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**QUARTERLY/HALF YEAR RESULTS
JUNE 1998**

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MARKET OVERVIEW

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RAND/US \$ EXCHANGE RATE (84-98)



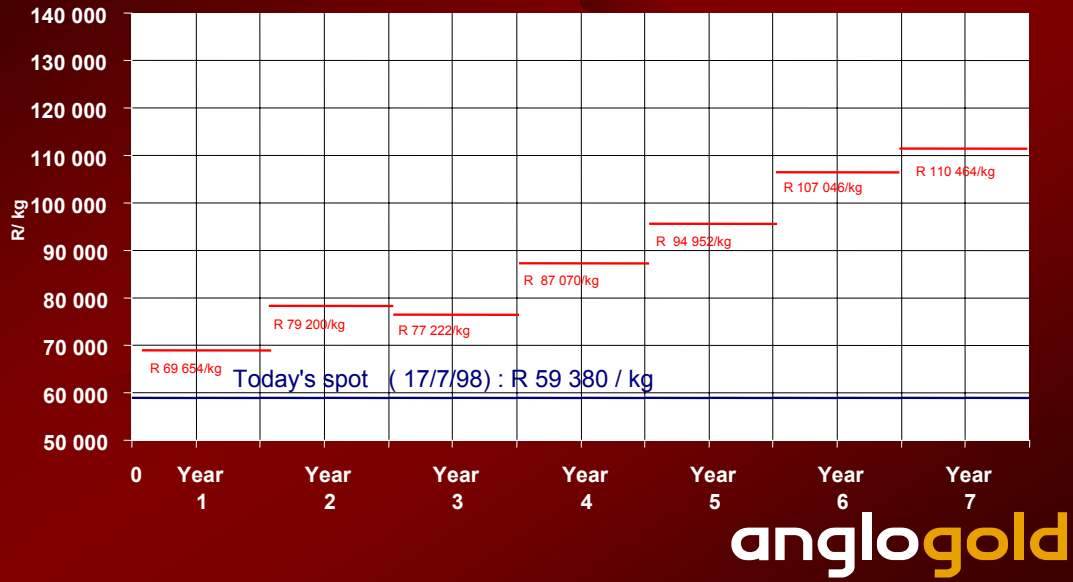
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RAND GOLD PRICE (84-98)



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RAND GOLD FORWARD PRICE vs ANGLOGOLD HEDGING



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OVERVIEW

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ANGLOGOLD OVERVIEW

- New, simplified structure
 - single company
 - 16 “gold factories”
- All operations at mine level
- All strategic functions at corporate level
- Operations healthy
 - gold produced 4% up
 - price received 6% up
 - operating profit up 31%(appropriation basis)
 - & up 61%(IAS basis)

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ANGLOGOLD OVERVIEW (cont.)

- Extraordinary items
 - severance costs of R313,0 million
 - exploration activities of R92,1 million
 - capital recoupments of R244 million
 - savings from cancellation of management contracts
- Earnings of R730,9 million up 42% on comparative period
- Interim dividend of R7,25 or \$1,24 a share; dividend yield - 6,7%

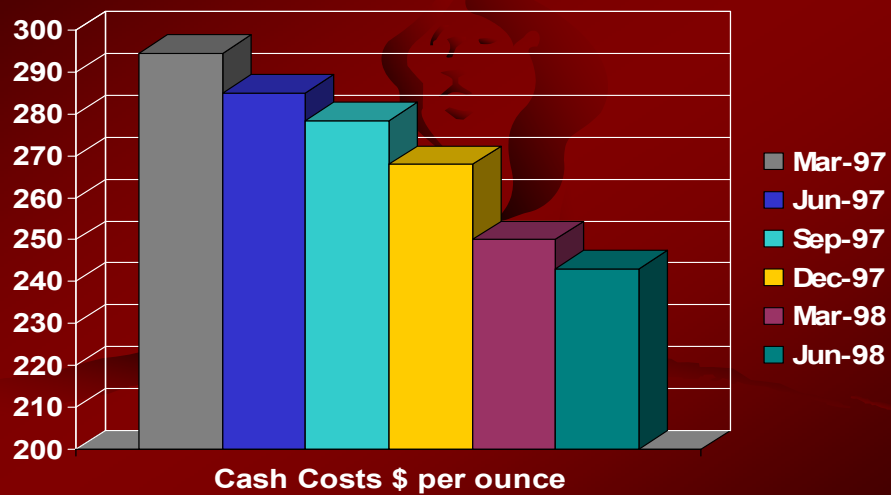
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AGGREGATED RESULTS

