KUMBA IRON ORE

interim results

Jan Feb Mar Apr May Jun

A member of the Anglo American plc group

Highlights

KUMBA IRON ORE

- Operating profit of R2,9 billion up 52% year on year
- Sishen Mine sales up 8%
- Interim dividend of 350 cents per share
- Sishen Expansion Project construction progressing well
- 4,9 Mt “B” grade material mined and stockpiled for SEP

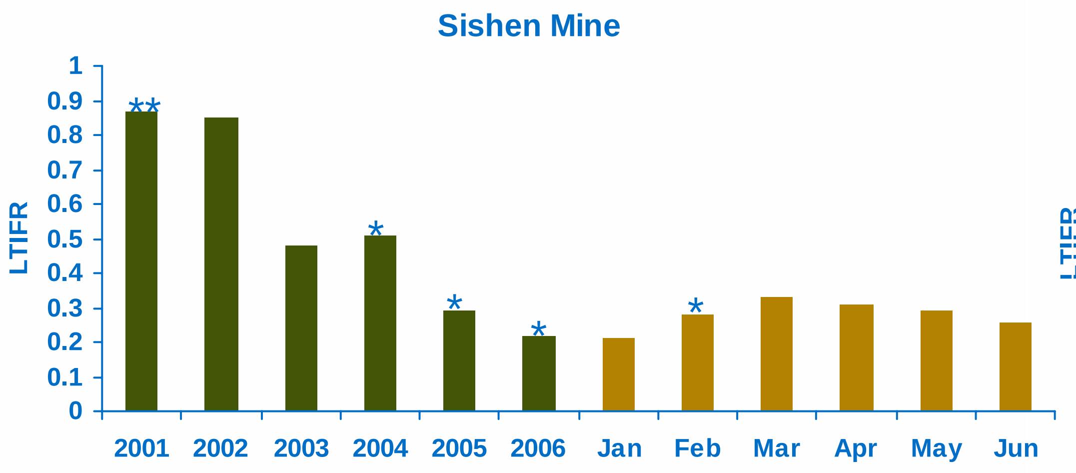
SAFETY

KUMBA IRON ORE

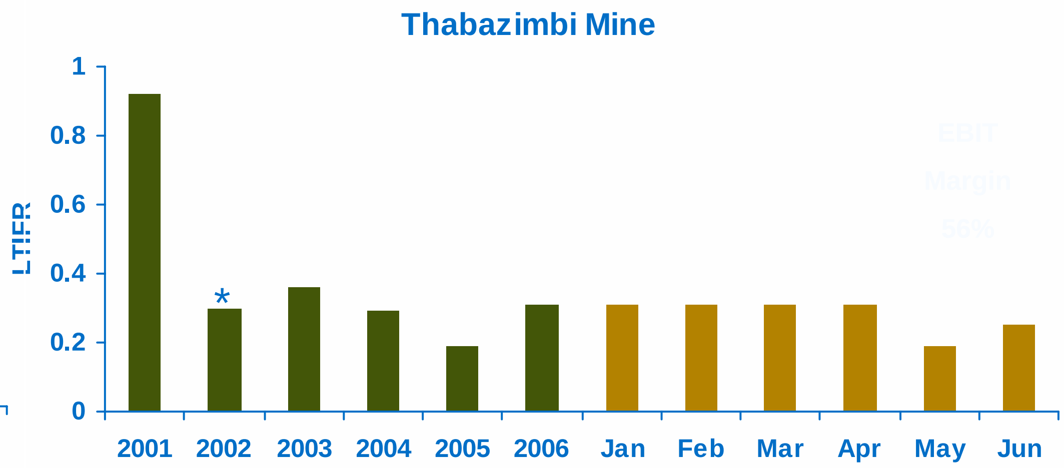
Safety – “one injury is one too many”

KUMBA IRON ORE

- Safety the top priority
- Sishen Mine achieved 3 million LTI free man-hours in May 2007
- Thabazimbi Mine achieved 2 million LTI free man-hours in June 2007
- SEP safety performance sustained
- Regrettably one fatality at Sishen Mine



* *Fatality*



FINANCIAL REVIEW

KUMBA IRON ORE

Financial highlights

KUMBA IRON ORE

- Revenue up 35% from R4,0 billion to R5,4 billion
- Sishen Mine unit cost – R78,39 per tonne (2006 – R78,22)
- Operating profit R2,9 billion up 52% year on year
- Headline earnings of R1,6 billion – 502 cents per share
- Interim dividend of 350 cents per share
- R3,0 billion cash flow from operations
- Capital expenditure of R1,2 billion

Financial overview

(Rm)	6 mths to 30 Jun 2007	6 mths to 30 Jun 2006	% change	6 mths to 31 Dec 2006	% change
Revenue	**5 431**	4 035	35	**4 619**	18
Operating expenditure *	**(2 482)**	(2 100)	18	**(2 619)**	(5)
Operating profit *	**2 949**	1 935	52	**2 000**	47
Operating margin (%) (EBIT) *	**54**	48	13	**43**	26
Profit attributable to:	**1 985**	1 429	39	**2 846**	(30)
– equity holders of Kumba Iron Ore	**1 579**	1 143		**2 238**	
– minority interest	**406**	286		**608**	
Headline earnings	**1 578**	1 145	38	**980**	61
Effective tax rate (%) **	**27**	25		**16**	
Cash generated from operations	**3 017**	1 707	77	**2 570**	17
Capital expenditure	**1 166**	489	138	**1 229**	(5)

** 31 December 2006 results adjusted for the once-off net surplus on the sale of non-iron ore assets of R1 571 million and share based payment expense – SIOC Community Development SPV of (R153 million)*

