

The future looks bright

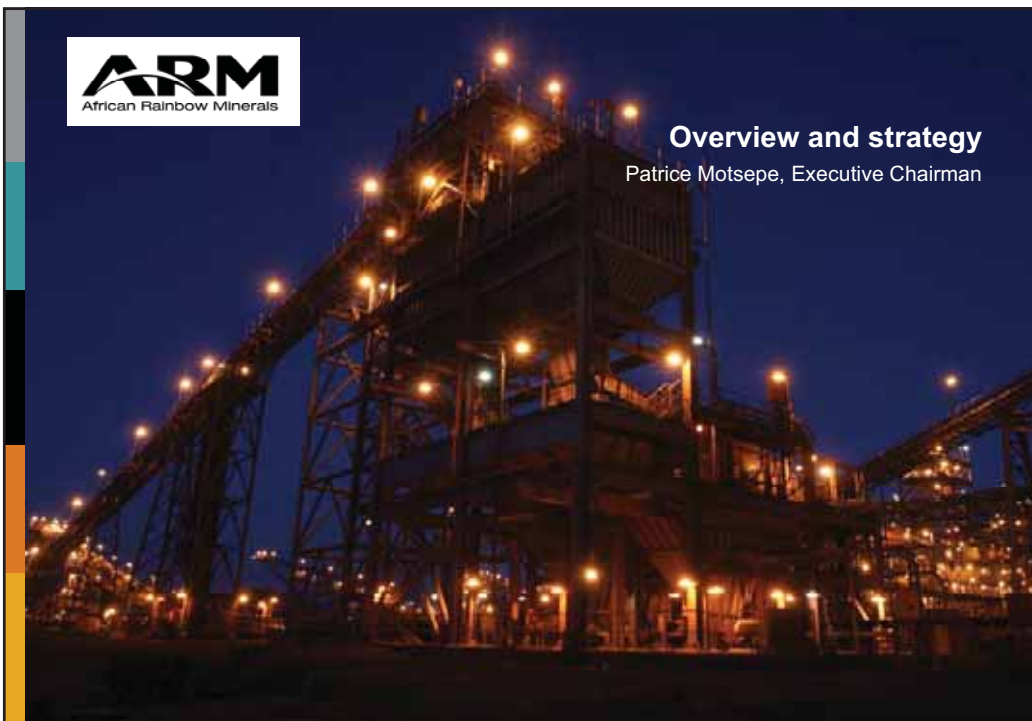
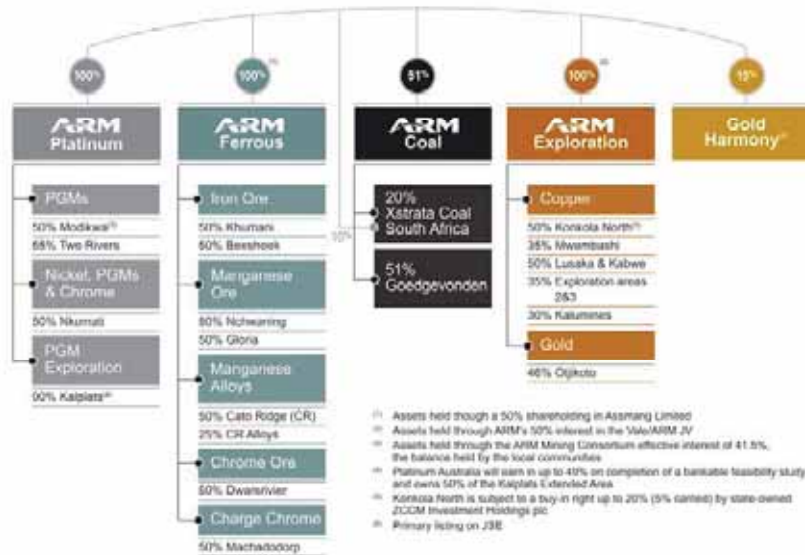


WE DO IT BETTER

Provisional results for the year ended 30 June 2009

Disclaimer

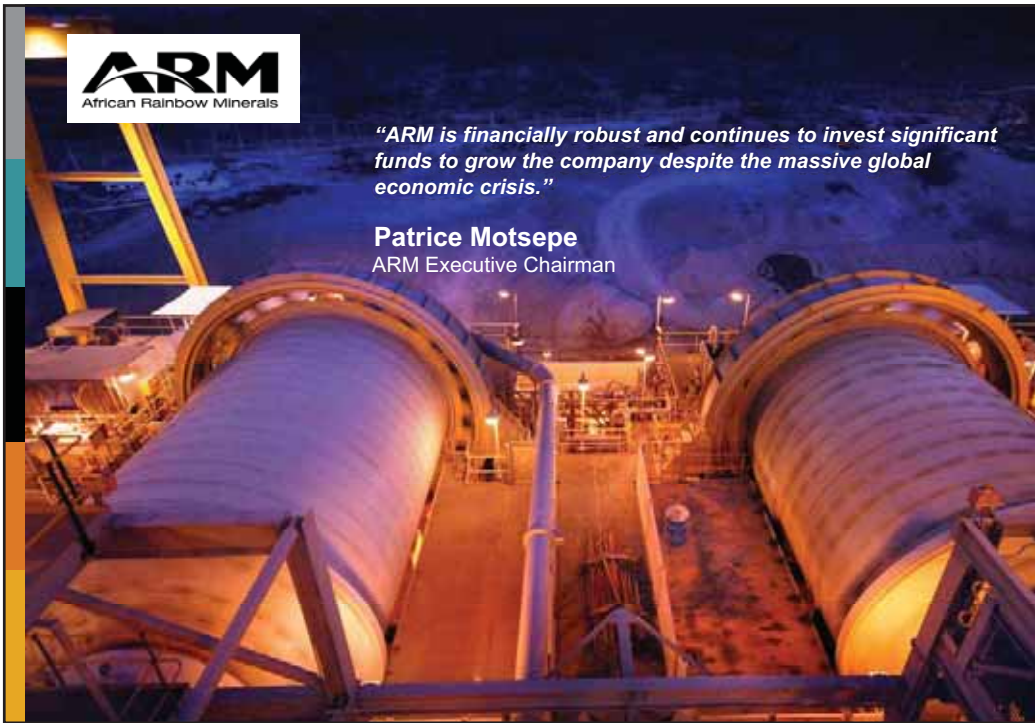
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"ARM is financially robust and continues to invest significant funds to grow the company despite the massive global economic crisis."

Patrice Motsepe
ARM Executive Chairman



Salient features

Headline earnings decreases by 42% from R4.0 billion to R2.3 billion, impacted by the global economic recession

Headline earnings per share of 1 094 (F2008: 1 906) cents

Profit from operations before exceptional items decreases 44% from R6.7 billion to R 3.7 billion

Record sales volumes for iron ore and PGMs

Cash balances increase by R0.9 billion to R3.5 billion
Net debt reduces to R231 million from R1.3 billion

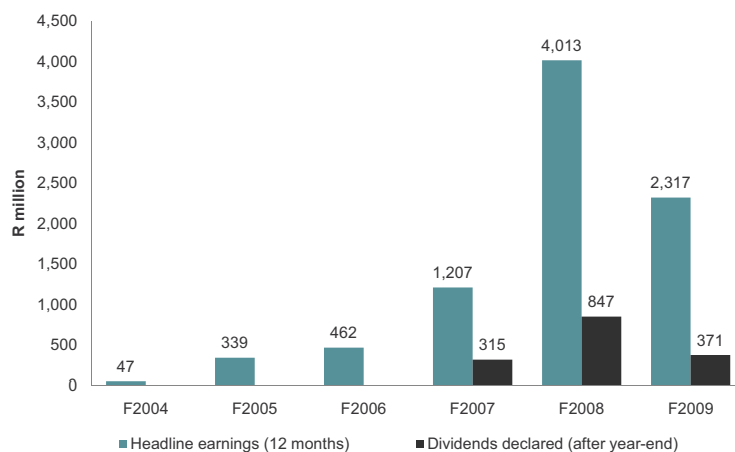
ARM corporate loan of R967 million refinanced; new facility increased to R1.75 billion and extended for three years