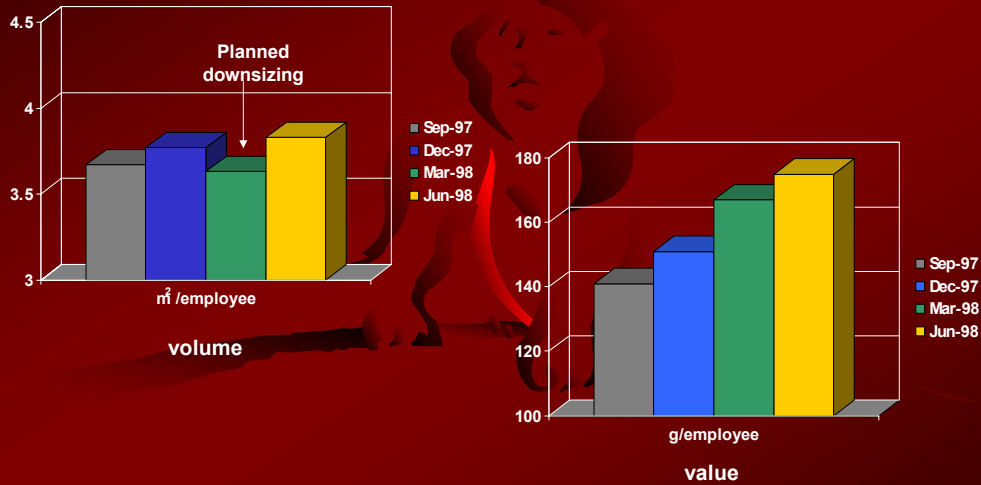
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CASH COST TRENDS



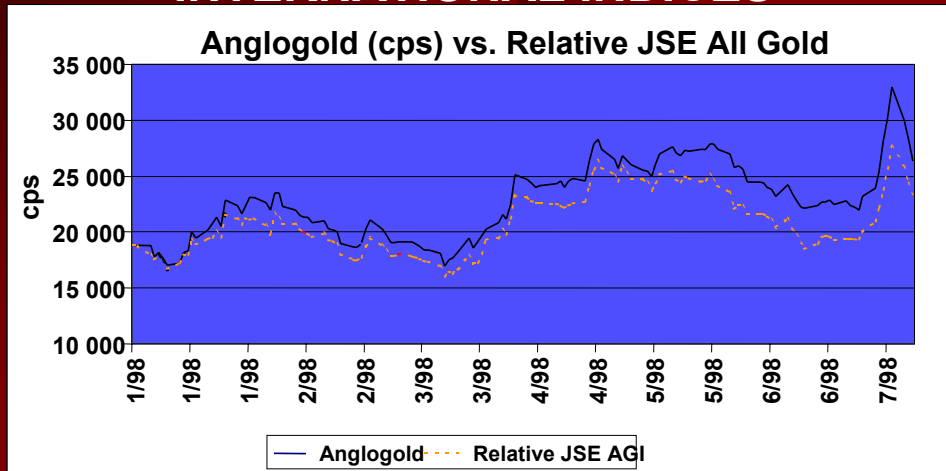
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PRODUCTIVITY - SOUTH AFRICAN MINES



