year ended 31 December 2015: Iron Ore and Manganese, Coal and Platinum segments).

Operating special items

Impairment of Moranbah-Grosvenor

The Moranbah-Grosvenor longwall operation in Queensland, Australia, is a single cash generating unit (CGU) comprising the Moranbah North operation and the Grosvenor project. The Grosvenor project produced its first longwall coal in May 2016 and is currently in ramp-up phase.

In the first half of 2016, near-term market prices for metallurgical coal have increased. However, expectations for long-term prices have reduced. Consequently, the valuation of the Moranbah-Grosvenor operation has been updated to reflect management's best estimate of future metallurgical coal prices. The price line used in the valuation assumes that prices remain broadly in line with spot prices as at 30 June 2016 for a three to five year period with a gradual recovery thereafter. The long-term and short-term price assumptions used are within the range of published analyst forecasts.

Based on this valuation, the Group has recorded a pre-tax impairment of $1,248 million ($1,248 million after tax) against the carrying value of the CGU. The impairment has been recorded within Property, plant and equipment.

7. SPECIAL ITEMS AND REMEASUREMENTS (continued)

Restructuring costs

Restructuring costs of $112 million (six months ended 30 June 2015: $27 million; year ended 31 December 2015: $148 million) relate to organisational changes as part of the *Driving Value* programme. The post-tax charge is $100 million (six months ended 30 June 2015: $20 million; year ended 31 December 2015: $119 million).

2015

Operating special items in 2015 principally comprise impairments and related charges.

Operating remeasurements

Operating remeasurements reflect a net gain of $12 million (six months ended 30 June 2015: net loss of $109 million; year ended 31 December 2015: net loss of $178 million) which principally comprises gains of $54 million (six months ended 30 June 2015: losses of $51 million; year ended 31 December 2015: losses of $78 million) in respect of derivatives related to capital expenditure in Iron Ore Brazil and a $49 million depreciation and amortisation charge (six months ended 30 June 2015: $56 million; year ended 31 December 2015: $99 million) arising due to the fair value uplift on the Group's pre-existing 45% shareholding in De Beers, which was required on acquisition of a controlling stake. The post-tax gain is $17 million (six months ended 30 June 2015: loss of $85 million; year ended 31 December 2015: loss of $123 million).

Derivatives in relation to Iron Ore Brazil which have been realised during the period had a cumulative net operating remeasurement loss of $28 million (six months ended 30 June 2015: $97 million; year ended 31 December 2015: $162 million).

Non-operating special items

Other non-operating special items includes amounts contributed to the Q(h)ubeka trust pursuant to the agreement reached in March 2016 by Anglo American South Africa (AASA) and AngloGold Ashanti which resolved fully and finally 4,400 stand-alone silicosis claims. The settlement was reached without admission of liability by AASA or AngloGold Ashanti.

Non-operating special items in 2015 principally relate to the write-down to fair value of Rustenburg assets (Platinum), disposal of Anglo American Norte (Copper) and disposal of Tarmac businesses (Corporate and other).

Financing special items and remeasurements

Financing special items and remeasurements principally comprise a net fair value loss of $328 million on derivatives hedging net debt (six months ended 30 June 2015: net gain of $97 million; year ended 31 December 2015: net gain of $669 million) and a net gain of $120 million resulting from the bond buybacks completed in the period. Of the fair value losses on derivatives, a loss of $403 million relates to the reduction in the debit valuation adjustment on derivatives hedging net debt. This adjustment is incorporated into the valuation of these derivatives to reflect the impact on the fair value of Anglo American's own credit quality. The loss principally reflects the reduction in Anglo American's observed credit spreads since 31 December 2015.

Tax associated with special items and remeasurements

Total tax relating to subsidiaries and joint operations amounts to a credit of $72 million (six months ended 30 June 2015: charge of $413 million; year ended 31 December 2015: credit of $47 million).

This includes one-off tax charges of $14 million (six months ended 30 June 2015: $492 million; year ended 31 December 2015: $829 million), tax credits on special items and remeasurements of $20 million (six months ended 30 June 2015: $221 million; year ended 31 December 2015: $769 million) and tax remeasurement credits of $66 million (six months ended 30 June 2015: charges of $142 million; year ended 31 December 2015: credits of $107 million).

Of the total tax credit of $72 million, $2 million is a current tax charge (six months ended 30 June 2015: $3 million; year ended 31 December 2015: $55 million) and $74 million is a deferred tax credit (six months ended 30 June 2015: charge of $410 million; year ended 31 December 2015: credit of $102 million).

8. INTEREST EXPENSE

US$ million	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15
Interest expense			
Interest and other finance expense	**362**	342	706
Net interest expense on defined benefit arrangements	**23**	28	54
Unwinding of discount relating to provisions	**51**	57	96
	436	427	856
Less: interest expense capitalised	**(200)**	(187)	(367)
Total interest expense before financing special items	**236**	240	489
Financing special items	**27**	28	54
Total interest expense after financing special items	**263**	268	543

9. INCOME TAX EXPENSE

a) Analysis of charge for the period

US$ million	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15
United Kingdom corporation tax	**6**	(5)	(11)
South Africa tax	**124**	60	214
Other overseas tax	**129**	210	338
Prior period adjustments	**(259)**	(40)	(58)
Current tax[(1)]	**–**	225	483
Deferred tax	**390**	183	(48)
Income tax expense before special items and remeasurements	**390**	408	435
Special items and remeasurements tax (note 7)	**(72)**	413	(47)
Income tax expense	**318**	821	388

[(1)] Includes royalties which meet the definition of income tax and are in addition to royalties recorded in operating costs.