*** Excluding STC*

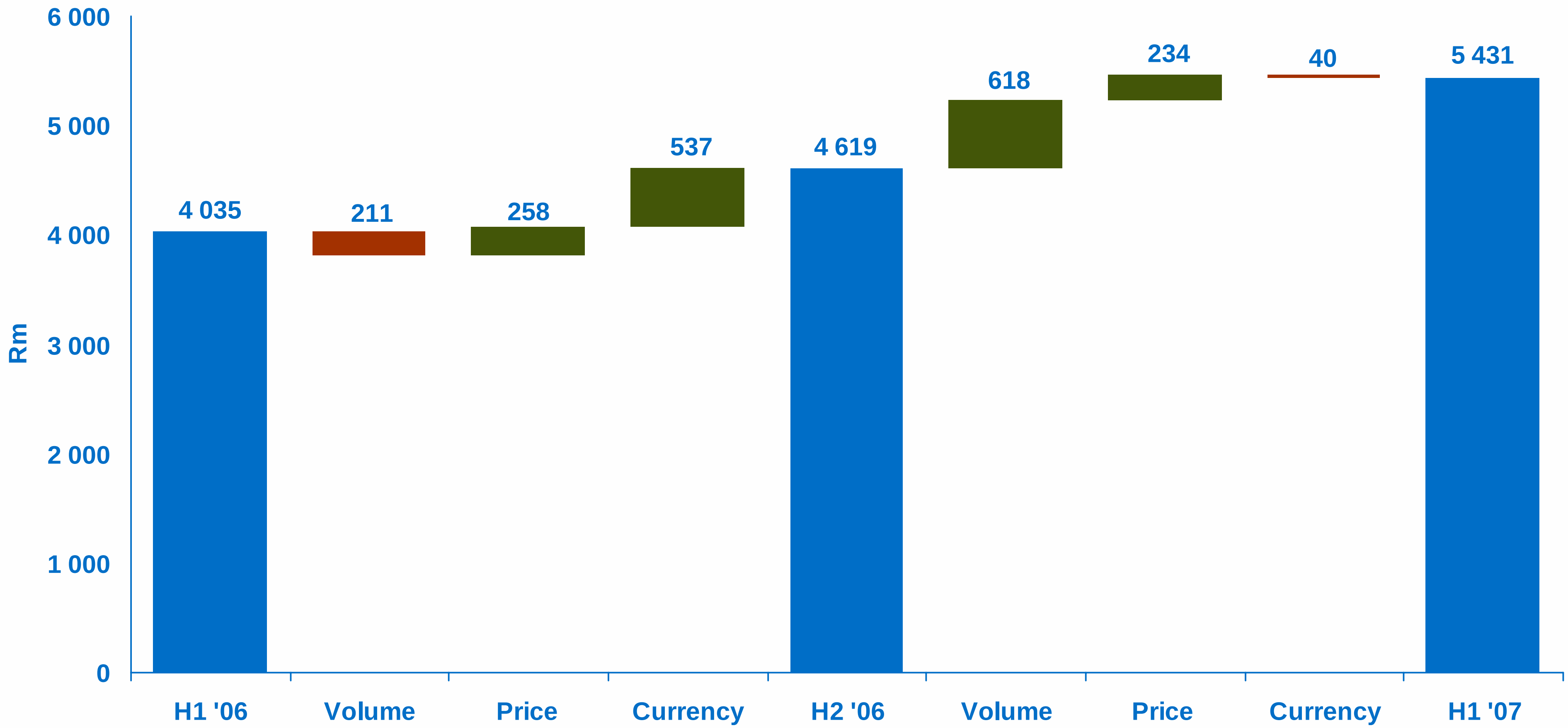
CIF operations

(Rm)	6 mths to 30 Jun 2007	6 mths to 30 Jun 2006 *	% change	6 mths to 31 Dec 2006
Wet tonnes shipped (Mt)	**1,5**	1,9	(21)	**2,1**
Revenue	**312**	225	39	**354**
Operating expenditure	**(267)**	(189)	41	**(290)**
Operating profit	**45**	36	25	**64**
Operating margin (%) (EBIT)	**11**	16		**18**

** 30 June 2006 results reclassified for CIF operations revenue and operating expenditure*

Revenue – variance

KUMBA IRON ORE



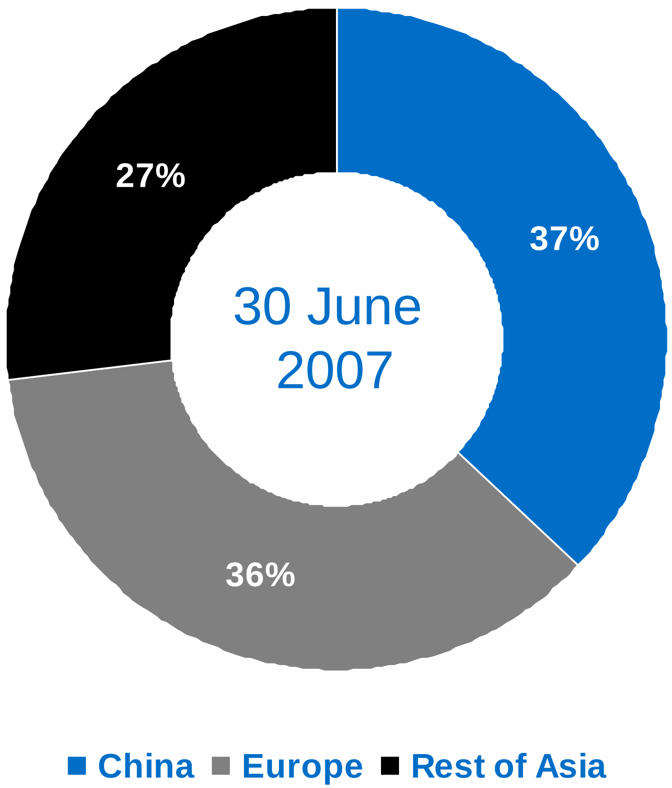
Revenue – sector analysis

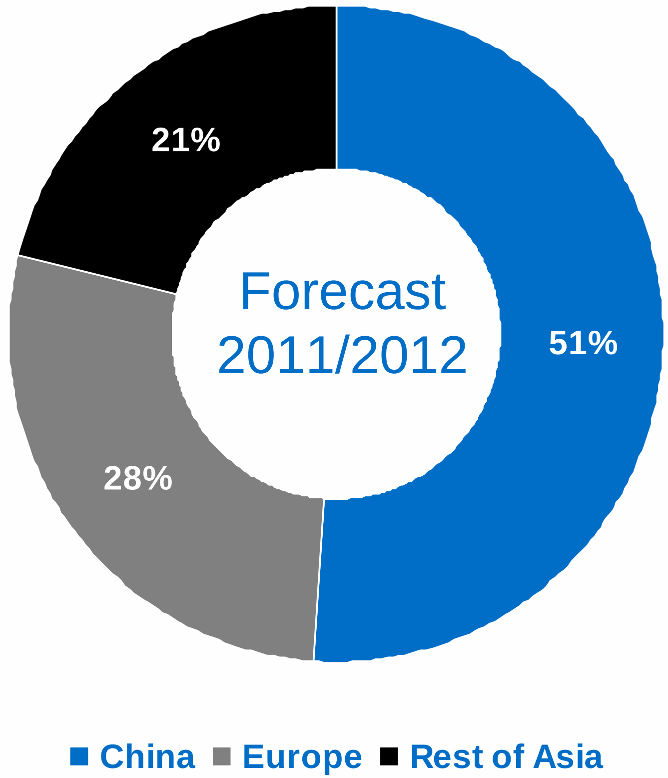
KUMBA IRON ORE

(Rm)	6 mths to 30 Jun 2007	6 mths to 30 Jun 2006	% change	6 mths to 31 Dec 2006
Revenue – export	**4 485**	**3 356**	**34**	**3 753**
– Tonnes sold (Mt)	11,8	11,2	5	10,3
– Rand per tonne	380	300	27	364
– US dollar per tonne	53,15	47,87	11	50,63
Revenue – domestic (Sishen Mine)	**384**	**243**	**58**	**280**
– Tonnes sold (Mt)	3,2	2,7	19	3,2
– Rand per tonne	120	90	33	87
Revenue – domestic (Thabazimbi Mine) *	**250**	**211**	**18**	**232**
– Tonnes sold (Mt)	1,3	1,1	18	1,3
– Rand per tonne	192	192	–	178
Revenue – CIF operations	**312**	**225**	**39**	**354**
Total revenue	**5 431**	**4 035**	**35**	**4 619**

