

# Contents of financial statements

## **Group financials**

Income statement	P216
Statement of comprehensive income	P217
Statement of financial position	P218
Statement of cash flows	P220
Statement of changes in equity	P221
Notes to the group financial statements: notes 1 to 37	P223

## **Company financials**

Income statement	P316
Statement of comprehensive income	P317
Statement of financial position	P318
Statement of cash flows	P319
Statement of changes in equity	P320
Notes to the company financial statements: notes 1 to 31	P321

Principal subsidiaries and operating entities	P345
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# Group – income statement

For the year ended 31 December

2008	2009	Figures in million	Notes	2009	2008
				<b>SA Rands</b>	
30,790	31,961	<b>Revenue</b>	3	<b>3,916</b>	3,743
29,774	30,745	Gold income	2,3	3,768	3,619
(22,558)	(23,220)	Cost of sales	4	(2,813)	(2,728)
(6,277)	(11,934)	Loss on non-hedge derivatives and other commodity contracts	36	(1,533)	(297)
939	(4,409)	<b>Gross (loss) profit</b>		<b>(578)</b>	594
(1,090)	(1,275)	Corporate administration and other expenses		(154)	(131)
(113)	(87)	Market development costs		(10)	(13)
(1,037)	(1,217)	Exploration costs		(150)	(126)
(29)	(80)	Other operating expenses	5	(8)	(6)
(15,379)	5,209	Operating special items	6	691	(1,538)
(16,709)	(1,859)	<b>Operating loss</b>		<b>(209)</b>	(1,220)
536	444	Interest received	3	54	66
33	852	Exchange gain		112	4
185	(249)	Fair value adjustment on option component of convertible bond		(33)	25
(926)	(1,146)	Finance costs and unwinding of obligations	7	(139)	(114)
(1,177)	785	Share of equity accounted investments' profit (loss)	8	94	(138)
(18,058)	(1,173)	<b>Loss before taxation</b>	9	<b>(121)</b>	(1,377)
2,079	(1,172)	Taxation	12	(147)	197
(15,979)	(2,345)	<b>Loss after taxation from continuing operations</b>		<b>(268)</b>	(1,180)
198	-	<b>Discontinued operations</b>			
		Profit from discontinued operations	13	-	25
(15,781)	(2,345)	<b>Loss for the year</b>		<b>(268)</b>	(1,155)
		<i>Allocated as follows</i>			
(16,105)	(2,762)	Equity shareholders		(320)	(1,195)
324	417	Non-controlling interests		52	40
(15,781)	(2,345)			(268)	(1,155)
		<b>Basic and diluted (loss) profit per ordinary share (cents)</b>			
(5,140)	(765)	Loss from continuing operations	14	(89)	(385)
63	-	Profit from discontinued operations		-	8
(5,077)	(765)	<b>Loss</b>		<b>(89)</b>	(377)

# Group – statement of comprehensive income

For the year ended 31 December

2008	2009	Figures in million	2009	2008
SA Rands			US Dollars	
(15,781)	(2,345)	<b>Loss for the year</b>	(268)	(1,155)
8,633	(2,645)	Exchange differences on translation of foreign operations	318	(568)
(721)	(132)	Net loss on cash flow hedges	(16)	(87)
1,782	1,155	Net loss on cash flow hedges removed from equity and reported in gold income	138	216
64	40	Hedge ineffectiveness on cash flow hedges	5	8
(18)	(12)	Realised losses on hedges of capital items	(1)	(2)
(254)	(263)	Deferred taxation thereon	(35)	(28)
853	788		91	107
(74)	482	Net gain (loss) on available for sale financial assets	57	(9)
(9)	-	Release on disposal of available for sale financial assets	-	(1)
11	(13)	Deferred taxation thereon	(2)	1
(72)	469		55	(9)
(364)	88	Actuarial gain (loss) recognised	10	(44)
124	(28)	Deferred taxation thereon	(3)	15
(240)	60		7	(29)
9,174	(1,328)	<b>Other comprehensive income (expense) for the year net of tax</b>	471	(499)
(6,607)	(3,673)	<b>Total comprehensive income (expense) for the year net of tax</b>	203	(1,654)
(6,953)	(4,099)	<i>Allocated as follows:</i>	150	(1,697)
346	426	Equity shareholders	53	43
(6,607)	(3,673)	Non-controlling interests	203	(1,654)