b) Factors affecting tax charge for the period

The effective tax rate for the period of (87.4)% (six months ended 30 June 2015: (42.8)%; year ended 31 December 2015: (7.1)%) is lower (six months ended 30 June 2015: lower; year ended 31 December 2015: lower) than the applicable weighted average statutory rate of corporation tax in the United Kingdom of 20% (2015: 20.25%). The reconciling items, excluding the impact of associates and joint ventures, are:

US$ million	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15
Loss before tax	**(364)**	(1,920)	(5,454)
Less: Share of net (income)/loss from associates and joint ventures	**(49)**	(37)	221
Loss before tax (excluding associates and joint ventures)	**(413)**	(1,957)	(5,233)
Tax on loss (excluding associates and joint ventures) calculated at United Kingdom corporation tax rate of 20% (2015: 20.25%)	**(83)**	(396)	(1,060)
Tax effects of:			
Expenses not deductible for tax purposes	**29**	50	174
Non-taxable income	**(36)**	(40)	(121)
Temporary difference adjustments[(1)]	**402**	27	21
Special items and remeasurements[(2)]	**252**	1,125	1,333
Other adjustments			
Dividend withholding taxes	**(26)**	85	52
Effect of differences between local and United Kingdom tax rates	**34**	2	46
Other adjustments	**(254)**	(32)	(57)
Income tax expense	**318**	821	388

[(1)] Included within temporary difference adjustments is an amount of $352 million in respect of enhanced tax depreciation. This is partially offset by related tax items, which are separately disclosed in the tax reconciliation, including prior year adjustments of $261 million within 'Other adjustments'.

[(2)] The special items and remeasurements reconciling item of $252 million (six months ended 30 June 2015: $1,125 million; year ended 31 December 2015: $1,333 million) relates to the net tax impact of total special items and remeasurements before tax calculated at the United Kingdom corporation tax rate less the associated tax recorded against these items, one-off tax charges and tax remeasurements. See note 7 for further details of the tax amounts included within special items and remeasurements.

IAS 1 requires income from associates and joint ventures to be presented net of tax on the face of the income statement.

The effective tax rate before special items and remeasurements including attributable share of associates' and joint ventures' tax for the six months ended 30 June 2016 was 32.2%. This is higher than the equivalent rates of 28.0% for the six months ended 30 June 2015, and 31.0% for the year ended 31 December 2015 due to the net impact of certain prior year adjustments, the remeasurement of withholding tax provisions across the Group and the relative levels of profits arising in our operating jurisdictions. In future periods it is expected that the effective tax rate will remain above the United Kingdom statutory tax rate.

Notes to the Condensed financial statements

10. EARNINGS PER SHARE

US$	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15
Loss per share			
Basic	**(0.63)**	(2.34)	(4.36)
Diluted	**(0.63)**	(2.34)	(4.36)
Headline earnings per share			
Basic	**0.34**	0.17	0.29
Diluted	**0.34**	0.17	0.29
Underlying earnings per share			
Basic	**0.54**	0.70	0.64
Diluted	**0.54**	0.70	0.64

Basic and diluted earnings per share are shown based on headline earnings, a Johannesburg Stock Exchange (JSE) defined performance measure, and underlying earnings (explained in note 6), which the directors consider to be a useful additional measure of the Group's performance.

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

	Loss attributable to equity shareholders of the Company			Headline earnings			Underlying earnings		
	6 months ended 30.06.16	6 months ended 30.06.15	Year ended 31.12.15	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15
(Loss)/earnings (US$ million)									
Basic and diluted (loss)/earnings	**(813)**	(3,015)	(5,624)	**443**	216	369	**698**	904	827
Number of shares (million)									
Basic number of ordinary shares outstanding	**1,290**	1,288	1,289	**1,290**	1,288	1,289	**1,290**	1,288	1,289
Effect of dilutive potential ordinary shares:									
Share options and awards	**–**	–	–	**2**	3	3	**2**	3	3
Diluted number of ordinary shares outstanding	**1,290**	1,288	1,289	**1,292**	1,291	1,292	**1,292**	1,291	1,292

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

US$ million	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15
Loss for the financial period attributable to equity shareholders of the Company	**(813)**	(3,015)	(5,624)
Operating special items	**1,254**	3,321	5,899
Operating special items – tax	**–**	(188)	(489)
Operating special items – non-controlling interests	**–**	–	(413)
Non-operating special items	**4**	95	1,181
Non-operating special items – tax	**(1)**	–	(127)
Non-operating special items – non-controlling interests	**(1)**	3	(58)
Headline earnings for the financial period	**443**	216	369
Operating special items[(1)]	**106**	25	299
Operating remeasurements	**(12)**	109	178
Non-operating special items	**30**	60	97
Financing special items and remeasurements	**236**	(69)	(615)
Tax special items	**14**	492	829
Special items and remeasurements tax	**(96)**	123	(217)
Non-controlling interests on special items and remeasurements	**(23)**	(52)	(113)
Underlying earnings for the financial period	**698**	904	827

(1) Includes restructuring costs (2015: restructuring costs).

Notes to the Condensed financial statements

11. FINANCIAL INSTRUMENTS

a) Financial assets and liabilities by category

The carrying amounts of financial assets and liabilities are as shown below. Where the carrying amount of a financial asset or liability does not approximate its fair value, this is also disclosed.

For financial assets and liabilities which are traded on an active market, such as listed investments or listed debt instruments, fair value is determined by reference to market value. For non-traded financial assets and liabilities, fair value is calculated using discounted cash flows, considered to be reasonable and consistent with those that would be used by a market participant, and based on observable market data where available, unless carrying value is considered to approximate fair value.

