

Five-year summaries

SUMMARISED GROUP FINANCIAL RESULTS

For the year ended 31 December

US Dollar million	2008	2007	2006	2005	2004	
Income statement						
Gold income	3,619	3,002	2,646	2,393	2,121	
Cost of sales	(2,728)	(2,458)	(2,138)	(2,149)	(1,794)	
Loss on non-hedge derivatives and other commodity contracts ⁽²⁾	(297)	(792)	(231)	(135)	(141)	
Gross profit (loss)	594	(248)	277	109	186	
Corporate administration and other expenses	(131)	(128)	(84)	(64)	(51)	
Market development costs	(13)	(16)	(16)	(13)	(15)	
Exploration costs	(126)	(117)	(58)	(44)	(43)	
Amortisation of intangible assets	-	-	-	-	(27)	
Other net operating expenses	(6)	(20)	(20)	(24)	(11)	
Operating special items	(1,538)	(13)	(7)	(67)	13	
Operating (loss) profit	(1,220)	(542)	92	(103)	52	
Dividend received from other investments	-	2	-	-	-	
Interest received	66	43	31	24	49	
Exchange gain (loss)	4	(1)	(5)	2	5	
Fair value adjustment on option component of convertible bond	25	47	16	(32)	26	
Finance costs and unwinding of obligations	(114)	(120)	(116)	(102)	(85)	
Fair value (loss) gain on interest rate swaps	-	-	-	(1)	2	
Share of equity accounted investments' (loss) profit ⁽¹⁾	(138)	35	115	43	40	
(Loss) profit before taxation	(1,377)	(536)	133	(169)	89	
Taxation	197	(101)	(146)	46	49	
(Loss) profit after taxation from continuing operations	(1,180)	(637)	(13)	(123)	138	
Discontinued operations						
Profit (loss) from discontinued operations	25	1	(2)	(36)	(11)	
(Loss) profit for the year	(1,155)	(636)	(15)	(159)	127	
Allocated as follows						
Equity shareholders	(1,195)	(668)	(45)	(182)	108	
Minority interest	40	32	30	23	19	
	(1,155)	(636)	(15)	(159)	127	
Other financial data						
Adjusted gross (loss) profit ⁽³⁾	\$m	(384)	835	884	395	383
Headline (loss) earnings	\$m	(30)	(648)	(82)	(145)	129
Adjusted headline (loss) earnings ⁽⁴⁾	\$m	(897)	278	411	153	259
Adjusted gross margin	%	(16)	25	29	16	18
EBITDA ⁽⁵⁾	\$m	1,131	1,224	1,409	772	690
EBITDA margin	%	48	37	47	30	32
Interest cover ⁽⁶⁾	times	8	9	11	7	7
(Loss) earnings per ordinary share (cents)						
Basic	US cents	(377)	(237)	(16)	(69)	43
Diluted	US cents	(377)	(237)	(16)	(69)	43
Headline	US cents	(9)	(230)	(30)	(55)	51
Adjusted headline (loss) earnings ⁽⁴⁾	US cents	(283)	99	151	58	103
Dividends paid per ordinary share	US cents	13	45	39	57	75
Weighted average number of shares	Million	317	281	273	265	251
Issued shares at year-end	Million	357	282	280	265	264

(1) The comparatives have been restated to reflect the equity accounting of investments.

(2) Refer to Non-GAAP disclosure note 3 on page 334.

(3) Refer to Non-GAAP disclosure note 2 on page 333.

(4) Refer to Non-GAAP disclosure note 1 on page 332.

(5) Refer to Non-GAAP disclosure note 6 on page 335.

(6) Refer to Non-GAAP disclosure note 7 on page 336.