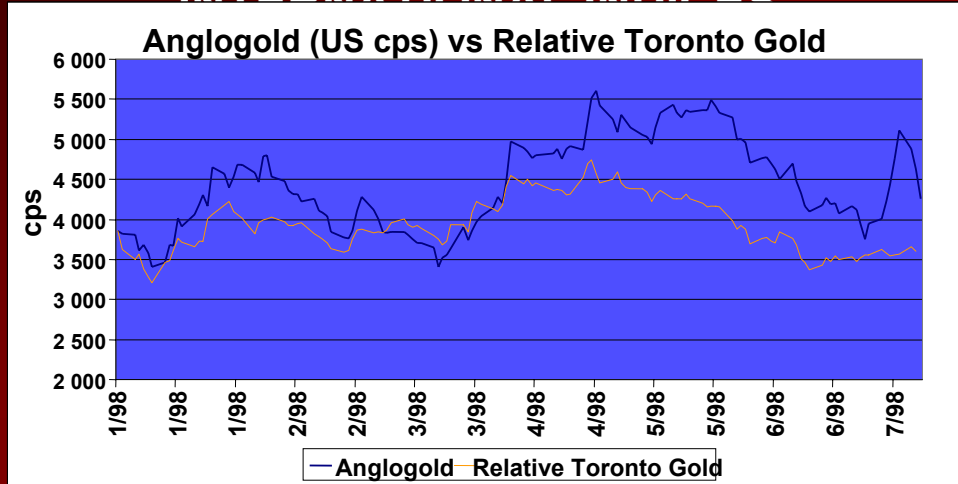
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ANGLOGOLD SHARE PRICE vs INTERNATIONAL INDICES



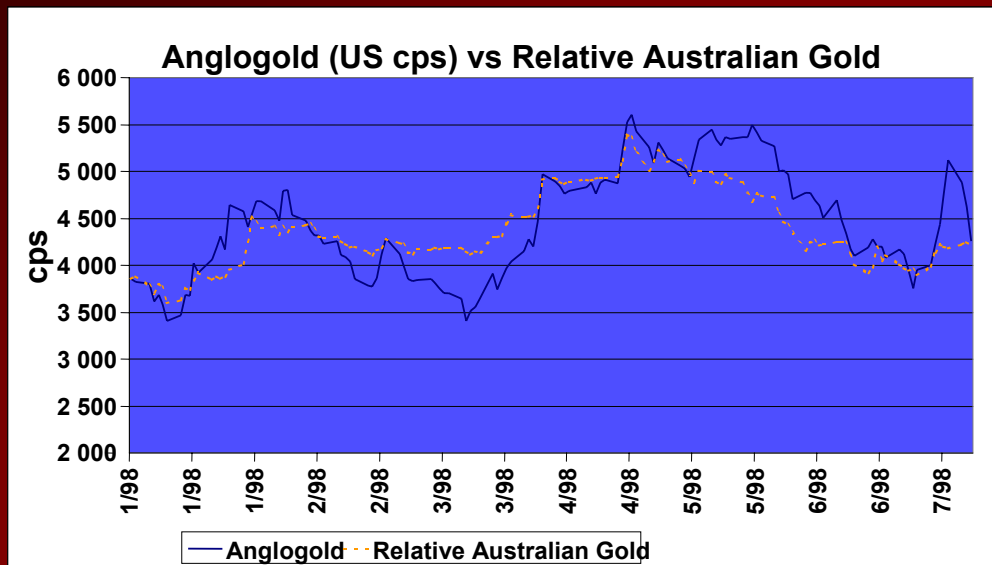
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ANGLOGOLD SHARE PRICE vs INTERNATIONAL INDICES