Khumani 10 mtpa mine completed on time and within budget; a further 6 mtpa expansion approved

Goedevonden and Nkomati expansion projects commence commissioning

TEAL's shareholding restructured as ARM forms 50:50 joint venture with Vale

The declaration of a dividend of 175 cps (F2008: 400 cps)

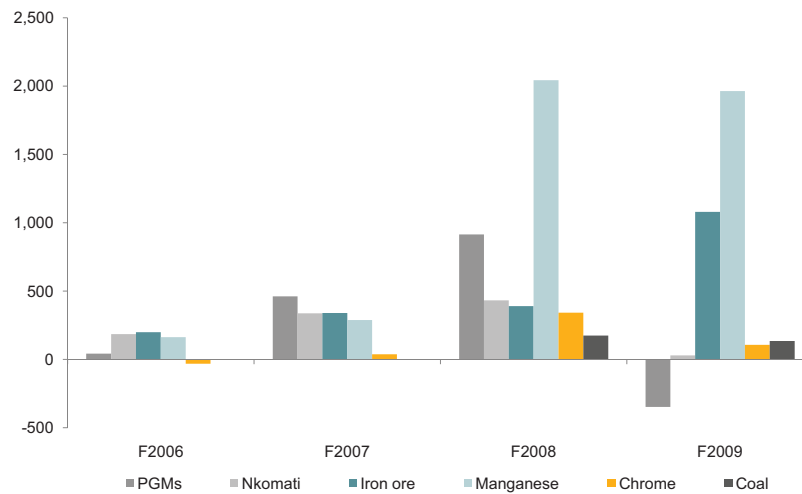


Second half of the financial year severely impacted by the global economic slowdown

Basic earnings of R2 868 million for F2009

Diversified earnings

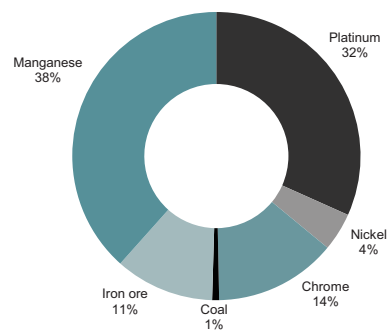
Divisional attributable headline earnings



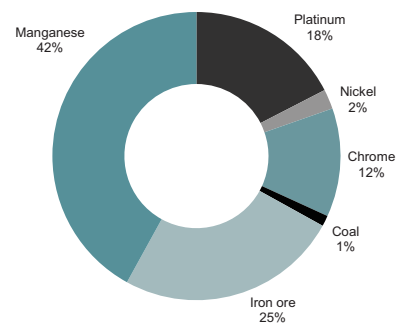
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Diversified revenues

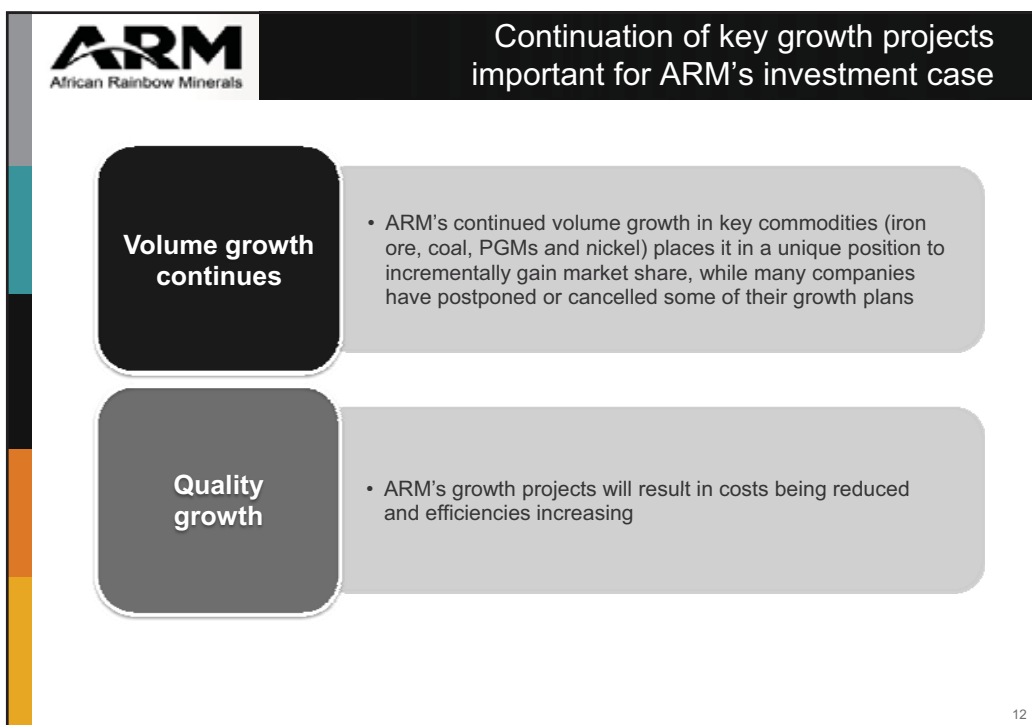
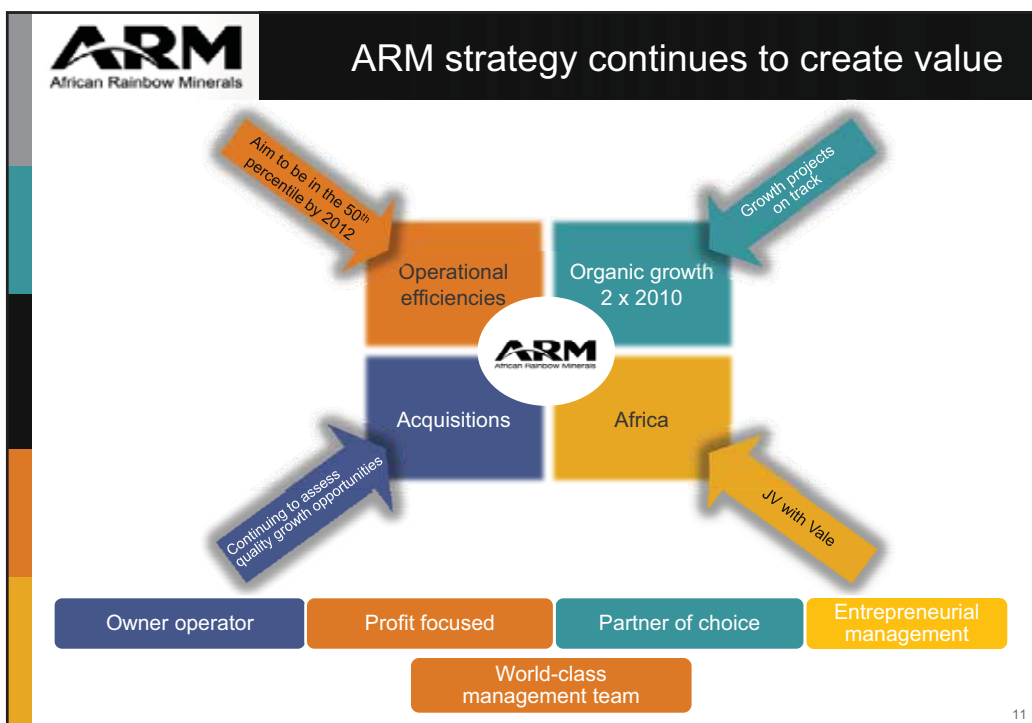
F2008 Revenue commodity contributions