* *Revenue is presented after the accounting effect of IFRIC 4. Captive assets, the related depreciation and revenue from these assets are derecognised.*

Export tonnages – geographical analysis





Aggregate operating expenditure

KUMBA IRON ORE

(Rm)	6 mths to 30 Jun 2007	6 mths to 30 Jun 2006	% change	6 mths to 31 Dec 2006	% change
Operating expenditure	**2 482**	2 100	18	2 619	(5)
Cost of goods sold	**1 628**	1 350	21	1 744	(7)
Production costs	**1 701**	1 410	21	1 733	(2)
Sishen Mine	**1 328**	1 040	28	1 243	7
Thabazimbi Mine	**261**	215	21	240	9
Other	**112**	155	(27)	250	(55)
Inventory movements	**(73)**	(60)		11	
Finished products	**148**	1		(30)	
Work in progress – "A" grade	**6**	(61)		41	
Work in progress – "B" grade	**(227)**	–		–	
Expenditure – CIF operations	**267**	189	41	290	(8)
Selling, rail and port costs	**590**	563	5	588	–
Sublease rent received	**(3)**	(2)	50	(3)	–

"A" grade material > 60% Fe content

"B" grade material 55% – 60% Fe content primarily feedstock for SEP

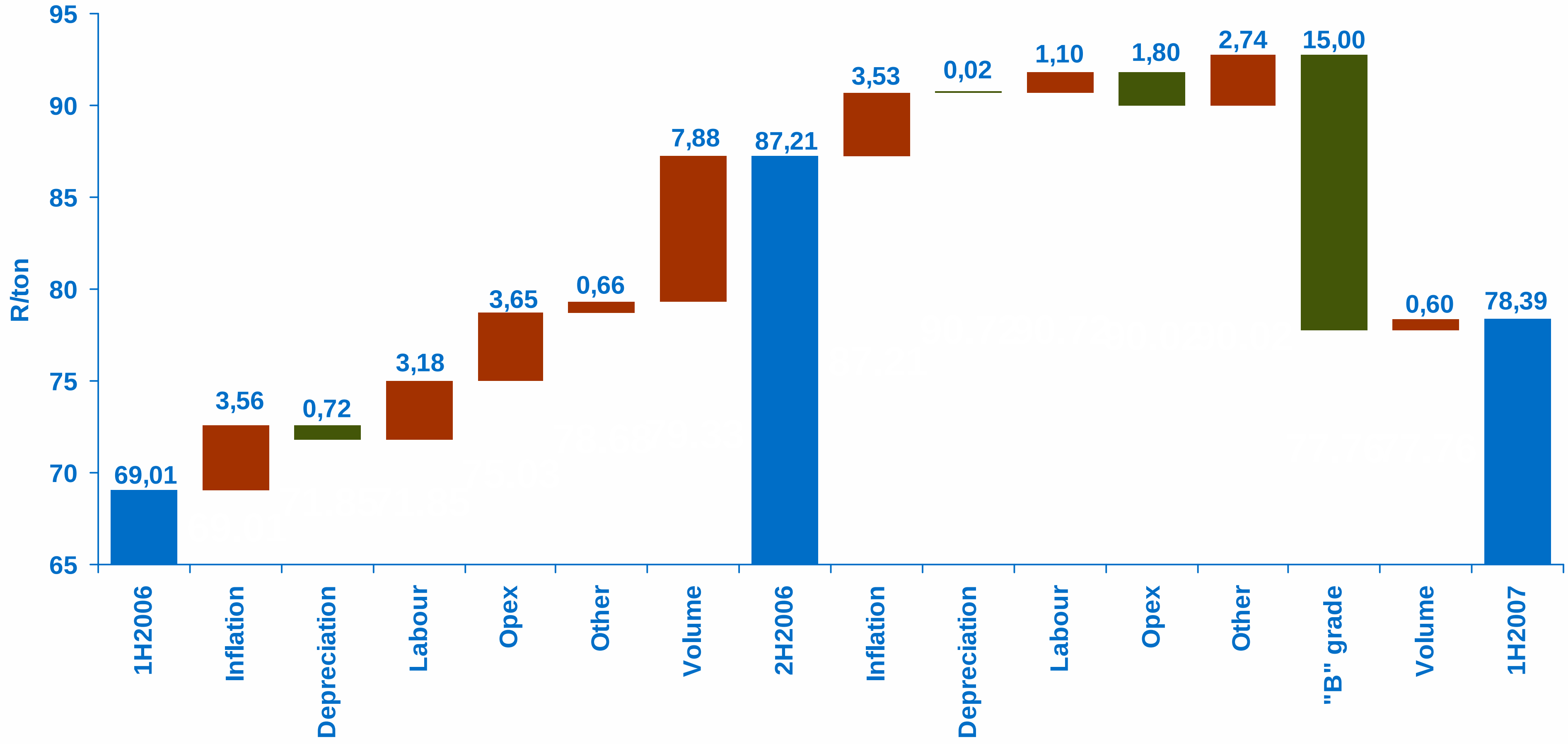
Sishen Mine – unit cost

KUMBA IRON ORE

(Rm)	6 mths to 30 Jun 2007	6 mths to 30 Jun 2006	% change	6 mths to 31 Dec 2006	% change
Production (Mt)	**14,2**	14,2	–	14,5	(2)
Cost of goods produced	**1 115**	979	14	1 264	(12)
Production costs	**1 328**	1 040		1 243	7
Inventory movements	**(213)**	(61)		21	
Work in progress – “A” grade	**14**	(61)		21	
Work in progress – “B” grade	**(227)**	–		–	
Sishen Mine – unit cost (R/tonne)	**78,39**	69,01	14	87,21	(10)