# Group – statement of financial position

As at 31 December

Figures in million	Notes	Restated		
		2009	2008	2007
<b>US Dollars</b>				
<b>ASSETS</b>				
<b>Non-current assets</b>				
Tangible assets	16	5,819	4,345	6,621
Intangible assets	17	177	148	420
Investments in associates and equity accounted joint ventures	18	640	298	321
Other investments	19	175	66	103
Inventories	20	337	287	265
Trade and other receivables	22	106	62	57
Derivatives	36	5	–	–
Deferred taxation	30	61	50	63
Other non-current assets	21	8	3	41
		7,328	5,259	7,891
<b>Current assets</b>				
Inventories	20	686	599	551
Trade and other receivables	22	191	220	203
Derivatives	36	330	570	516
Current portion of other non-current assets	21	–	–	–
Cash restricted for use	23	65	44	39
Cash and cash equivalents	24	1,100	575	477
		2,372	2,008	1,786
Non-current assets held for sale	25	87	793	31
		2,459	2,801	1,817
<b>Total assets</b>		<b>9,787</b>	<b>8,060</b>	<b>9,708</b>
<b>EQUITY AND LIABILITIES</b>				
Share capital and premium	26	5,805	5,485	3,608
Retained earnings and other reserves		(2,905)	(3,057)	(1,229)
Shareholders' equity		2,900	2,428	2,379
Non-controlling interests		130	83	63
<b>Total equity</b>		<b>3,030</b>	<b>2,511</b>	<b>2,442</b>
<b>Non-current liabilities</b>				
Borrowings	27	654	870	1,529
Environmental rehabilitation and other provisions	28	451	408	467
Provision for pension and post-retirement benefits	29	159	137	177
Trade, other payables and deferred income	31	14	11	12
Derivatives	36	176	25	163
Deferred taxation	30	753	617	1,042
		2,207	2,068	3,390
<b>Current liabilities</b>				
Current portion of borrowings	27	1,277	1,063	319
Trade, other payables and deferred income	31	582	524	635
Derivatives	36	2,525	1,737	2,755
Taxation	32	159	109	167
		4,543	3,433	3,876
Non-current liabilities held for sale	25	7	48	–
		4,550	3,481	3,876
<b>Total liabilities</b>		<b>6,757</b>	<b>5,549</b>	<b>7,266</b>
<b>Total equity and liabilities</b>		<b>9,787</b>	<b>8,060</b>	<b>9,708</b>