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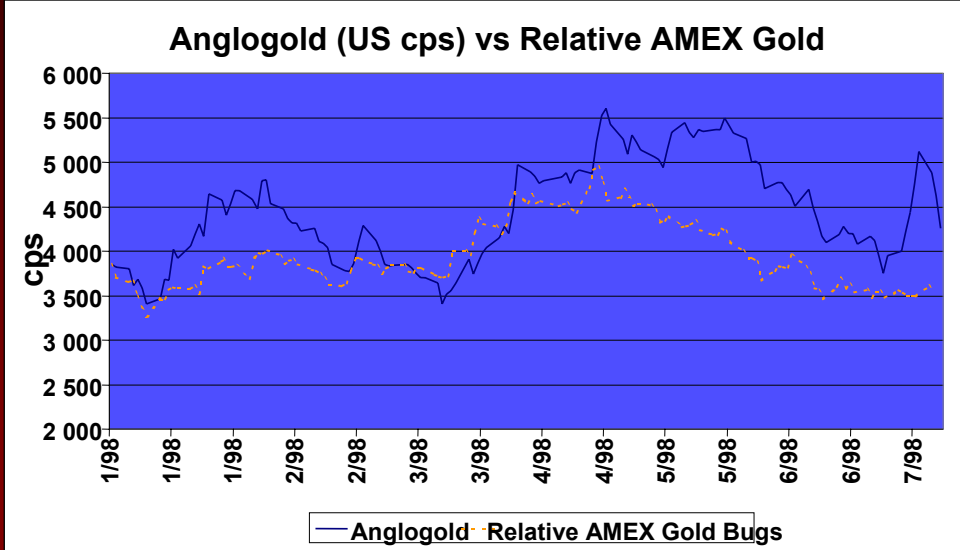
ANGLOGOLD SHARE PRICE vs



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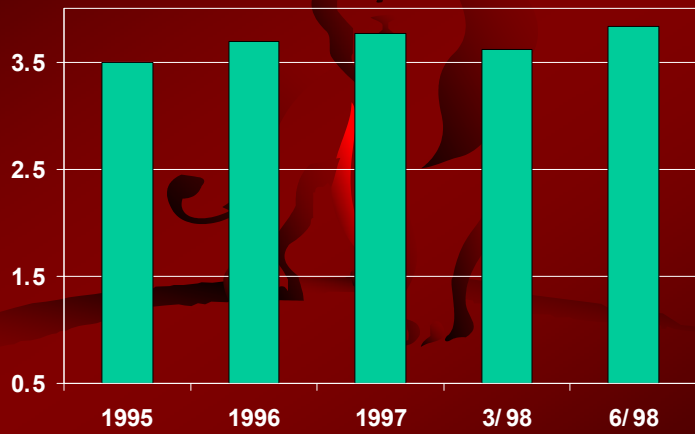
ANGLOGOLD SHARE PRICE vs

INTERNATIONAL INDICES



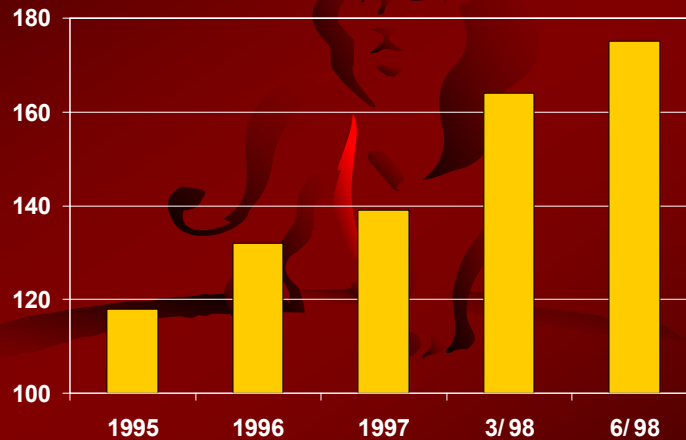
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PRODUCTIVITY UNDERGROUND OPERATIONS - m²/TEC



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PRODUCTIVITY UNDERGROUND OPERATIONS - G/TEC



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QUARTER'S RESULTS (R Metric)

		Q2 98	Q1 98	Change	% Change
Production	kgs	50 867	53 877	-3 010	-6
Revenue	R/ kg	57 478	55 205	2 273	4
Cash Costs	R/ kg	40 477	39 725	752	2
Gold op. profit	Rm	699,4	615,8	83,6	14
Capex	Rm	218,1	219,3	-1,2	-1
Available profit	Rm	418,4	312,5	105,9	34
Available profit	cps	430	321	109	34