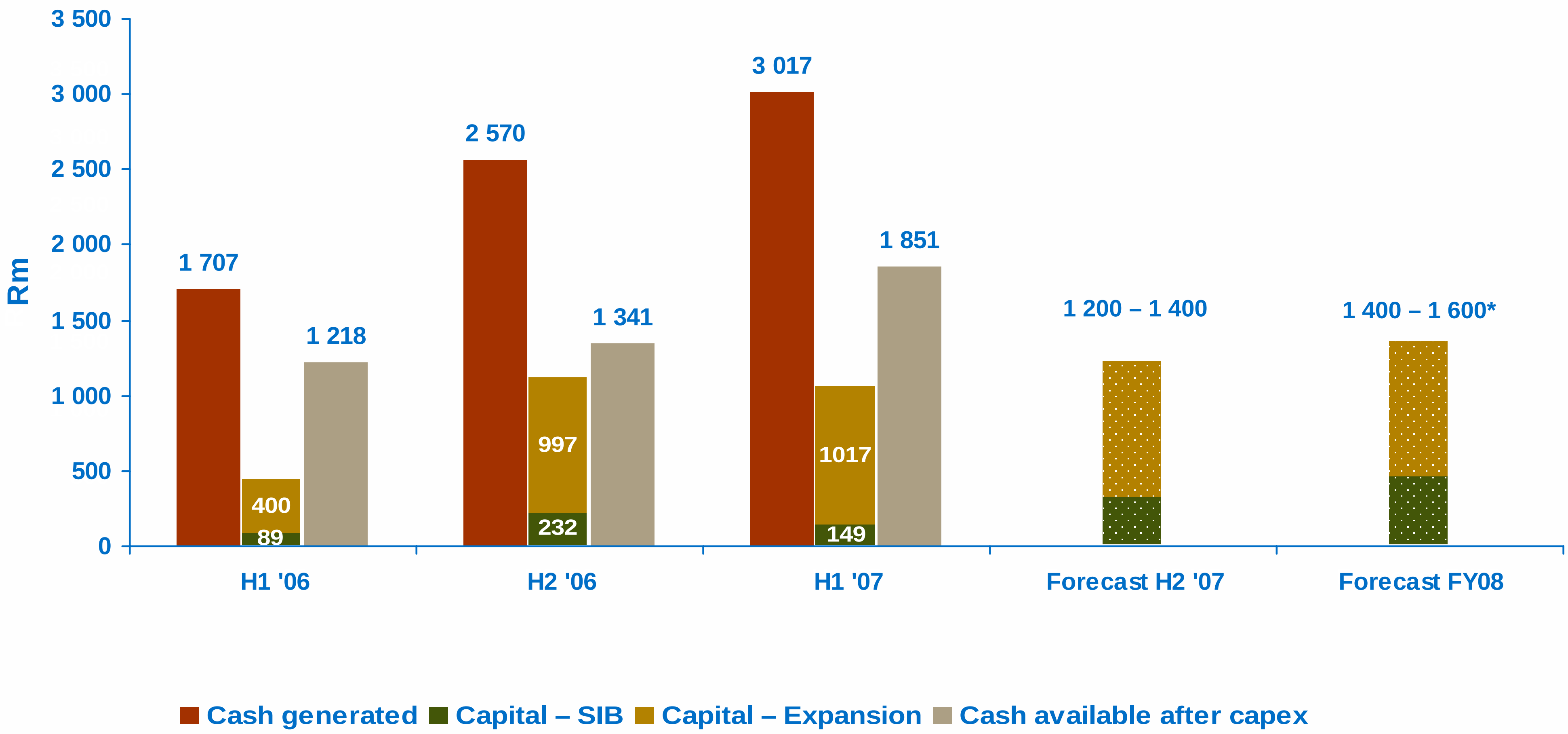
Unit cost FY ’06
R78,22 per tonne

Sishen Mine – unit cost variance



Cash flow analysis

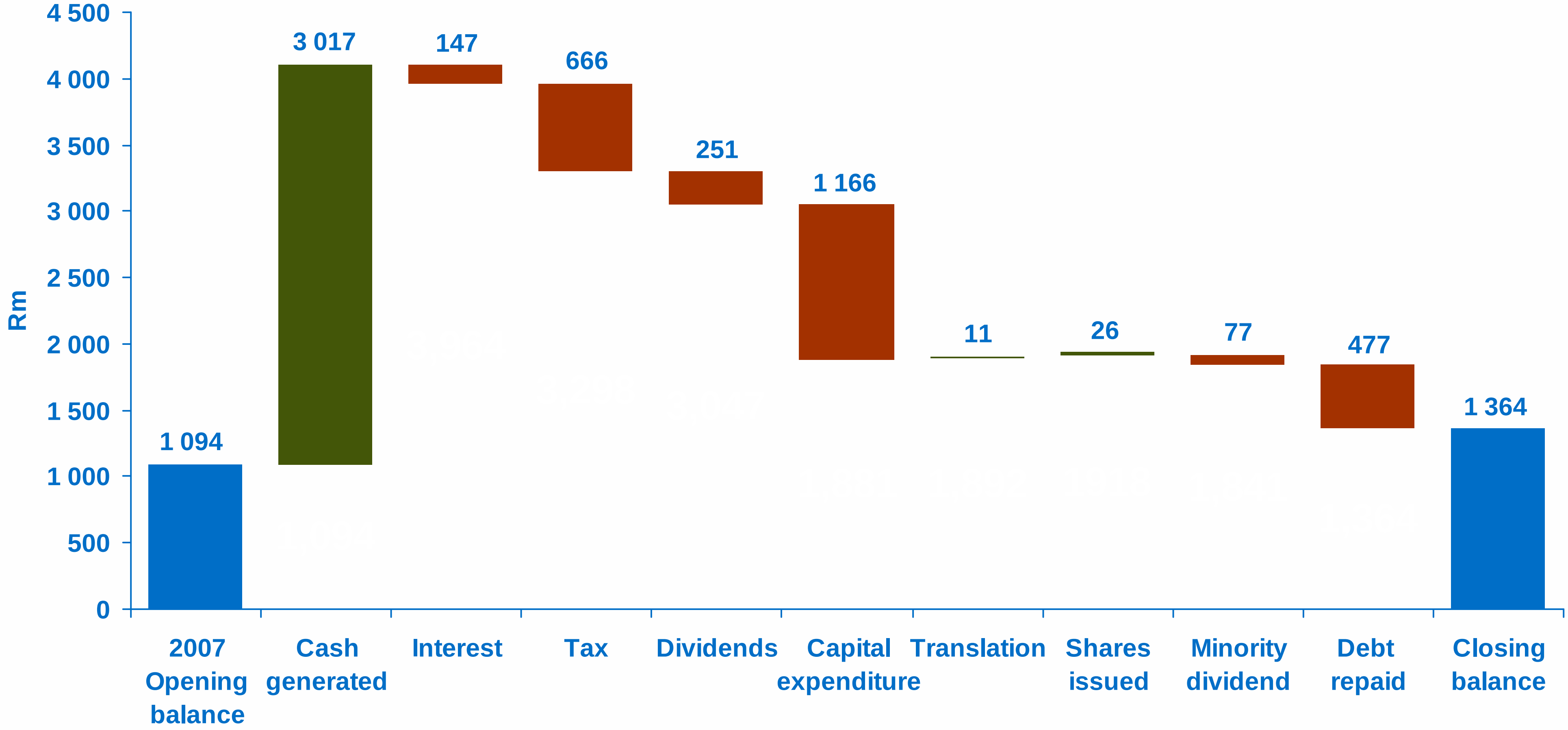
KUMBA IRON ORE



* *Excludes R2,0 billion capital expenditure for Sishen South in 2008 if approved and the expansion of our own fleet capacity to replace contract mining*

Cash flow variance

KUMBA IRON ORE



Dividend – cash flows

KUMBA IRON ORE

(Rm)	Interim dividend 30 Jun 2007	Final dividend 31 Dec 2006 *
Dividend declared by Sishen Iron Ore Company (SIOC)	**1 511**	356
STC	**189**	45
Gross dividend declared by SIOC	**1 700**	401
	1 511	356
– Kumba	**1 119**	263
– Exxaro	**302**	71
– SIOC Community Development SPV	**45**	11
– SIOC Employee Share Participation Scheme	**45**	11

** For the two-month period ended 31 December 2006*

Kumba dividend

KUMBA IRON ORE

- Interim dividend of 350 cents per share
- Strong balance sheet and robust cash flow