As at 31 December

Figures in million	Notes	2009	2008	2007
<b>SA Rands</b>				
<b>ASSETS</b>				
<b>Non-current assets</b>				
Tangible assets	16	43,263	41,081	45,095
Intangible assets	17	1,316	1,403	2,859
Investments in associates and equity accounted joint ventures	18	4,758	2,814	2,183
Other investments	19	1,302	625	699
Inventories	20	2,508	2,710	1,807
Trade and other receivables	22	788	585	387
Derivatives	36	40	-	-
Deferred taxation	30	451	475	430
Other non-current assets	21	63	32	278
		54,489	49,725	53,738
<b>Current assets</b>				
Inventories	20	5,102	5,663	3,753
Trade and other receivables	22	1,419	2,076	1,384
Derivatives	36	2,450	5,386	3,516
Current portion of other non-current assets	21	3	2	2
Cash restricted for use	23	481	415	264
Cash and cash equivalents	24	8,176	5,438	3,246
		17,631	18,980	12,165
Non-current assets held for sale	25	650	7,497	210
		18,281	26,477	12,375
<b>Total assets</b>		<b>72,770</b>	<b>76,202</b>	<b>66,113</b>
<b>EQUITY AND LIABILITIES</b>				
Share capital and premium	26	39,834	37,336	22,371
Retained earnings and other reserves		(18,276)	(14,380)	(6,167)
Shareholders' equity		21,558	22,956	16,204
Non-controlling interests		966	790	429
<b>Total equity</b>		<b>22,524</b>	<b>23,746</b>	<b>16,633</b>
<b>Non-current liabilities</b>				
Borrowings	27	4,862	8,224	10,416
Environmental rehabilitation and other provisions	28	3,351	3,860	3,176
Provision for pension and post-retirement benefits	29	1,179	1,293	1,208
Trade, other payables and deferred income	31	108	99	79
Derivatives	36	1,310	235	1,110
Deferred taxation	30	5,599	5,838	7,100
		16,409	19,549	23,089
<b>Current liabilities</b>				
Current portion of borrowings	27	9,493	10,046	2,173
Trade, other payables and deferred income	31	4,332	4,946	4,318
Derivatives	36	18,770	16,426	18,763
Taxation	32	1,186	1,033	1,137
		33,781	32,451	26,391
Non-current liabilities held for sale	25	56	456	-
		33,837	32,907	26,391
<b>Total liabilities</b>		<b>50,246</b>	<b>52,456</b>	<b>49,480</b>
<b>Total equity and liabilities</b>		<b>72,770</b>	<b>76,202</b>	<b>66,113</b>

# Group – Statement of cash flows

For the year ended 31 December

2008	2009	Figures in million	Notes	2009	2008
SA Rands				US Dollars	
30,117	31,473	<b>Cash flows from operating activities</b>			
(24,429)	(20,896)	Receipts from customers		3,845	3,672
		Payments to suppliers and employees		(2,500)	(3,040)
5,688	10,577	Cash generated from operations	33	1,345	632
(11)	-	Cash utilised by discontinued operations		-	(1)
739	751	Dividends received from equity accounted investments		101	78
(1,029)	(1,232)	Taxation paid	32	(147)	(125)
(8,514)	(6,315)	Cash utilised for hedge buy-back costs		(797)	(1,113)
(3,127)	3,781	Net cash inflow (outflow) from operating activities		502	(529)
		<b>Cash flows from investing activities</b>			
		Capital expenditure			
(5,394)	(3,578)	– project capital		(413)	(654)
(4,452)	(5,078)	– stay-in-business capital		(606)	(540)
301	9,029	Proceeds from disposal of tangible assets		1,142	39
79	-	Proceeds from disposal of assets of discontinued operations		-	10
(769)	(750)	Other investments acquired		(89)	(93)
382	-	Proceeds on disposal of associate		-	48
-	(2,646)	Acquisition of associates and equity accounted joint ventures		(354)	-
(38)	(17)	Associates' loans advanced		(2)	(4)
33	3	Associates' loans repaid		-	4
729	680	Proceeds from disposal of investments		81	88
(49)	(91)	Increase in cash restricted for use		(10)	(6)
538	445	Interest received		55	67
(3)	(1)	Loans advanced		-	-
3	4	Repayment of loans advanced		1	-
(8,640)	(2,000)	Net cash outflow from investing activities		(195)	(1,041)
		<b>Cash flows from financing activities</b>			
13,592	2,384	Proceeds from issue of share capital		306	1,722
(421)	(84)	Share issue expenses		(11)	(54)
7,034	24,901	Proceeds from borrowings		2,774	853
(5,066)	(24,152)	Repayment of borrowings		(2,731)	(614)
(788)	(946)	Finance costs paid		(111)	(93)
(455)	(474)	Dividends paid		(56)	(58)
13,896	1,629	Net cash inflow from financing activities		171	1,756
2,129	3,410	Net increase in cash and cash equivalents		478	186
63	(672)	Translation		47	(88)
3,246	5,438	Cash and cash equivalents at beginning of year		575	477
5,438	8,176	Cash and cash equivalents at end of year	24	1,100	575