						30.06.16
US$ million	**At fair value through profit and loss**	**Loans and receivables**	**Available for sale**	**Designated into hedges**	**Financial liabilities at amortised cost**	**Total**
Financial assets						
Trade and other receivables[1]	**441**	**1,341**	**–**	**–**	**–**	**1,782**
Derivative financial assets	**126**	**–**	**–**	**663**	**–**	**789**
Cash and cash equivalents	**–**	**5,761**	**–**	**–**	**–**	**5,761**
Financial asset investments	**–**	**773**	**292**	**–**	**–**	**1,065**
	567	**7,875**	**292**	**663**	**–**	**9,397**
Financial liabilities						
Trade and other payables[1]	**(230)**	**–**	**–**	**–**	**(2,389)**	**(2,619)**
Derivative financial liabilities	**(2,118)**	**–**	**–**	**(1)**	**–**	**(2,119)**
Borrowings[2]	**–**	**–**	**–**	**(13,618)**	**(2,323)**	**(15,941)**
	(2,348)	**–**	**–**	**(13,619)**	**(4,712)**	**(20,679)**
Net financial (liabilities)/assets	**(1,781)**	**7,875**	**292**	**(12,956)**	**(4,712)**	**(11,282)**

						31.12.15
US$ million	At fair value through profit and loss	Loans and receivables	Available for sale	Designated into hedges	Financial liabilities at amortised cost	Total
Financial assets						
Trade and other receivables[1]	632	1,253	–	–	–	1,885
Derivative financial assets	672	–	–	477	–	1,149
Cash and cash equivalents	–	6,895	–	–	–	6,895
Financial asset investments	–	662	184	–	–	846
	1,304	8,810	184	477	–	10,775
Financial liabilities						
Trade and other payables[1]	(225)	–	–	–	(2,437)	(2,662)
Derivative financial liabilities	(2,439)	–	–	(24)	–	(2,463)
Borrowings[2]	–	–	–	(14,800)	(3,167)	(17,967)
	(2,664)	–	–	(14,824)	(5,604)	(23,092)
Net financial (liabilities)/assets	(1,360)	8,810	184	(14,347)	(5,604)	(12,317)

(1) Trade and other receivables exclude prepayments and tax receivables. Trade and other payables exclude tax, social security and deferred income.

(2) Borrowings designated in fair value hedges represent listed debt which is held at amortised cost adjusted for the fair value of the hedged risk, principally interest rate risk. The fair value of these borrowings is $12,662 million (31 December 2015: $10,898 million), which is based on the quoted market price and consequently categorised as level 1 in the fair value hierarchy. The fair value of the remaining borrowings at amortised cost of $2,323 million, principally comprising bank borrowings, is $2,132 million as at 30 June 2016, with the difference between the carrying value and the fair value reflecting primarily the debit valuation adjustment to reflect the effect of Anglo American's own credit quality based on observed credit spreads at the balance sheet date. At 31 December 2015 the fair value of the remaining borrowings at amortised cost of $3,167 million, principally comprising bank borrowings, was $2,463 million.

Notes to the Condensed financial statements

11. FINANCIAL INSTRUMENTS (continued)

b) Fair value hierarchy

An analysis of financial assets and liabilities carried at fair value is set out below:

				30.06.16				31.12.15
US$ million	**Level 1[(1)]**	**Level 2[(2)]**	**Level 3[(3)]**	**Total**	Level 1[(1)]	Level 2[(2)]	Level 3[(3)]	Total
Financial assets								
At fair value through profit and loss								
Provisionally priced trade receivables	**–**	**356**	**–**	**356**	–	562	–	562
Other receivables	**–**	**–**	**85**	**85**	–	–	70	70
Derivatives hedging net debt	**–**	**12**	**6**	**18**	–	628	17	645
Other derivatives	**9**	**99**	**–**	**108**	9	18	–	27
Designated into hedges								
Derivatives hedging net debt	**–**	**662**	**–**	**662**	–	477	–	477
Other derivatives	**–**	**1**	**–**	**1**	–	–	–	–
Available for sale investments								
Financial asset investments	**256**	**–**	**36**	**292**	162	–	22	184
	265	**1,130**	**127**	**1,522**	171	1,685	109	1,965
Financial liabilities								
At fair value through profit and loss								
Provisionally priced trade payables	**–**	**(230)**	**–**	**(230)**	–	(225)	–	(225)
Derivatives hedging net debt	**–**	**(1,790)**	**(426)**	**(2,216)**	–	(2,207)	(736)	(2,943)
Other derivatives	**(10)**	**(48)**	**–**	**(58)**	–	(63)	–	(63)
Designated into hedges								
Derivatives hedging net debt	**–**	**(1)**	**–**	**(1)**	–	(17)	–	(17)
Other derivatives	**–**	**–**	**–**	**–**	–	(7)	–	(7)
Debit valuation adjustment to derivative liabilities[(4)]	**–**	**100**	**56**	**156**	–	386	181	567
	(10)	**(1,969)**	**(370)**	**(2,349)**	–	(2,133)	(555)	(2,688)
Net financial assets/(liabilities) carried at fair value	**255**	**(839)**	**(243)**	**(827)**	171	(448)	(446)	(723)

(1) Valued using unadjusted quoted prices in active markets for identical financial instruments. This category includes listed equity shares.
(2) Valued using techniques based significantly on observable market data. Instruments in this category are valued using valuation techniques where all of the inputs that have a significant effect on the valuation are directly or indirectly based on observable market data.
(3) Instruments in this category have been valued using a valuation technique where at least one input (which could have a significant effect on the instrument's valuation) is not based on observable market data. Where inputs can be observed from market data without undue cost and effort, the observed input is used. Otherwise, management determines a reasonable estimate for the input.
(4) The debit valuation adjustment is recorded to reflect in the fair value of financial liabilities the effect of Anglo American's own credit quality based on observed credit spreads. This adjustment is calculated in total for each counterparty based on the net expected exposure. In many cases this includes exposures on a number of different types of derivative instruments. Consequently the impact of this adjustment has been presented as a separate item within the analysis of derivatives above. Based on an allocation weighted by exposure to each category of instrument, $152 million (31 December 2015: $555 million) is attributable to derivatives hedging net debt and $4 million (31 December 2015: $12 million) relates to other derivatives.