F2009 Revenue commodity contributions



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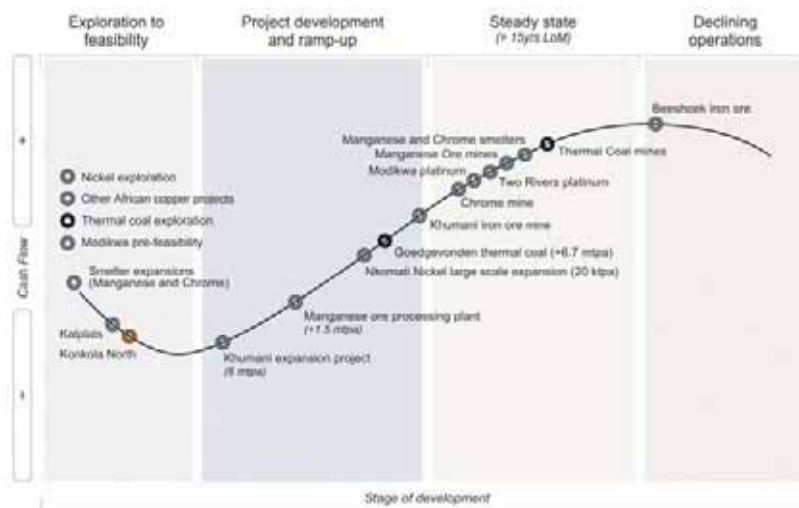


Favourable commodity markets

- Volume growth is occurring in markets where the absolute incremental volume is not expected to negatively impact the global demand/supply balances

Key growth projects

- Key projects include GGV Thermal Coal, Khumani Iron Ore, Nkomati Nickel



Responding to the global economic crisis

Cash preservation

- Positive cash flow from operating activities
- Net gearing of 1%

Quick response

- Production volumes adjusted based on dramatic reduction in demand

Operational restructuring

- Retrenchments of ARM employees minimised while cost focus continues

New opportunities and acquisitions

- Continuous assessment of new opportunities and acquisitions

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Corporate action places ARM in a strong position

Vale/ARM JV

- ARM is excited about its 50/50 JV with Vale
- The JV strategically positions ARM to grow in Africa
- The development of the JV's copper assets is under consideration

Modikwa

- An improved off-take agreement for Modikwa has been finalised, which results in ARM receiving higher revenues

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Two Rivers

- ARM has entered into an agreement with Impala Platinum to incorporate adjacent prospecting properties into Two Rivers Platinum Mine
- This extends the life of mine by 6 years
- ARM's ownership will dilute from 55% to 51%, retaining management control
- Subject to Section 11 approval

Completed projects >R10 bn* F2005 - F2009

- Khumani Iron Ore (10 mtpa)
- Nchwaning III Manganese
- Modikwa Platinum
- Two Rivers Platinum
- Nkomati Nickel Interim Plant
- Nkomati Chrome Mine
- Dwarsrivier Chrome Mine

Projects in progress >R8 bn* F2010 - F2012

- Khumani Iron Ore (+6 mtpa)
- Nkomati Nickel (20 ktpa)
- GGV Thermal Coal (6.7 mtpa)

Potential future projects

- Konkola North Copper
- Kalplats Platinum
- Modikwa Platinum expansion
- Smelter expansions

* Total attributable capital expenditure

Quality long-term growth assets under construction



**Khumani Iron Ore
(10 → 16 mtpa)**



**Goedgevonden
Thermal Coal**



**Nkomati Nickel Large
Scale Expansion**

Capex committed	95% (20%)	90%	75%
Stage	Ramp-up (Building)	Commissioning	375ktpm plant commissioning
Position on cost curve	40 th percentile	25 th percentile	40 th percentile
Steady state	10mtpa (+6mtpa)	3.5mt local; 3.2mt export	20 500t nickel
Commissioning (Calendar year)	2008 (2012)	2009	2009
Full production (Financial year)	2010 (2013)	2012	2012
Comment	More efficient, low unit cost	Dragline opencast operation	C1 cash cost net of by-products of \$3.50/lb

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Safety

Consistent reduction in LTIFR over 4 years from 6.08 to 3.68

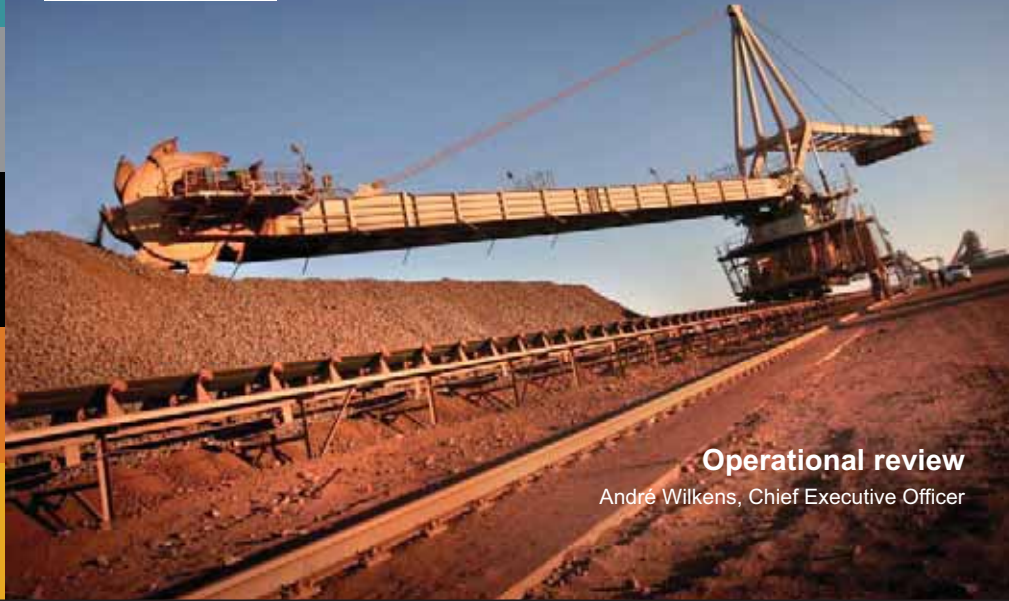
Modikwa achieves 5 million fatality free manshifts worked

Beeshoek mine achieved 6 000 fatality free production shifts worked

Two Rivers achieved 1 million fatal free manshifts worked

ARM joins the International Council of Mining and Minerals

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Operational review

André Wilkens, Chief Executive Officer

Operational performance

13% increase in iron ore sales to 7.4 million tonnes

6% increase in attributable PGM production/sales to 323 259 ounces

42% decrease in external manganese ore sales to 2.15 million tonnes

12% decrease in nickel production to 4 495 tonnes

All 100% basis, unless otherwise indicated

Cash preservation

- No operations to be cash flow negative at depressed pricing levels
- Critical assessment of capital projects, with some deferrals
- Sound banking relationships
- Financially strong partners
- Conservative net debt / equity management

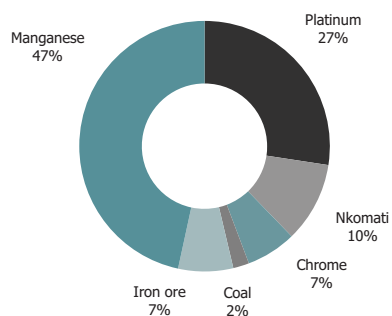
Quick response to changing market dynamics

