

supplementary information

income statements for the year ended 31 December 2007

	2007 Audited Rm	2006 Unaudited Rm
Revenue	10 157	8 814
Operating expenses	(8 713)	(7 553)
NET OPERATING PROFIT	1 444	1 261
Net financing costs	(215)	(315)
Income from investments	2	
Share of profit from equity accounted investments	728	638
PROFIT BEFORE TAXATION	1 959	1 584
Taxation	(512)	(595)
PROFIT FOR THE YEAR	1 447	989
Attributable to:		
Equity holders of the parent	1 427	962
Minority interest	20	27
	1 447	989
Ordinary shares (million)		
– in issue	353	351
– weighted average number of shares	341	313
– diluted weighted average number of shares	355	318
ATTRIBUTABLE EARNINGS PER SHARE (CENTS)		
– basic	418	307
– diluted	402	302
Dividend per share for the year (cents)	160	525
RECONCILIATION OF HEADLINE EARNINGS		
Net profit attributable to ordinary shareholders	1 427	962
Adjusted for:		
– IFRS 3 Excess of acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost		(36)
– IAS 16 Impairment of property, plant and equipment	23	
– IAS 16 Gains or losses on disposal of property, plant and equipment	17	(3)
– IAS 28 Gains or losses on the disposal of associates or joint ventures		(39)
– IAS 28 Share of associate's IAS 16 – Gains or losses on disposal of property, plant and equipment	(3)	(1)
– IAS 28 Share of associate's IAS 39 – Recycling of re-measurements from equity to the income statement, including a hedge of net investment in a foreign entity but excluding cash flow hedges	(7)	
– IAS 36 Impairment reversal of investment	(6)	
Taxation on adjustments	(3)	10
HEADLINE EARNINGS	1 448	893
HEADLINE EARNINGS PER SHARE (CENTS)		
– basic	425	285
– diluted	408	281

balance sheets at 31 December

	2007 Audited Rm	2006 Unaudited Rm
ASSETS		
Non-current assets		
Property, plant and equipment	8 235	8 367
Biological assets	30	26
Intangible assets	76	69
Investments in associates and joint ventures	757	384
Deferred taxation	732	521
Other financial assets	1 031	693
Total non-current assets	<u>10 861</u>	<u>10 060</u>
Current assets		
Inventories	1 531	1 391
Trade and other receivables	1 931	1 663
Cash and cash equivalents	850	1 367
Total current assets	<u>4 312</u>	<u>4 421</u>
Non-current assets classified as held for sale	<u>2</u>	<u>2</u>
TOTAL ASSETS	<u>15 175</u>	<u>14 483</u>
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	2 067	4 560
Non-distributable reserves	1 502	1 205
Retained income	6 235	3 395
Equity attributable to equity holders of the parent	<u>9 804</u>	<u>9 160</u>
Minority interest	19	27
Total equity	<u>9 823</u>	<u>9 187</u>
Non-current liabilities		
Interest-bearing borrowings	1 259	1 214
Non-current provisions	1 329	931
Deferred taxation	1 077	1 116
Total non-current liabilities	<u>3 665</u>	<u>3 261</u>
Current liabilities		
Trade and other payables	1 449	1 321
Interest-bearing borrowings	74	613
Taxation	137	67
Current provisions	27	30
Shareholders for dividend		4
Total current liabilities	<u>1 687</u>	<u>2 035</u>
TOTAL EQUITY AND LIABILITIES	<u>15 175</u>	<u>14 483</u>
NET DEBT	<u>483</u>	<u>460</u>
Cash flow statements for the year ended 31 December		
Cash flows from operating activities	1 507	(1 173)
Cash flows from investing activities	(1 119)	(559)
Cash flows from financing activities	(453)	2 260
Net (decrease)/increase in cash and cash equivalents	<u>(65)</u>	<u>528</u>

Supplementary information is compiled using the following assumptions:

- the iron ore business is excluded and the investment in SIOC is equity accounted from 1 January 2005
- Eyesizwe is consolidated from 1 January 2005
- the non-recurring entries to give effect to the empowerment transaction are excluded
- the impairment of the mineral sands property, plant and equipment is excluded from the 2006 results
- net financing costs have been split on the assumption that Exxaro incurred the majority of external borrowings with SIOC being cash positive
- the taxation charge has been split on the assumption that STC incurred on dividend declaration was borne by Exxaro.

selected group financial data translated into US dollars for the year ended 31 December 2007 (unaudited)

The group statutory 2007 financial statements have been expressed in US dollars for information purposes. For comparability the 2006 supplementary information as presented on pages 146 and 147, have been translated. The average US dollar/rand of US\$1:R7,03 (2006: US\$1:R6,70) has been used to translate the income and cash flow statements, while the balance sheet has been translated at the closing rate on the last day of the reporting period US\$1:R6,7964 (2006: US\$1:R6,9750).

	2007 USD million	2006 USD million
INCOME STATEMENTS		
Revenue	1 445	1 316
Operating expenses	(1 240)	(1 128)
NET OPERATING PROFIT	205	188
Net financing costs	(30)	(47)
Income from equity accounted investments	104	95
PROFIT BEFORE TAXATION	279	236
Taxation	(73)	(89)
PROFIT FOR THE YEAR	206	147
Attributable to:		
Equity holders of the parent	203	143
Minority interest	3	4
	206	147
ATTRIBUTABLE EARNINGS PER SHARE (CENTS)	60	46
HEADLINE EARNINGS FROM OPERATIONS	206	133
HEADLINE EARNINGS PER SHARE (CENTS)	60	43

	2007 USD million	2006 USD million
BALANCE SHEETS AT 31 DECEMBER		
ASSETS		
Non-current assets		
Property, plant and equipment	1 212	1 200
Biological assets	4	4
Intangible assets	11	10
Investments in associates and joint ventures	111	55
Deferred taxation	108	75
Financial assets	152	99
Current assets		
Cash and cash equivalents	125	196
Other	509	437
TOTAL ASSETS	2 232	2 076
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent	1 442	1 313
Minority interest	3	4
Non-current liabilities		
Interest-bearing borrowings	185	174
Deferred taxation and provisions	354	293
Current liabilities		
Interest-bearing borrowings	11	88
Other	237	204
TOTAL EQUITY AND LIABILITIES	2 232	2 076
NET DEBT (refer definitions on page 151)	71	132
CASH FLOW STATEMENTS FOR THE YEAR ENDED 31 DECEMBER		
Cash flows from operating activities	214	(175)
Cash flows from investing activities	(159)	(83)
Cash flows from financing activities	(64)	337
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(9)	79

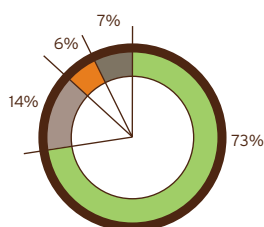
group cash value added statement

for the period ended 31 December 2007 (unaudited)

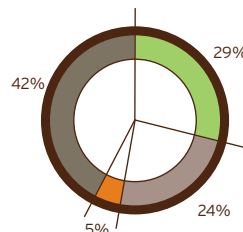
The value added statement shows the wealth the group has created through mining, beneficiation, trading and investing operations. The statement below summarises the total cash wealth created and how it was disbursed among the group's stakeholders, leaving a retained amount which was re-invested in the group for the replacement of assets and further development of operations.

	31 December 2007 Rm	Wealth created %	31 December 2006 Rm	Wealth created %
Cash generated				
Cash derived from sales and services	9 889		14 149	
Income from investments and interest received	379			
Paid to suppliers for materials and services	(5 457)		(6 605)	
Cash value added	4 811	100	7 544	100
Cash utilised to:				
Remunerate employees for services	2 407	50	2 362	31
Pay direct taxes to the state	462	10	1 927	26
Provide lenders with a return on borrowings	212	4	392	5
Provide shareholders with cash dividends	223	5	3 396	45
Cash disbursed among stakeholders	3 304	69	8 077	107
Cash retained in the group to maintain and develop operations	1 507	31	(533)	(7)
Notes to the group value added statement				
1. Taxation contribution				
Direct taxes (as above)	462		1 927	
Value added taxes levied on purchases of goods and services	1 227		1 445	
Regional service council levies			10	
Rates and taxes paid to local authorities	42		51	
Gross contributions	1 731		3 433	
2. Additional amounts collected by the group on behalf of government				
Value added tax and other duties charged on turnover	1 363		1 032	
Employees' tax deducted from remuneration paid	431		759	
	1 794		1 791	