Appropriation

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QUARTER'S RESULTS (\$ Imperial)

		Q2 98	Q1 98	Change	% Change
Production	Ozs (000)	1 636	1 735	-101	-6
Revenue	\$/ oz	358	360	-2	-1
Cash Costs	\$/ oz	243	250	-7	-3
Gold op. profit	\$m	103.7	86.0	17.7	21
Capex	\$m	42.0	44.4	-2.4	-5
Total net earnings	\$m	103.4	60.1	43.3	72
Earnings	cps	106	62	44	71

Amortisation

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HALF YEAR RESULTS (R Metric)

		6/ 98	6/ 97	Change	% Change
Production	kgs	104 744	100 641	4 103	4
Revenue	R/ kg	56 292	52 976	3 316	6
Cash Costs	R/ kg	40 090	41 998	-1 908	-5
Gold op. profit	Rm	1 315,2	1 012,3	302,9	30
Capex	Rm	437,4	325,1	112,3	35
Available profit	Rm	730,9	514,5	216,4	42
Available profit	cps	751	529	222	42

Appropriation

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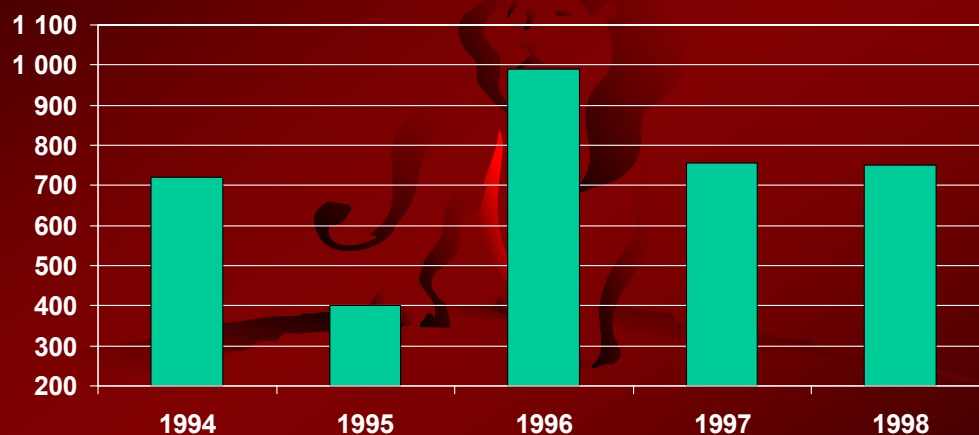
HALF YEAR RESULTS (\$ Imperial)

		6/98	6/97	Change	% Change
Production	ozs (000)	3 368	3236	132	4
Revenue	\$/ oz	359	370	-11	-3
Costs	\$/ oz	247	292	-45	-15
Gold op. profit	\$m	189.7	117.9	71.8	61
Capex	\$m	86.4	63.7	22.7	36
Total net earnings	\$m	163.5	89.8	73.7	82
Earnings	cps	168	92	76	83

Amortisation

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VAAL REEFS INTERIM DIVIDENDS HISTORY



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HALF YEAR DIVIDENDS (CENTS PER SHARE)



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RESTRUCTURING INITIATIVES

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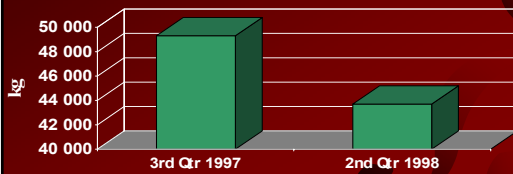
IMPETUS TO CHANGE

- Shift from volume to value
- Smaller, more focused organisation
- Need to review service provision
- Need to impact on operational overheads
- Quest to modernise - flatter hierarchy