- Balance between minimising shareholder value destruction due to global recession in the short term and maximising shareholder value in the long term
- Production volume reductions were implemented, once stockpiles reached optimal levels
- Responses varied across the business, based on specific commodity demand factors
- Key development capex not reduced
- Focus on health and safety remains key
- Retain ability to quickly respond to increases in commodity demand

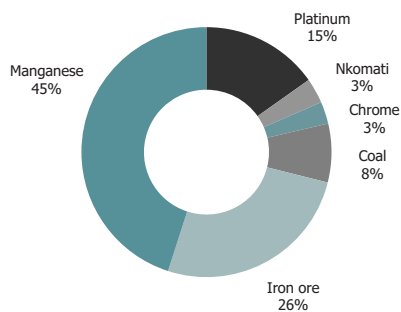
Operational efficiencies

- Retrenchments of ARM employees minimised through redeployment to growing operations/projects and strategic union negotiations
- Stockpiles utilised, to reduce mining costs, where applicable
- Reallocation of Modikwa shifts onto an 11-day fortnight cycle from CONOPS
- Focusing on maintaining unit production and sales costs at globally competitive levels

F2008 Operating cash flow



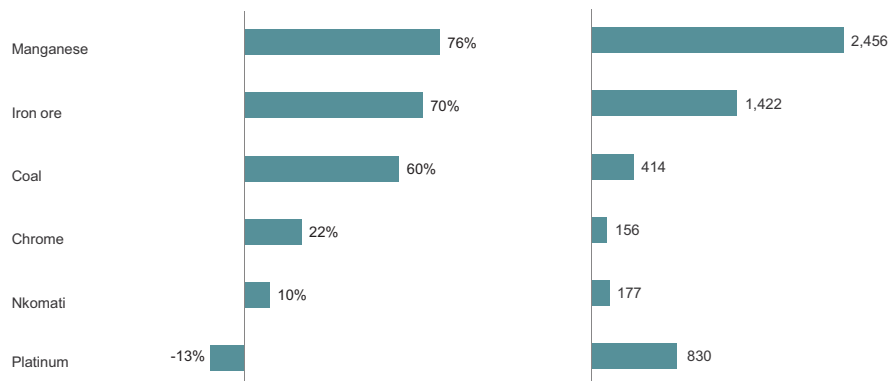
F2009 Operating cash flow



Strong underlying cash flows

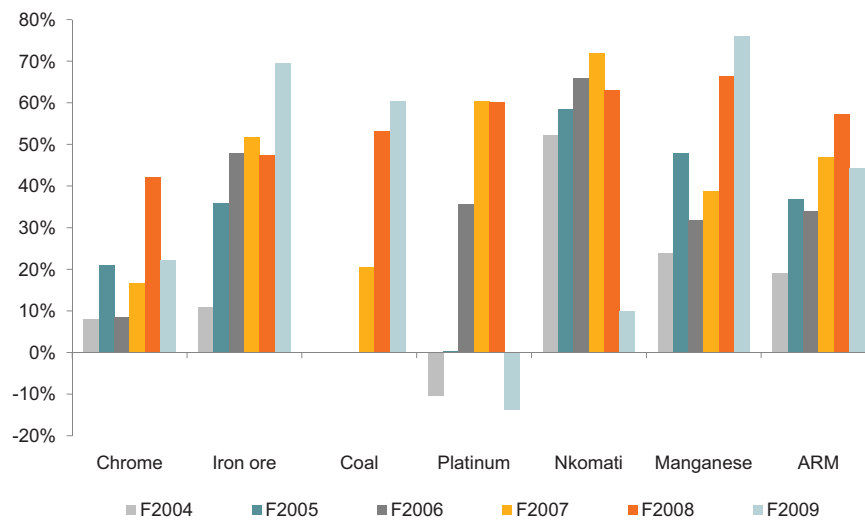
ARM F2009 EBITDA margin is 44%

ARM cash flow from operating activities (R million)



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Divisional EBITDA margins



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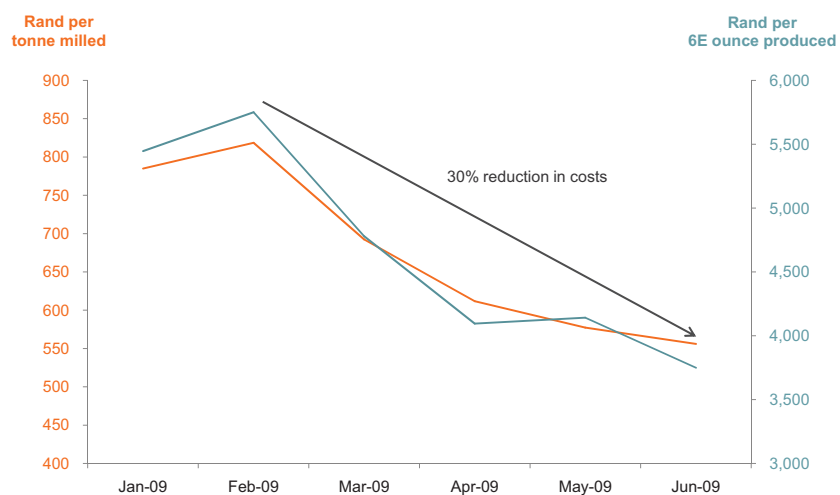
Solid EBITDA margins

Stock-pile rebuild and planned maintenance contributed to cost increases

Commodity group	Unit cost (metric)	% change F2009 vs F2008 (decrease)/increase	F2009 EBITDA margin (%)
Iron ore	R/tonne	(7)	70
Nickel	R/tonne milled	15	10
Manganese ore	R/tonne	19	81
Platinum	R/PGMs	20	(13)
Coal	R/tonne (on mine, saleable)	35	60
Charge chrome	R/tonne	37	21
Manganese alloys	R/tonne	38	62

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Modikwa costs improving



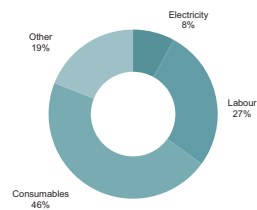
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Mining costs

ARM Ferrous

Increasing volumes with restructuring implemented

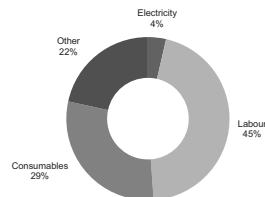
Approximate on mine and smelter cash cost split