# Group – Statement of changes in equity

Figures in million	Equity holders of the parent									
	Share capital and premium		Other capital reserves <sup>(1)</sup>	Retained earnings <sup>(2)</sup>	Cash flow hedge reserve <sup>(3)</sup>	Available for sale reserve <sup>(4)</sup>	Actuarial (losses) gains	Foreign currency translation reserve	Non-controlling interests	Total equity
	premium	reserves <sup>(1)</sup>	earnings <sup>(2)</sup>	reserve <sup>(3)</sup>	reserve <sup>(4)</sup>	gains	reserve	Total	interests	equity
US Dollars										
<b>Balance at 31 December 2007 (as previously reported)</b>	3,285	103	(1,020)	(240)	9	(16)	258	2,379	63	2,442
Change in accounting policy for share capital and premium <sup>(5)</sup>	323	2					(325)	-		-
<b>Balance at 31 December 2007 (restated)</b>	3,608	105	(1,020)	(240)	9	(16)	(67)	2,379	63	2,442
(Loss) profit for the year			(1,195)					(1,195)	40	(1,155)
Comprehensive income (expense)				104	(9)	(29)	(568)	(502)	3	(499)
Total comprehensive (expense) income	-	-	(1,195)	104	(9)	(29)	(568)	(1,697)	43	(1,654)
Shares issued	1,877							1,877		1,877
Share-based payment for share awards		14						14		14
Dividends paid			(41)					(41)		(41)
Dividends of subsidiaries								-	(17)	(17)
Acquisition of non-controlling interests <sup>(6)</sup>			(111)					(111)		(111)
Acquisition of subsidiary <sup>(7)</sup>								-	1	1
Transfers to other reserves		1	(1)					-		-
Translation		(35)	7	29	(2)	8		7	(7)	-
<b>Balance at 31 December 2008</b>	<b>5,485</b>	<b>85</b>	<b>(2,361)</b>	<b>(107)</b>	<b>(2)</b>	<b>(37)</b>	<b>(635)</b>	<b>2,428</b>	<b>83</b>	<b>2,511</b>
(Loss) profit for the year			(320)					(320)	52	(268)
Comprehensive income				90	55	7	318	470	1	471
Total comprehensive (expense) income	-	-	(320)	90	55	7	318	150	53	203
Shares issued	320							320		320
Share-based payment for share awards		15						15		15
Dividends paid			(45)					(45)		(45)
Dividends of subsidiaries								-	(11)	(11)
Equity transaction of joint venture <sup>(1)</sup>		37						37		37
Translation		24	(18)	(6)	3	(8)		(5)	5	-
<b>Balance at 31 December 2009</b>	<b>5,805</b>	<b>161</b>	<b>(2,744)</b>	<b>(23)</b>	<b>56</b>	<b>(38)</b>	<b>(317)</b>	<b>2,900</b>	<b>130</b>	<b>3,030</b>

(1) Other capital reserves comprise a surplus on disposal of company shares, held by companies prior to the formation of AngloGold Ashanti Limited of \$19m (2008: \$15m), surplus on equity transaction of joint venture of \$37m (2008: nil), equity items for share-based payments and other transfers.

(2) Retained earnings totalling \$254m (2008: \$453m) arising at the joint venture operations and certain subsidiaries may not be remitted without third party consent.

(3) Cash flow hedge reserve represents the effective portion of fair value gains or losses in respect of cash flow hedges.

(4) Available for sale reserve represents fair value gains or losses on available for sale financial assets.

(5) In terms of IAS 21 "The Effects of Changes in Foreign Exchange Rates", the group has previously presented share capital and premium at the closing rate of exchange. During the current year the group changed its accounting policy to account for share capital and premium using historical rates of exchange.

(6) With effect from 1 July 2008, AngloGold Ashanti Limited acquired the remaining 33% shareholding in Cripple Creek & Victor Gold Mining Company from Golden Cycle Gold Corporation.