	Interim dividend 30 Jun 2007	**Final dividend 31 Dec 2006 ***
Earnings per share (cents per share)	**502**	84
Dividend per share (cents per share)	**305**	80
Total dividend declared (Rm)	**1 103**	251

* *Earnings per share for the two-month period ended 31 December 2006*

Gearing

KUMBA IRON ORE

- Strong cash generation, R3 billion, reduced net debt position
- Based on historic forecasts, a net debt position of around R3 billion at 31 December 2007 before taking into account any new projects
- Maximum debt in terms of covenants – R4,5 billion

(Rm)	30 Jun 2007	31 Dec 2006
Interest-bearing borrowings	3 533	4 019
Cash and cash equivalents	(1 364)	(1 094)
Net debt	2 169	2 925
Total equity	2 778	1 055
Interest cover (times)	20	84

OPERATIONAL REVIEW

KUMBA IRON ORE

Production statistics – Sishen Mine

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- Increased mining activity
- 4,9 Mt “B” grade material stockpiled
- Sustained DMS production
- SEP reduces the stripping ratio

(Mt)	6 mths to 30 Jun 2007	6 mths to 30 Jun 2006	% change	6 mths to 31 Dec 2006
Total tonnes mined	**51,2**	41,5	23	**48,9**
Waste mined	**32,1**	25,2	28	**34,1**
ROM production	**19,1**	16,3	17	**14,8**
Final product production – DMS	**14,2**	14,2	–	**14,5**
Stripping ratio *	**1,64**			
Stripping ratio pre SEP *	**2,61**	1,53		**2,31**

** Measured as total waste: total ore*

Production statistics – Thabazimbi Mine

KUMBA IRON ORE

- Production and sales driven by Mittal offtake and rail constraints
- Stripping ratio in line with the life of mine plan
- Current life of mine – 2011
- Project Phoenix being evaluated

(Mt)	6 mths to 30 Jun 2007	6 mths to 30 Jun 2006	% change	6 mths to 31 Dec 2006
Sales	1,3	1,1	18	1,3
Final product production	1,4	1,1	27	1,3
Waste mined	10,1	9,5	6	9,1
ROM production	1,7	1,4	21	1,7
Stripping ratio *	6,0	6,7		5,4

** Measured as total waste: total ore*

LOGISTICS AND SALES

KUMBA IRON ORE

Logistics and sales

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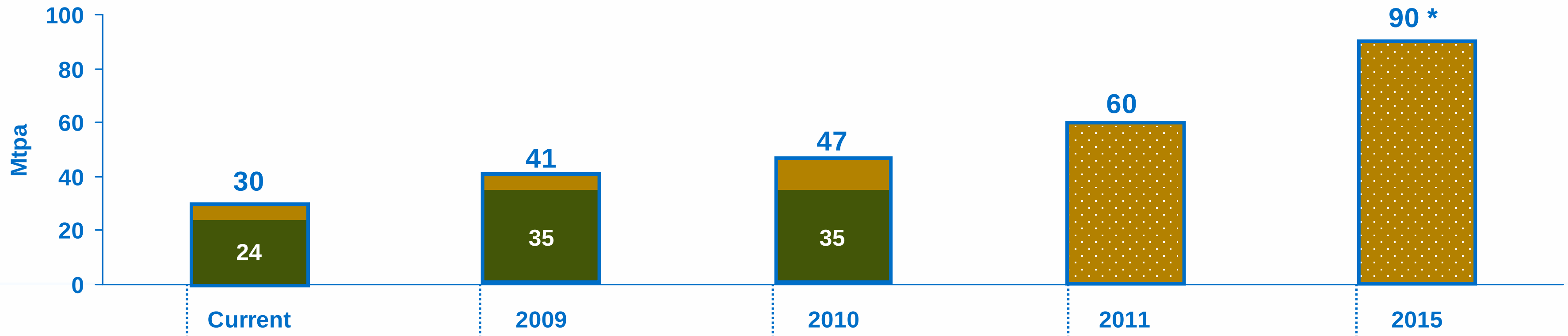
- Rail and port systems performed satisfactorily
- Sale of inventory built up at Saldanha by 31 December 2006
- Ship loader 2 expected to be back in operation by August 2007

(Mt)	6 mths to 30 Jun 2007	6 mths to 30 Jun 2006	% change	6 mths to 31 Dec 2006
Railed to port	**11,5**	12,4	(7)	**11,9**
Total sales	**16,3**	15,0	9	**14,8**
– Sales export	**11,8**	11,2	5	**10,3**
– Sales domestic	**4,5**	3,8	18	**4,5**
Sishen Mine	***3,2***	*2,7*	*19*	***3,2***
Thabazimbi Mine	***1,3***	*1,1*	*18*	***1,3***

Rail capacity on Sishen-Saldanha export channel



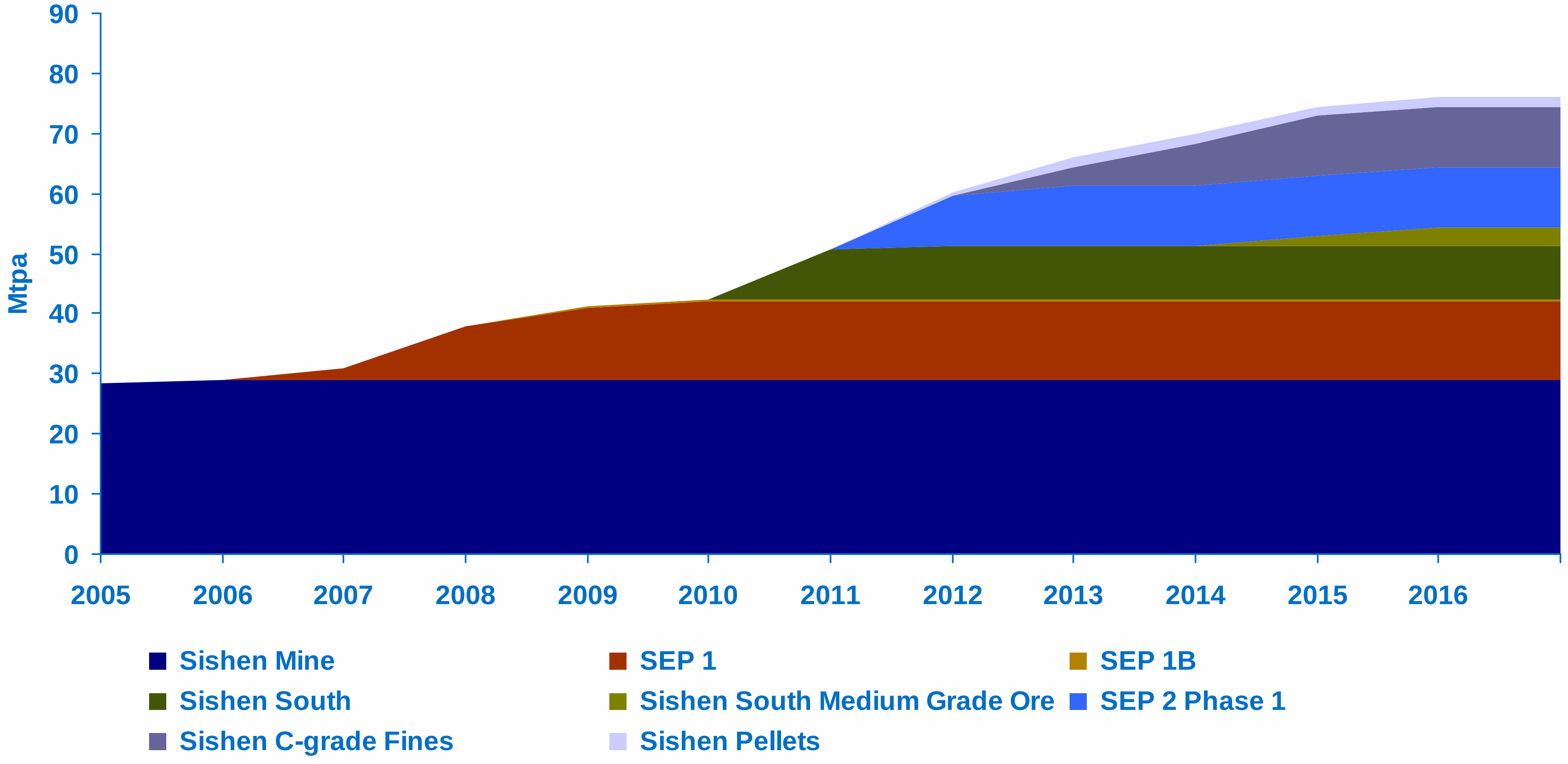
	Current	2009	2010	2011	2015
Status	Completed	In ramp-up	Approved	Decision 2007	Pre-feasibility/ Potential
Expansion details/ plans	None	• SEP 13 Mtpa • Port expansion completed • Rail in progress	Other uses	• Additional 9 Mtpa to be agreed • Sishen South	

