



Nesbitt Burns Institutional Gold Conference 1st March 1999



CASH FLOW STATEMENT (\$ Imperial)

for the year ended December

	1998 \$m	1997 \$m
Operating activities	406	279
Cash flow from operations	503	299
Investment income	30	56
Working capital movement	(15)	82
Taxation paid	(112)	(158)
Investing and financing activities	(116)	(204)
Mining assets acquired	(173)	(219)
Disposal of mining assets	105	17
Other activities	(48)	(2)
Translation adjustment	(45)	(9)
Net cash generated	245	66
Dividends paid	(260)	(308)
Cash resources at beginning of year	239	481
Cash resources at end of year	224	239

YEAR-END RESULTS (\$ Imperial)

		1998	1997	%
Production	ozs (000)	6 921	7 691	-10%
Revenue	\$/oz	326	365	-11%
Cash Costs	\$/oz	229	279	-18%
Op. Profit	\$m	434	135	222%
Capex	\$m	172	218	-21%
Tot. net earnings	\$m	318	179	78%
EPS	cps	324	183	77%

Amortisation

FINANCIAL RATIO ANALYSIS

	1998	1997	%
Operating margin (%)	20	5	292%
ROCE (%)	12	6	117%
Operating cashflow/ operating profit (%)	114	153	26%
Dividend yield (%)	6	5	29%
Earnings yield (%)	7	3	116%

Amortisation

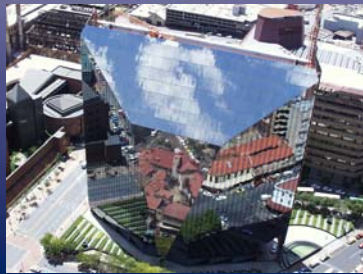
HOW

- Shafts reduced by half to 17
- Mature labor relations. No strike action
- Production down only 10%
- Productivity and cash cost targets achieved

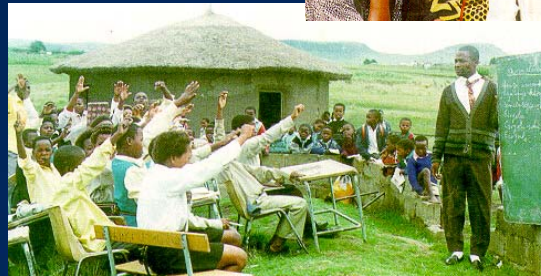
WHY

Workplace change:

- \$10 million to combat illiteracy
- productivity-linked wage deals
- \$9 million for technology advances
- “Zero Tolerance” safety campaign