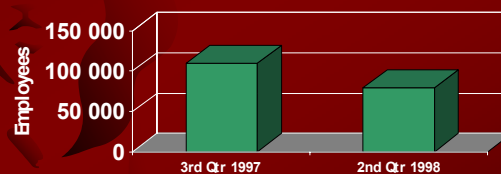
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3RD QTR 97 vs 2ND QTR 98

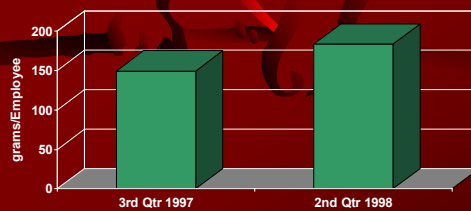
Gold Production



Total Employees Costed



Productivity



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SPECIFIC OBJECTIVES

- Reduce overheads by R250 million
- Flatten management hierarchy
- Shared services - economies of scale
- Spread best practice
- Close down regional structures

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A PRACTICAL PERSPECTIVE

- Establishment of technical consultancy
- Consolidation of training services
- Centralisation of payroll administration
- Accommodation and catering efficiencies
- Asset protection strategy

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PLANNED SAVINGS (R000)

<u>Activity</u>	<u>Savings</u>
• Technical Services	31 300
• Human Resources	126 000
• Financial Services	13 800
• Security Services	13 700
• Estates Management	37 000
• Total	221 800

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INDEPENDENCE FROM AAC

- Provision of own resources
- Increase in size of the corporate office
- Cost only - no markup
- Demise of AAC reimbursables
- Overall cost reduction

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REIMBURSABLE SAVINGS

R35 Million

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TO CONCLUDE....

- Completion of project by early next year
- Promote sustained costs below \$250
- Optimally resourced for future growth

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OPERATIONAL HIGHLIGHTS

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VAAL RIVER OPERATIONS SALIENT FEATURES

- Great Noligwa (Vaal Reefs #8)
 - gold production down nearly 10% quarter on quarter
 - 67% up for same period in 97
 - cash costs still excellent at \$178
- Kopanang (Vaal Reefs #9)
 - gold production up 23%
 - cash costs down (from \$330 to \$286)

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VAAL RIVER OPERATIONS SALIENT FEATURES (cont.)

- Tau Lekoa (Vaal Reefs #10)
 - gold production up 22%
 - cash costs down (from \$359 to \$311)
- Moab Khotsong (Vaal Reefs #11)
 - main shaft commissioned in mid-May
 - R72,9 million spent on shaft sinking

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WEST WITS OPERATIONS SALIENT FEATURES

- East Mine
 - operating profit for 6 months almost double
 - cash costs (\$173) remain excellent
- West Mine
 - dramatic turnaround - operating profit up from R1,7m to R27m
- South Mine
 - operating profit up 21%
- Productivity (g/tec) above target at East, West and South

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FREE STATE OPERATIONS SALIENT FEATURES

- Tshepong (Freegold 2 & 4)
 - operating profit 27% lower quarter on quarter
 - 258% higher for first 6 months of 98
- Matjhabeng (Western Holdings)
 - operating profit up 67%
 - cash costs improve by 4%
- Joel
 - significant improvement in operating profit - from R16m to R30,1m
 - R11,3m spent on shaft sinking
 - Cash costs down 10% to \$243 per oz

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FREE STATE OPERATIONS SALIENT FEATURES (cont.)

- Bambanani (Freegold 1)
 - operating profit down 8% quarter on quarter
 - 10% decline in grade
 - cash costs increase by 7%
- Masimong (Freegold 3)
 - 21% increase in production
 - cash costs improve by 18% - but still high

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ERGO & OTHER AFRICAN OPERATIONS SALIENT FEATURES

- Ergo
 - gold production down
 - decline in grade
 - productivity up 11% (tons treated per employee)
- Navachab
 - operating profit of R0,8m
 - production of 304kg
 - cash costs of \$320 per oz
- Sadiola
 - operating profit of R38,7m – 25% down
 - production 8,7% lower
 - cash costs very good at \$102 per oz
 - R2m capex

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