■ Kumba □ Total capacity ** Unconfirmed*

PROJECT PIPELINE

KUMBA IRON ORE

Northern Cape growth prospects



SEP implementation status

Project commissioning and ramp-up:

- Delays in primary and secondary crusher castings
- First production expected in August 2007
- 6 of 8 jig modules in production by end of 2007
- 1,5 Mt production anticipated for 2007 (9 Mt – 2008)
- Full capacity expected in the first half of 2009

Budget:

- Project to be delivered within R5,1 billion budget despite earlier delays

13 Mtpa expansion, utilising jigging technology to beneficiate medium grade ores previously classified as waste

Sishen South

- Feasibility study completed
- Delays experienced in finalising expansion and rail tariffs with Transnet
- Mining rights anticipated later this year
- Latest capital expenditure estimate – R4,5 billion (June 2007 real terms)

Greenfields project of 9 Mtpa direct shipping ore, 70 km south of Sishen Mine, similar to SEP grade ore

Falémé

KUMBA IRON ORE

- Arbitration proceedings against Miferso and the Government of Senegal are currently being initiated
- Arbitration will be governed by the Rules of Arbitration of the International Chamber of Commerce
- The matter is confidential in nature

OUTLOOK

KUMBA IRON ORE

Outlook

KUMBA IRON ORE

- Profitability remains highly sensitive to the Rand/US Dollar exchange rate
- However, we remain positive on iron ore prospects given:
  - Continued strong Chinese demand; and
  - Upward pressure on spot prices due to delayed supply side response and logistical constraints
- Successful SEP commissioning set to unlock future value and reduce Sishen Mine unit cost

QUESTIONS AND ANSWERS

KUMBA IRON ORE

ANNEXURES

KUMBA IRON ORE

Headline earnings

KUMBA IRON ORE

(Rm)	6 mths to 30 Jun 2007	6 mths to 30 Jun 2006	6 mths to 31 Dec 2006
Profit	**1 985**	1 429	**2 846**
Net (profit)/deficit on disposal or scrapping of property, plant and equipment	**(4)**	3	**(1)**
Net surplus on disposal of investment in non-iron ore assets	**–**	–	**(1 571)**
Taxation effect of adjustments	**3**	(1)	**–**
	1 984	1 431	**1 274**
Less: minority interests	**(406)**	(286)	**(608)**
Adjustments attributable to minority interests	**–**	–	**314**
Headline earnings	**1 578**	**1 145**	**980**

Reconciliation of attributable profit

(Rm)	6 mths to 30 Jun 2007	6 mths to 30 Jun 2006	% change	6 mths to 31 Dec 2006
Profit	1 985	1 429	39	2 846
Attributable to minorities	(406)	(286)	42	(608)
– Exxaro *	(401)	(286)	42	(608)
– SIOC Community Development Trust **	(3)	–	100	–
– SIOC Employee Share Participation Scheme ***	(2)	–	100	–
Attributable to equity holders of Kumba Iron Ore	1 579	1 143	38	2 238

* 20% interest in the profits of Sishen Iron Ore Company (SIOC)

** Guaranteed dividend paid to SIOC Community Development Trust funded by the 31 December 2006 SIOC dividend

*** 50% of the 31 December 2006 SIOC dividend distributed on SIOC shares allocated to employees

Reconciliation of minority interest

KUMBA IRON ORE

(Rm)	6 mths to 30 Jun 2007
Minority interest – 31 December 2006	216
Profit for the period	406
– Exxaro	401
– SIOC Community Development Trust	3
– SIOC Employee Share Participation Scheme	2
Dividends paid	(77)
– Exxaro	(77)
– SIOC Community Development Trust	(3)
– SIOC Employee Share Participation Scheme	(2)
Interest in movement in equity reserves	3
Minority interest – 30 June 2007	548

