Anglo American plc (“Anglo American”) is this afternoon hosting an investor presentation which will provide an update on Anglo American’s strategy, detailed findings of its asset review and progress made towards realising Anglo American’s value potential through a number of revenue enhancing and cost reduction opportunities.

Mark Cutifani, Chief Executive of Anglo American, said: “We know what we need to do to realise the value potential from Anglo American’s world class diversified asset base. Our asset review has identified a range of opportunities which will enable us to better utilise the installed capital across our operations, driving improved margins and returns.

“We have begun by rebuilding the management team which is accountable for delivering a step change in performance to achieve our target of attributable ROCE in excess of 15% on a sustainable basis by 2016.

“We have identified approximately 85% of the incremental EBIT necessary to achieve the level of return we expect from the business and we are working on the areas where we see additional potential. Our commercial model, targeting a $400 million annual EBIT uplift by 2016, is up and running and already delivering enhanced margins.

“While I expect headwinds to continue in 2014 as we reset the business, the benefits of much improved operational processes and performance will flow through largely in 2015 and 2016. In the immediate term, we have already delivered significant sustainable improvements which we will detail today as a result of a number of measures, including early operational improvements, overhead reduction and reducing early stage project spend.

“Our capital allocation process has been rebuilt to enforce more stringent criteria and controls, resulting in the announced withdrawal from the Pebble copper project, a $300 million cash flow improvement in 2014 by recalibrating the project pipeline and $400 million of cash from non-core asset sales.

“Preserving our resource optionality for the future remains a priority within our project development pipeline and capital allocation analyses. For example, following the Board’s recent stage-gate analysis of the Quellaveco copper project in Peru, we are re-scoping a larger scale project to enhance the economic case beyond our return criteria, while retaining government and community support.

“Our pathway to increase margins, returns and earnings by 2016 is clear. We have set demanding but achievable targets and we are determined to meet them by working efficiently and effectively to drive significantly greater value from our high quality asset base.”
The following members of Anglo American’s management team will present:

Mark Cutifani  Chief Executive  
René Médori  Finance Director  
Tony O’Neill  Group Director, Technical  
Peter Whitcutt  Group Director, Strategy, Business Development & Commercial  
Duncan Wanblad  CEO, Base Metals & Minerals

The presentation is expected to finish at 5.00pm.

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**Notes to editors:**

Anglo American is one of the world’s largest mining companies, is headquartered in the UK and listed on the London and Johannesburg stock exchanges. Our portfolio of mining businesses meets our customers’ changing needs and spans bulk commodities – iron ore and manganese, metallurgical coal and thermal coal; base metals and minerals – copper, nickel, niobium and phosphates; and precious metals and minerals – in which we are a global leader in both platinum and diamonds. At Anglo American, we are committed to working together with our stakeholders – our investors, our partners and our employees – to create sustainable value that makes a real difference, while upholding the highest standards of safety and responsibility across all our businesses and geographies. The company’s mining operations, pipeline of growth projects and exploration activities span southern Africa, South America, Australia, North America, Asia and Europe.

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