ARM Platinum

Cost control and plant optimisation with restructuring implemented

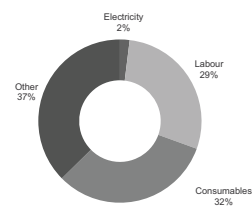
Approximate on mine cash cost split



ARM Coal

Export volumes increasing and shift to lower cost open cast mining

Approximate on mine cash cost split

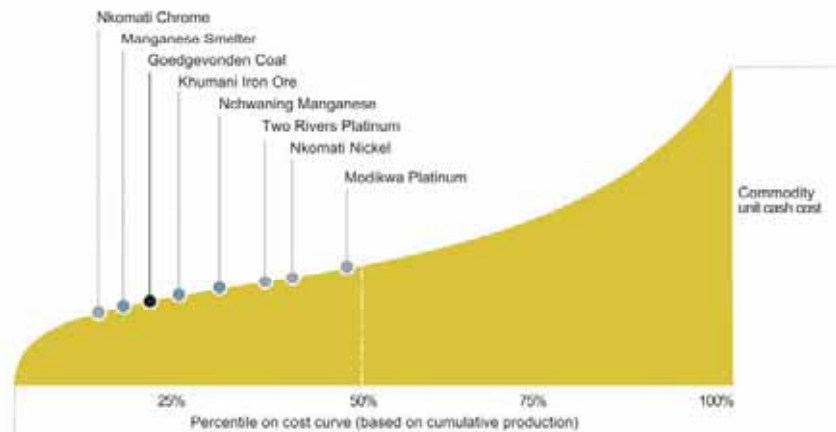


All F2009 figures attributable

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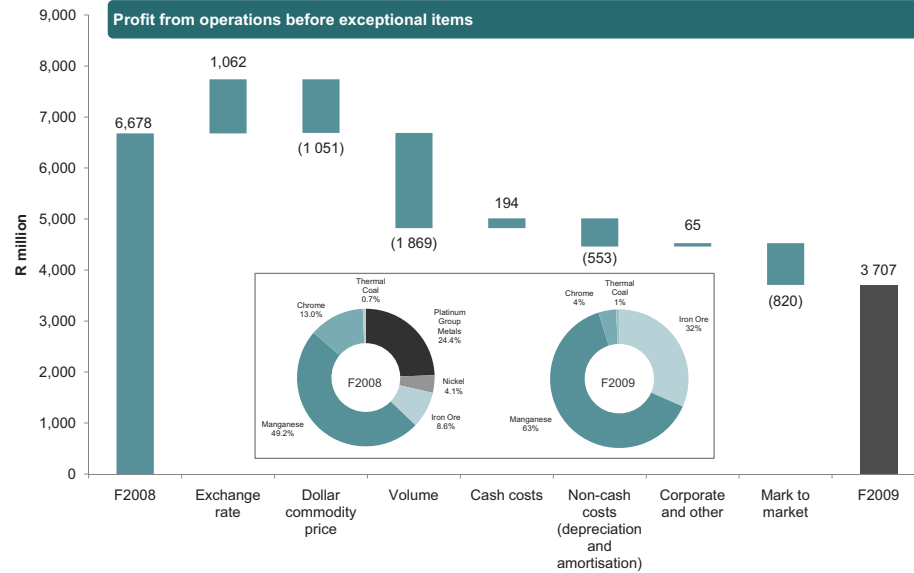
Continuous focus on cost reduction

ARM target for operations on the respective global cost curve by 2012
(ARM estimate, benchmarked at steady state/normalised production volumes)



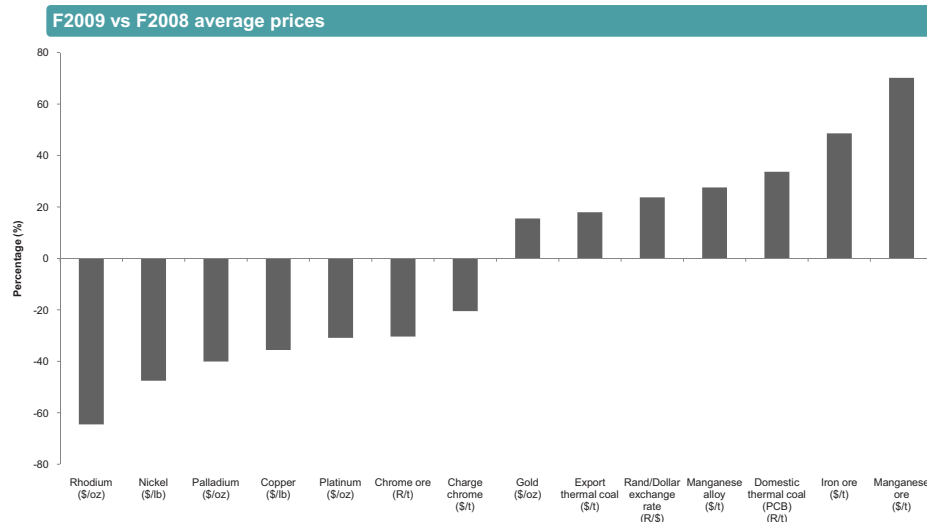
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Profit variance



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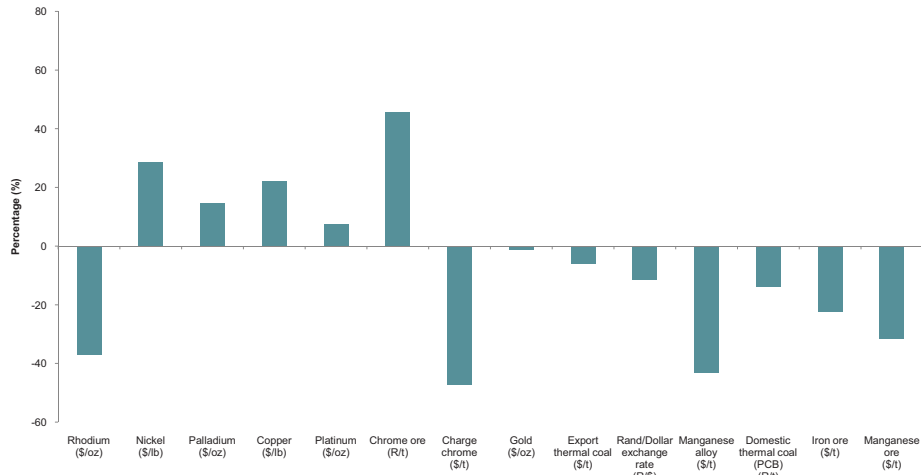
Revenue drivers



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Commodity price movements

Spot prices at 21 August 2009 vs the average F2009 prices

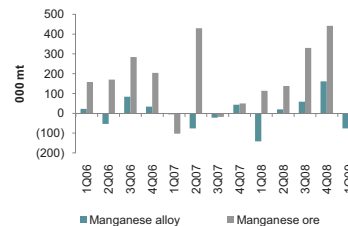


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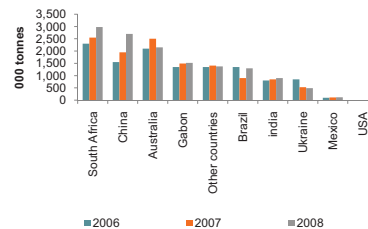
Manganese market outlook improving

- Manganese(Mn) – used for steelmaking
 - 70% used as an alloy agent
 - 30% for its properties as a sulphide former and deoxidant
 - Approximately 10 kg Mn alloy per mt of steel produced
- Manganese ore production for 2008 estimated at 14 mt
- South Africa, China, Australia and Gabon accounted for 69% of the world's manganese ore production
- 40% of global trade was imported by China
- Developing economies use more manganese in their steel than developed ones
- China and India's growth prospects are positive for the manganese markets

Supply/demand balances



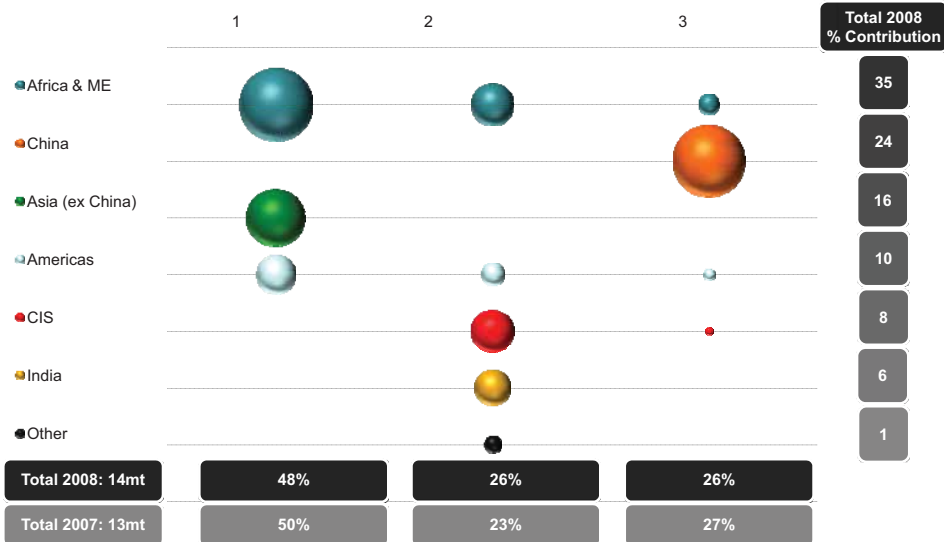
World Mn Ore production (Mn content)