Reconciliation of total equity

KUMBA IRON ORE

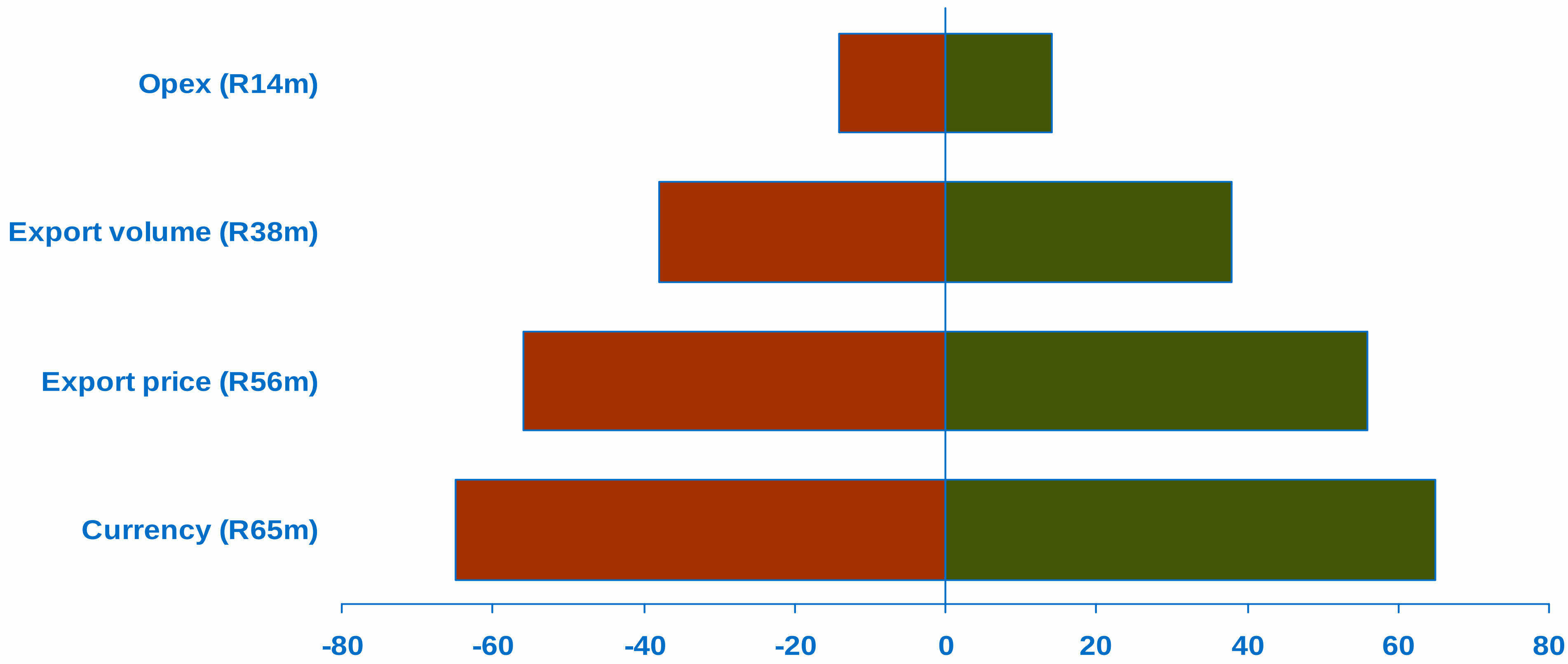
(Rm)	6 mths to 30 Jun 2007
Shareholders' equity, attributable to	2 220
– equity holders of Kumba Iron Ore	2 062
– SIOC Community Development SPV and SIOC Share Participation Scheme ownership of SIOC *	158
Minority interest	548
Total equity	2 768

** SIOC Community Development SPV and SIOC Employee Share Participation Scheme each hold an interest of 3% in SIOC.*

For purposes of the preparation of the condensed consolidated interim financial statements SIOC Community Development SPV and SIOC Employee Share Participation Scheme are considered special purpose entities and are therefore consolidated.