SUMMARISED GROUP FINANCIAL RESULTS (CONTINUED)

As at 31 December

US Dollar million	2008	2007	2006	2005	2004	
Balance sheet						
Assets						
Tangible and intangible assets	4,493	7,041	6,329	6,139	6,109	
Cash and cash equivalents	575	477	471	197	276	
Other assets	2,992	2,190	2,022	1,859	1,724	
Total assets	8,060	9,708	8,822	8,195	8,109	
Equity and liabilities						
Total equity	2,511	2,442	3,047	2,661	3,209	
Borrowings	1,933	1,848	1,448	1,856	1,561	
Deferred taxation	617	1,042	1,093	1,136	1,337	
Other liabilities	2,999	4,376	3,234	2,542	2,002	
Total equity and liabilities	8,060	9,708	8,822	8,195	8,109	
Other financial data						
Equity ⁽¹⁾	3,242	3,926	4,529	4,217	4,689	
Net capital employed ⁽¹⁾	4,683	5,360	5,568	5,935	6,032	
Net debt ⁽²⁾	1,283	1,318	1,015	1,726	1,341	
Net asset value – US cents per share ⁽³⁾	702	867	1,087	1,004	1,214	
Net tangible asset value – US cents per share ⁽⁴⁾	661	718	946	862	1,057	
Market capitalisation ⁽⁵⁾	9,795	11,878	13,008	13,069	9,614	
Financial ratios						
Return on equity ⁽⁶⁾	%	(25)	7	9	3	7
Return on net capital employed ⁽⁷⁾	%	(16)	7	9	4	8
Net debt to net capital employed	%	27	25	18	29	22
Net debt to equity	%	40	34	22	41	29
Market capitalisation to total liabilities	times	1.8	1.6	2.3	2.4	2.0
Exchange rates						
Rand/dollar average exchange rate		8.25	7.03	6.77	6.37	6.44
Rand/dollar closing exchange rate		9.46	6.81	7.00	6.35	5.65
Australian dollar/dollar average exchange rate		1.17	1.19	1.33	1.31	1.36
Australian dollar/dollar closing exchange rate		1.44	1.14	1.27	1.36	1.28
Brazilian real/dollar average exchange rate		1.84	1.95	2.18	2.44	2.93
Brazilian real/dollar closing exchange rate		2.34	1.78	2.14	2.35	2.65

The comparatives have been restated to reflect the equity accounting of investments.

(1) Refer to Non-GAAP disclosure note 8 on page 336.

(2) Refer to Non-GAAP disclosure note 9 on page 336.

(3) Refer to Non-GAAP disclosure note 10 on page 336.

(4) Refer to Non-GAAP disclosure note 11 on page 337.

(5) Refer to Non-GAAP disclosure note 16 on page 338.

(6) Refer to Non-GAAP disclosure note 12 on page 337.

(7) Refer to Non-GAAP disclosure note 13 on page 337.

Five-year summaries *cont.*

SUMMARISED GROUP FINANCIAL RESULTS (CONTINUED)

For the year ended 31 December

US Dollar million	2008	2007	2006	2005	2004
Cash flow statement					
Cash flows from operating activities					
Cash generated from operations	632	983	1,132	619	498
Cash utilised by discontinued operations	(1)	(2)	(1)	(31)	(2)
Dividends received from equity accounted investments	78	65	85	51	–
Taxation paid	(125)	(180)	(110)	(22)	(28)
Cash utilised for hedge book settlements	(1,113)	–	–	–	–
Net cash (outflow) inflow from operating activities	(529)	866	1,106	617	468
Cash flows from investing activities					
Capital expenditure	(1,194)	(1,015)	(811)	(711)	(574)
Net proceeds from disposal and acquisition of mines and subsidiaries	10	1	9	4	(171)
Net proceeds from disposal and acquisition of investments, associate loans, and acquisition and disposal of tangible assets	82	(13)	46	(16)	(20)
Dividend received from other investments	–	2	–	–	–
Interest received	67	35	24	18	36
Net loans repaid (advanced)	–	–	5	(1)	88
(Increase) decrease in cash restricted for use	(6)	(25)	(3)	17	(6)
Utilised in hedge restructure	–	–	–	(69)	(123)
Other investing activities	–	–	1	(2)	–
Net cash outflow from investing activities	(1,041)	(1,015)	(729)	(760)	(770)
Cash flows from financing activities					
Net proceeds from share issues	1,668	34	507	9	3
Net borrowings proceeds (repaid)	239	323	(394)	305	299
Finance costs paid	(93)	(72)	(82)	(73)	(72)
Dividends paid	(58)	(144)	(132)	(169)	(177)
Proceeds from hedge restructure	–	–	–	–	40
Net cash inflow (outflow) from financing activities	1,756	141	(101)	72	93
Net increase (decrease) in cash and cash equivalents	186	(8)	276	(71)	(209)
Translation	(88)	14	(2)	(8)	12
Cash and cash equivalents at beginning of year	477	471	197	276	473
Cash and cash equivalents at end of year	575	477	471	197	276
Other financial data					
Free cash flow ⁽²⁾	(1,069)	336	633	160	205
Cash generated to cash invested ⁽³⁾	0.6	0.7	1.6	0.8	0.6