Financial assets and liabilities included within level 3 primarily consist of certain cross currency swaps of Brazilian real denominated borrowings (whose valuation depends upon regulated interest rates), contingent proceeds and related receivables relating to disposals and unlisted equity investments.

The movements in the fair value of the level 3 financial assets and liabilities were primarily recorded as remeasurements in the Consolidated income statement.

Notes to the Condensed financial statements

12. CAPITAL EXPENDITURE

Capital expenditure is defined as cash expenditure on property, plant and equipment including related derivatives, less proceeds from disposal of property, plant and equipment and direct funding for capital expenditure from non-controlling interests.

Capital expenditure by segment

US$ million	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15
Platinum	**125**	179	366
De Beers	**240**	363	697
Copper	**238**	309	659
Nickel	**14**	(17)	26
Niobium and Phosphates	**(1)**	25	50
Iron Ore and Manganese	**221**	829	1,422
Coal	**274**	416	941
Corporate and other	**2**	9	16
Capital expenditure[1]	**1,113**	2,113	4,177
Exclude:			
Cash outflows from derivatives related to capital expenditure	**(35)**	(113)	(200)
Proceeds from disposal of property, plant and equipment	**9**	17	30
Direct funding for capital expenditure received from non-controlling interests	**13**	18	46
Expenditure on property, plant and equipment	**1,100**	2,035	4,053

[1] Capital expenditure includes capitalised operating cash flows generated by operations that have not yet reached commercial production. Nickel includes net capitalised operating cash inflows of nil (six months ended 30 June 2015: net inflows of $116 million; year ended 31 December 2015: net inflows of $180 million) relating to Barro Alto, which reached commercial production in October 2015. Niobium and Phosphates includes net capitalised operating cash inflows of $35 million (six months ended 30 June 2015: net outflows of $1 million; year ended 31 December 2015: net inflows of $10 million) relating to Boa Vista Fresh Rock, which reached commercial production in March 2016. Iron Ore and Manganese includes net capitalised operating cash inflows of $13 million (six months ended 30 June 2015: net outflows of $225 million; year ended 31 December 2015: net outflows of $338 million) relating to Minas-Rio.

Capital expenditure by category

US$ million	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15
Expansionary[1]	**495**	1,081	2,083
Stay-in-business	**358**	649	1,384
Stripping and development	**269**	400	740
Proceeds from disposal of property, plant and equipment	**(9)**	(17)	(30)
	1,113	2,113	4,177

[1] The expansionary category includes the cash flows from derivatives related to capital expenditure and is net of direct funding for capital expenditure received from non-controlling interests.

13. NET DEBT

Net debt is a measure of the Group's financial position. The Group uses net debt to monitor the sources and uses of financial resources, the availability of capital to invest or return to shareholders, and the resilience of the balance sheet. Net debt is calculated as total borrowings less cash and cash equivalents (including derivatives which provide an economic hedge of net debt).

a) Reconciliation to the balance sheet

	Cash and cash equivalents			Short term borrowings			Medium and long term borrowings		
US$ million	**30.06.16**	30.06.15	31.12.15	**30.06.16**	30.06.15	31.12.15	**30.06.16**	30.06.15	31.12.15
Balance sheet	**5,761**	7,033	6,895	**(1,395)**	(764)	(1,649)	**(14,546)**	(18,177)	(16,318)
Balance sheet – disposal groups[1]	**–**	10	9	**–**	–	–	**–**	–	–
Bank overdrafts	**–**	(10)	(15)	**–**	10	15	**–**	–	–
Net cash/(debt) classifications	**5,761**	7,033	6,889	**(1,395)**	(754)	(1,634)	**(14,546)**	(18,177)	(16,318)

[1] Disposal group balances at 30 June 2015 and 31 December 2015 relate to Tarmac businesses (Corporate and other) and are included in 'Assets classified as held for sale' on the Consolidated balance sheet.

Notes to the Condensed financial statements

13. NET DEBT (continued)

b) Movement in net debt

US$ million	Cash and cash equivalents	Short term borrowings	Medium and long term borrowings	Net debt excluding derivatives	Derivatives hedging net debt[(1)]	Net debt including derivatives
At 1 January 2015	6,747	(1,617)	(16,917)	(11,787)	(1,084)	(12,871)
Cash flow	396	1,337	(2,951)	(1,218)	244	(974)
Reclassifications	–	(651)	651	–	–	–
Movements in fair value	–	15	156	171	(758)	(587)
Other non-cash movements	–	(1)	(16)	(17)	–	(17)
Currency movements	(110)	163	900	953	–	953
At 30 June 2015	7,033	(754)	(18,177)	(11,898)	(1,598)	(13,496)
Cash flow	20	67	215	302	(74)	228
Reclassifications	–	(965)	965	–	–	–
Movements in fair value	–	(24)	(5)	(29)	(166)	(195)
Other non-cash movements	–	(1)	(29)	(30)	–	(30)
Currency movements	(164)	43	713	592	–	592
At 31 December 2015	**6,889**	**(1,634)**	**(16,318)**	**(11,063)**	**(1,838)**	**(12,901)**
Cash flow	**(1,147)**	**921**	**1,558**	**1,332**	**(326)**	**1,006**
Reclassifications	**–**	**(635)**	**635**	**–**	**–**	**–**
Movements in fair value	**–**	**9**	**(238)**	**(229)**	**627**	**398**
Other non-cash movements	**–**	**(2)**	**99**	**97**	**–**	**97**
Currency movements	**19**	**(54)**	**(282)**	**(317)**	**–**	**(317)**
At 30 June 2016	**5,761**	**(1,395)**	**(14,546)**	**(10,180)**	**(1,537)**	**(11,717)**

(1) Derivatives hedging net debt represents the mark to market valuation of such derivatives before taking into account the effect of debit valuation adjustments which reduce the valuation of derivative liabilities hedging net debt by $152 million (31 December 2015: $555 million).

c) Net debt by segment

The Group's policy is to hold the majority of its cash and borrowings at the corporate centre. Business units may from time to time raise borrowings in connection with specific capital projects, and subsidiaries with non-controlling interests have borrowings which are without recourse to the Group. Other than the impact of South African exchange controls (see note 13d below), there are no significant restrictions over the Group's ability to access these cash balances or repay these borrowings. Net debt by segment is stated after elimination of inter-segment balances.