(7) Effective 1 September 2008, AngloGold Ashanti Limited acquired a 70% interest in the Gansu Jinchanggou Mining Company Limited.

# Group – Statement of changes in equity

Figures in million	Equity holders of the parent									
	Share capital and premium		Other capital reserves <sup>(1)</sup>	Retained earnings <sup>(2)</sup>	Cash flow hedge reserve <sup>(3)</sup>	Available for sale reserve <sup>(4)</sup>	Actuarial (losses) gains	Foreign currency translation reserve	Non-controlling interests	Total equity
	and premium	reserves <sup>(1)</sup>	earnings <sup>(2)</sup>	reserve <sup>(3)</sup>	reserve <sup>(4)</sup>	(losses) gains	translation reserve	controlling interests	Total equity	
<b>SA Rands</b>										
<b>Balance at 31 December 2007</b>	22,371	714	(5,524)	(1,634)	59	(108)	326	16,204	429	16,633
(Loss) profit for the year			(16,105)					(16,105)	324	(15,781)
Comprehensive income (expense)				831	(72)	(240)	8,633	9,152	22	9,174
Total comprehensive (expense) income	–	–	(16,105)	831	(72)	(240)	8,633	(6,953)	346	(6,607)
Shares issued	14,965							14,965		14,965
Share-based payment for share awards		118						118		118
Dividends paid			(324)					(324)		(324)
Dividends of subsidiaries								–	(131)	(131)
Acquisition of non-controlling interests <sup>(5)</sup>			(914)					(914)		(914)
Acquisition of subsidiary <sup>(6)</sup>		12	(12)					–	6	6
Transfers to other reserves								–		–
Translation		(45)	114	(205)	(5)	1		(140)	140	–
<b>Balance at 31 December 2008</b>	<b>37,336</b>	<b>799</b>	<b>(22,765)</b>	<b>(1,008)</b>	<b>(18)</b>	<b>(347)</b>	<b>8,959</b>	<b>22,956</b>	<b>790</b>	<b>23,746</b>
(Loss) profit for the year			(2,762)					(2,762)	417	(2,345)
Comprehensive income (expense)				779	469	60	(2,645)	(1,337)	9	(1,328)
Total comprehensive (expense) income	–	–	(2,762)	779	469	60	(2,645)	(4,099)	426	(3,673)
Shares issued	2,498							2,498		2,498
Share-based payment for share awards		122						122		122
Dividends paid			(392)					(392)		(392)
Dividends of subsidiaries								–	(83)	(83)
Equity transaction of joint venture <sup>(1)</sup>		306						306		306
Translation		(33)	180	55	(37)	2		167	(167)	–
<b>Balance at 31 December 2009</b>	<b>39,834</b>	<b>1,194</b>	<b>(25,739)</b>	<b>(174)</b>	<b>414</b>	<b>(285)</b>	<b>6,314</b>	<b>21,558</b>	<b>966</b>	<b>22,524</b>

(1) Other capital reserves comprise a surplus on disposal of company shares, held by companies prior to the formation of AngloGold Ashanti Limited of R141m (2008: R141m), surplus on equity transaction of joint venture of R306m (2008: nil), equity items for share-based payments and other transfers.

(2) Retained earnings totalling R1,889m (2008: R4,236m) arising at the joint venture operations and certain subsidiaries may not be remitted without third party consent.

(3) Cash flow hedge reserve represents the effective portion of fair value gains or losses in respect of cash flow hedges.

(4) Available for sale reserve represents fair value gains or losses on available for sale financial assets.

(5) With effect from 1 July 2008, AngloGold Ashanti Limited acquired the remaining 33% shareholding in Cripple Creek & Victor Gold Mining Company from Golden Cycle Gold Corporation.

(6) Effective 1 September 2008, AngloGold Ashanti Limited acquired a 70% interest in the Gansu Jinchanggou Mining Company Limited.