Source: International Manganese Institute (June 2009), ARM estimates

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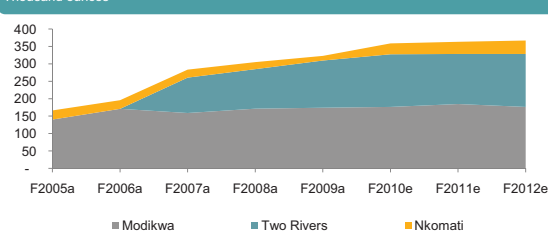
Manganese ore production



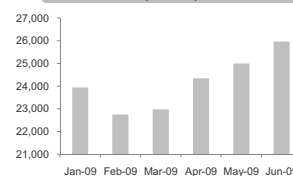
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2 x 2010 growth strategy – attributable

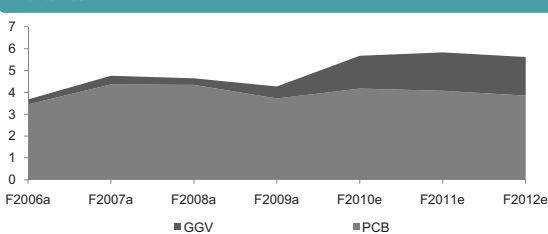
PGM in concentrate sales



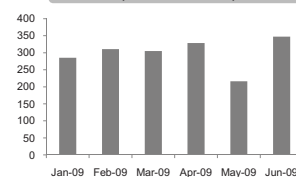
PGMs monthly sales (ounces)



Thermal coal



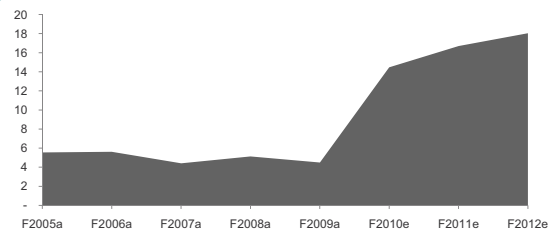
Thermal coal monthly sales (thousand tonnes)



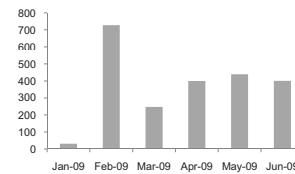
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2 x 2010 growth strategy – 100% basis

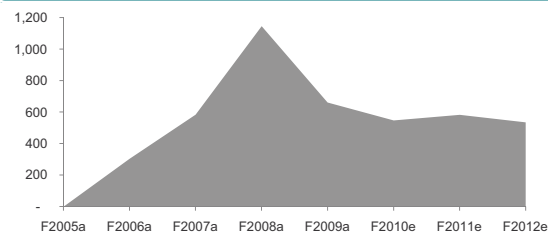
Nkomati nickel
Thousand tonnes



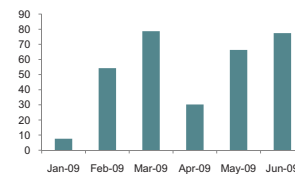
Nickel monthly sales
(tonnes)



Chrome ore
Thousand tonnes



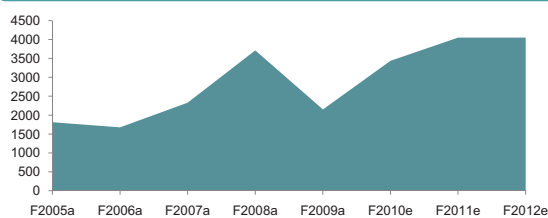
Chrome ore monthly sales
(thousand tonnes)



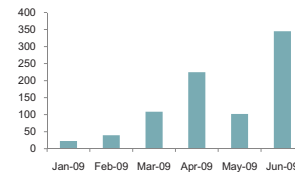
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2 x 2010 growth strategy – 100% basis

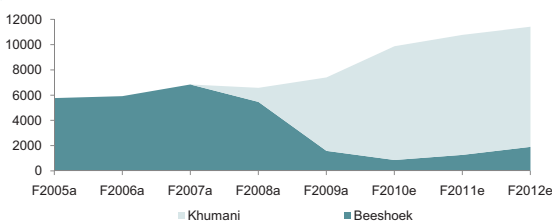
Manganese ore
Thousand tonnes



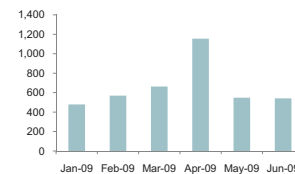
Manganese ore monthly sales
(thousand tonnes)



Iron ore
Thousand tonnes



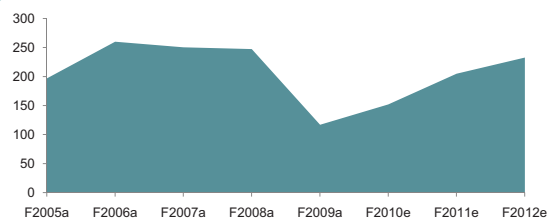
Iron ore monthly sales
(thousand tonnes)



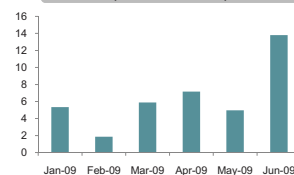
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2 x 2010 growth strategy – 100% basis

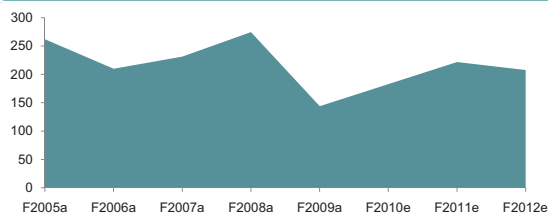
Ferromanganese Thousand tonnes



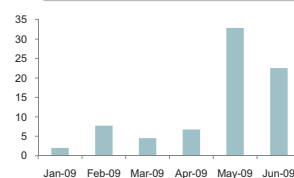
Ferromanganese alloys monthly sales (thousand tonnes)



Charge chrome Thousand tonnes



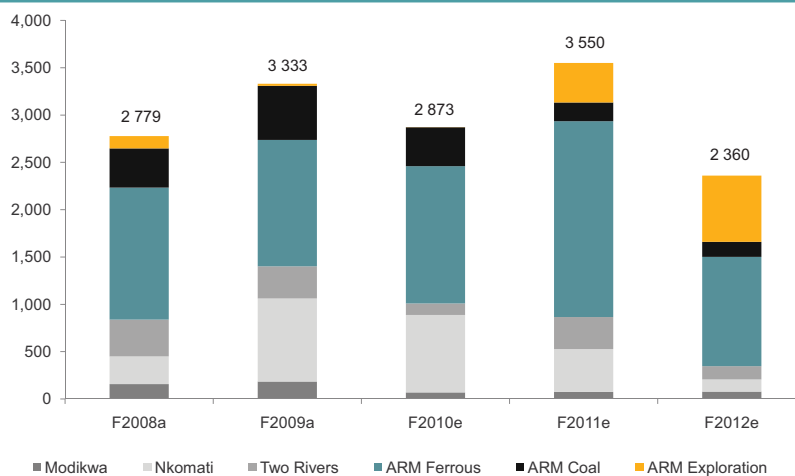
Charge chrome monthly sales (thousand tonnes)