US$ million	30.06.16	31.12.15
Platinum	**17**	(176)
De Beers	**(59)**	(109)
Copper	**1,012**	820
Nickel	**58**	(138)
Niobium and Phosphates	**199**	123
Iron Ore and Manganese	**(1,964)**	(2,370)
Coal	**135**	260
Corporate and other	**(11,115)**	(11,311)
	(11,717)	(12,901)

d) South Africa net debt

The Group operates in South Africa where the existence of exchange controls may restrict the use of certain cash balances. The Group therefore monitors the cash and debt associated with these operations separately. These restrictions are not expected to have a material effect on the Group's ability to meet its ongoing obligations. Below is a breakdown of net cash/(debt) in South Africa.

US$ million	30.06.16	31.12.15
Cash and cash equivalents	**1,872**	1,419
Short term borrowings	**(56)**	(49)
Medium and long term borrowings	**(1,174)**	(1,471)
Net cash/(debt) excluding derivatives	**642**	(101)
Derivatives hedging net debt	**(1)**	(4)
Net cash/(debt) including derivatives	**641**	(105)

Notes to the Condensed financial statements

14. BORROWINGS

The Group accesses borrowings mostly in capital markets through bonds issued under the Euro Medium Term Note (EMTN) programme, the South African Domestic Medium Term Note (DMTN) programme, the Australian Medium Term Note (AMTN) programme and through accessing the US bond markets. The Group uses interest rate and cross currency swaps to ensure that the majority of the Group's borrowings are floating rate US dollar denominated.

In March 2016 the Group completed a bond buyback programme consisting of Euro, Sterling and US dollar denominated bonds with maturities from December 2016 to September 2018. The Group used $1.7 billion of cash to retire $1.83 billion of contractual repayment obligations (including derivatives hedging the bonds).

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

	30.06.16			31.12.15		
US$ million	**Short term borrowings**	**Medium and long term borrowings**	**Total borrowings**	Short term borrowings	Medium and long term borrowings	Total borrowings
Secured						
Bank loans and overdrafts	**9**	**6**	**15**	9	10	19
Obligations under finance leases	**6**	**52**	**58**	7	53	60
	15	**58**	**73**	16	63	79
Unsecured						
Bank loans and overdrafts	**218**	**1,674**	**1,892**	270	1,961	2,231
Bonds issued under EMTN programme	**653**	**7,305**	**7,958**	839	8,210	9,049
US bonds	**454**	**4,680**	**5,134**	500	5,245	5,745
Bonds issued under AMTN programme	**–**	**386**	**386**	–	379	379
Bonds issued under DMTN programme	**41**	**167**	**208**	13	192	205
Other loans	**14**	**276**	**290**	11	268	279
	1,380	**14,488**	**15,868**	1,633	16,255	17,888
Total borrowings	**1,395**	**14,546**	**15,941**	1,649	16,318	17,967

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

US$ million	**30.06.16**	31.12.15
Expiry date		
Within one year[1]	**781**	683
Greater than one year, less than two years	**1,500**	32
Greater than two years, less than three years	**1,443**	1,110
Greater than three years, less than four years	**6,138**	192
Greater than four years, less than five years	**–**	5,862
	9,862	7,879

[1] Includes undrawn South African rand facilities equivalent to $0.6 billion (31 December 2015: $0.5 billion) with 364 day maturities which roll automatically on a daily basis, unless notice is served.

Notes to the Condensed financial statements

15. CONTINGENT LIABILITIES

The Group is subject to various claims which arise in the ordinary course of business. Additionally, the Group has provided indemnities against certain liabilities as part of agreements for the sale or other disposal of business operations. Having taken appropriate legal advice, the Group believes that a material liability arising from the indemnities provided is remote.

The Group is required to provide guarantees in several jurisdictions in respect of environmental restoration and decommissioning obligations. The Group has provided for the estimated cost of these activities.

No contingent liabilities were secured on the assets of the Group at 30 June 2016 or 31 December 2015.

Anglo American South Africa Limited (AASA)

AASA is named as one of 32 respondents in a consolidated class certification application filed in the South Gauteng High Court (Johannesburg) on behalf of former mineworkers (or their dependants or survivors) who allegedly contracted silicosis or tuberculosis as a result of having worked for various gold mining companies including some in which AASA was a shareholder and to which AASA provided various technical and administrative services. The high court has certified two classes of claimants: those with silicosis or who died from silicosis and those with tuberculosis or who died from tuberculosis. AASA and other respondents are appealing the ruling.

AASA, AngloGold Ashanti, Gold Fields, Harmony Gold and Sibanye Gold announced in November 2014 that they had formed an industry working group to address issues relating to compensation and medical care for occupational lung disease in the gold mining industry in South Africa. The companies are in the process of engaging all stakeholders on these matters, including government, organised labour, other mining companies and legal representatives of claimants who have filed legal suits against the companies. These legal proceedings are being defended. The industry working group is seeking a comprehensive solution to address legacy compensation issues and future legal frameworks that is fair to past and current employees and enables companies to continue to be competitive over the long term.