(1) The comparatives have been restated to reflect the equity accounting of investments.

(2) Refer to Non-GAAP disclosure note 14 on page 338.

(3) Refer to Non-GAAP disclosure note 15 on page 338.

SUMMARISED GROUP OPERATING RESULTS

For the year ended 31 December

		2008	2007	2006	2005	2004
Operating results						
Underground operations						
Metric tonnes milled	000	12,335	13,112	13,489	13,806	13,554
Yield	g/t	6.89	6.99	7.20	7.31	7.50
Gold produced	000 oz	2,734	2,948	3,123	3,243	3,270
Surface and dump reclamation						
Metric tonnes treated	000	11,870	12,429	12,414	8,061	7,102
Yield	g/t	0.42	0.49	0.50	0.52	0.60
Gold produced	000 oz	161	197	201	136	138
Open-pit operations						
Metric tonnes mined	000	175,999	172,487	173,178	168,904	135,171
Stripping ratio ⁽¹⁾		5.24	4.48	4.82	5.02	6.34
Metric tonnes treated	000	25,388	25,312	26,739	25,541	18,236
Yield	g/t	2.12	2.34	2.14	2.74	3.21
Gold produced	000 oz	1,734	1,904	1,843	2,246	1,883
Heap-leach operations						
Metric tonnes mined	000	54,754	59,720	63,519	61,091	71,837
Metric tonnes placed ⁽²⁾	000	23,462	22,341	23,329	22,227	22,120
Stripping ratio ⁽¹⁾		1.43	1.77	1.83	1.97	2.08
Recoverable gold placed ⁽³⁾	kg	14,496	16,242	18,162	18,500	18,670
Yield ⁽⁴⁾	g/t	0.62	0.73	0.78	0.83	0.84
Gold produced	000 oz	353	428	468	541	538
Total gold produced	000 oz	4,982	5,477	5,635	6,166	5,829
– South Africa		2,099	2,328	2,554	2,676	2,857
– Argentina		154	204	215	211	211
– Australia		433	600	465	455	410
– Brazil		407	408	339	346	334
– Ghana		557	527	592	680	485
– Guinea		333	280	256	246	83
– Mali		409	441	537	528	475
– Namibia		68	80	86	81	66
– Tanzania		264	327	308	613	570
– USA		258	282	283	330	329
– Zimbabwe		–	–	–	–	9
Average price received ⁽⁵⁾	\$/oz sold	485	629	577	439	394
Total cash costs ⁽⁶⁾	\$/oz produced	444	357	308	281	264
Total production costs ⁽⁶⁾	\$/oz produced	567	476	414	374	332
Capital expenditure ⁽⁷⁾	\$m	1,201	1,059	817	722	585
Monthly average number of employees		62,895	61,522	61,453	63,993	65,400
LTIFR		7.32	8.24	7.70	6.77	6.56
FIFR		0.09	0.21	0.22	0.14	0.19

Definitions

(1) Stripping ratio = (total tonnes mined – ore tonnes mined)/ore tonnes mined.

(2) Tonnes placed onto leach pad.

(3) Recoverable gold placed onto leach pad inventory.

(4) Recoverable gold placed/tonnes placed.

Comments

(5) Average gold price received negatively impacted by the reduction of the hedge book in 2008.

(6) Cost increases have been driven primarily by input cost inflation.

(7) Capital expenditure has increased year-on-year in accordance with AngloGold Ashanti's growth strategy.