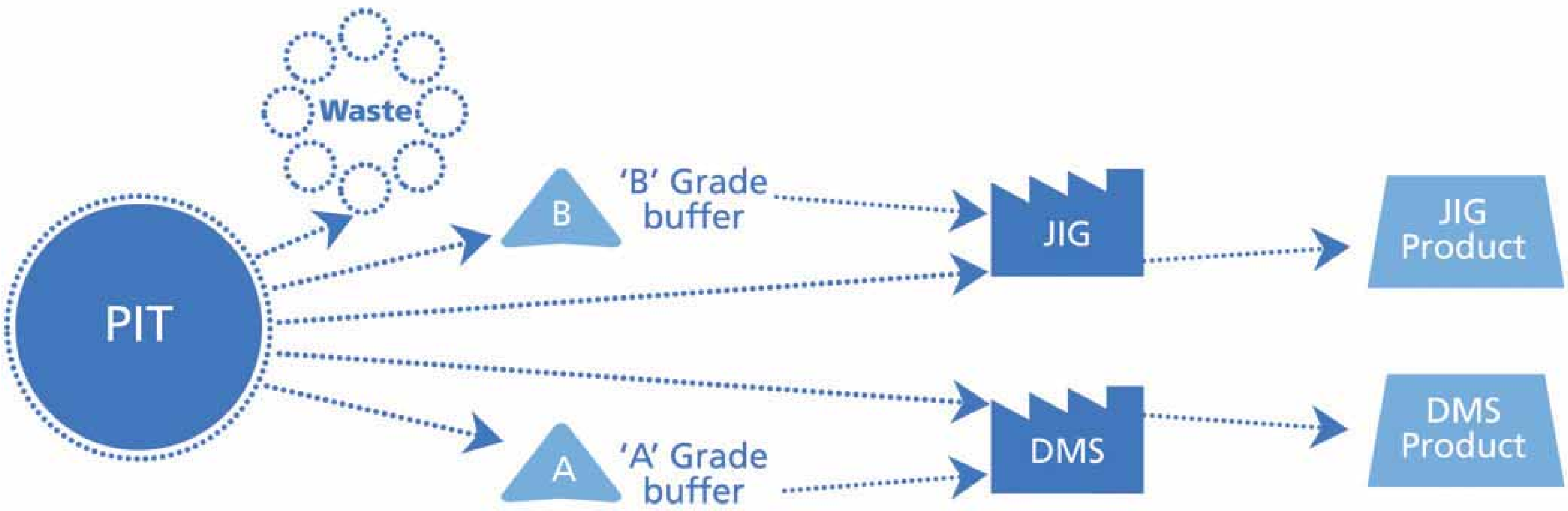
Sensitivities on operating profit

for H2 '07 of a 1% change in



Sishen Mine – impact of SEP on unit cost

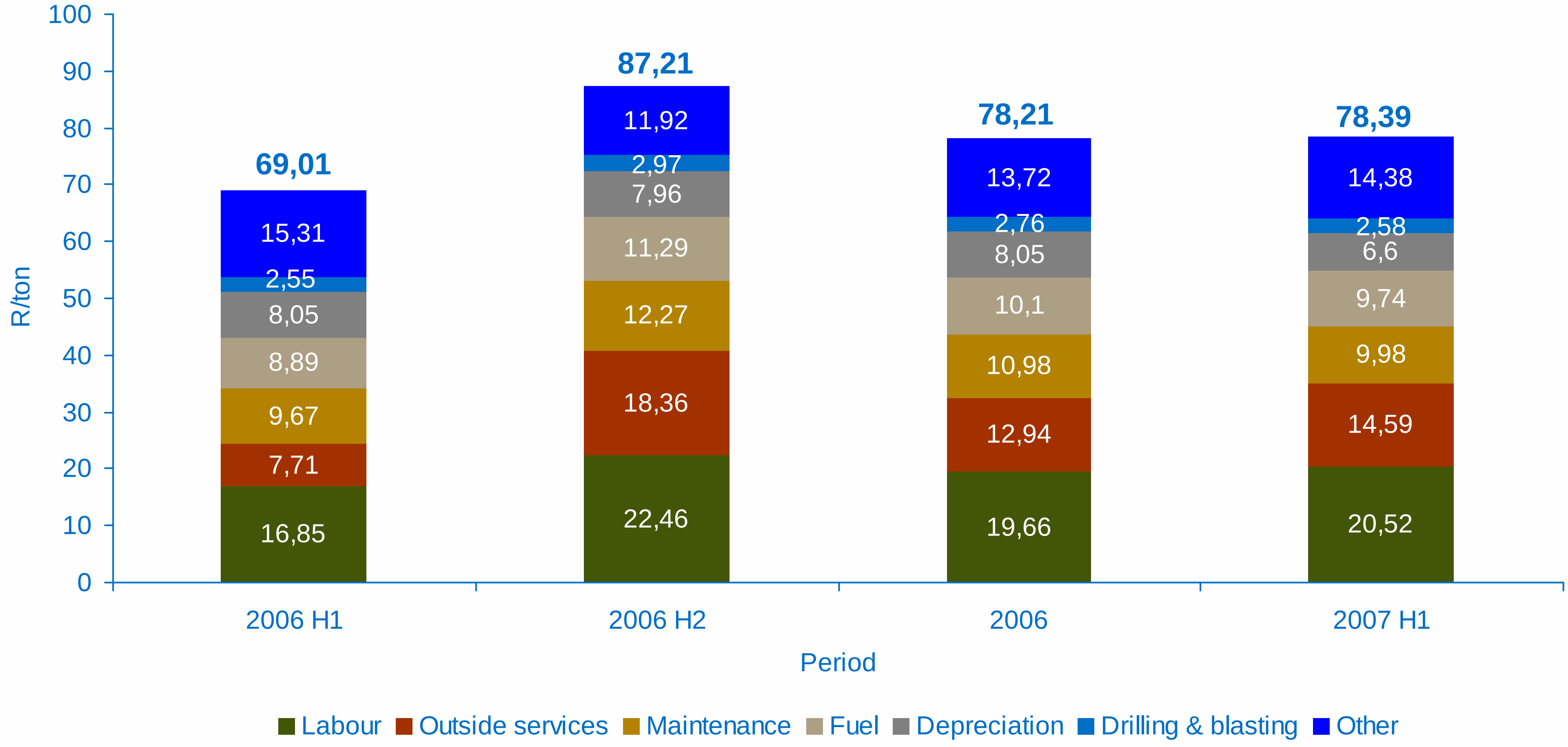
KUMBA IRON ORE



	Ex-pit	Stockpile	Plant feed	Yield	Product
"A" grade material (Mt)	14,2	(2,0)	16,2	87%	14,2
"B" grade material (Mt)	4,9	4,9	–	–	–
Waste (Mt)	32,1	–	–	–	–
Total (Mt)	51,2	2,9	16,2	87%	14,2
Stripping ratio	1,64				
Stripping ratio pre SEP	2,61				

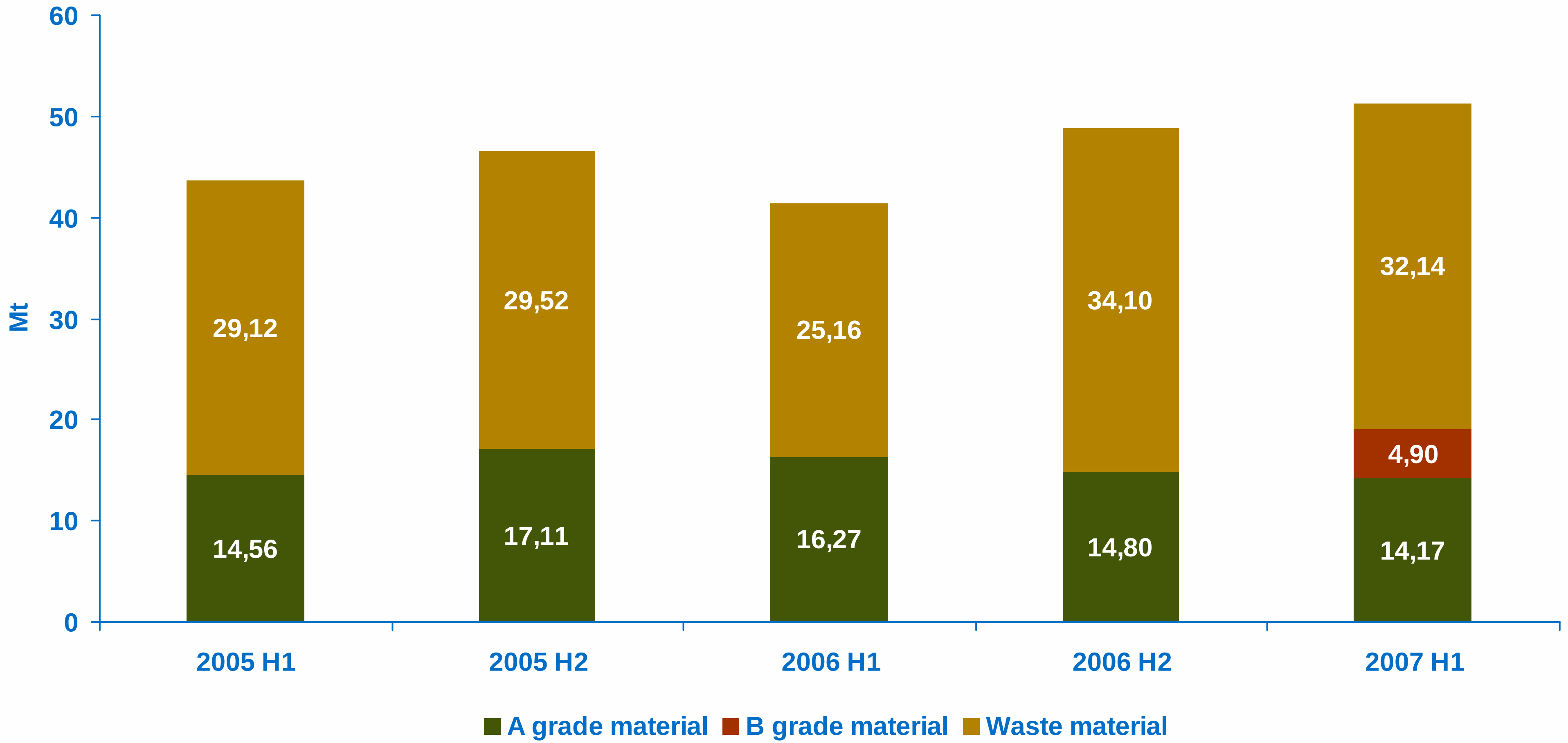
Sishen Mine – cost structure

KUMBA IRON ORE



Sishen Mine - total tonnes mined

KUMBA IRON ORE



Northern Cape growth prospects

fact sheet

KUMBA IRON ORE

Project	Tonnes Mtpa	Latest Capex Estimate Real June 2007	Production Start	Status
SEP1	13,0	R5,1bn	Aug-07	Implementation
SEP1B	0,4	R0,1bn	2009	Commence feasibility study
Sishen South	9,0	R4,5bn	2011	Feasibility study completed
SEP2	10,0	R5,1bn	2012	Pre-feasibility
Sishen Pellets	1,5	R1,0bn	2012	Potential
Sishen C-Grade	10,0	R5,7bn	2013	Potential
Sishen South Medium Grade Ore	3,0	R1,1bn	2015	Potential
Total Growth Projects	**46,9**	**R22,6bn**		
Sishen Current DMS Production	**28,4**			
Potential Northern Cape Production	**75,3**			