AASA was, until recently, also a defendant in approximately 4,400 separate lawsuits filed in the North Gauteng High Court (Pretoria), which were referred to arbitration. These 4,400 claims (approximately 1,200 of which were separately instituted against AngloGold Ashanti) were settled by AASA and AngloGold Ashanti in 2016, without admission of liability, for an amount which is not material to AASA.

Kumba Iron Ore

21.4% undivided share of the Sishen mine mineral rights

In 2015, Sishen Iron Ore Company (Pty) Ltd (SIOC) received notice from the Department of Mineral Resources (DMR) that the Director General of the DMR had consented to the amendment of SIOC's mining right in respect of the Sishen Mine, by the inclusion of the residual 21.4% undivided share of the mining right for the Sishen mine, subject to certain conditions (which are described by the DMR as 'proposals'). The conditions were not capable of being accepted by SIOC as SIOC believes the Mineral and Petroleum Resources Development Act (MPRDA) does not provide for the imposition of such conditions, they are not practically implementable and they lack sufficient detail to provide the company with legal certainty.

SIOC submitted an internal appeal in terms of section 96 of the MPRDA to the Minister of Mineral Resources, which set out the basis of its objections to the proposals. SIOC has not yet received a response and will continue to engage with the DMR in this regard.

Kumba Iron Ore tax

At 30 June 2016, Kumba Iron Ore has certain unresolved tax matters that are currently under review with the South African Revenue Service (SARS). Kumba Iron Ore management has consulted with external tax and legal advisors, who support the positions taken. Nonetheless, Kumba Iron Ore management is actively discussing the issue with SARS with a view to seeking resolution and believes that the accounting for these matters is appropriate in the results for the six months ended 30 June 2016.

Notes to the Condensed financial statements

16. RELATED PARTY TRANSACTIONS

The Group has a related party relationship with its subsidiaries, joint operations, associates and joint ventures. Members of the Board and the Group Management Committee are considered to be related parties.

The Company and its subsidiaries, in the ordinary course of business, enter into various sale, purchase and service transactions with joint operations, associates, joint ventures and others in which the Group has a material interest. These transactions are under terms that are no less favourable to the Group than those arranged with third parties.

	Associates		Joint ventures		Joint operations[1]	
US$ million	**30.06.16**	31.12.15	**30.06.16**	31.12.15	**30.06.16**	31.12.15
Transactions with related parties						
Sale of goods and services	**8**	28	**–**	3	**81**	123
Purchase of goods and services	**(186)**	(425)	**(68)**	(183)	**(1,538)**	(2,606)
Balances with related parties						
Trade and other receivables from related parties	**5**	7	**–**	–	**22**	15
Trade and other payables to related parties	**(117)**	(135)	**(31)**	(15)	**(84)**	(68)
Loans receivable from related parties[2]	**–**	–	**476**	431	**14**	21

[1] Represents the portion of balances and transactions with joint operation entities or joint operation partners that the Group does not have the right to offset against the corresponding amount recorded by the respective joint operations. These amounts primarily relate to purchases by De Beers and Platinum from their joint operations in excess of the Group's attributable share of their production.
[2] Included in 'Financial asset investments' on the Consolidated balance sheet.

17. EVENTS OCCURRING AFTER THE PERIOD END

There have been no reportable events since 30 June 2016.

Responsibility statement

We confirm that to the best of our knowledge:

(a) the Condensed financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*;

(b) the Half year financial report includes a fair review of the information required by DTR 4.2.7R (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 4.2.8R (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

Mark Cutifani	**René Médori**
Chief Executive	Finance Director

INDEPENDENT REVIEW REPORT TO ANGLO AMERICAN PLC

We have been engaged by the Company to review the Condensed financial statements in the Half year financial report for the six months ended 30 June 2016 which comprise the Consolidated income statement, the Consolidated statement of comprehensive income, the Consolidated balance sheet, the Consolidated cash flow statement, the Consolidated statement of changes in equity and related notes 1 to 17. We have read the other information contained in the Half year financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the Condensed financial statements.

This report is made solely to the Company in accordance with International Standard on Review Engagements (UK and Ireland) 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Auditing Practices Board. Our work has been undertaken so that we might state to the Company those matters we are required to state to it 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 Conduct Authority.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards as adopted by the European Union. The Condensed financial statements included in this Half year financial report have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting* (IAS 34), as adopted by the European Union.

Our responsibility

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

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the Condensed financial statements in the Half year financial report for the six months ended 30 June 2016 are not prepared, in all material respects, in accordance with IAS 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom

27 July 2016

Summary by business operation

Marketing activities are allocated to the underlying operation to which they relate.