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Growth projects continue

Attributable capital expenditure by division R million



← F2005 – F2009: R>10bn

F2010 – F2012: R>8bn

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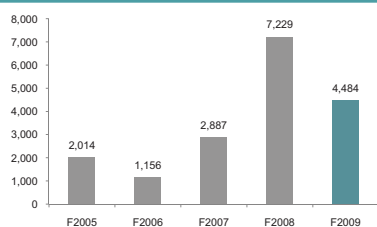
Sufficient capacity to fund growth platforms

Per balance sheet	Net debt calculation		
	June 2009	Dec 2008	June 2008
Long-term interest bearing borrowings	1 364		
Short-term interest bearing borrowings	2 380		
Total interest bearing borrowings	3 744	4 220	3 978
Assmang (50%)	13		
ARM company* and other	1 004		
Vale/ARM JV	395		
Nkomati	149		
Two Rivers	368		
Modikwa	9		
Modikwa (Anglo Platinum)	132		
Two Rivers (loan from Impala)	539	(586)	(635)
ARM Coal (loan from Xstrata)	1 135	(1 069)	(857)
ARM attributable total debt (excluding partner loans)	1 938	2 565	2 486
Cash and cash equivalents	(3 513)	(3 660)	(2 660)
Net (cash)/debt (excluding partner loans)	(1 575)	(1 095)	(174)
Net (cash)/debt	231	560	1 318
Net gearing	1%	3%	8%

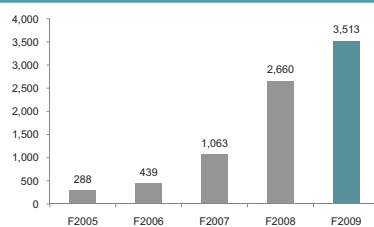
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Balance Sheet strength continues

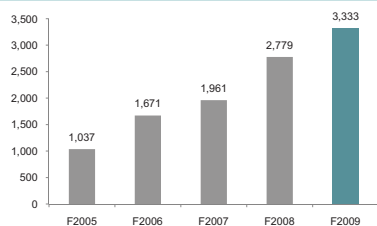
EBITDA excluding exceptional items
R million



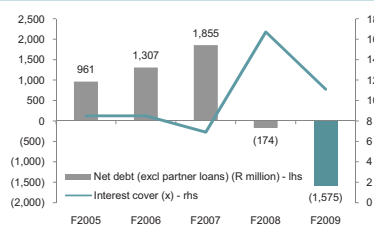
Cash on Balance Sheet
R million



Capital expenditure
R million

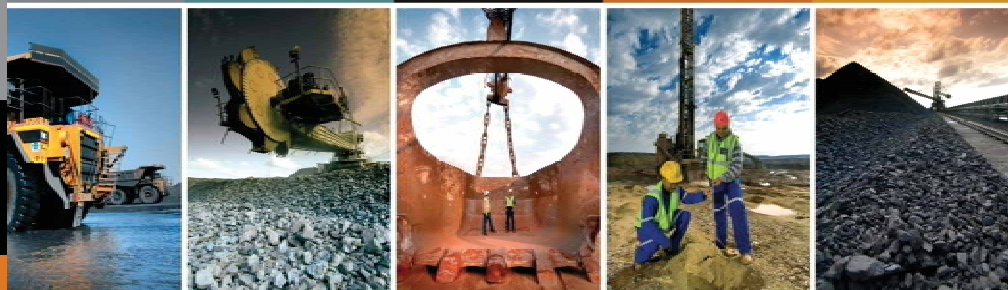


Net debt/(cash) and interest cover
R million



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Questions



WE DO IT BETTER

Provisional results for the year ended 30 June 2009

Appendix



WE DO IT BETTER

Provisional results for the year ended 30 June 2009

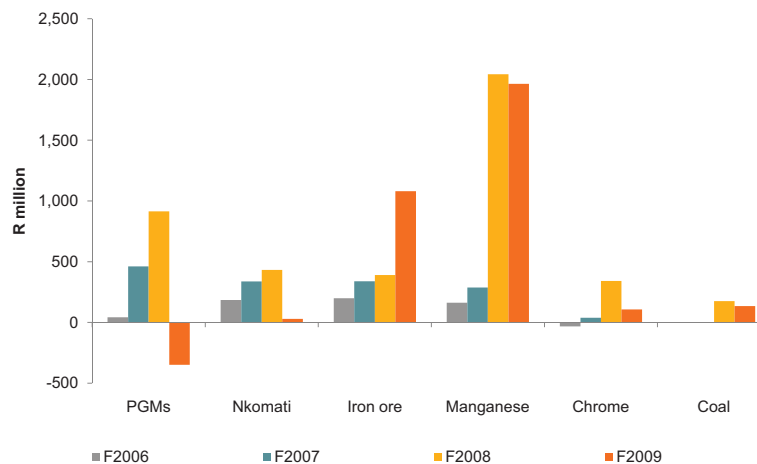
ARM operational summary

				F2009	F2008	% change
ARM Platinum (100% basis)	Modikwa	PGMs in concentrate (6E)	Ounces	348 866	343 062	2
		Cash cost	R/kg	160 507	123 995	29
		Cash operating margin	%	(20)	58	(135)
	Two Rivers	PGMs in concentrate	Ounces	246 295	206 491	19
		Cash cost	R/kg	136 288	125 391	9
		Cash operating margin	%	(8)	63	(113)
	Nkomati	Contained nickel	Tonnes	4 495	5 163	(13)
		Chrome ore sold	000 tonnes	661	1 146	(42)
		C1 cash cost net of by-products	\$/lb	2	(4)	(156)
		Cash operating margin	%	17	60	(72)
ARM Ferrous (100% basis)	Iron ore	Sales tonnes	Mt	7.4	6.6	13
		Change in costs compared to comparable period	%	(7)	65	(111)
		EBITA margin	%	70	48	46
	Manganese ore	Sales tonnes (excl intra-group sales)	Mt	2.2	3.7	(42)
		Change in costs compared to comparable period	%	19	19	0
		EBITA margin	%	81	73	11
	Manganese alloy	Sales tonnes (excl intra-group sales)	Mt	117	247	(53)
		Change in costs compared to comparable period	%	38	20	90
		EBITA margin	%	62	54	15
	Charge chrome	Sales tonnes	Mt	144	275	(48)
		Change in costs compared to comparable period	%	37	18	106
		EBITA margin	%	21	42	(50)
ARM Coal (Attributable)	Thermal coal	Total sales	Mt	4.3	5.6	(23)
		On mine saleable cost	R/tonne	228	168	35
		Operating margin	%	38	37	3