CASH DISBURSED AMONG STAKEHOLDERS 2007



CASH DISBURSED AMONG STAKEHOLDERS 2006



- Provide shareholders with cash dividends
- Remunerate employees for services
- Pay direct taxes to the state
- Provide lenders with a return on borrowings

definitions

Attributable cash flow per ordinary share	→	Cash flow from operating activities after adjusting for minority participation therein, divided by the weighted average number of ordinary shares in issue during the year.
Capital employed	→	Total shareholders' equity plus net debt minus non-current financial asset investments.
Cash and cash equivalents	→	Comprise cash on hand and current accounts in bank, net of bank overdrafts, together with any highly liquid investments readily convertible to known amounts of cash and not subject to significant risk of changes in value.
Current ratio	→	Current assets divided by current liabilities.
Dividend cover	→	Headline earnings per ordinary share divided by dividends per ordinary share.
Dividend yield	→	Dividends per ordinary share divided by the closing share price at the JSE Limited.
Earnings per ordinary share		
- Attributable earnings basis	→	Earnings attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue during the year.
- Headline earnings basis	→	Earnings attributable to ordinary shareholders adjusted for profits and losses on items of a capital nature recognising the taxation and minority impacts on these adjustments, divided by the weighted average number of ordinary shares in issue during the year.
Financing cost cover		
• EBIT	→	Net operating profit (before interest and tax) divided by net financing costs.
• EBITDA	→	Net operating profit (before interest, tax, depreciation, amortisation, impairment charges and net deficit/surplus on sale of investments and assets) divided by net financing costs.
Headline earnings yield	→	Headline earnings per ordinary share divided by the closing share price at the JSE Limited.
Invested capital	→	Total shareholders' equity, interest-bearing debt, non-current provisions and net deferred taxation less cash and cash equivalents.
Net assets	→	Total assets less current and non-current liabilities less minority interest which equates to ordinary shareholders' equity.
Net debt to equity ratio	→	Interest-bearing debt less cash and cash equivalents as percentage of total shareholders' equity.
Net equity per ordinary share	→	Ordinary shareholders' equity divided by the number of ordinary shares in issue at the year-end.
Number of years to repay interest-bearing debt	→	Interest-bearing debt divided by cash flow from operating activities before dividends paid.
Operating margin	→	Net operating profit as a percentage of revenue.
Operating profit per employee	→	Net operating profit divided by the average number of employees during the year.
Return on capital employed	→	Net operating profit plus income from non-equity accounted investments plus income from investments in associates as a percentage of average capital employed.
Return on ordinary shareholders' equity		
- Attributable earnings	→	Attributable earnings to ordinary shareholders as a percentage of average ordinary shareholders' equity.
- Headline earnings	→	Headline earnings attributable to ordinary shareholders as a percentage of average ordinary shareholders' equity.
Return on invested capital	→	Net operating profit plus income from non-equity accounted investments plus income from investments in associates as a percentage of the average invested capital.
Return on net assets	→	Net operating profit plus income from non-equity accounted investments plus income from investments in associates as a percentage of the average net assets.
Revenue per employee	→	Revenue divided by the average number of employees during the year.
Total asset turnover	→	Revenue divided by average total assets.
Weighted average number of shares in issue	→	The number of shares in issue at the beginning of the year, increased by shares issued during the year, weighted on a time basis for the period in which they have participated in the income of the group. In the case of shares issued pursuant to a share capitalisation award in lieu of dividends, the participation of such shares is deemed to be from the date of issue.