US$ million	Revenue[1]			Underlying EBITDA[2]			Underlying EBIT[3]			Underlying earnings		
	6 months ended 30.06.16	6 months ended 30.06.15	Year ended 31.12.15	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15	**6 months ended 30.06.16**	6 months ended 30.06.15	Year ended 31.12.15
Platinum	**2,041**	2,612	4,900	**290**	521	718	**134**	272	263	**68**	175	168
Mogalakwena	**462**	606	1,092	**190**	307	496	**134**	241	368	**n/a**	n/a	n/a
Amandelbult	**336**	344	712	**45**	51	97	**19**	22	36	**n/a**	n/a	n/a
Other operations	**1,243**	1,662	3,096	**76**	186	177	**2**	32	(89)	**n/a**	n/a	n/a
Projects and corporate	**–**	–	–	**(21)**	(23)	(52)	**(21)**	(23)	(52)	**n/a**	n/a	n/a
De Beers	**3,270**	3,021	4,671	**766**	792	990	**585**	576	571	**379**	360	258
Mining												
Debswana	**n/a**	n/a	n/a	**283**	260	379	**270**	248	352	**n/a**	n/a	n/a
Namdeb Holdings	**n/a**	n/a	n/a	**131**	113	147	**121**	96	120	**n/a**	n/a	n/a
South Africa	**n/a**	n/a	n/a	**150**	192	282	**111**	143	174	**n/a**	n/a	n/a
Canada	**n/a**	n/a	n/a	**50**	104	154	**18**	58	65	**n/a**	n/a	n/a
Trading	**n/a**	n/a	n/a	**186**	151	107	**182**	147	100	**n/a**	n/a	n/a
Other[4]	**n/a**	n/a	n/a	**(14)**	(3)	(30)	**(97)**	(91)	(191)	**n/a**	n/a	n/a
Projects and corporate	**n/a**	n/a	n/a	**(20)**	(25)	(49)	**(20)**	(25)	(49)	**n/a**	n/a	n/a
Copper	**1,351**	1,836	3,539	**424**	537	942	**113**	174	228	**82**	62	67
Los Bronces	**678**	951	1,852	**181**	357	622	**(5)**	173	240	**n/a**	n/a	n/a
Collahuasi	**512**	451	971	**231**	214	381	**127**	107	167	**64**	53	77
Other operations	**161**	434	716	**46**	22	55	**25**	(50)	(63)	**n/a**	n/a	n/a
Projects and corporate	**–**	–	–	**(34)**	(56)	(116)	**(34)**	(56)	(116)	**(25)**	(38)	(89)
Nickel	**187**	61	146	**24**	4	(3)	**(12)**	–	(22)	**(16)**	(2)	(19)
Codemin	**40**	61	100	**6**	13	20	**3**	10	12	**7**	2	10
Loma de Níquel	**–**	–	–	**3**	(3)	3	**3**	(3)	3	**2**	–	3
Barro Alto	**147**	–	46	**19**	1	(14)	**(14)**	–	(25)	**(21)**	2	(21)
Projects and corporate	**–**	–	–	**(4)**	(7)	(12)	**(4)**	(7)	(12)	**(4)**	(6)	(11)
Niobium and Phosphates	**304**	294	544	**85**	87	146	**60**	73	119	**66**	40	48
Niobium	**86**	79	111	**33**	35	40	**20**	32	33	**26**	17	7
Phosphates	**218**	215	433	**54**	53	111	**42**	42	91	**42**	24	45
Projects and corporate	**–**	–	–	**(2)**	(1)	(5)	**(2)**	(1)	(5)	**(2)**	(1)	(4)
Iron Ore and Manganese	**1,433**	2,013	3,390	**512**	693	1,026	**390**	510	671	**155**	140	98
Kumba Iron Ore	**1,185**	1,723	2,876	**484**	654	1,011	**387**	513	739	**157**[5]	206[5]	280[5]
Iron Ore Brazil	**–**	–	–	**(9)**	(10)	(20)	**(10)**	(11)	(21)	**(5)**	(35)	(61)
Samancor	**248**	290	514	**62**	77	104	**38**	36	22	**27**	(6)	(54)
Projects and corporate	**–**	–	–	**(25)**	(28)	(69)	**(25)**	(28)	(69)	**(24)**[5]	(25)[5]	(67)[5]
Coal	**2,029**	2,608	4,888	**389**	589	1,046	**160**	267	457	**120**	197	292
Australia and Canada	**920**	1,271	2,374	**200**	324	586	**60**	101	190	**46**	80	123
South Africa	**867**	1,000	1,893	**162**	182	345	**116**	129	230	**90**	108	174
Colombia	**242**	337	621	**51**	107	168	**8**	61	90	**4**	32	44
Projects and corporate	**–**	–	–	**(24)**	(24)	(53)	**(24)**	(24)	(53)	**(20)**	(23)	(49)
Corporate and other	**2**	901	925	**(40)**	57	(11)	**(48)**	11	(64)	**(156)**	(68)	(85)
Other Mining and Industrial	**–**	899	921	**3**	108	110	**3**	62	64	**3**	51	52
Exploration	**–**	–	–	**(53)**	(71)	(152)	**(53)**	(71)	(154)	**(49)**	(66)	(142)
Corporate activities and unallocated costs	**2**	2	4	**10**	20	31	**2**	20	26	**(110)**	(53)	5
	10,617	13,346	23,003	**2,450**	3,280	4,854	**1,382**	1,883	2,223	**698**	904	827

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

[2] Underlying EBITDA is underlying EBIT before depreciation and amortisation in subsidiaries and joint operations and includes the Group's attributable share of associates' and joint ventures' underlying EBITDA.

[3] Underlying EBIT is operating profit before special items and remeasurements and includes the Group's attributable share of associates' and joint ventures' underlying EBIT.

[4] Other includes Element Six, downstream activities and the purchase price allocation (PPA) adjustment.

[5] Of the projects and corporate expense, which includes a corporate cost allocation, $14 million (six months ended 30 June 2015: $14 million; year ended 31 December 2015: $42 million) relates to Kumba Iron Ore. The total contribution from Kumba Iron Ore to the Group's underlying earnings is $143 million (six months ended 30 June 2015: $192 million; year ended 31 December 2015: $238 million).

Return on capital employed (ROCE)

ROCE is a ratio that measures the efficiency and profitability of a company's capital investments. It displays how effectively assets are generating profit for the size of invested capital and is calculated as underlying EBIT divided by average capital employed.

Attributable ROCE

Attributable ROCE is the primary return measure used in the Group. It is defined as the return on the capital employed attributable to equity shareholders of Anglo American plc, and therefore excludes the portion of underlying EBIT and capital employed attributable to non-controlling interests in operations where Anglo American plc has control but does not hold 100% of the equity. Joint operations, associates and joint ventures are included in their proportionate interest and in line with appropriate accounting treatment. It is calculated based on achieved prices and foreign exchange.