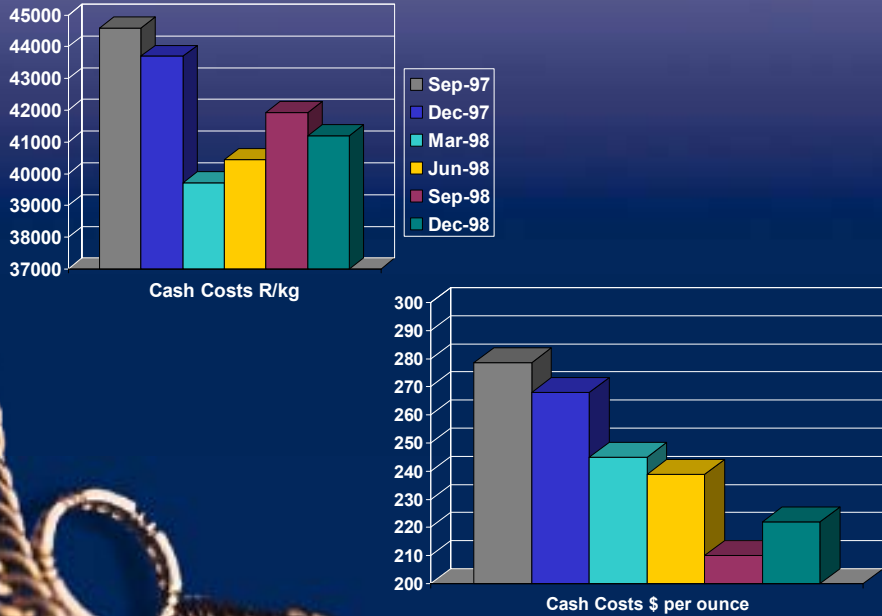


Urban renewal

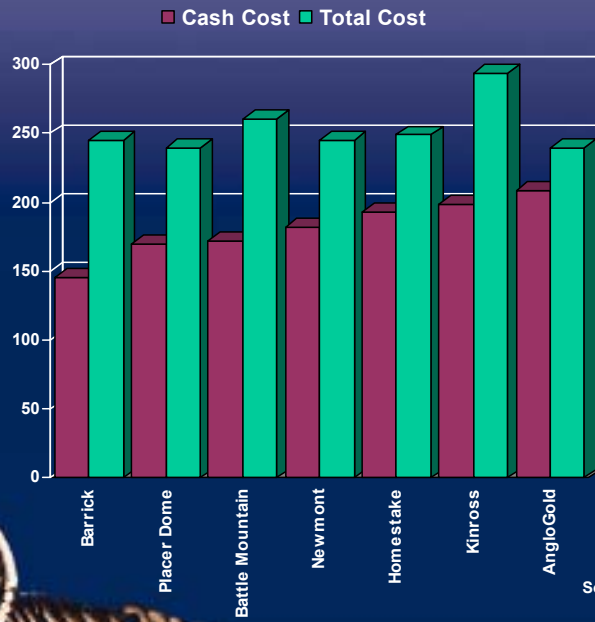


Rural healthcare

CASH COST TRENDS



1999 PROJECTIONS



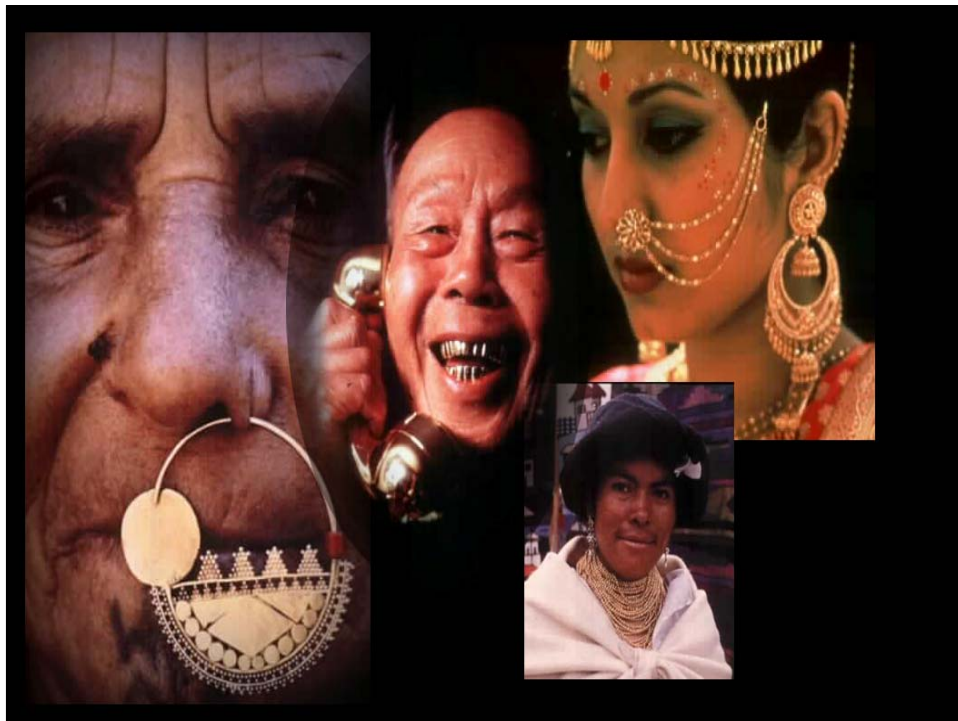
Source: Merrill Lynch

RESERVES AND RESOURCES

(as at 31/12/98)

	Million Ounces	
	Reserves	Resources
South African and African	116.3	151.2
South and North American	9.4	21.6
Other (including inferred)	0	208.5
	<u>125.7</u>	<u>381.3</u>

@\$298 gold price; resources are inclusive of reserves___







CONCLUSION

- Cut costs
- Improve efficiencies
- Significant new reserves
- Healthy profit margins
- Value and income investment
- Expand global platform
- Market development



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