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Diversified earnings base

Divisional attributable headline earnings



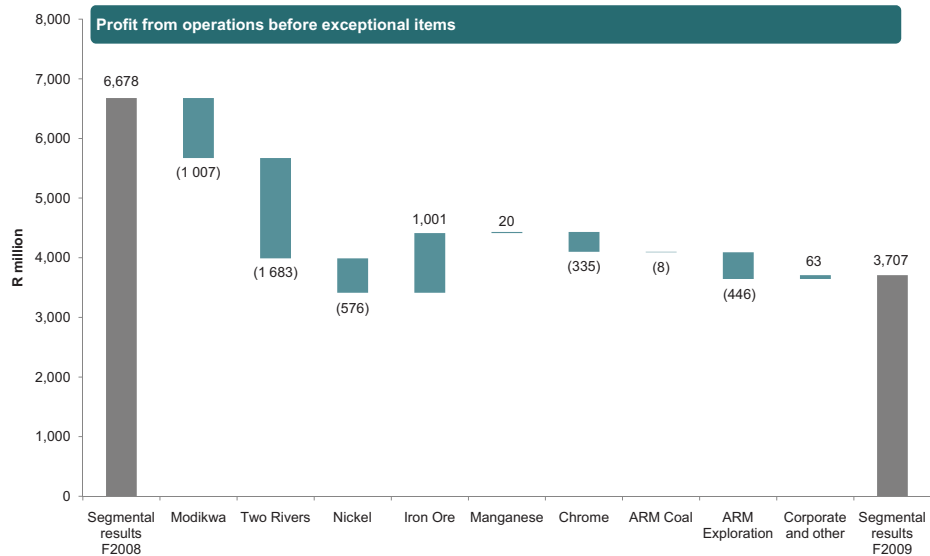
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Operations optimised to be cash positive

Capex	Costs	Volumes
<ul style="list-style-type: none"> Continuation of growth projects Total capex rescheduled over 3 years >25% Maintain gearing at manageable levels 	<ul style="list-style-type: none"> Optimisation of operations Managing working capital 	<ul style="list-style-type: none"> Short-term cutbacks <ul style="list-style-type: none"> Manganese ore Machadodorp charge chrome and Dwarsrivier chrome mine Cato Ridge manganese alloys Nkomati Chrome

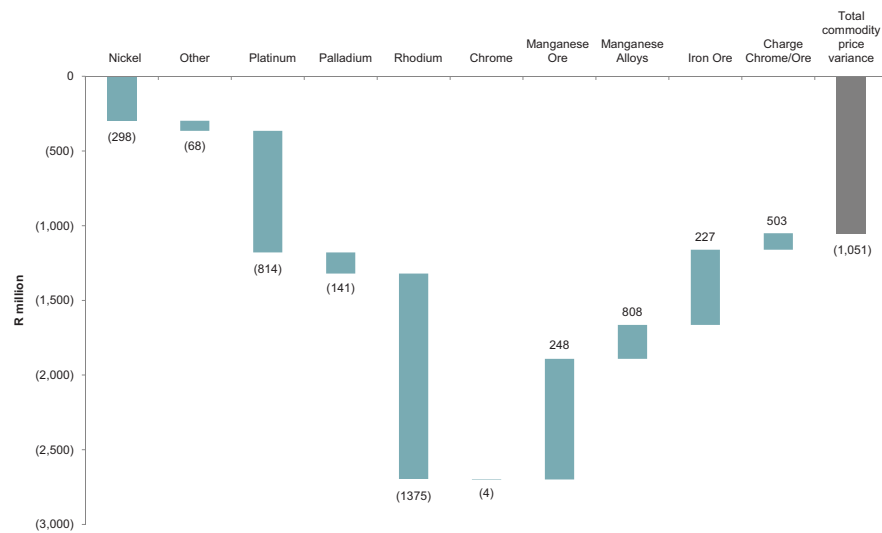
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Divisional profit variance



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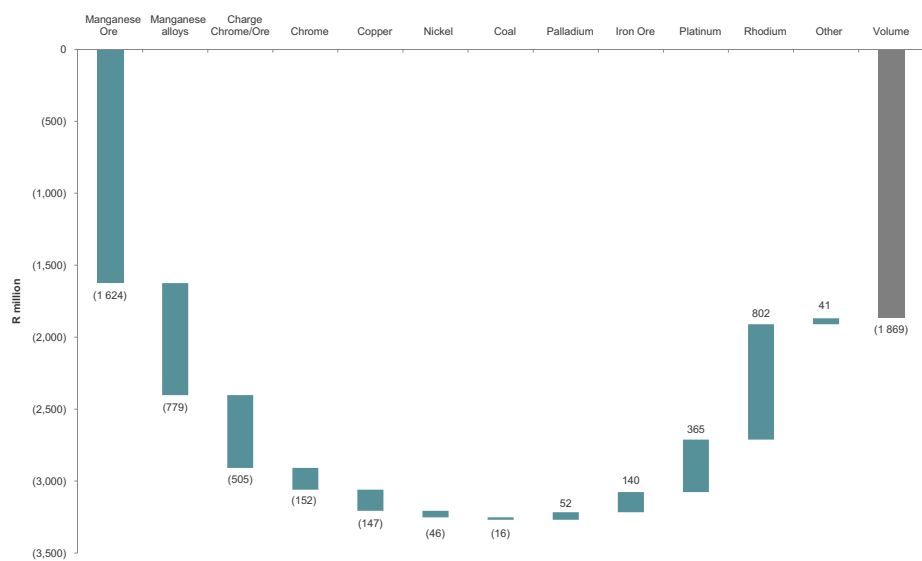
Dollar commodity price variance analysis



Note: Variance analysis not audited

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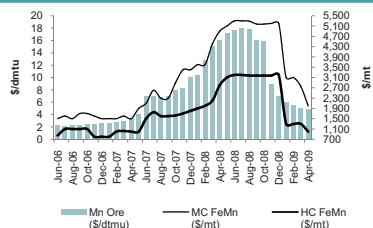
Volume variance analysis



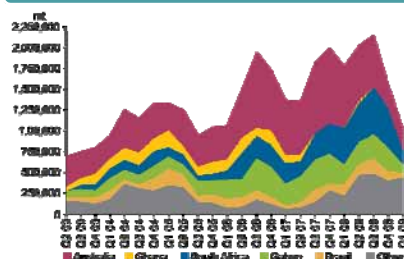
Note: Variance analysis not audited

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Manganese commodity prices



Manganese ore – China imports



Source for all charts: International Manganese Institute (June 2009), ARM estimates

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	12 months ended 30 June		
	Reviewed	Audited	
R million	2009	2008	% change
Sales	10 094	12 590	(20)
Profit from operations (before exceptional items)	3 707	6 678	(44)
Income from investments	414	168	146
Finance costs	(385)	(438)	12
Income from associate**	147	461	(68)
Exceptional items	514	162	217
Taxation	(1 727)	(2 084)	17
Minority interest	198	(460)	143
Profit after tax and minorities	2 868	4 487	(36)
Headline earnings	2 317	4 013	(42)
Headline earnings cents per share	1 094	1 906	(43)
Dividends per share declared after year-end	-	400	
EBITDA	4 484	7 229	(38)

** Exceptional profit of R317 million included in F2008; F2009 includes R27m

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Summarised cash flow

	Reviewed	Audited
R million	June 2009	June 2008
Cash generated by operations	6 678	5 175
Net finance costs	78	(246)
Dividends paid	(847)	(315)
Tax paid	(1 977)	(466)
	3 932	4 148
Capital expenditure	(3 264)	(2 659)
Other	247	253
Cash flow from financing activities	(171)	(175)
Net increase in cash and cash equivalents	744	1567

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Summarised balance sheet

	Reviewed	Audited
R million	June 2009	June 2008
Non-current assets	18 566	16 802
Property, plant, equipment and other	12 138	9 449
Investments	6 428	7 353
Current assets	6 933	8 076
Other	3 420	5 416
Cash and equivalents	3 513	2 660
Total assets	25 499	24 878
Shareholders' interest	16 751	15 676
Non-current liabilities:		
Long-term borrowings	1 364	2 254
Other	2 678	2 478
Current liabilities:		
Short-term borrowings	2 380	1 724
Other	2 326	2 746
Total shareholders' interest and liabilities	25 499	24 878

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