Capital employed by segment is disclosed in note 4 to the Condensed financial statements.

US$ billion	**30.06.16**	31.12.15	31.12.14	31.12.13	31.12.12
Attributable EBIT[(1)]	**2.2**	1.6	3.4	4.4	4.1
Average attributable capital employed	**27.4**	32.6	38.7	41.5	40.0
Attributable ROCE	**8%**	5%	9%	10%	10%

[(1)] For periods of less than one year EBIT for the period is annualised, with the exception of De Beers which is based on the last 12 months of performance due to seasonal sales and EBIT profile.

Driving Value ROCE

Driving Value ROCE is an adjusted measure of Attributable ROCE for the measurement of 2014 LTIP only. It is calculated using Attributable ROCE based on realised prices and foreign exchange rates and includes the following adjustments:

- Impairments announced after 10 December 2013 are added back to total capital employed (unless the impairment resulted from the asset being taken out of service).
- Earnings and return impacts from impairments (due to reduced depreciation or amortisation expense) are excluded from underlying EBIT.
- The De Beers fair value uplift which resulted from the revaluing upward of Anglo American plc's pre-existing 45% share in De Beers is removed from opening 2012 capital employed onwards.
- Structural adjustments for the De Beers acquisition assuming ownership of 85% of De Beers from 1 January 2012 (actual acquisition date: 16 August 2012) and disposals from Anglo American Sur assuming ownership of 50.1% from the start of 2012 (actual disposal date: 23 August 2012) have been included.

ROCE used for LTIP metrics

50% of the Executives' annual LTIP award is predicated upon the achievement of ROCE targets over a three year performance period. The target range for the 2014 LTIP award, 12–16%, was based on '*Driving Value* ROCE at achieved prices', set at a level designed to support the aspiration of achieving a ROCE of 15% by the end of 2016. Although the subsequent steep decline in prices since that award has made the target range very stretching, it is not intended that the LTIP outcomes will be adjusted for the impact of prices. H1 2016 *Driving Value* ROCE was 5%.

The target range for the 2015 LTIP award was set at 10–14%, consistent with the lower commodity price expectations at the time. In order to provide a clearer link to the financial statements for investors and participants, the simplified Attributable ROCE, as set out above, will be used for the 2015 LTIP award onwards. The original range of 10–14% will be adjusted for impairments taken after 31 December 2014 until 31 December 2017 and will be restated at the point of vesting to assess performance. H1 2016 Attributable ROCE was 8%.

The range for 2016 LTIP has been increased to reflect the volatility Anglo American experiences due to commodity price and foreign exchange movements. It has been set at 5–15%. Given the announced portfolio review, the ranges for all LTIP awards will be restated in the year of vesting, for changes to the portfolio that take place between setting the target and assessing performance.

Exchange rates and commodity prices

US$ exchange rates	30.06.16	30.06.15	31.12.15
Period end spot rates			
South African rand	**14.68**	12.14	15.47
Brazilian real	**3.21**	3.11	3.96
Sterling	**0.75**	0.64	0.68
Australian dollar	**1.35**	1.30	1.37
Euro	**0.90**	0.90	0.92
Chilean peso	**662**	640	709
Botswana pula	**10.87**	9.87	11.25
Average rates for the period			
South African rand	**15.41**	11.92	12.78
Brazilian real	**3.70**	2.97	3.34
Sterling	**0.70**	0.66	0.65
Australian dollar	**1.36**	1.28	1.33
Euro	**0.90**	0.90	0.90
Chilean peso	**689**	621	655
Botswana pula	**11.12**	9.79	10.12

Commodity prices		30.06.16	30.06.15	31.12.15
Period end spot prices				
Platinum[1]	US$/oz	**999**	1,078	868
Palladium[1]	US$/oz	**589**	677	555
Rhodium[2]	US$/oz	**635**	820	644
Copper[3]	US cents/lb	**219**	260	213
Nickel[3]	US cents/lb	**427**	530	393
Iron ore (62% Fe CFR)[4]	US$/tonne	**55**	60	43
Iron ore (66% Fe Concentrate CFR)[5]	US$/tonne	**59**	75	46
Thermal coal (FOB South Africa)[6]	US$/tonne	**58**	59	49
Thermal coal (FOB Australia)[7]	US$/tonne	**54**	63	50
Hard coking coal (FOB Australia)[8]	US$/tonne	**84**	110	89
Average market prices for the period				
Platinum[1]	US$/oz	**959**	1,160	1,051
Palladium[1]	US$/oz	**546**	773	691
Rhodium[2]	US$/oz	**672**	1,111	932
Copper[3]	US cents/lb	**213**	269	249
Nickel[3]	US cents/lb	**393**	620	536
Iron ore (62% Fe CFR)[4]	US$/tonne	**52**	60	56
Iron ore (66% Fe Concentrate CFR)[5]	US$/tonne	**58**	74	67
Thermal coal (FOB South Africa)[6]	US$/tonne	**54**	62	57
Thermal coal (FOB Australia)[7]	US$/tonne	**51**	63	59
Hard coking coal (FOB Australia)[9]	US$/tonne	**83**	113	102

(1) Source: London Platinum and Palladium Market (LPPM).
(2) Source: Comdaq.
(3) Source: London Metal Exchange (LME).
(4) Source: Platts.
(5) Source: Metal Bulletin.
(6) Source: McCloskey.
(7) Source: globalCOAL.
(8) Source: 30 June 2016 and 30 June 2015 represent the quarter two benchmarks; 31 December 2015 represents the quarter four benchmark.
(9) Source: Represents the average quarterly benchmark for the respective periods.